

# SWEDEN A WINNER IN DECLINING WORLD TRADE

*Sweden's position in the global export market*

# A GLIMMER OF HOPE FOR GLOBAL TRADE

The mid-1990s became the starting point for an unprecedented explosion of trade, driven by the internationalisation of manufacturing and China's dramatic economic rise. China fuelled world trade on two fronts, partly by doubling down on its ambition to become the world's largest exporting nation, and partly due to the country's vast need for imported raw materials to underpin domestic production.

The rapid growth of global trade in goods was followed by an equally unprecedented surge in services trade, which leveraged the opportunities of an emerging information society when it comes to digital communications and deliveries. Over an extended period, there was also political consensus on the importance of international trade as a crucial lever to increase prosperity while helping developing countries eradicate poverty and embark on a favourable growth path.

The outbreak of the global financial crisis in 2008 changed the playing field. Lax lending standards of American banks and other financial institutions caused a breakdown in the global financial system, hitting the world economy hard. In the backlash against globalisation, the Western world's spotlight – particularly in the US – turned to groups in society who were disadvantaged by competition from China and other low-income countries. As perceptions strengthened of a gradual impoverishment of domestic industries, opinion in the West turned against continued trade liberalisation. At the same time, emerging economies, primarily in Asia and Latin America, voiced dissatisfaction with their subordinate role in WTO negotiations and stubbornly began to assert their own interests. When the covid pandemic broke out in 2020 and highlighted the vulnerability of international trade, the prospects for progress in the WTO were already slim at best.

As we write 2024, the rush of industrial companies to low-income countries has ceased, and China's growth boom is over. A cooler global economy has dampened companies' interest for international expansion. And in the US, newly elected President Donald Trump has announced steep protective tariffs against the rest of the world, which could potentially trigger a trade war.

But despite the setbacks, international trade has continued to grow in the past decade, albeit at a slower pace. While few dispute that trade is beneficial for continued prosperity, more attention needs to be paid to segments of society that lose out to foreign competition. New, fast-growing markets in Asia, Latin America and Africa are set to join the league of major trading nations in future. After China's slowdown and controversial state involvement in exports, all eyes are now on India.

In our report *Sweden a Winner in Declining World Trade* we reveal how Europe and Sweden gained market shares in the global export market during 2023. For the first time in years, Europe overtook Asia's position as the world's largest export region.

In an analysis of 14 key product groups that together account for 85 per cent of Swedish exports of goods, we also show that Sweden gained market shares in 9 of the product groups including the largest ones: automotive, chemicals and pharmaceuticals, machinery and electronics and telecom. In all, Sweden's exports of goods in the 14 product groups accounted for 1.0 per cent of the global export market, a share that has remained stable at roughly the same level in the past decade.

Below the surface, there is cause for measured optimism about the future of international trade and Sweden's position in the global export market.

Lena Sellgren  
Chief Economist



# EUROPEAN EXPORTS BACK ON TOP IN WEAK GLOBAL MARKET

The sluggish performance of the world economy as demand fell, especially in economic powerhouses like China and Germany, had a dampening effect on the global export market in 2023. According to the World Trade Organization (WTO), global export of goods, measured as the sum of all countries' goods exports, dropped by 4.3 per cent to 23,813 billion dollars (USD, in current prices) compared to the previous year. Export of services, which are often closely linked to goods exports but not covered in this report, grew instead by 8.4 per cent to 7,822 billion dollars. Export of goods accounted for 75 per cent of global exports in 2023, while services exports accounted for 25 per cent.

Business Sweden's compilation of statistics from the United Nations' database UN Comtrade shows that the regional shares of

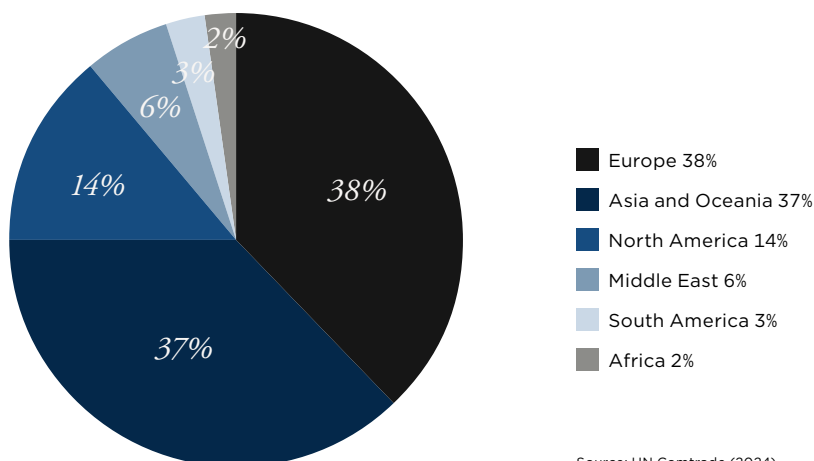
global goods exports changed just marginally in 2023 compared to 2022. But the change was still sufficient for Europe to reclaim its position as the largest export region ahead of Asia, which was temporarily in first place during 2020-2022. Europe's share of global exports increased by one percentage point to 37.7 per cent in 2023, while Asia's share fell back by the same amount, to 37.2 per cent. China's sharply reduced goods exports played a significant role in Asia's decline.

