



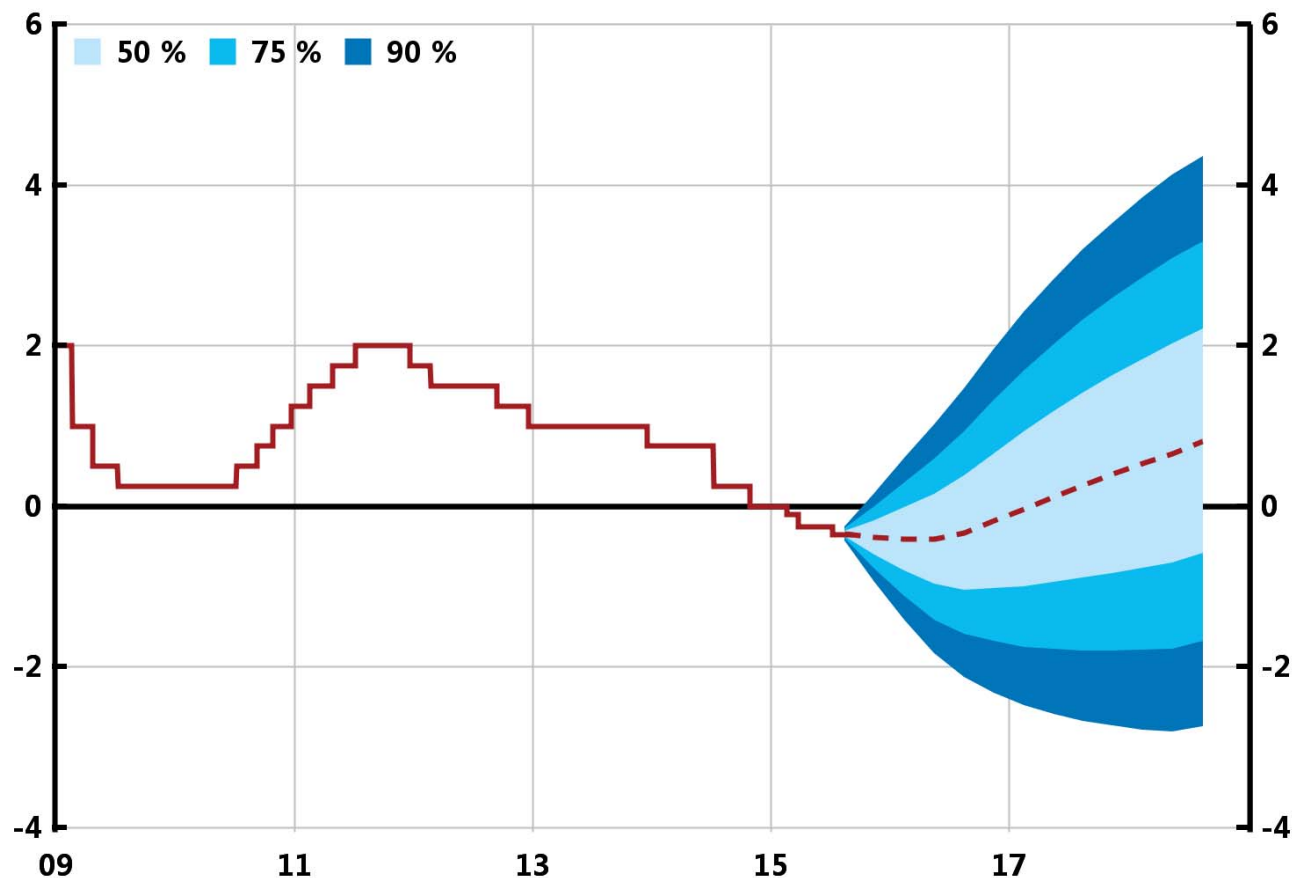
Monetary policy report September 2015



Chapter 1

Figure 1.1. Repo rate with uncertainty bands

Per cent

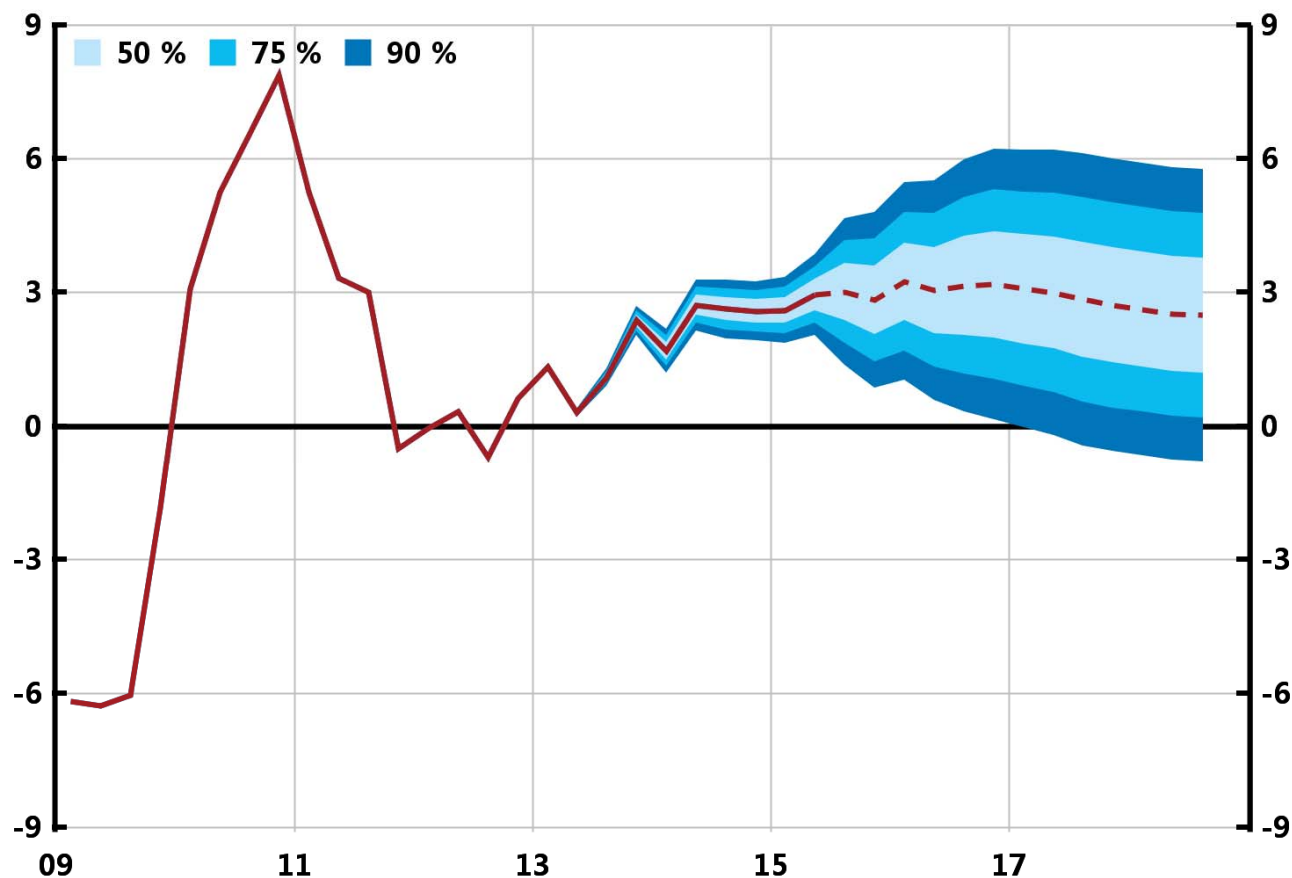


Note. The uncertainty bands for the repo rate are based on the Riksbank's historical forecasting errors and the ability of risk-premium adjusted forward rates to forecast the future repo rate for the period 1999 up to the point when the Riksbank started to publish forecasts for the repo rate during 2007. The uncertainty bands do not take into account the fact that there may be a lower bound for the repo rate. Outcomes are daily rates and forecasts refer to quarterly averages.

Source: The Riksbank

Figure 1.2. GDP with uncertainty bands

Annual percentage change, seasonally-adjusted data

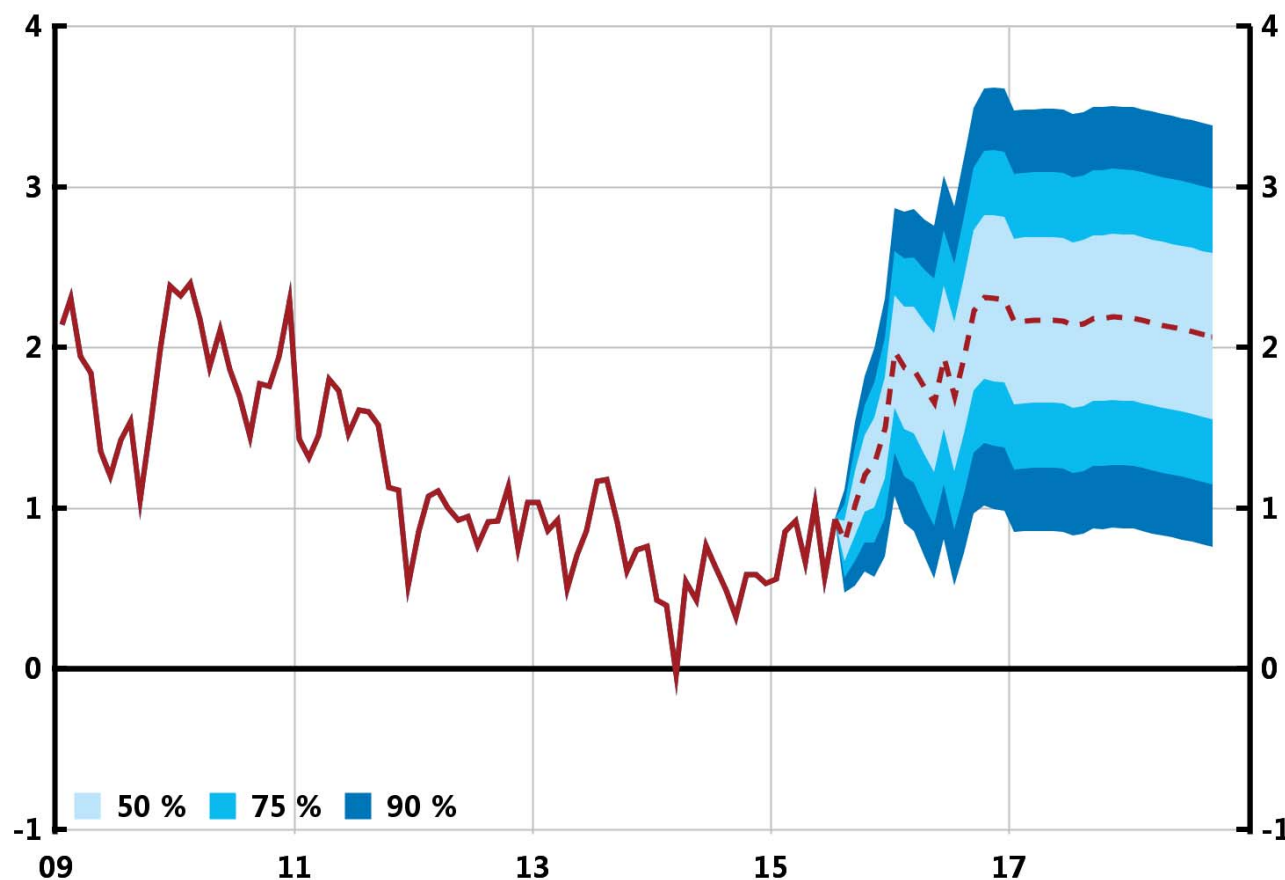


Note. The uncertainty bands are based on the Riksbank's historical forecasting errors. There is also uncertainty for the outcomes for GDP, as the figures in the National Accounts are revised several years after the preliminary publication.

Sources: Statistics Sweden and the Riksbank

Figure 1.3. CPIF with uncertainty bands

Annual percentage change

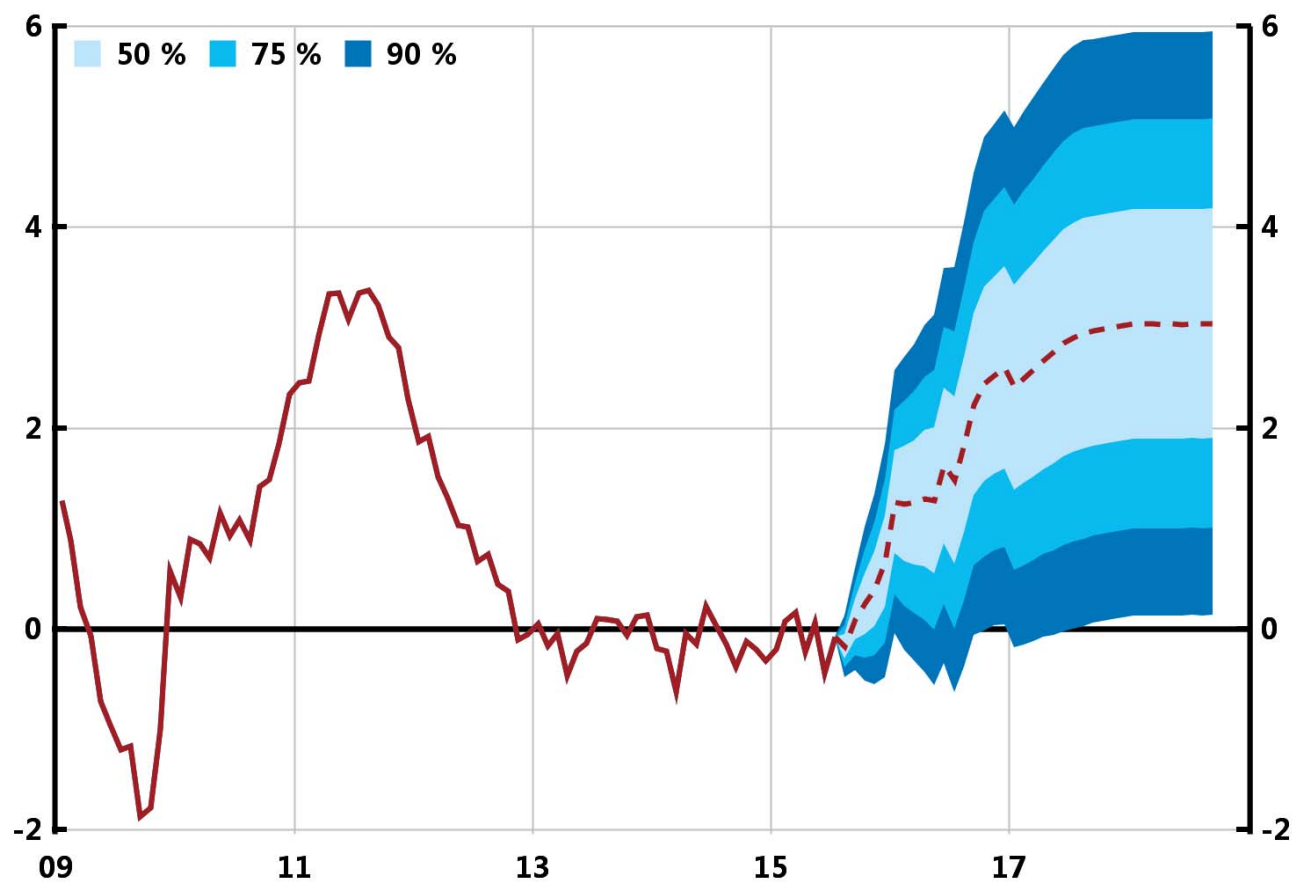


Note. The uncertainty bands are based on the Riksbank's historical forecasting errors. The CPIF is the CPI with a fixed mortgage rate.

Sources: Statistics Sweden and the Riksbank

Figure 1.4. CPI with uncertainty bands

Annual percentage change

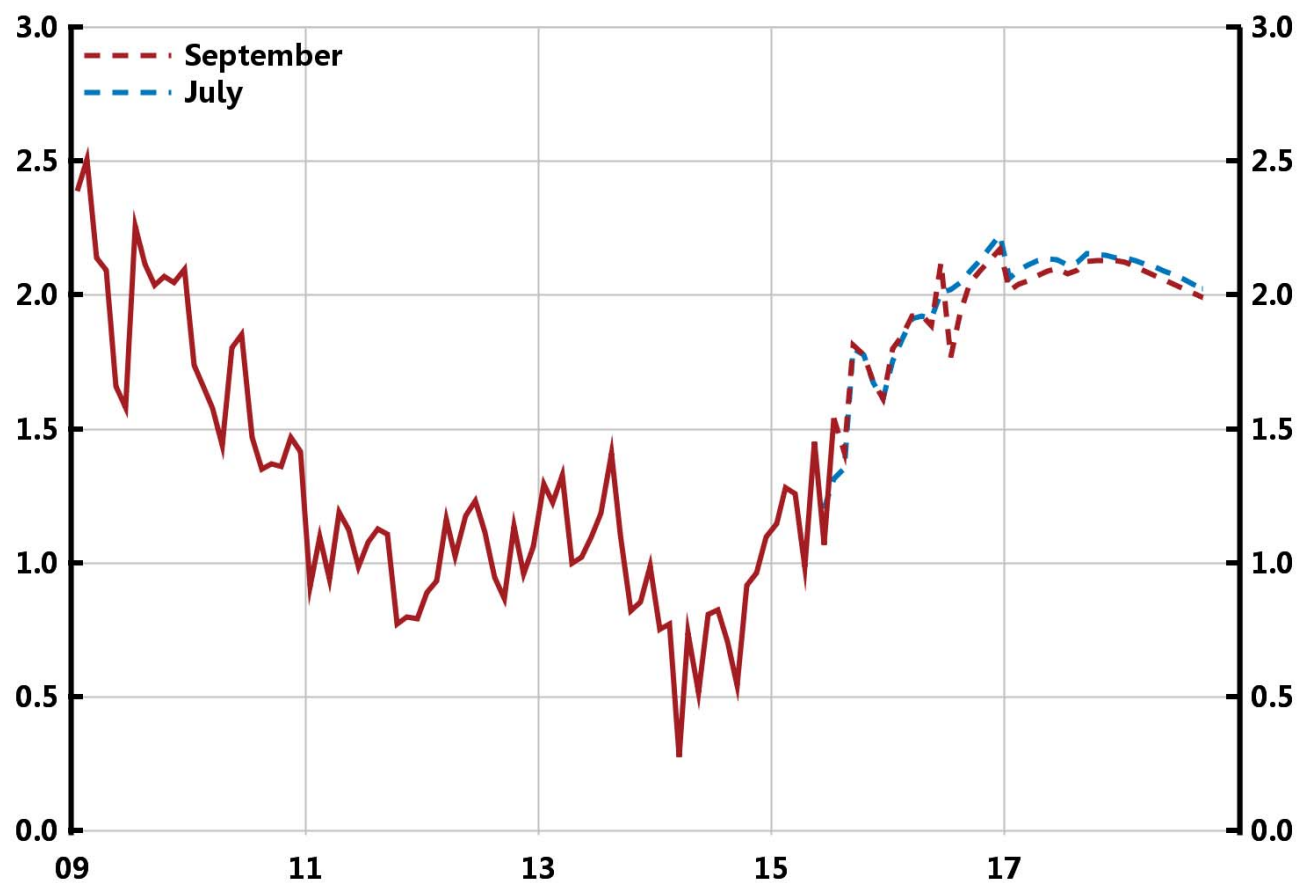


Note. The uncertainty bands are based on the Riksbank's historical forecasting errors.

Sources: Statistics Sweden and the Riksbank

Figure 1.5. CPIF excluding energy

Annual percentage change

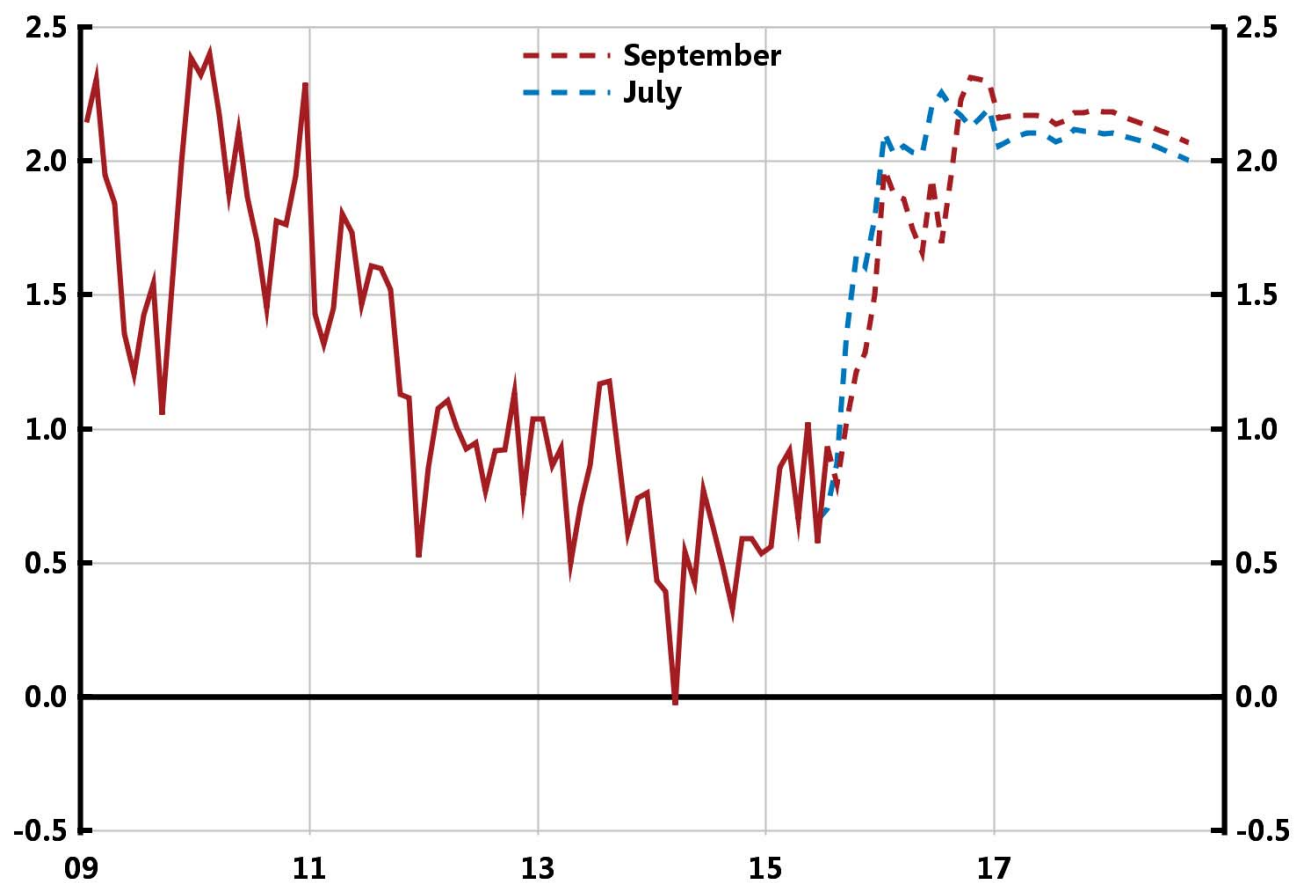


Note. The CPIF is the CPI with a fixed mortgage rate.

Sources: Statistics Sweden and the Riksbank

Figure 1.6. CPIF

Annual percentage change



Note. The CPIF is the CPI with a fixed mortgage rate.

