

THE RIKSBANK'S BUSINESS SURVEY

“It's not an obvious recovery, but we see it happening anyway”

February 2026

The Riksbank's Business Survey in February 2026^{1,2}

Large Swedish companies are experiencing some improvement in economic activity, but the recovery is both slow and hesitant. The uncertain global environment has had a significant impact on household consumption and business investment, making companies cautious looking forward.

Companies that sell goods and services to households describe the situation in somewhat brighter terms compared with last autumn. Households' willingness to consume has strengthened and this is reflected in sales volumes, which are increasing, albeit not at the pace that the companies would like. But households are perceived to remain price-conscious and selective in their consumption, and companies see a risk that global events may cause households to tighten their purse strings again.

Among manufacturing companies, the view of the economy is more divided than usual. The uncertain geopolitical situation reinforces the disparity between sectors. Parts of the manufacturing industry, including those selling to the defence industry, are facing good demand, while parts of the forestry, steel and automotive industries are struggling. The appreciation of the krona is having a negative impact on the earnings of export companies, but it is above all the fluctuations in the exchange rate that are perceived as challenging.

Non-durable goods retailers plan to reduce their selling prices when VAT on food is temporarily reduced. Other retailers and companies selling services to households instead plan to increase selling prices in line with inflation. They emphasise that households' price consciousness is dampening pricing plans.

Almost all companies use AI in their operations. But they mainly use AI to increase productivity with existing staff, not to reduce headcount. The companies believe that the labour market will change in the longer term,

¹ The Riksbank has held interviews with 41 companies in the manufacturing, construction, retail trade and services sectors, with a total of 270,000 employees. The interviews were mainly conducted in the period 29 January – 9 February. The Riksbank's Business Survey is published on the Riksbank's website. All quotations in this report are from respondents to the survey.

² The interviews took place before the US Supreme Court announced its invalidation of some of the tariffs previously imposed, as well as before the joint Israeli and US attack on Iran.

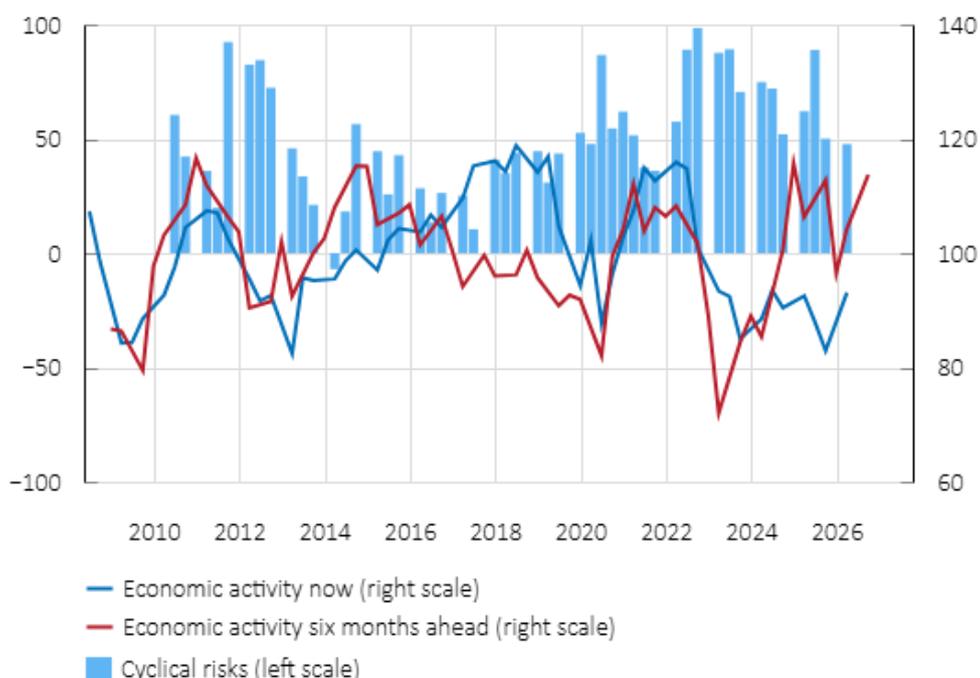
as the need for some skills decreases while the need for others increases. So far, however, the effects of AI on their business are relatively limited.

