

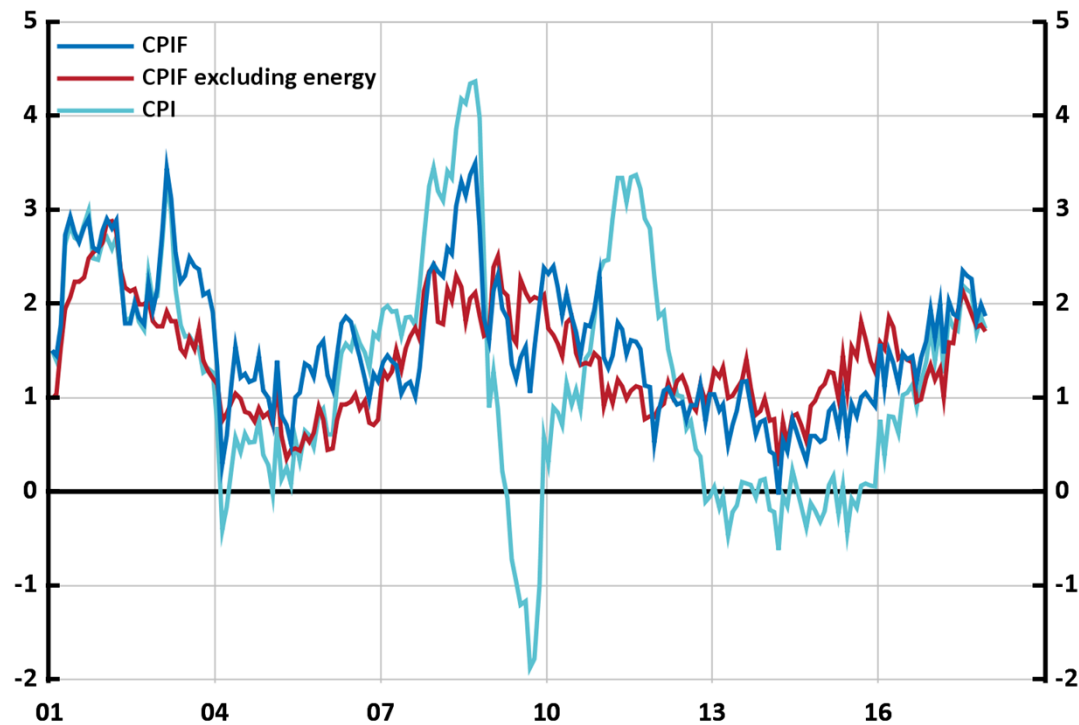
Account of monetary policy 2017

S V E R I G E S R I K S B A N K



Figure 1.1. CPIF, CPIF excluding energy and CPI

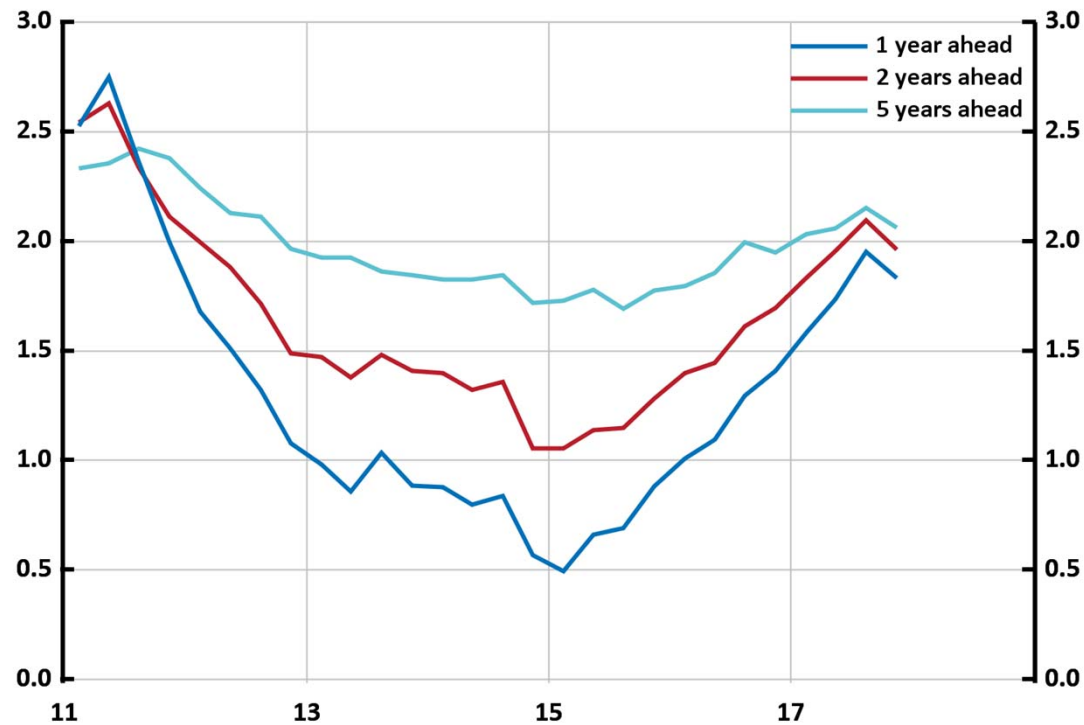
Annual percentage change



