



Economic Report 2023

Sweden

30th June 2023

Executive Summary

After impressive economic resilience during the COVID-19 pandemic and a strong rebound in 2021-2022, Sweden's economic growth slowed in late 2022 and early 2023. The Swedish economy is expected to enter recession in the second half of 2023. Government forecasts predict negative GDP growth of -1.0% in 2023 and a gradual economic recovery in 2024, but only by +1.2%. Despite its current weakness, GDP is 5 percentage points higher than its peak before the COVID-19 pandemic.

Inflation is at its highest level for over 30 years, reaching 10.2% in December 2022 and 6.7% in May 2023. The Swedish National Bank's key interest rate has risen in stages since 2022, as elsewhere in Europe, and currently stands at 3.75%, with a further upward trend, although it is expected to stabilise in autumn 2023.

Sweden's public finances are likely to be affected by the gloomy economic situation. However, they remain solid and central government debt is at a historically low level, at around 33.5% of GDP in 2022, one of the lowest in Europe. On the other hand, corporate and private household debt is high and private savings are relatively low.

Sweden's main structural economic challenges are the rigidity of the labour market, the malfunctioning of the real property sector, the shortage of skilled labour in certain sectors and access to employment for low-skilled migrants. The rigidity of the labour market has resulted in a particularly high unemployment rate compared to other European countries (7.3% in December 2022). Youth unemployment stands at 25%, one of the highest rates in the EU.

Sweden is one of the most innovative countries in the world. The start-up ecosystem is considered to be one of the three best in the world, and Stockholm has the second highest number of unicorns per capita in the world. Four major geographical and thematic clusters structure Sweden's economic and innovation landscape: life sciences, the green transition and the electrification of transport, smart cities and artificial intelligence.

Against this difficult backdrop for the Swedish economy, trade between Switzerland and Sweden has fallen slightly by 1.5% in 2022, to CHF 3.1 billion. The main factors behind this slight decline are the appreciation of the Swiss franc against the Swedish krona, as well as weak economic growth in Sweden and high inflation.

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1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

The year 2022 in review:

In Sweden as elsewhere in Europe, 2022 was a year marked by the market disruptions caused by Russia's war against Ukraine and the following staple foods and energy crises as well as the surging inflation. The final economic growth of 2,8% for 2022 is thus slightly different than the projected economic growth of 3,4% in the Economic Report 2021, although not extremely off target.

Compared to 2021, Q1 (-0,4%) and Q2 (+0,2%) in 2022 showed a negative trend announcing the economic downturn which struck Sweden by the end of 2022. Unseen record high inflation rates since 1991 between 3,9% (January) and 10,2% (December), linked to increasing food prices and energy costs, forced the Riksbank (Swedish National Bank) to act. It raised the policy rate by 25 points in May 2022 to 0,25%, after having kept it for ca. 2,5 years at a stable 0%. This hike was rapidly followed by further policy rate increases in July (50 pts), September (100 pts) and November (75 pts) of 2022, signaling economic difficult times ahead specifically for financially indebted and mortgage paying households. In eight months, between 3 May and 31 December 2022, the policy rate went from 0% to 2,5%.

During the 2nd semester, economic growth still showed positive figures (Q3: + 0,6%), which by the end of the year turned negative (Q4: -0,5%). Overall unemployment in 2022 diminished from Q1 to Q3 (January: 7,9%; September: 7,3%) before stabilizing in Q4 (December: 7,3%). Monthly inflation during the 1st semester went from 3,7% (January) to 8,7% (June) and continued to increase uninterrupted to 12,3% (December).

Due to a loss in purchasing power, consumption patterns in Sweden have been affected. This reduced household spending capacity is mainly linked to inflation caused by constantly hiking food/energy prices and higher rents, and secondly, by the Riksbank's increasing policy rate which affects interest rates on mortgages and financial loans that households are paying off. As a consequence, budget end retail groups like Lidl and Willy's (Axfood group) have significantly increased their market share and Swedish consumers have become much more price aware in various ways when shopping food products. The earlier mentioned parameters of GDP, unemployment, inflation and policy rate, for 2022 indicate a significant cooling down of the economy in the 2nd half of the year.

The year 2023:

In contrast to all forecasts, Q1 in 2023 has not become the start of a recession in Sweden after Q4 in 2022 showed negative GDP growth (-0,5%). The GDP during Q1 2023 increased by 0,6% compared to Q4 of 2022 and even hiked +0,8% compared to Q1 of 2022. This positive figures are however merely a short break from recession and the forecast for the rest of the year is pessimistic and the further postponement of a recession, not to speak of the avoidance of a recession at all, is little realistic. Inflation has also remained high throughout Q1 (7,6% in April 2023), but it has been decreasing steadily to 6,7% in May. Forecasts say that inflation rates will drop below 2% only in the 2nd half of 2024.

The Riksbank increased the policy rate by 50 points in February and May 2023 due to the staunching monthly inflation. It is thus currently at 3,5% and is expected to be raised by further 25 points in June and possibly September 2023. The expected cool down effects should be visible by mid-2024, followed by a gradual policy rate decrease by the Riksbank in order to stimulate the Swedish economy.

