

Lower interest rate creating good
conditions for stronger economic activity
and inflation close to 2 per cent

Monetary policy November 2024

Monetary policy decision, November 2024

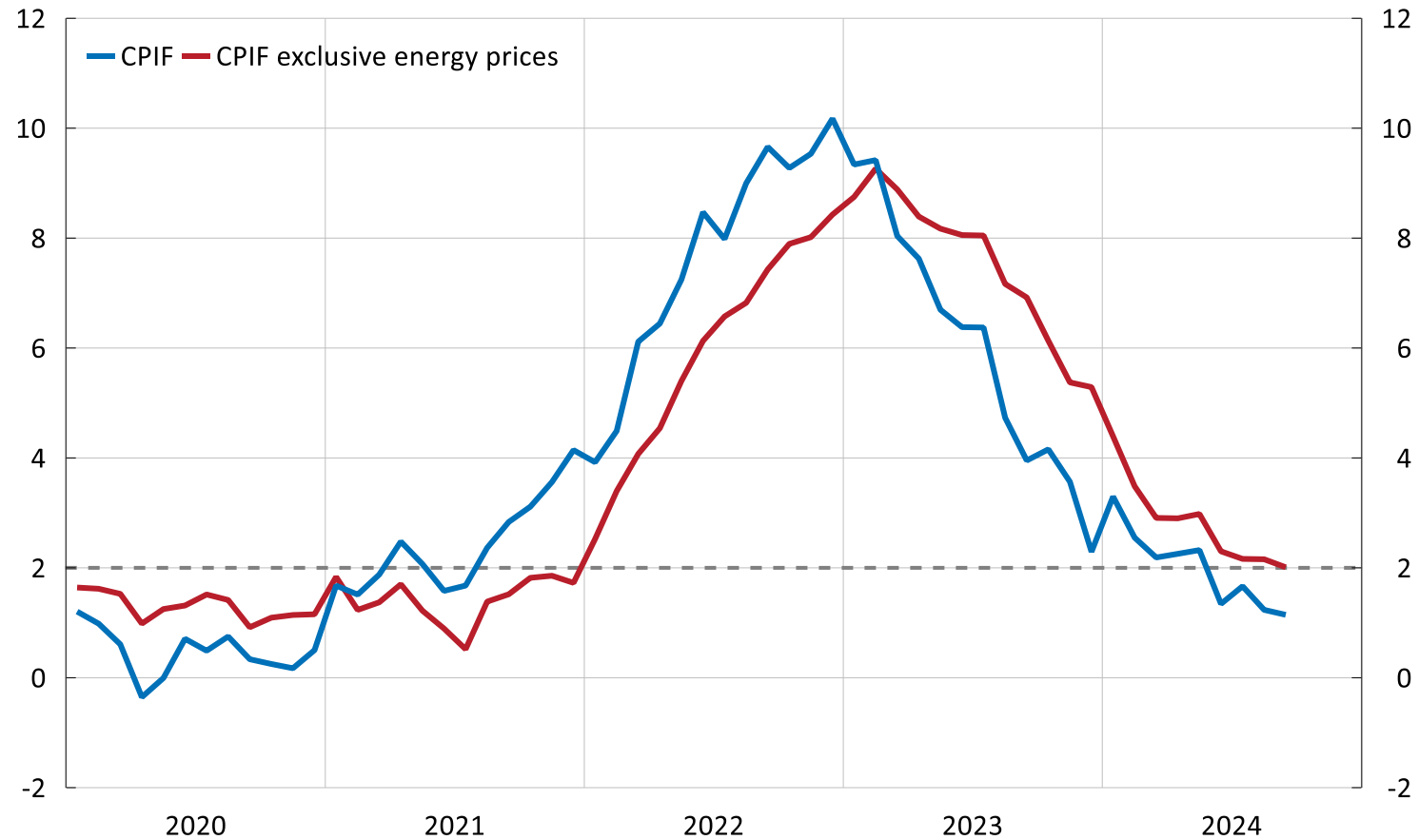
- Policy rate **cut by 0.5** percentage points to 2.75 per cent

