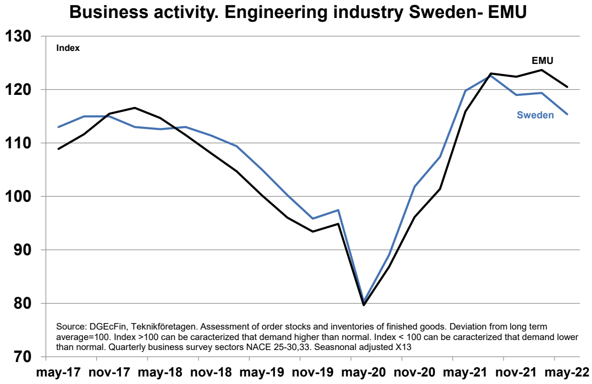
Summary

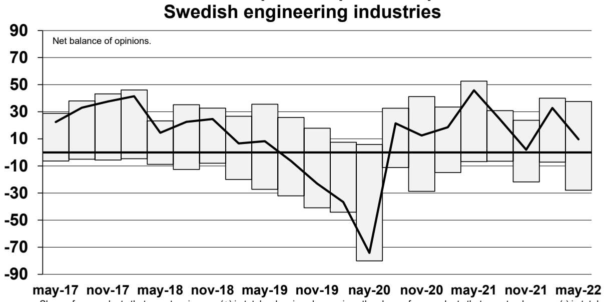
The index for the business situation for the engineering industry in Sweden has decreased slightly during the second quarter of this year from a high level. This is the third quarter in a row that the index has declined. Overall, order intake is also increasing to a lower extent than during the first quarter of this year. The contribution to a subdued order intake comes from the three main industries – the metal goods, machinery, and transport equipment industries. At the same time, demand remains high for the electrical engineering industry and its suppliers. The technology industry encounters disruptions in deliveries of components and inputs as well as logistics problems as before.

The inflow of new orders for the machinery industry is increasing to a very low extent. The upswing that started in the autumn of 2020 continues in a calmer pace, which is usual in this cyclical industry. Order intake for the industry of transport equipment continues to increase to a limited extent after a weak second half of last year. Compared with the first quarter, export orders increase to a slightly lower extent, while the opposite applies to orders from Sweden. Order intake has been remarkably volatile since the recovery began in the autumn of 2020. This reflects the well-known disturbances of components.
Order intake for the metal goods industry slowed for the fourth quarter in a row. This mainly applies to orders from Sweden. Export orders are increasing to the same limited extent as in the previous quarter. Suppliers to the electrical industry and manufacturers of electrical machines/electrical equipment report an increased order intake. This also applies to suppliers to the construction sector, especially export orders.
The index of the assessment of the size of the order stock for the total engineering industry declines from a high level, as is the case for the engineering industry in the euro area. The demand of engineering products is cyclical and is now entering a calmer phase after the upswing that started in the second half of 2020. The shortage of skilled metal workers decreases to a small extent, while it increases relatively extensively for engineers/ technicians. The proportion of companies with full capacity utilization is increasing slightly overall, but with variations within sub-sectors.

Business activity. Engineering industry Sweden- EMU



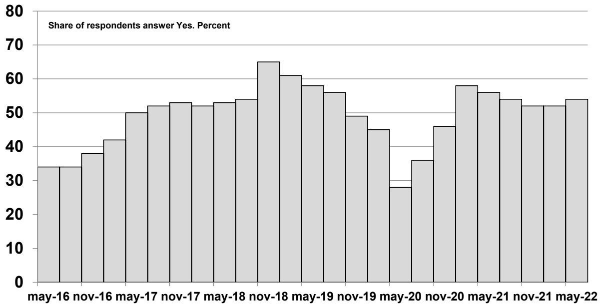
New orders compared to previous quarter.
Swedish engineering industries



Share of respondents that report an increse (+) in total orders in volume minus the share of respondents that report a decrease (-) in total orders compared to the previous quarter. The solid line is the net balance of increase-decrease. Source: Quarterly business survey Swedish engineering industries for sectors NACE 25-30,33. Seasonal adjusted X13

