

#3

2024

ECONOMIC OUTLOOK

GOTHENBURG REGION



BUSINESS REGION
GÖTEBORG


Somewhat weaker growth expected ahead in USA and China

REAL GDP GROWTH – FORECAST 2024-2025 (IN %) FOR SWEDEN AND SOME OF THE GOTHENBURG REGION'S KEY EXPORT MARKETS

Country	% of region's exports	Forecast averages		
		2024	2025	Change
Sweden*		0.7%	2.2%	+1.5%-p
USA	15.5%	2.5%	1.7%	-0.8%-p
Belgium	10.8%	1.3%	1.4%	+0.1%-p
China	10.3%	4.9%	4.5%	-0.4%-p
Norway	10.0%	0.9%	1.7%	+0.8%-p
Germany	8.6%	0.1%	1.0%	+0.9%-p
Denmark	7.5%	2.1%	1.9%	-0.2%-p
Finland	5.8%	-0.4%	1.6%	+2.0%-p
United Kingdom	4.6%	0.8%	1.3%	+0.5%-p
Netherlands	4.5%	0.8%	1.4%	+0.6%-p
France	3.9%	1.0%	1.3%	+0.3%-p
Export-weighted GDP growth for the region's top 10 key markets	81.5%	1.7%	1.9%	+0.2%-p
Eurozone		0.7%	1.5%	+0.8%-p
World		3.1%	3.3%	+0.2%-p

$$e_{it} = \frac{\text{export} - \text{weighted growth}_{it}}{\text{export} - \text{weight}_{it}} = \frac{\text{forecast average}_{it}(x_1, x_2, \dots, x_k)}{\text{export} - \text{weight}_{it}}$$

...for country i at year t and forecast institute x_j .