If the outlook for inflation and economic activity remains the same:

- The policy rate can be cut in **December** and during the **first six months** of 2025, in line with communication in September



Inflation has fallen back

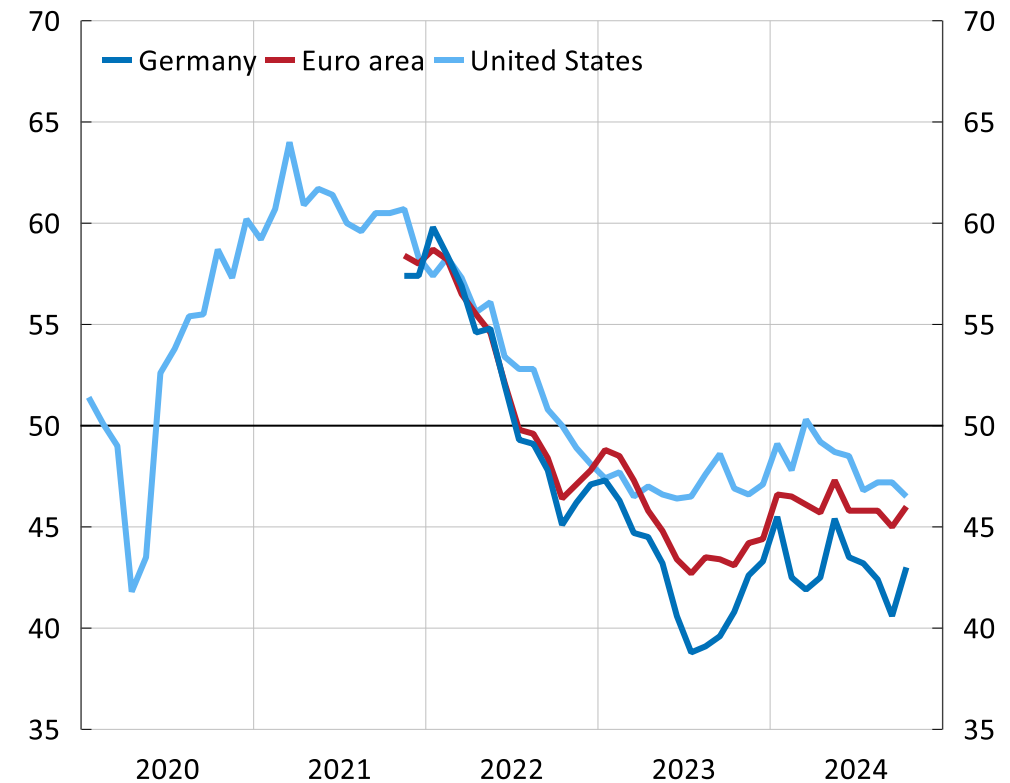


Annual percentage change.

Source: Statistics Sweden.

