Sweden general election 2026

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8 parties currently represented in parliament (Riksdag)

General election on 13 September

Opposition

Swedish Social Democratic Party
Socialdemokraterna
EP affiliation: S&D

Left Party
Vänsterpartiet
EP affiliation: Left – GUE/NGL

Green Party
Miljöpartiet
EP affiliation: Greens/EFA

Centre Party
Centerpartiet
EP affiliation: RE

Current government

Moderate Party
Moderata samlingspartiet
EP affiliation: EPP

Christian Democrats
Kristdemokraterna
EP affiliation: EPP

Liberals
Liberalerna
EP affiliation: RE

'Tidö' Coalition

Sweden Democrats
Sverigedemokraterna
EP affiliation: ECR

The 2022 parliamentary election

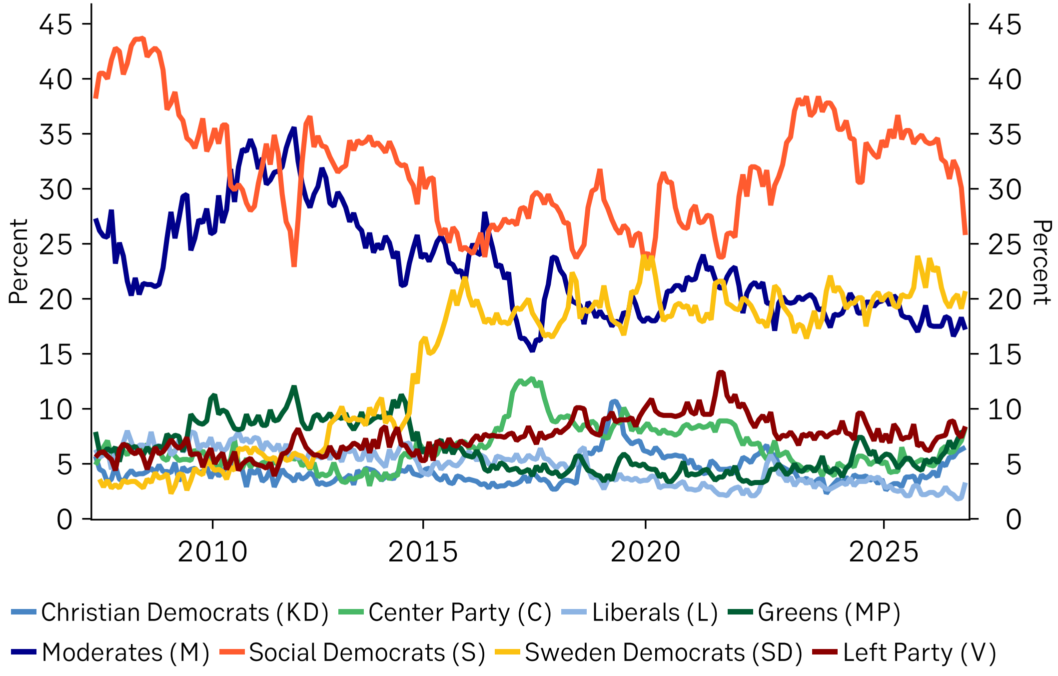
Thin majority for the government (Tidö) parties

Group	Party	Seats	Share of seats
Tidö parties	Sweden Democrats (SD)	73	20.9%
	Moderate Party (M)	68	19.5%
	Christian Democrats (KD)	19	5.4%
	Liberals (L)	16	4.6%
Tidö parties total		**176**	**50.4%**
Opposition	Social Democratic Party (S)	107	30.7%
	Centre Party (C)	24	6.9%
	Left Party (V)	24	6.9%
	Green Party (MP)	18	5.2%
Opposition total		**173**	**49.6%**
Total		**349**	**100.0%**

Fragmented political landscape

Difficult center-left opposition to agree on economic policy – C will push for grand coalition

