



#2

2023

ECONOMIC OUTLOOK

THE GOTHENBURG REGION



BUSINESS REGION
GÖTEBORG



Still weak, yet a little more cheerful in key markets

REAL GDP GROWTH – FORECAST 2023-2024 (IN %) FOR SWEDEN AND SOME OF THE GOTHENBURG REGION'S KEY EXPORT MARKETS

Country	Share of region's exports	Forecast averages		
		2023		2024
Sweden*		-1.0%	↗	0.5%
USA	14.7%	1.2%	↘	1.0%
Belgium	10.5%	0.7%	↗	1.3%
China	10.3%	5.5%	↘	4.7%
Norway	10.2%	1.3%	→	1.3%
Germany	7.5%	0.1%	↗	1.2%
Denmark	7.4%	0.1%	↗	1.3%
Finland	5.6%	-0.1%	↗	1.2%
UK	4.5%	-0.3%	↗	0.9%
Netherlands	4.1%	0.9%	↗	1.2%
France	3.4%	0.6%	↗	1.1%
GDP growth for Gothenburg region's top 10 export markets (weighted by export share)	78.2%	1.3%	↗	1.6%
Eurozone		0.7%	↗	1.3%
World		2.7%	↗	2.9%

Source: Nordea and SEB (May 2023), Swedbank and IMF (April 2023), OECD (March 2023) and EU (February 2023)

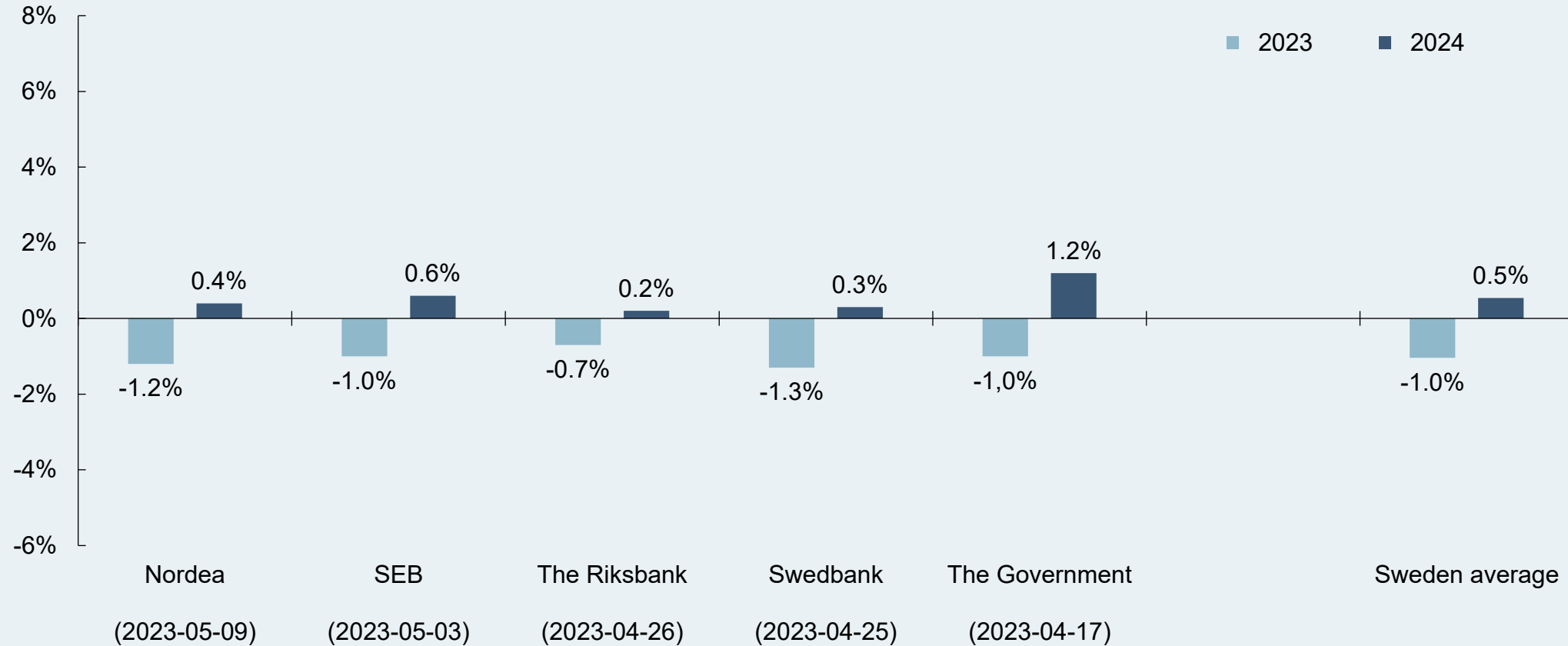
* Average of the five last forecasts in the summary produced by the National Institute of Economic Research (NIER) based on data from Nordea, SEB, the Riksbank, Swedbank and the Swedish Government (17 April – 9 May 2023).