Signs of weakness in important export markets

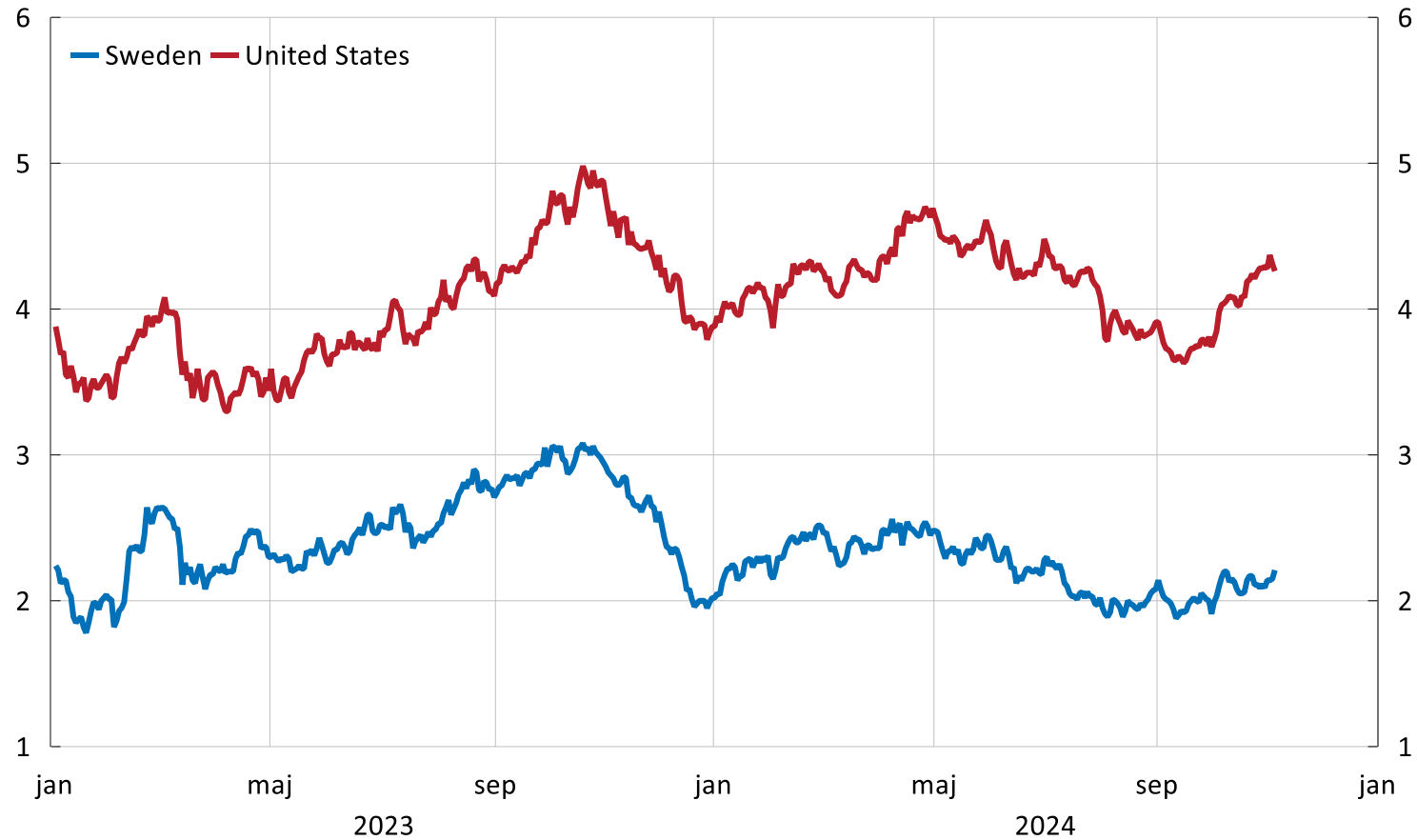
- Industrial activity has weakened
- Weak German manufacturing industry
- Considerable uncertainty over economic policy



Purchasing Managers' Index in
manufacturing sector.

Sources: Institute for Supply
Management and S&P Global.