North America's share rose by 0.6 percentage points to 14.3 per cent. The Middle East dropped slightly to a 5.5 per cent share, mainly due to lower oil prices and slowing global demand for oil. For the smaller export regions of South America and Africa, the shares were largely unchanged at 2.8 and 1.5 per cent, respectively.

## KEY FINDINGS

- Global export of goods fell by 4 per cent in 2023 compared to the previous year
- Europe reclaimed its position from Asia as the world's leading export region
- China, the US and Germany accounted for one-third of global export of goods
- Swedish exports increased their share of global exports in 9 out of 14 key product groups
- Sweden's total share of global exports in 14 key product groups amounted to 1.0 per cent, a marginal increase from 2022

EUROPE RECLAIMS TOP SPOT AS LARGEST EXPORT REGION  
Global export of goods, regional shares, per cent, 2023



Source: UN Comtrade (2024)



### STABLE POSITION FOR SWEDISH EXPORTS

Despite a relatively weak year, China maintained its position in 2023 as by far the largest exporter of goods, with an export value of 3,380 billion dollars and a 15.4 per cent share of global exports. The US followed in second place and Germany in third place with shares of global exports of 9.2 and 7.7 percent, respectively.

Altogether, China, the US and Germany accounted for almost a third of global exports. A considerable gap can be observed as the Netherlands, a central trading hub in Europe, came in at fourth place with 3.4 per cent of global exports. The industrial giant Japan and upcomer Italy, known for its luxury goods and high-quality food products, followed in fifth and sixth place. France came in at seventh place

with its broad palette of export goods, ranging from haute couture to warships. The automotive and chips manufacturer South Korea secured the eighth spot ahead of Mexico in ninth place, whose exports benefit from proximity to the US market while also providing an attractive alternative to China for sourcing of intermediate goods. Finally, Hong Kong which grabbed tenth place is, like the Netherlands, an important distribution hub and also a shipping port for goods from mainland China. In all, the ten largest exporters of goods accounted for just over half of the world's exports. Sweden's share of the total global export market amounted to 0.9 per cent in 2023, a share that has remained stable at roughly the same level over the past decade. Sweden ranks 31st on the list of the world's largest exporting countries.

CHINA, THE US AND GERMANY ACCOUNT FOR A THIRD OF GLOBAL EXPORT OF GOODS  
Export of goods by market, 2023

Ranking	Market	Export value, USD billion	Change 2022–2023, per cent	Share of global export, per cent
1	China	3,380	-6.0	15.4
2	USA	2,019	-2.1	9.2
3	Germany	1,697	0.7	7.7
4	The Netherlands	742	-3.4	3.4
5	Japan	718	-3.9	3.3
6	Italy	677	2.7	3.1
7	France	640	3.6	2.9
8	South Korea	632	-7.6	2.9
9	Mexico	593	2.6	2.7
10	Hong Kong	575	-5.7	2.6
	Other	10,262	-5.1	46.8
	Total	21,934	-3.9	100.0

Source: UN Comtrade (2024)

SWEDISH EXPORTS DOMINATED BY INDUSTRIAL GOODS  
14 selected product groups, shares of global exports, per cent, 2023

	Sweden	Global	Europe	Asia and Oceania	North America	South America	Middle East	Africa
Automotive	13.9	8.3	10.6	6.6	11.4	2.8	1.8	3.6
Chemicals and pharmaceuticals	13.6	12.0	17.4	8.4	11.6	5.5	7.4	5.8
Machinery	13.5	9.2	11.7	8.7	9.4	2.5	2.1	2.2
Electronics and telecom	9.8	16.8	9.9	29.2	12.5	1.3	5.8	2.7
Food and beverage	6.5	7.4	9.3	4.0	7.6	26.4	2.6	12.7
Pulp and paper	6.1	1.0	1.3	0.7	1.2	2.0	0.2	0.7
Petroleum products	6.0	9.3	4.8	5.1	12.2	12.8	52.0	27.0
Steel	4.1	2.2	2.4	2.7	1.0	2.5	0.9	2.8
Wood products	2.4	0.6	0.8	0.4	0.7	1.1	0.0	0.5
Textiles and footwear	2.4	4.1	3.9	6.1	1.1	1.8	1.0	2.9
Metals	2.3	2.3	2.7	2.5	1.8	0.6	0.7	0.8
Instruments	1.9	2.4	2.4	2.6	3.3	1.0	0.7	0.4
Furniture	1.1	0.9	1.0	1.1	0.7	0.2	0.1	0.2
Electricity	1.1	0.3	0.7	0.1	0.1	0.3	0.0	0.6
Other goods	15.3	23.1	21.0	22.0	25.3	39.1	24.7	37.2