Expectations of recession remain for Sweden's economy

THE FIVE LATEST FORECASTS OF SWEDEN'S GDP GROWTH (IN %) 2023 AND 2024



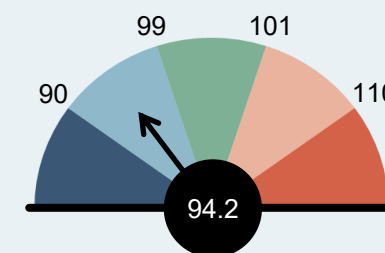
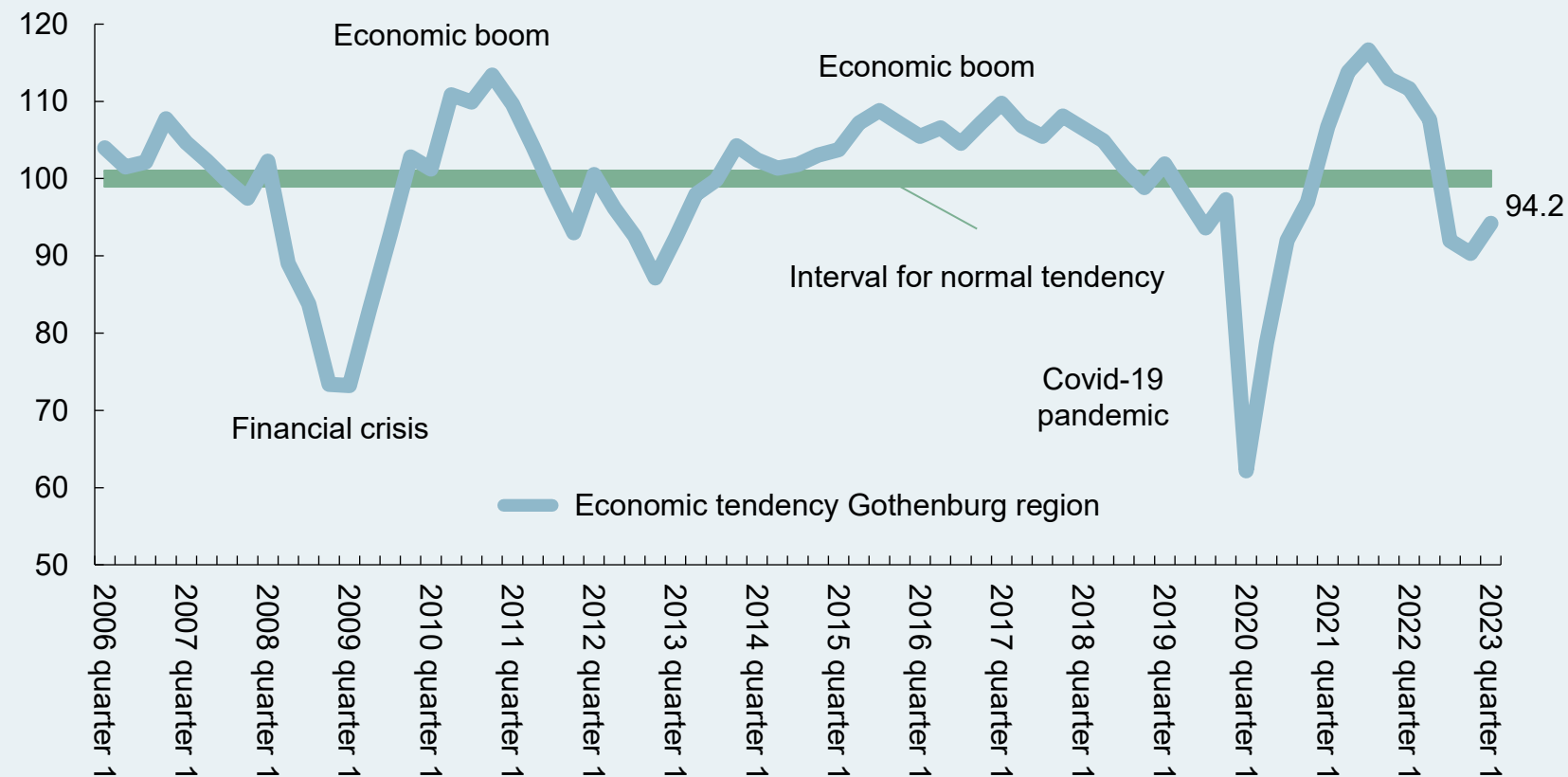
Source: National Institute of Economic Research

