Nordic Alert

08 October 2026

Can the EU persuade China to reduce exports?

Global key stories

US stock markets fell yesterday, albeit modestly and from high levels. The price of oil (Brent) has risen by a couple of dollars to USD 102 per barrel following new Houthi attacks on Saudi Arabia and concerns that the US is preparing new attacks on Iran. US yields rose yesterday, but the increase eased after a government bond auction attracted decent demand. Asian stock markets are in negative territory overnight, while futures point to modest declines in Europe and the US ahead of today's trading. Apart from US labour market statistics, today's economic data calendar is relatively light, but there are numerous central bank speakers from the ECB (plus accounts from September meeting), the Bank of England and the Fed, as well as the Riksbank's Thedéen and Norges Bank's Bache.

Fed minutes – the rate peak has not been reached, but a pause in October. The minutes from the September 15–16 meeting showed that all members supported the rate hike and that most saw a need for further tightening before year-end. Several factors underpinned the assessment: inflation – both actual developments and concerns about it – was naturally in focus, but growth and the labour market also played a role. Although the message is hawkish, it is fully in line with the signals in Fed members' own rate projections, which were released in conjunction with the meeting, and is less hawkish than market pricing at the time of the meeting and thereafter. Financial conditions were seen as supportive, but some members wanted to be prepared for risks of market dysfunction. We expect the Fed to pause in October and deliver one further 25-basis-point hike in December. Read our comment here.

Can the EU persuade China to reduce exports? Today and tomorrow, the EU and China are discussing trade and investment in Beijing. From the EU's perspective, China's large trade surplus is unsurprisingly a key focus. One area in which the EU hopes to make progress is limiting imports of Chinese hybrid cars, which have increased sharply recently, partly as a result of the EU raising import tariffs on Chinese electric vehicles. The fact that Germany and German carmakers are now pushing for import restrictions gives the EU greater weight on the issue, but China is reportedly opposed to such measures. Given China's dependence on exports, the questions are how much it is prepared to concede, how far the EU can go unilaterally without provoking Chinese countermeasures, and whether a limited EU success would help or hinder the discussion on more extensive trade protection. The EU delegation will report back on the issue when the EU-leaders meet next week.

Recommended reading from us: An updated chart and analysis package on the war around the Persian Gulf (here), comments on the Norwegian government budget and fiscal policy (here), and industrial production (here).

Nordic key stories

Stronger trend in Swedish home prices. Data published by Svensk Mäklarstatistik this morning indicate a continued strong trend in the housing market. According to our own calculations, home prices have risen by almost 6% in total so far this year, or just over 3% on a seasonally adjusted basis. Revised data have removed some of the signs of weakness seen in recent months. A stronger trend is more consistent with

our own home price indicator, the general improvement in consumer confidence, and the strong consumption data observed over the past six months.

Subdued underlying Swedish inflationary pressure despite high energy prices. Yesterday's inflation figures were lower than expected for the second consecutive month. Energy prices are rising, but underlying inflationary pressure is more subdued. This supports our assessment that the higher inflation readings during the summer were partly temporary. This was the final inflation reading before the November rate decision. We expect the Riksbank to raise rates then, but the lower inflation readings may create some hesitation within the Executive Board. Read more here.

Today's key events

Chart package for the most important events this week here

Time	Country	Event	Period	SEB forecast	Consensus	Last
01:01	UK	S&P Global, KPMG and REC UK report on jobs			---	---
06:00	SWE	Housing price data from Mäklarstatistik			---	---
08:00	GER	Exports sa mom | imports sa mom	Aug		0.0 | 3.0	-0.8 | -5.7
10:30	UK	Bank of England bank liabilites/credit conditions surveys			---	---
14:30	US	Initial jobless claims | continuing claims	Oct 3		--- | ---	197k | 1701k
16:00	US	Wholesale trade sales mom	Aug		---	0.8
16:00	US	Wholesale inventories mom	Aug F		---	0.7

Auctions: US to sell bonds (19:00). Speeches: SNB's Martin (10:05), ECB's Zigman/Lane (10:40/12:00), BoE's Greene/Pill/Bailey/Lombardelli (11:15/12:30/14:15/15:00), Riksbank's Thedéen (15:35), Fed's Musalem (19:40). Other: EU-China high-level trade and investment meeting (8-9 Oct), ECB publishes account of sept. policy meeting (13:30), Eurogroup meeting, Norges Bank Governor Wolden Bache's annual autumn lecture (11:00).

Market data

Equities	Index	Future	FX		Commodities	
S&P 500	-0.2%	-0.1%	EUR/USD	1.12	Brent fut $/bl	102.4
Nasdaq comp	-0.2%	-0.1%	EUR/SEK	11.20	Gold fut $/oz	4135
Eurostoxx 50	-1.5%	0.0%	USD/SEK	9.99	**Government bonds yields**	
OMX Stockholm 30	-1.7%		EUR/NOK	10.72	US 10 year	5.31%
OBX Oslo	-0.7%		USD/NOK	9.57	US 2 year	4.78%
OMX Copenhagen 25	-0.5%		NOK/SEK	1.04	Germany 10 year	3.47%
OMX Helsinki 25	-0.9%		USD/DKK	6.67	Germany 2 year	3.05%
Nikkei225	-0.9%		USD/JPY	158	Sweden 10 year	3.20%
Shanghai Comp	-0.3%		USD/CNY	6.70	Sweden 2 year	2.68%

US and Europe indices indicate change at yesterday's close

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