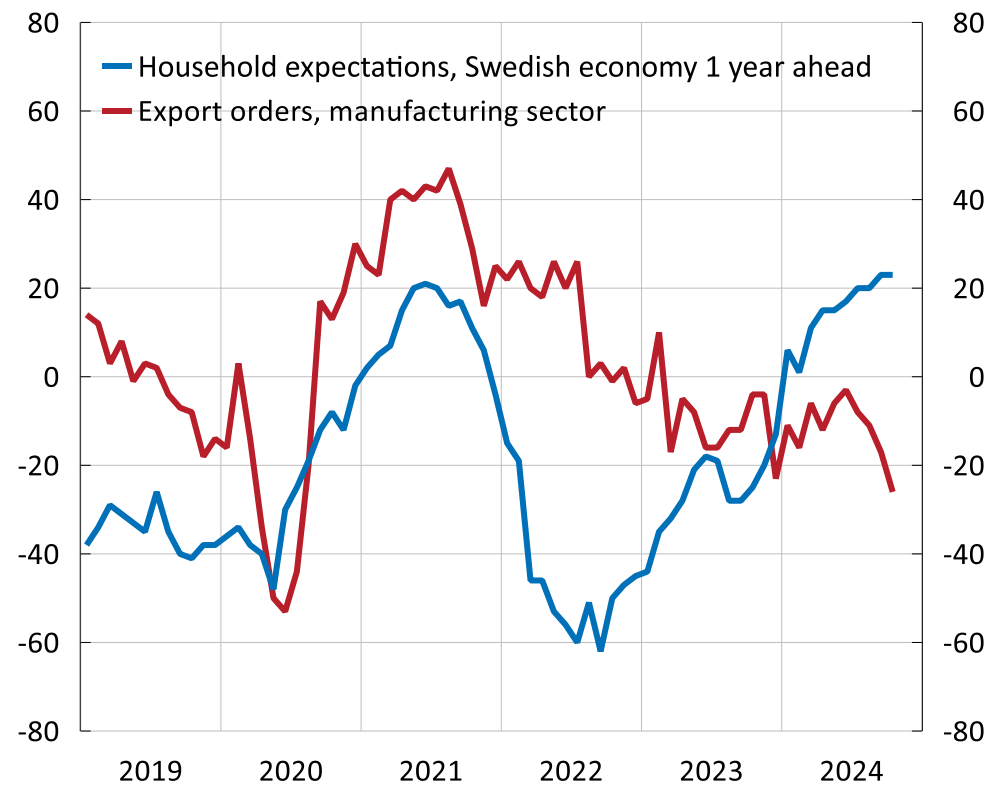
Long-term interest rates have risen



Per cent. Yields on 10-year government bonds.

Sources: Macrobond Financial AB and U.S. Department of Treasury.

Still few clear signs of economic recovery



Seasonally-adjusted net figures.

Source: National Institute of
Economic Research.

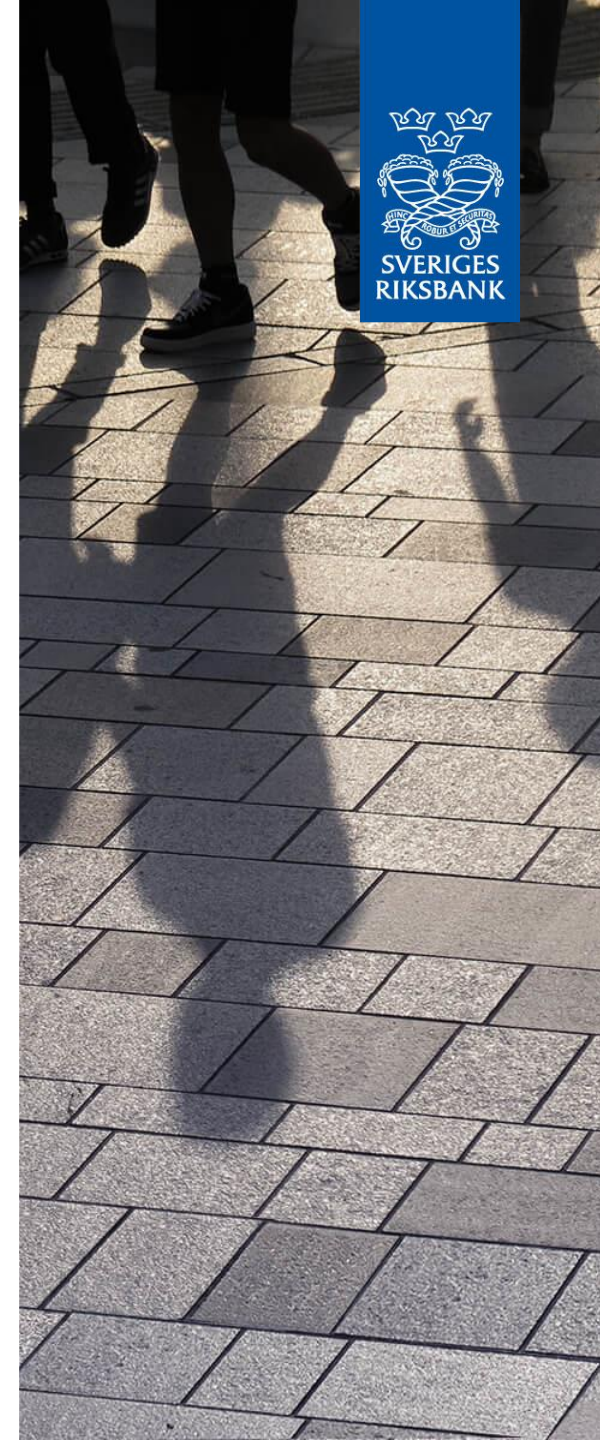
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*“It will probably take longer
for the customer to shake
off the last few years”*