Swedish politics: Opinion polls

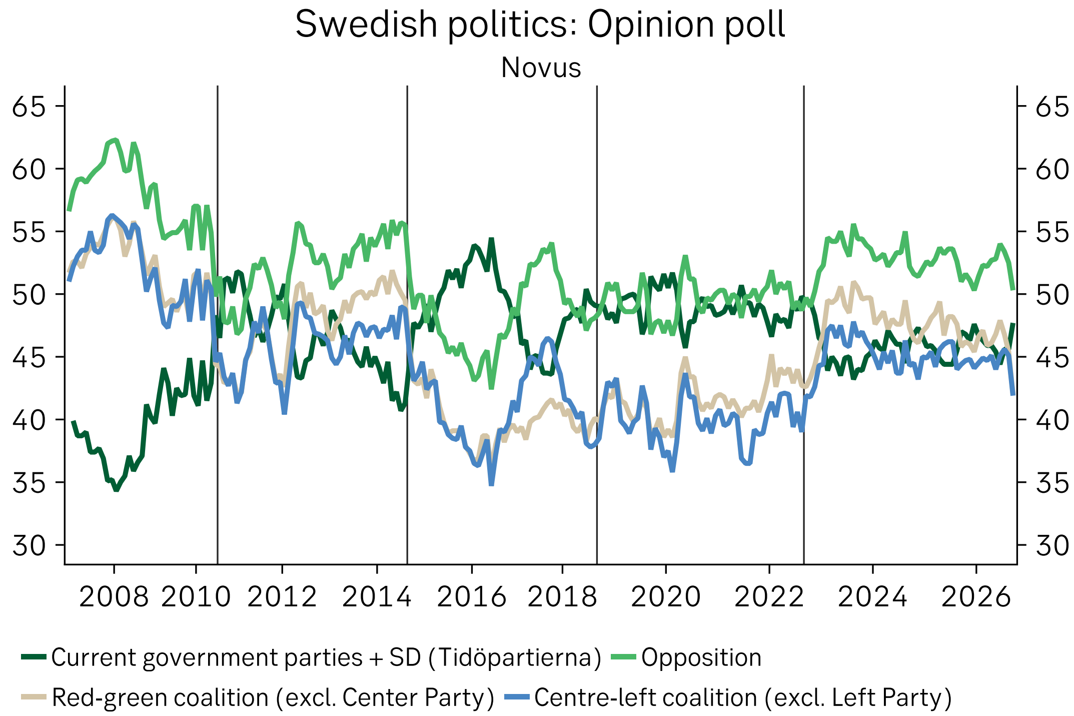


Source: Novus, Macrobond, SEB

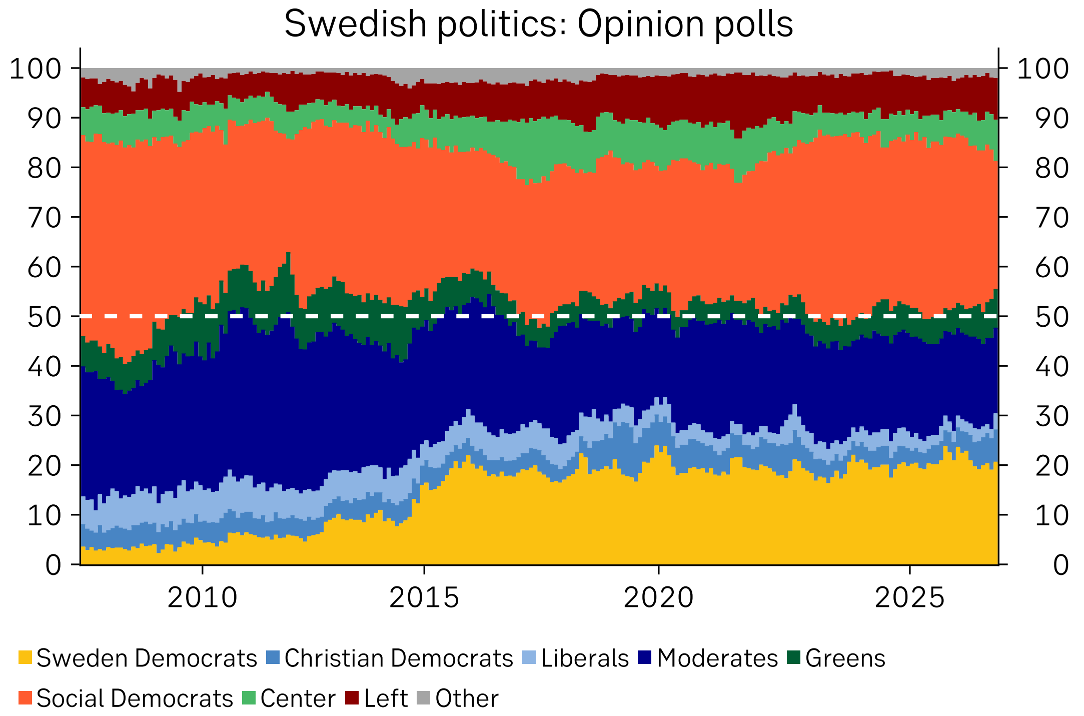
- 4% of national votes threshold for acceptance into the Riksdag. Liberals have been below 4% since the beginning of 2023.
- A fragmented political landscape allows for several possible governing arrangements. The three main alternatives currently would seem:
  - **A continuation of the Tidö cooperation:** M, L and KD together with SD.
  - **A centrist centre-left government:** S-led government, either with C and MP entering government or as support parties, potentially relying on external support from V.
  - **A red-green alternative:** S governing with more direct support and influence from MP and V, either as support parties or in government.
  - **If C holds balance of power** in line with polls government negotiations will be difficult. C will push for a “grand coalition” with support from S, and one or more of the current government parties (excl. SD).