Sources: Statistics Sweden and The Riksbank

Figure 1.2. Inflation expectation among all participants

Per cent, mean, CPI

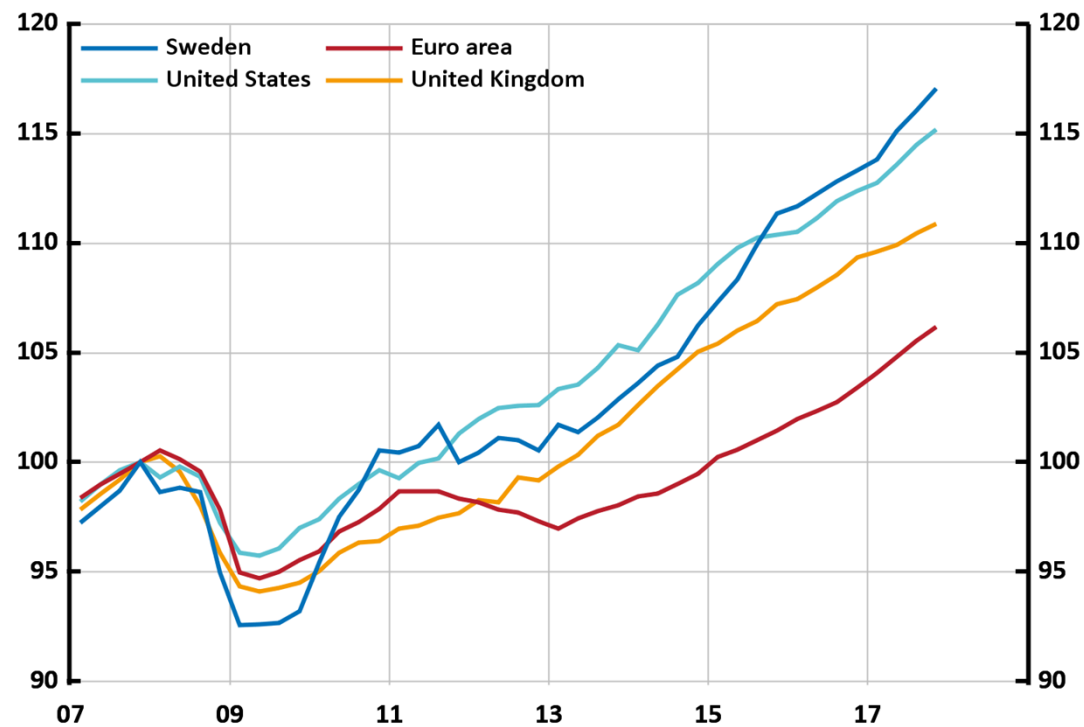


Note. Participants surveyed are social partners, purchasing managers and money market participants.