“These are not revolutionary changes, but we may see some light at the end of the tunnel”

Companies still consider the economic situation to be weak, but nevertheless feel that it has improved slightly since the autumn, see Figure 1. In particular, those selling goods and services to households are seeing an improvement. However, the companies say that the economic recovery is slower than expected and that it clearly differs across sectors and business areas. The uncertain world of recent years, with its conflicts and trade policy fluctuations, has left its mark on households and companies. Their willingness to invest and consume continues to be affected by this, making companies cautious when looking ahead. “Things can take a turn for the worse quite quickly,” says one company leader. Another says: “There are many things that can disrupt an economic upturn, we do not have the stability that we have been used to.”

Figure 1. Economic activity and cyclical risks

Net figures (left scale) and index figures (right scale)



Note. The index figures show a standardised value (mean = 100 and standard deviation = 10) of the net figures for companies that say that the economic situation is currently good or bad and those that say that the economic situation will be better or worse in six months' time. The red line, economic activity in six months' time, has been moved forward two quarters. The bars show the net figures for companies that say that the risks to economic development (cyclical risks) are currently greater or smaller than normal.

“The consumer's willingness to spend has nevertheless strengthened somewhat”

Companies selling goods and services to households describe the situation in somewhat brighter terms compared with last autumn: “Things feel better now and as

though we are heading towards things being good." They say there is "a bit more of an underlying turnaround" in household consumption and that "the customer is there in a different way", reflected in increased sales volumes. However, few are satisfied with the sales performance. It is increasing, but not at the pace they would like.

Households are described as remaining price-conscious and selective in their consumption. "The recession has lingered and shaped purchasing behaviour," notes one respondent. This is reflected, among other things, in the fact that customers still have a strong focus on campaigns. Several companies also emphasise that a growing discount retail market "seems to be taking hold" and that it is now not just about how much money one has but that "consumers want to feel smart". Households are perceived to also want to "maximise the value of their purchases". For retailers, this is visible in slightly better sales of goods from premium segments. In the hospitality sector, this can be seen in the fact that "those who choose to go out indulge themselves, once you are out, you want a good time".

"There have been a few times when we were heading towards positive outcomes, but then comes a geopolitical shock"

A majority of companies selling to households believe that the economic situation will improve in the next six months and point out that there is "a little more stability and optimism among consumers than before". Overall, they are expecting moderate increases in sales, as households' price consciousness is expected to persist for some time to come: "We believe that price will be an important factor for at least a three-year perspective". At the same time, companies emphasise the sluggishness of the economic recovery and point out that "we have seen expectations of recovery arise over and over again". They see the greatest risk to economic growth as being that something happens in the global environment to make households tighten their purse strings again. One respondent points out: "If the consumer becomes intimidated, even if they have more in their wallet, the risk is that you end up there again."

"The current economic situation is multifaceted"

Overall, manufacturing companies are experiencing an unchanged situation compared to September and many are still in "some form of cautious wait-and-see mode". The perceptions of the economic situation continue to vary across sectors and business areas. Parts of the manufacturing industry, including those that sell to the defence industry, are doing well and experiencing good demand from all markets. In clear contrast, parts of the forestry, steel and automotive industries continue to struggle and are instead experiencing weaker global demand. For the larger construction companies, too, the economic situation is generally unchanged compared with last autumn and demand for new housing has stabilised at a low level. Companies selling materials to the construction sector see few signs of increased demand so far. "We live on people building, building additions or consuming, and people aren't doing that," says one company leader.

Staffing agencies also talk about the divergence of the manufacturing industry and note that “we in Sweden are more used to having an economy that is the same for several industries, now it is a little more that one industry can be doing quite well and another industry can be doing very much worse”. They partly link this to the uncertain geopolitical situation, which affects different sectors in different ways.