Note: Sweden average is an average of five last forecasts in the summary produced by the National Institute of Economic Research.



Normal weak tendency sensed by the region's businesses

ECONOMIC TENDENCY INDICATOR FOR BUSINESSES IN THE
GOTHENBURG REGION – PER QUARTER FROM 2006



- Recession: < 90
- Normal weak: 90 < 99
- Normal tendency: 99 < 101
- Normal strong: 101 < 110
- Boom: ≥ 110

1,542 companies in Gothenburg region's business environment got the survey. 684 companies answered, which gives a response rate of 44 per cent.

Survey period:

30 March - 19 April 2023

Source: National Institute of Economic Research



Interval for economic tendency:

- Recession: < 90
- Normal weak: $90 < 99$
- Normal tendency: $99 < 101$
- Normal strong: $101 < 110$
- Boom: ≥ 110

Economic tendency indicator per sector

ECONOMIC TENDENCY INDICATOR PER SECTOR FOR BUSINESSES IN THE
GOTHENBURG REGION, QUARTER 1 2023 (COMPARED TO QUARTER 1 2022)



Construction

95.3

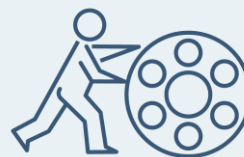
(-12.7)



Commerce

83.1

(-27.0)



Manufacturing

110.6

(-5.6)



Services

93.4

(-14.1)

