

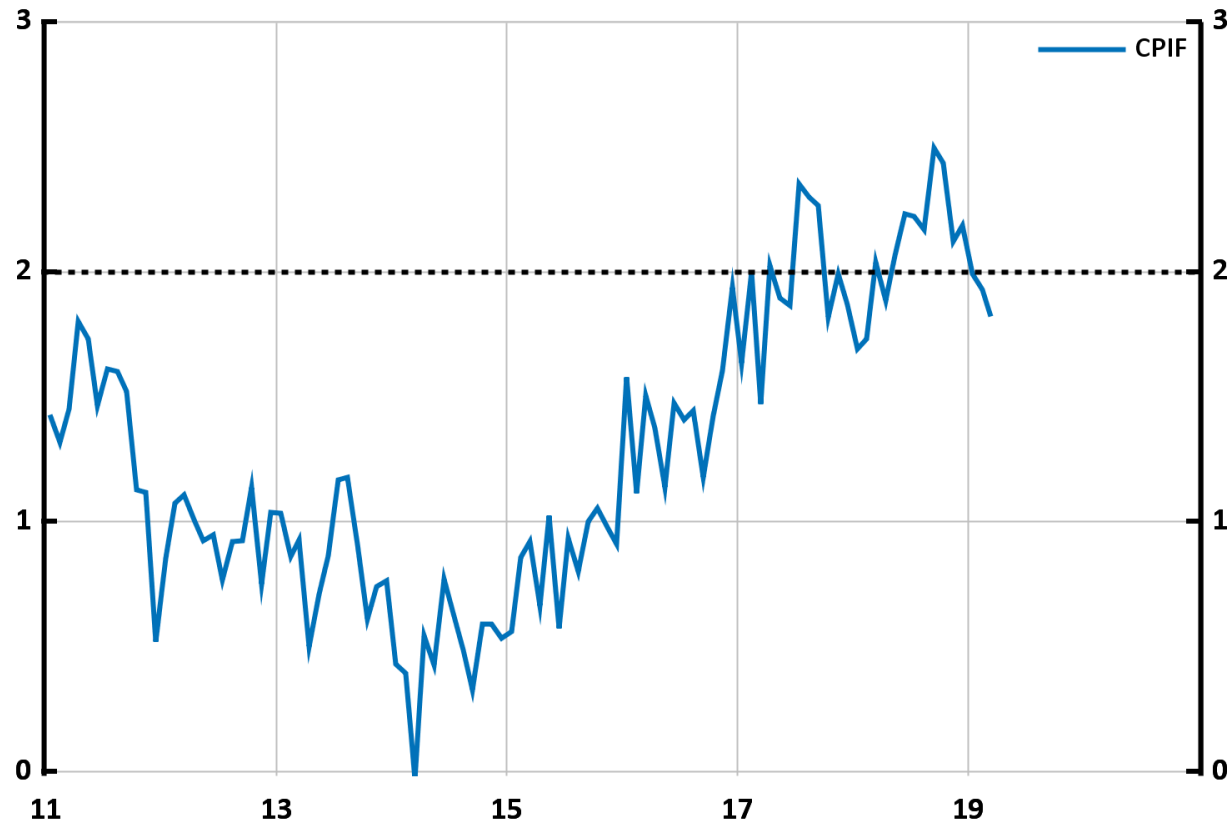
# Monetary policy decision

April 2019

**Strong economic activity but slightly weaker inflation**

**Expansionary monetary policy