Sources: Statistics Sweden and the Riksbank

Figure 1.7. CPI

Annual percentage change

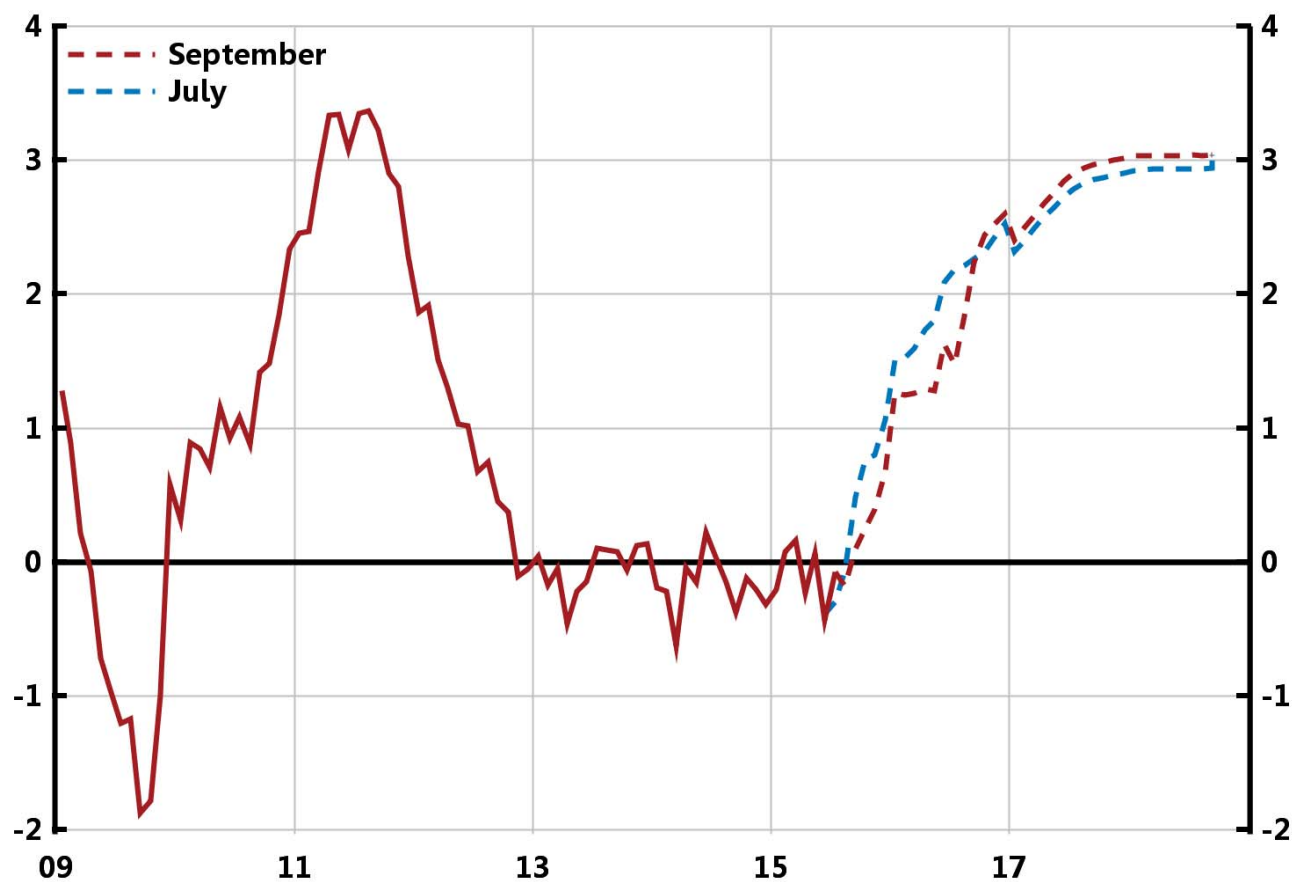
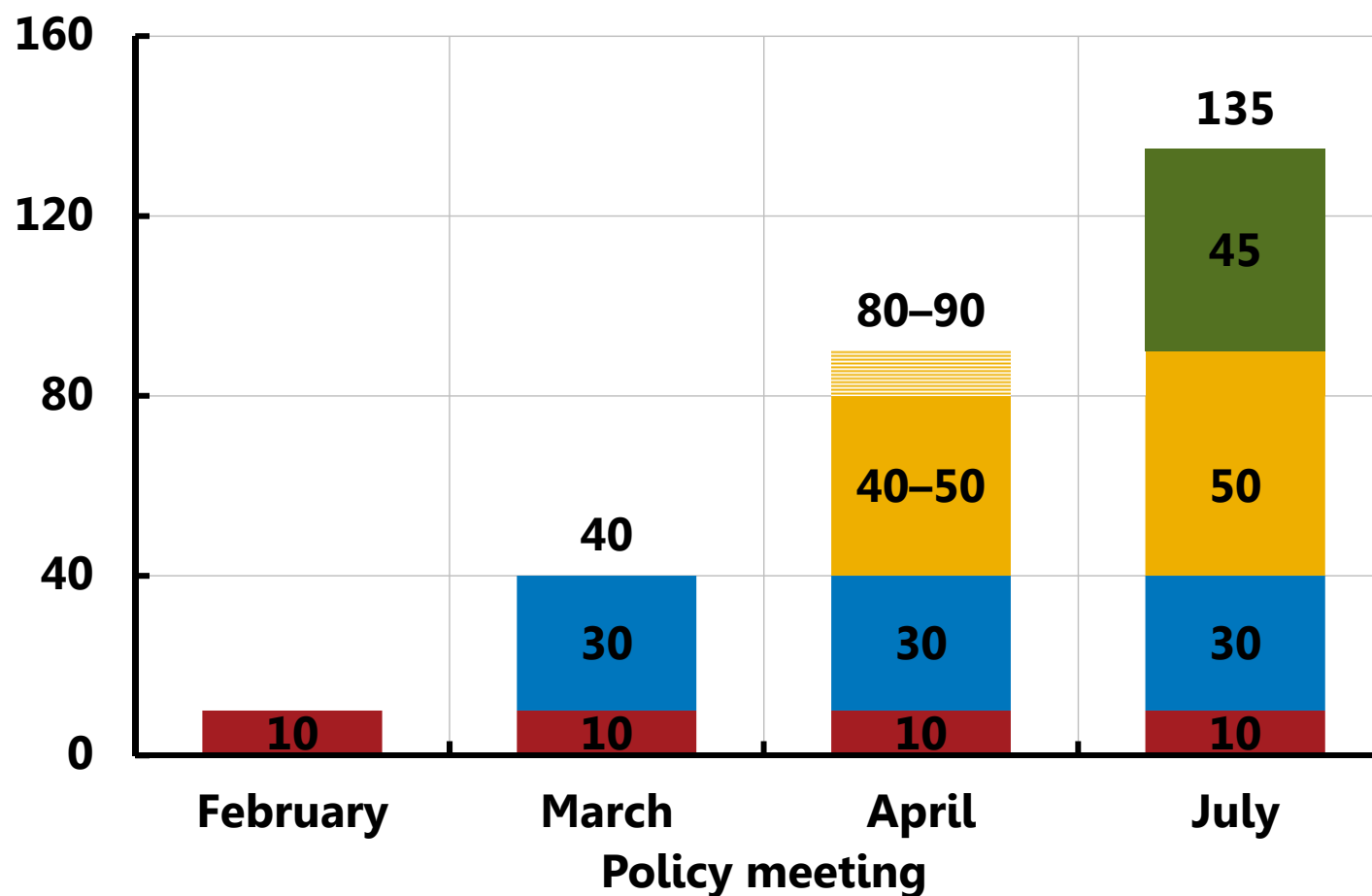


Figure 1.8. Purchases of government bonds decided by the Riksbank

SEK billion

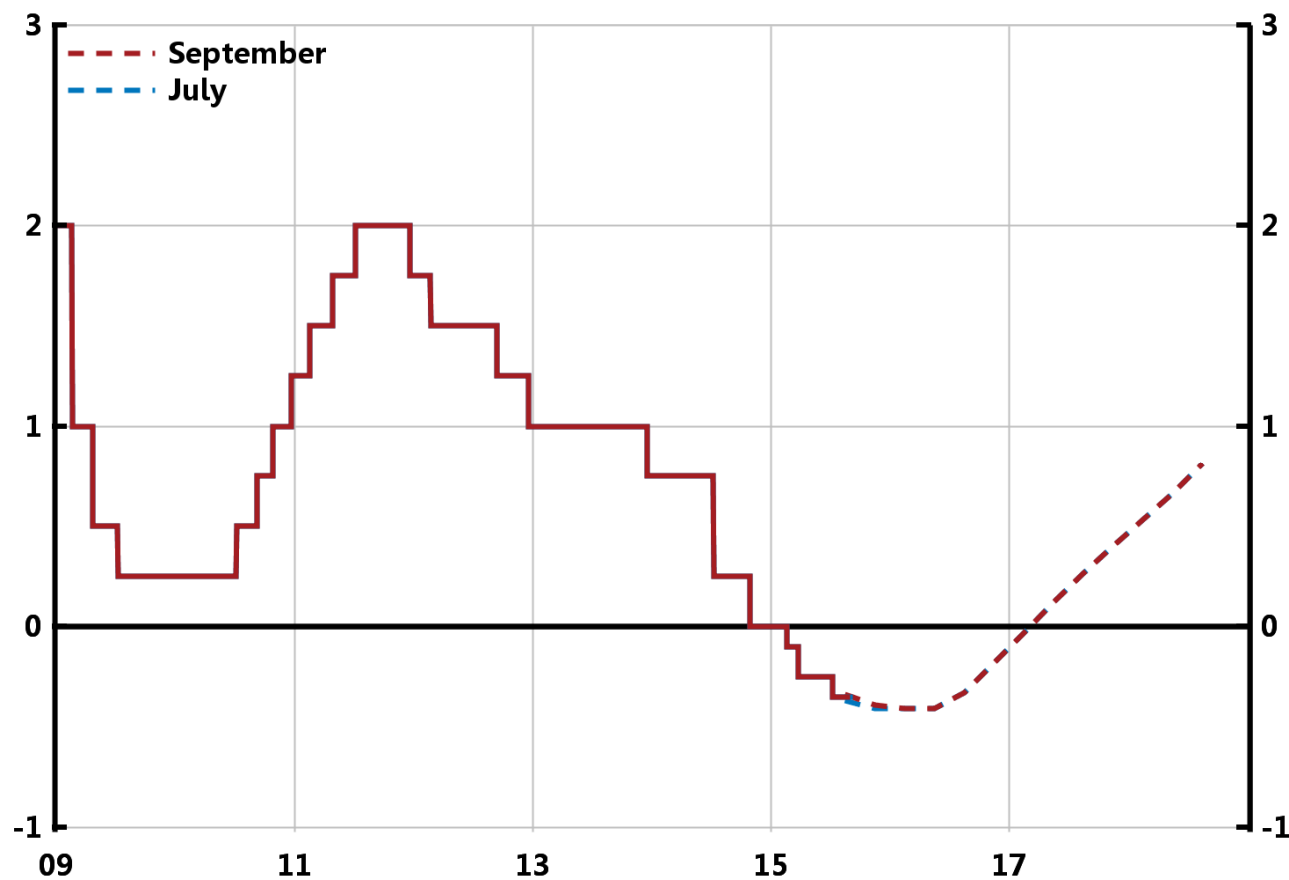


Note. Purchases of government bonds will be implemented until the end of the year.

Source: The Riksbank

Figure 1.9. Repo rate

Per cent

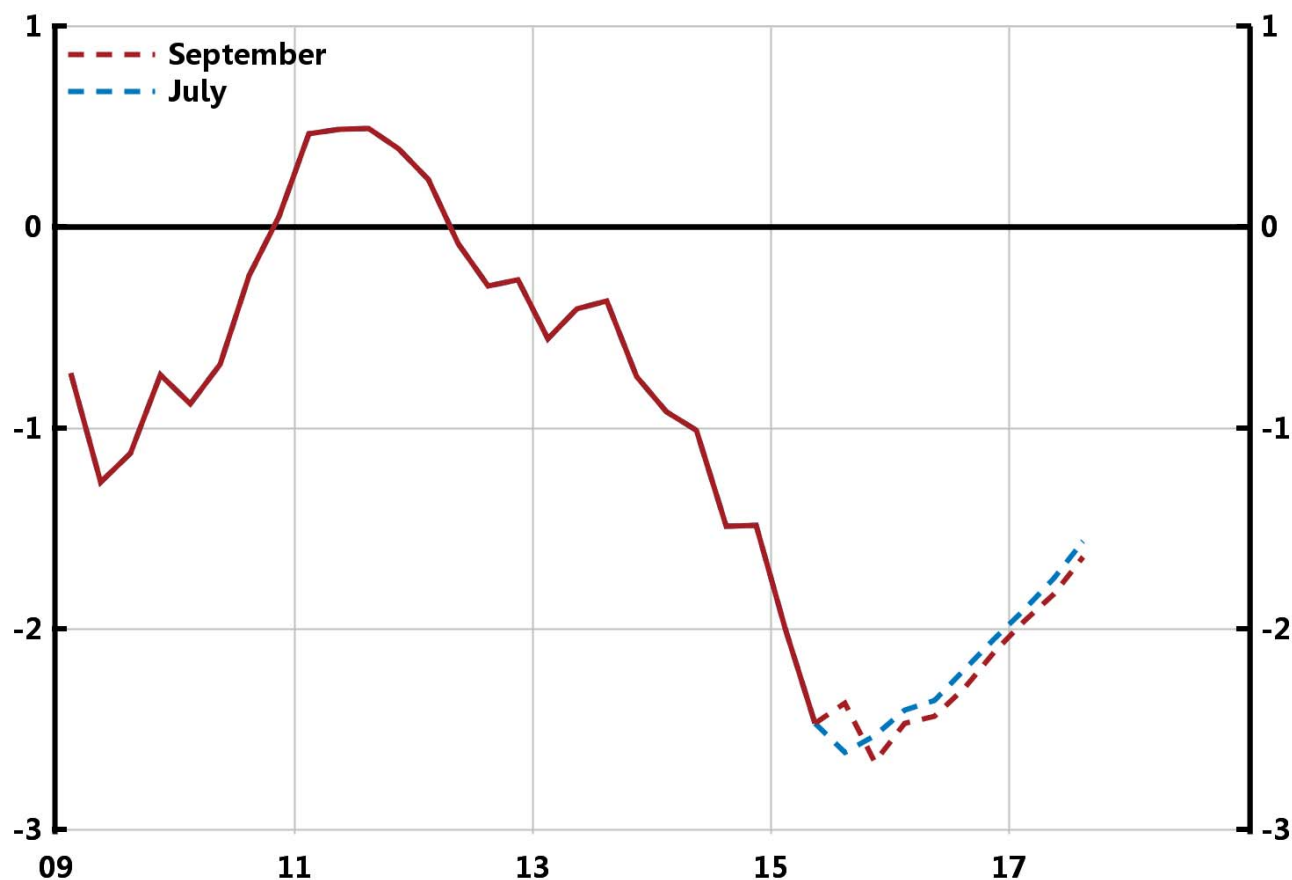


Note. Outcomes are daily data and the forecasts refer to quarterly averages.

Source: The Riksbank

Figure 1.10. Real repo rate

Per cent, quarterly averages



Note. The real repo rate is a mean value of the Riksbank's repo rate forecast for the year ahead minus the inflation forecast (CPIF) for the corresponding period.

Sources: Statistics Sweden and the Riksbank

Figure 1.11. Housing prices

Annual percentage change

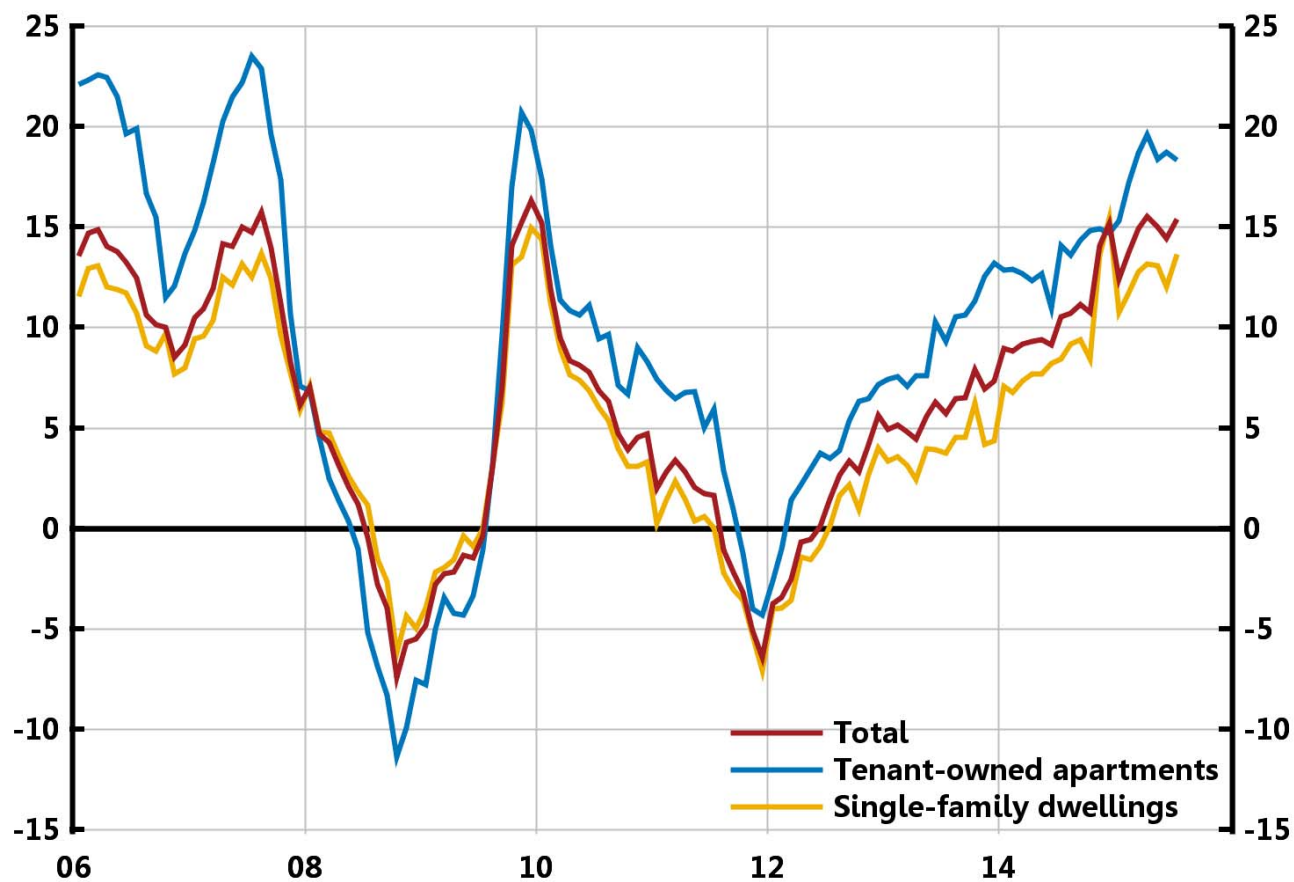
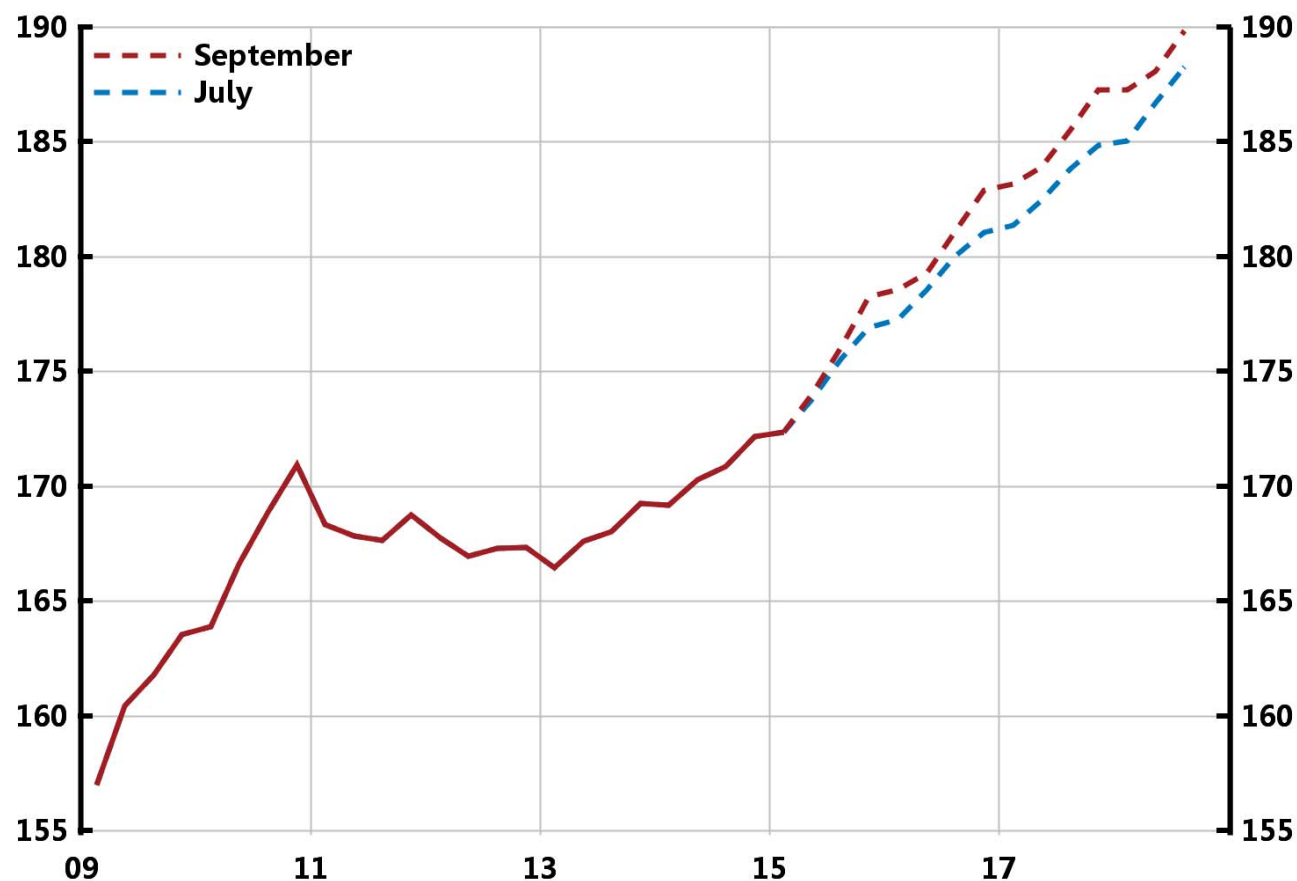


Figure 1.12. Household debt ratio

Per cent of disposable income

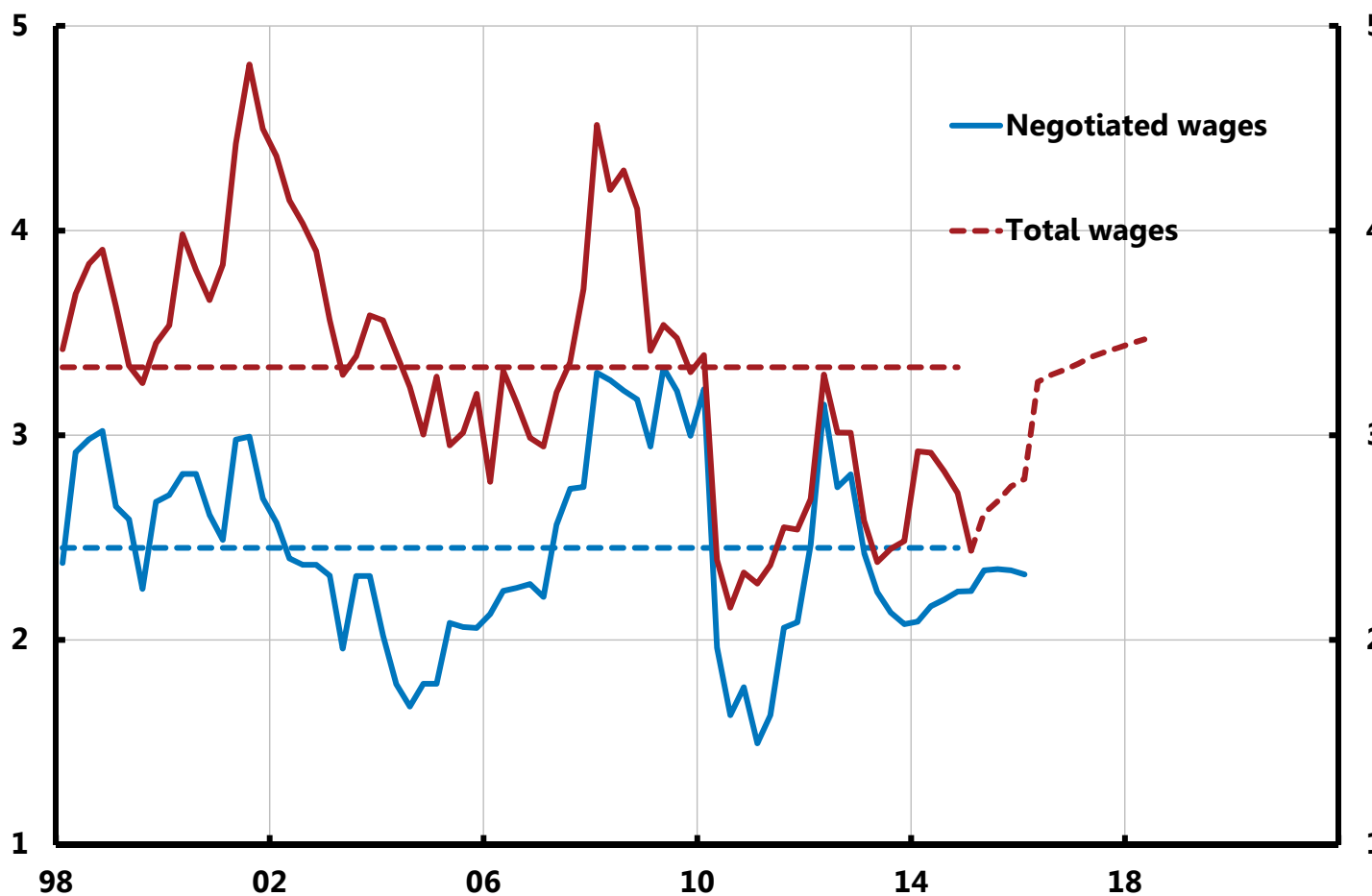


Note. Households' total debts as a share of their disposable incomes totalled over the past four quarters.

