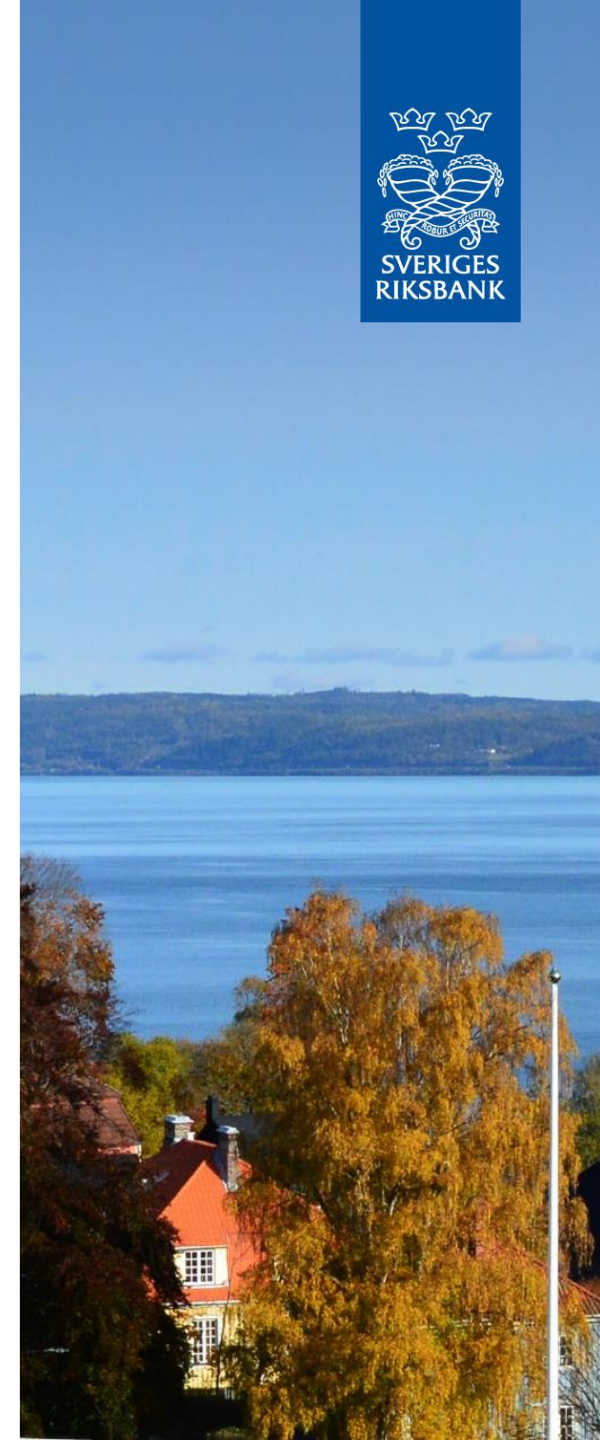


Continuing tight monetary policy so inflation will be low and stable

Monetary policy November 2023

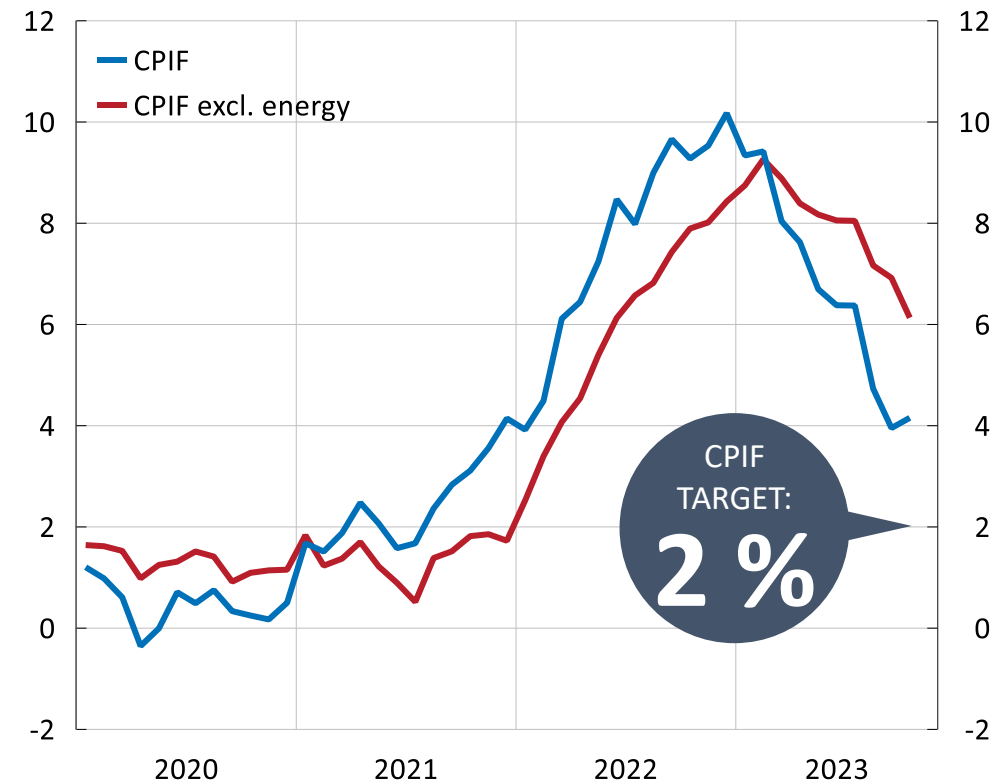
Monetary policy November 2023

- Developments have been largely as **expected**
- Policy rate was held **unchanged** at 4.0 per cent