The overall trend in terms of unemployment by the end of Q1 2023 (7,2%) has remained at a relative stable level since the end of Q2 2022 (7,4%). However, monthly unemployment figures show more volatility: between November 2022 and February 2023 unemployment climbed from 6,4% to 8,2% which can be directly linked to the negative economic growth of Q4 2022. Unemployment for April 2023 again shows slight improvement with a lower rate of 7,5%. In April 2023 the Swedish Public Employment Agency (Arbetsförmedlingen) reported that unemployment was lower than predicted, although previous expectations remain valid: it will increase during the 2nd half of 2023, unemployment will reach 8% by the end of the year

and continue to increase until mid-2024.

General Policy Developments:

The Swedish Government has taken certain measures to alleviate private household electricity costs which have spiked particularly in the South of the country during the autumn/winter of 2022/2023. For certain periods of time the electricity grid transfer fees, which increase when additional electricity needs to be transferred from high production areas (North – hydropower) to high consumption areas (South – major cities – insufficient own capacity), has been reimbursed to private households in Southern Sweden. It is scheduled that this reimbursement will also be made to businesses in 2023 for the earlier mentioned time periods. The Government however is still waiting for the approval of this measure by the European Commission.

One of the political promises in the Tidö Agreement, the coalition document of the current Swedish government parties in office since October 2022, is the lowering of the fuel prices such as petrol and diesel, by reducing the mandatory percentage of biofuel addition to the EU minimum and through the earmarking of 6,73 BSEK for temporarily reduced fuel taxes.

Since January 2022, the Swedish Krona has lost value towards the most important Western currencies, i.e. Euro (ca -13%), US Dollar (ca -22%), British Pound (ca -13,5%) and Swiss Franc (ca -22%). Therefore, imports to Sweden have become more expensive and the effect of a weaker Krona has reinforced inflation additionally to the effects of the war against Ukraine. The benefits of a weaker Krona for Sweden's export oriented companies are neutralized due to the permanent necessity to import raw materials, half fabricates and components to produce export products.

2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

The main sectors of importance in Sweden, that may be of relevance and economic interest for Swiss companies are general Industry, as well as defence medtech and aerospace industries, where a high number of advanced technological companies require both machinery, components, automation systems and advanced services.

Continued investments in rail and infrastructure open up possibilities for Swiss companies in the sector; Implenia has successfully participated in several tenders over the past years. Stadler Rail and Stadler Rail Services have also expanded as well in Sweden, as in the whole Nordic region. Opportunities in the Railway and Infrastructure sectors have been compiled by the Trade Point Nordics and published on the website of Switzerland Global Enterprise¹.

The demands faced by Sweden's public healthcare, combined with a very high degree of digitalisation offers good opportunities for Swiss providers of various digital health services, as has been summarised in a recent report by the Trade Point Nordics, also available on the website of Switzerland Global Enterprise².

The sectors that may prove to be of interest from a cooperation point of view are the newer "tech" sectors. Sweden is one of the giants when it comes to capitalising on startup innovations, and has one of the highest output of unicorns in the world. In general Swedish tech companies are apt in the "front end" of things, i.e. the application part, which would open up for Swiss startups, who tend to be more advanced in deep tech, or the "back-end" of (mainly digital) tech. It is therefore of great interest to promote the exchange between universities, university spinoffs, startups and scaleups."

¹ The Swedish Railway Market: <https://www.s-ge.com/en/publication/guide/2022-e-infra-sweden-c7-railway-guide>

² Opportunities in Digital Healthcare: <https://www.s-ge.com/en/publication/industry-report/2023-ip-medt-sweden-c6-sweden-medtech-digital-healthcare-market>

3 FOREIGN ECONOMIC POLICY

3.1 Sweden's policy and priorities

Government's economic program:

The economic priorities of the Swedish government coalition are formulated in the Tidö Agreement. The economic reforms in this agreement are among others: strengthening productivity and entrepreneurship; increasing labor supply; implementing a more effective jobs policy; and easing cost pressures on households.

Export strategy of the Government:

Sweden has been an EU Member State since 1995 and even though the EU has gone through various crises, a majority of Swedes are in favor of their country being and remaining a member of the EU. As an EU member (but not one of the Euro-zone), Sweden participates in the common trade policy of the EU and is bound to the agreements and obligations of the WTO. During the Covid-19 crises, the country became a vocal proponent for respecting these frameworks and opposed protectionist tendencies such as export controls for vaccinations and other medical products. Sweden's economic and trade relations with Switzerland are mainly governed by the free trade agreements between Switzerland and the EU (Bilateral Agreements I and II) and the WTO agreements.

The foundation of Swedish Government's current export strategy, originally laid in 2015, focuses on Swedish exports gaining larger shares in emerging market economies; on the ability of more SME's to dare to export; on elevating Swedish goods and services even further up the processing chain; on increasing Sweden's attractiveness for foreign investments, tourists and talents and finally, on securing global open trade.

3.2 Outlook for Switzerland (potential for discrimination or comparative advantage)

Role of the Swedish Krona:

Over the last ten years, the Swedish krona has lost 30% of its value against the euro and 70% against the dollar. In an economy with a strong export industry, this weakness in the national currency was for many years seen as a positive factor favouring exports. However, a weak currency does not only have economic advantages. As a result of the weak krona, Sweden has been particularly hardly hit by the energy crisis in 2021-2022 and the rise in global commodity prices. As the Swedish export industry has to buy abroad the raw materials and components it needs at higher prices, this is having a negative impact on its international competitiveness.