Source: UN Comtrade (2024)

### SWEDEN'S EXPORT PROFILE TYPICAL OF ADVANCED MARKET ECONOMIES

Business Sweden has chosen to focus the compilation of global export data on 14 important, selected product groups that together accounted for just under 85 per cent of Sweden's export of goods in 2023, and 77 per cent of global exports. These are the product groups where Swedish exports are most successful and where it can be assumed that Swedish companies are highly competitive in an international comparison.

The distribution of Sweden's goods exports across different product groups reflects the country's position as an advanced market economy, but also to some extent Sweden's abundant raw materials and favourable geographical location. As such, Sweden has roughly the same export profile as the rest of Europe where product groups typical of industrial countries dominate the market: automotive, chemicals and pharmaceuticals, machinery, and electronics and telecom. Further down the list of product groups, Sweden stands out from Europe with its large emphasis on export goods linked to basic industries such as pulp and paper, steel, and wood products.

As shown in the table above, other regions' export profiles differ markedly from Sweden and Europe. North America has a similar profile, but the fact that the US and Canada are major oil and gas exporters raises the region's share for petroleum products to just over 12 per cent. Asia's shares of heavy industrial goods in its goods exports are significantly smaller than Sweden's, but the region stands out for a large share of electronics and telecom. Almost a third of Asia's goods exports consist of electronic products. Asia's share of exports for the product group textiles and shoes is also significantly higher than in other regions.

Goods exports from the Middle East are dominated by petroleum products. In South America, food and beverage accounts for just over a quarter of goods exports, with petroleum products as the other main export product. Africa's profile for the 14 product groups is similar to South America's, except that the shares are reversed as petroleum tops the list followed by food and beverage. It is important to note that as much as 40 per cent of goods exports from both South America and Africa fall outside the 14 highlighted product groups, underscoring the regions' heavy dependence on raw materials for exports.

## SWEDISH EXPORTS GAIN MARKET SHARES\*

14 selected product groups, change in export value (USD, current prices), per cent, 2022-2023

	<i>Global</i>	<i>Sweden</i>	<i>Europe</i>	<i>Asia and Oceania</i>	<i>North America</i>	<i>South America</i>	<i>Middle East</i>	<i>Africa</i>
Automotive	17.3	20.6	17.2	16.3	19.6	10.9	17.2	15.9
Machinery	6.0	12.1	11.1	-0.5	5.5	10.6	25.1	1.5
Instruments	4.0	3.5	8.3	-1.8	7.5	23.8	-1.0	8.6
Food and beverage	2.2	6.2	6.5	-0.7	-2.8	-4.4	11.5	5.9
Metals	-2.6	-1.2	1.7	-8.2	3.8	-3.3	-2.8	-0.2
Furniture	-3.6	-4.0	-0.1	-7.9	1.4	-5.7	-8.9	3.2
Electronics and telecom	-4.9	3.2	3.7	-8.5	-0.9	11.7	8.2	8.9
Chemicals and pharmaceuticals	-7.6	-0.2	-4.0	-13.4	-3.6	-14.6	-22.3	-17.9
Textiles and footwear	-7.7	-4.6	-1.8	-11.5	-3.4	-12.2	-4.9	-1.3
Pulp and paper	-11.1	-6.6	-12.5	-7.2	-13.6	-9.1	-2.4	-9.3
Petroleum products	-11.6	-17.3	-11.6	-12.0	-12.3	-17.6	-10.4	-9.0
Steel	-12.6	-9.6	-16.0	-11.6	-8.2	-13.6	3.7	9.1
Wood products	-17.4	-23.4	-17.3	-11.3	-23.6	-22.3	0.4	-10.9
Electricity	-40.6	-55.1	-46.8	44.8	-12.0	10.6	-6.4	10.9
<b>Total</b>	<b>-2.9</b>	<b>0.2</b>	<b>1.3</b>	<b>-6.5</b>	<b>-0.5</b>	<b>-7.8</b>	<b>-8.3</b>	<b>-3.5</b>

- Reduced share of world exports
- Increased share of world exports

\*Note: An increased or reduced share of global exports can be determined from the table by comparing the change in export value with the change in global export value. For example, the value of Swedish automotive exports increased by 20.6 per cent, while global automotive exports rose by 17.3 per cent. This means that Swedish exports increased their market share in the automotive product group. Similarly, Swedish exports gained market share in the chemicals and pharmaceuticals product group, as the decrease in export value was only 0.2 per cent compared to the decrease in global export value of 7.6 per cent.