- The policy rate **may need to be raised** further



Inflation is still too high

- Interest rate increases are having an effect – inflation is falling
- Inflationary pressures have moved in the right direction
- Risks that inflation will not fall sufficiently fast and stabilise at the target

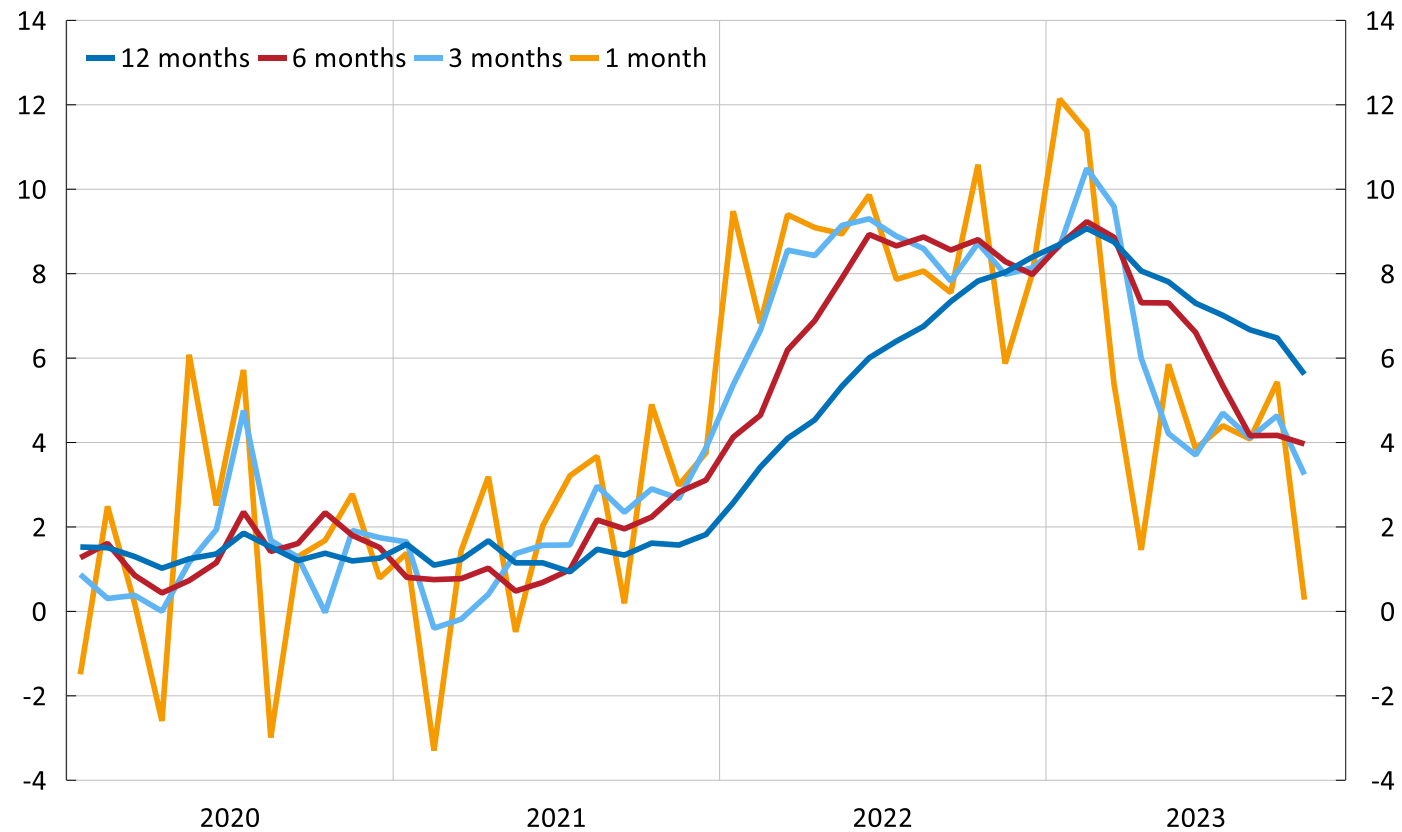


Annual percentage change.