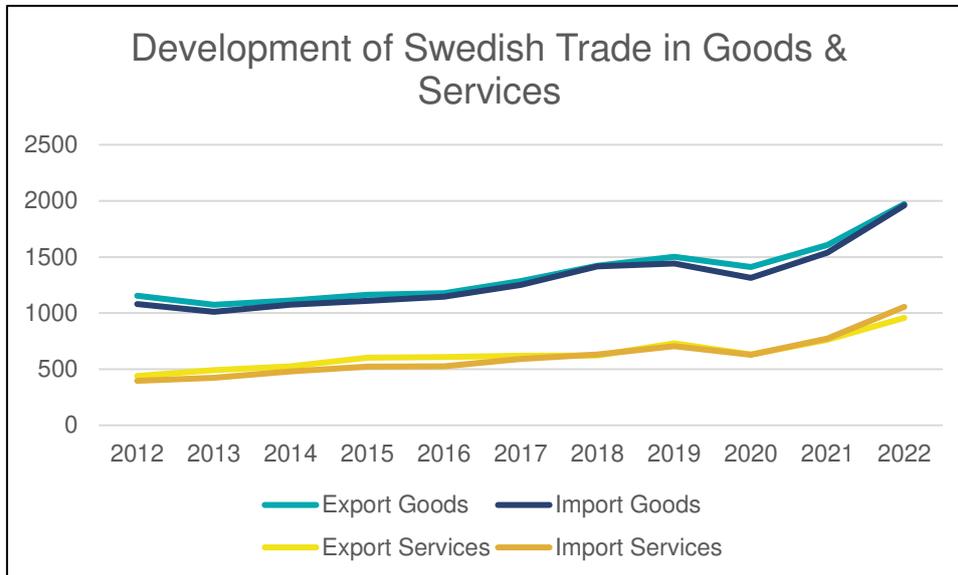
This steady decline in the Swedish currency over the last decade, and particularly after 2018, can be explained by a number of factors. But it does not follow a clear macroeconomic logic and is partly an enigma. Both Switzerland and Sweden have low public debt, trade surpluses and fairly similar economic and financial policies. Yet the two currencies have behaved quite differently. One explanation for the weak krona lies in the attitude of the national bank. Since abandoning its exchange rate policy in 1993 and for many years afterwards, the Riksbank has sent a signal to the outside world that defending an exchange rate is not one of its priorities and that a weak currency can even be positive. This has created a lasting perception in the financial markets that the Swedish krona is a weak currency. The weakness of the krona is therefore partly linked to a label and to the psychology of the markets.

In recent years, the Riksbank has been rethinking its policy on the national currency. The new Governor of the Riksbank, Erik Thedén, who took up his post in January 2023, has stated that he wants a strong (or stronger) krona. It remains to be seen how the Riksbank will achieve this goal. For the time being, adoption of the euro is not on the political agenda, but one possible option could be to link the value of the Swedish currency to that of the euro, as in Denmark.

4 FOREIGN TRADE

4.1 Developments and general outlook

Sweden's foreign trade focuses in the first place on Europe, the EU27 and the Nordics. In terms of trade in goods, the main European trade partner countries are Norway, Germany, the Netherlands, Denmark and Finland. The United Kingdom, in spite of Brexit, remains an important export market. Outside of Europe, in North America the United States is an important export market. In Asia, China is an important trade partner both export and import wise.



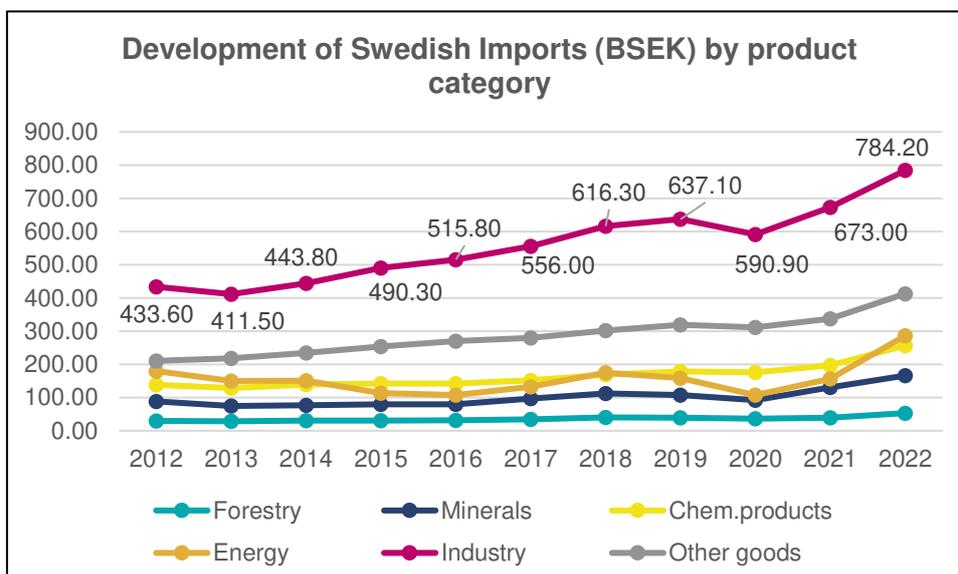
Graph 1: Swedish trade in goods & services 2012-2022

Sources: Kommerskollegium and Statistics Sweden (SCB)

As is shown in *Graph 1*, above, Swedish trade has shown a small but steady surplus over the past 10 years.