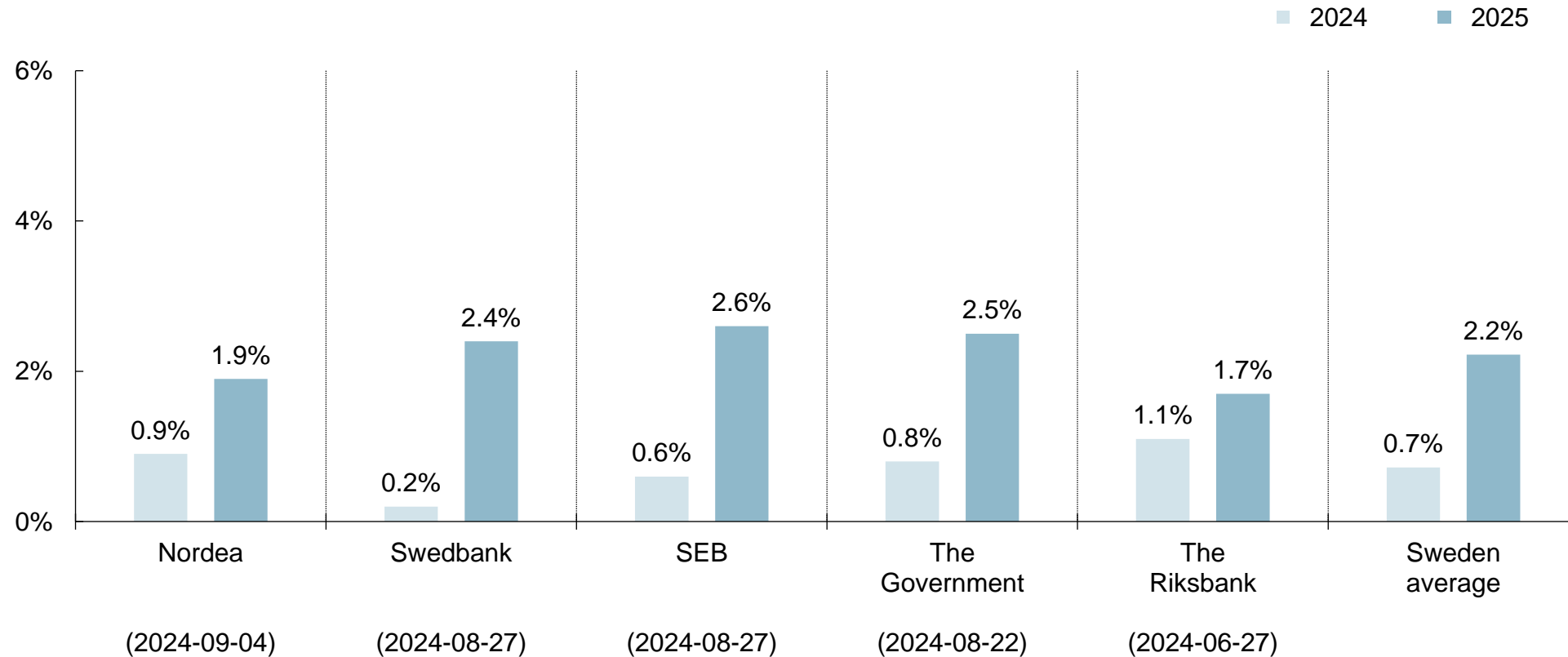
$$\sum_{i=1}^n e_{it}$$


Source: Nordea (September 2024), Swedbank and SEB (August 2024), OECD (July 2024) and EU (May 2024)

* Average of the five last forecasts in the summary produced by the National Institute of