



Inflation outlook in line with the target in an uncertain world

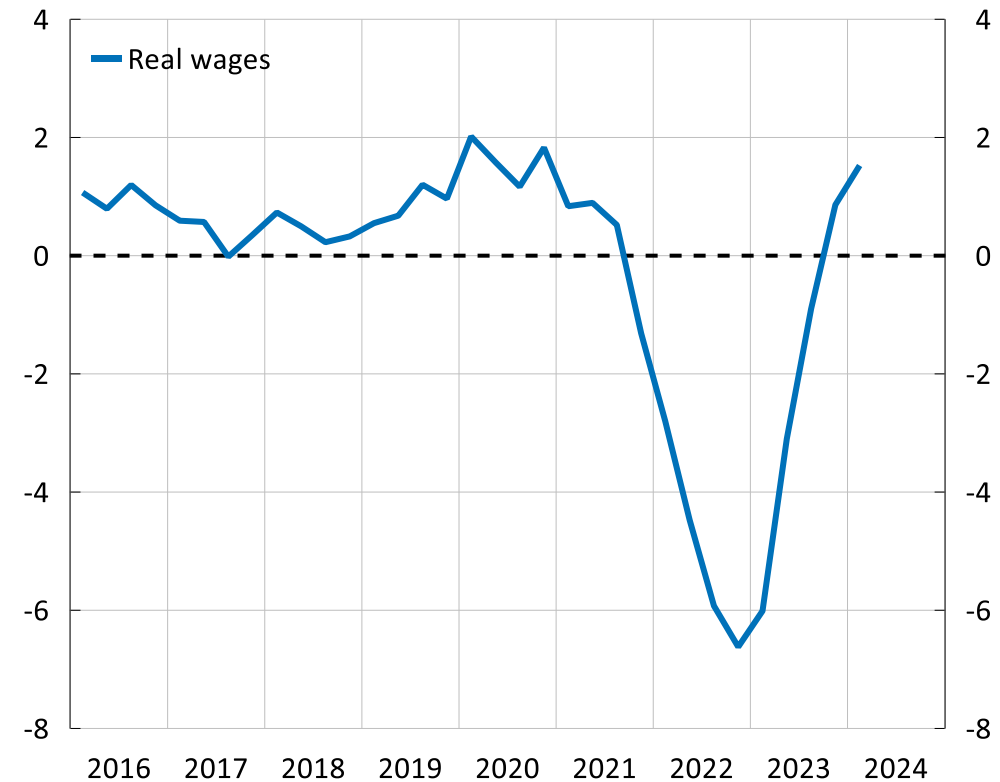
Monetary policy June 2024

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- Policy rate **unchanged** at 3.75 per cent
- If the **inflation outlook** remains the same, the policy rate may be cut **two or three** times during the second half of the year