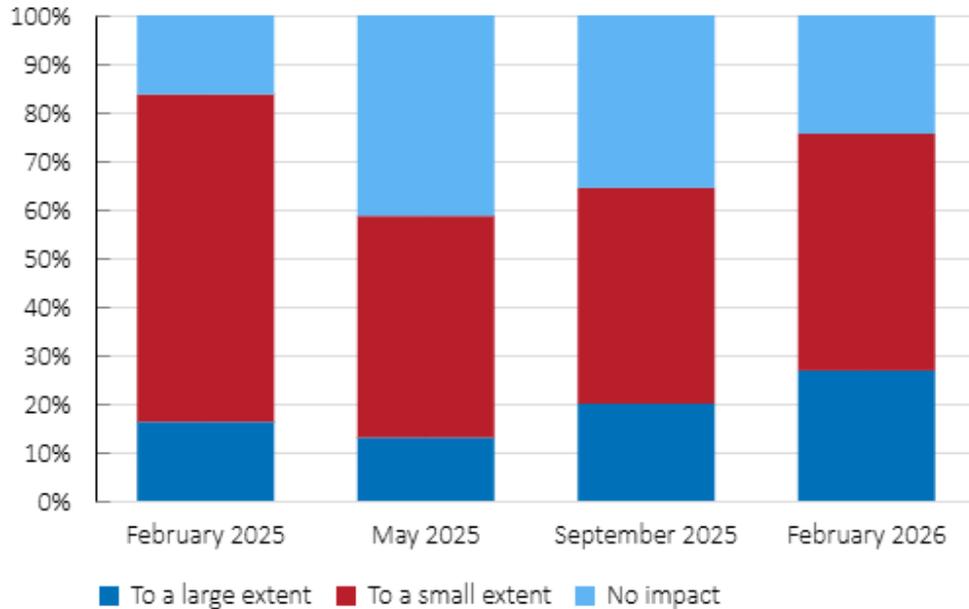
“There is a ticking time bomb in tariff costs to be passed on to the end customer”

Three out of four companies state that they have been affected by the import tariffs, which is a slightly higher proportion than in September; see Figure 2. As before, it is mainly exporting companies that have been affected to a large extent. Many of those with production and sales in the United States have faced higher costs due to tariffs on imported goods and components. There are companies that have not been able to compensate for the cost increases by raising prices charged to US customers. Among them, more are now talking about how this will not be sustainable for the business in the long run. “In some way it will be necessary to increase prices to the end consumer,” says one respondent. However, they say that weak demand and fierce competition in the US market mean they are unable to raise prices.

Some companies, which do not have production in the United States, are now reducing sales to the United States and starting to look for other potential markets. “We can't take that tariff as a price reduction, we have to get some compensation from the customer” concludes one respondent.

Figure 2. How do the prevailing import tariffs and other trade barriers affect your operations and plans?

Per cent



Note. In February 2025, the question was forward-looking and companies responded to whether they thought they would be affected by the introduction of new/increased import tariffs or other trade barriers.

“It is the indirect effects that hit hardest”

Tariffs have still had only limited direct effects on the companies’ Swedish operations, although there are some exceptions where companies have cut production and staff in Sweden as a result of reduced sales to the United States. The main impact on companies in Sweden is the indirect effect of tariffs in the form of an uncertainty, which makes customers more cautious and contributes to a generally weaker demand. The following quote is telling: “Uncertainty, economic downturn and delayed recovery. It has had a major impact.”