providing support**

# Inflation close to target



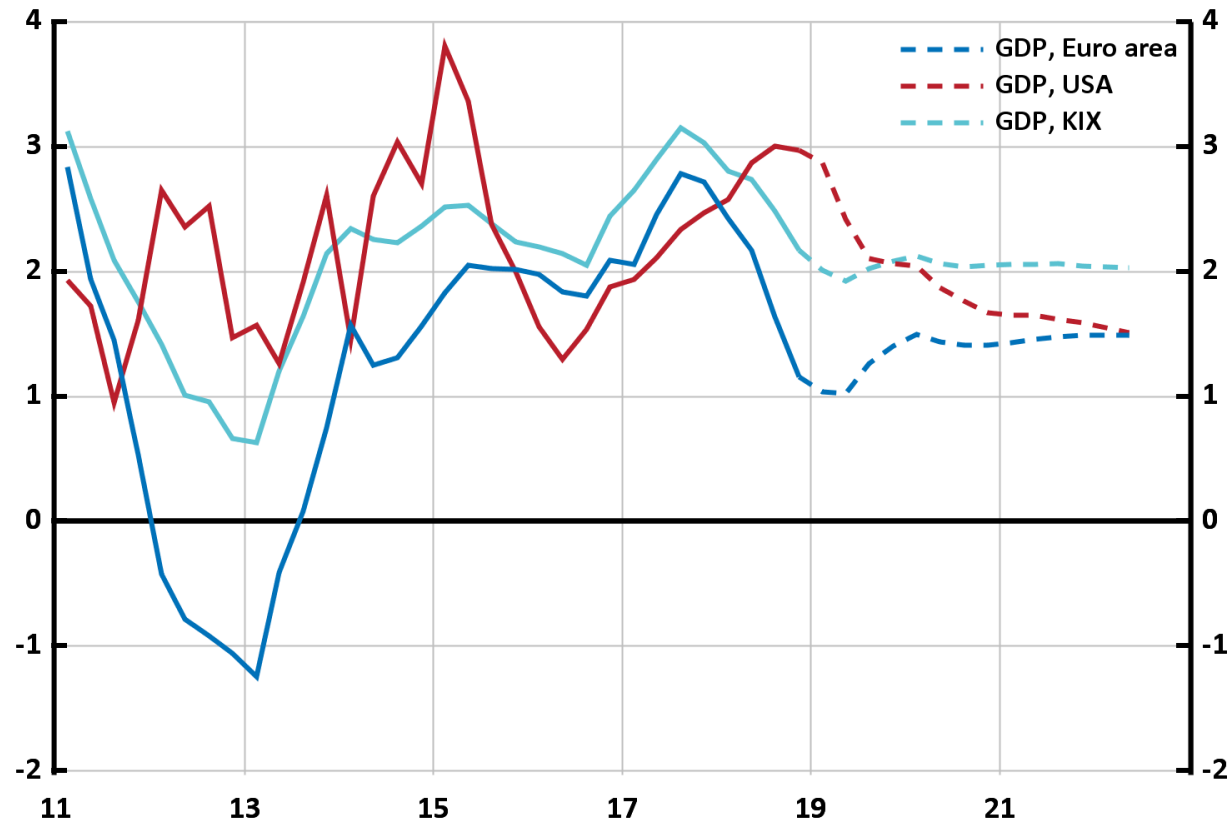
Annual percentage change.

The broken line refers to the inflation target at 2 per cent.

