

# EXPORT MANAGER'S INDEX, EMI – 3rd QUARTER 2011

Swedish Trade Council  
Stockholm 2011-08-25

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- Total EMI. Large companies and SME. Present and forecast
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# EXPORT MANAGER'S INDEX

## The objective

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- EMI is an economic growth indicator for Swedish Export Demand as well as Global Demand
- Create attention for how exports and global demand are the driving forces for the Swedish economy
- Create attention for the importance of small - and middle size companies (SME) to Sweden
- Create attention for how economic growth in different regions of the world are having an impact on Sweden

# 225 COMPANIES WERE ASKED 7 QUESTIONS REGARDING THEIR EXPORT SALES. THESE QUESTIONS COMBINED FORM THE EMI INDEX

## Past and present

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1. What is your opinion about the company's export sales over the last three months?
2. What is your opinion about the size of the present export order stock?
3. What is your opinion about profitability on exports for the last three months?



These three questions form EMI Present

## Future

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4. What is your opinion about market growth for the coming three months?
5. What is your opinion about your company's export sales for the coming three months?
6. What is your opinion about profitability on exports for the coming three months?
7. What is your opinion about delivery times. Will deliveries become longer, shorter or remained unchanged?



These four questions form EMI Forecast

The interviews were performed during the period August 9-19. 94 % of the companies responded.

# EXPORT MANAGER'S INDEX

## Contents

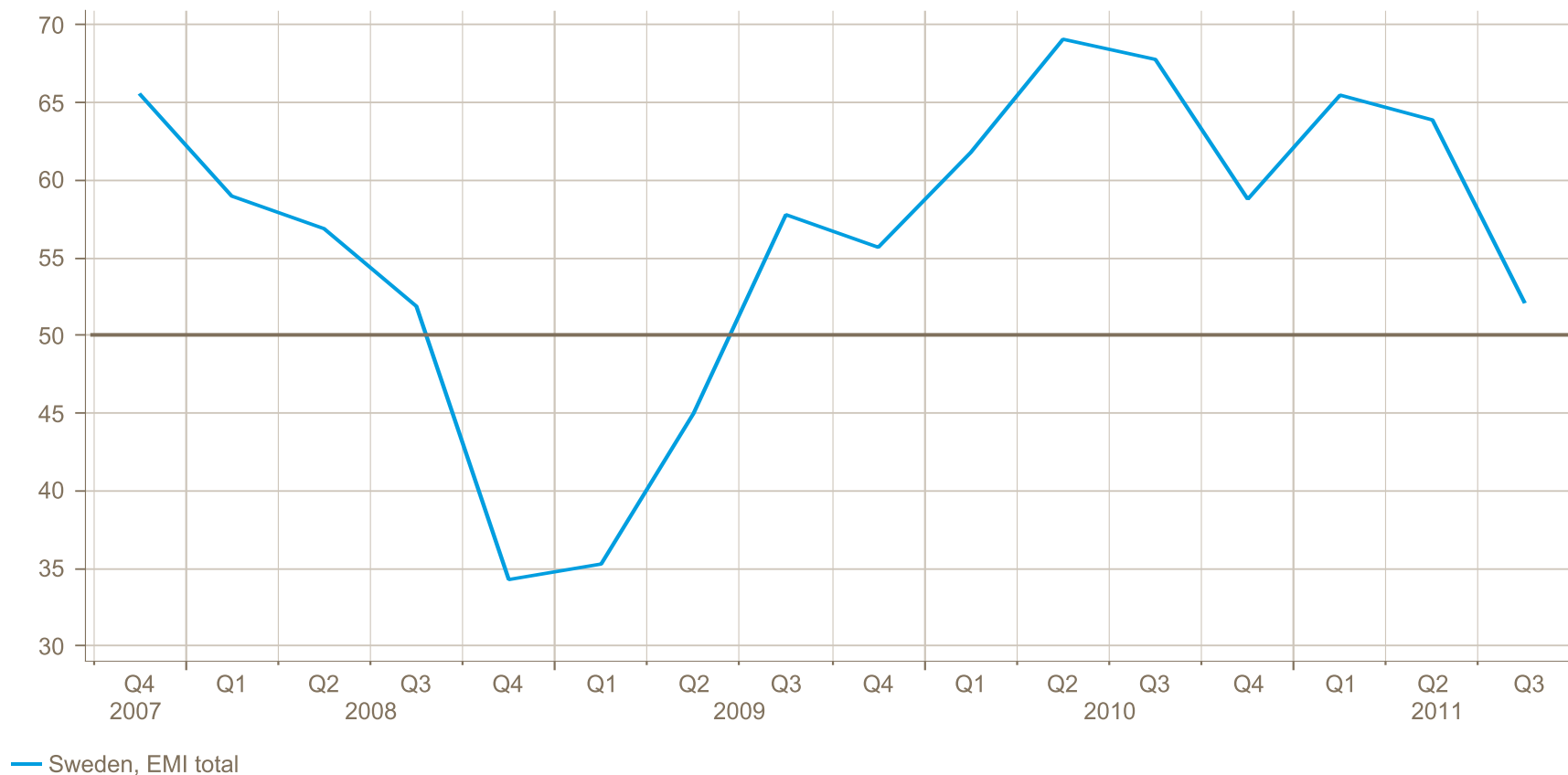
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- The respondents are export managers in 225 companies, divided into two groups: export sales >250 msek (large) and export sales 25-250 msek (SME)
- By using the information from the VAT register, exports of goods as well as exports of services are included
- The results are presented as a diffusion index. A score over 50 shows a strengthening, below 50 a weakening.
- All results are weighed towards the companies export sales.
- Statistics Sweden has accomplished the interviews
- Project Manager for EMI is Mauro Gozzo, chief economist at the Swedish Trade Council