Economic Research (NIER), 27 June – 4 September 2024.

Trend growth expected for Sweden's economy in 2025

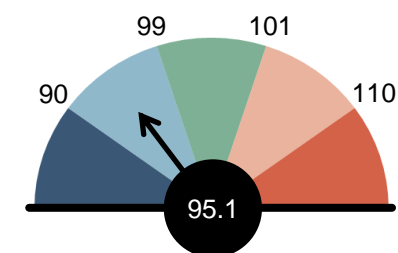
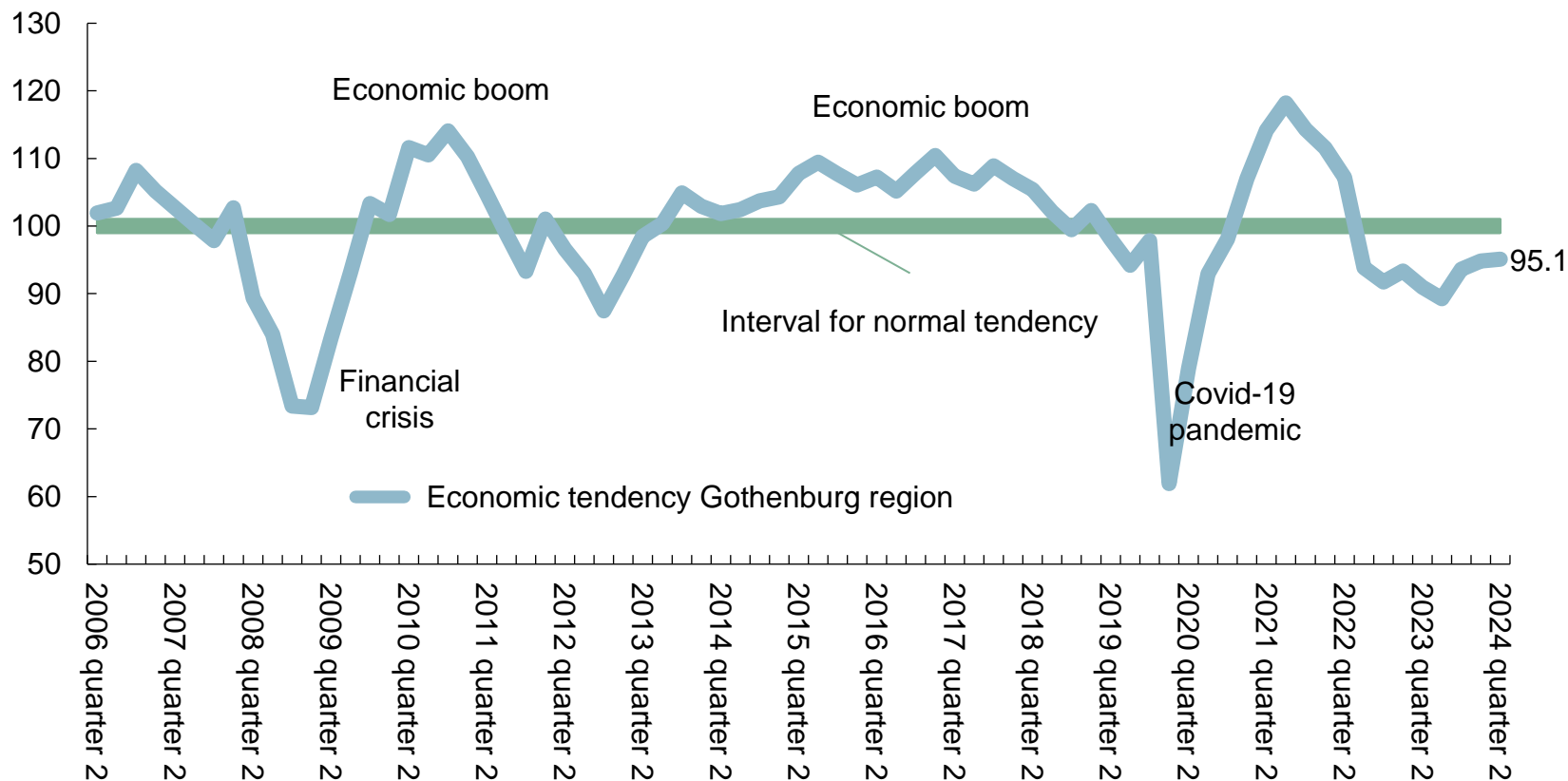
THE FIVE LATEST FORECASTS OF SWEDEN'S GDP GROWTH (IN %), 2024-2025