Source: Statistics Sweden

**Monetary policy needs to be forward-looking  
and be designed according to the prospects**

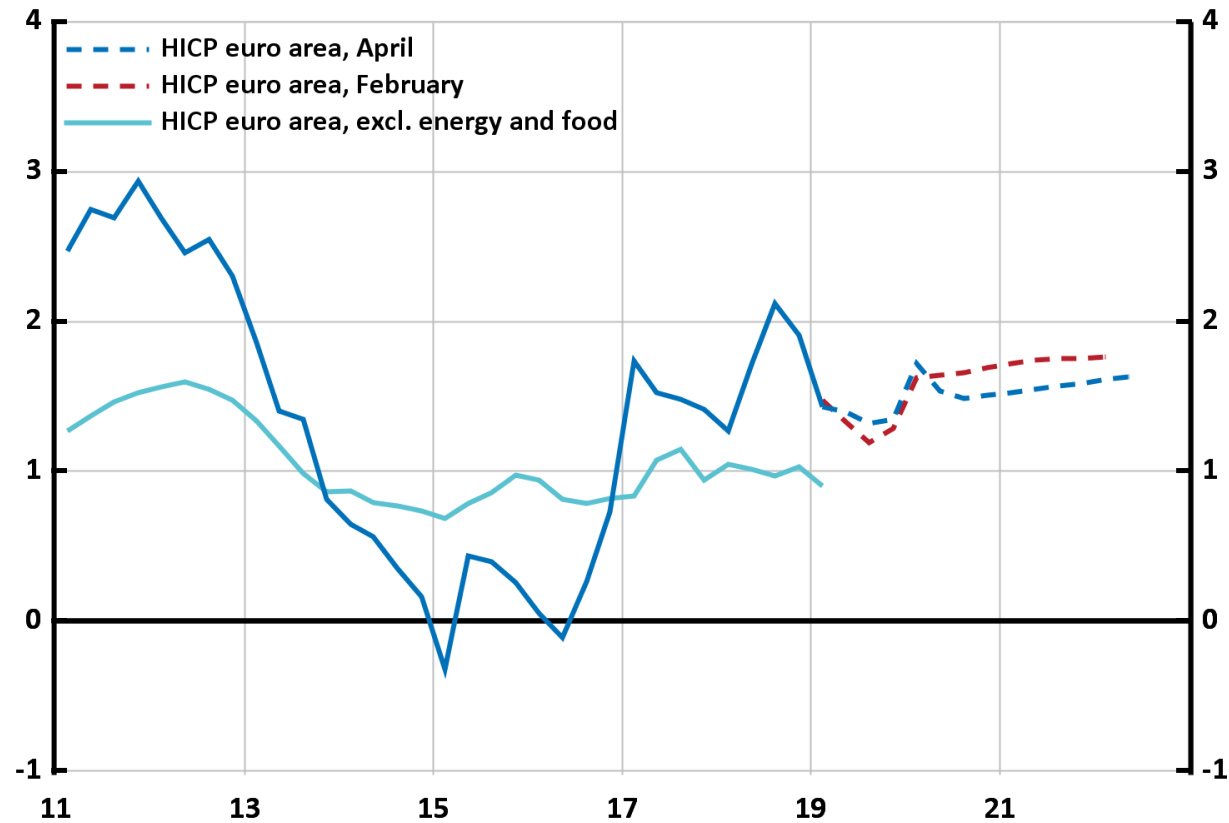
# Good economic activity abroad despite lower growth rates



Annual percentage change. KIX is an aggregate of countries that are important to Sweden's international transactions.

Sources: Bureau of Economic Analysis, Eurostat, national sources and the Riksbank

# Lower inflationary pressures abroad



Annual percentage change.