Swedes' purchasing power increasing again

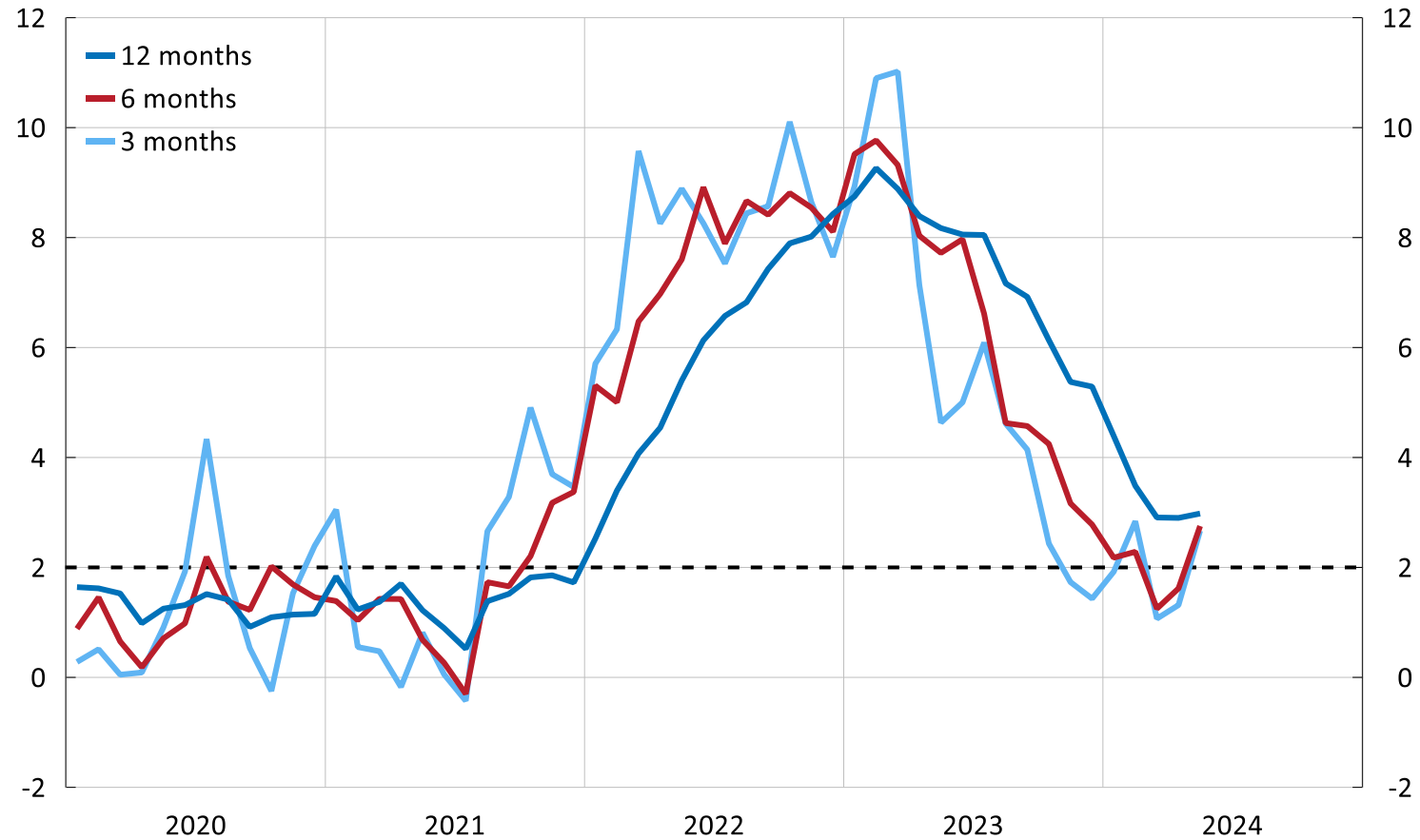
- Price levels have been pushed up in recent years
- Real wages have now begun to increase again
- Low and stable inflation contributes to good economic development



Annual percentage change. Real wages calculated as the difference between wage growth and the rate of increase in the CPIF.

Sources: The National Mediation Office and Statistics Sweden.

Inflation has fallen back



CPIF excluding energy. Annual percentage change and seasonally-adjusted 3 and 6-monthly change calculated as an annual rate.

Sources: Statistics Sweden and the Riksbank.