Source: National Institute of Economic Research

Normal weak state remains for 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

1,643 companies in Gothenburg region's business environment got the survey. 637 companies answered, which gives a response rate of 39 per cent.

Survey period:

28 June – 22 July 2024

Source: National Institute of Economic Research

Economic tendency indicator per sector

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

ECONOMIC TENDENCY INDICATOR PER SECTOR FOR BUSINESSES IN THE GOTHENBURG REGION, QUARTER 2 2024



Construction

88.8

Recession

(+0.9) (+1.7)
quarterly annually



Commerce

102.9

Normal strong

(+2.7) (+18.6)
quarterly annually



Manufacturing

96.2

Normal weak

(-3.2) (-4.3)
quarterly annually



Services

94.3

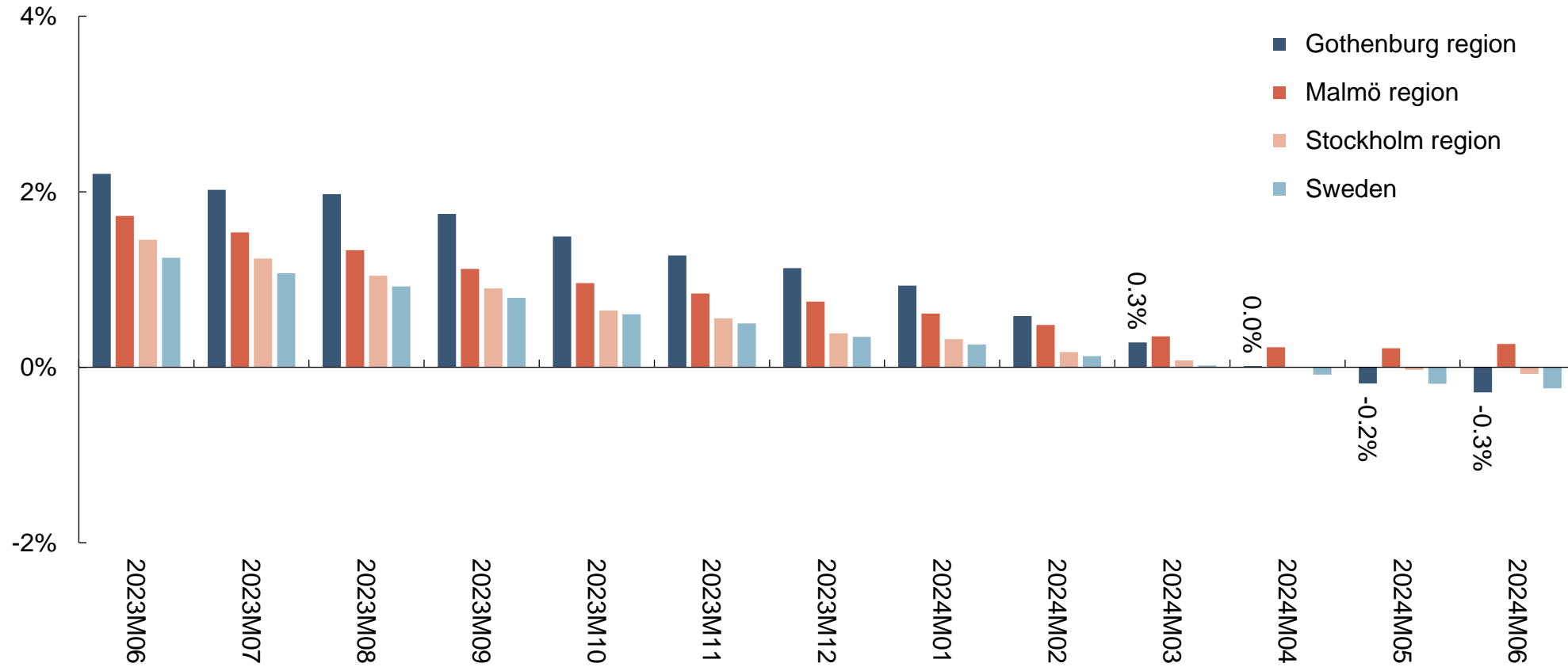
Normal weak

(+0.3) (+1.6)
quarterly annually

Source: National Institute of Economic Research

Negative job growth halfway through the year

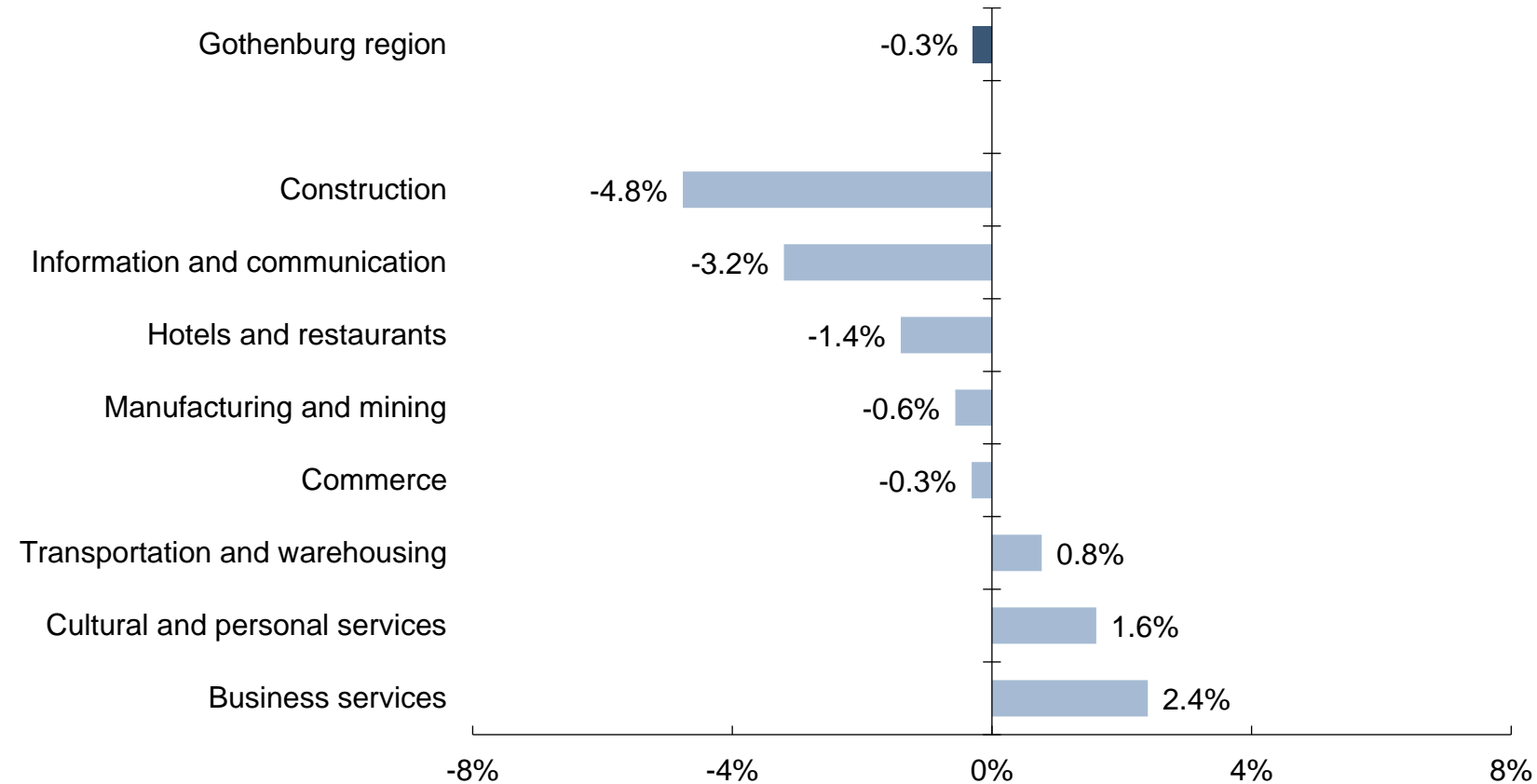
EMPLOYMENT INDICATOR – ANNUAL PERCENTAGE CHANGE IN NUMBER OF EMPLOYED AGED 15-74, THREE-MONTH AVERAGE