Source: Statistics Sweden.

Inflationary pressures have eased, but there are still risks

Inflation excluding energy and international travel

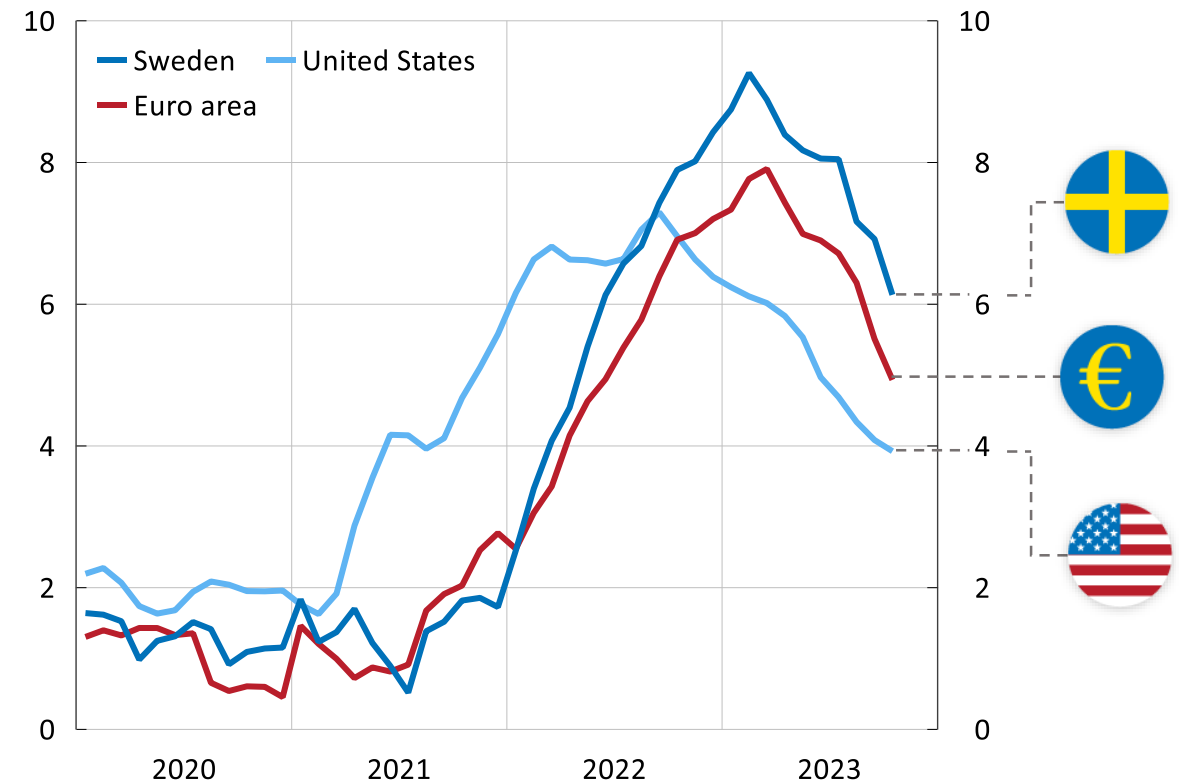


Annual percentage change and 1, 3 and 6-monthly change respectively, calculated as an annual rate, seasonally-adjusted data.

Sources: Statistics Sweden and the Riksbank.

Increasingly clear downturn in inflation abroad

- Monetary policy is contractionary
- Economic activity is slowing down
- Inflation is falling
- Geopolitical risks have increased