Opposition in lead

But S-V-MP-C government unlikely



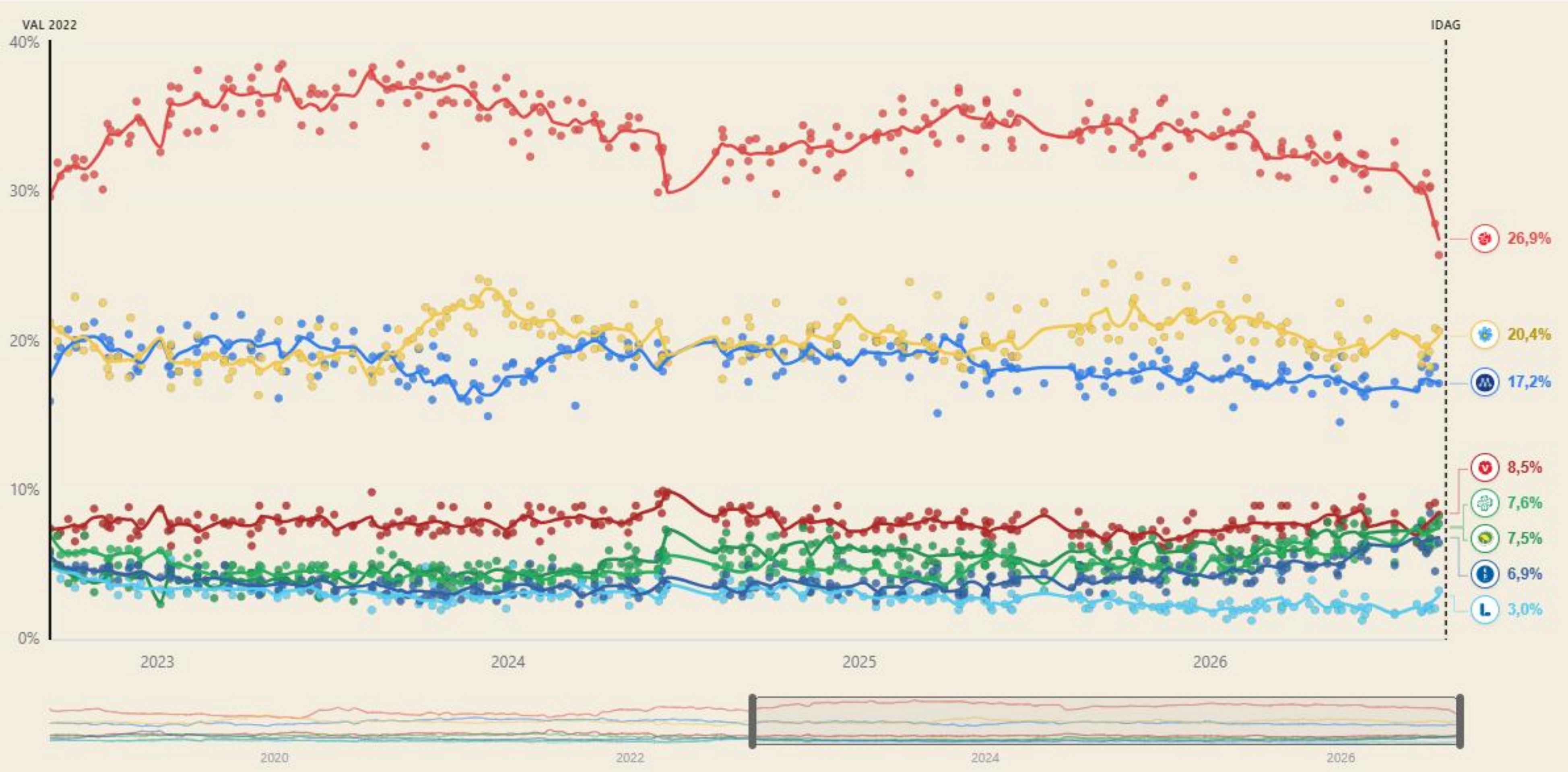
Source: Novus, Macrobond, SEB



Source: Novus, Macrobond, SEB

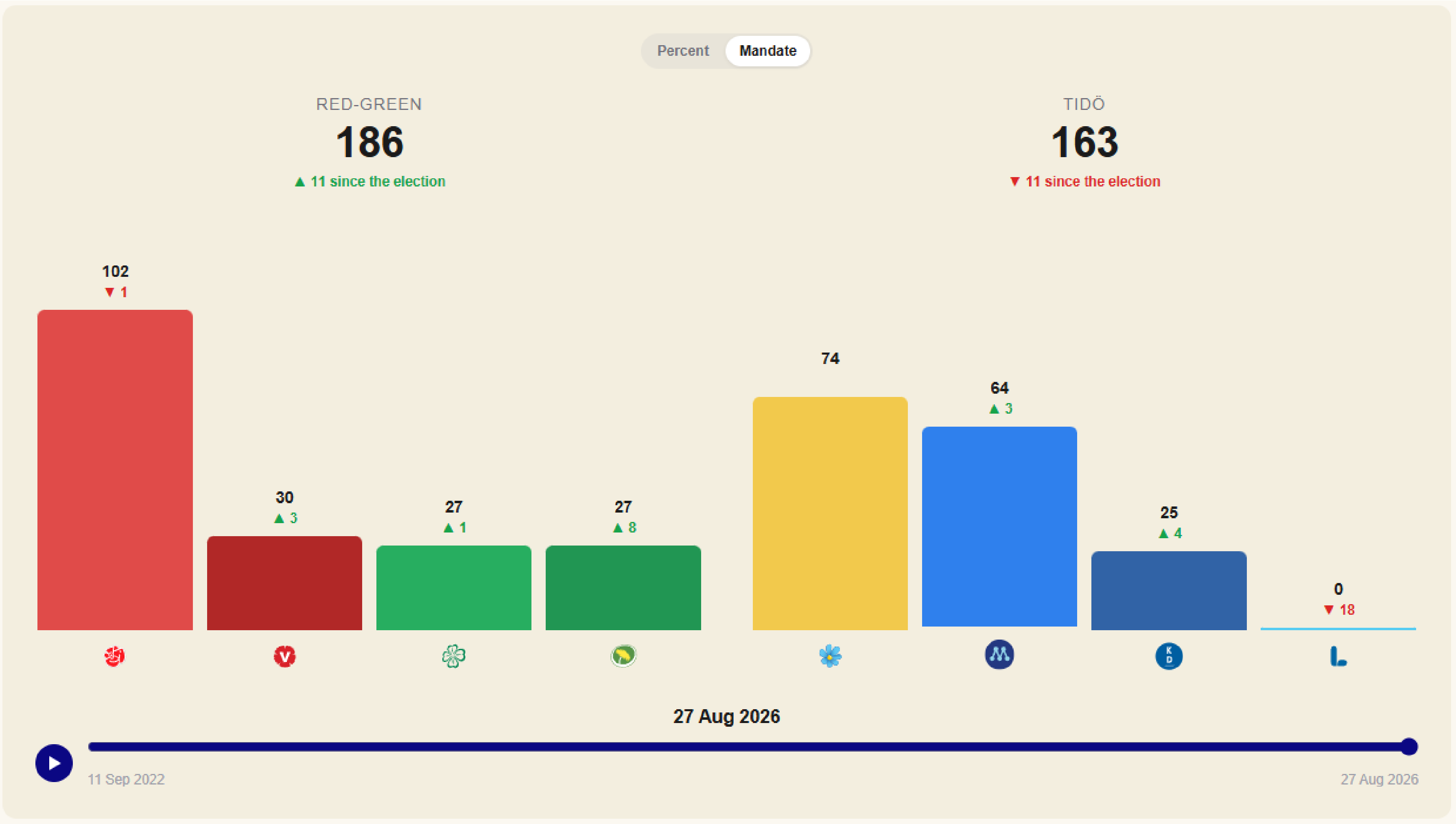
SEB

Poll-of-polls:



Gothenburg University poll-of-polls: Mätningarnas Mätning - Sverige i siffror
Politico poll-of-polls: POLITICO Poll of Polls Sweden

Polls-of-polls



Source: Mätningarnas Mätning - Sverige i siffror

C ’kingmaker’ according to current polls

S-V-MP-C government unlikely

- The largest differences in economic policies between – and within – the blocs concern taxation, energy, migration and redistribution. Changes to current fiscal policy outlook will mainly depend on the degree of influence from the Left Party.
- Key questions:

1. **Will the Liberals pass the 4% threshold?**
   - The Tidö coalition will struggle to secure a majority without L remaining in parliament.
2. **Can S form a government with direct or indirect support from C and MP, or will it need greater support from V?**
   - The policy implications of an S-C-MP arrangement could differ substantially from a government supported by S-V-MP.
   - Both red-green constellations are likely to loosen immigration policy and support green initiatives, but the latter is likely to lead to higher taxes and a larger expansion of the public sector.