Source: TNS Sifo Prospera

Figure 1.3. GDP development in Sweden and abroad

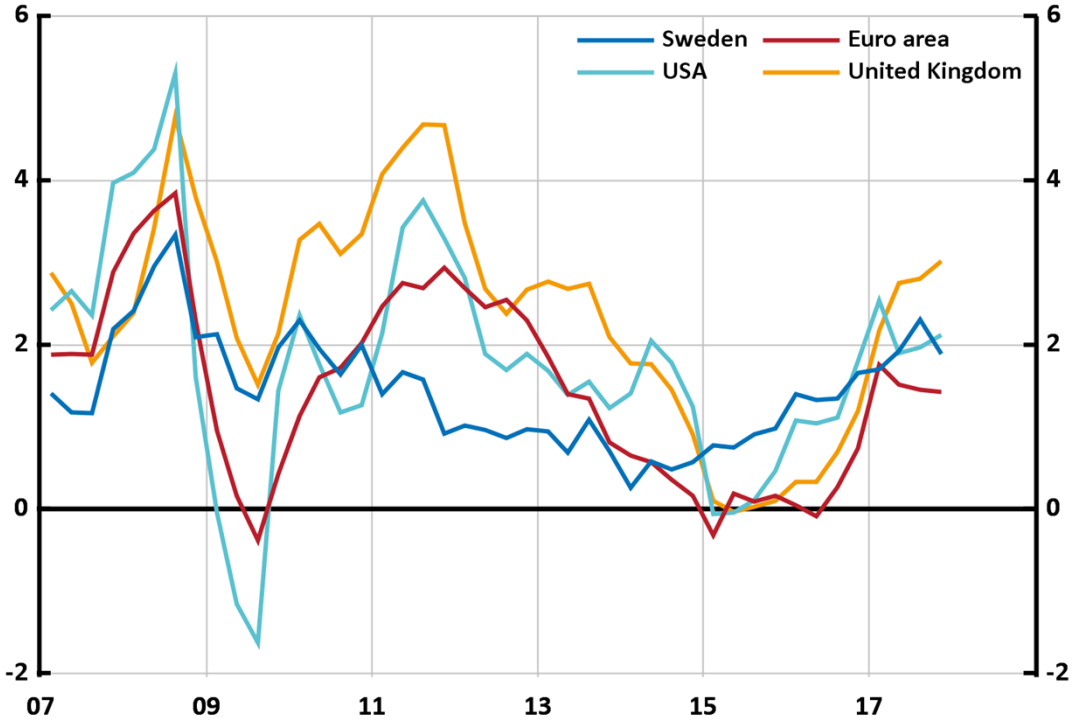
Index, 2007 Q4 = 100, seasonally- and calendar-adjusted data



Sources: Bureau of Economic Analysis, Eurostat, Office for National Statistics and Statistics Sweden