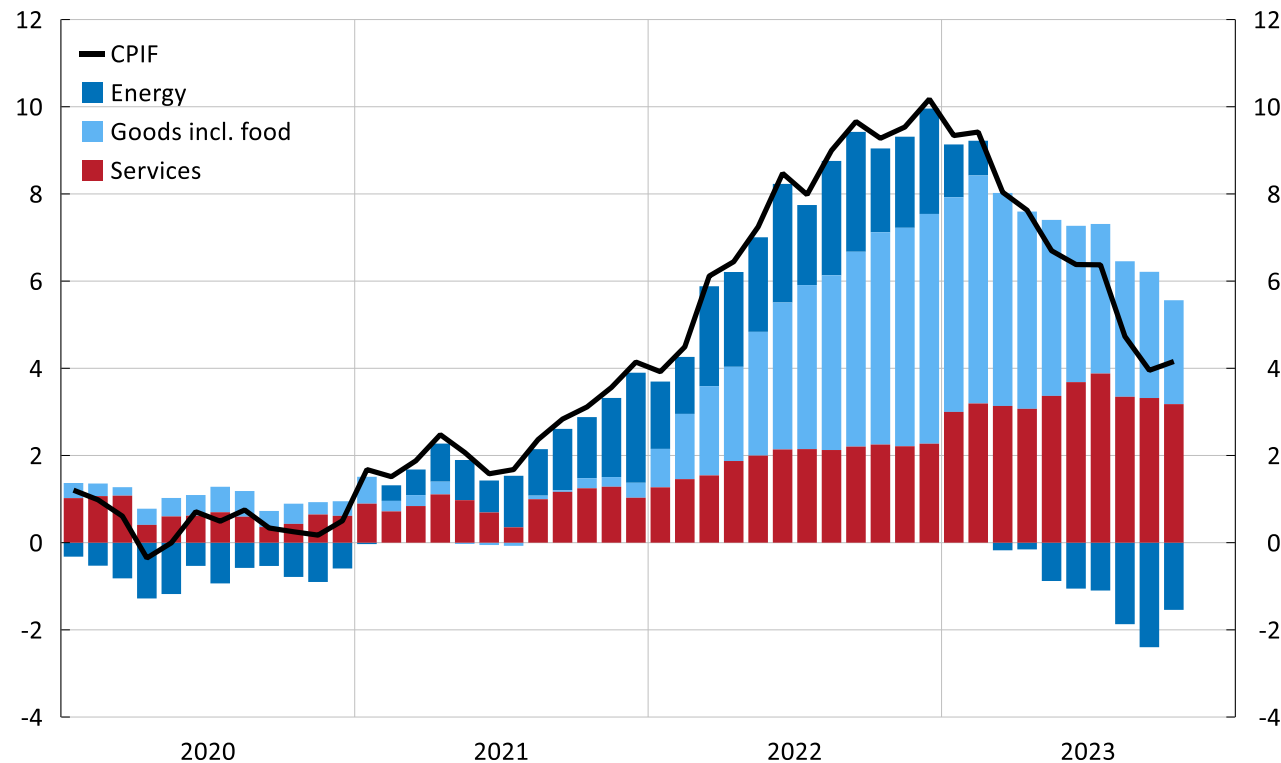


Inflation excluding energy, annual percentage change. CPI for Sweden, HICP for the euro area and CPI for the United States.

Sources: Eurostat, US Bureau of Labor Statistics and the SCB.

Goods and services prices contribute substantially to inflation

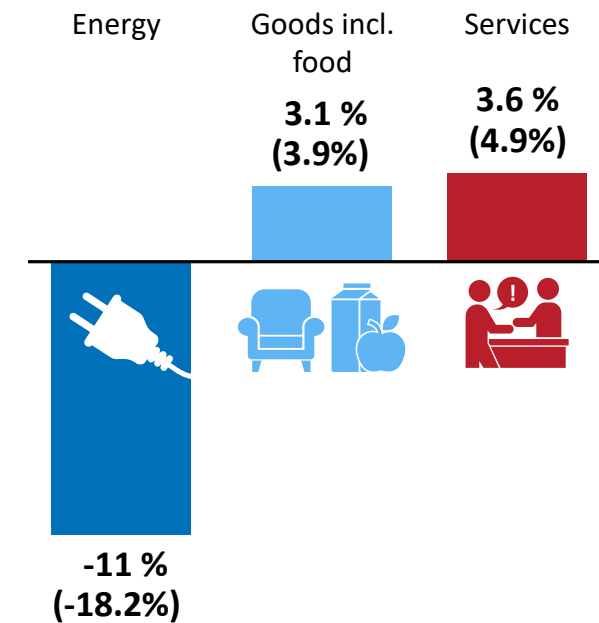
Contributions to CPIF inflation



Annual percentage change and percentage points. Corresponding figures at the time of the monetary policy decision in September in brackets.