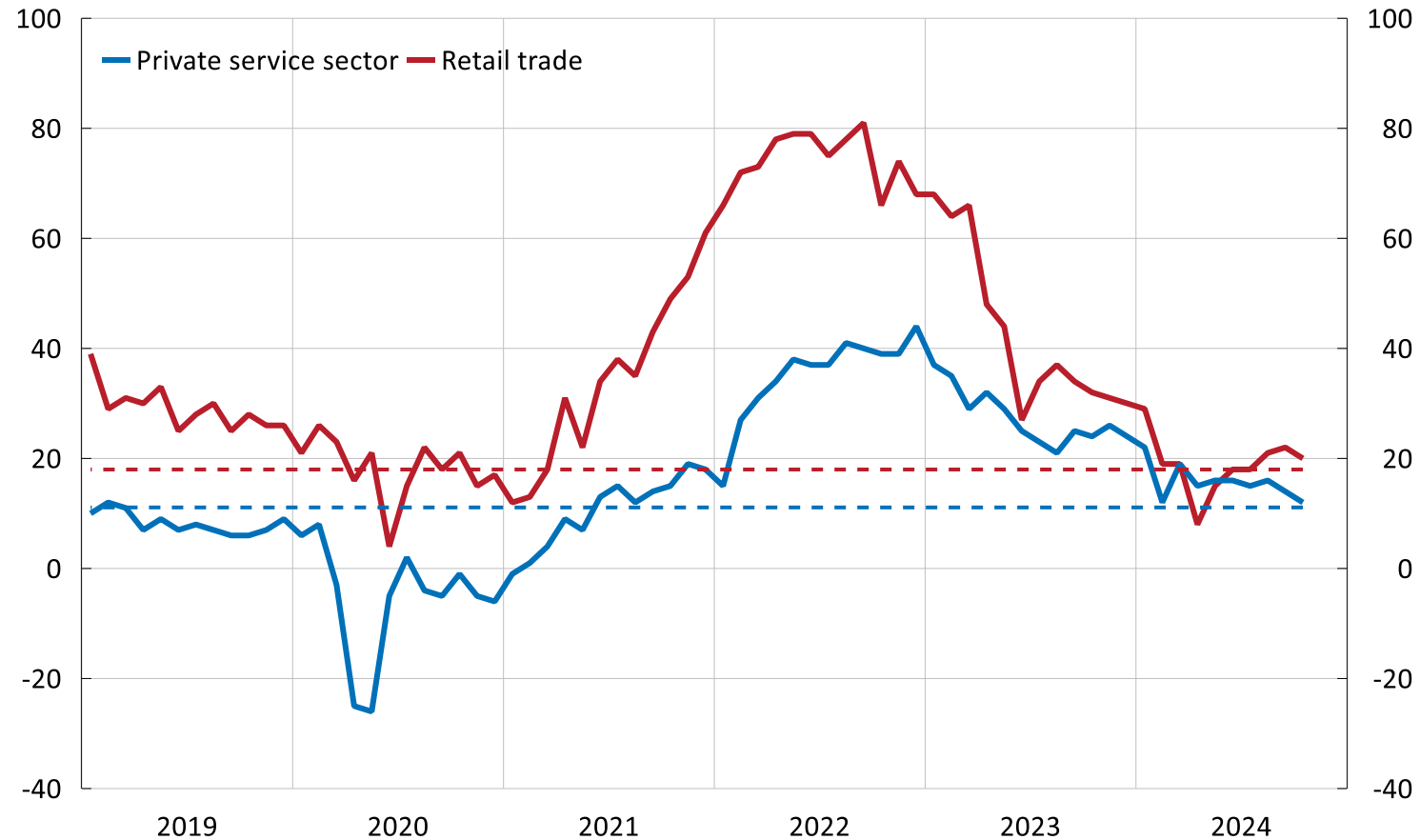
Quote from the Riksbank's Business Survey