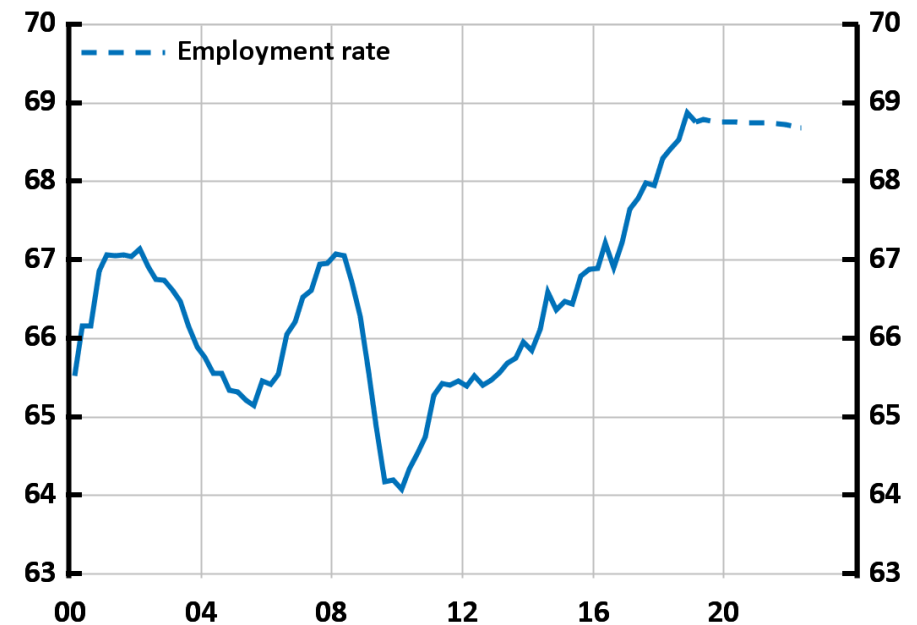
Sources: ECB, Eurostat and the Riksbank

# Continued strong economic activity in Sweden

Unexpectedly rapid GDP growth towards the end of the year

Economic activity as expected in a calmer phase

Continued high pressure on the labour market



Percentage of the population aged 15-74

Source: Statistics Sweden and the Riksbank

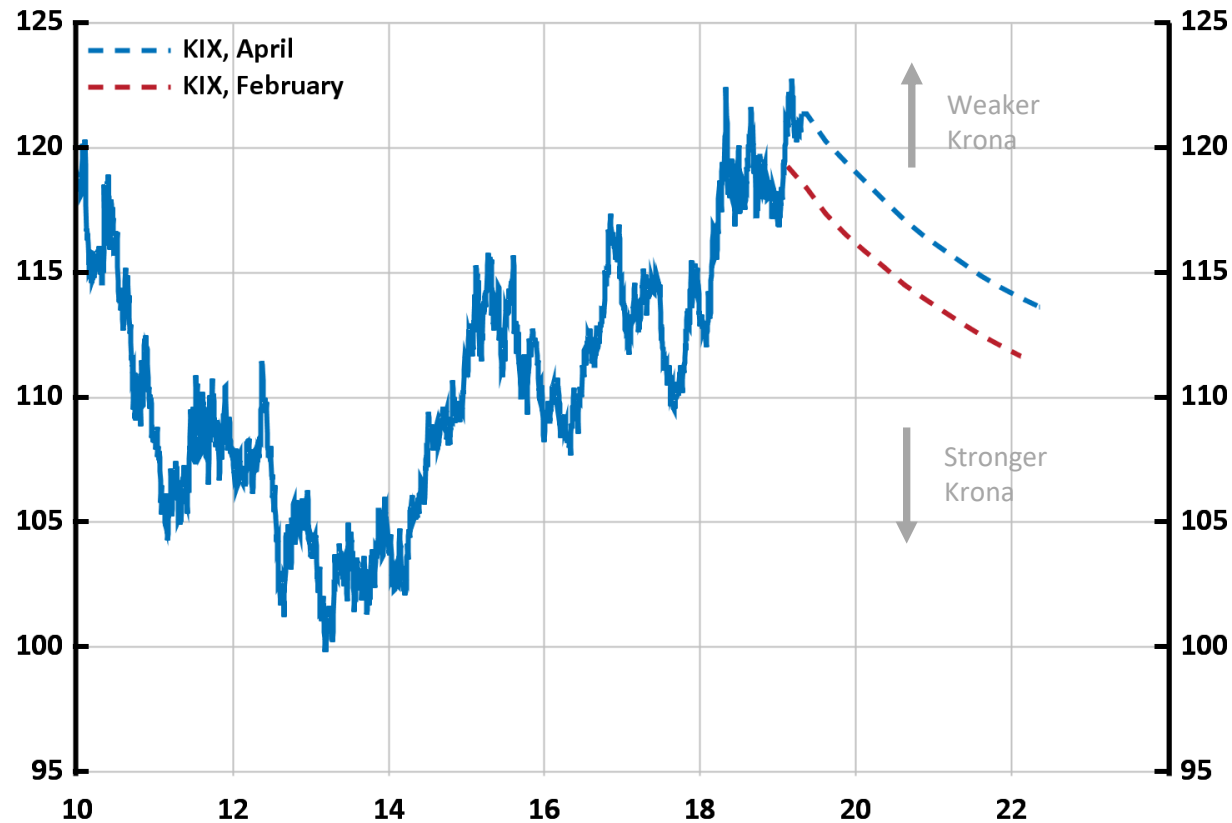
# The Riksbank's Business Survey

“Surprising that economic activity  
is holding up so well”





# The krona has weakened but is expected to strengthen going forward



Index, 18 November 1992 = 100. Outcomes are daily data and forecasts refer to quarterly averages. The KIX (krona index) is a weighted average of the krona exchange rate against currencies in countries that are important for Sweden's international transactions.