“There is no room to raise prices above inflation”

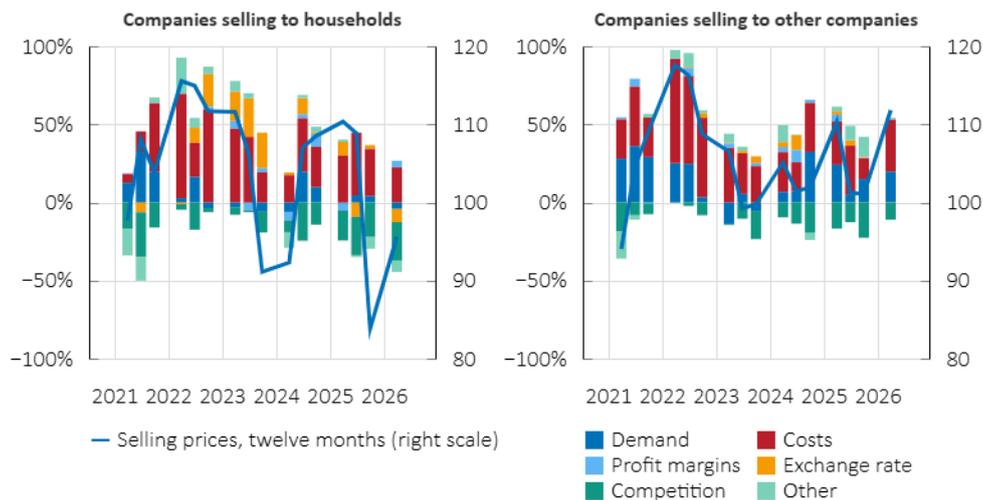
Non-durable goods retailers plan to reduce their selling prices when VAT on food is temporarily reduced next quarter. After that, they expect prices to remain at a lower level in the coming year. Among the other retailers and companies selling services to households, more than in the autumn are planning to increase selling prices over the coming year; see Figure 3. They are talking about price increases in line with inflation. “If we raise prices more than inflation, we will have a reduced customer base,” claims one company leader, pointing out that households’ price consciousness is dampening price plans.

Companies selling to other companies plan to raise selling prices over the coming twelve months, see Figure 3. Parts of the manufacturing and the business-related

service companies are still experiencing weak demand, which makes it difficult to negotiate prices with customers. There is therefore still a lot of uncertainty about how much they will actually be able to raise their prices.

Figure 3. Driving forces behind pricing over the next twelve months

Net shares (left scale) and index figures (right scale)