# STEEP FALL FOR EMI – BUT STILL OVER 50

- Index scored 52.1, the lowest figure since the 2nd quarter 2009

## Sweden, EMI total

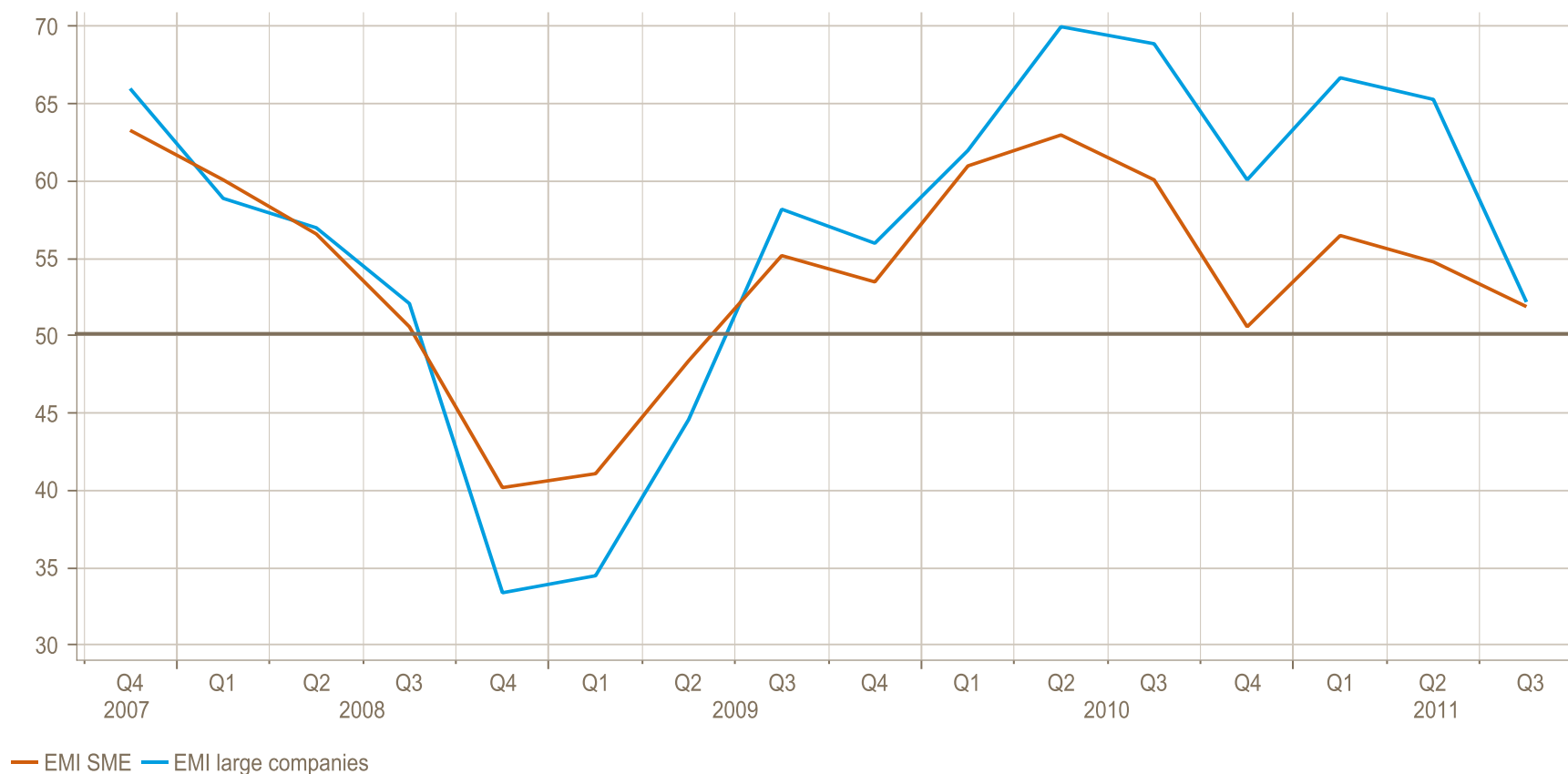


Source: Swedish Trade Council, Statistics Sweden