Sources: National sources and the Riksbank

# Conditions for on-target inflation



Continued demand pressures in the Swedish economy



Rising food prices and higher rent increases



Previous krona depreciation

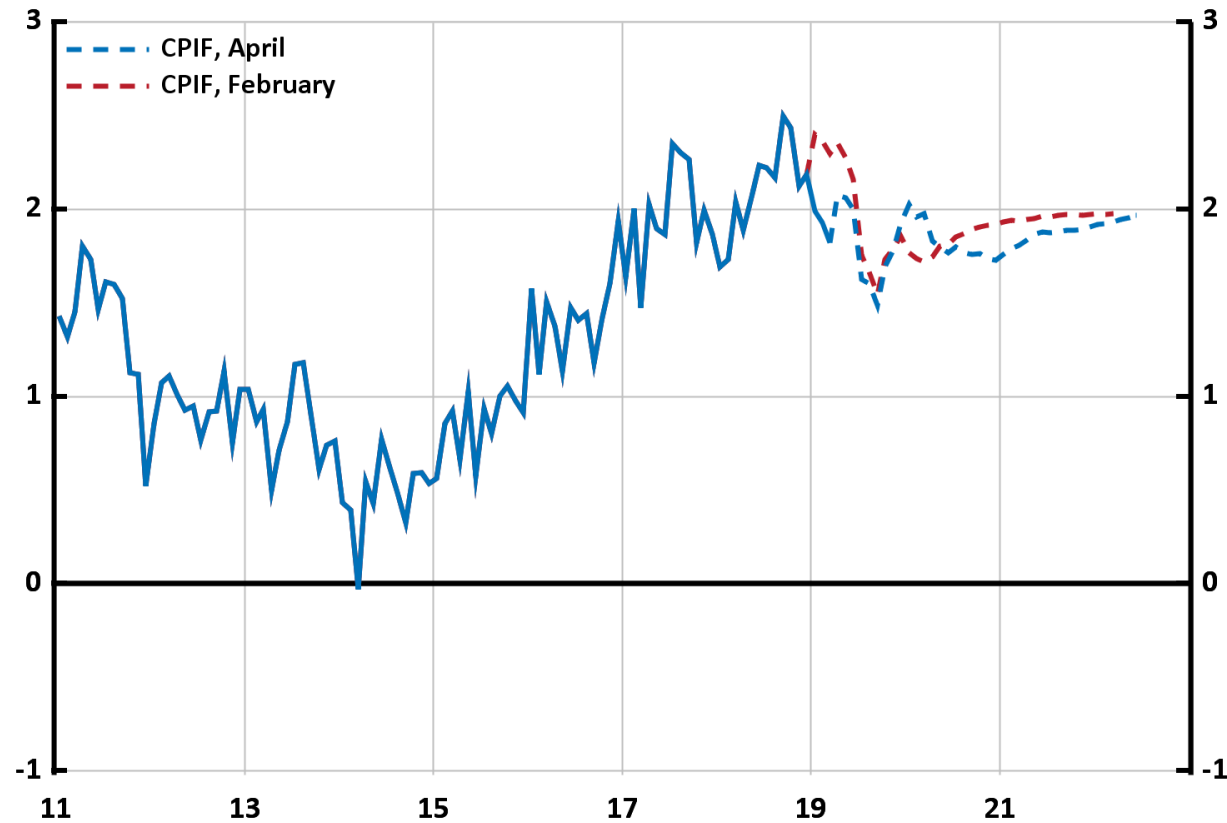
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Inflation expectations at 2 per cent