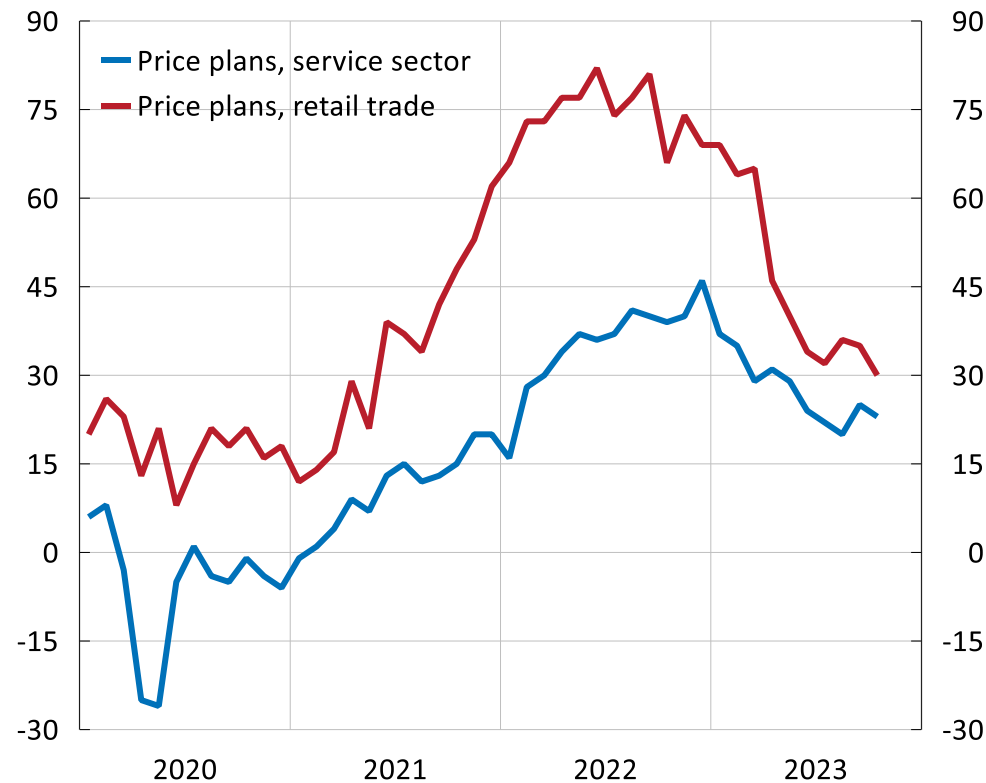
Price change

Three-month change calculated as an annual rate



Sources: Statistics Sweden and the Riksbank.

Companies' price plans have been dampened



Net figures, right Net figures show how many companies are planning to increase their prices minus how many are planning to reduce them in the next three months.

”

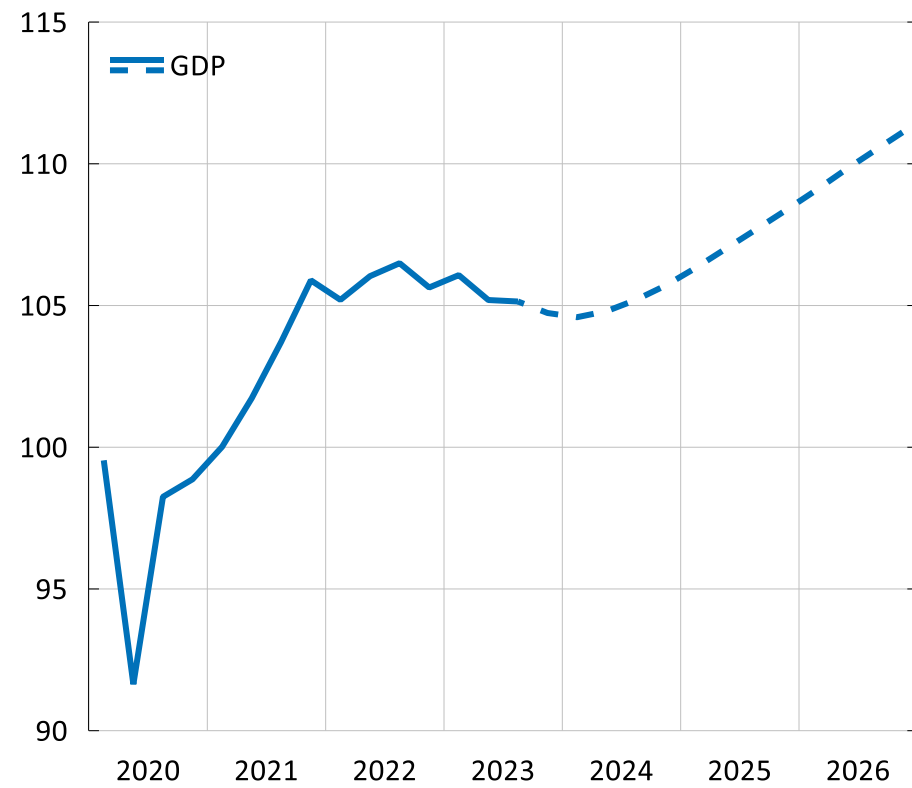
*Stiffer competition
putting pressure on prices.*