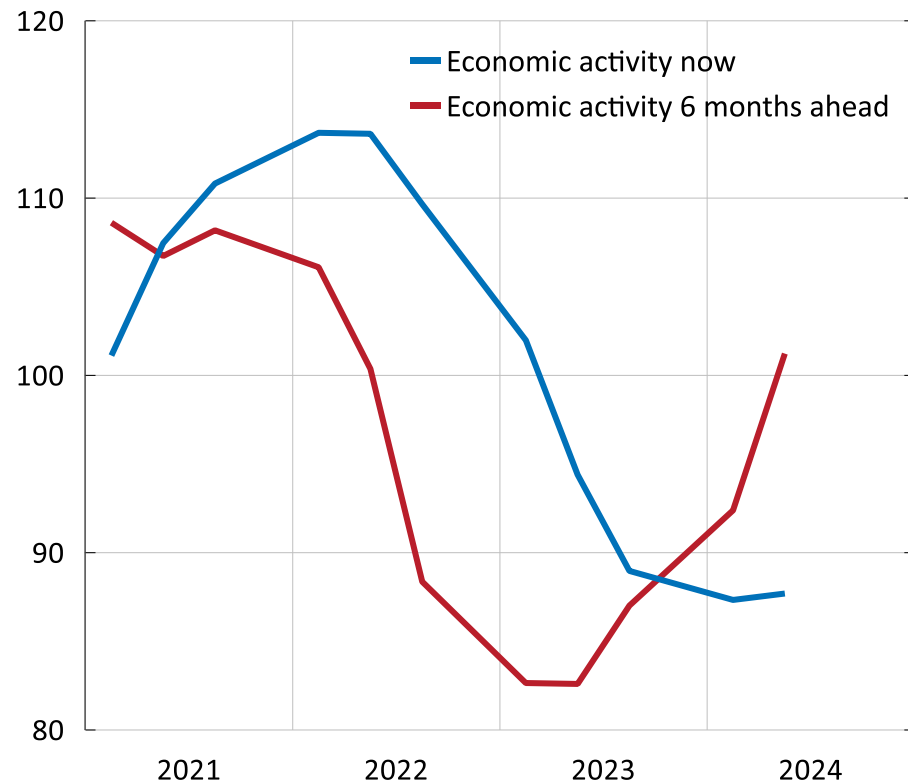
Conditions for low and stable inflation

- Companies' costs not increasing as quickly
- Weak economic activity, expected to strengthen going forward
- Companies' price plans have fallen
- Inflation expectations are firmly anchored



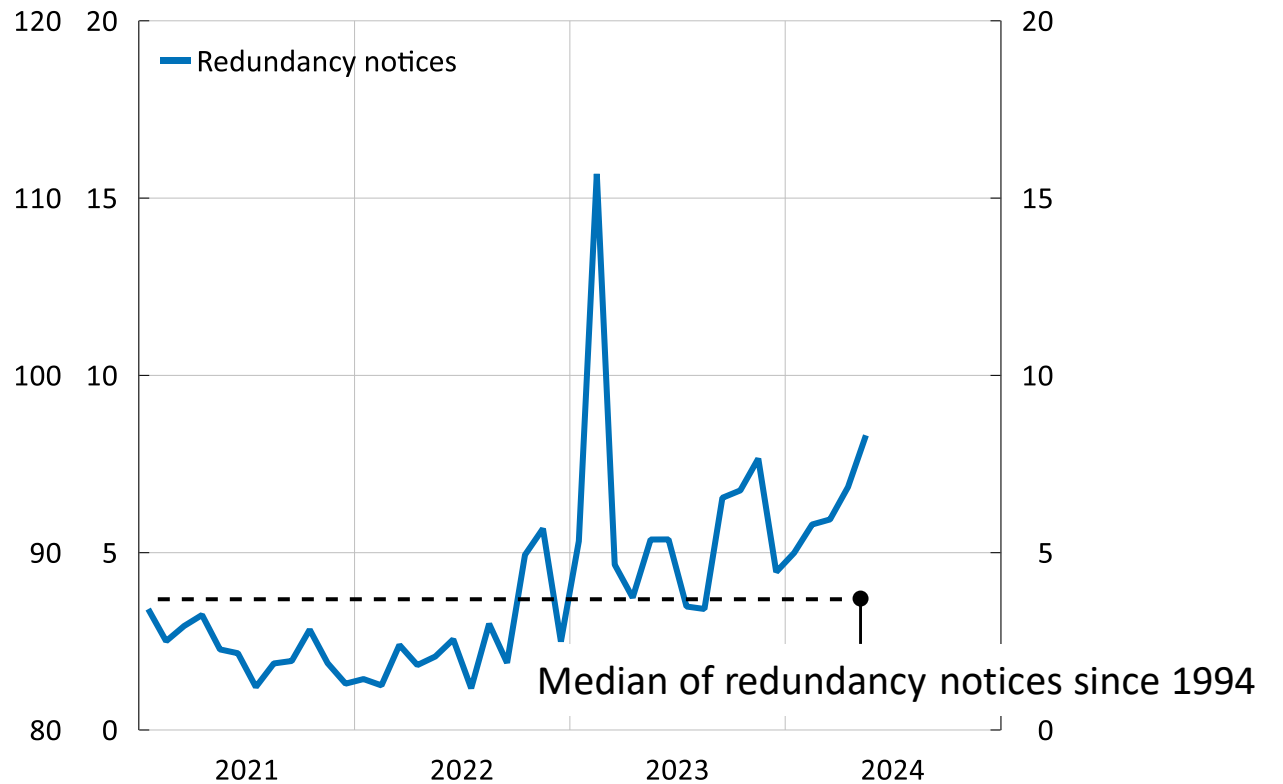
Weak economic activity, expected to strengthen going forward