Gradually rising inflationary pressures abroad

# Inflation close to 2 per cent but slightly lower inflationary pressures

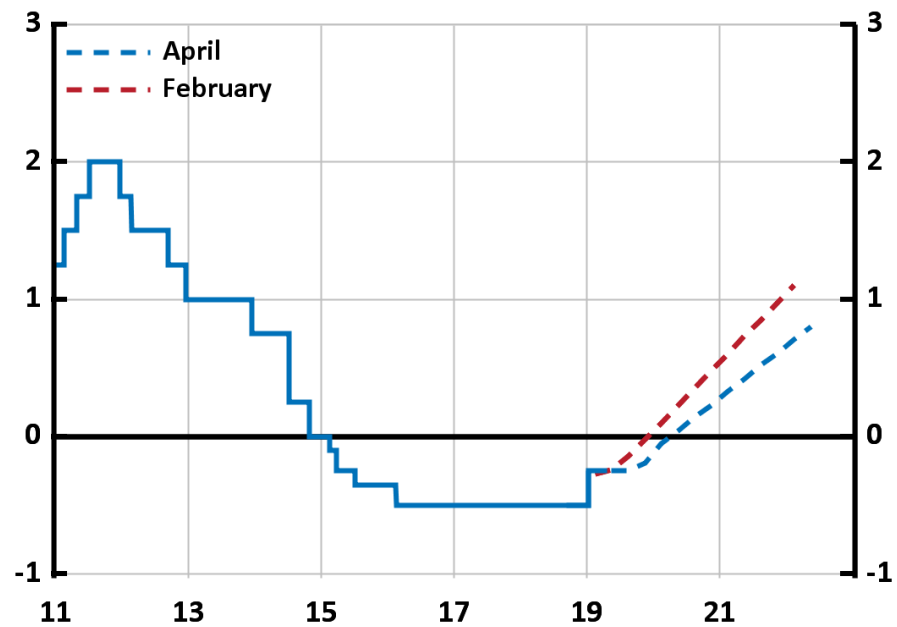


Annual percentage change.

Sources: Statistics Sweden and the Riksbank

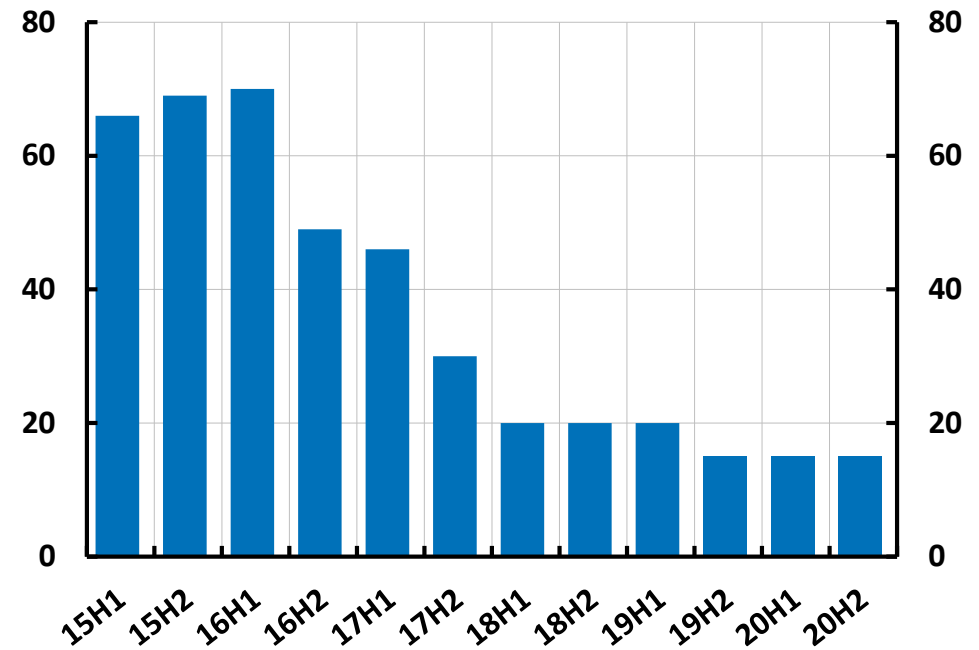
# For inflation to remain close to target in the period ahead

Repo rate to be raised at a slightly slower pace



Per cent and nominal amount, SEK billion.

Continued bond purchases



Source: The Riksbank

**Strong economic activity but slightly weaker inflation**

**Expansionary monetary policy providing support**