The Riksbank's Business Survey

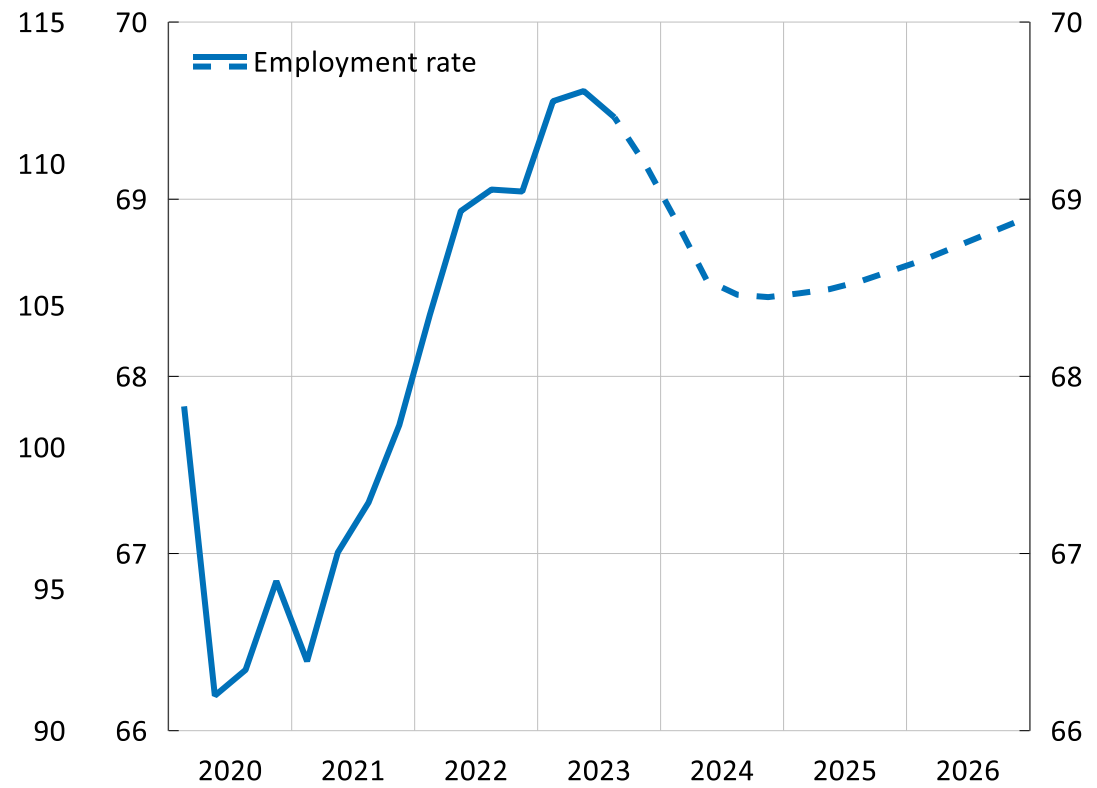
Sources: Statistics Sweden, NIER and the Riksbank.