Weak current situation, hopes of better times



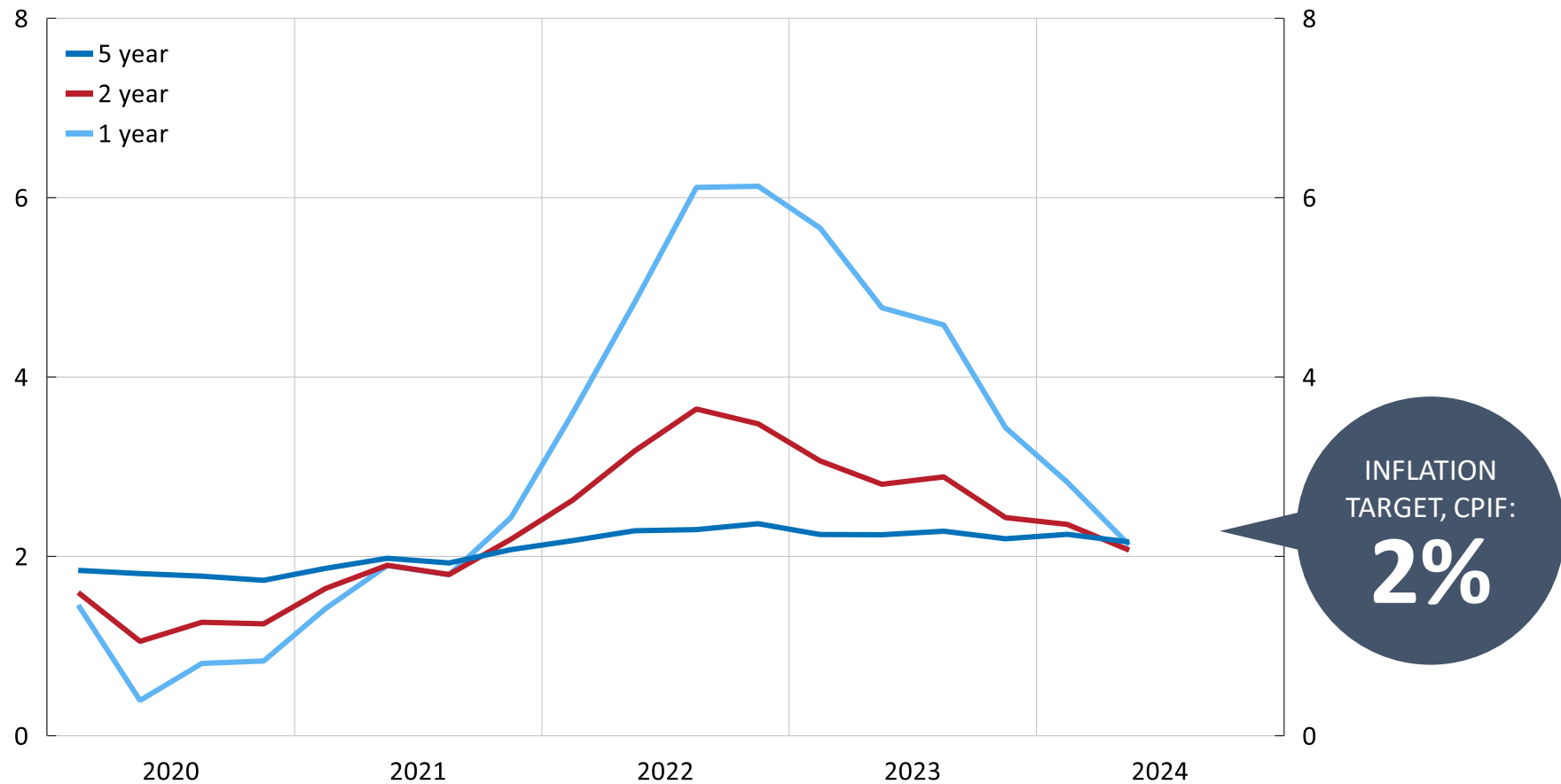
The left image refers to responses in the Riksbank's Business Survey.