# EMI FOR LARGE COMPANIES FALLS THE MOST

- SME are not seeing the same dramatical changes

## EMI large companies and SME:s

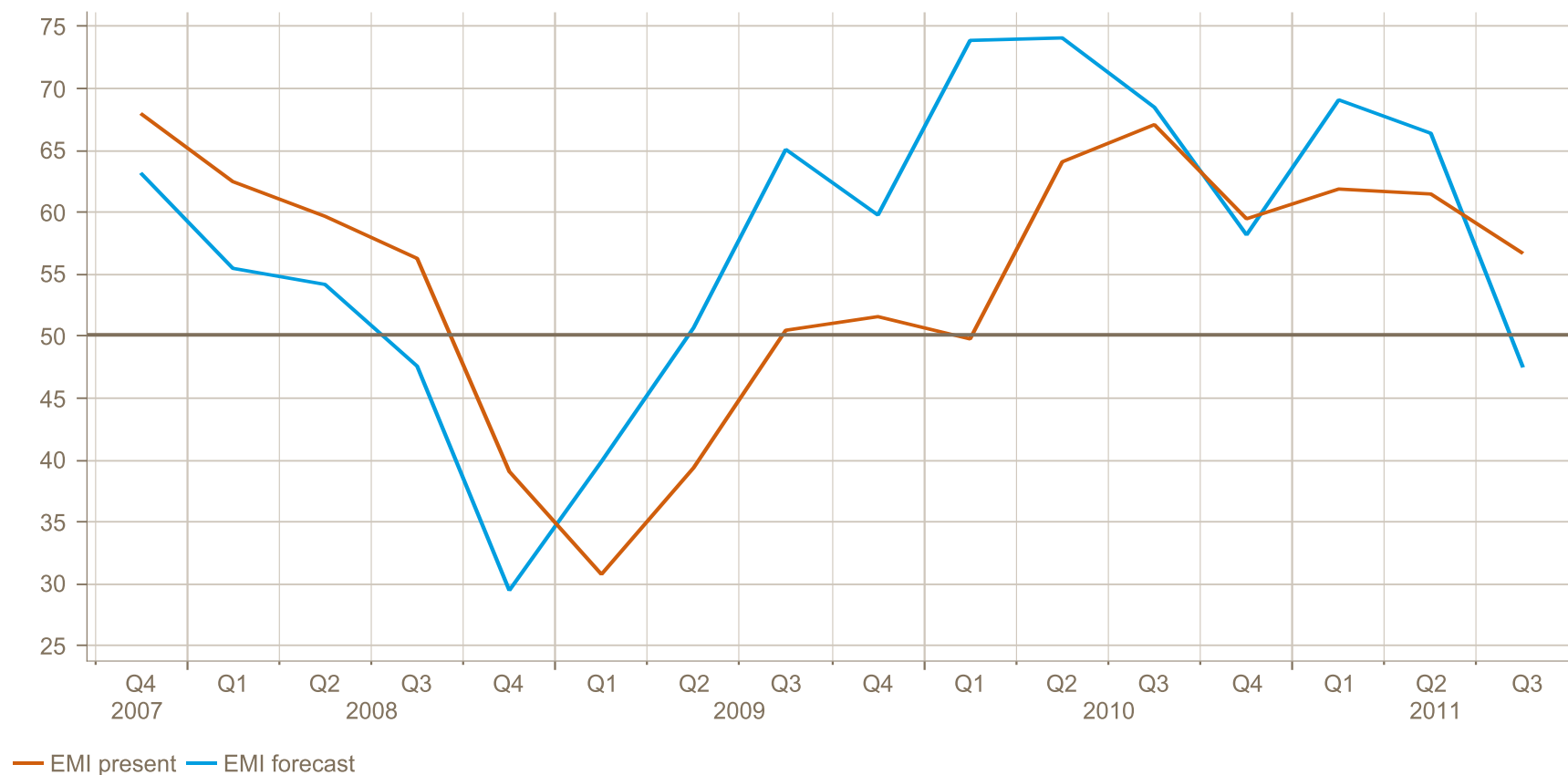