Expected slowdown in economic activity

Growth is in a weaker phase



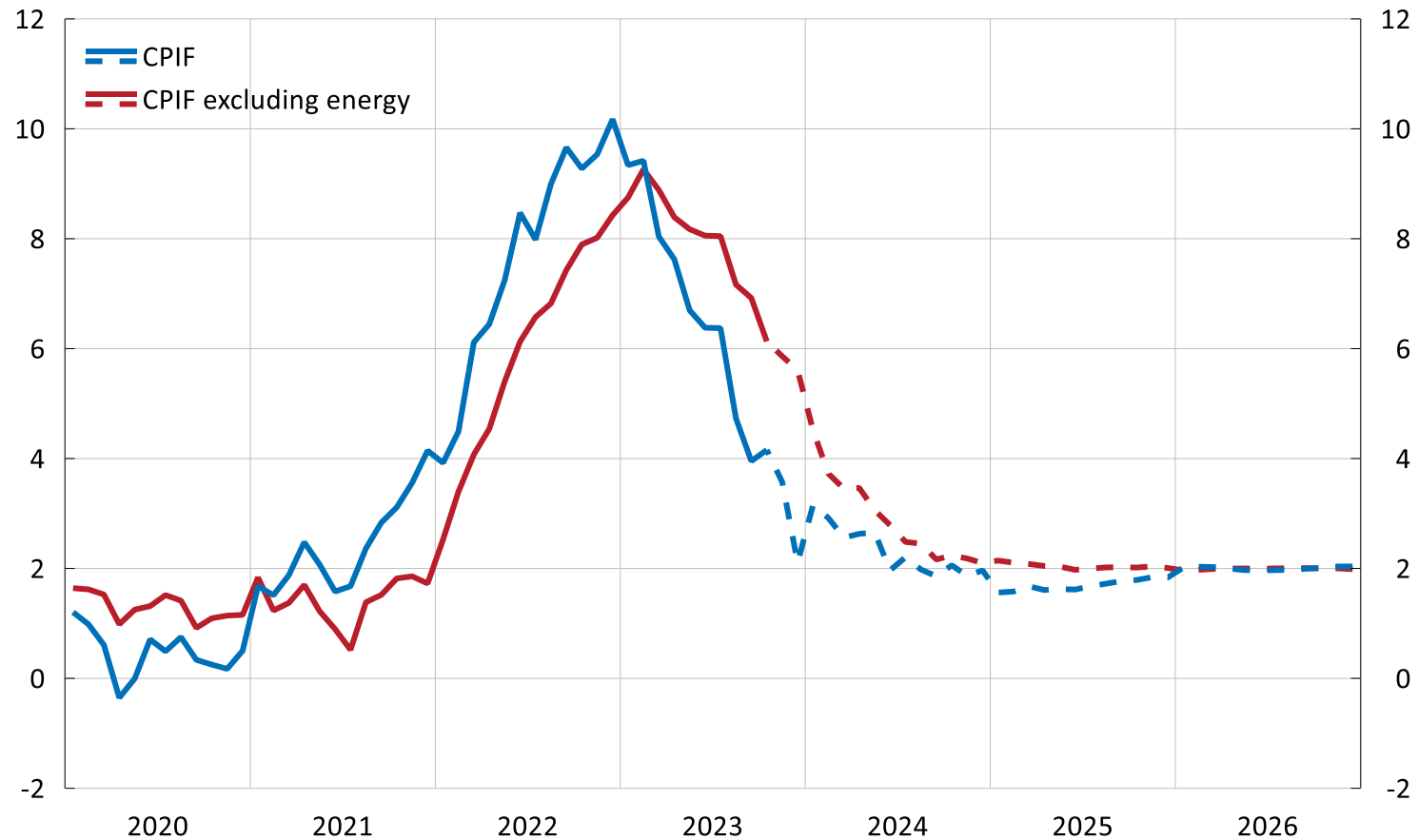
Signs of a weaker labour market



Index, 2019 Q4 = 100, seasonally adjusted data (left) and percentage of population, 15–74 years.

Sources: Statistics Sweden and the Riksbank.

Monetary policy contributes to inflation stabilising going forward



Annual percentage change.

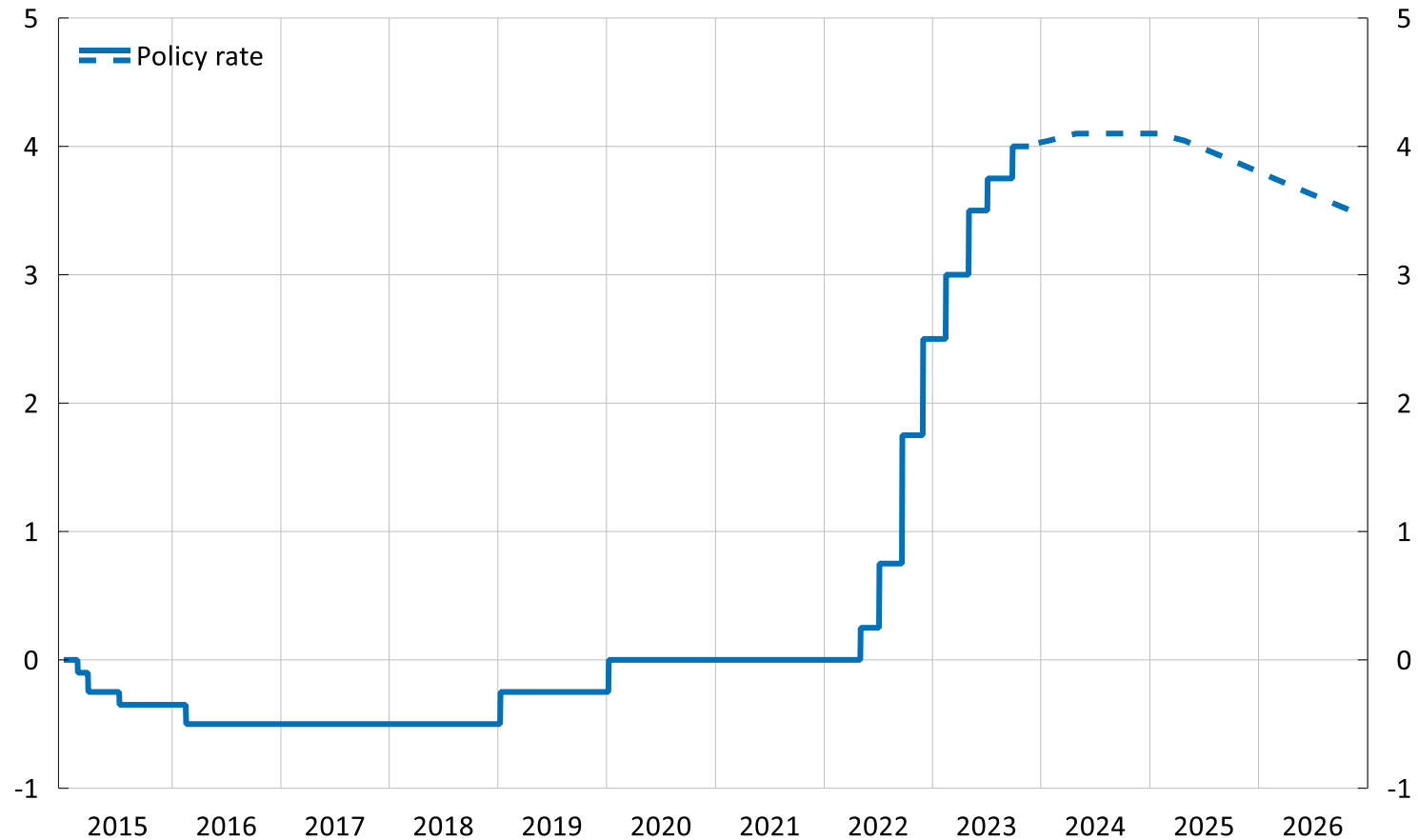
Sources: Statistics Sweden and the Riksbank.