Sources: Statistics Sweden and the Riksbank

Figure 1.13. Total and negotiated nominal wages

Annual percentage change



Note. Broken horizontal lines refer to average between 1998 and 2014.

Sources: Swedish National Mediation Office and the Riksbank

Figure 1.14. Unit labour cost

Common currency, index 2011q4=100

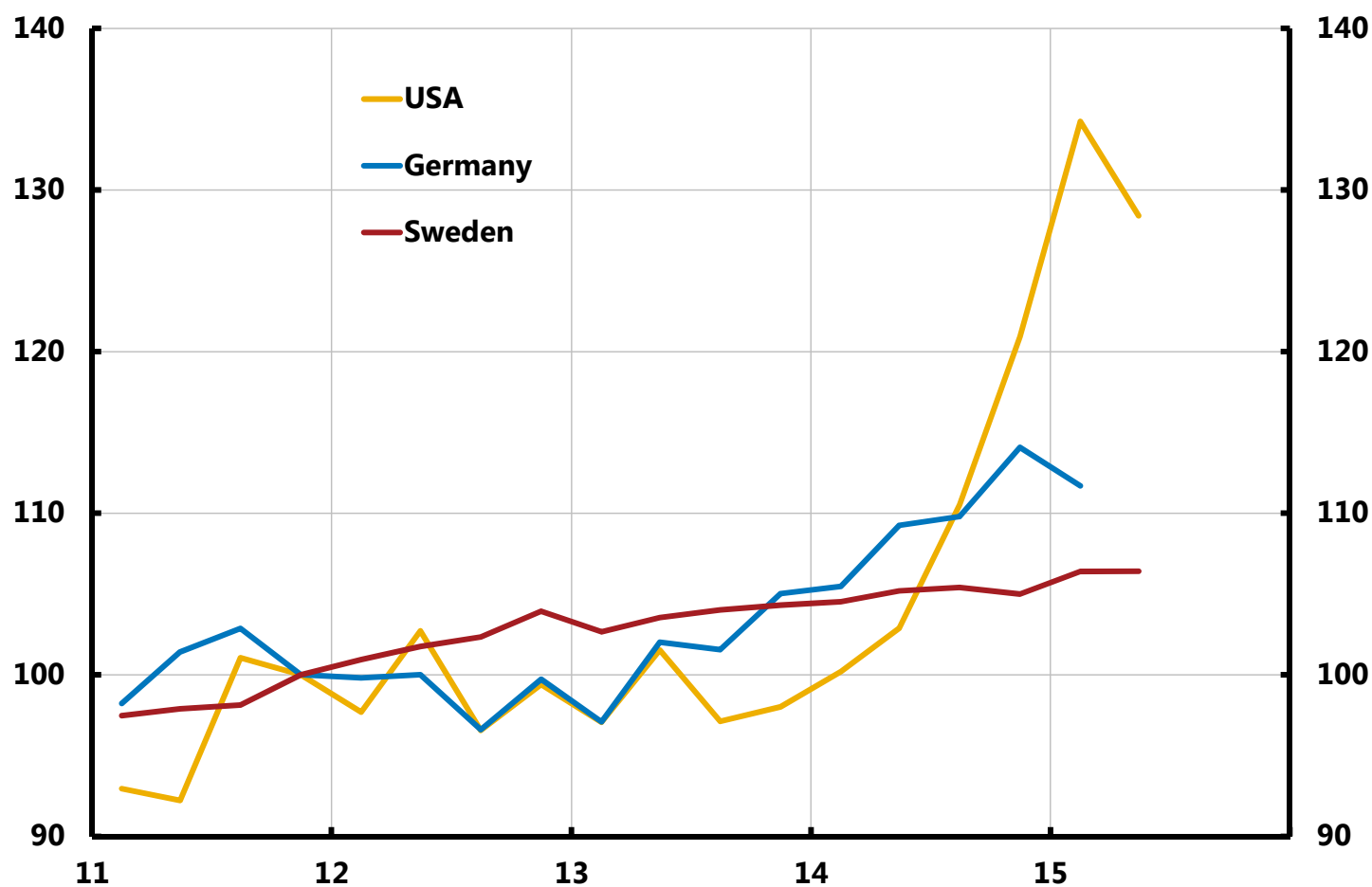
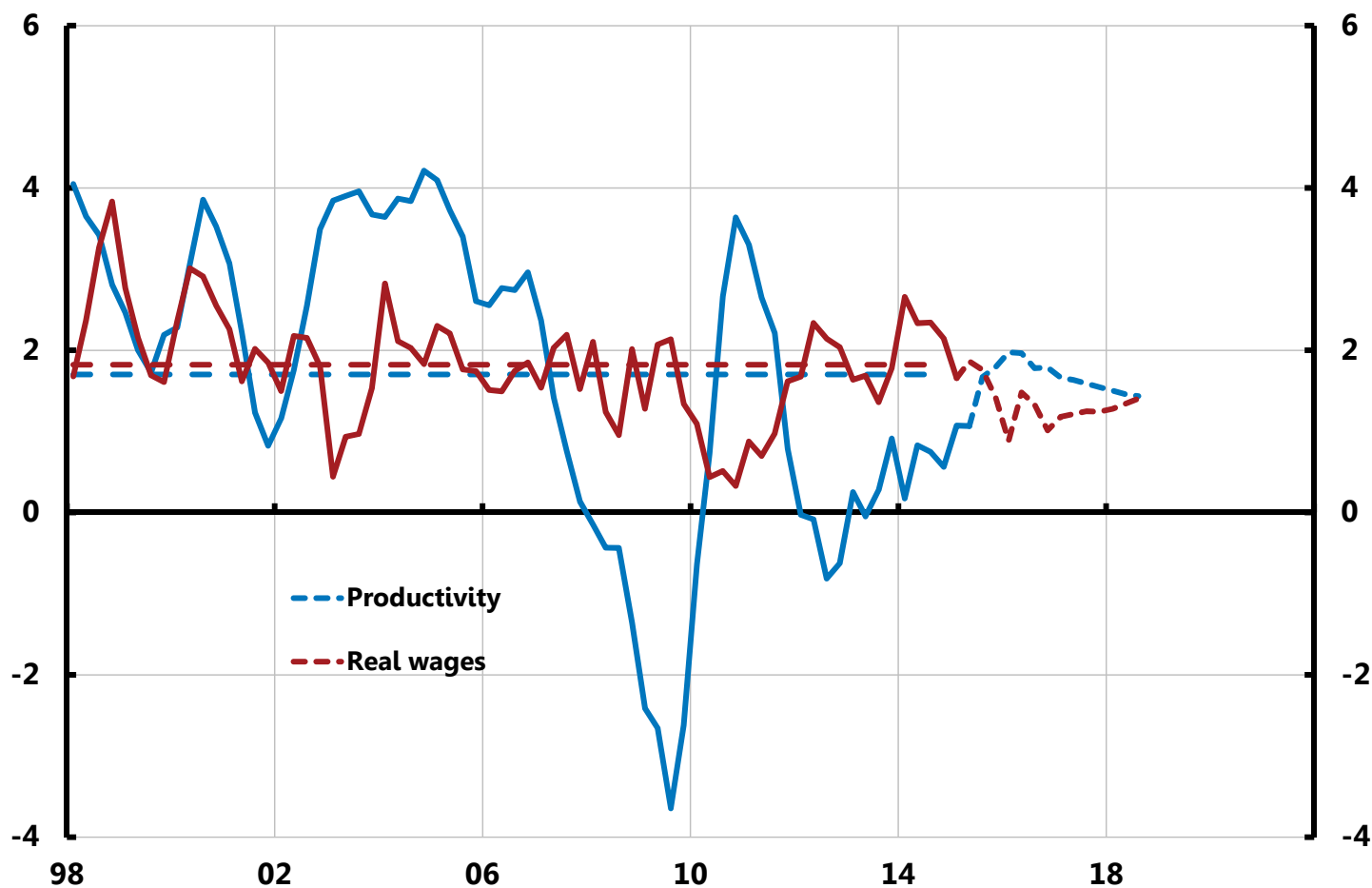


Figure 1.15. Real wages and productivity

Annual percentage change



Note. Real wages are deflated with CPIF. Productivity is a four quarter moving average. Broken horizontal lines refer to average between 1998 and 2014.

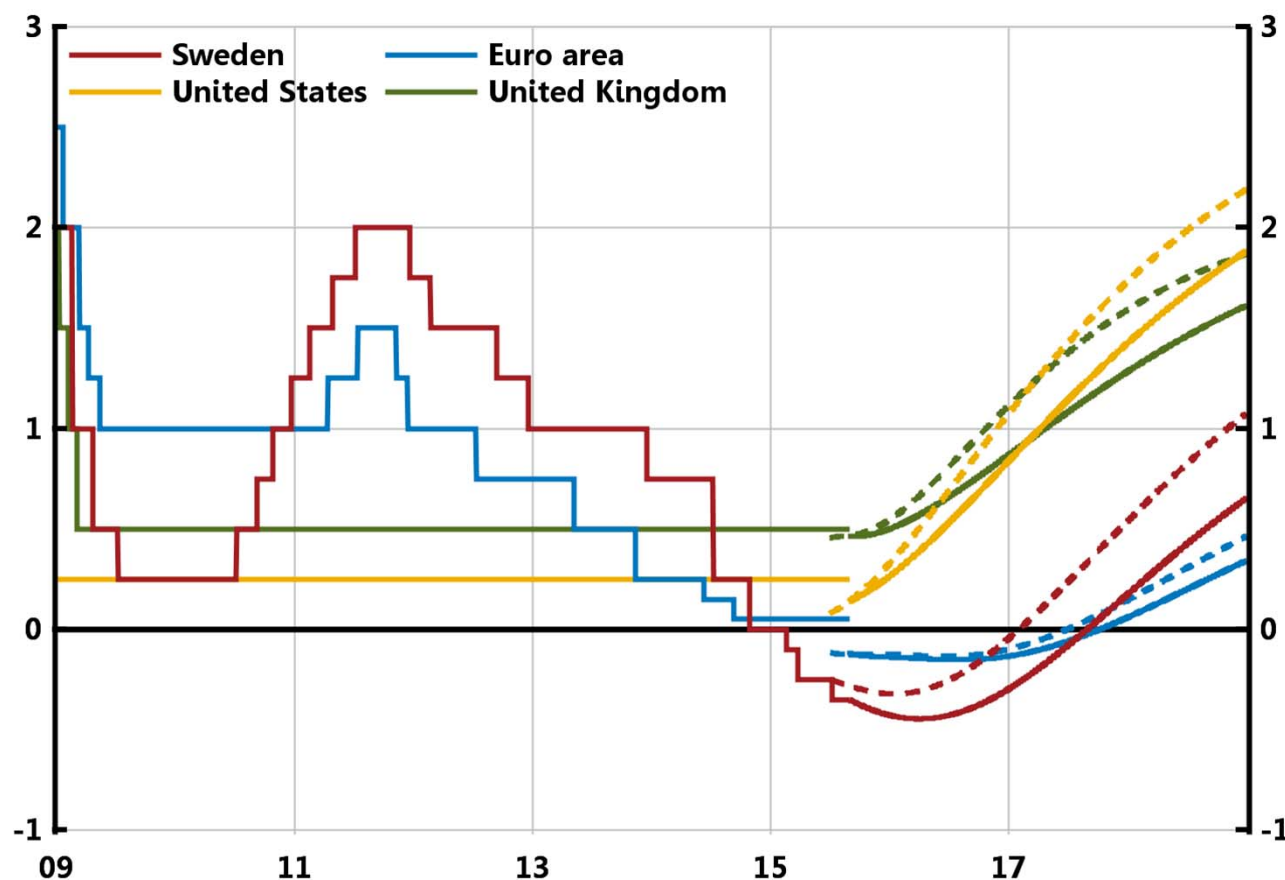
Sources: Swedish National Mediation Office, Statistics Sweden and the Riksbank



Chapter 2

Figure 2:1. Policy rates and rate expectations according to forward rates

Per cent



Note. Forward rates describe the expected overnight rate, which does not always correspond to the official policy rate. Unbroken lines are estimated 31 August 2015, broken lines 1 July 2015.

Sources: Macrobond and the Riksbank

Figure 2:2. Government bond rates with 10 years left to maturity



Per cent

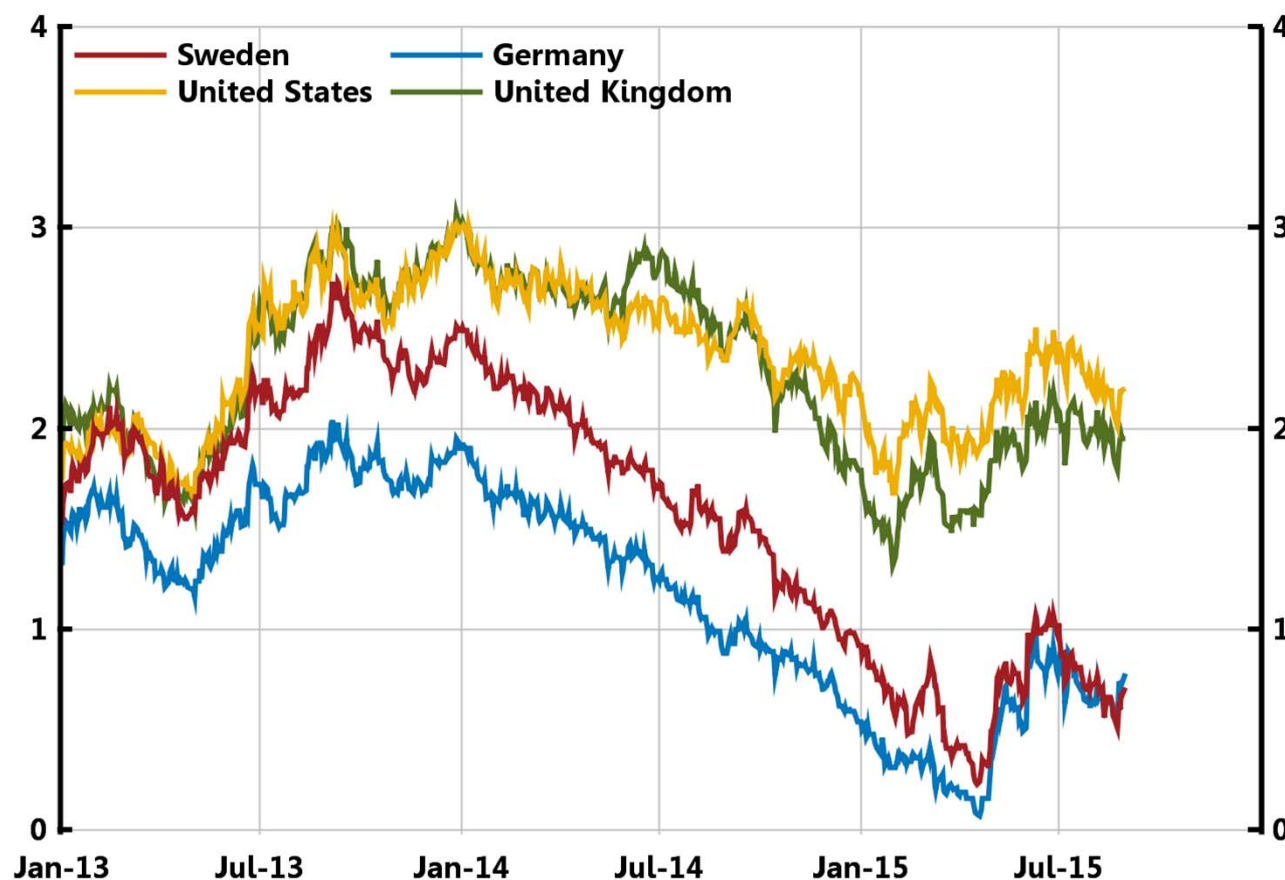
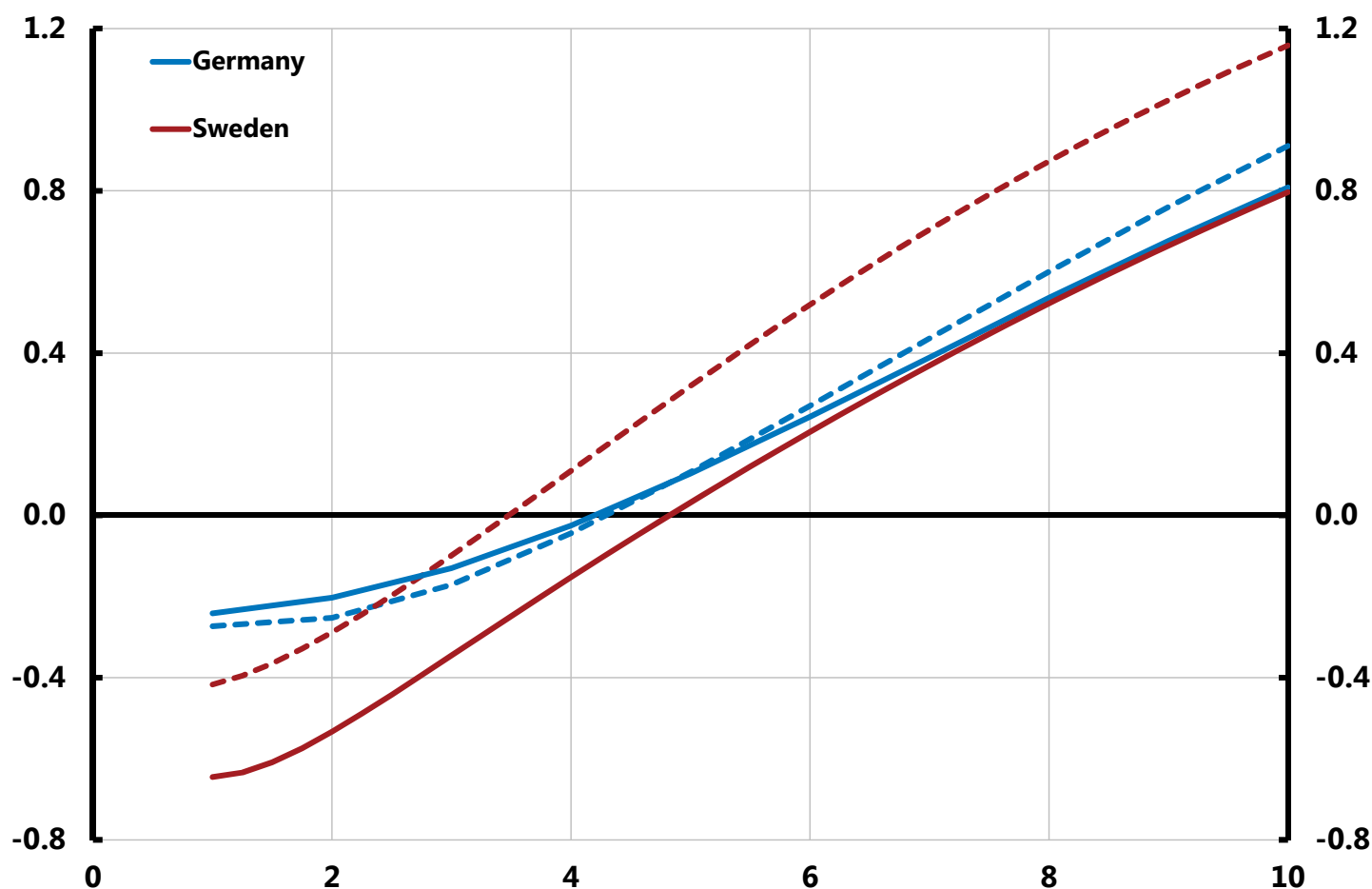


Figure 2:3. Yield curves in Sweden and Germany

Per cent



Note: Horizontal axis shows maturities in years. The Yield curve is zero coupon yields interpolated from bond prices in accordance with the Nelson-Siegel method. Unbroken lines are estimated 31 August 2015, broken lines 1 July 2015. Source: Deutsche Bundesbank, Thomson Reuters and the Riksbank