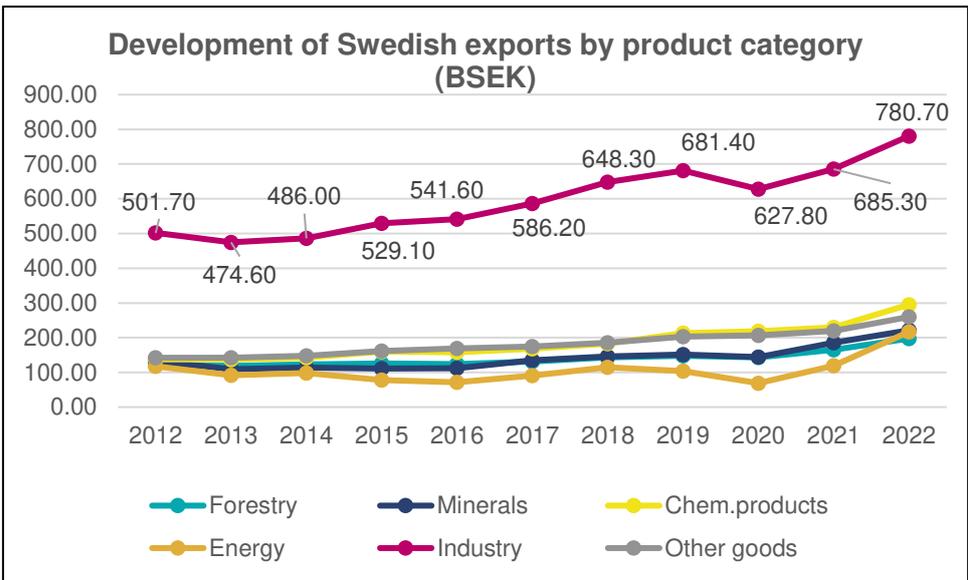
4.1.1 Trade in goods

Sweden imports mainly cars and components for the domestic car industry, food, crude oil, equipment for the telecom industry and iron and steel.



Graph 2: Swedish import of goods by category 2012-2022
Sources: Kommerskollegium / Statistics Sweden (SCB)

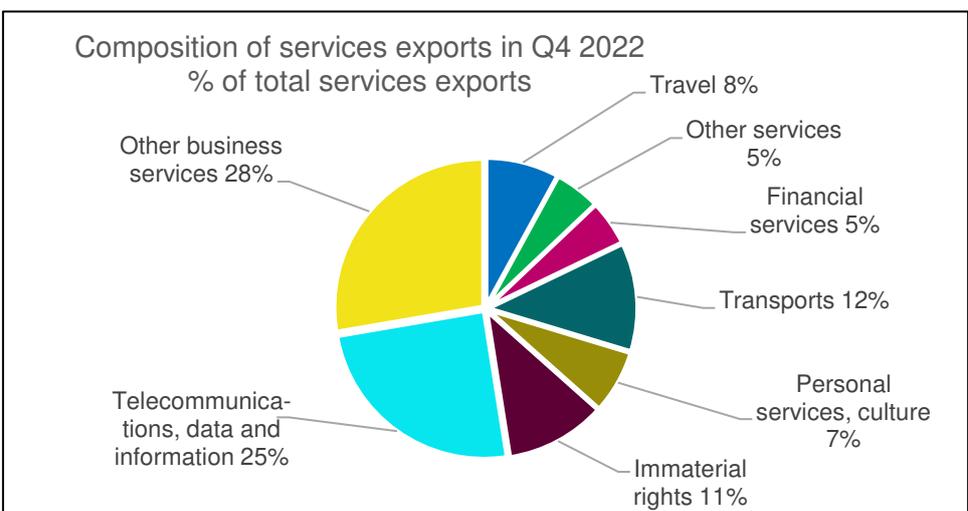
In 2022 Sweden’s exports of goods to EU27 increased by 23%, and imports from the EU27 increased by 21% compared 2021. Among the EU countries, exports to Germany increased by 19%, to Denmark by 18% and to Finland by 27%. Imports from Germany increased by 14%, from Denmark by 17% and from Finland by 32%. Sweden exports cars, trucks and other transport equipment, machines, pharmaceutical products, wood and paper, as well as iron.



Graph 3: Swedish export of goods by category 2012-2022
Sources: Kommerskollegium / Statistics Sweden (SCB)