Source: Statistics Sweden

Job growth by roughly defined sectors in the Gothenburg region

AVERAGE CHANGE (IN %) IN EMPLOYED PERSONS AGED 15-74 BY SECTOR,
APR-JUN 2024 COMPARED TO APR-JUNE 2023

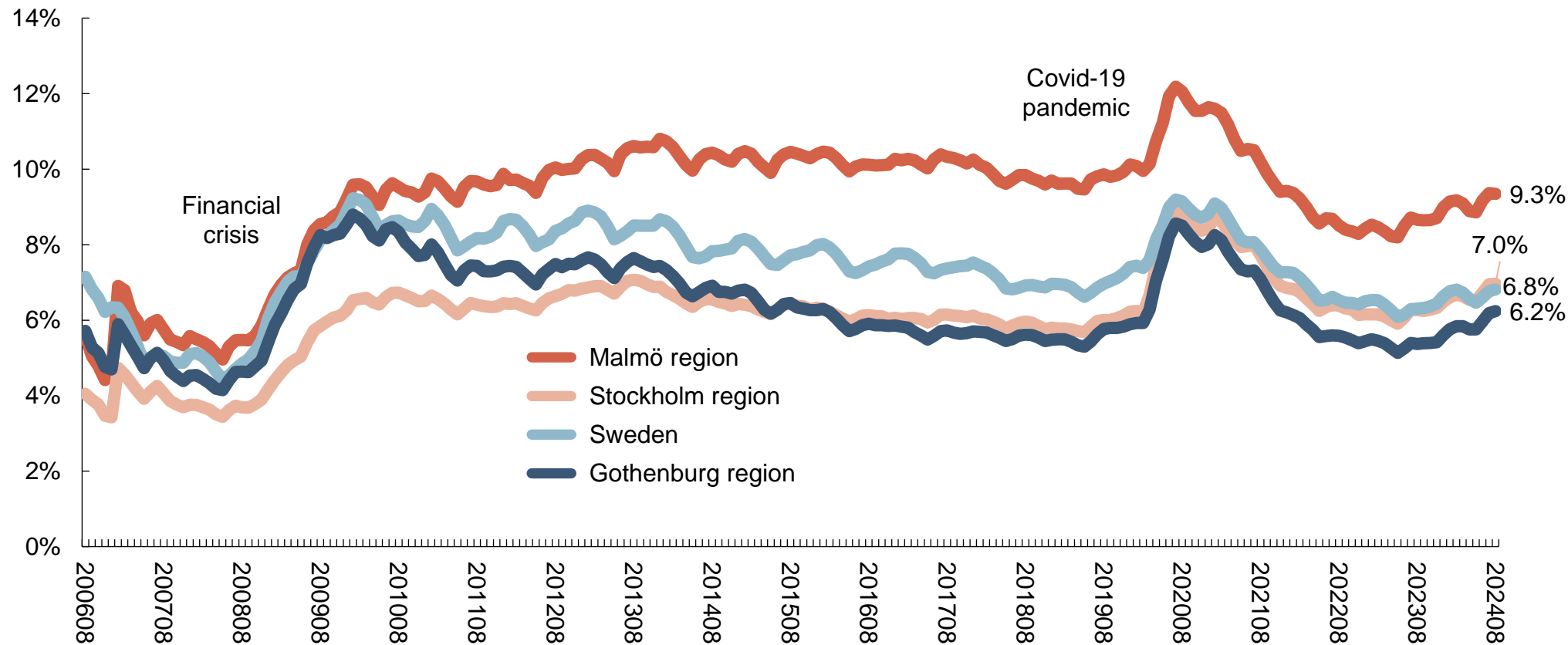


Source: Statistics Sweden

Note: the figure only shows the average percentage change in employees in the region's larger roughly defined sectors – this is due to that small changes in smaller sectors can lead to great fluctuations in percentage terms.

Unemployment continues up

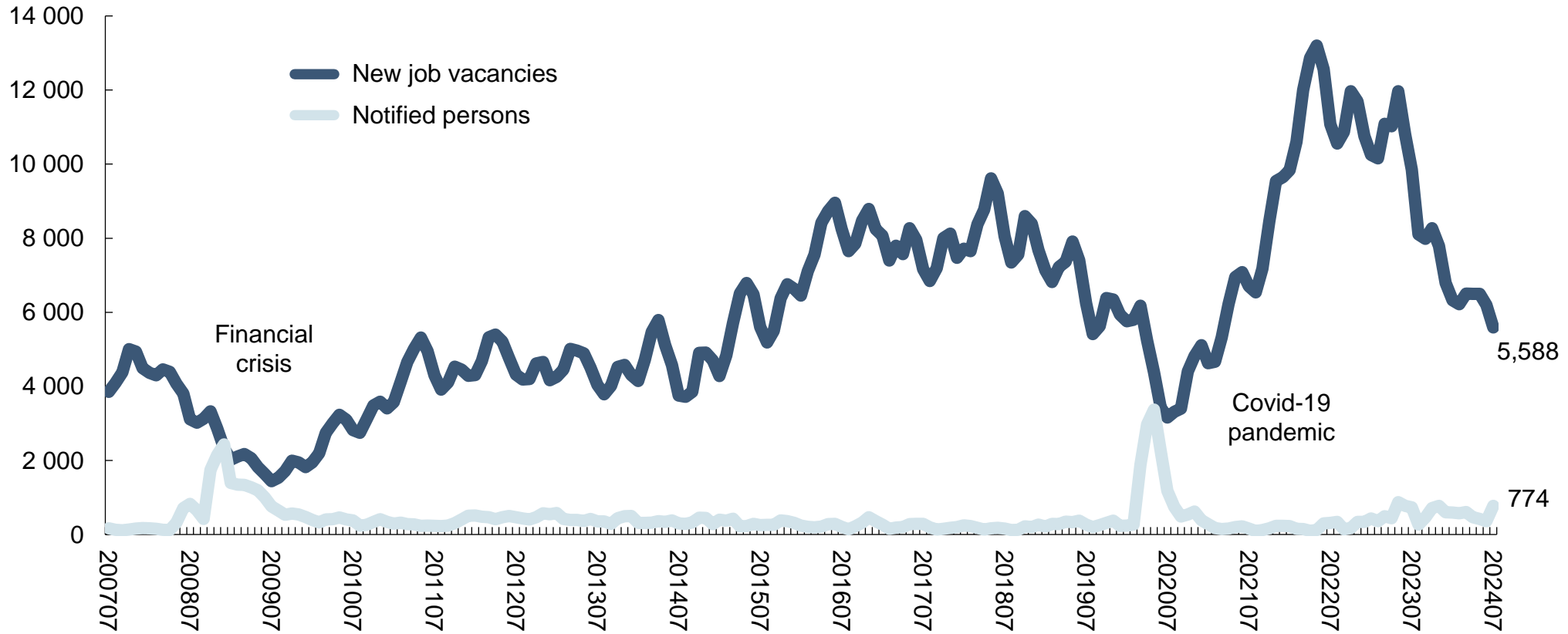
UNEMPLOYED AND PEOPLE IN LABOUR MARKET POLICY PROGRAMMES –
PERCENTAGE OF THE WORK FORCE AGED 16 TO 65