Source: National Institute of Economic Research

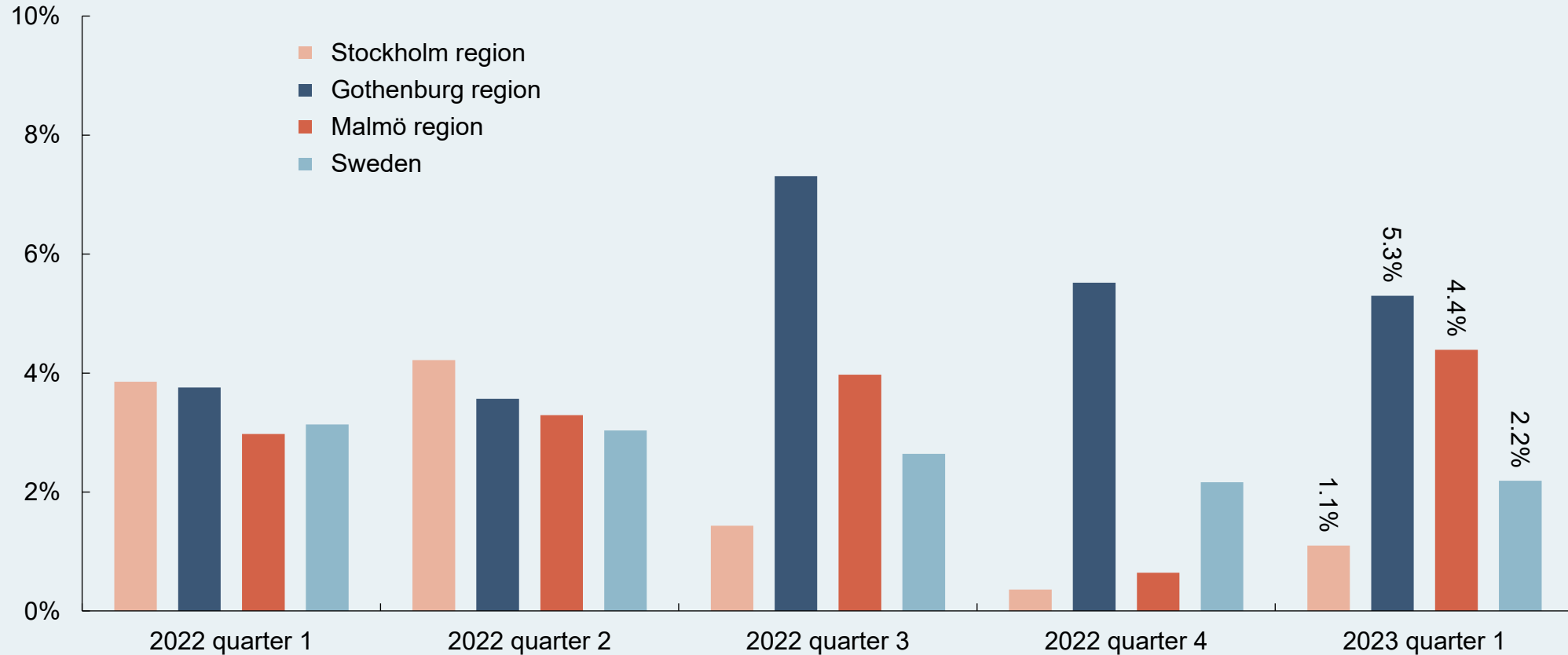


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Still strong job growth during the first quarter 2023