Source: UN Comtrade (2024)

As shown in the diagram on the next page, Sweden's share of global exports for the 14 product groups was 1.0 per cent in 2023. The negative trend from 2020 onwards was thereby broken by a marginal, half-tenth percentage point rise during 2023.

### SWEDISH EXPORTS WENT AGAINST THE TIDE...

Business Sweden's compilation of data above shows that global exports in the 14 product groups fell by 2.9 per cent in 2023. The downturn affected all regions except Europe, which instead noted an increase of 1.3 per cent. Asia recorded a sharp decline of 6.5 per cent, while exports from North America decreased by a modest 0.5 per cent. Significant drops were noted for the Middle East and South America, while the decline for Africa was more moderate. For Sweden, exports within the 14 product groups were virtually unchanged, with an increase of 0.2 per cent.

A bright spot was the global surge in automotive exports, where all regions recorded double-digit growth rates. Robust global increases were also noted for export of

machinery and instruments with 6.0 and 4.0 per cent, respectively, as well as a modest uptick of 2.2 per cent for food and beverage.

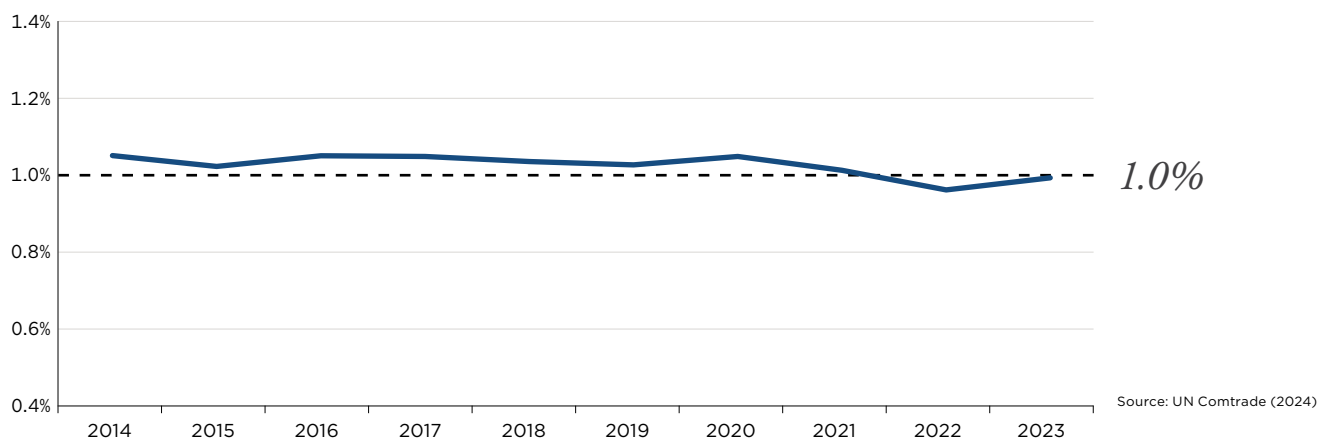
### ...WITH AN INCREASED SHARE OF GLOBAL EXPORTS 2023

Sweden's share of the global export market gained ground in 2023. A comparison of the change in export value, illustrated in the above table, shows that Swedish exports gained shares of global exports in 9 of the 14 selected product groups: automotive, chemicals and pharmaceuticals, machinery, electronics and telecom, food and beverage, pulp and paper, steel, textiles and footwear, and metals.

Asia lost market shares in no fewer than 10 product groups. Among them were some of the region's key export goods – electronics and telecom, machinery as well as chemicals and pharmaceuticals.

A mixed export development could be seen in both Europe and North America. Europe performed well overall and gained market share in every product group except automotive, steel, pulp and paper and electricity.

MARGINAL UPTICK FOR SWEDEN'S SHARE OF GLOBAL EXPORTS  
14 selected product groups, Sweden's share of global exports, per cent, 2014-2023



### EXCHANGE RATES AND PRICE CHANGES IMPACT THE ANALYSIS

It is important to note that all export statistics in the UN Comtrade database are reported in current prices converted to US dollars. This causes a currency effect which, somewhat simplified, means the export figures for countries with a different currency will weaken or strengthen depending on how the value of the local currency fluctuates in relation to the US dollar. For example, according to data from Statistics Sweden, Sweden's total export of goods increased by 5.3 per cent in Swedish kronor measured by current prices in 2023 compared to the previous year. But converted into dollars in UN Comtrade's figures, the increase amounted to only 0.1 per cent, due

to the significant weakening of the krona against the dollar during the year. To make a fully accurate international comparison of countries' exports, a uniform currency must be used. The US dollar is the world's most used currency and is, therefore, a natural choice.