Figure 1.4. Inflation in Sweden and abroad

Annual percentage change

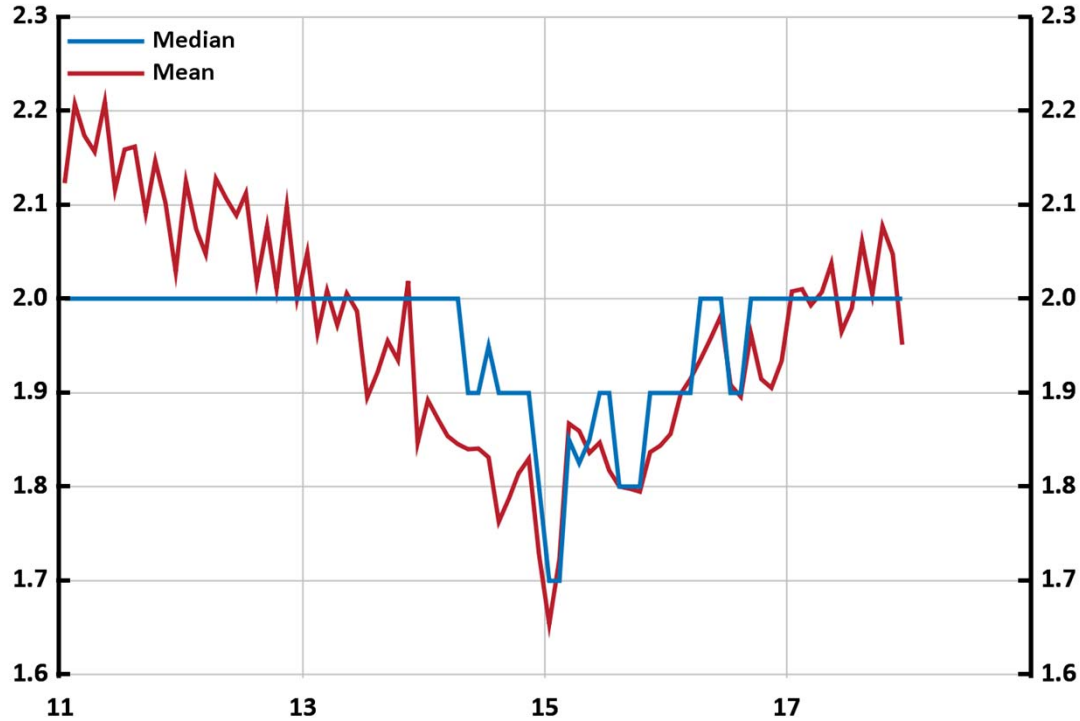


Note. The CPIF is shown for Sweden and the HICP for the euro area. Others refers to the CPI.

Sources: Bureau of Labour Statistics, Eurostat, Office for National Statistics, U.S. Department of Labor and Statistics Sweden

Figure 1.5. Inflation expectations among money market participants, 5 years ahead

Per cent, CPI

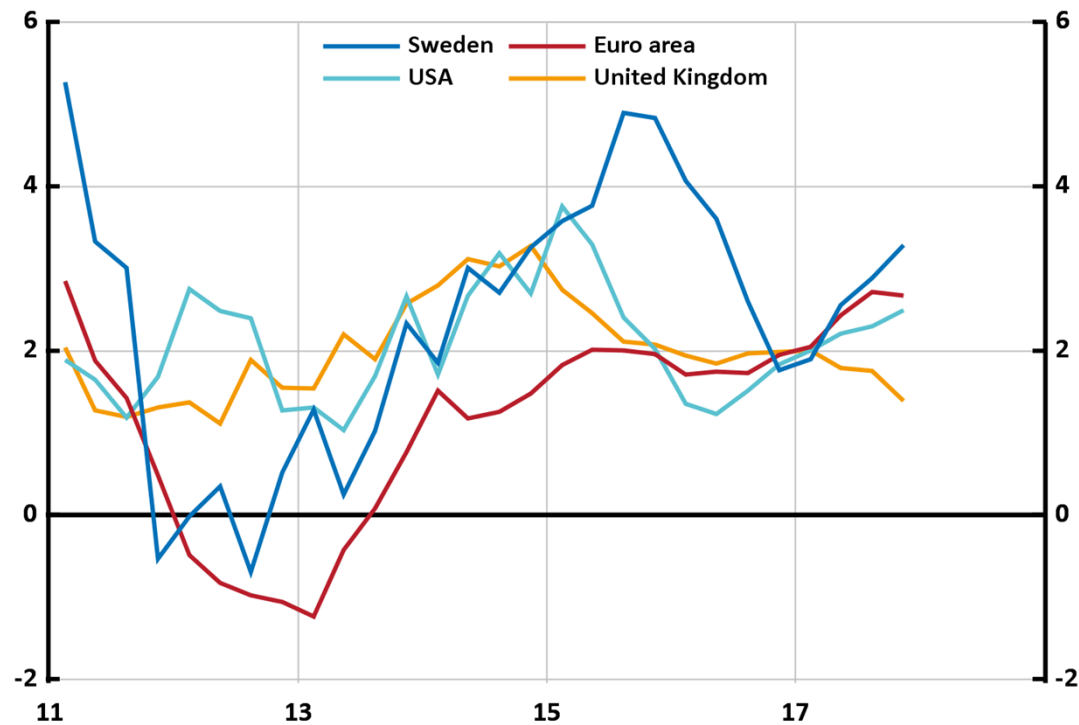


Note. The median shows the inflation value that has as many measurement values above as below it. Unlike the average, the median value is not sensitive to extreme values.