EMPLOYMENT INDICATOR - PERCENTAGE CHANGE IN NUMBER OF EMPLOYED ON ANNUAL BASIS

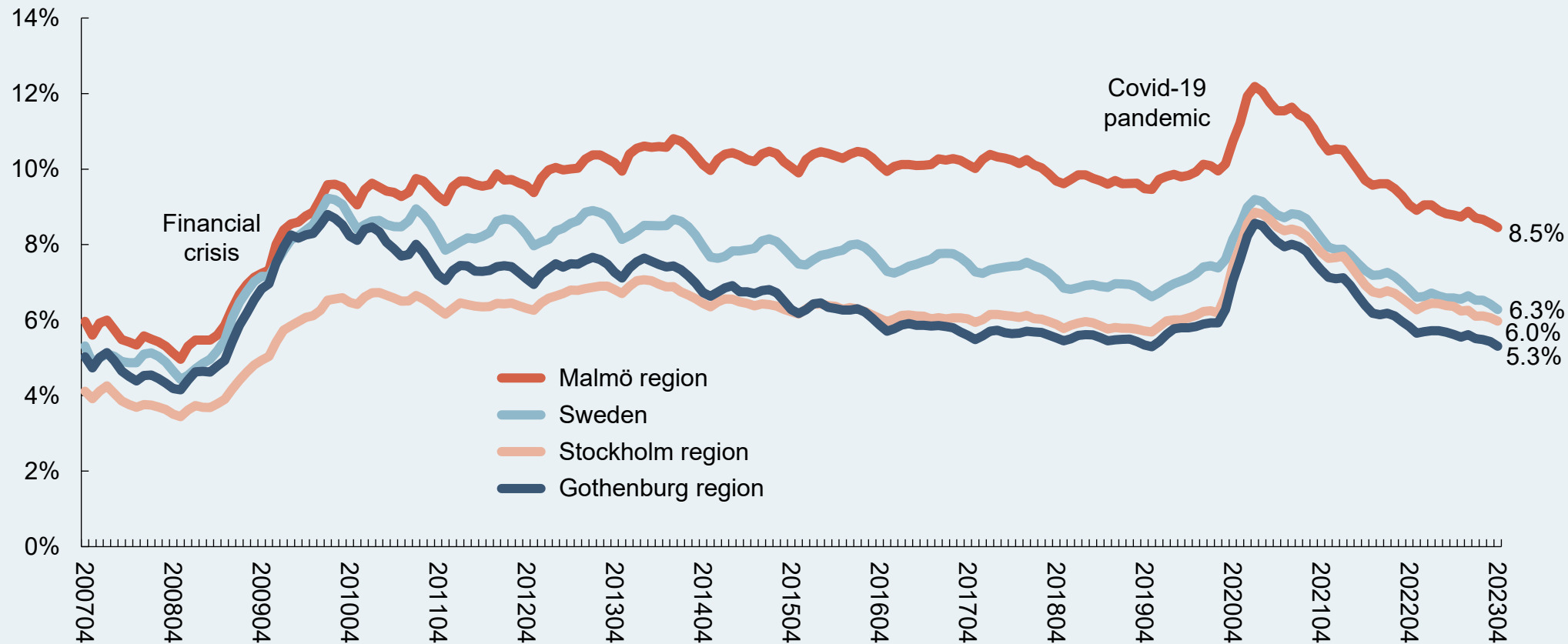


Source: Statistics Sweden



Region's unemployment continues to decrease

UNEMPLOYED AND PEOPLE IN LABOUR MARKET POLICY PROGRAMMES -
PERCENTAGE OF THE WORK FORCE AGED 16 TO 65

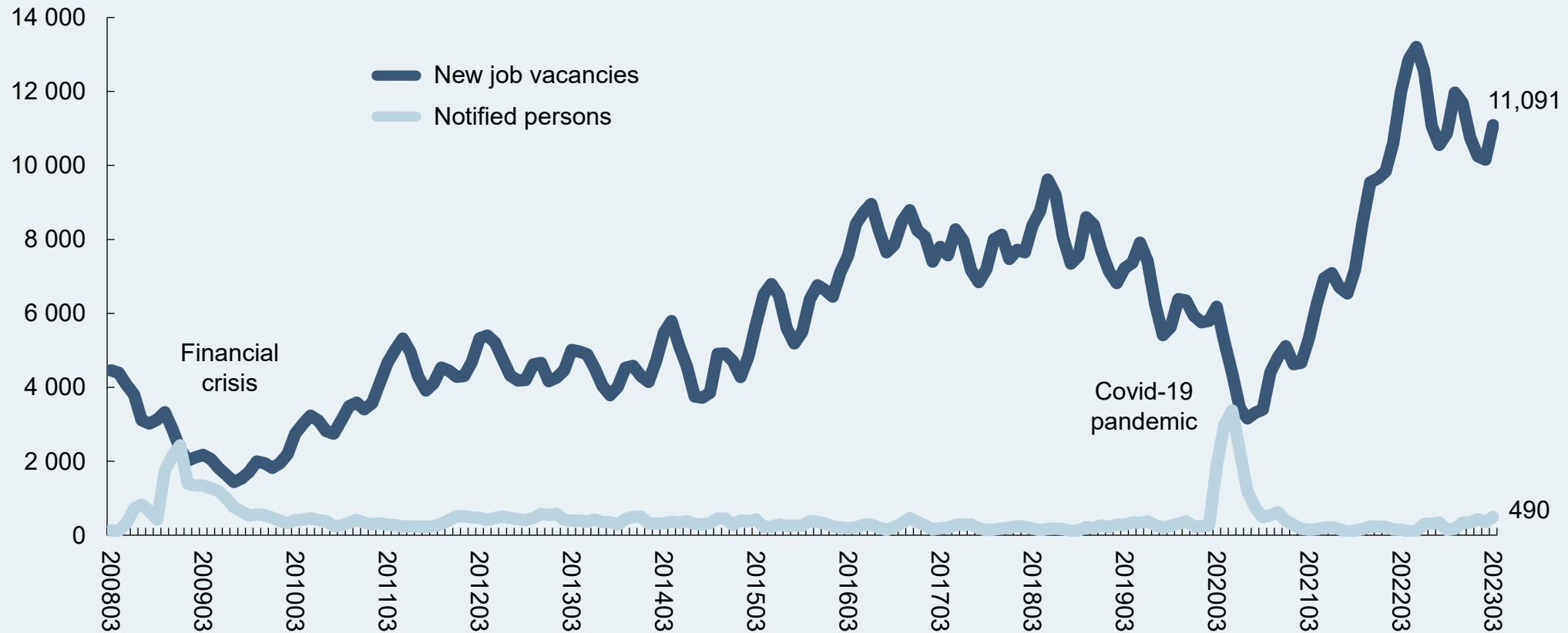


Source: Swedish Public Employment Service and Statistics Sweden



Many vacant jobs and notified persons increase

NEW JOB VACANCIES FOR PERMANENT POSITIONS AND NOTIFIED PERSONS IN THE GOTHENBURG REGION - THREE-MONTH AVERAGE



Source: Swedish Public Employment Service



Short term prices of flats rises in the Gothenburg region

PRICE DEVELOPMENT OF FLATS AND HOUSES, **MARCH 2023** COMPARED TO 1, 3, 6 AND 12 MONTHS BACK IN TIME

Housing type	Region	1 month	3 months	6 months	12 months
Flats	Gothenburg region	1.6%	6.6%	0.6%	-9.9%
	Stockholm region	1.1%	6.1%	3.1%	-7.8%
	Malmö region	0.7%	7.3%	1.6%	-8.4%
	Sweden	1.2%	6.1%	1.7%	-8.4%
Houses	Gothenburg region	-2.0%	-2.8%	-7.5%	-16.7%
	Stockholm region	-1.1%	-0.4%	-6.0%	-17.8%
	Malmö region	0.5%	4.6%	-5.4%	-15.2%
	Sweden	-0.1%	0.3%	-7.3%	-15.5%

Source: SBAB Booli



Bankruptcies and affected employees increase

NUMBER OF BANKRUPTCIES AND AFFECTED EMPLOYEES IN THE GOTHENBURG REGION,
BY SECTOR, JANUARY-MARCH 2023

Sector	Bankruptcies		Affected employees	
	No.	Annual basis	No.	Annual basis
Business services	48	+28	238	233
Commerce	39	-1	77	29
Construction	36	+10	72	25
Hotels and restaurants	19	+8	32	3
Transportation and warehousing	9	-3	21	4
Property	9	+5	1	0
Manufacturing and mining	8	+3	14	1