Source: Swedish Trade Council, Statistics Sweden

# EMI FORECAST (3 MTH HORIZON) FALLS TO 47.5

- EMI present still scores well

## EMI, present and forecast

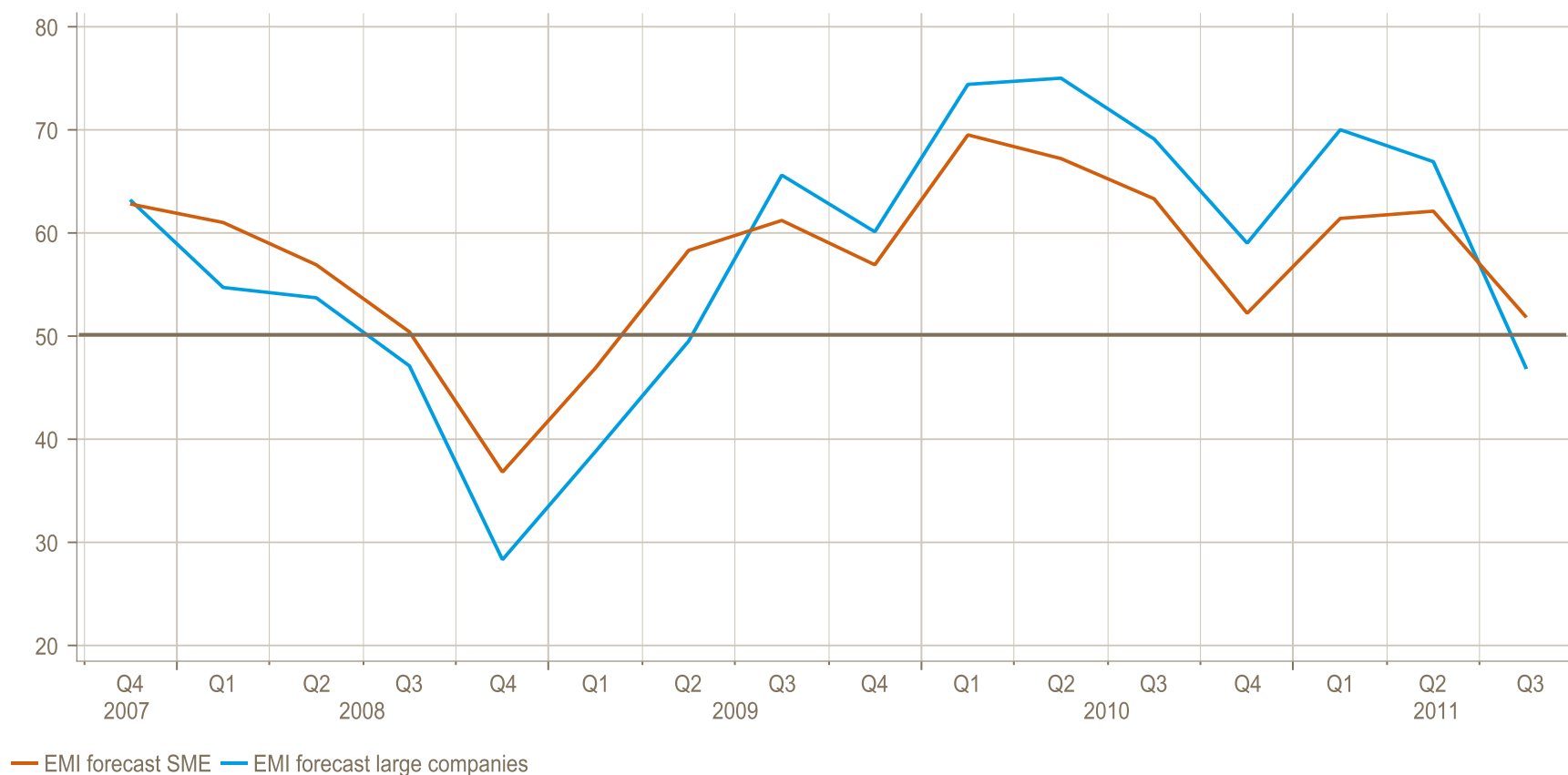