Another complication when it comes to accounting for export of goods in current prices is that no consideration is given to price changes. For example, the increase in the value of goods exports in recent years is largely due to high inflation. What appears to be an uptick in a country's export performance may in fact be just the opposite, a decrease, when current prices are recalculated to fixed prices to adjust for price and currency effects.



# ABOUT GLOBAL EXPORT

Business Sweden's analysis of global export performance is based on data from UN Comtrade, which contains statistics on most markets' foreign trade broken down into product groups according to the so-called SITC nomenclature (*Standard International Trade Classification, revision 4*). All figures are in current prices converted from local currencies to USD. The analysis encompasses the 14 most important product groups for Swedish exports.

*The product groups are as follows, with SITC codes in brackets:*

 <b>Food and beverage</b> (0, 1)	 <b>Chemicals and pharmaceuticals</b> (5)	 <b>Electronics and telecom</b> (75, 76, 77)
 <b>Wood products</b> (24, 63)	 <b>Textiles and footwear</b> (65, 84, 85)	 <b>Automotive</b> (78)
 <b>Pulp and paper</b> (25, 64)	 <b>Steel</b> (67)	 <b>Furniture</b> (82)
 <b>Petroleum products</b> (33)	 <b>Metals</b> (69)	 <b>Instruments</b> (87)
 <b>Electricity</b> (35)	 <b>Machinery</b> (71, 72, 73, 74)	

The 14 selected product groups accounted for 85 per cent of Swedish export of goods and 77 per cent of global export of goods in 2023.

The most important product groups that were omitted from the analysis, and which accounted for 15 per cent of Swedish export of goods and 23 per cent of global export of goods, are commodities such as ore and minerals, natural gas, as well as various consumer goods.

Sweden's export market share of 1.0 per cent is calculated as the total share of global exports in the 14 selected product groups.

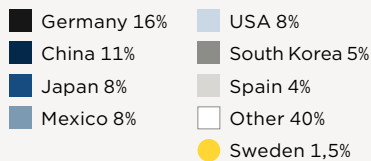
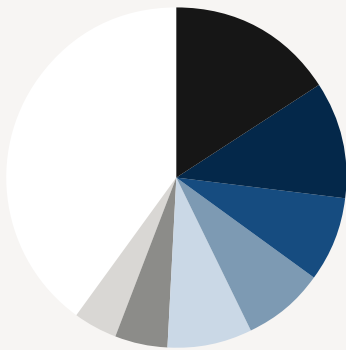
Business Sweden's compilation of data from UN Comtrade summarises a total figure for global export of goods in 2023 at 21,934 billion dollars, which can be compared to the WTO's estimated total figure of 23,813 billion dollars.

Several underlying factors can be attributed to the gap, but it can be noted that WTO generally has more sophisticated data processing. Business Sweden uses data that is reported directly by national statistics agencies in the UN Comtrade data base. However, Business Sweden recognises the advantage of using unprocessed export data to break down the data by countries, markets and industries. This can only be done to a limited extent using the WTO's database.

For additional comments on individual product groups below, Business Sweden has also used data (2022) from the Observatory of Economic Complexity (OEC).



# PRODUCT GROUPS

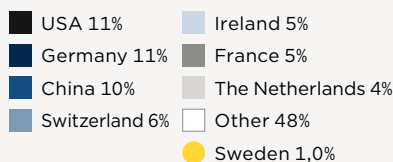
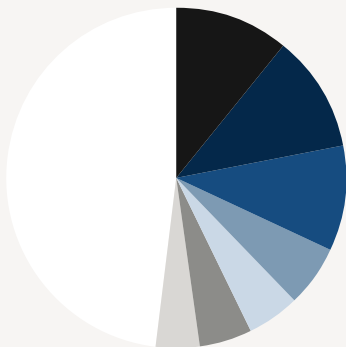


## AUTOMOTIVE

The automotive industry in Sweden is dominated by AB Volvo, Scania, and Volvo Cars, but consists of several hundred companies in total. Important auto parts manufacturers include Autoliv, Haldex, and Leax.

Germany, with 16 per cent of global exports, is the world's leading automotive exporter, with China in second place. Notably, Mexico has now surpassed the US in export value thanks to its position as a supplier to the US automotive market.

The automotive industry is currently undergoing a technology- and capital-intensive transition towards electrification and autonomous vehicles, where China's lead in electric vehicles and electronics has shaken the foundations of Europe's automotive industry. The EU recently imposed protective tariffs of up to 35 per cent on imports of Chinese electric vehicles.