Why the Center (C) party is likely to become a key factor

- C supports liberal economic policy and was part of the centre-right Alliance government between 2006 and 2014. C has said that it will not sit in a government with the Left Party.
- C is liberal on immigration and has refused to support a government dependent on the Sweden Democrats (SD).
- C prefers a grand coalition government, possibly including all parties except V and SD. If C holds the balance of power, government negotiations will be complicated and take time.
- C has not completely ruled out an S-led minority government supported by V, but passing a budget could prove to be impossible.
- C is aligned with the Greens and Left party on energy and e.g. opposes public subsidies for new nuclear power.

Government negotiations likely to be drawn out

- **Energy policies is a major divide** between the two blocks. V, MP and C are opposed to nuclear power. Scrapping, or at least delaying, the current government plans to support new nuclear plants by a SEK 300bn re-lending scheme is probable, despite that S is at least tentatively open to new nuclear power. A red-green supported government will shift support to solar and wind power. Instructions to state owned energy giant Vattenfall will reflect the energy strategy.
- **C, V, MP are significantly more pro-immigration.** S is more cautious but has criticized some of the Tidö government's immigration and law-and order measures.
- V, MP support a "billionaire tax" and have advocated significant tax hikes. **S is more cautious but has proposed a tax on banks and indicated higher taxes for high income earners and possibly also some capital.**
- **C is opposed to almost all tax hikes** for households and businesses. Energy taxes are an exception.
- V, MP and S support shorter working hours, but S supports that negotiations between labour market parties, rather than legislation.
- V, MP, S support increased regulation for public services produced by privately owned companies (schools, hospital, health care).
- Easier for Tidö government to agree on economic politics. Lower taxes combined with increased subsidies for dental care, health care and childcare has been the main focus this mandate period.
- Tidö has agreed on tighter immigration policies and also law and order measures.

What happens if government formation takes time? (I)

- **If no new government has been formed before the 12 November, the current government remains as a caretaker until a new government has been formed.** In theory, this could go on until the next general election – but unlikely.
- After the election in 2018, a new red-green government took office on January 21, 2019 – 129 days after election day.
- After the election in 2022 the new Tidö government took office on October 14, around one month after election day.
- A caretaker government has the same power as a regular government, apart from the right to call for a new, extra-election.

- **The deadline for a new budget proposal is also the 12 of November**. If no new government has been formed, the caretaker government must present a budget.
- There are no formal laws restricting the contents of such a budget, but constitutional praxis suggest that **a caretaker's budget proposal should avoid politically controversial and clearly partisan measures.** Focus should be on current and urgent measures.
- In 2019, the caretaker budget included price and wage adjustments to government agency appropriations, volume adjustments in rules-based transfer systems, effects of laws and regulations already adopted, international agreements and EU rules, and, in some cases, measures where there was broad parliamentary consensus.

What happens if government formation takes time? (II)

- Parliament – the Riksdag – decides on a budget. **A budget is adopted if a majority in the Riksdag votes in favour, or at least not against, the proposal.**
- Opposition parties/coalitions may also present their own budget proposals. The caretaker government may need to govern on an opposition budget, which was the case in 2019.
- In 2019, the S-led caretaker government presented a stripped-down, neutral budget, but the oppositional parties' joint alternative budget won support in the Riksdag – subsequently becoming the government budget for 2019.
- **The Swedish government does not shut down if a budget hasn't been agreed upon by January 2027.** Instead, appropriations in the latest accepted budget runs on. The Riksdag can also decide on single temporary changes to revenues/appropriations.
- The current budget includes many temporary measures, aimed mostly at households (see next slide). In case no new budget can be agreed upon, these will conclude as previously decided.
- **When a new government takes office, it can make amendments to the caretaker budget, primarily through the Spring Bill Proposal.** However, additional amending budgets can be submitted under special circumstances. The Riksdag may also make changes to revenues and/or appropriations if the initiative to such a proposal has been raised by the Riksdag itself (and not the government).
- During pandemic and the energy crisis (also following the war in Iran) a string of budget amendments were presented and passed. In practise, the government thus has large scope to change the budget if it has support from a majority in parliament.

Many temporary fiscal measures in 2026/2027

Taxes and administrative prices + main reforms

- **VAT on food**

April 2026 – December 2027 (CPI effect: -0.75pp)

- **Pharmaceutical prices**

July 2025 – June 2026 (+0.05-0.1pp)

- **Electricity tax cut**

January 2026 (-0.15pp)

- **Fuel taxes**

First round: May 2026 – October 2026 (-0.1pp)

Second round: July – November 2026 (-0.4pp)