Source: Swedish Trade Council, Statistics Sweden

# EMI FORECAST FALLS THE MOST FOR LARGE FIRMS

- EMI forecast for SMEs still over 50

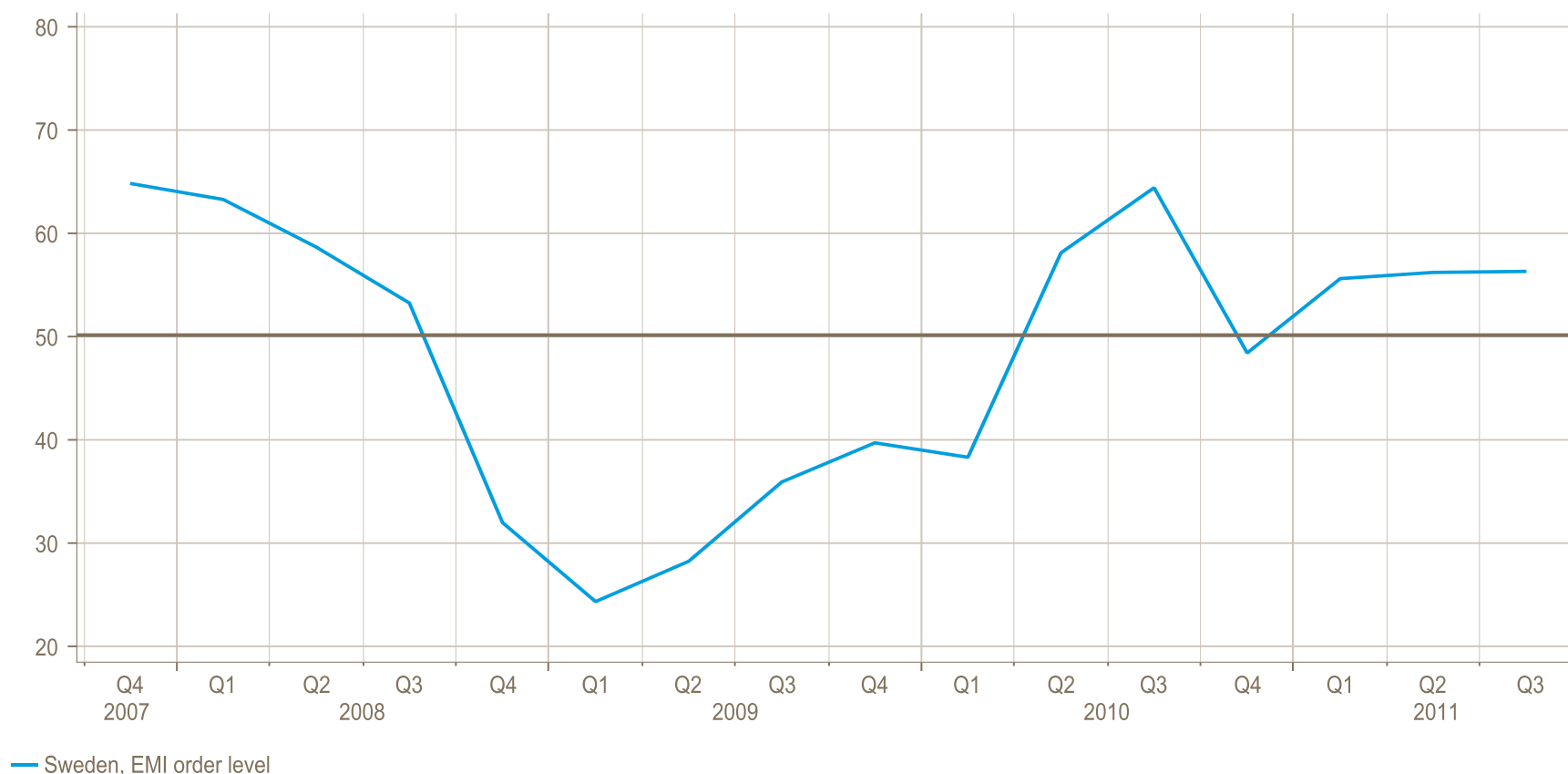
## EMI forecast – Large companies and SME