Weaker labour market



Sources: Arbetsförmedlingen (Swedish Public Employment Service) and the Riksbank.

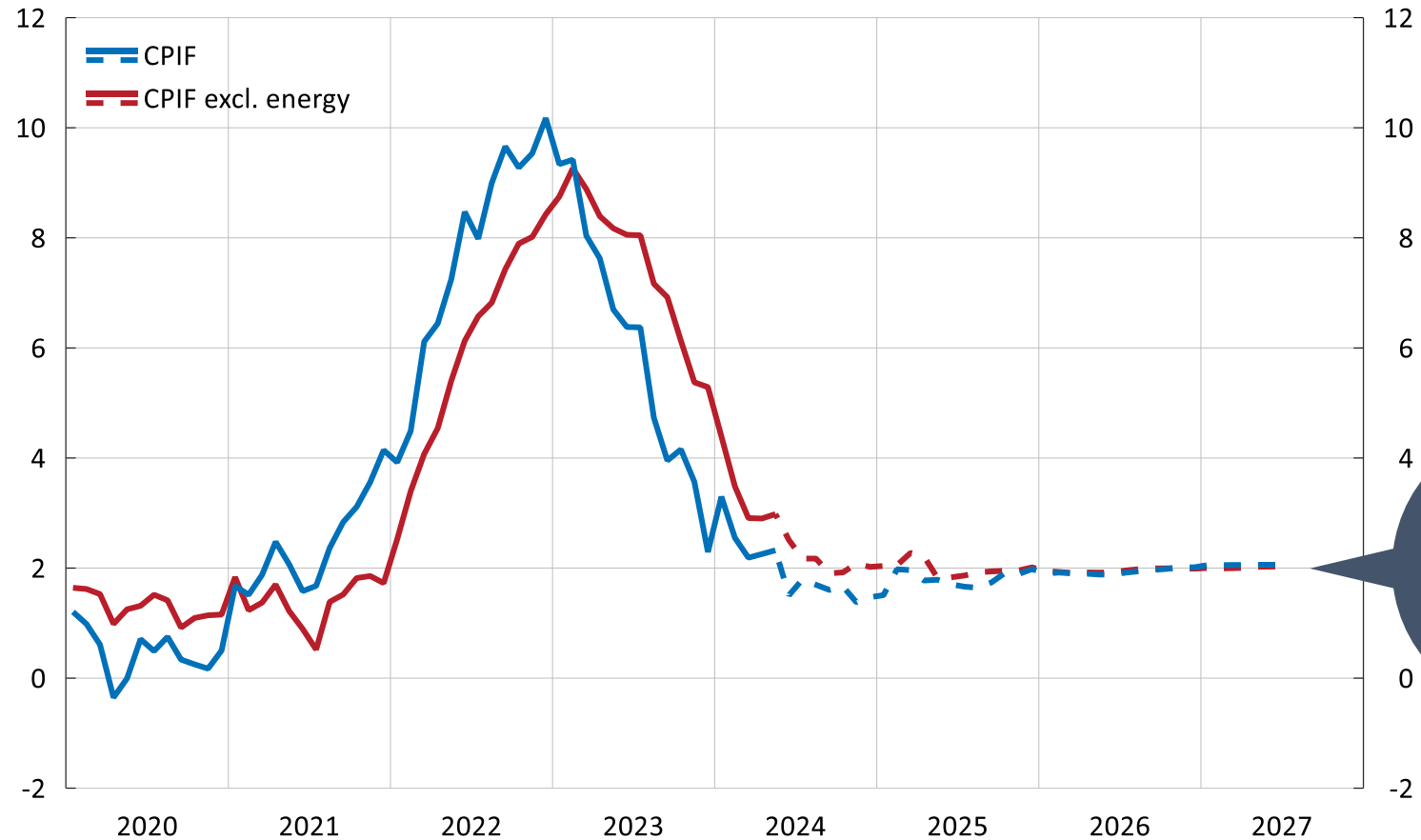
Inflation expectations are firmly anchored