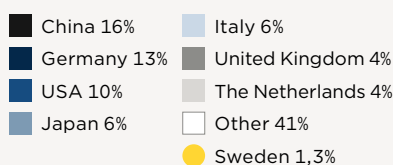
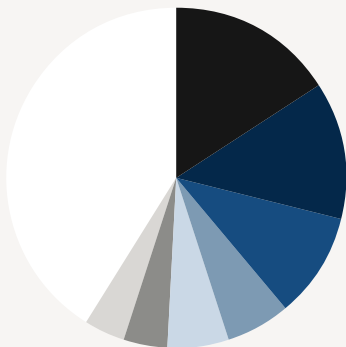


## CHEMICALS AND PHARMACEUTICALS

This product group consists of products such as chemicals, fertilisers, plastics and pharmaceuticals. A considerable share of Sweden's chemicals industry today is represented by international groups such as Akzo Nobel, Borealis, Nouryon and Perstorp.

The pharmaceuticals industry is dominated by AstraZeneca which is one of Sweden's largest export companies. Other large export companies in this sector include Cytiva, Fresenius Kabi, Octapharma and Pfizer.

The US, Germany and China are comparable in size when it comes to export of chemicals and pharmaceuticals, altogether accounting for approximately 30 per cent of global exports. Germany is by far the largest exporter when it comes to the sub-group pharmaceuticals, followed by Switzerland and the US, with China only in 13th place.

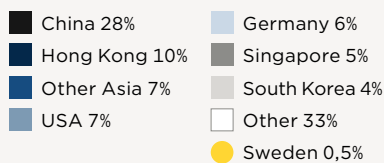
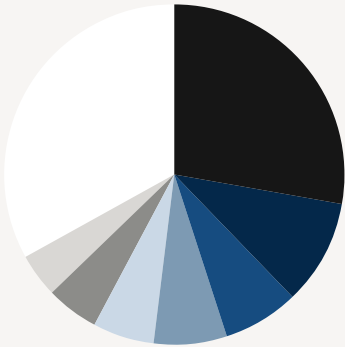


## MACHINERY

The Swedish machinery industry produces power-generating equipment, machines for specialty industries, metalworking machines, and other non-electrical machines and appliances. This sector includes many of Sweden's traditional industrial companies such as ABB, Alfa Laval, Atlas Copco, Husqvarna, and SKF. Additional exporters include Epiroc, Munters, Mycronic, Nibe, Systemair, and Valmet. The industry is also represented by a large number of small and medium-sized engineering companies.

China, with 16 per cent of global exports, is the largest player followed by Germany and the US. Around 20 per cent of China's exports in this product group go to the US market. The US's machinery exports go primarily to Canada and Mexico, accounting for 35 per cent, with only a small share of exports destined for China.

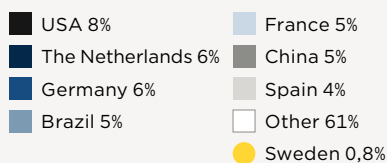
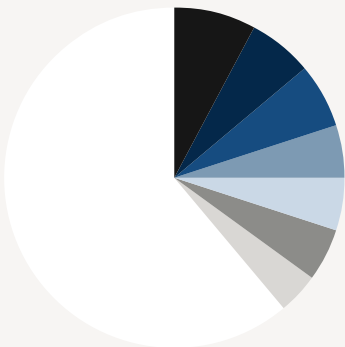
# PRODUCT GROUPS



## ELECTRONICS AND TELECOM

The product group includes electrical products and equipment for generating and distributing electricity, computers and computer equipment, electronic components, domestic appliances, as well as telecom equipment, audio, TV and hi-fi products. ABB is a large exporter of power equipment while Electrolux, the home and professional appliances supplier, has some exports from Sweden. The telecom giant Ericsson is a large supplier of base stations, but a majority of these are built and exported from manufacturing units outside Sweden.

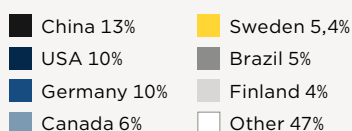
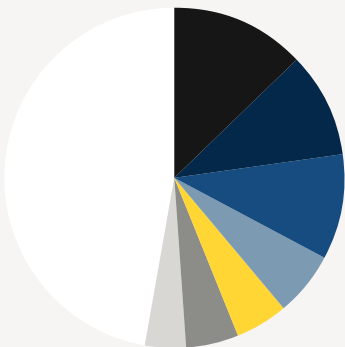
China, with a 28 per cent share of global exports from mainland companies and 10 per cent share from Hong Kong, is the dominant exporter, despite some overlap in Chinese export statistics. Primarily based in the electronics clusters around the cities of Shenzhen and Guangzhou in Guangdong province, over half of the exports went to other parts of Asia, likely including a large share of intermediate or finished goods destined for European and North American markets.



## FOOD AND BEVERAGE

This product group includes meat, milk and fish products, vegetables and fruit, coffee and tea, sugar products as well as beverages and tobacco products. Absolut Vodka has long been the largest exporter in this sector, followed by companies such as AAK, Almondy, Annas Pepparkakor, Gevalia Löfbergs, Kopparbergs, Pågen and Åbro, as well as brands like Wasa and Abba which also contribute to Sweden's food exports. Besides domestic food production, Norwegian salmon also boosts exports as these commodities pass through Sweden destined for global markets.