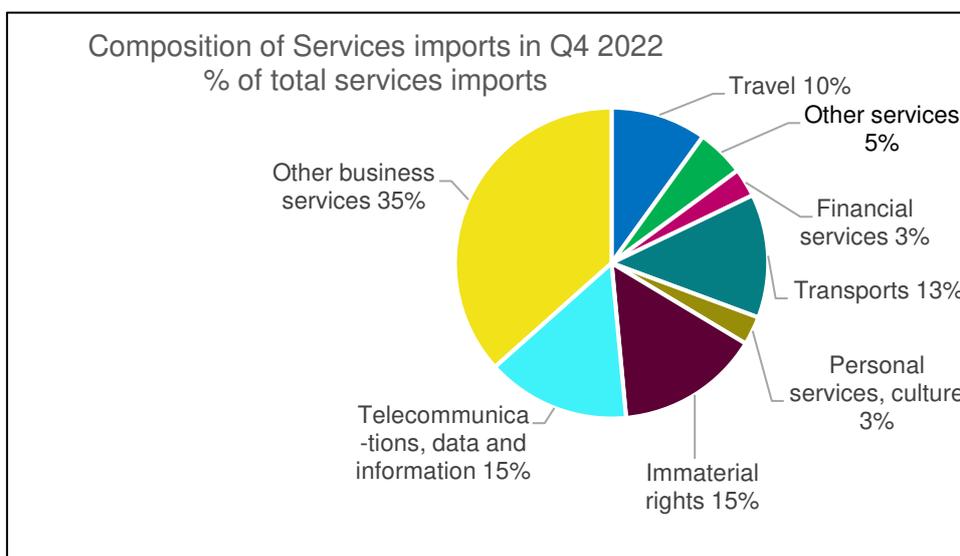
4.1.2 Trade in services

Foreign trade with services continued to improve during Q4 of 2022. The export of services increased by 4% as well as the import of services by 17%, compared to the same quarter of the previous year. The value of Sweden’s service export was BSEK 232 during Q4 2022, while service import was worth BSEK 264.



Graph 4: Swedish exports of services by categories in Q4 2022

Sources: Kommerskollegium / Statistics Sweden (SCB)



Graph 5: Swedish imports of services by categories in Q4 2022

Sources: Kommerskollegium / Statistics Sweden (SCB)

4.2 Bilateral trade

Despite the depreciation of the Swedish Krona against the Swiss Franc, trade between Switzerland and Sweden remains high, and growing. Trade in services develops even more favorably than trade in goods, which also might reflect the development of both countries into more service oriented economies, services increasingly becoming the high margin value added of exported machinery and other industrial products.

4.2.1 Trade in goods

The total trade with Sweden decreased by 1.5% to CHF 3.1 billion in 2022; exports decreased by 2.7% to CHF 1.79 billion and imports remained unchanged at CHF 1.35 billion (according to Swiss Customs figures). There are notable differences in the trade figures on goods between Switzerland and Sweden in each country's respective statistics. There are several reasons for this, especially differences in the applied methodology.

In 2022, the largest exported product categories to Sweden were chemical and pharmaceutical products, machines, appliances, electronics and vehicles. Whereas the largest imported product categories from Sweden were machines, appliances and electronics, vehicles, and chemical and pharmaceutical products.

These categories have remained virtually unchanged over a longer period of time – variations may occur in conjunction with major deliveries, often related to larger, publicly tendered vehicle deliveries (rail, defense), and machines.

For 2023, the first tertiary shows a decrease of the total trade of 3.6%, but as some sectors are highly cyclical, with large variations from month to month, it is too soon to draw any major conclusions.

The Swedish Krona has depreciated against the Swiss Franc by 17% since 2015, *after* the CHF peg to the Euro was lifted. This affects the statistics directly, and may certainly have had an effect on the value of the trade, if not the volumes. Against the Euro, the SEK lost nearly

12%, whereas it depreciated by 9% against the US Dollar on the mean annual value within the same period.

4.2.2 Trade in services

Swedish export of services to Switzerland increased by 15% (exchange rate adjusted), to over 5 billion CHF in 2022, and import increased by nearly 28%, to 2.12 billion CHF. Although no country-and-sector specific data is available, the most common types of services correlate with the whole; *Other Business Services* (eg. Consulting, industrial services), *ICT* and *Immaterial Rights* dominate.

Swedish Export of services to Switzerland			Swedish Import of services from Switzerland		
2020	2021	2022	2020	2021	2023
39.65 BSEK	41.6 BSEK	54.1 BSEK	12.85 BSEK	15.6 BSEK	22.5 BSEK
4.04 BCHF	4.43 BCHF	5.11 BCHF	1.32 BCHF	1.66 BCHF	2.12 BCHF

Table 1 | **Swedish trade in services with Switzerland in SEK and CHF** (CHF according to year mean value 1 CHF=10.59 SEK). Source : Kommerskollegium

It is worth noticing that the value of Swedish export of services to Switzerland is 2.5-3 times the value of the export of goods, whereas the Swiss export of services to Sweden is close to the value of goods exported³. Over time, however the trade in services develops positively at a faster pace than trade in goods. Since 2004, Swedish export of services to Switzerland has more than quadrupled, and Swiss export of services has doubled⁴.

5 DIRECT INVESTMENTS

5.1 Developments and general outlook

Overall 2021 Swedish FDI (net) in- and out-flows showed a good level; BSEK 174.3 inflow, and BSEK 232.7 outflow, but net flow of FDI may vary quite a lot over time. Swedish FDI flow (both out and in) and stock largely come from knowledge-intensive services and manufacturing industry

Foreign direct investment stock in Sweden has shown a steady increase (nearly +40%) during the past ten years and amounted to BSEK 372 in 2021 (BSEK 346 in 2020). The largest contributors in Sweden are the UK, Luxembourg, the Netherlands, Germany and USA (Switzerland ranking number 10). Almost all FDI in Sweden comes from OECD countries (95%).

At the same time Swedish direct investment stock abroad has shown a similar development (+39%), and amounted to BSEK 433 in 2021 (BSEK 383 in 2020). The largest target countries are the United States, the Netherlands, the UK, Norway and Denmark (Switzerland ranking number 11). Some 85% of Swedish FDI stock abroad is in OECD countries.