Figure 2:4. Development of the krona against the euro and the dollar



SEK per foreign currency

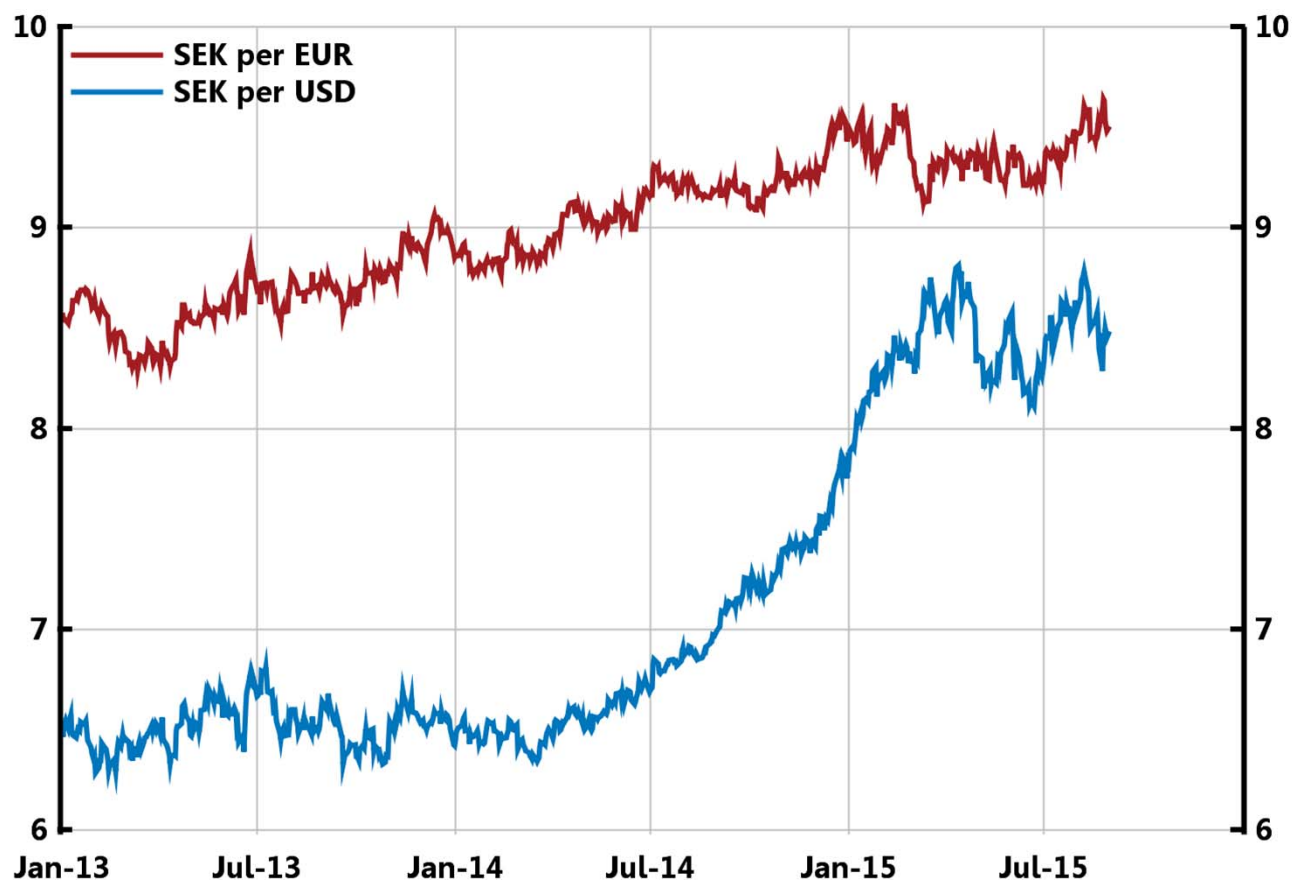


Figure 2:5. Stock market movements

Index, 2 January 2013 = 100

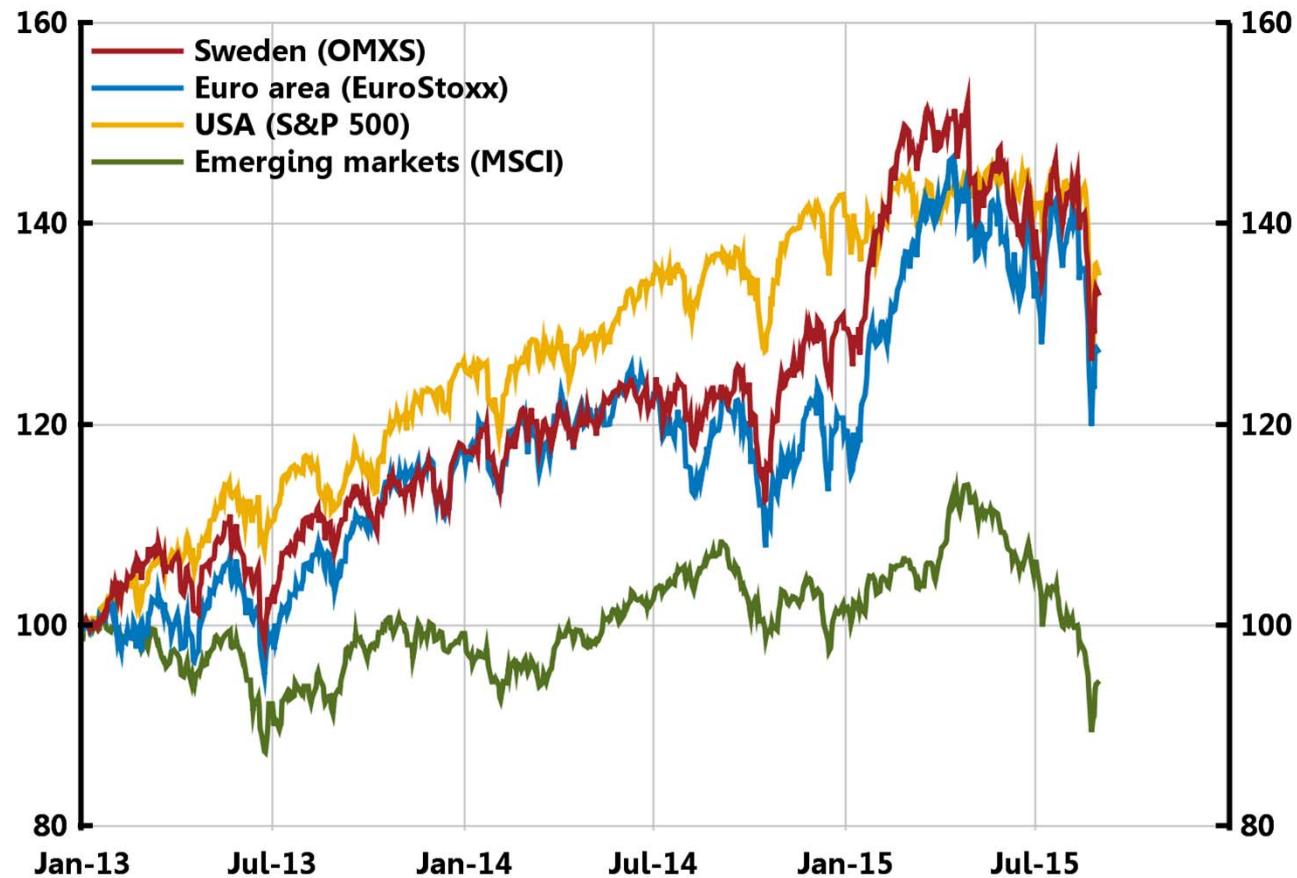
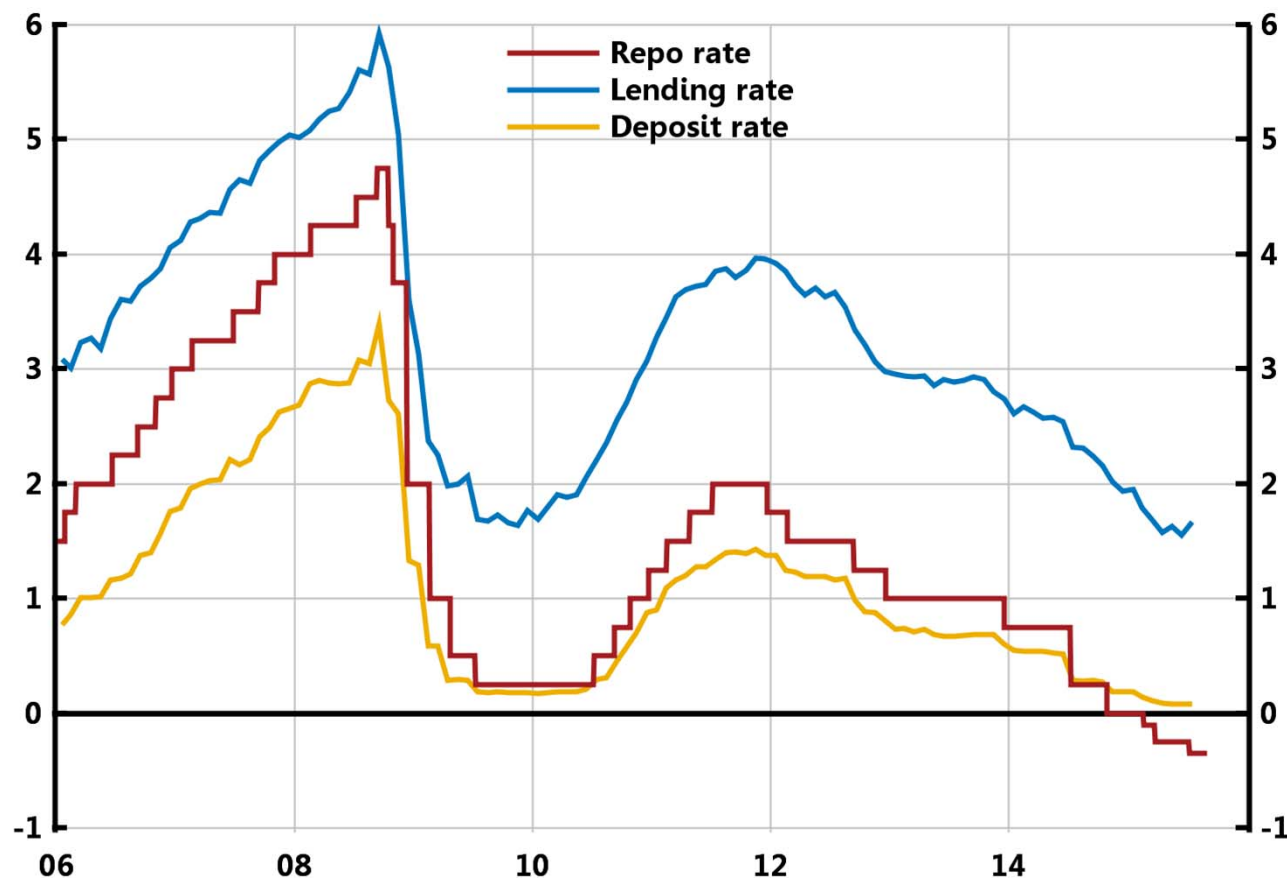


Figure 2:6. Repo rate and deposit and lending rates to households and businesses , new contracts

Per cent

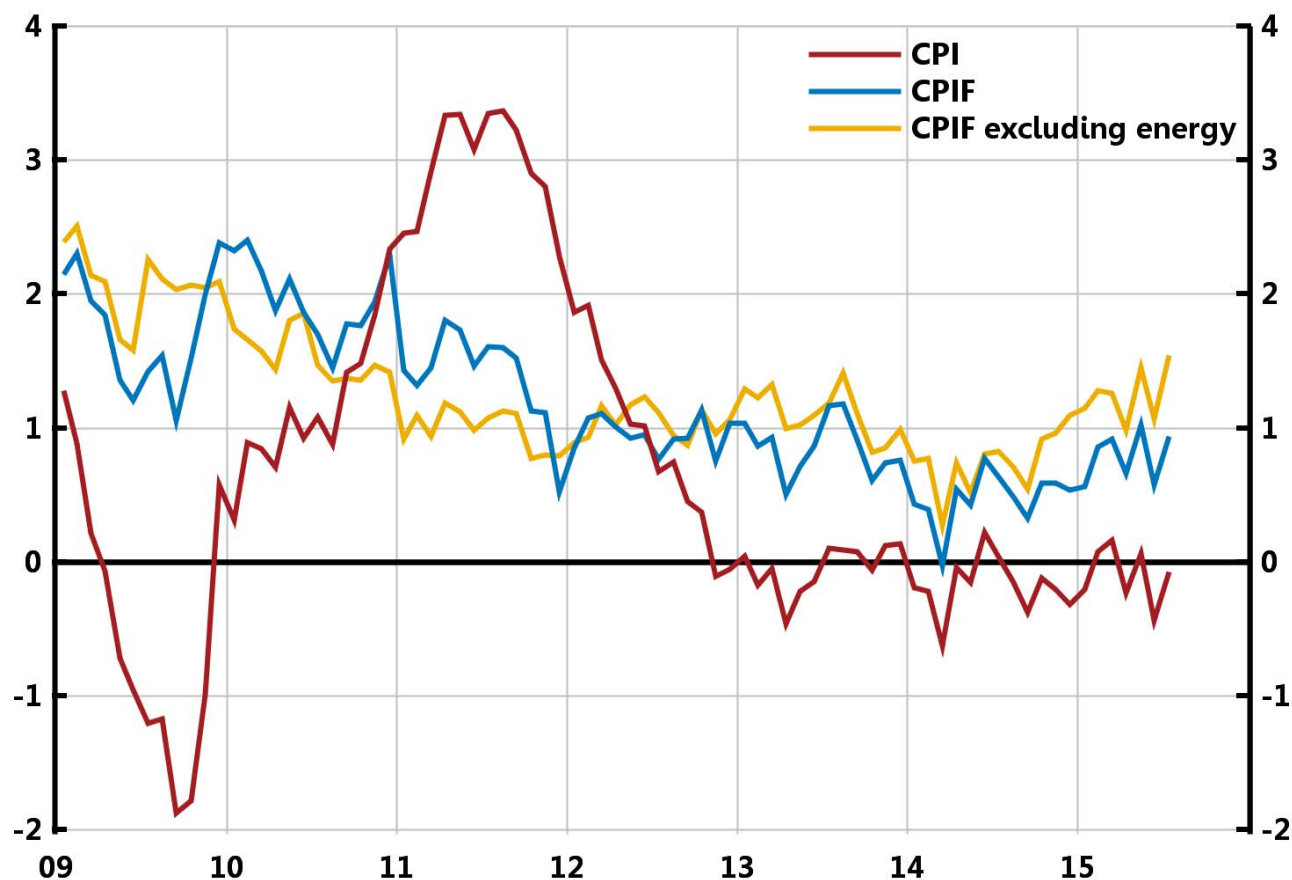




Chapter 3

Figure 3.1. CPI, CPIF and CPIF excluding energy

Annual percentage change

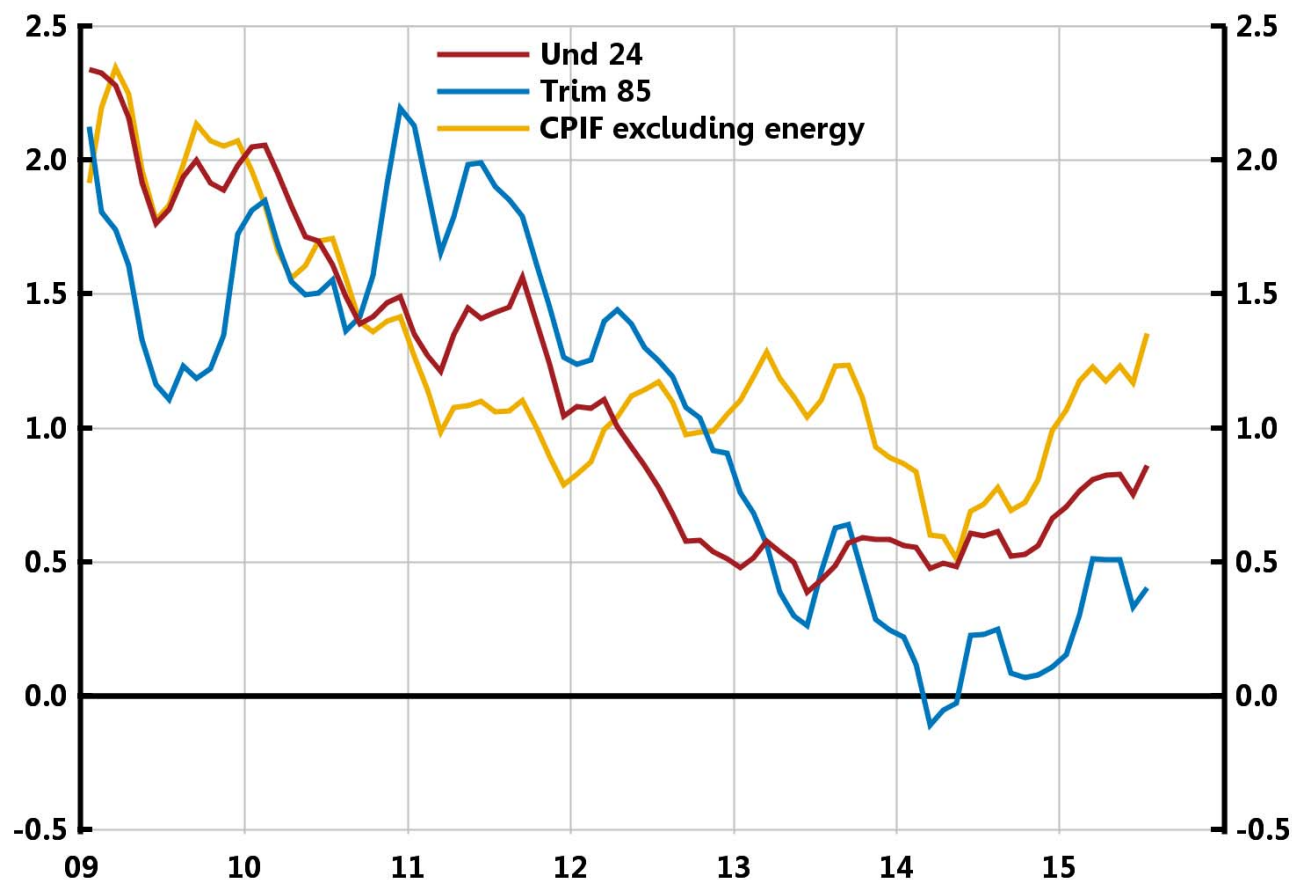


Note. The CPIF is the CPI with a fixed mortgage rate.

Source: Statistics Sweden

Figure 3.2. Measures of underlying inflation

Annual percentage change, three months moving average

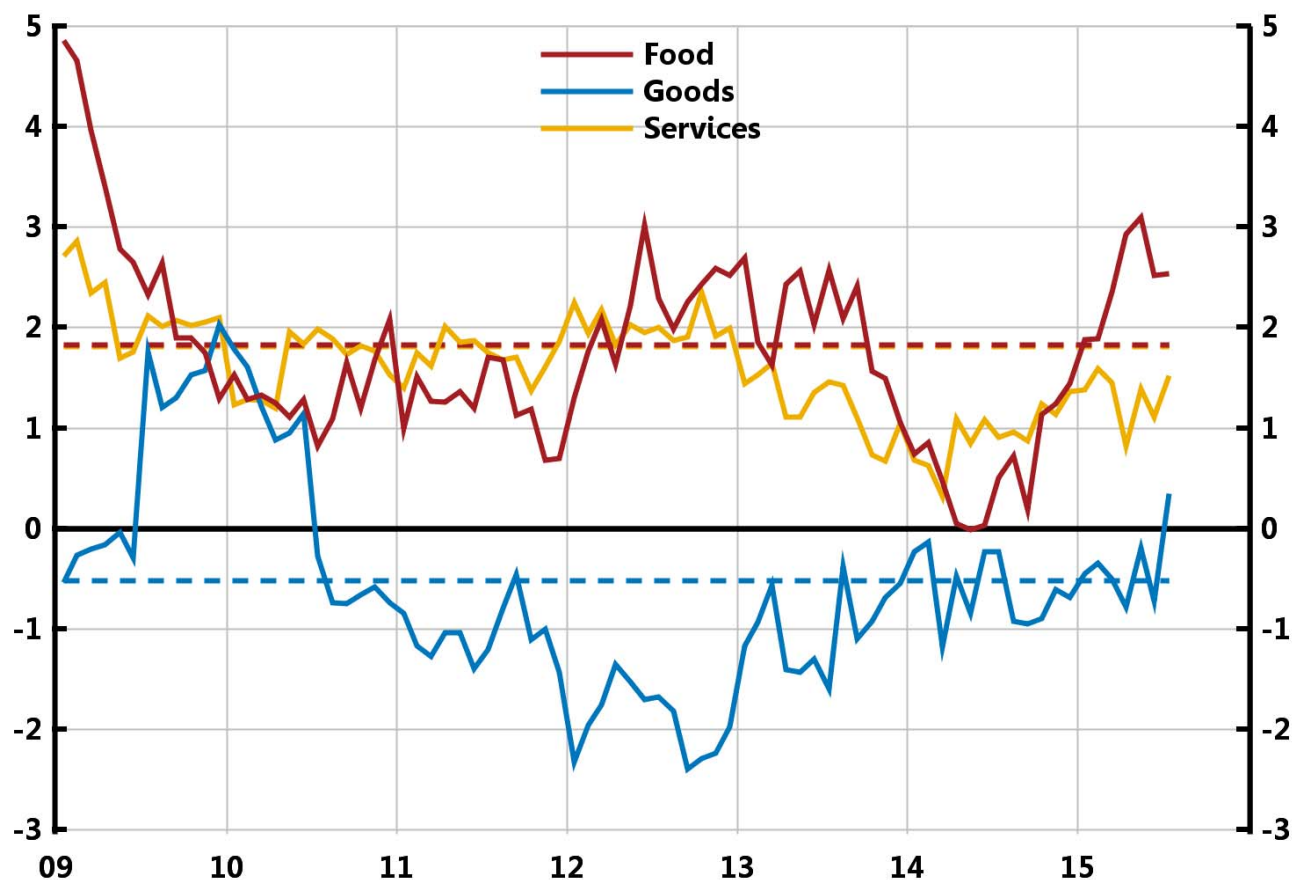


Note. Und 24 and Trim 85 are statistical measures calculated on the basis of the CPI divided into approximately 70 subgroups. Und 24 is weighted and adjusted for the historical standard deviation. In Trim 85 the 7.5 per cent highest and the 7.5 lowest yearly price changes have been excluded.

Sources: Statistics Sweden and the Riksbank

Figure 3.3. Food, goods and service prices

Annual percentage change

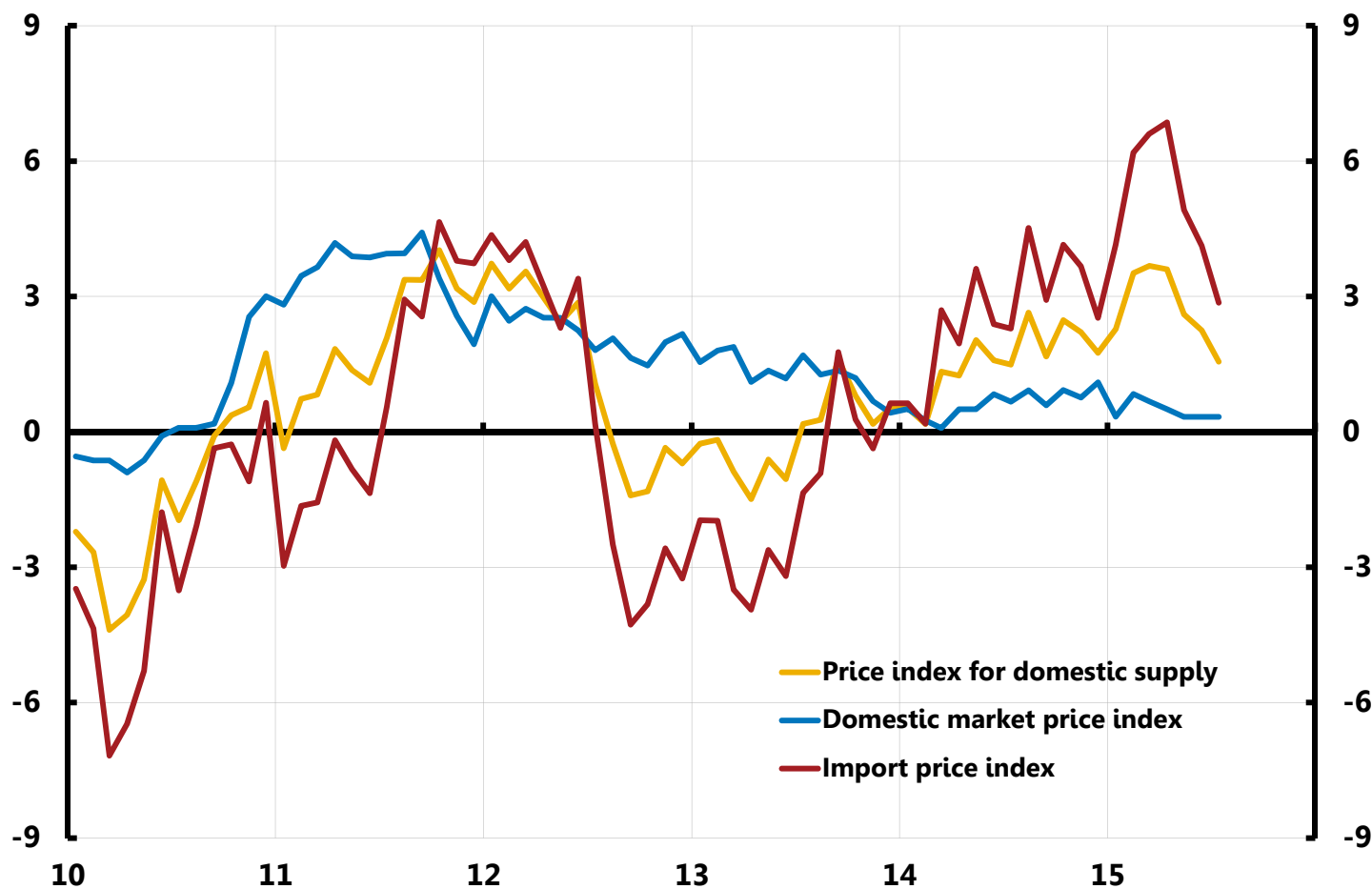


Note. The broken lines refer to the average for the period 2000 to the latest outcome. The line showing the average for food overlaps the line showing the average for services.