Good conditions for stronger economic activity next year

- Low and stable inflation and lower interest costs
- Rising real wages signify a clear improvement of household purchasing power
- Corporate investment is recovering
- Employment has held up relatively well



Inflationary pressures in line with target



Seasonally-adjusted net figures. Refers to number of companies planning to raise prices over the next three months. The dashed lines represent the average for the period 2000-2024.

Source: National Institute of Economic Research.

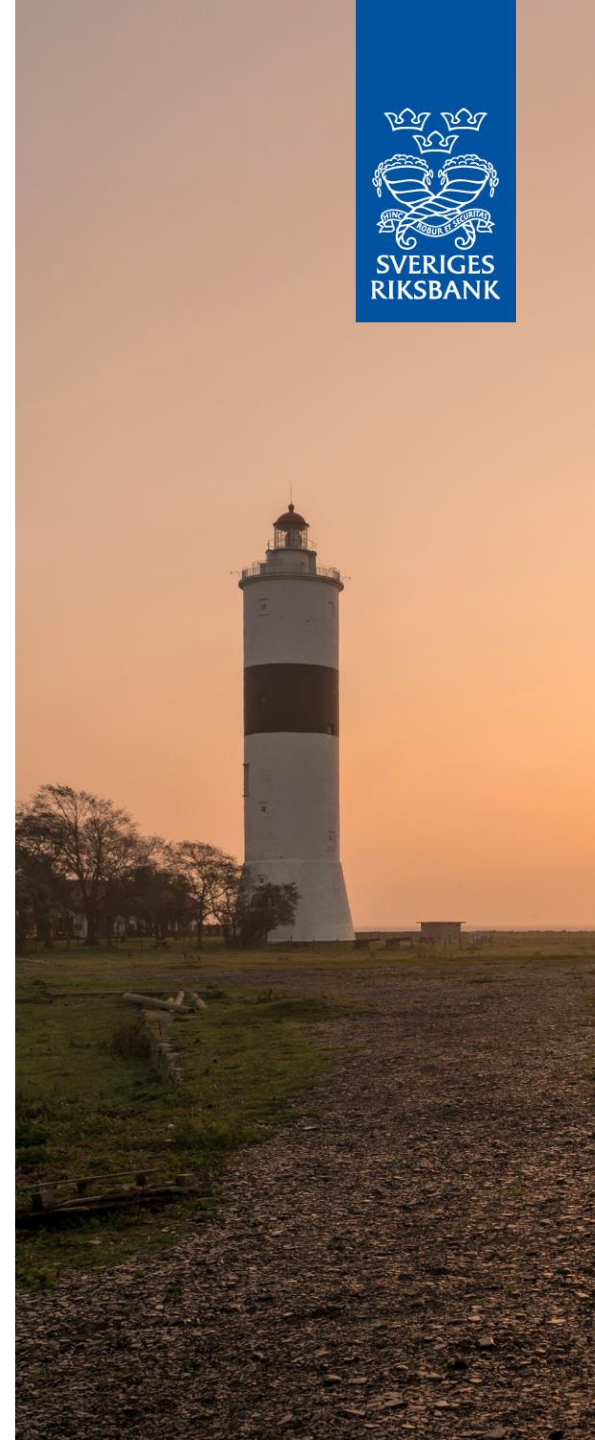
Considerable uncertainty regarding the outlook for inflation and the economy