With 8 per cent of global exports, the US is the leading exporter, but the international food market is highly fragmented with many players and niche products. While the US primarily exports soybeans and corn, the major export products from the Netherlands and Germany are dairy products, meat, and vegetables.

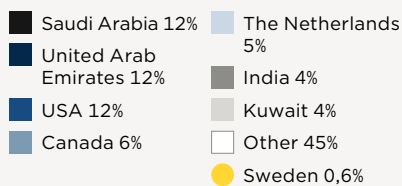
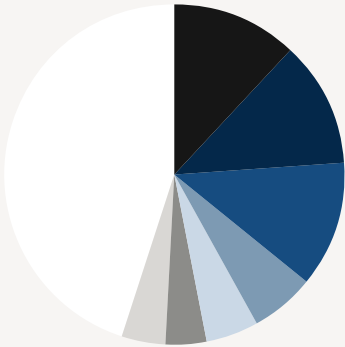


## PULP AND PAPER

Pulp and paper is a traditional Swedish export industry and was the largest sector during the decades following the Second World War. Today, companies such as Billerud Korsnäs, Holmen, Metsä, SCA, Smurfit Kappa, Stora Enso and Södra dominate the market.

China, the USA, and Germany are equal exporters in this product group, with a combined share of just under one-third of global exports. Sweden has had a historically strong position in pulp and paper with a share that remains just above 5 per cent.

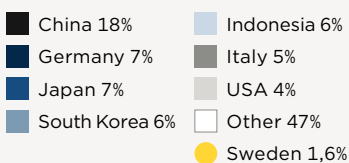
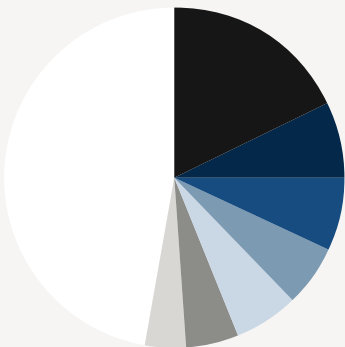
# PRODUCT GROUPS



## PETROLEUM PRODUCTS

The product group primarily includes crude oil and refined mineral oil products, of which the lion's share is produced at refineries in Gothenburg and Lysekil on Sweden's west coast. Important exporters include Nynas, Preem and St1.

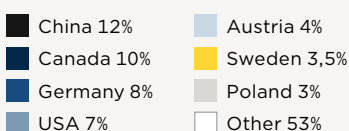
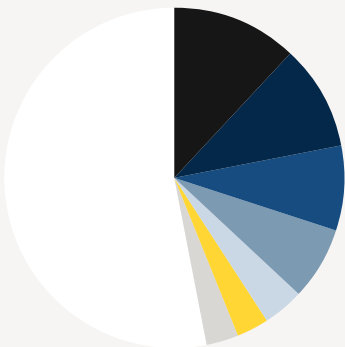
Saudi Arabia, the United Arab Emirates, and the US each accounted for 12 per cent of global exports. Over the past decade, the US - deploying new extraction technology known as hydraulic fracturing (*fracking*) - has emerged as the world's largest oil producer, with 22 per cent of global production in 2023.



## STEEL

This product group includes iron and steel. Sweden is today a leading niche producer of different types of specialty steel with companies such as Alleima, Outokumpu, Ovako, SSAB and Uddeholm at the forefront. Most of the finished steel products delivered by steel companies in Sweden are destined for exports.

With a share of 18 per cent, China is the leading exporter followed by Germany and Japan. The majority of Chinese steel exports go to countries in Asia, the Middle East and South America. The EU and the US have imposed protective tariffs on Chinese steel based on the assessment that China's strategy to manage overcapacity in its steel industry is to dump cheap steel on the global market.

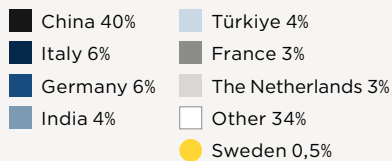
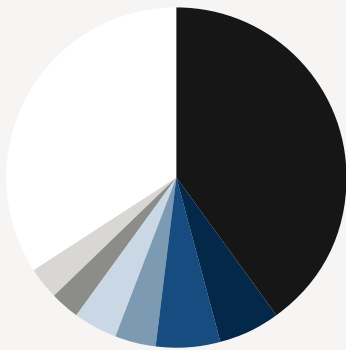


## WOOD PRODUCTS

Wood products include raw materials and processed wood and cork, but not furniture. Examples of major Swedish companies in this segment are Derome, Holmen, SCA and Setra.

China is the world's leading exporter followed by Canada and Germany. In the absence of sufficient domestic raw materials, China imports timber and processes wood into products such as plywood. Canada's position as a wood exporter is clearly linked to the country's vast forest coverage.