Source: Swedish Trade Council, Statistics Sweden

# JUDGEMENTS ON ORDERS STILL OVER 50 – ONE OF THE FACTORS KEEPING UP EMI

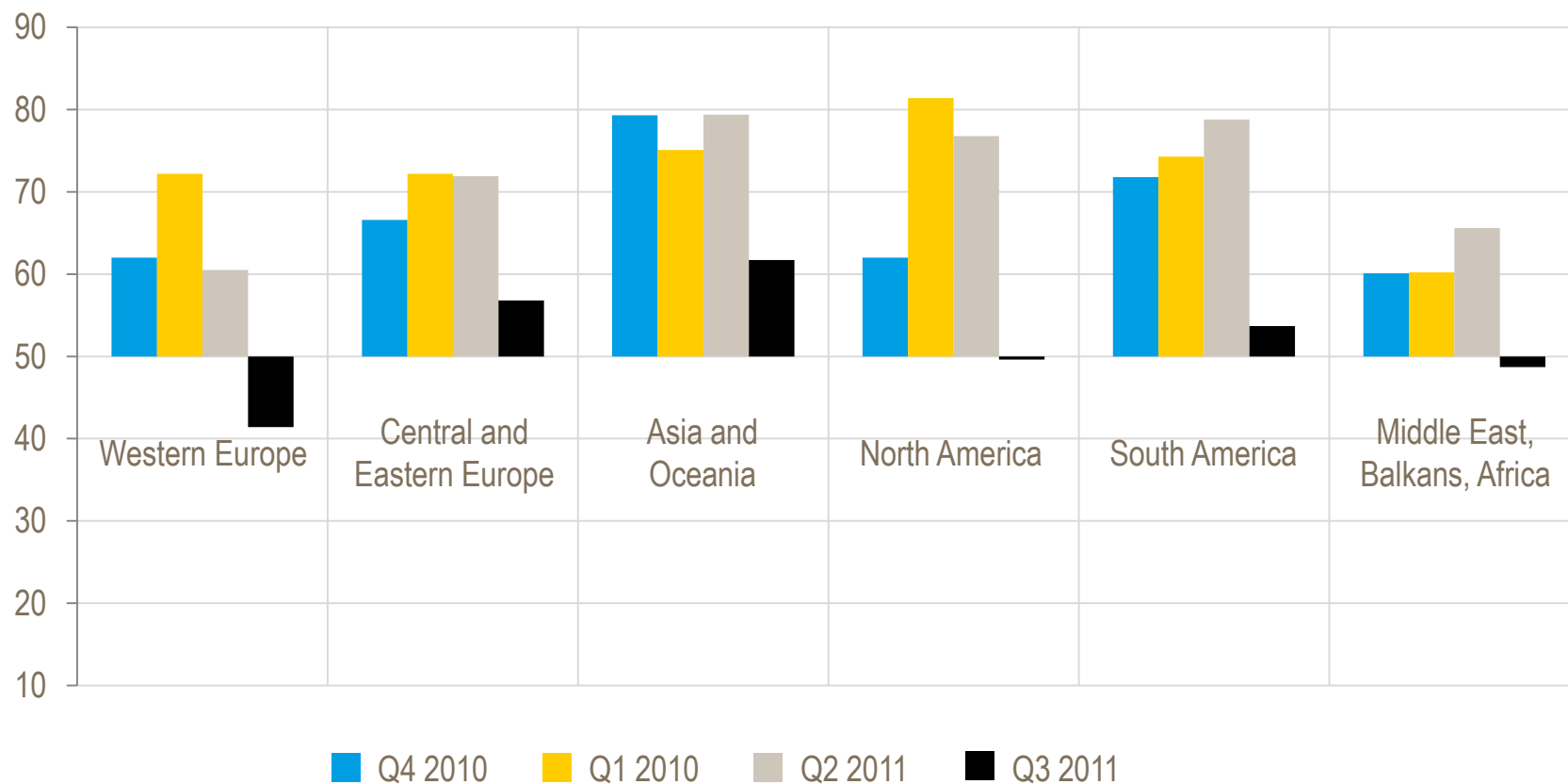
## EMI order level



Source: Swedish Trade Council, Statistics Sweden

# THERE'S AN OVERWEIGHT OF COMPANIES EXPECTING CONTRACTION IN W.EUROPE, N.AMERICA AND ME/AFRICA

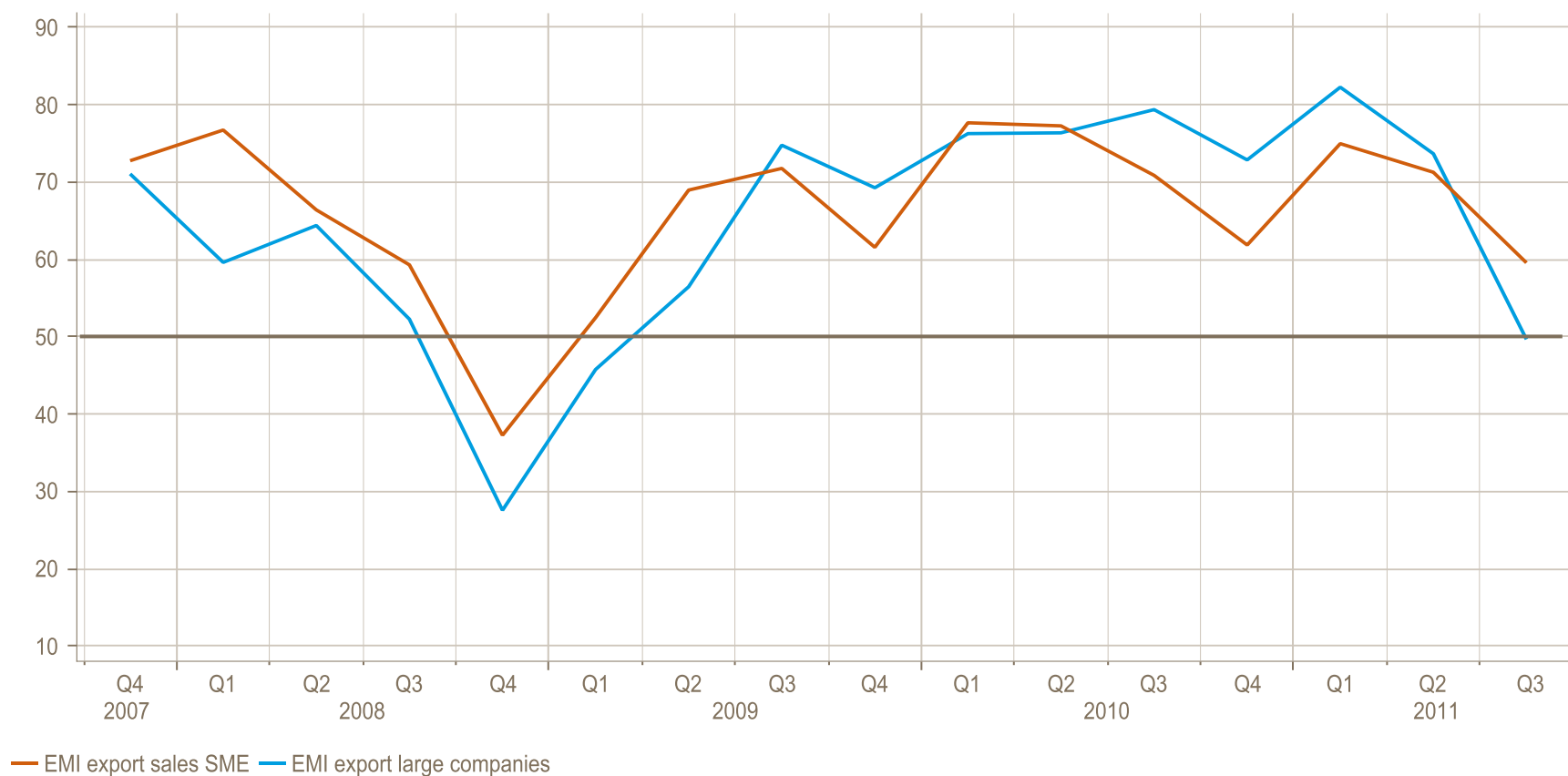
## Export demand by region



Source: Swedish Trade Council, Statistics Sweden

# INDEX FOR EXPORT SALES NEXT 3 MTHS FALLS TO 50.9

## Export sales next 3 months – Large companies and SME:s



Source: Swedish Trade Council, Statistics Sweden

# ALTHOUGH THE SEK HAS DEPRECIATED, EXPECTATIONS ON MARGINS NEXT QUARTER HAVE FALLEN BACK

## EMI – Export Margins Next Quarter

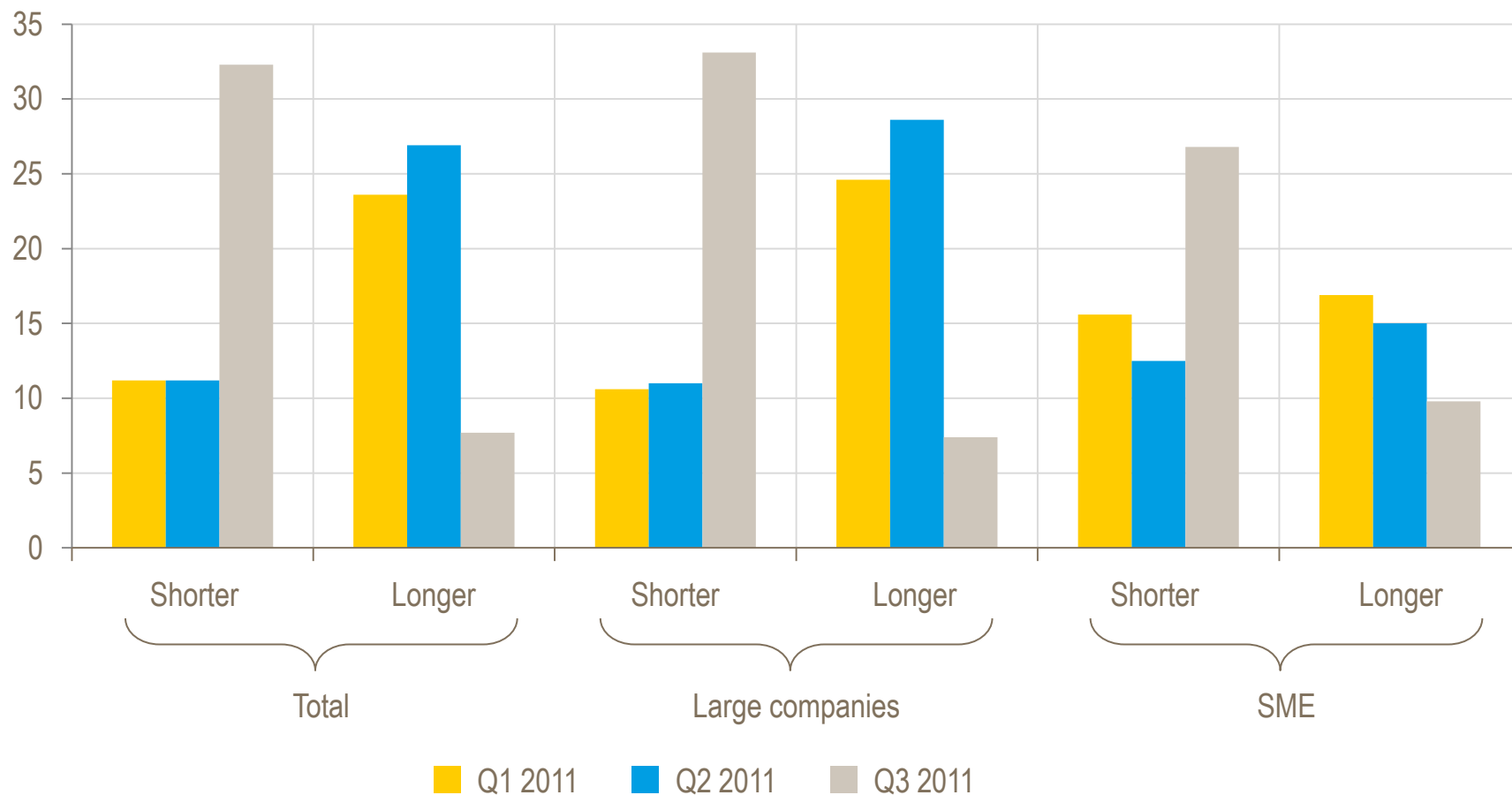


Source: Swedish Trade Council, Statistics Sweden

# COMPANIES ARE EXPECTING SHORTER TIMES OF DELIVERY

- An indication of weaker demand

Percentage of companies reporting longer or shorter times of delivery



Source: Swedish Trade Council, Statistics Sweden

# CONCLUSIONS

- EMI scored 52.1. Index is still over 50, but far below the average of EMI over the sixteen quarters we have done the survey.
- EMI Forecast, i.e. index for the forward looking questions fell to 47.5. The present situation keeps up the total index. The question on times of deliveries is a drag.
- Subindex for market demand next 3 mths fell to 50.2. Most companies are neutral about the prospects. Subindex for Western Europe fell strongly to 41.4. Only 15% of the companies, weighted, believe in higher demand from W.Europe, slightly less than for N.America (19%). For Asia 32% of the companies believe in higher demand which gives an index of 61.7, clearly over 50 but the weakest outcome since the 1th quarter 2009.
- Regarding profits on export sales last quarter, companies were satisfied but expectations are cautious about next quarter. Most companies are however neutral.
- SMEs are expecting improving export sales, while somewhat more of the big companies believe in decreasing sales than those who believe in increasing sales. Most are however neutral.
- Next EMI report will be presented November 17, 2011.