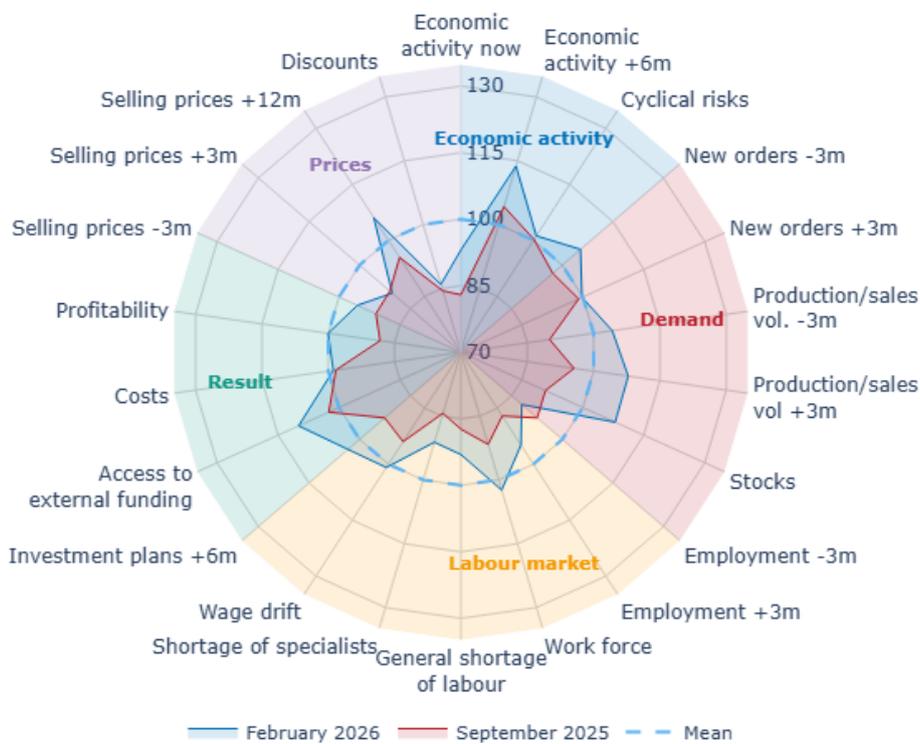


Note. The bars in the left-hand scale show the net of responses to the question of whether the factor will have an upward or downward effect on prices in the coming year. A bar above zero means that the factor contributes to rising prices in the future and below zero that it contributes to falling prices. The index figures in the right-hand scale show a standardised value (mean = 100 and standard deviation = 10) of the net figures for those companies that answer the question whether sales prices will be increased or decreased over the next twelve months. Companies selling to households refers to retailers and companies that mainly sell services to households. The item "Costs" includes purchasing costs, labour costs, energy costs, climate change related costs and green/sustainable transition costs. The item "Other" includes, for instance, spare capacity and productivity growth.

"Sudden changes have a negative impact regardless of whether they are up or down"

Fluctuations in the exchange rate create unpredictability for companies, which want stability above all. Exporting companies feel that the recent appreciation of the krona against the US dollar is creating "a slight headwind". For exporting companies, it is the earnings that is negatively affected. At the same time, some mention that they have benefited in the past from the relative weakness of the krona. For exporters already under pressure from weak demand and import tariffs in the United States, the impact of the krona appreciation is more tangible and challenging. For the retail sector, the appreciation of the krona leads to lower import costs. But the impact varies depending on when they make their seasonal purchases and whether they use currency hedging.

Figure 4. The companies' overall response patterns
Index



Note. The responses to the questions are plotted along the 'spokes' in the figure, where an index figure closer to the centre is worse. The historical average is calculated from the date when the question concerned was first included in the survey. The designation -3m means the past three months, +3m means the coming three months and +6m means the coming six months. Increased cyclical risks and discounts entail a deterioration and therefore a lower index figure. Increased costs are reflected in a lower index figure. The question on stock size is only answered by the manufacturing sector (stocks of finished goods) and the retail trade (stocks). Reduced stock size means a higher index number. The questions about new orders are only put to the construction and manufacturing companies. For the questions on selling prices, the construction industry only responds to the question on selling prices in twelve months (+12m). The answers to the other questions in the figure come from all companies in the survey.

“There is a continuing trend of streamlining”

Overall, the companies have had a greater focus on cost control and operational efficiency during the period of weaker economic activity. “If there was an increase in cost, we were able to compensate for it with better efficiency,” says one industry representative. Service companies also report that they are experiencing ongoing rationalisation, which means that fewer of their services are in demand from business customers. The manufacturing industry has gradually adjusted its workforce to the weaker demand, which is also being felt by staffing agencies, who have also had to adjust their staffing levels. In the near term, hiring plans remain subdued, see Figure 4. In the manufacturing industry, it is mainly on the white-collar side that cutbacks are taking place. One company leader says: “On the production side, we will not see any cuts – quite the opposite. If we increase production, then we must also increase

staff." Overall, companies still find it easier to recruit staff now than a year ago. One company leader says: "There is a surplus of available labour, but if you add the skills aspect, it can be a challenge sometimes." Staffing agencies are seeing some stabilisation in the labour market and therefore have a somewhat brighter outlook on demand for their services going forward.

The Business Survey indicator strengthens

The overall result of the survey is summarised in the Business Survey indicator, see Figure 5. The indicator has improved since September and is now above its historical average, which has not happened since May 2022. It is primarily companies' hopes that demand will strengthen that are contributing to the rise in the indicator.

Figure 5. The Business Survey indicator and GDP

Index figures and quarterly change in per cent



Note. The economic indicator is a summary measure of the questions in the Business Survey.³ It is developed using principal component analysis. The index figures show a standardised value (mean value = 0 and standard deviation = 1) for the economic indicator. A positive (negative) value indicates that the economic situation is better (worse) than the historical average. As the Business Survey is conducted three times a year, the economic indicator has been interpolated for intermediate quarters. The GDP series is seasonally adjusted.

Sources: Statistics Sweden and the Riksbank.

