

Volvo's shares up after record first quarter profits

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Volvo announced an operating profit of 18.4 billion kronor (\$17 billion), an increase of 44.9 percent year-on-year.

Volvo Group's shares were up seven percent Wednesday after the

Swedish truck-maker posted record first-quarter earnings, in a sign of an easing of supply chain disruptions and high costs that have plagued the auto industry.

In a [preliminary report](#) on its first-quarter earnings, released late Tuesday, Volvo announced an [operating profit](#) of 18.4 billion kronor (\$17 billion), an increase of 44.9 percent year-on-year.

Net sales meanwhile rose by 24.8 percent to 131.4 billion kronor for the first quarter.

"It has been on the cards that it would be a very good quarter," financial analyst Hampus Engellau told the Swedish TT news agency.

"This is because price increases for the 2023 models, which have been ordered in the third or fourth quarter, have been implemented, costs for raw materials and energy have come down and there have been less production disruptions."

The news sent Volvo Group shares up over seven percent in the early hours of trading on the Stockholm Stock Exchange.

The auto industry has been hard hit by the supply chain crisis and shortages in [raw materials](#) caused by the COVID-19 pandemic lockdowns and the war in Ukraine.

In January, the truck-maker reported a slightly lower profit for 2022, despite a rise in sales, and warned that the "global supply chain for components is still unstable."

The group's full report on its first-quarter earnings will be published on April 20.

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