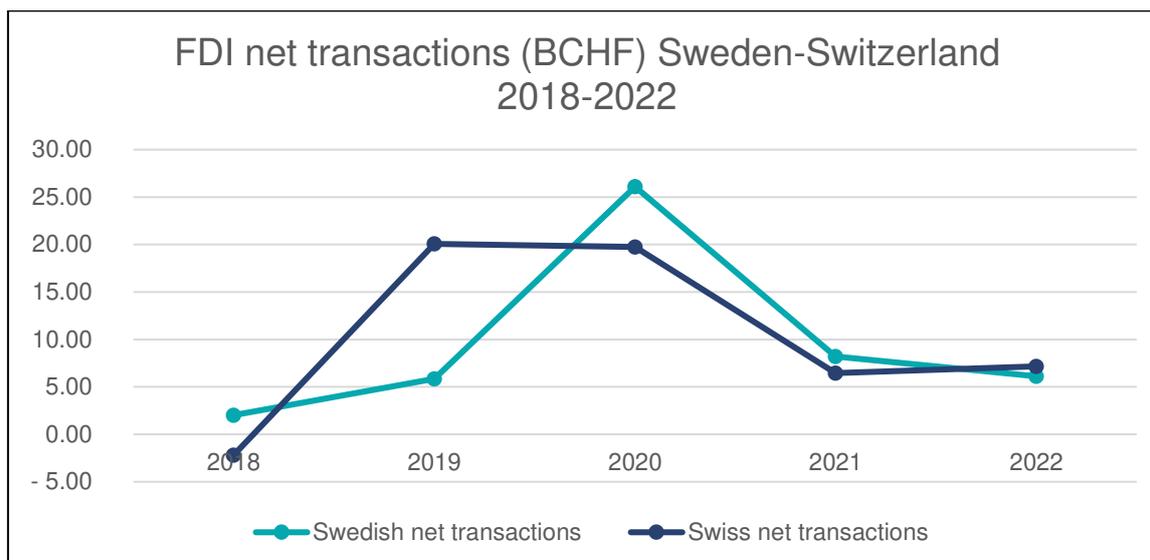
As is the case with the trade figures, Brexit does not seem to have had a direct impact on mutual direct investments. The UK remains one of Sweden's most important contributor and target countries for direct investment.

(Sources: Kommerskollegium and Sweden Statistics (SCB))

³ Values are not fully comparable, as trade statistics for goods are primary values from customs statistics and trade values for services are taken from the balance of payments

⁴ Statistics Sweden: https://www.statistikdatabasen.scb.se/pxweb/sv/ssd/START_HA_HA0202/HA0202TiLandAr/

5.2 Bilateral investment



Graph 6: Development of Swedish – Swiss FDI flows (MSEK) 2018-2022. Source Statistics Sweden

Both Sweden and Switzerland have well-functioning and similar local markets, and the investment climates are favorable. Main arguments used when promoting Switzerland among interested Swedish investors are the availability of talent, the closeness to European markets, the excellent infrastructure, and the high quality of life.

Swiss direct investment stock in Sweden amounted to SEK 81 billion in 2021⁵, earning Switzerland a 10th place among the largest investors in Sweden. Nearly 300 Swiss owned companies employ about 30'000 people in Sweden, placing Switzerland in 9th place with Germany, Norway and USA being the top three foreign employers⁶.

Swedish direct investment stock in Switzerland amounted to CHF 10.2 billion in 2020, rendering Switzerland the 12th place among target countries for Swedish FDI. 112 Swedish companies employed some 13'000 persons in Switzerland.

6 ECONOMIC AND TOURISM PROMOTION

6.1 Swiss foreign economic promotion instruments

Sweden remains Switzerland's most important trading partner in the Nordic countries. Economic and trade promotion is done in close cooperation with *Switzerland Global Enterprise* (S-GE); since 2015 all trade promotion in the Nordic countries is led and coordinated through the *Trade Point Nordics*, which is part of the Trade Section at the Embassy of Switzerland in Sweden. Apart from conveying contacts and business opportunities, the Trade Section offers information and consulting for Swedish companies and the media.

Swiss companies are offered market entry services, such as market studies, partner and/or client searches, organization of fact finding trips, as well as promotional and trade show events. This is achieved mainly with the aid of a broad network of branch experts. Furthermore, the *Trade Point Nordics* cooperates closely with the *Swiss Chamber of Commerce in Sweden* (www.swisscham.se) and the *Swedish-Swiss Chamber of Commerce in Switzerland* (www.swecham.ch), as well as with other Nordic chambers of commerce in Switzerland, and

⁵ Source: Statistics Sweden:

https://www.statistikdatabasen.scb.se/pxweb/sv/ssd/START_FM_FM0001_FM0001D/FM0001T04b/table/tableViewLayout1/

⁶ Source: Tillväxtanalys:

https://www.tillvaxtanalys.se/download/18.1d3e3a8d180d6be6b074f8a9/1655275727367/Statistik_2022_03%20Utl%C3%A4ndska_f%C3%B6reta_g_2020.pdf

their chapters in their countries of origin. The Head of the Trade point is adjunct Board Member in all the three Swiss chambers in Denmark, Finland and Sweden.