Sources: Statistics Sweden and the Riksbank

Figure 3.4. Consumer goods prices in the producer sector

Annual percentage change

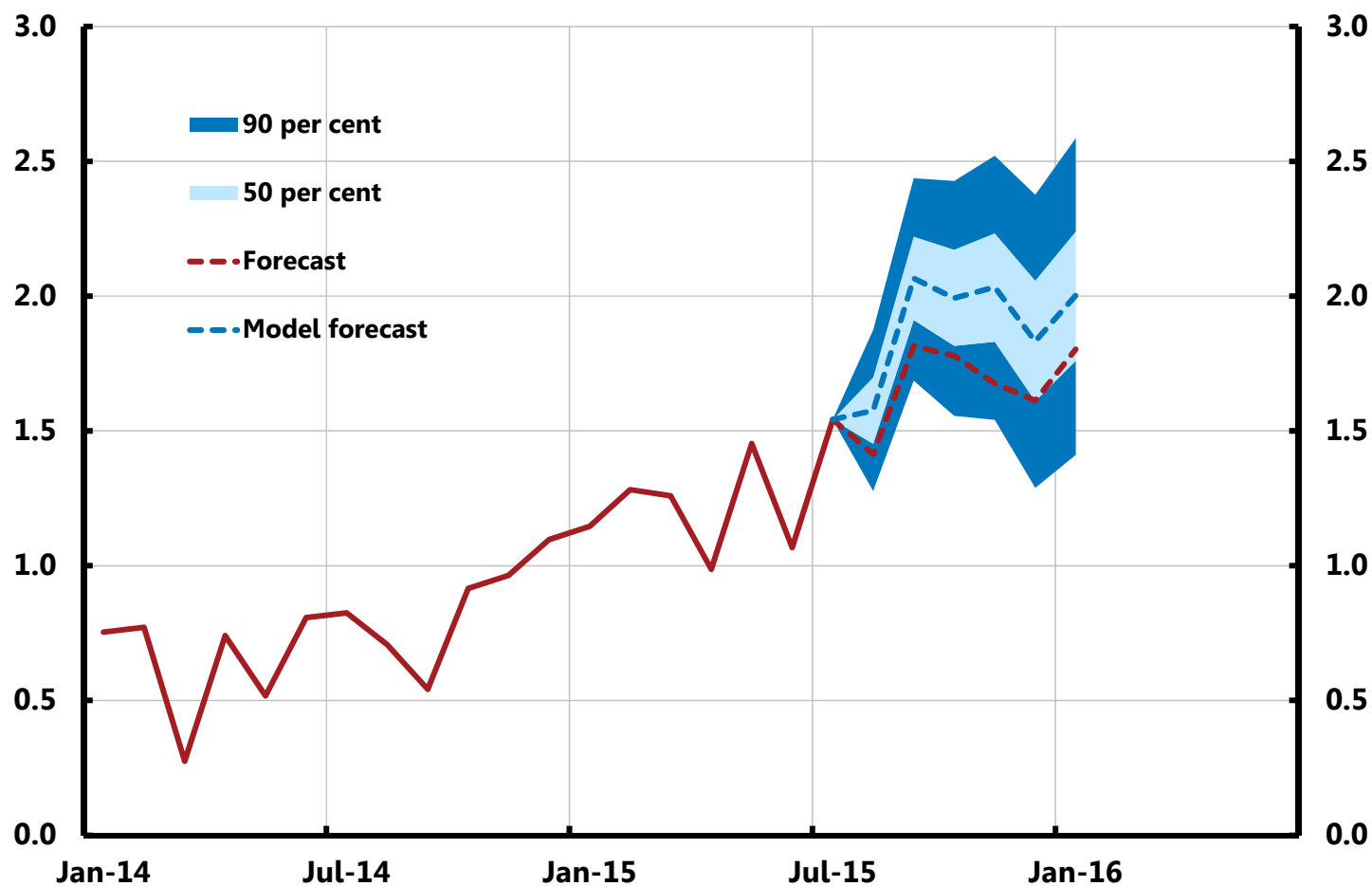


Note. The price index for domestic supply is an aggregate of the import price and home market price indices.

Source: Statistics Sweden

Figure 3.5. Model forecast CPIF excluding energy

Annual percentage change

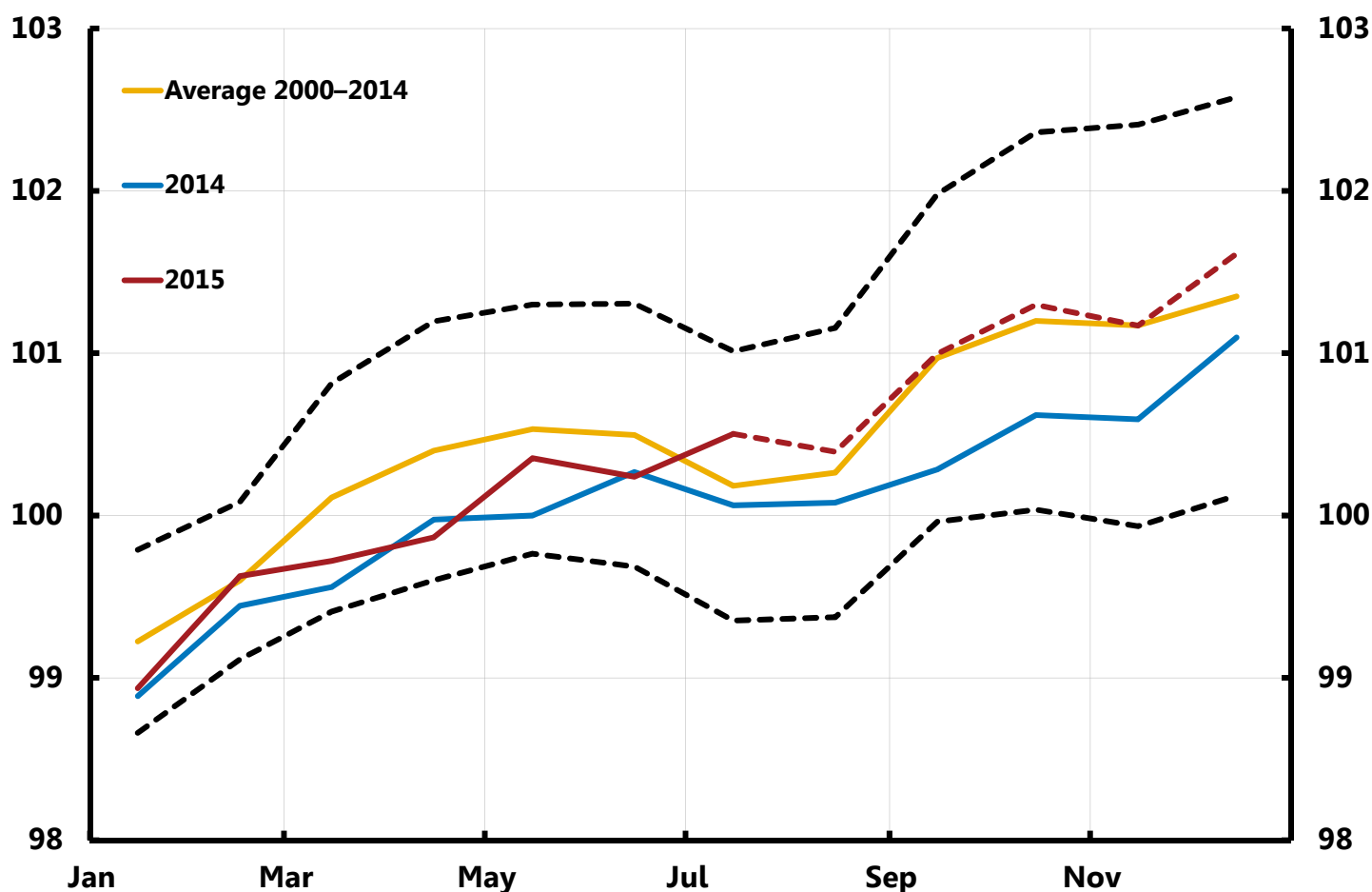


Note. The CPIF is the CPI with a fixed mortgage rate.

Sources: Statistics Sweden and the Riksbank

Figure 3.6. Monthly development in CPIF excluding energy

Index, December previous year = 100



Note. Black dotted lines refers to 95 per cent confidence interval around the average.

Sources: Statistics Sweden and the Riksbank

Figure 3.7. Inflation expectations among money market participants

Per cent

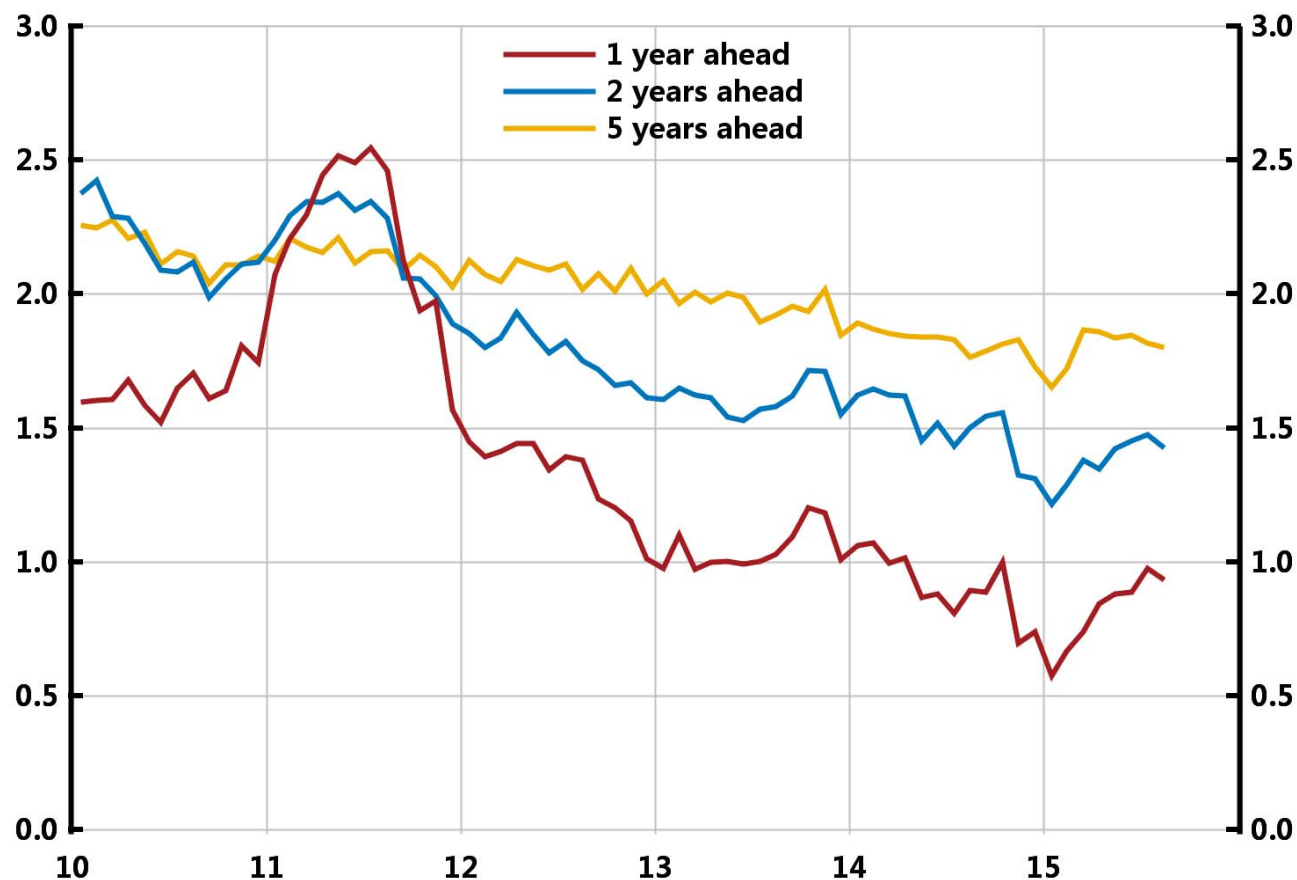
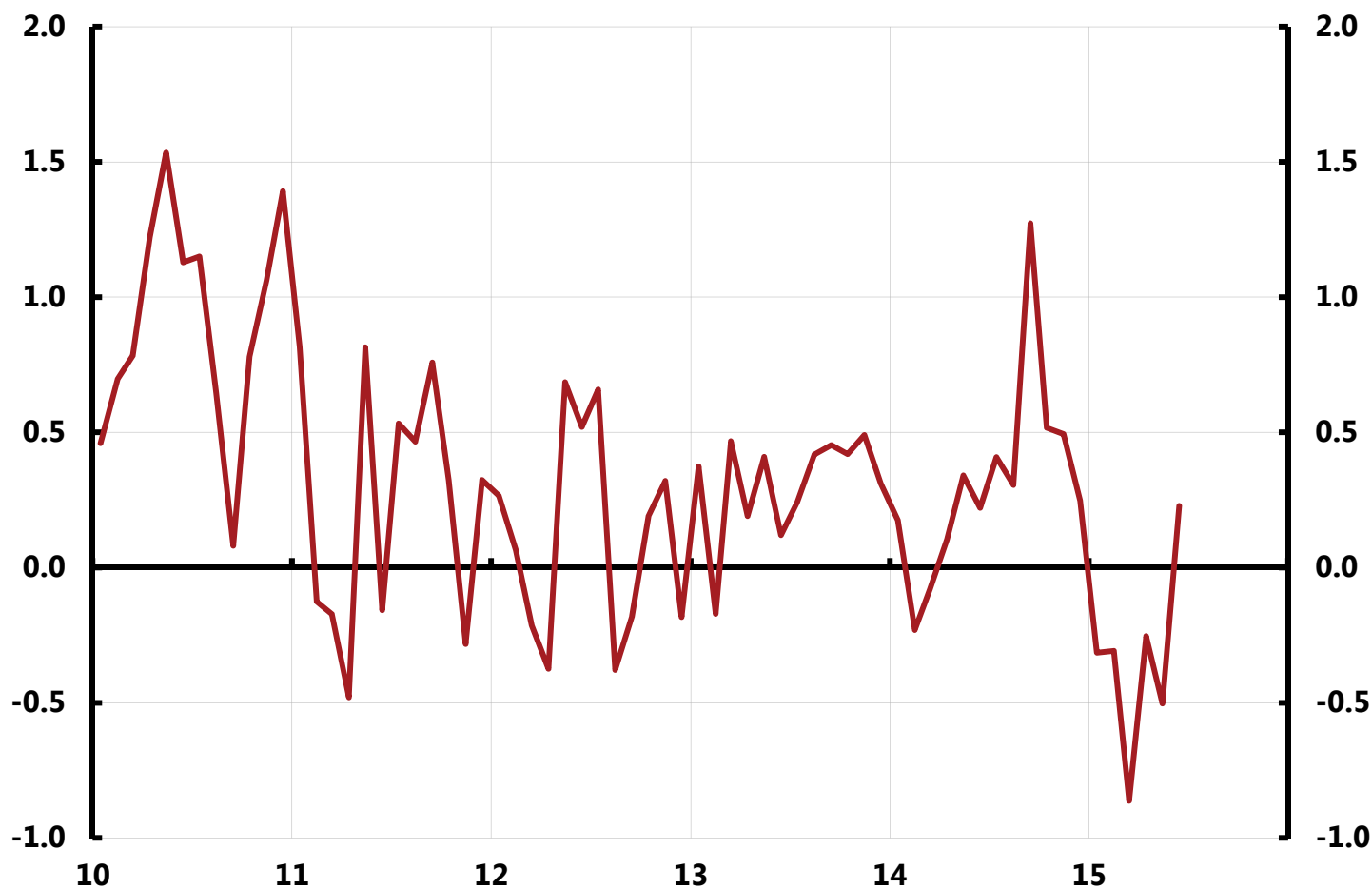


Figure 3.8. Global goods trade volume

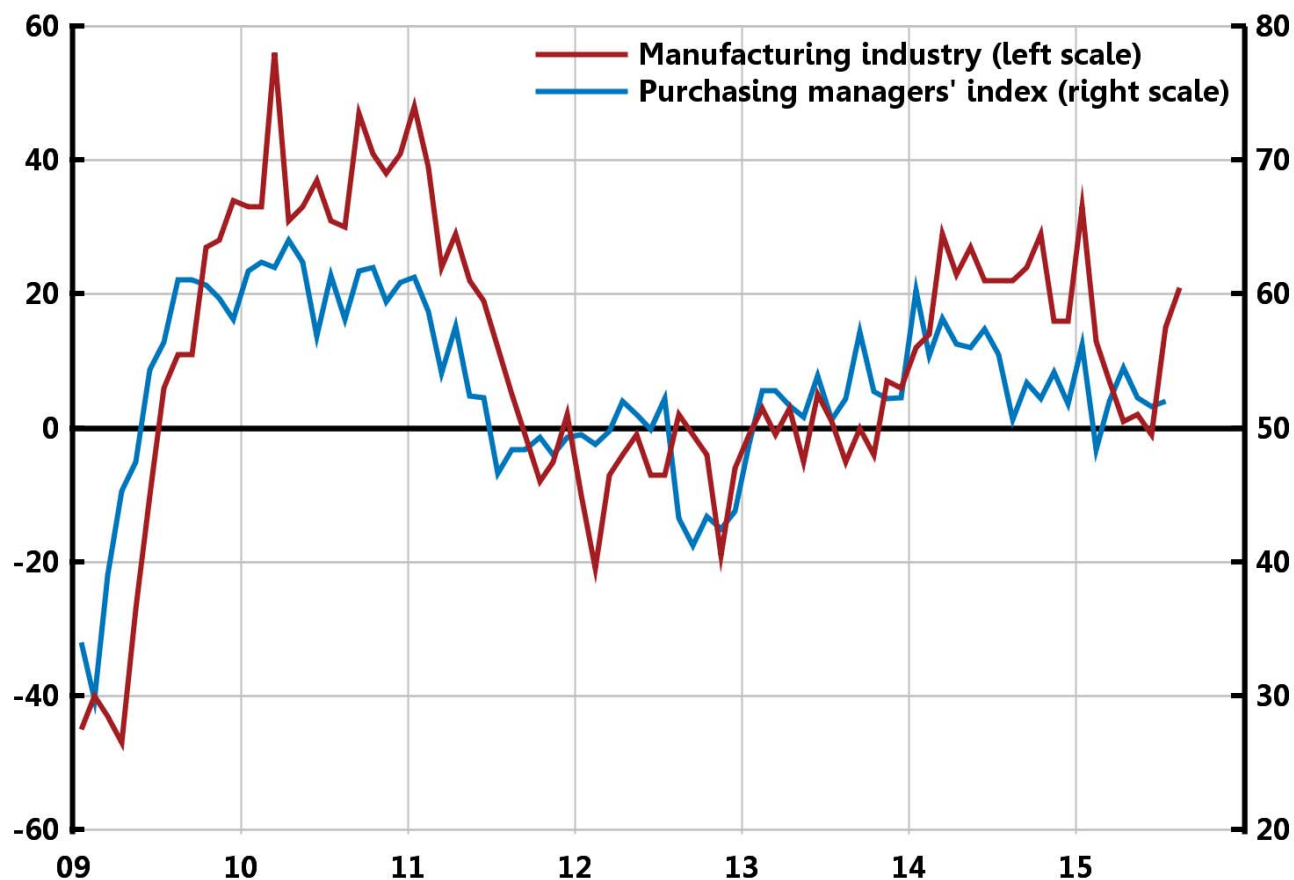
Monthly percentage change, three-month moving average, seasonally-adjusted data



Source: CPB Netherlands Bureau for Economic Policy Analysis

Figure 3.9. New export orders

Net figures and diffusion index respectively, seasonally-adjusted monthly values



Note. Diffusion index above 50 indicates growth.

Sources: National Institute of Economic Research and Swedbank/Silf

Figure 3.10. Confidence indicators

Index, average = 100, standard deviation = 10, seasonally-adjusted data

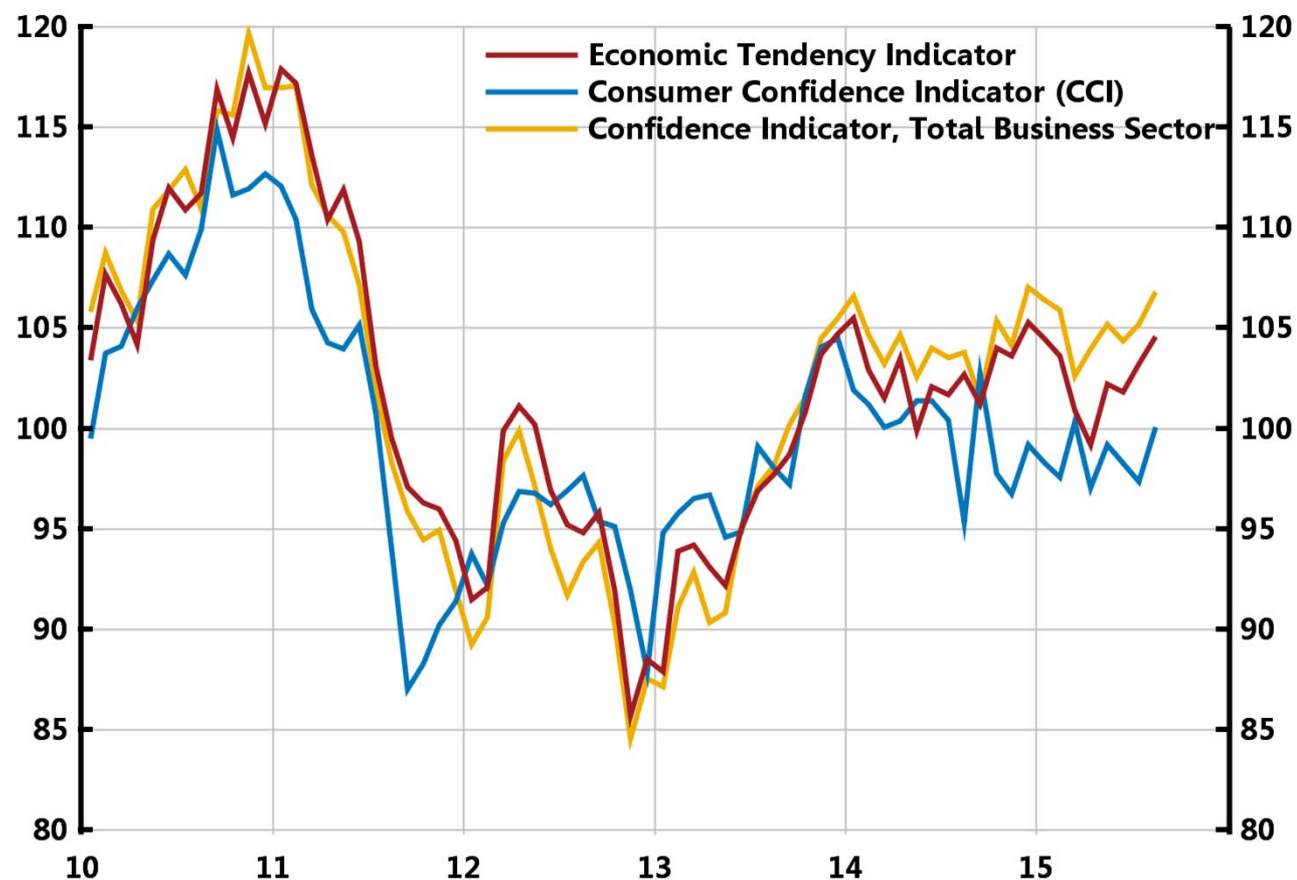
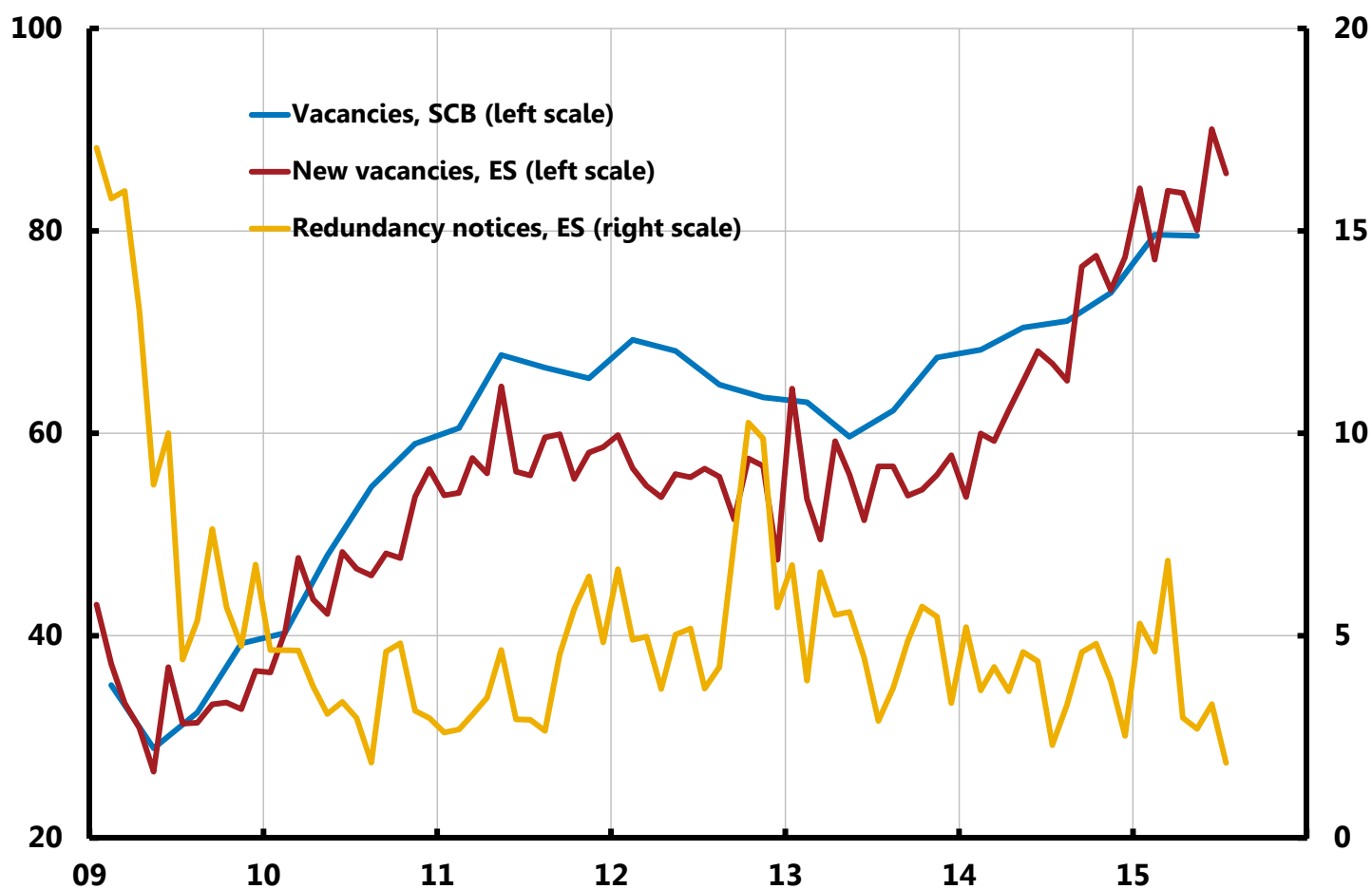