Information and communication	7	0	13	-4
Other service companies	6	-2	10	-12
Education	5	+3	9	5
Other sectors	33	+11	31	31
Gothenburg region total	219	+62	518	+315

Source: Statistics Sweden and Growth Analysis



Table summarising the economic situation in Gothenburg region

Indicator	2022	2021	Change
Economic tendency, Q1	94.2	111.6	-17.4 units
Employed persons, Q1	578,400	549,300	+5.3%
Unemployment, April			
Total 16-65 years	5.3%	5.8%	-0.5%-points
Domestically born 16-65 years	2.7%	3.0%	-0.3%-points
Foreign-born 16-65 years	12.8%	14.4%	-1.6%-points
Total 18-24 years	5.4%	6.5%	-1.1%-points
Domestically born 18-24 years	3.7%	4.1%	-0.4%-points
Foreign-born 18-24 years	12.3%	16.7%	-4.4%-points
New job vacancies, Q1 (monthly average)	11,091	12,002	-7.6%
Redundancies, Q1 (monthly average)	490	149	+228.9%
Office vacancy rate in Gothenburg, Q1	10.7%	10.4%	+0.3%-points
Price index flats, March	1.790	1.986	-9.9%
Price index houses, March	1.655	1.986	-16.7%
Number of bankruptcies, Q1	219	157	+39.5%
Affected employees, Q1	518	203	+155.2%
Air passengers, Q1 (monthly average)	332,967	205,205	+62.3%
Guest nights, Q1 (monthly average)	335,585	230,240	+45.8%
New car registrations, Q1	7 025	8 055	-12.8%
of which electric cars	2 531	2 449	+3.3%

Sources:

National Institute of Economic Research
Statistics Sweden
Swedish Public Employment Service
JLL
SBAB Booli
Growth Analysis
Swedish Transport Agency
Transport Analysis





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BUSINESS REGION GÖTEBORG – A PART OF THE CITY OF GOTHENBURG IN COOPERATION WITH THE REGION