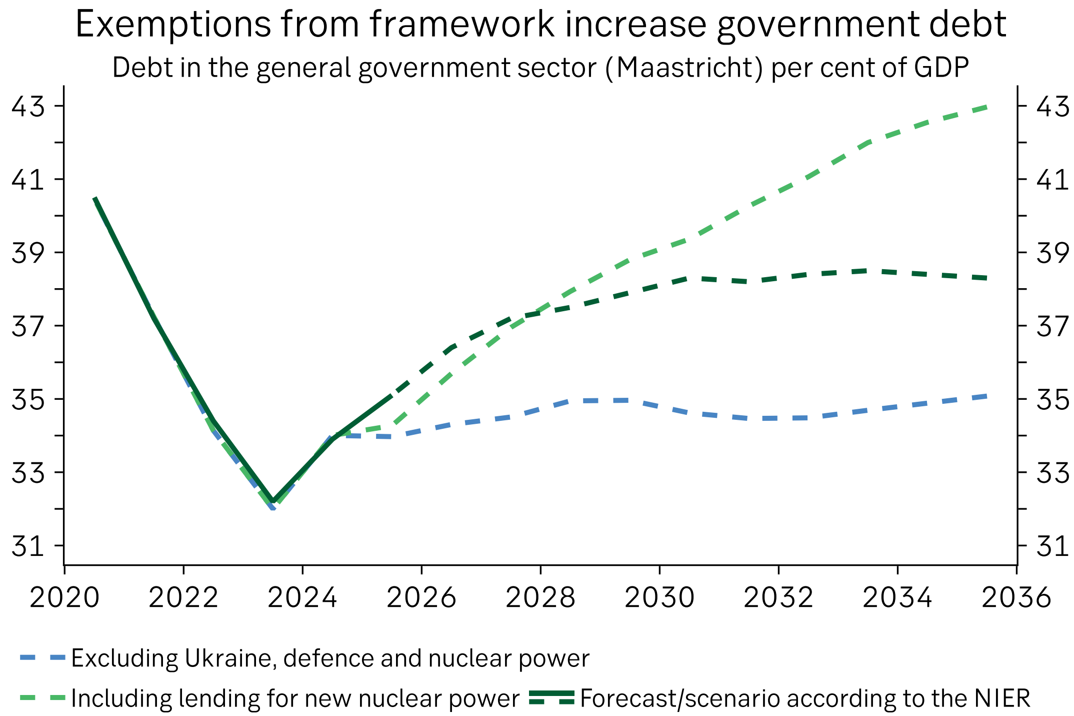
- **Public transport subsidies**

July – December 2026 (-0.2 – 0.25pp)

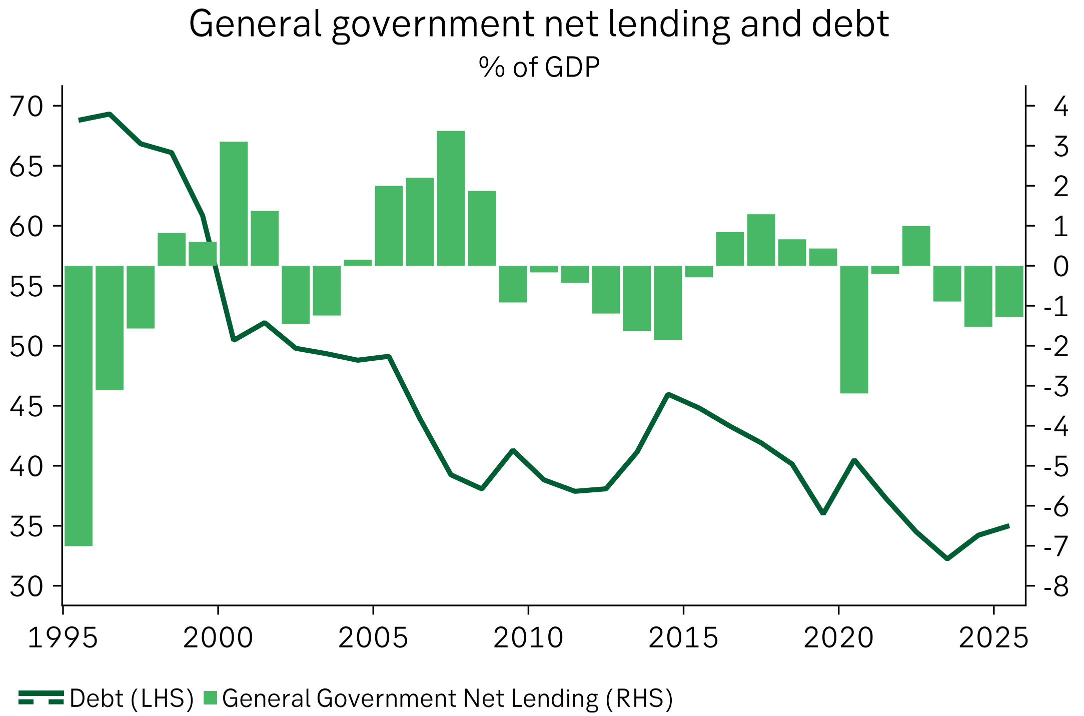
Main reforms, 2026 Budget Bill	2026	2027	2028
Lower tax on wages and pensions	21.4	21.4	21.4
Lower VAT on food (temporary)	15.9	21.3	0.0
Lower tax on electricity	6.5	6.6	6.7
Lower employers' contribution for youth	6.1	5.6	0.0
Education	3.3	3.3	3.7
Health care	7.4	9.0	5.1
Justice system	2.6	4.9	8.8
Other	15.7	18.3	20.7
Total	**78.9**	**90.2**	**66.4**
Defence	12.2	16.2	18.1
Support for Ukraine	36.1	44.5	5.0
Total incl. defence and Ukraine	**127.1**	**151.0**	**89.5**
Temporary measures			
Electricity price compensation	2.4		
Fuel tax cut & public transport subsidy	17.3		