Figure 3.11. Labour market indicators

Thousands, seasonally-adjusted data

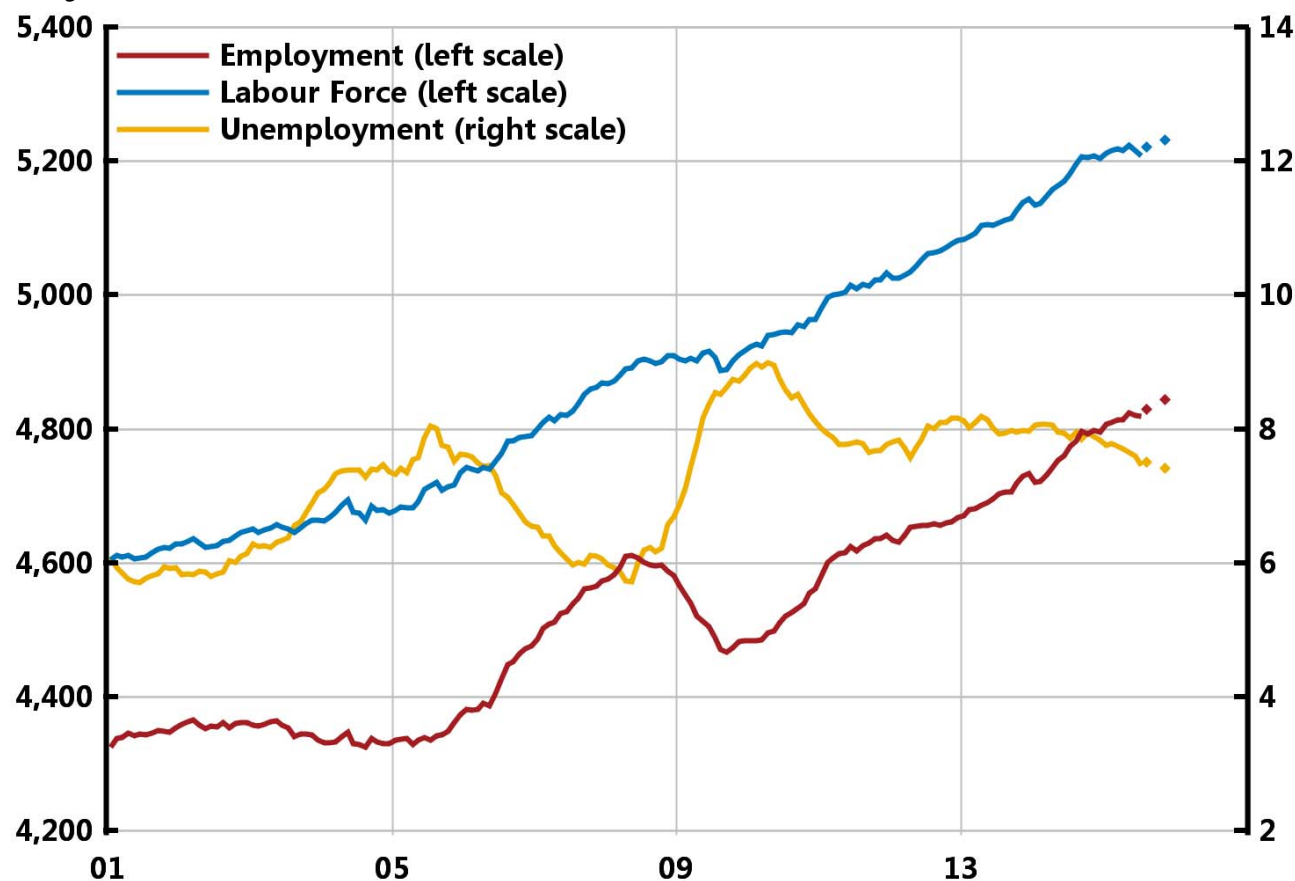


Note. Vacancies on quarterly frequency, others on monthly.

Sources: Employment Service (ES) and
Statistics Sweden (SCB)

Figure 3.12. Employment, labour force and unemployment

Thousands of people and percentage of labour force, 15–74 years, seasonally adjusted data

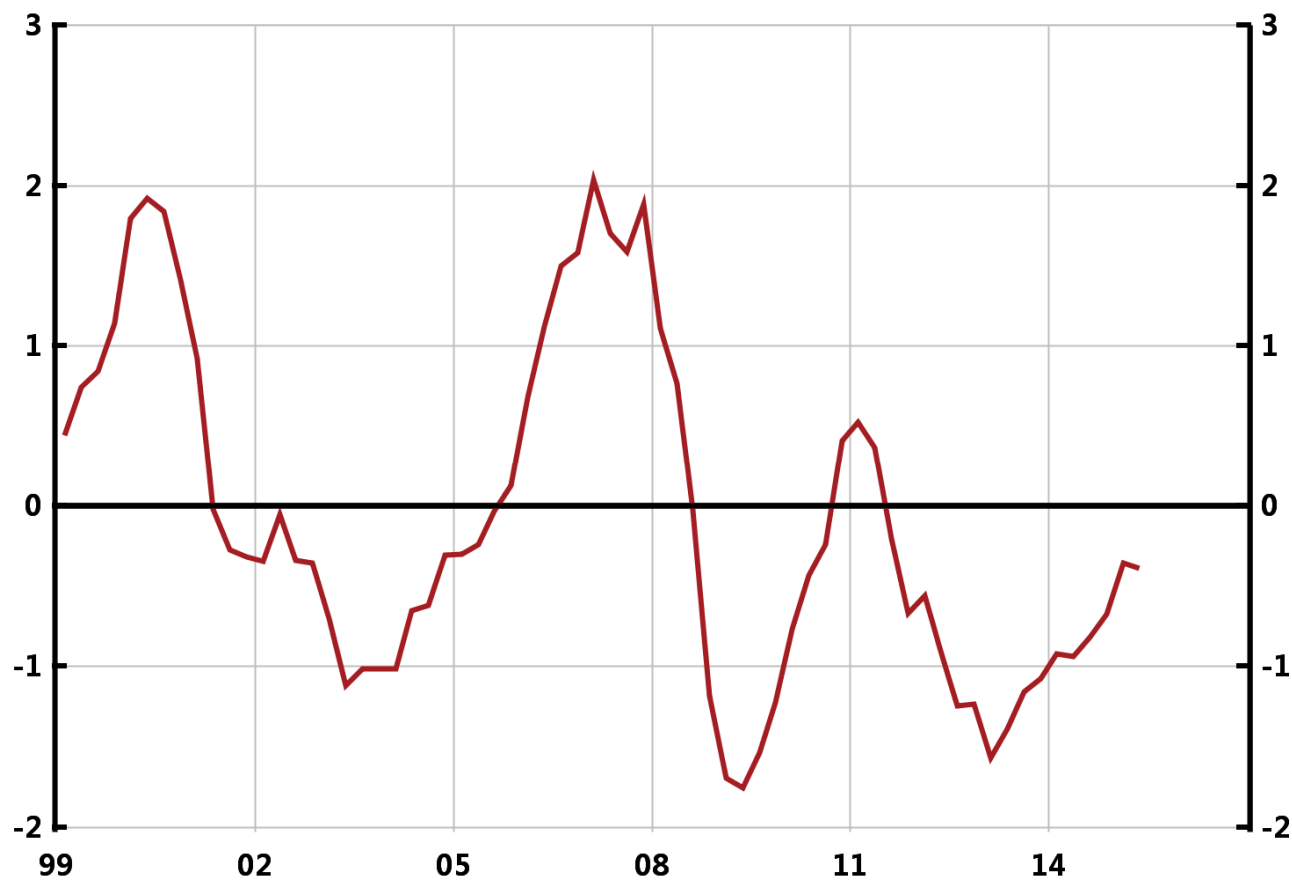


Note. Three-month moving average

Sources: Statistics Sweden and the Riksbank

Figure 3.13. RU indicator

Standard deviation



Note. The RU indicator is a measure of resource utilisation. It is normalised so that the mean value is 0 and the standard deviation is 1.

Source: The Riksbank



Chapter 4

Figure 4.1. Oil price and futures price

USD per barrel

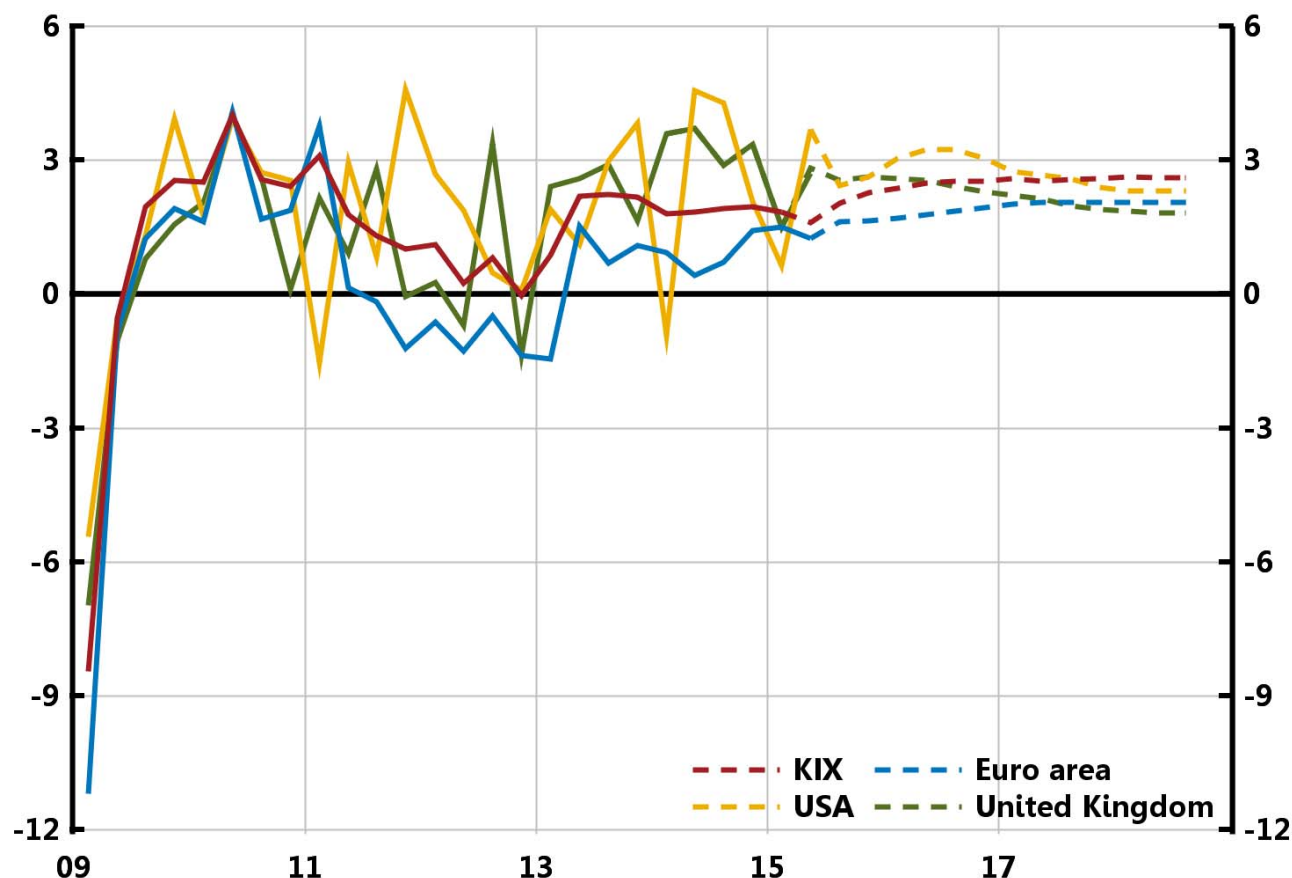


Note. Brent oil, futures are calculated as a 15-day average. Outcomes represent monthly averages of spot prices.

Sources: Macrobond and the Riksbank

Figure 4.2. Growth in various countries and regions

Quarterly change in per cent, calculated as an annual percentage change, seasonally-adjusted data

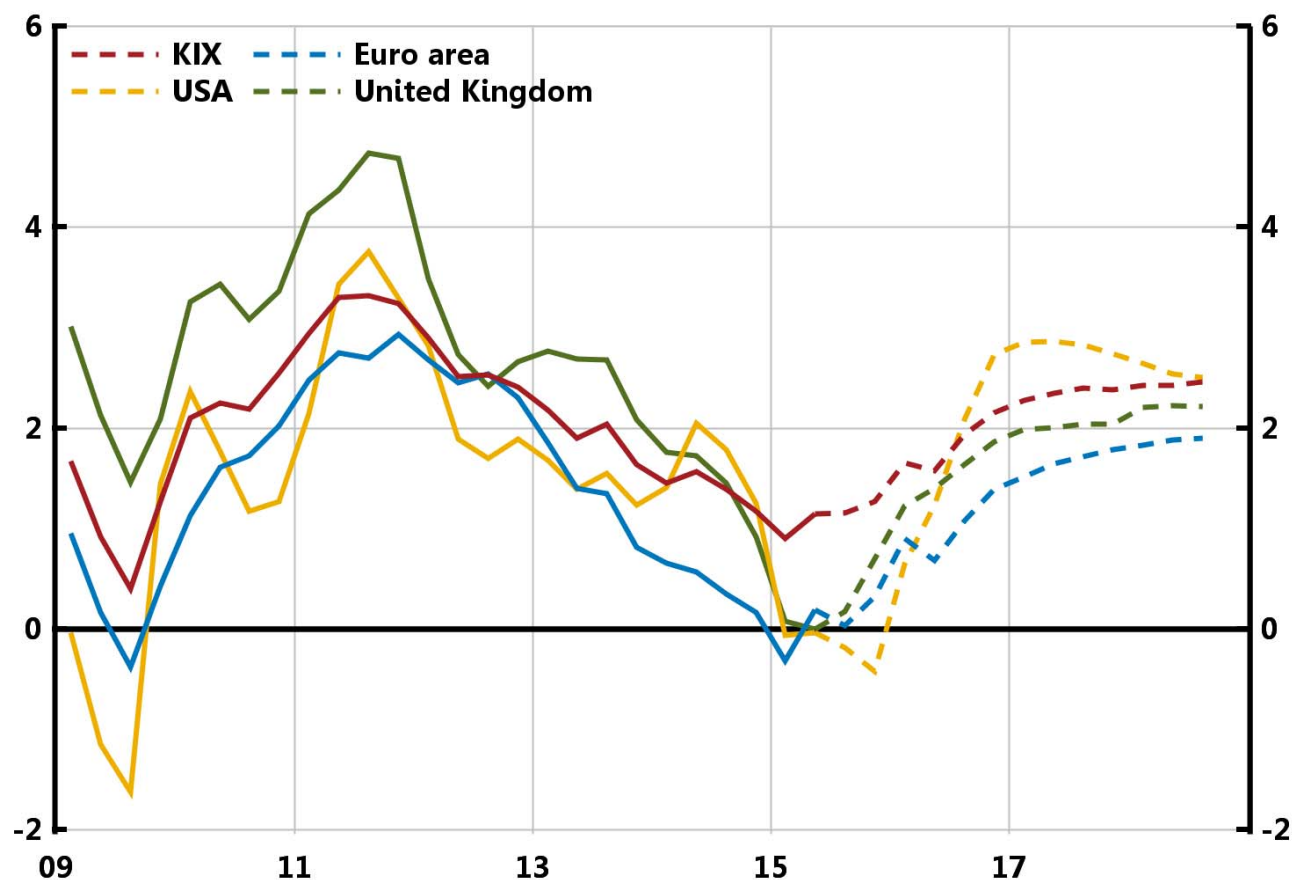


Note. KIX is an aggregate of the countries that are important to Sweden's international transactions.

Sources: Bureau of Economic Analysis, Eurostat, national sources, Office for National Statistics and the Riksbank

Figure 4.3. Inflation in various countries and regions

Annual percentage change

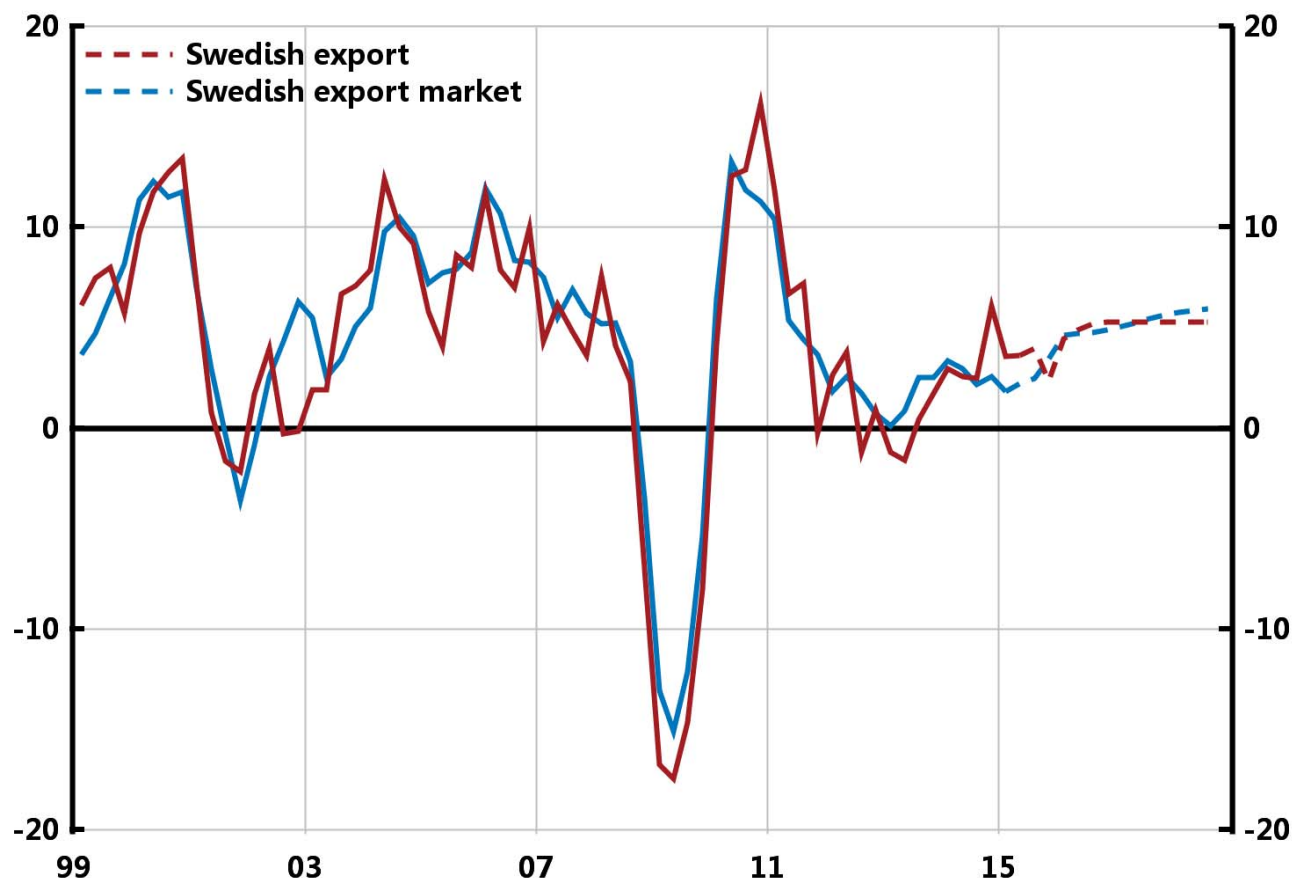


Note. KIX is an aggregate of the countries that are important to Sweden's international transactions. When calculating KIX-weighted inflation, the HICP is used for the euro area and the CPI for other countries. Inflation for the euro area is shown measured using the HICP and for the United States and the United Kingdom measured using the CPI.

Sources: The Bureau of Labor Statistics, Eurostat, national sources, Office for National Statistics and the Riksbank

Figure 4.4. Exports and the Swedish export market

Annual percentage change, calendar-adjusted data

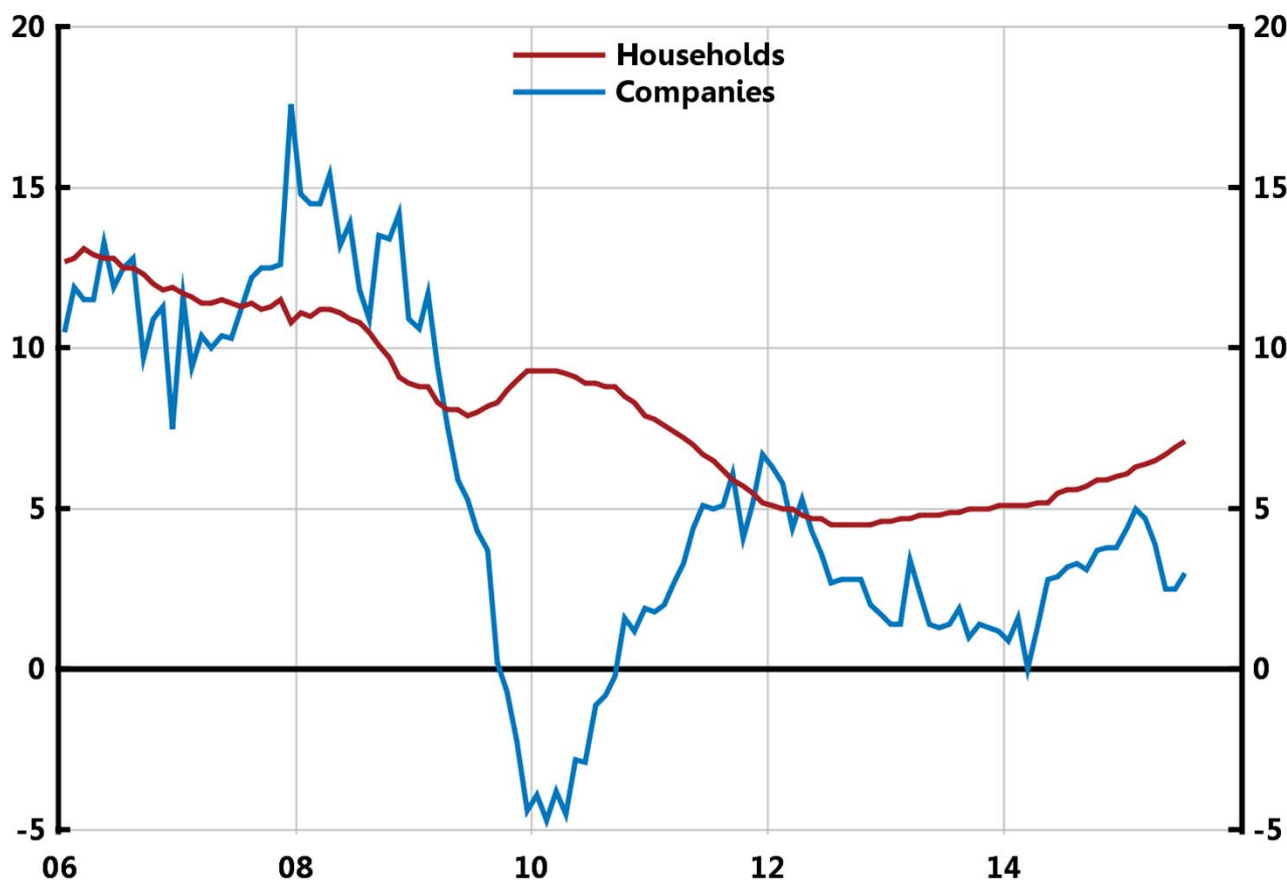


Note. The Swedish export market index aims to measure import demand in the countries to which Sweden exports. This is calculated by aggregating 32 countries and covers around 85 per cent of the total Swedish export market.