The main events that the *Trade Point Nordics supported or organized* in 2022 was the Swiss participation at the start-up conference *SLUSH-22* in Helsinki, Finland. *Innosuisse* supported 15 Swiss start-ups to attend the event, a Swiss pavilion was designed by *PRS*. *SLUSH* will remain the main joint effort by *Team Switzerland* (Embassy, *PRS*, *Innosuisse*, *Swissnex*, *Trade Point*) in the Nordic Countries. Furthermore, the Trade Point supported a small delegation of Swiss Game developers led by *Pro Helvetia* during their visit to Stockholm and the Arctic Game Week in Skellefteå. The Embassy and the Trade point have supported *Pro Helvetia* at game development related conferences since 2016.

Switzerland Tourism's office is based in Stockholm and covers all Nordic countries. The team consists of 3 full-time and 1 part-time positions. About 35% of the Nordic guests visiting Switzerland originate from Sweden, with the winter share slightly dominating. *Switzerland Tourism* drives a multi-focus segmented marketing geared towards both active holidays and business meetings.

Swedish tourists have again returned to Switzerland in nearly pre-pandemic numbers; logging some 66'000 arrivals and 150'000 overnight stays in Switzerland excluding private rentals, AirBnB.

6.2 Sweden's interest in Switzerland

Sweden and Switzerland share a common interest in a number of subjects, including innovation and research, new technologies and sustainable tourism. The Embassy in Stockholm therefore pays close attention to these themes and participates in or organises a number of events on these topics.

There are several cooperation and exchange programmes between Swiss and Swedish universities and research institutes. Of the Swiss ones, *ETH* and *EPFL* are the biggest recipients (and senders) of students from (to) Sweden.

Since 2013, the Swiss-Swedish Innovation Initiative (*SWII*), an industrial R&D partnering program, helps realizing high-technology projects between Switzerland and Sweden. 54 R&D consortia & projects to a value of 78 million Euros have been realized. Altogether, projects include 180 Swiss and Swedish project partners, there among 84 SME companies⁷. Furthermore, an MoU between *Innosuisse* and *Vinnova* was signed in June 2021 to foster the cooperation between the innovation agencies of the two countries.

The Swedish government has made support for Ukraine a priority of the Swedish Presidency of the EU Council. Switzerland's participation in the international sanctions against Russia and Belarus is viewed positively, and the implementation of these sanctions receives particular media attention.

The recent takeover of *Credit Suisse* by *UBS* bank has not dimmed the image of Switzerland as a financial stronghold; for instance *Dagens Industri*, the leading financial newspaper reported quite neutrally about the developments during and after the crisis⁸, as did other leading newspapers.

⁷ <https://www.swii.org/index.php/about-the-initiative/initiative-at-a-glance>

⁸ DI: <https://www.di.se/amnen/credit-suisse/> (Swedish)

ANNEX 1 – Economic structure

Economic structure of the host country

	2016	2021 (most recent year)
Distribution of GDP		
Primary sector	1.4 %	1.29 %
Manufacturing sector	21.71 %	22.64 %
Services	65.47 %	64.81 %
- of which public services	n/a	n/a

	2016	2019 (most recent year)
Distribution of employment		
Primary sector	1.89 %	1.69 %
Manufacturing sector	18.2 %	18.42 %
Services	79.92 %	79.89 %
- of which public services	n/a	n/a

Source(s):

Distribution of GDP (Data release: December 2022): Statista

<https://www.statista.com/statistics/375611/sweden-gdp-distribution-across-economic-sectors/#:~:text=This%20statistic%20shows%20the%20distribution,percent%20from%20the%20service%20sector>

Distribution of employment (Data release: December 2022): Statista

<https://www.statista.com/statistics/375648/employment-by-economic-sector-in-sweden/#:~:text=The%20statistic%20shows%20the%20distribution%20of%20employment%20in,employment%20by%20economic%20sector%20from%202009%20to%202019>

ANNEX 2 – Main economic data

Sweden's main economic data

	2021	2022	2023 (projections)
GDP (USD bn)*	636.85	585.93	599.05
GDP per capita (USD)*	60929.6	55689.4	55395.4
Growth rate (% of GDP)**	5.1	2.8	-0.3
Inflation rate (%)**	2.7	8.1	6.5
Unemployment rate (%)**	8.8	7.5	7.7
Fiscal balance (% of GDP)	n/a	n/a	n/a
Current account balance (% of GDP)*	6.51	4.25	3.87
General government gross debt (% of GDP)*	36.8	33.5 (estimates)	31.2
Debt-service ratio (% of exports)	n/a	n/a	n/a
Reserves (months of imports)	n/a	n/a	n/a

* Source: IMF, World Economic Outlook
(<https://www.imf.org/en/Publications/WEO/weo-database/2023/April/select-subjects?c=144>)

** Source: IMF, Article IV Consultation (or host country statistics)
<https://www.imf.org/en/Publications/CR/Issues/2023/03/16/Sweden-2023-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-530937>