Expansionary fiscal policy from current government

Cross-party agreement on exemptions from framework on defence, Ukraine
Structural economic policy could be affected, with medium-term impact, but near-term effects are likely small



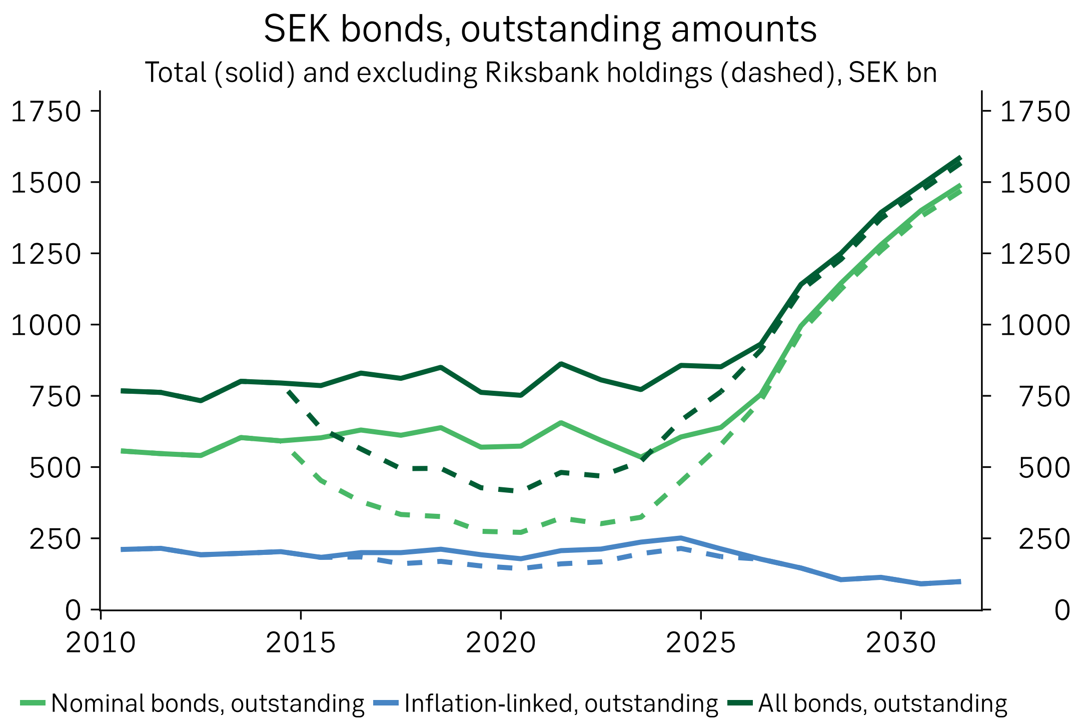
Source: Swedish National Institute of Economic Research (Konjunkturinstitutet, NIER), Macrobond, SEB