Sources: TNS Sifo Prospera

Figure 1.6. GDP growth in Sweden and abroad

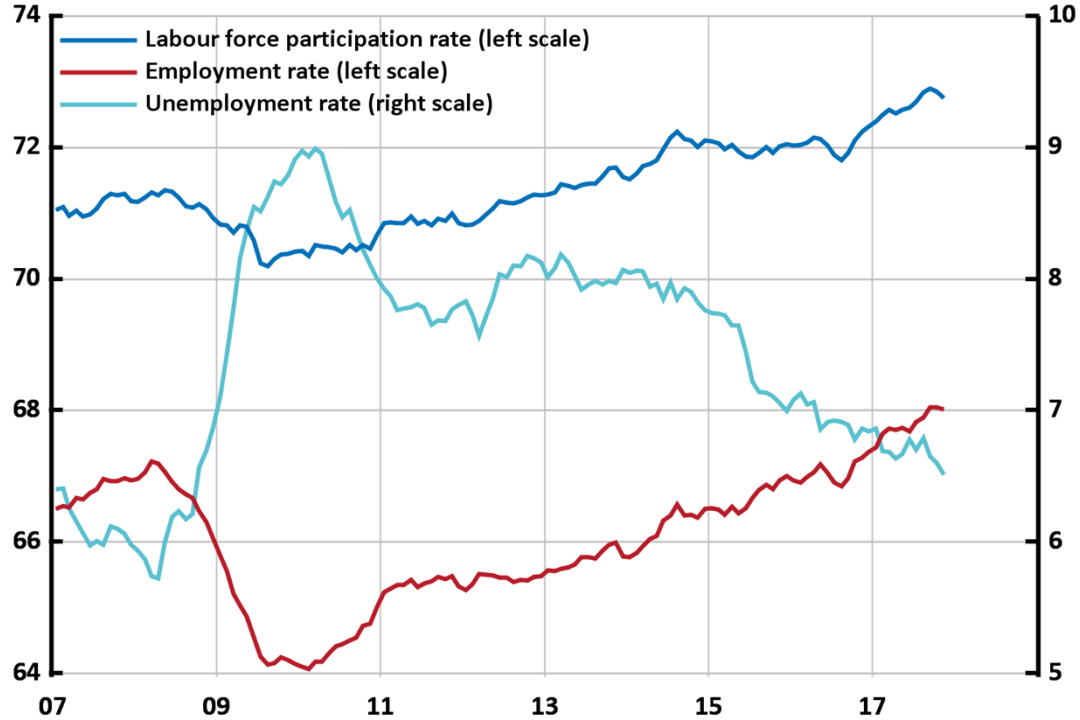
Annual percentage change, seasonally- and calendar-adjusted data



Sources: Bureau of Economic Analysis, Eurostat, Office for National Statistics and Statistics Sweden