Further policy rate cuts expected

Several factors may affect developments:

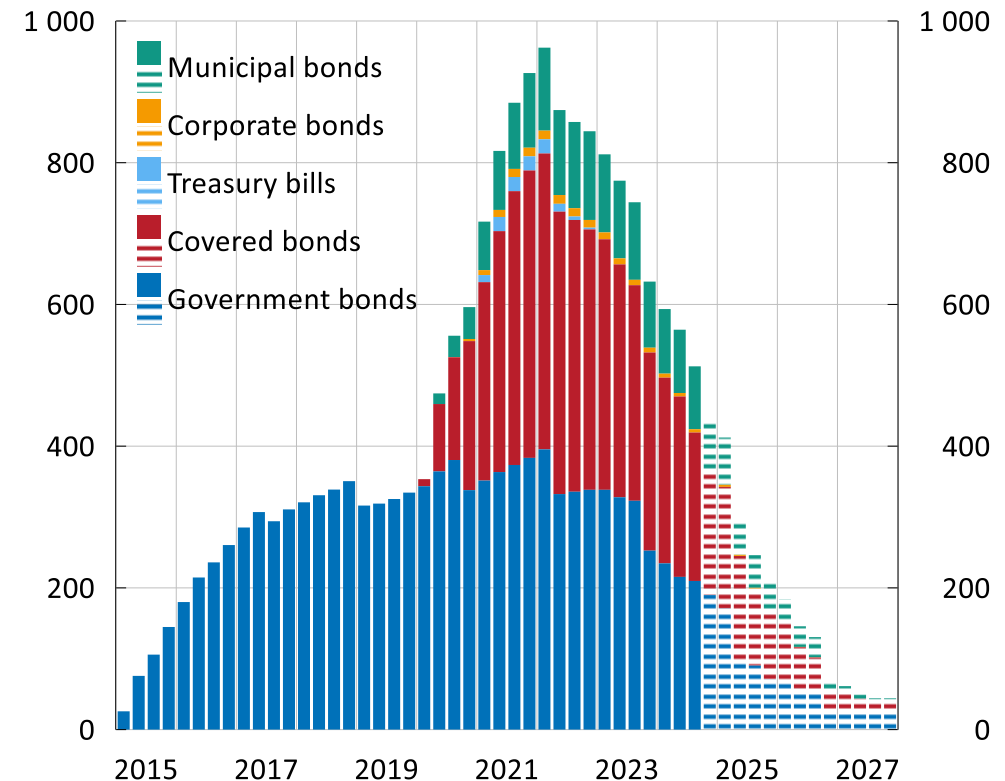
- The economic recovery in Sweden
- Economic policy abroad
- Geopolitical tensions
- The krona exchange rate

*If the conditions change,
this may justify a higher or lower interest rate*



Decision on long-term holding of Swedish nominal government bonds

- To maintain a good capacity to be able to trade bonds quickly
- Ongoing sales to be concluded when bonds amount to SEK 20 billion
- Expected to take place at the end of 2025



Nominal amounts, SEK billion.

Source: The Riksbank.

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