Per cent. Expectations refer to CPI, money market agents.

Source: Kantar Prospera.

Inflation stabilising around the target



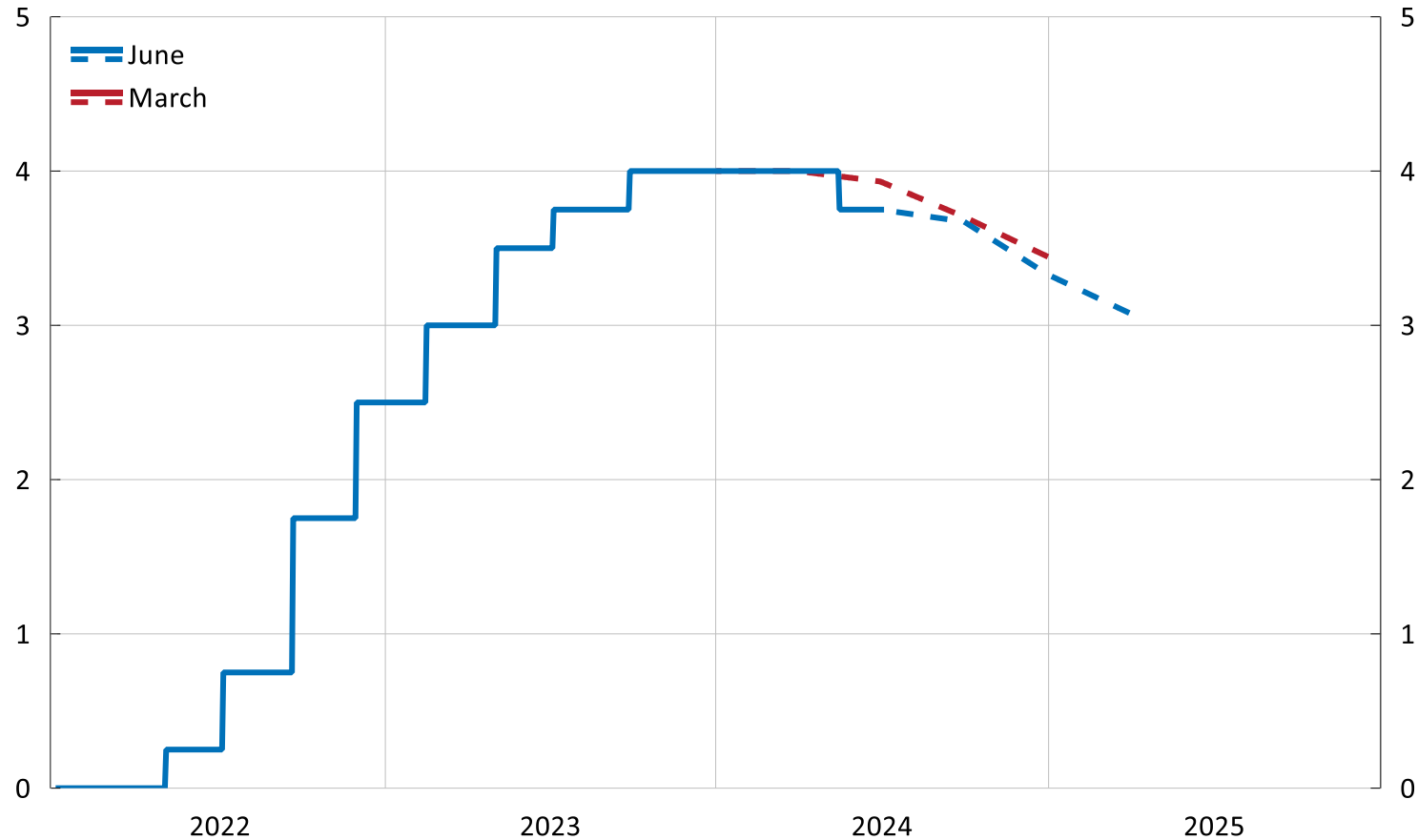
INFLATION
TARGET, CPIF:

2%

Annual percentage change.

Sources: Statistics Sweden and the Riksbank.

If inflation prospects remain the same, the policy rate may be cut further



Per cent.

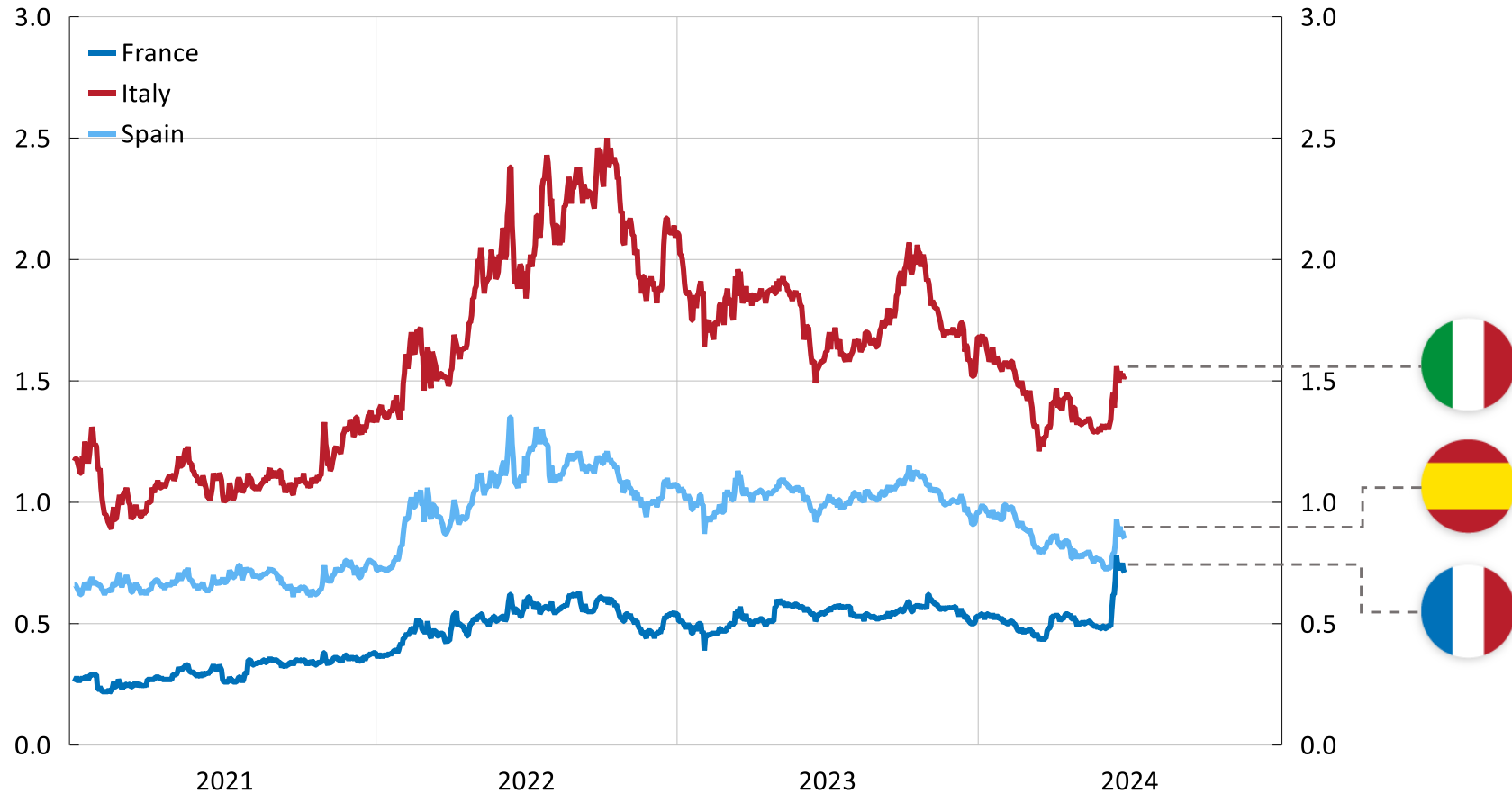
Source: The Riksbank.