ANNEX 3 – Trade partners

Trade partners of Sweden Year: 2022

Rank	Country	Exports from the host country (SEK billion)	Share	Change ⁹	Rank	Country	Imports to the host country (SEK billion)	Share	Change ¹⁰
1	Norway	216.7	11 %	23.5 %	1	Germany	294.1	15 %	14.3 %
2	Germany	199.2	10.1%	19.2 %	2	Norway	252.4	12.9 %	46.6 %
3	USA	184.7	9.4 %	34.4 %	3	Netherlands	206.2	10.5 %	33.4 %
4	Denmark	144.7	7.3 %	18.4 %	4	China	121.8	6.2 %	31.7 %
5	Finland	142.3	7.2 %	27.3 %	5	Denmark	119.4	6.1 %	17.0 %
6	UK	110.7			6	Belgium	91.0		
7	Netherlands	94.2			7	Finland	88.3		
19	Switzerland	17.4	0.9 %	15.8 %	24	Switzerland	17.4	0.7 %	8.0 %
	EU27	1079.4	54 %	24 %		EU27	1296.6	63 %	22 %
	Total	1971.9	100%	22.8 %		Total	1959.7	100%	27.4 %

Source(s): Kommerskollegium (National Board of Trade Sweden)

<https://www.kommerskollegium.se/handelsstatistik/varuhandel/sveriges-viktigaste-handelspartner/>

Trade with the EU27:

<https://www.kommerskollegium.se/handelsstatistik/varuhandel/hitta-handelsstatistik-for-ett-land-eller-region/>

⁹ Change from the previous year in %

ANNEX 4 – Bilateral trade

Bilateral trade between Switzerland and Sweden

	Export (CHF million)	<i>Change (%)</i>	Import (CHF million)	<i>Change (%)</i>	Balance (in million)	Volume (in million)
2017	1'497	5,0	1'238	10,4	258	2'735
2018	1'558	4,1	1'239	0,1	318	2'797
2019	1'676	7,6	1'217	-1,8	458	2'893
2020	1'606	-4,2	1'190	-2,3	416	2'795
2021	1'841	14,7	1'346	13,2	495	3'188
2022	1'792	-2,7	1'347	0,0	445	3'139
<i>(Total 1)*</i>						
2023 (I-VI)**	627	2.5	414	-11.6	213	1.041

*) 'Economic' total (total 1): not including gold bars and other precious metals, currencies, precious stones and gems, works of art and antiques

***) Preliminary data, change (%) from the previous year

Exports	2021 (% of total)	2022 (% of total)
1. Products of the Chemical & Pharmaceutical Industry	34.8	38.6
2. Machines, Appliances, Electronics	20.5	22.3
3. Precision Instruments, clocks, watches, jewellery	11.6	11.6
4. Metals	8.2	8.9

Imports	2021 (% of total)	2022 (% of total)
1. Machines, Appliances, Electronics	22.3	24.7
2. Products of the Chemical & Pharmaceutical Industry	19.6	18.3
3. Vehicles	20.5	17.5
4. Metals	8.1	9.3

Source: Federal Office for Customs and Border Security – Swiss Impex:

<https://www.gate.ezv.admin.ch/swissimpex/public/bereiche/waren/query.xhtml>

Swedish Krona to other currencies

	1 CHF			1 EUR			1 USD		
	SEK _{Min}	SEK _{Mid}	SEK _{Max}	SEK _{Min}	SEK _{Mid}	SEK _{Max}	SEK _{Min}	SEK _{Mid}	SEK _{Max}
2015	7.83	8.77	9.51	9.07	9.36	9.64	7.82	8.44	8.84
2016	8.33	8.69	9.25	9.15	9.47	9.98	7.92	8.56	9.38
2017	8.79	8.91	9.01	9.42	9.59	9.78	8.46	8.86	9.15
2018	8.32	8.88	9.43	9.76	10.26	10.70	7.84	8.69	9.19
2019	9.02	9.52	9.97	10.19	10.59	10.91	8.87	9.46	9.93
2020	9.25	9.80	10.63	10.04	10.49	11.23	8.19	9.20	10.44
2021	9.11	9.38	9.94	9.88	10.14	10.34	8.19	8.58	9.16
2022	9.77	10.59	11.54	10.23	10.63	11.14	8.91	10.12	11.43

Source: Sveriges Riksbank – Swedish National Bank, <https://www.riksbank.se/en-gb/statistics/search-interest-exchange-rates/annual-average-exchange-rates/?y=2020&m=12&s=Comma&f=y>

ANNEX 5 – Main investing countries

Main investing countries in Sweden

Year: 2021

Rank	Country	Direct investment* (stock) (B SEK)	Share	Variation (stock)	Inflows over past year** (B SEK)
1	UK	624	16.8 %	31.4 %	182.6
2	Luxembourg	539	14.5 %	4.6 %	1.45
3	Netherlands	500	13.4 %	6.3 %	55.7
4	Germany	351	9.4 %	-1.7 %	9.26
5	USA	339	9.1 %	-25 %	-115.3
6	Norway	314	8.4 %	33.3 %	14.9
7	Finland	259	7.0 %	2.5 %	-13.35
8	Denmark	217	5.8 %	-0.5 %	2.0
9	Ireland	108	2.9 %	38 %	5.6
10	<i>Switzerland</i>	81	2.2 %	-9.9 %	6.45
...	EU28	2825	75.9 %	11.1 %	-----
	Total	3722	100%	7.1 %	502

Source(s): SCB *Sweden Statistics*

* : Most recent data for category "Direct investment" only available until 2021

** : Data for category "Inflow over past year" for 2021 does not exist anymore for EU28, which has become EU 27 due to UK and Northern Ireland leaving the European Union on 31 January 2020. The new existing category as from 2022 is EU 27.