Sources: Statistics Sweden and the Riksbank

Figure 4.5. Bank lending to households and companies

Annual percentage change

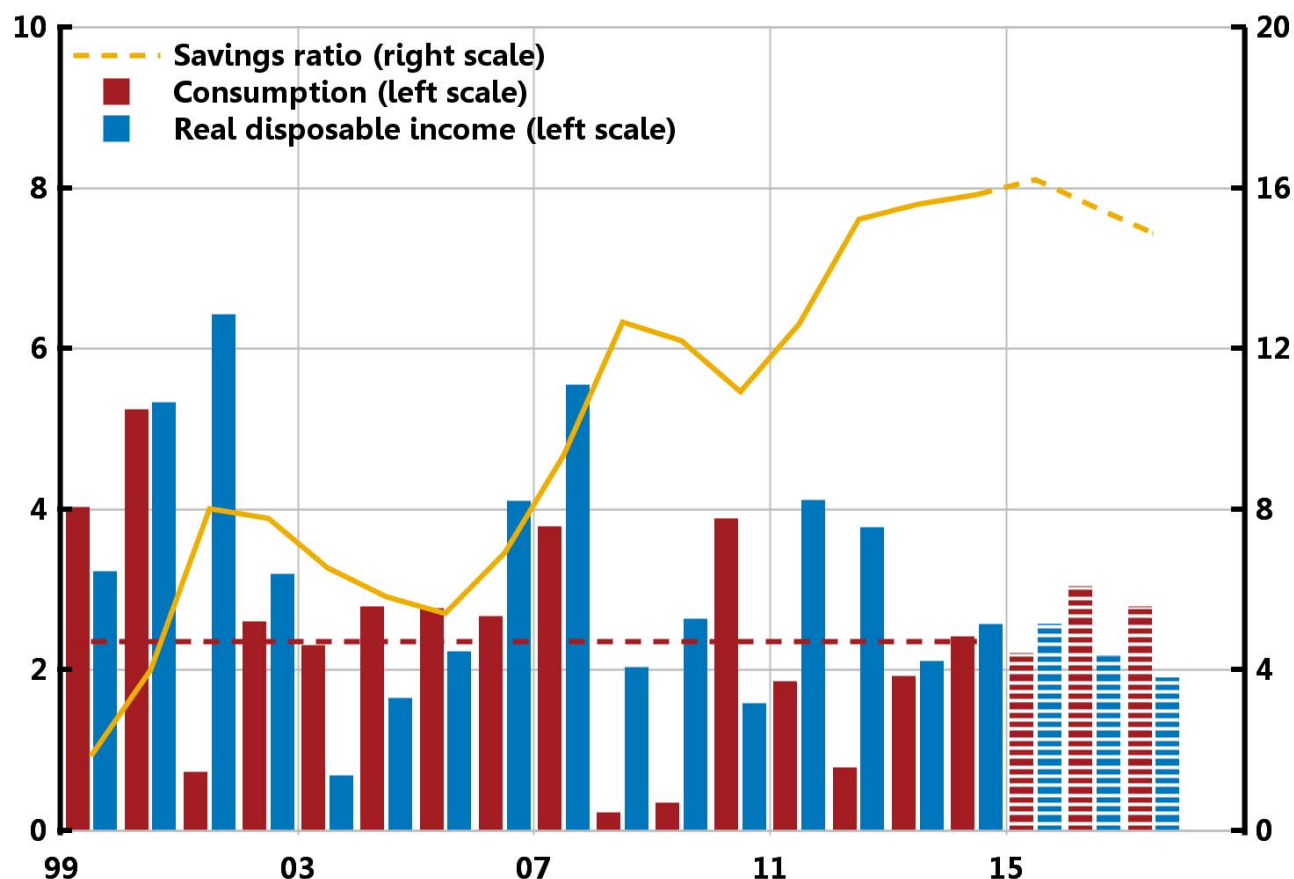


Note. MFIs' lending to households and non-financial companies according to financial market statistics adjusted for reclassifications and traded loans since 2006.

Source: Statistics Sweden

Figure 4.6. Households' real disposable incomes, consumption and savings ratio

Annual percentage change and per cent of disposable income



Note. The savings ratio includes collective insurance schemes. Disposable income has been deflated using the household consumption deflator. Broken line is the mean of consumption between 1994 and 2014.

Sources: Statistics Sweden and the Riksbank

Figure 4.7. GDP

Quarterly change in per cent, calculated as an annual percentage change, seasonally-adjusted data

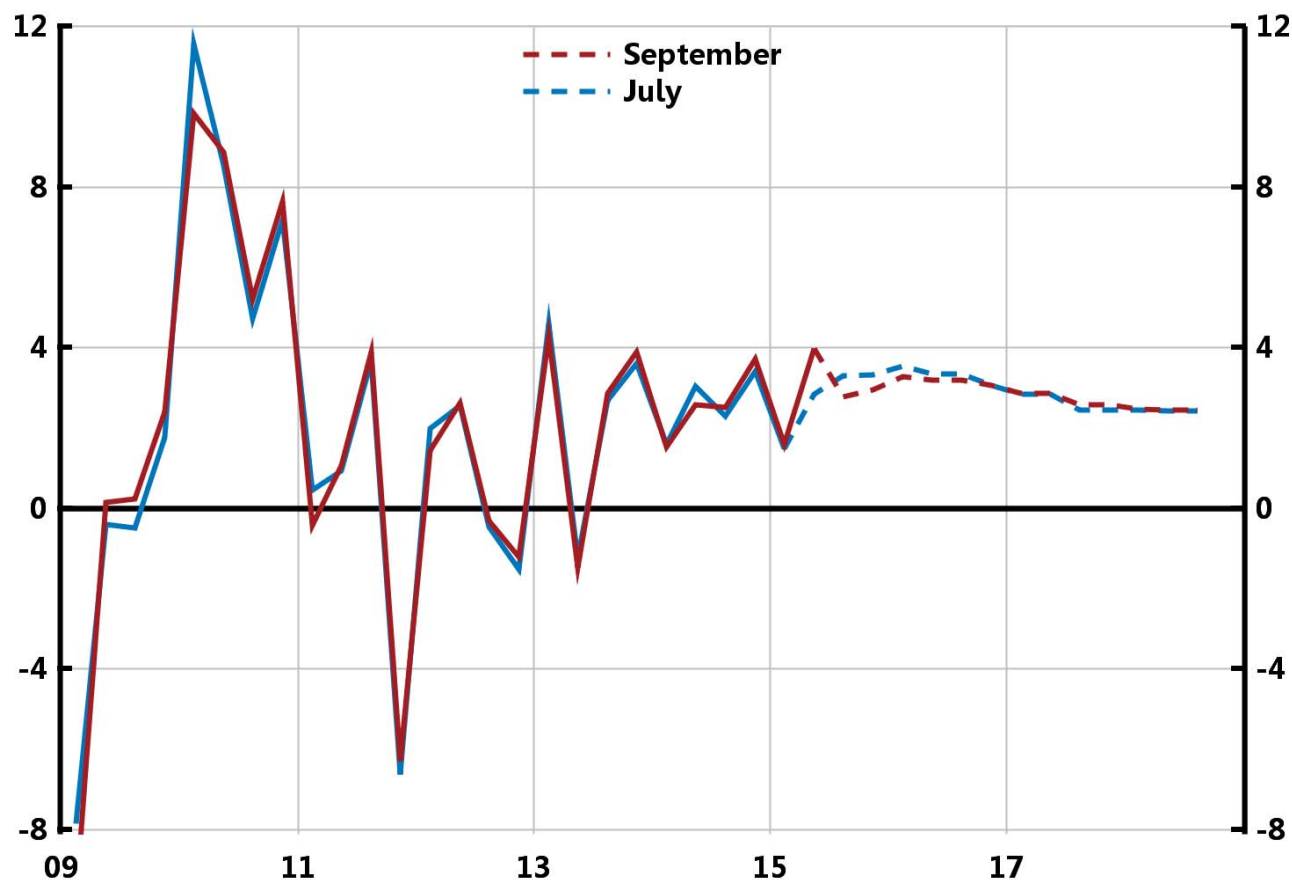
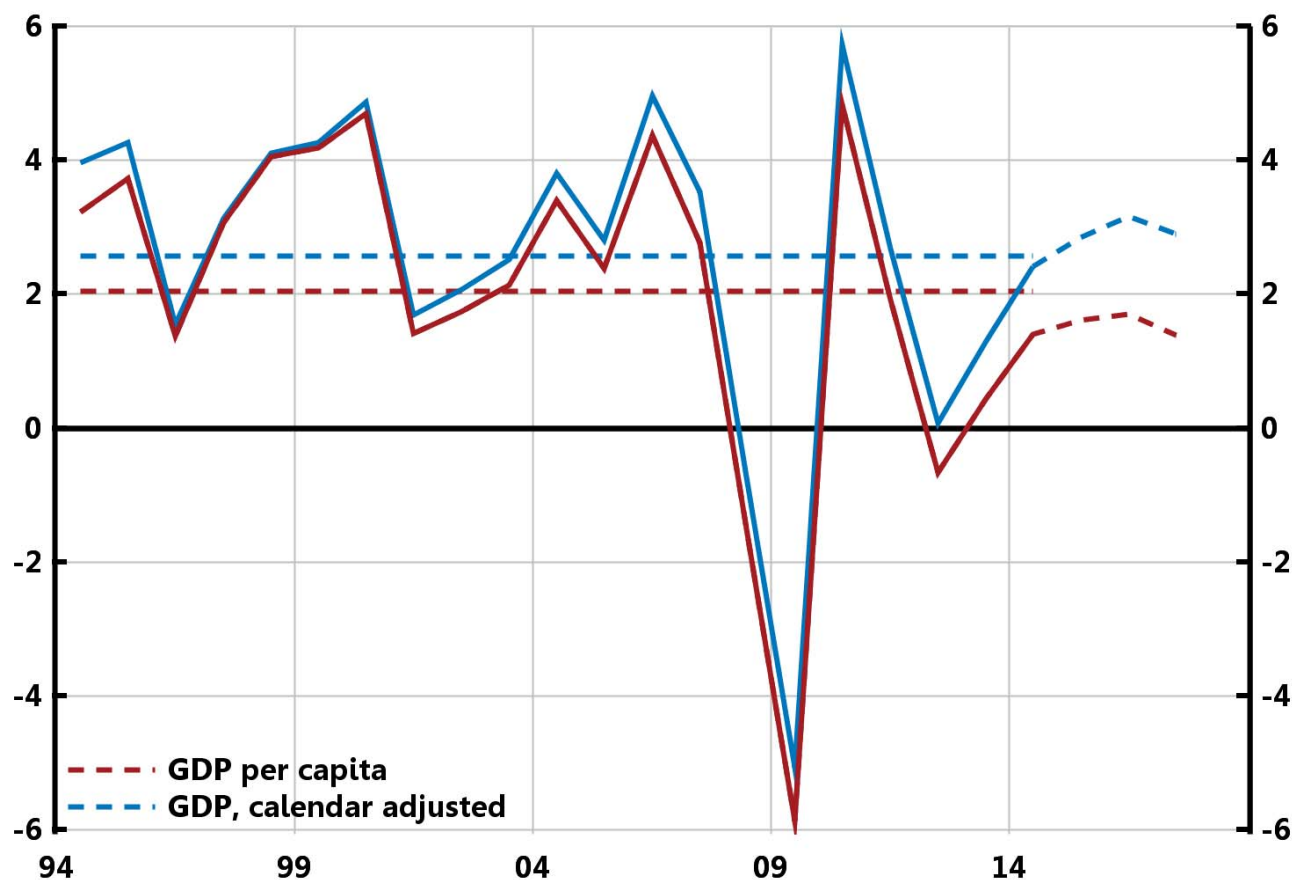


Figure 4.8. GDP and GDP per capita

Annual percentage change



Note. Broken lines refer to averages between 1994 and 2014.

Sources: Statistics Sweden and the Riksbank

Figure 4.9. Unemployment

Per cent of the labour force, 15–74 years, seasonally-adjusted data

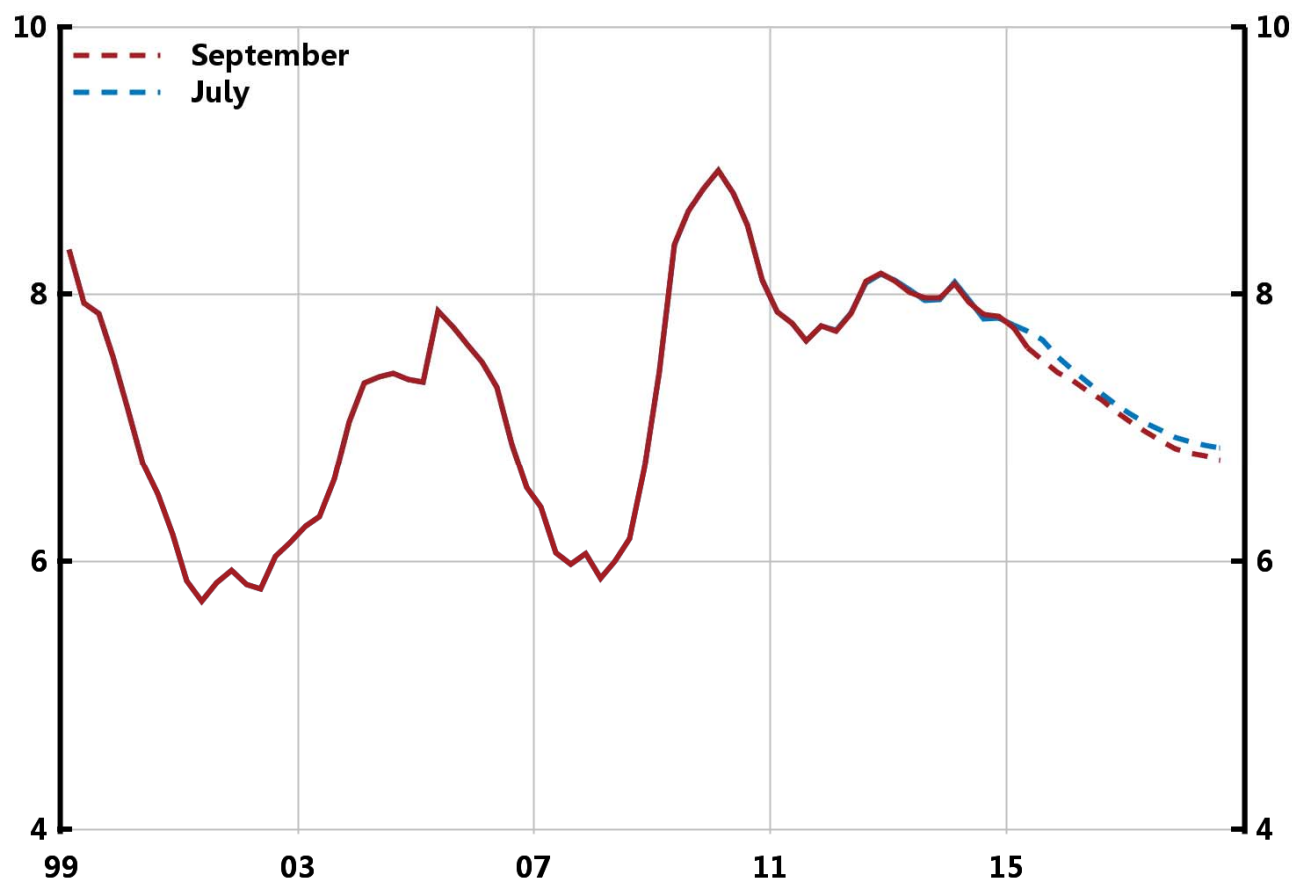


Figure 4.10. Employment rate and labour force participation

Employment and labour force as percentage of the population, aged 15–74, seasonally-adjusted data

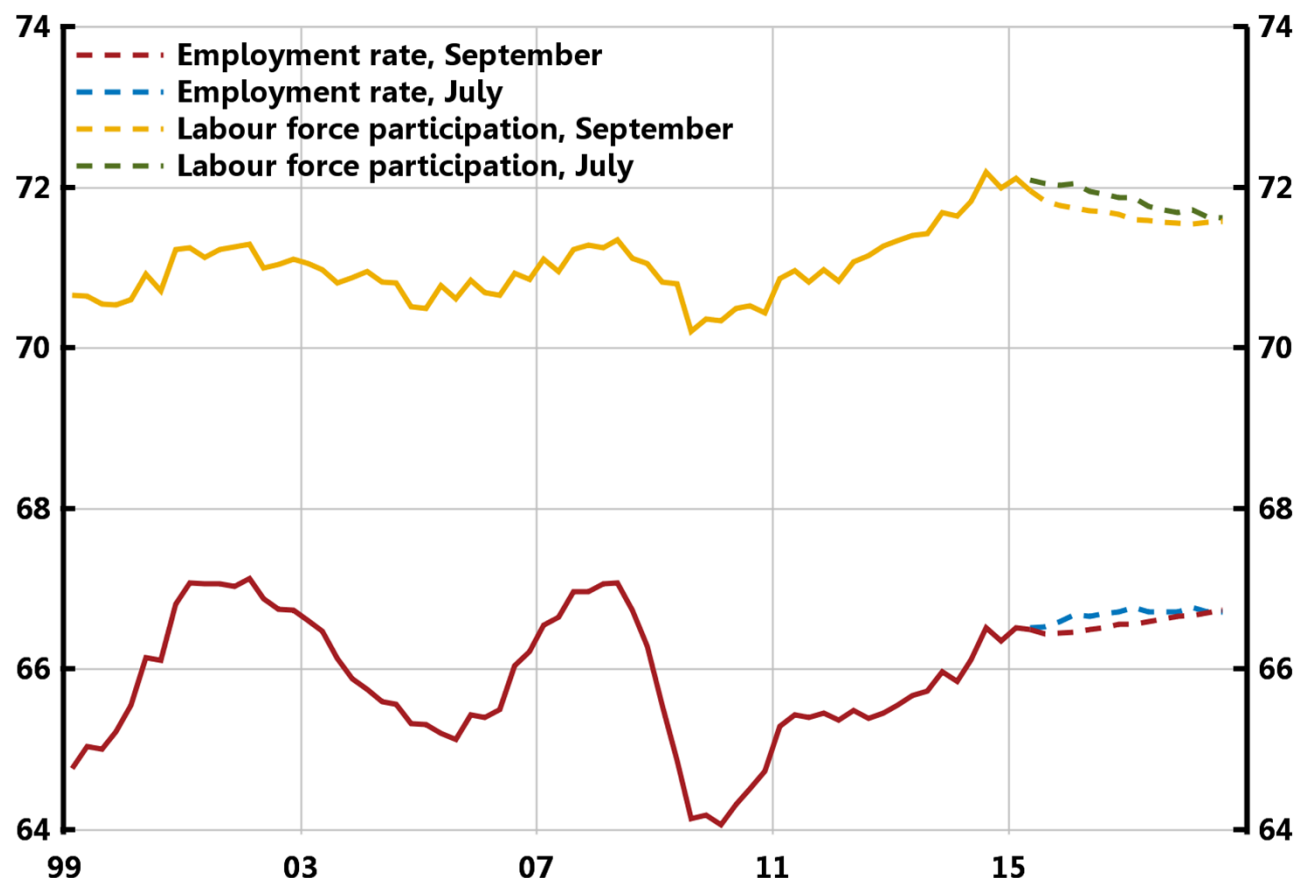
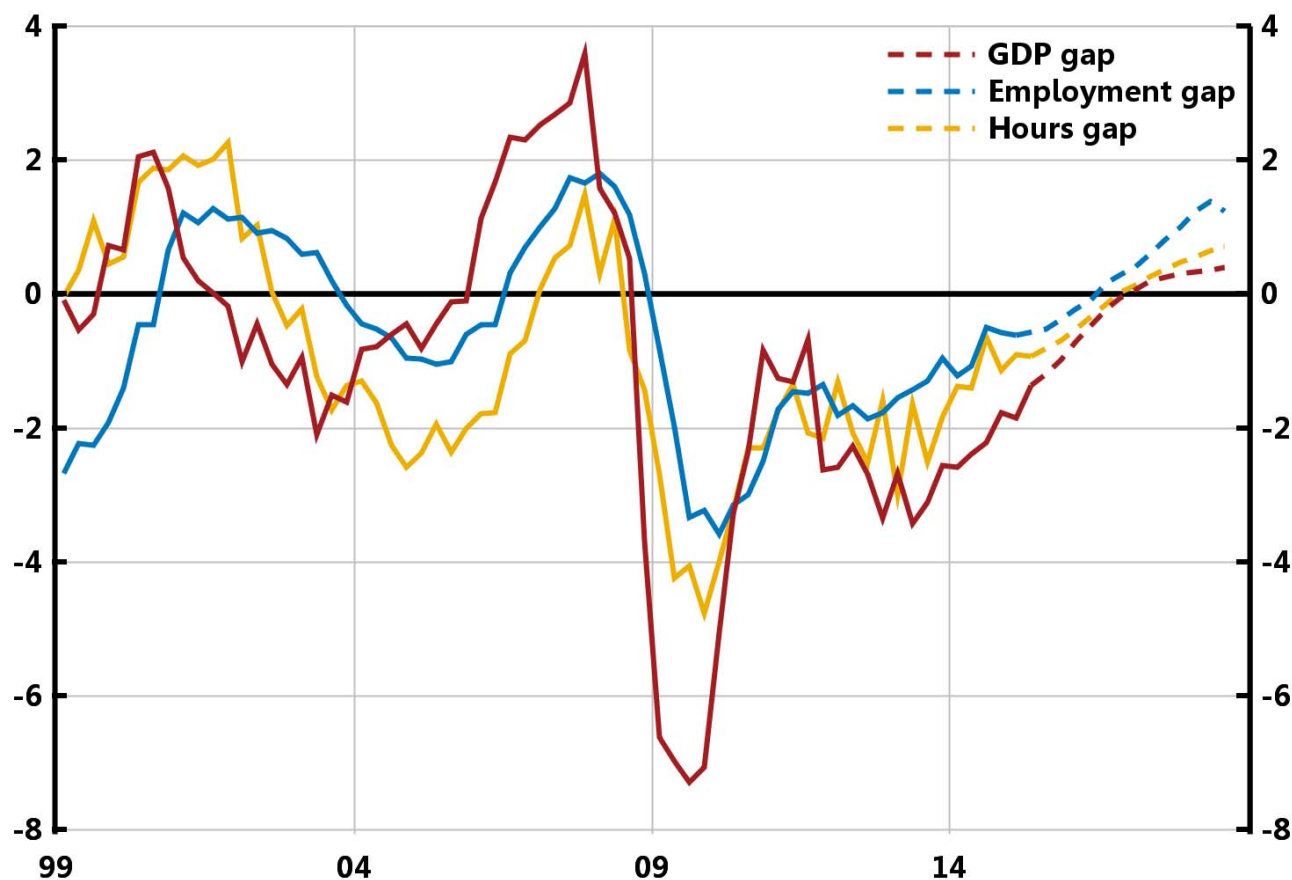