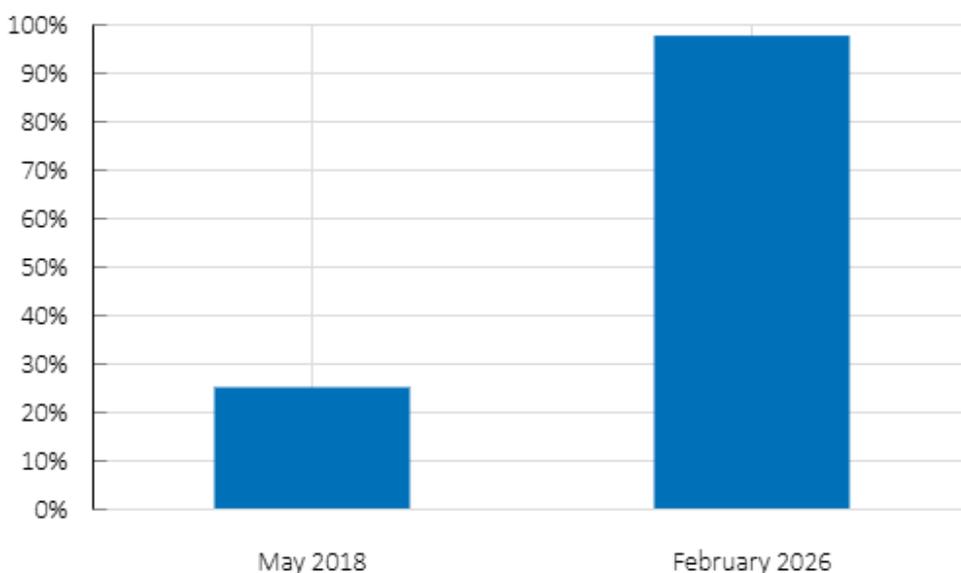
³ For further information on the Business Survey's economic indicator, see N. Holmer (2023), "The Business Survey's new indicator of economic activity - an early temperature gauge of economic activity", Economic Commentary No 5, Sveriges Riksbank.

ARTICLE – “There is one labour market before and one after AI”

In February, in-depth questions were asked about the use of artificial intelligence (AI)⁴ by the companies and the impact this has had and is expected to have on their business. A similar question was asked in May 2018.⁵ At that time, just over 20 per cent of companies responded that they use AI. Today, virtually all companies use some form of AI, see Figure 6. Most of them say that they are at an early stage and are using AI to a limited extent so far. At present, therefore, the impact of AI on business is relatively small. Overall, neither the size of the workforce nor productivity has been significantly affected. However, there are companies that are further along in integrating AI into their operations and they are already seeing clear effects.

Figure 6. Does your company use AI?

Per cent, yes responses.



“AI is generally an important enabler”

Improving operational efficiency is highlighted as the main reason for companies to use AI. Among other things, they want to increase the efficiency of individual employees by offering the support of AI in various work tasks. But streamlining is also about automating. Here, the companies highlight financial functions and customer service as

⁴ Artificial intelligence refers to digital systems that can perform tasks that normally require human intelligence, such as analysing data, making decisions, generating content or automating processes. This includes both traditional machine learning models and generative AI.

⁵ In May 2018, questions were asked about the companies’ digitalisation, including the use of AI. In that survey, AI was defined as “Programs and systems that can simulate human behaviour or can make their own decisions”.

examples. In addition, most of them are striving to improve efficiency through more AI-driven optimisation of the value chain. This includes allowing AI to contribute to more efficient logistics chains, smarter purchasing management and more accurate quality controls. Another important motivation for using AI is that the companies want to make better decisions. They expect AI-based analyses to provide a better basis for their planning, forecasting and strategic decisions.