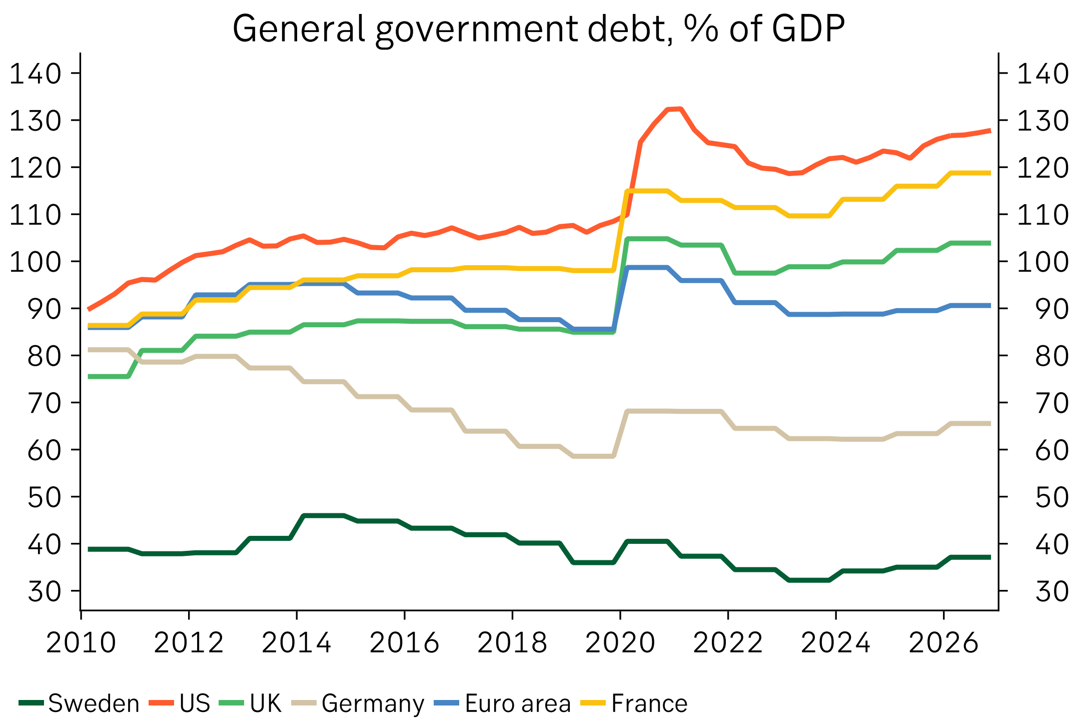
Source: OECD (Organisation for Economic Co-operation & Development), Macrobond, SEB

Bond issuance set to rise independent of election outcome

But Swedish debt remains very low in international comparison



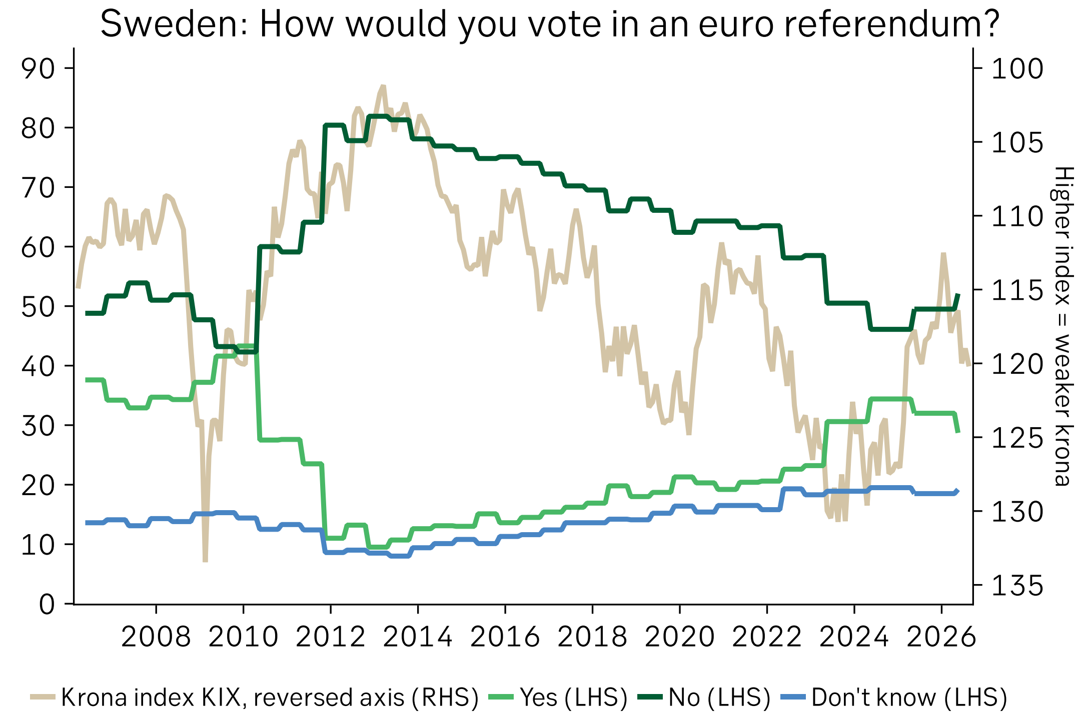
Source: Macrobond, SEB



Source: OECD (Organisation for Economic Co-operation & Development), Macrobond, SEB

FX impact from election probably minor – at least in the short run

Swedes are less positive to euro adoption; not likely to be central question



Source: Central Bank of Sweden (Riksbanken), Macrobond, SEB

- SEK primarily influenced by global risk sentiment and the Riksbank, but could react to fiscal expansion, political uncertainty or policies affecting potential growth in the longer run.
- Immediate impact of election result is unlikely to be major, independent of the composition of a new government.

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