Figure 4.11. GDP gap, employment gap and hours gap

Per cent

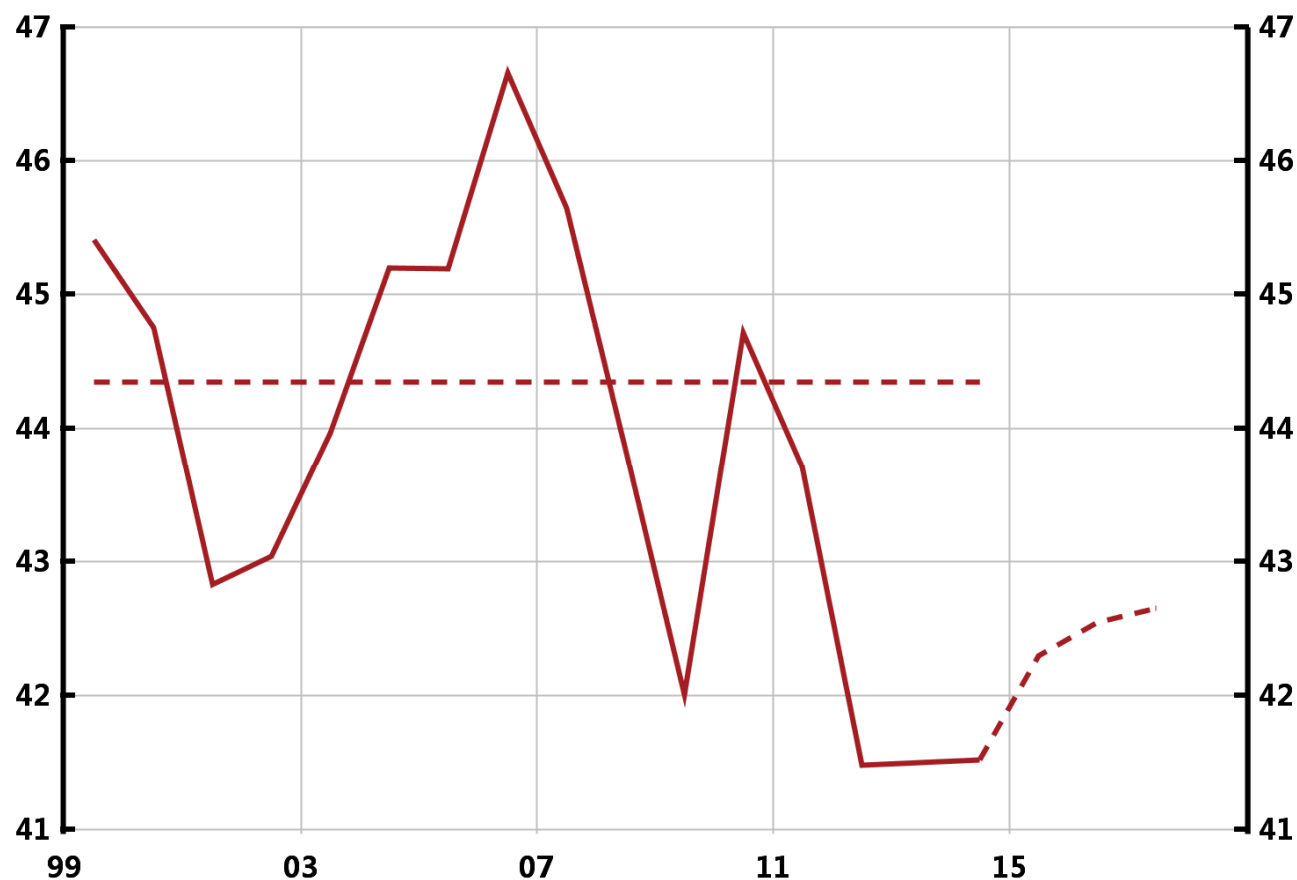


Note. The GDP gap refers to the GDP deviation from trend, calculated using a production function. The hours gap and the employment gap refer to the deviation of the number of hours worked and the number of those employed from the Riksbank's assessed trends.

Sources: Statistics Sweden
and the Riksbank

Figure 4.12. Profit share in the business sector

Per cent



Note. Broken line refer to average between 1980 and 2014.

Sources: Statistics Sweden and the Riksbank

Figure 4.13. Cost pressures in the economy as a whole

Annual percentage change

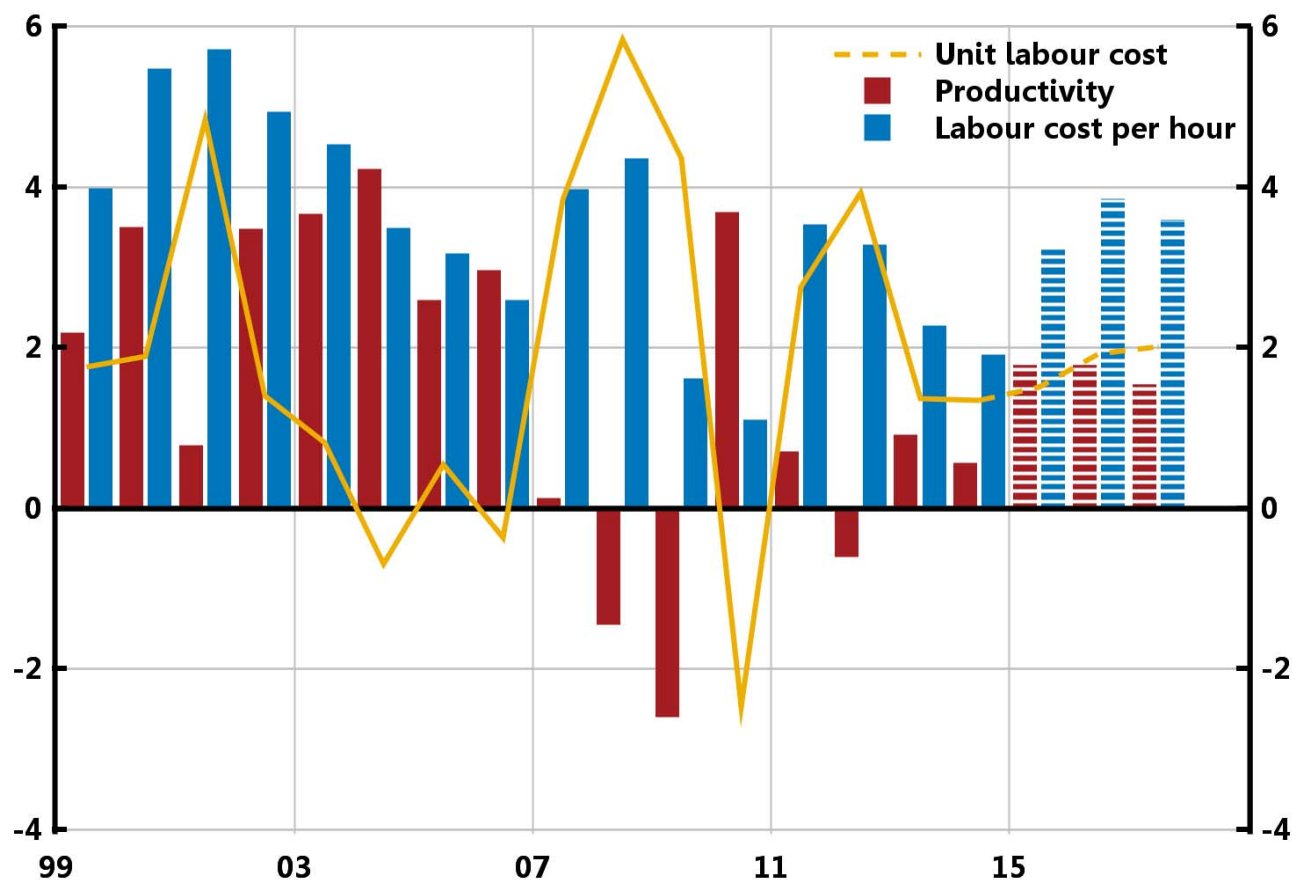


Figure 4.14. KIX-weighted nominal exchange rate

Index, 18 November 1992 = 100



Note. Outcomes are daily rates and forecasts refer to quarterly averages. KIX is an aggregate of the countries that are important to Sweden's international transactions.

Source: The Riksbank

Figure 4.15. Energy prices

Annual percentage change

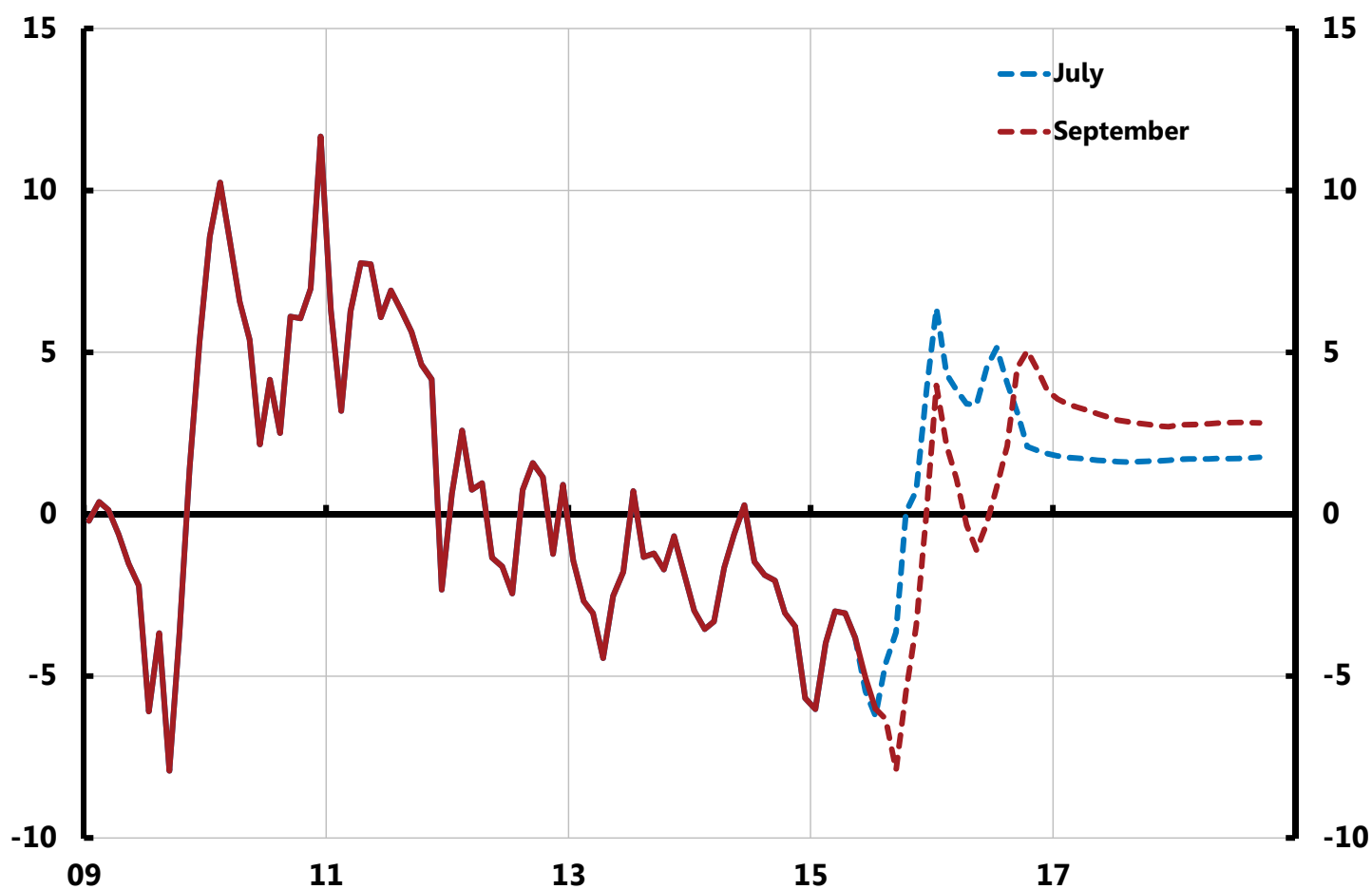
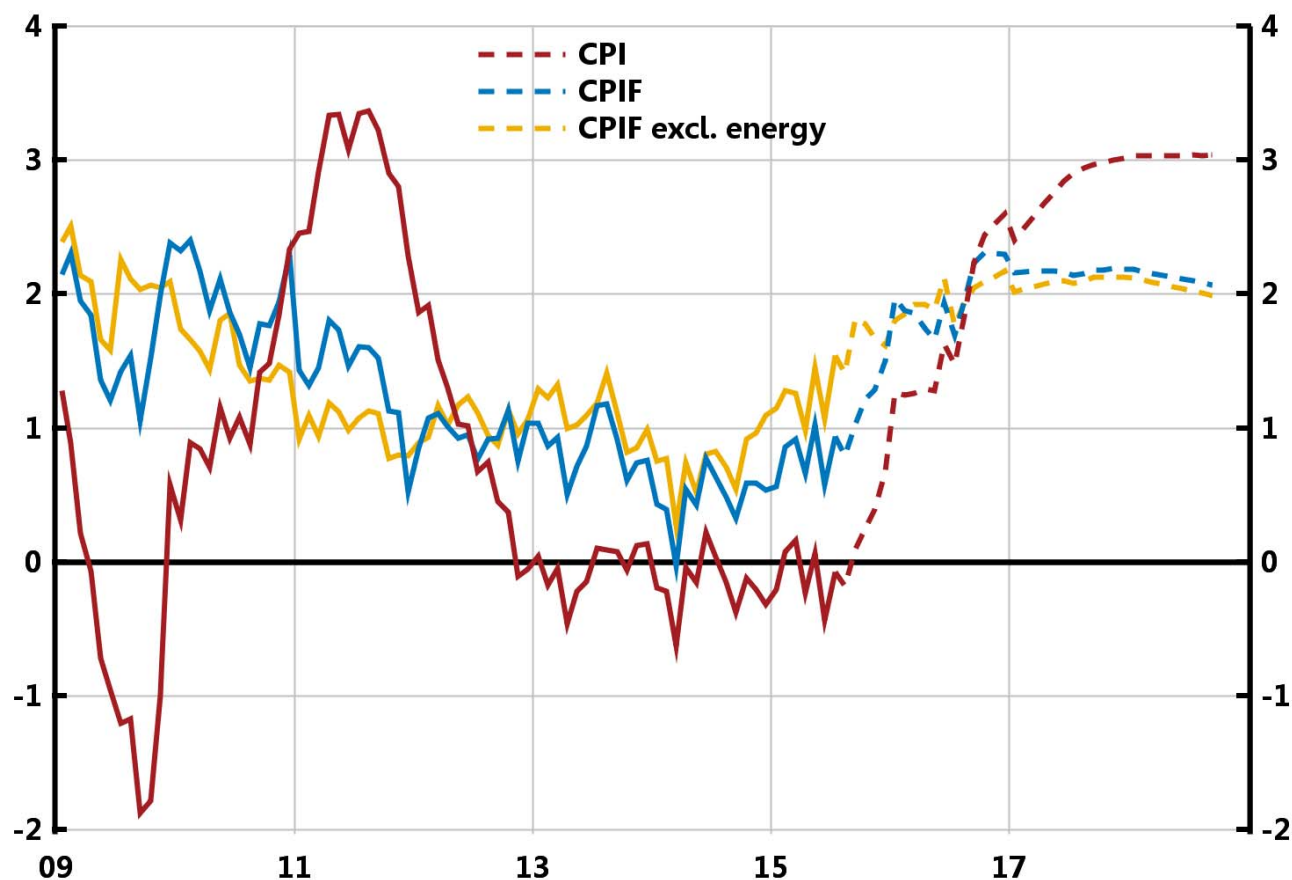


Figure 4.16. CPI, CPIF and CPIF excluding energy

Annual percentage change



Note. The CPIF is the CPI with a fixed mortgage rate.

Sources: Statistics Sweden and the Riksbank



Tables

Table 1. Repo rate forecast

Per cent, quarterly averages

	2015 Q2	2015 Q3	2015 Q4	2016 Q3	2017 Q3	2018 Q3
Repo rate	-0.3	-0.3 (-0.4)	-0.4 (-0.4)	-0.3 (-0.3)	0.3 (0.3)	0.8 (0.8)

Source: The Riksbank

Table 2. Inflation

Annual percentage change, annual average

	2014	2015	2016	2017
CPI	-0.2	0.0 (0.2)	1.8 (2.0)	2.8 (2.7)
CPIF	0.5	0.9 (1.1)	2.0 (2.1)	2.2 (2.1)
CPIF excl. energy	0.7	1.4 (1.4)	2.0 (2.0)	2.1 (2.1)
HICP	0.2	0.8 (0.9)	1.8 (2.0)	2.1 (2.1)

Note. The CPIF is the CPI with a fixed mortgage rate. HICP is an EU harmonised index of consumer prices.

Sources: Statistics Sweden and the Riksbank

Table 3. Summary of financial forecasts

Per cent, unless otherwise stated, annual average

	2014	2015	2016	2017
Repo rate	0.5	-0.3 (-0.3)	-0.3 (-0.3)	0.2 (0.2)
10-year rate	1.8	0.8 (0.9)	1.5 (1.8)	2.5 (2.7)
Exchange rate, KIX, 18 November 1992 = 100	106.7	113.0 (113.0)	110.1 (110.1)	106.3 (106.3)
General government net lending*	-1.9	-1.4 (-1.4)	-0.8 (-0.7)	-0.4 (-0.4)

* Per cent of GDP

Sources: Statistics Sweden and the Riksbank

The forecast in the previous Monetary Policy Report is shown in brackets unless otherwise stated.

Table 4. International conditions

Annual percentage change, unless otherwise stated

GDP	PPP-weights	KIX-weights	2014	2015	2016	2017
Euro area	0.14	0.46	0.9	1.3 (1.4)	1.7 (1.8)	2.0 (2.0)
USA	0.16	0.09	2.4	2.5 (2.3)	3.0 (3.0)	2.8 (2.8)
Japan	0.05	0.03	-0.1	0.6 (0.8)	0.7 (0.8)	0.4 (0.4)
China	0.15	0.08	7.5	6.6 (6.5)	6.3 (6.6)	6.1 (6.3)
KIX-weighted	0.75	1.00	2.0	1.9 (1.9)	2.3 (2.4)	2.6 (2.6)
World (PPP-weighted)	1.00	—	3.4	3.2 (3.2)	3.7 (3.8)	3.8 (3.9)

Note. Calendar-adjusted growth rates. The PPP-weights refer to the global purchasing-power adjusted GDP-weights, according to the IMF. The National Institute of Economic Research updates the weights for the KIX krona index at the start of every year with a time lag of three years. The figures in the table are based on the new KIX weights for 2012 that are used for 2015, and on an assumption that the weights will develop according to the trend of the past five years in the coming forecast years.

CPI	2014	2015	2016	2017
Euro area (HICP)	0.4	0.1 (0.3)	1.0 (1.4)	1.7 (1.7)
USA	1.6	-0.2 (0.2)	1.7 (2.2)	2.8 (2.6)
Japan	2.7	0.9 (1.0)	1.4 (1.5)	2.1 (2.1)
KIX-weighted	1.4	1.1 (1.3)	1.8 (2.2)	2.4 (2.4)

	2014	2015	2016	2017
Policy rates in the rest of the world, per cent	0.2	0.1 (0.1)	0.1 (0.1)	0.4 (0.4)
Crude oil price, USD/barrel Brent	99.6	54.4 (62.3)	53.4 (68.4)	58.6 (70.8)
Swedish export market	2.7	2.5 (2.6)	4.8 (5.0)	5.3 (5.4)

Note. Policy rates in the rest of the world refer to a weighted average of USA, the euro area, Norway and the United Kingdom.

Sources: Eurostat, IMF, Intercontinental Exchange, national sources, OECD and the Riksbank

The forecast in the previous Monetary Policy Report is shown in brackets unless otherwise stated.

Table 5. GDP by expenditure

Annual percentage change, unless otherwise stated

	2014	2015	2016	2017
Private consumption	2.4	2.2 (2.5)	3.0 (3.3)	2.8 (2.8)
Public consumption	1.9	2.3 (2.0)	2.8 (2.7)	1.9 (1.9)
Gross fixed capital formation	7.4	4.3 (6.1)	5.9 (6.3)	4.5 (4.4)
Inventory investment*	0.2	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
Exports	3.3	3.8 (4.2)	5.4 (5.7)	4.9 (4.9)
Imports	6.6	2.9 (5.1)	6.2 (6.5)	5.8 (5.7)
GDP	2.3	3.1 (2.9)	3.4 (3.6)	2.6 (2.6)
GDP, calendar-adjusted	2.4	2.8 (2.6)	3.2 (3.3)	2.9 (2.9)
Final figure for domestic demand*	3.3	2.6 (3.1)	3.5 (3.7)	2.9 (2.9)
Net exports*	-1.1	0.5 (-0.2)	-0.1 (-0.2)	-0.2 (-0.2)
Current account (NA), per cent of GDP	6.2	6.7 (6.2)	6.2 (5.7)	5.6 (5.2)

*Contribution to GDP growth, percentage points

Note. The figures show actual growth rates that have not been calendar-adjusted, unless otherwise stated. NA is the National Accounts.

Sources: Statistics Sweden and the Riksbank

The forecast in the previous Monetary Policy Report is shown in brackets unless otherwise stated.

Table 6. Production and employment

Annual percentage change, unless otherwise stated

	2014	2015	2016	2017
Population, aged 15–74	0.7	0.8 (0.9)	1.1 (1.2)	1.2 (1.2)
Potential hours worked	0.7	0.7 (0.8)	0.8 (0.8)	0.8 (0.9)
GDP, calendar-adjusted	2.4	2.8 (2.6)	3.2 (3.3)	2.9 (2.9)
Number of hours worked, calendar-adjusted	1.8	1.0 (1.1)	1.3 (1.5)	1.3 (1.3)
Employed, aged 15–74	1.4	1.2 (1.4)	1.2 (1.4)	1.3 (1.2)
Labour force, aged 15–74	1.3	0.8 (1.1)	0.8 (1.0)	1.0 (0.9)
Unemployment, aged 15–74 *	7.9	7.6 (7.7)	7.2 (7.3)	6.9 (7.0)

* Per cent of the labour force

Note. Potential hours refer to the long-term sustainable level for the number of hours worked according to the Riksbank's assessment.

Sources: Statistics Sweden and the Riksbank

Table 7. Wages and labour costs for the economy as a whole

Annual percentage change, calendar-adjusted data unless otherwise stated

	2014	2015	2016	2017
Hourly wage, NMO	2.8	2.6 (2.6)	3.2 (3.2)	3.4 (3.4)
Hourly wage, NA	1.8	3.0 (2.8)	3.3 (3.3)	3.6 (3.6)
Employers' contribution*	0.1	0.3 (0.3)	0.5 (0.5)	0.0 (0.0)
Hourly labour cost, NA	1.9	3.2 (3.2)	3.8 (3.8)	3.6 (3.6)
Productivity	0.6	1.8 (1.5)	1.8 (1.8)	1.5 (1.6)
Unit labour cost	1.3	1.4 (1.6)	2.0 (2.0)	2.0 (1.9)

* Contribution to the increase in labour costs, percentage points

Note. NMO is the National Mediation Office's short-term wage statistics and NA is the National Accounts. Labour cost per hour is defined as the sum of actual wages, social-security charges and wage taxes divided by the seasonally adjusted total number of hours worked. Unit labour cost is defined as labour cost divided by seasonally-adjusted value added at constant prices.

Sources: National Mediation Office, Statistics Sweden and the Riksbank

The forecast in the previous Monetary Policy Report is shown in brackets unless otherwise stated.