Uncertainty over the development of inflation

- Vigilance regarding goods and services prices
- Faster impact from krona on prices in high-inflation environment
- Weaker krona – a risk to the inflation forecast



Contractionary monetary policy to ensure inflation falls and stabilises close to the target

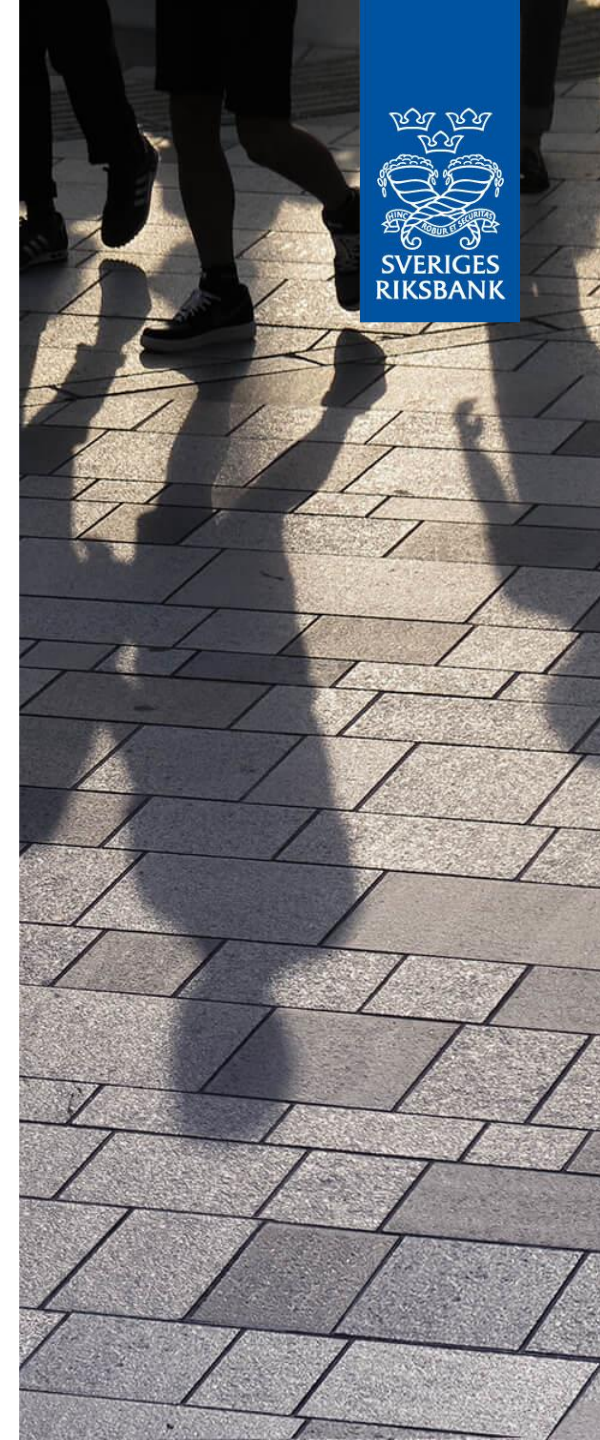


Per cent.

Source: The Riksbank.

We are doing what is necessary to bring down inflation within a reasonable period of time

- Important for the **economy** that high inflation doesn't become entrenched
- The inflation outlook is better but **continued risk** that inflation will not fall fast enough
- The policy rate **may need to be raised further**
- **New information** and how it affects the outlook for the economy and inflation determines the monetary policy stance



Continuing tight monetary policy so inflation will be low and stable

Monetary policy November 2023