Inflation close to the target, risks remain

- Economic outlook in Sweden and abroad
- Krona exchange rate
- Geopolitical uncertainty
- Companies' price-setting behaviour



Concern over public finances



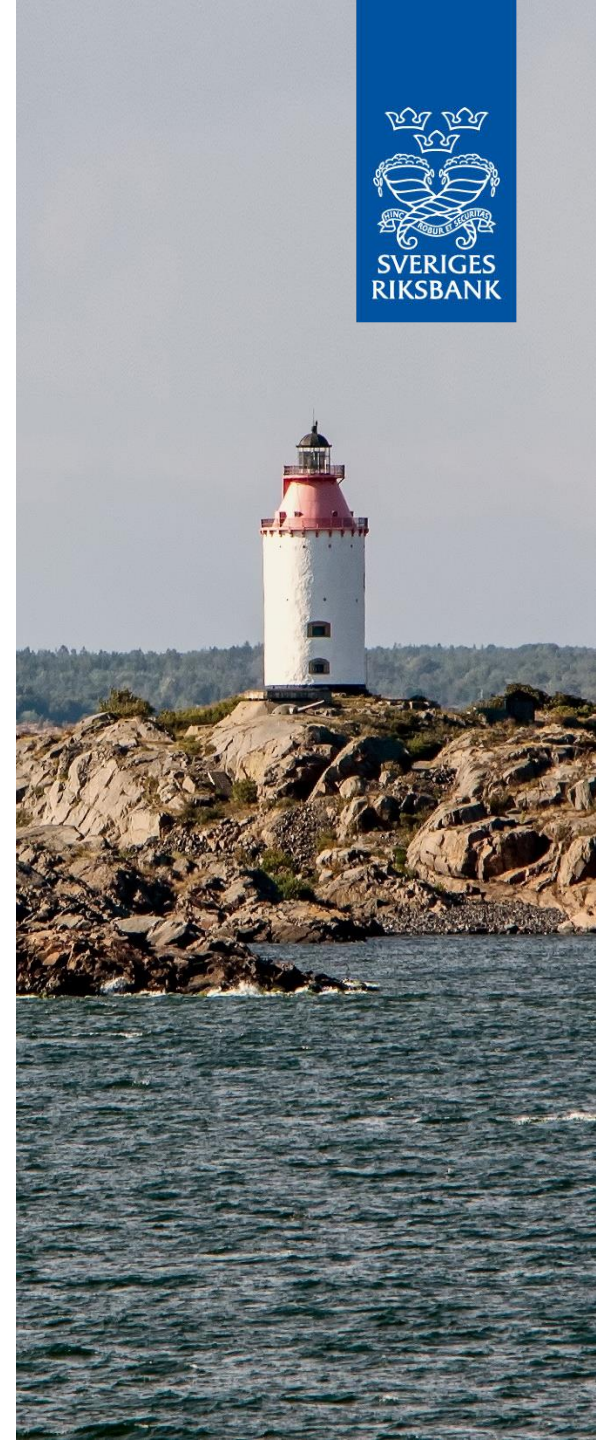
Percentage points.

Difference in ten-year government bond yields between respective country and Germany.

Source: Macrobond Financial AB.

Monetary policy adjusted gradually

- **Inflation** is expected to also be **close to the target** going forward.
- Conditions exist to **continue easing monetary policy** during the second half of the year.
- **The outlook** for inflation and future monetary policy **is affected by new information**.





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