Nordic Outlook Highlights

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What are the findings in the latest issue of Nordic Outlook? Our economists' give you in-depth theme articles and analysis of trends.

Uncertainty is high, but growth and markets continue to show resilience and strong adaptability. The rise in oil prices is being contained by factors including new transport routes, that the Strait of Hormuz ‘’leaks’’ and lower Chinese oil imports. At the same time, the wider price gap between crude oil and different distillates shows that the market remains under strain. The growth outlook is broadly intact; if anything, revisions are on the upside. We see limited second-round inflation effects from higher energy prices, but central banks are under pressure and choosing somewhat different paths: the Fed remains on hold this year, while the ECB raises rates. Swedish growth is gaining momentum, and we revise our already optimistic GDP forecast for this year up by one tenth to 2.7 per cent, followed by 2.9 and 2.0 per cent in 2027 and 2028, respectively. The Riksbank will remain on hold for now but raise the policy rate in March next year.

Increased hope ahead of an uncertain autumn

Chief Economist Jens Magnusson leads a discussion with Head of Economic Forecasting Daniel Bergvall on the key insights from the latest Nordic Outlook.

Theme: AI revolution – Effects on growth, employment and inflation?

The AI revolution will affect many parts of society – growth, the labour market, inflation and financial markets. We are seeing an increasing number of signs in the economic data, particularly in the US. Even if it is too early to draw any overly far-reaching conclusions, the data so far point to the following sequence: 1) higher investment and growth, 2) higher inflation and, to some extent, lower employment, and 3) higher productivity and lower prices.

Theme: The US midterm elections – A shift in congressional control with limited economic impact

Dissatisfaction with Trump’s war in Iran and high gasoline prices has strengthened the Democrats’ chances in this autumn’s midterm elections. We expect the Democrats to regain control of the House of Representatives. Winning the Senate as well will be more difficult but cannot be ruled out. The direct economic impact of the election is likely to be limited.

Theme: EU Emissions Trading System – Balancing climate ambitions and competitiveness

Amid rising pressure from Middle East energy disruptions and a growing China competitiveness shock, the European Commission’s proposed EU ETS overhaul seeks to balance climate ambition with industrial competitiveness, a difficult trade-off for decision makers.

USA

The economy remains resilient. GDP growth remains just above 2 per cent. Inflation gradually returns to target. The Fed refrains from further rate hikes this year and lowers rates somewhat in 2027 and 2028. However, the stable overall picture masks considerable uncertainty.

Sweden

Growth is picking up, with industry performing strongly, particularly in sectors where investment is also high. The labour market is gradually recovering. Inflation has risen somewhat recently; the Riksbank remains on hold for now but raises the policy rate in March next year

Euro area

Growth has exceeded our expectations. The economy has shown good resilience to higher energy prices, but low natural gas inventories are a concern ahead of the winter. Inflation risks are tilted to the upside. The ECB will raise rates again in September.

China

The growth slowdown leads us to marginally lower our GDP forecast to 4.6 per cent this year. Exports are reaching record levels, while domestic demand remains weak. The yuan will gradually strengthen at a pace that preserves competitiveness.

Makropodd about Nordic Outlook August 2026

In this edition of Makropodd, SEB’s chief economist Jens Magnusson and head of forecasting Daniel Bergvall discuss the bank’s economic report, Nordic Outlook.

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