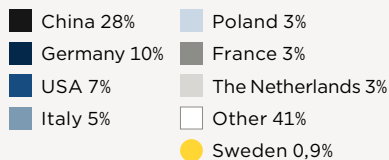
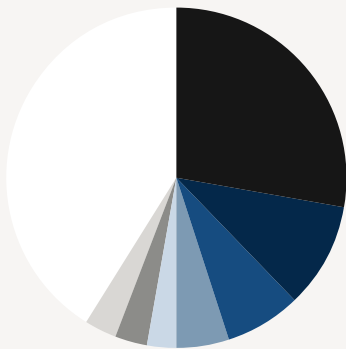
# PRODUCT GROUPS



## TEXTILES AND FOOTWEAR

Sweden is a well-established market in the fashion and textiles industry with export companies such as Acne, Filippa K, H&M, Nudie and WESC.

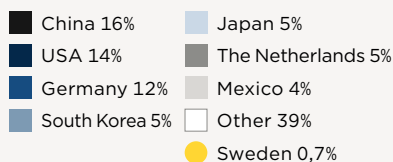
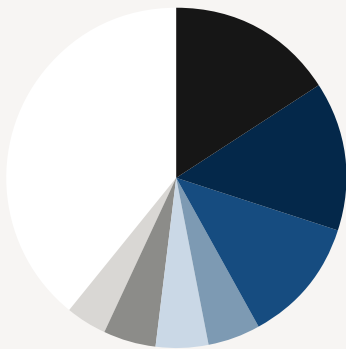
Of all the 14 selected product groups, China is the most dominant player in this sector and accounts for 40 per cent of global exports. Textiles and footwear is also the country's second-largest export product group after electronics and telecom, with the US as the largest export market.



## METALS

The metals industry manufactures different types of hand- and hydraulic tools as well as metal constructions, containers and metal items for both domestic and industrial use. Major Swedish exporters include Gunnebo Industries, Lindab and Sandvik.

China's position as an exporter of metals, primarily aluminium and copper, surpasses its position in steel. China's dominance in processing of rare earth metals has been identified by the EU and the US as a geopolitical risk. As a result, the EU introduced new legislation in November 2023 for so-called critical metals and minerals (*European Critical Raw Materials Act*). The legislation aims to build up the EU's capacity for domestic metal production and strengthen the resilience of supply chains for European metal producers.

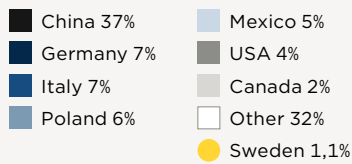
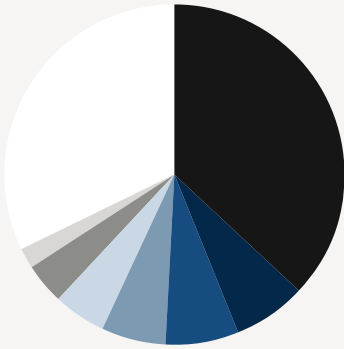


## INSTRUMENTS

This product group includes various types of monitoring and control instruments as well as photographic and optical instruments for scientific and technical use, for example in healthcare. Consumer products such as watches are also included in the product group. Sweden has a number of large export companies such as Elekta, Getinge and Hexagon.

China, with 16 per cent of global exports, is the leading player followed by the US and Germany. The product group is strongly linked to electronics and telecom, where China has an advantage on many fronts.

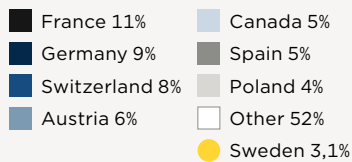
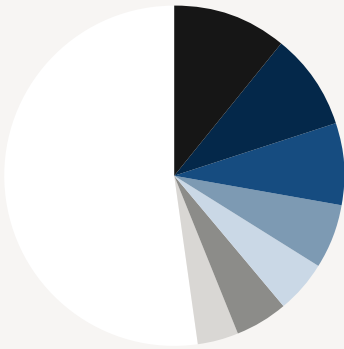
# PRODUCT GROUPS



## FURNITURE

The product group includes furniture, mattresses, bedding and pillows. The most important Swedish exporter in this segment is IKEA.

China's dominance as an exporter in this product group is almost comparable to textiles and footwear, where there are clear links. China's strong position in wood products also contributes to the country's export success in this product group.



## ELECTRICITY

The largest utility companies exporting electricity from Sweden are E.ON, Fortum and Vattenfall. Following the recent hike in European electricity prices, Swedish electricity exports have risen significantly.

With a common European energy market, it is not surprising that three European countries are among the world's top electricity exporters: France, Germany, and Switzerland. France's electricity exports are safeguarded by the country's strong nuclear energy capacity, while Germany's future position as an electricity exporter is more uncertain due to questions around which direction the country will take in its energy transition.





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