“We see cost savings but also an improvement in quality”

Those who are well advanced in integrating AI into their operations are already seeing clear effects in terms of increased productivity and quality. “We are becoming faster and we are becoming more efficient” notes one respondent. In some cases, this has led to staff reductions: “We see savings on the employee side. We can do more work with a smaller number of staff.” So far, this concerns only a few jobs, mainly in administrative services. The primary consequence as companies see it is rather that “we are growing in terms of sales, but not growing in terms of staff.” Productivity improvements have led to cost savings by keeping staffing levels constant or even reducing them. However, some companies also raise the risk that increased AI use can lead to rising IT costs in the future.

“There is a shift in competence”

Overall, companies say that the purpose of using AI is not to reduce the workforce: “We are not focusing on getting rid of people.” Rather, AI is seen as a tool that enables employees to spend more of their time on more value-adding tasks. However, many believe that more widespread use of AI will lead to changes in the labour market. The following quote is telling: “This is just like the time in the 1980s when you might have been afraid that computers would take your job. They haven’t done so. But if you can’t use a computer, you don’t have a job.”

Companies see that their need for certain skills is decreasing while the need for other skills is increasing: “We need more people doing jobs, even if we bring in AI. However, we need them for different types of tasks. There will be a shift here.” In particular, the need for technical skills is increasing. Organisations are looking for skills to implement, monitor and develop AI in their business. Demand for subject specialists is also increasing: “One might think it’s the generalist who is needed, because AI can pick up everything, but it’s actually the specialist who understands the complexity and who can tell things to AI.”

“In a five-year perspective, a lot will happen”

So far, investment in AI accounts for a marginal share of total investment. The rate of investment in AI is described as “significant for an area that had zero investment 24 months ago, but it is quite small in relation to our overall rate of investment”. At the same time, several companies point out that it is difficult to distinguish between AI

investments and other investments. Rather, they are seen as an integral part of other developments that companies invest in, such as new business facilities or IT environments. This is one of the reasons why many believe that it will take time for AI to have a greater impact on business. Several companies also emphasise the importance of exploring the ways in which AI can create the most value. They also mention that one wants to be a “conscious second mover” and that “we don’t need to be the first to do this”. One respondent emphasises: “I think if you look at 2026, there will not be very much happening. It will be implemented here and there. But in a five-year perspective, a lot will happen.”

About the Riksbank's Business Survey

The Riksbank's Business Survey should reflect developments in prices and economic activity in the manufacturing and construction industries, the retail sector and parts of the services sector. As only a few players account for a very large part of the Swedish business sector, relatively few interviews can provide information about a large part of the sector. Many of the companies interviewed also provide information about other parts of the business sector through their contacts with, for example, small and medium-sized enterprises.

Over 300 companies have taken part in the survey since it was started in 2007. In the surveys carried out during the period 2007–2019, around 30 companies were interviewed in February every year, and around 45 companies in May and November. The interviews were carried out by Riksbank staff during visits of around one hour. As a result of the pandemic and its effects on the economy, the Riksbank held a total of eight rounds of telephone and video interviews with companies and trade associations in 2020. Nowadays, between 30 and 50 companies and trade associations are interviewed on each occasion. As of May 2022, some of the interviews are again being conducted in the form of visits. The interviews are usually conducted with members of the companies' management teams. The interviews give the companies an opportunity to develop their answers and the interviewer the chance to ask more detailed follow-up questions. From time to time, specific questions are asked about current questions in monetary policy. The response rate for the survey is high and is often around 95 per cent.

The results of the survey are presented in a report published on the Riksbank's website. From 2026 onwards, the number of surveys will be increased from three to four published Business Surveys per year. The report for February 2026 presents the results of interviews with 41 companies, which were conducted mainly during the period 29 January to 9 February. Unless otherwise stated, the figures in the report present the companies' responses weighted in terms of the respective companies' number of employees in Sweden. The indexes in the figures reflect upturns and downturns in the pattern of responses well. These responses are then combined with the companies' reflections during the interviews.

A more detailed description of the survey can be found on the Riksbank's website: Hokkanen, Melin and Nilson (2012), "The Riksbank's Business Survey – a quick indicator of economic activity", Sveriges Riksbank Economic Review 2012:3.

[The Riksbank's Business Survey – a quick indicator of economic activity](#)



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