



Foreword by David Feldman, Nordic Director

Employment figures across the Nordic region remain positive. In November, Denmark marked its sixth consecutive month of declining unemployment. At 3.9%, Danish unemployment is at its lowest levels this decade. Sweden's and Finland's unemployment rates also fell to 5.5% and 7.2% respectively, while unemployment in Norway was unchanged at 4%.

Talent acquisition is still the key challenge for Nordic based companies. As each country experiences falls in unemployment, it becomes harder to address skills gaps as demand threatens to exceed supply.

A slowdown in growth across Europe are impacting the region's economies. Denmark reduced its 2018 growth forecasts to 1.7% and expects GDP to rest at 1.6% until 2020. In Q3, the Swedish economy contracted slightly for the first time in five years. The 0.2% decline was attributed to poor domestic demand. A recent oil price fall was also unfavourable news for Norway, with weaker growth anticipated as we enter the New Year. Finland too has reduced its forecasts for the next three years due to declining exports.

Wage growth has been modest within the Nordics. Sweden, for example, has enjoyed a 2.6% increase during the last year. This rate will likely stay the same until 2020. Similarly, Finnish private sector pay rose by 2.2%. Pay has, and is expected to, continue increasing in Norway and Denmark in 2019.

We hope you enjoy reading the report and find the perspectives offered useful. Should you have further questions, please do not hesitate to contact a member of our team who would be more than happy to clarify any of the information presented.