Source: Swedish Public Employment Service

New job vacancies and layoffs deteriorate further

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



Source: Swedish Public Employment Service

Bankruptcies and affected employees still increasing

NUMBER OF BANKRUPTCIES AND AFFECTED EMPLOYEES IN THE GOTHENBURG REGION, BY SECTOR, MAY-JULY 2024

Sector	Bankruptcies		Affected employees	
	Number	Annually	Number	Annually
Construction	54	+12	237	+145
Commerce	51	-1	53	-14
Business services	51	+10	70	+39
Hotels and restaurants	27	+11	72	+67
Manufacturing	14	+9	1 507	+1,328
Transportation and warehousing	11	+1	13	-38
Information and communication	11	+2	10	-3
Other sectors	64	+4	45	-44
Gothenburg region total	283	48	2,007	+1,480

Source: Growth Analysis

Stagnant office vacancy rate year-on-year

VACANCY RATE FOR THE OFFICE MARKET IN GOTHENBURG



Source: JLL

Upward trend in housing prices continues

PRICE DEVELOPMENT OF FLATS AND HOUSES, AUGUST 2024 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	2.4%	0.1%	3.4%	3.0%
	Stockholm region	2.2%	-1.7%	2.0%	3.5%
	Malmö region	0.0%	1.9%	5.4%	6.9%
	Sweden	1.5%	-0.4%	2.8%	3.9%
Houses	Gothenburg region	3.4%	-0.1%	4.1%	3.7%
	Stockholm region	1.4%	-0.8%	0.6%	1.0%
	Malmö region	1.1%	0.7%	4.3%	4.7%
	Sweden	2.2%	0.7%	4.5%	3.4%

Source: SBAB Booli

Summarising table

Indicator	2024	2023	Change
Export-weighted GDP growth key markets	1.7%	1.5%	±0.2%-points
Economic tendency, Q2	95.1	91.0	+4.1 units
Construction	88.8	87.1	+1.7 units
Commerce	102.9	84.3	+18.6 units
Manufacturing	96.2	100.5	-4.3 units
Services	94.3	92.7	+1.6 units
Employed persons, Q2 (monthly average)	572,540	574,188	-0.3%
Unemployment, August			
Total 16-65 years	6.2%	5.4%	+0.8%-points
Domestically born 16-65 years	3.7%	3.0%	+0.7%-points
Foreign-born 16-65 years	13.4%	12.3%	+1.1%-points
Total 18-24 years	7.5%	5.6%	+1.9%-points
Domestically born 18-24 years	5.3%	4.2%	+1.1%-points
Foreign-born 18-24 years	11.8%	10.6%	+1.2%-points
New job vacancies, May-July (monthly average)	5,588	9,852	-43.3%
Notified persons, May-July (monthly average)	774	735	+5.3%
Number of bankruptcies, May-July	283	235	+20.4%
Affected employees, May-July	2,007	527	+280.8%
Office vacancy rate in Gothenburg, Q2	11.6%	11.6%	±0.0%-points
Population, Q2	1,082,168	1,077,128	+0.5%
Price index flats, August	1.847	1.794	+3.0%
Price index houses, August	1.780	1.717	+3.7%
Air passengers, May-July (monthly average)	543,777	521,186	+4.3%
Guest nights, May-July (monthly average)			
Total	687,222	703,392	-2.3%
Domestic	483,632	495,728	-2.4%
Foreign	203,590	207,664	-2.0%
Hotels occupancy rate, May-July (monthly average)	72.4%	76.8%	-3.4%-points
New car registrations, May-July	6,931	8,407	-17.6%
of which electric cars	2,453	3,630	-32.4%

Sources

- *Export-weighted GDP growth*
Nordea, OECD, Swedbank, SEB and EU
- *Economic tendency*
National Institute of Economic Research
- *Employed persons*
Statistics Sweden
- *Unemployment*
Swedish Public Employment Service
- *New job vacancies / notified persons*
Swedish Public Employment Service
- *Office vacancy rate*
Jones Lang LaSalle (JLL)
- *Population*
Statistics Sweden
- *Price index housing*
SBAB Booli
- *Bankruptcies / affected employees*
Growth Analysis
- *Air passengers*
Swedish Transport Agency
- *Guest nights and hotel occupancy*
Swedish Agency for Economic and Regional Growth
- *New car registrations*
Transport Analysis





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