

Copenhagen, Helsinki, Oslo, Stockholm, 9 December 2015

## Economic Outlook: An uneven recovery

**The global recovery is still fragile and uneven. The advanced economies are entering a self-sustaining recovery, but for the commodity-producing countries the situation has changed for the worse. In the Nordics especially Sweden is doing well.**

Economic activity in the advanced economies is picking up gradually, but at the same time most Emerging Markets are recovering at a slower pace than expected at the beginning of the year. In a new economic forecast Nordea expects a 3.1 per cent increase in world economic GDP in 2015 and a 3.5 per cent increase next year.

The present decline in world trade poses a big challenge to the small open Nordic economies. However, due to strong domestic demand the **Swedish** economy has shifted into a higher gear.

- The Nordics follow different growth patterns, but overall we expect the Nordic region to grow by 2.0 per cent in 2015, accelerating to 2.2 per cent in 2016. Especially the Swedish economy is pulling in the right direction, says Helge J. Pedersen, Nordea's Group Chief Economist.

In Sweden the refugee crisis provides fiscal stimulus through increased government spending. Exports have started to pick up as an effect of Euro-area growth, and Swedish GDP growth is expected to accelerate to around 3.5 per cent in 2015 and 2016.

**Norway** is hit hard by the slowdown in the oil services industry, which is not over yet. Consumer spending growth will help moderate the economic setback. Mainland exports are currently benefiting strongly from the krone's weakness.

A broadly-based recovery is emerging in **Denmark**, driven mainly by consumer spending. In 2016, we expect the recovery to gain more momentum as also investment activity will start to pick up.

The **Finnish** economy is set to expand very slowly, suggesting that the country is in need of reforms. Problems relating to exports, a lack of confidence and a weak growth outlook spell difficulties for domestic demand.

### Real GDP growth, %

	2013	2014	2015E	2016E	2017E
World	3.3	3.4	3.1	3.5	3.4
G3	0.8	1.5	1.9	2.1	2.0
BRIC	6.1	5.8	4.9	5.4	5.6
Nordics	0.8	1.6	2.0	2.2	1.8
Sweden	1.2	2.3	3.7	3.8	2.4
Norway	2.3	2.3	1.4	1.4	1.7
Denmark	-0.2	1.3	1.4	1.7	1.9
Finland	-1.1	-0.4	-0.2	0.5	0.7

Read the report: [http://ndea.mk/EO\\_1\\_2016\\_EN](http://ndea.mk/EO_1_2016_EN)

### For further information:

Helge J. Pedersen, Group Chief Economist, +45 33 33 31 26

*Nordea's vision is to be a Great European bank, acknowledged for its people, creating superior value for customers and shareholders. We are making it possible for our customers to reach their goals by providing a wide range of products, services and solutions within banking, asset management and insurance. Nordea has around 11 million customers, approximately 650 branch office locations and is among the ten largest universal banks in Europe in terms of total market capitalisation. The Nordea share is listed on the Nasdaq Stockholm, Nasdaq Helsinki and Nasdaq Copenhagen exchanges.*