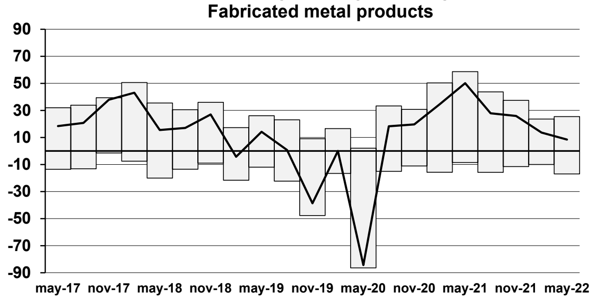
Teknikföretagen

Full capacity utilisation. Engineering industry Sweden



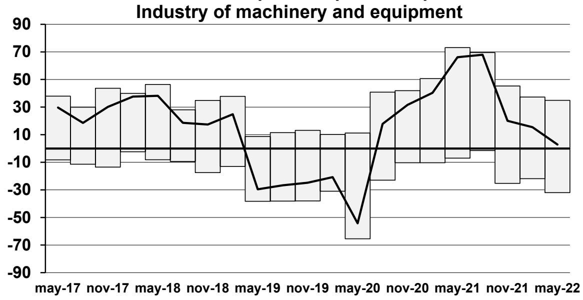
Source: Business survey Swedish engineering industries for sectors NACE 25-30,33. Seasnonal adjusted X13

New orders compared to previous quarter. Fabricated metal products



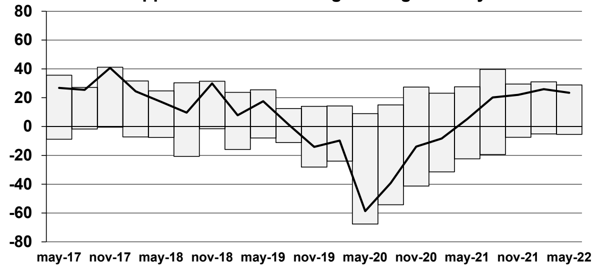
Andel metallvaruföretag som anger att orderingången ökat (+) respektive minskat (-) det senaste kvartalet jämfört med föregående kvartal. Kurvan visar skillnaden netto (ökat - minskat). Källa: Teknikföretagens kvartalsvisa konjunkturbarometer. Säsongrensad X13

New orders compared to previous quarter. Industry of machinery and equipment



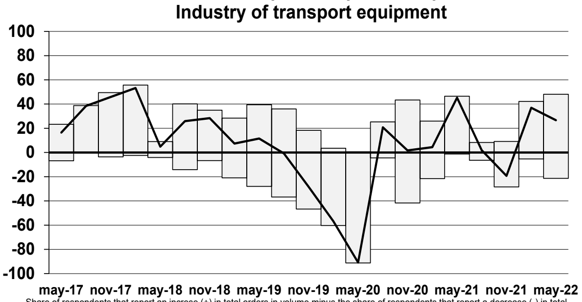
Share of respondents that report an increse (+) in total orders in volume minus the share of respondents that report a decrease (-) in total orders compared to the previous quarter. The solid line is the net balance of increase-decrease. Source: Quarterly business survey Swedish engineering industries for sector NACE 28. Seasonal adjusted X13

New orders compared to previous quarter. Suppliers to electrical engineering industry



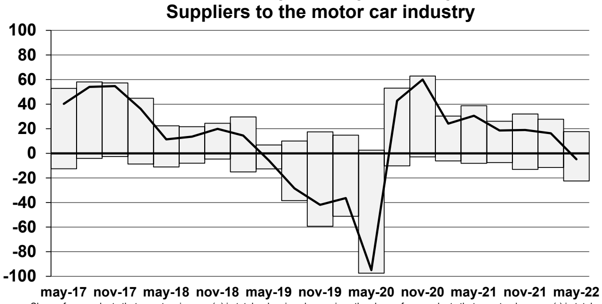
Share of respondents that report an increse (+) in total orders in volume minus the share of respondents that report a decrease (-) in total orders compared to the previous quarter. The solid line is the net balance of increase-decrease. Source: Quarterly business survey Swedish engineering industries for suppliers to electrical engineering industry. Seasonal adjusted X13

New orders compared to previous quarter. Industry of transport equipment



Share of respondents that report an increse (+) in total orders in volume minus the share of respondents that report a decrease (-) in total orders compared to the previous quarter. The solid line is the net balance of increase-decrease. Source: Quarterly business survey Swedish engineering industries for sectors NACE 29-30. Seasonal adjusted X13

New orders compared to previous quarter. Suppliers to the motor car industry



Share of respondents that report an increse (+) in total orders in volume minus the share of respondents that report a decrease (-) in total orders compared to the previous quarter. The solid line is the net balance of increase-decrease. Suppliers to the motor car industry. Source: Quarterly business survey Swedish engineering industries. Seasonal adjusted X13

TEKNIKFÖRETAGEN BUSINESS SURVEY

ISSN 1403-9559, Published during the second week in March, June, September and December

Mats Kinnwall, Chief Economist 08-782 08 46, mats.kinnwall@teknikforetagen.se

Bengt Lindqvist, Economist 08-782 08 34, bengt.lindqvist@teknikforetagen.se

Teknikföretagen