Figure 1.7. Labour force, employment and unemployment

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

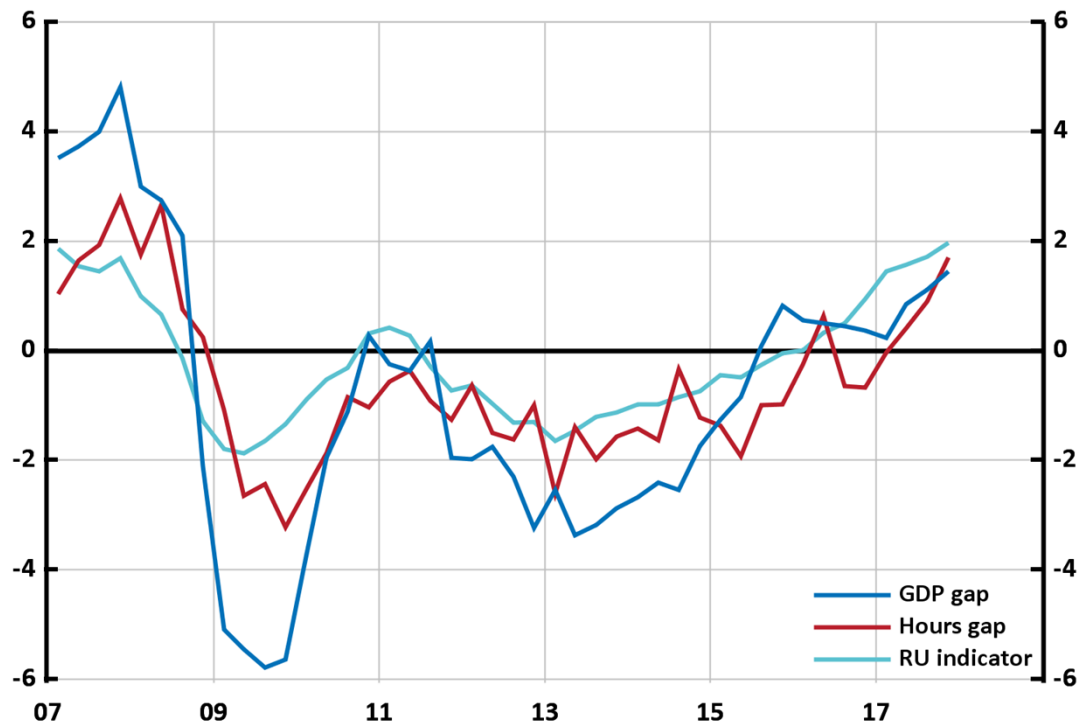


Note. Three-month moving averages.

Source: Statistics Sweden

Figure 1.8. GDP gap, hours gap and RU indicator

Per cent and standard deviation respectively

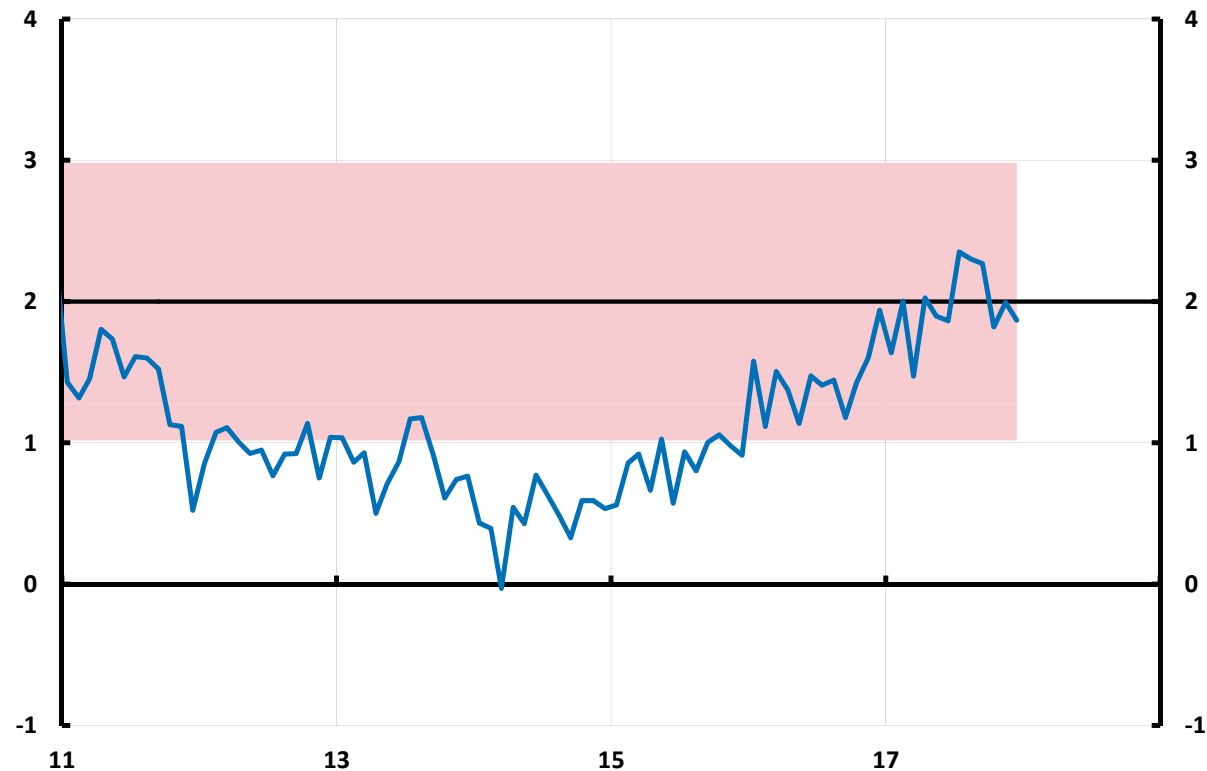


Note. GDP gap refers to the GDP deviation from trend, calculated using a production function. The hours gap refers to the deviation of number of hours worked from the Riksbank's assessed trend. The RU indicator is normalised so that the mean value is 0 and the standard deviation is 1.

Source: Statistics Sweden and the Riksbank

Figure 1.9. CPIF and variation band

Annual percentage change

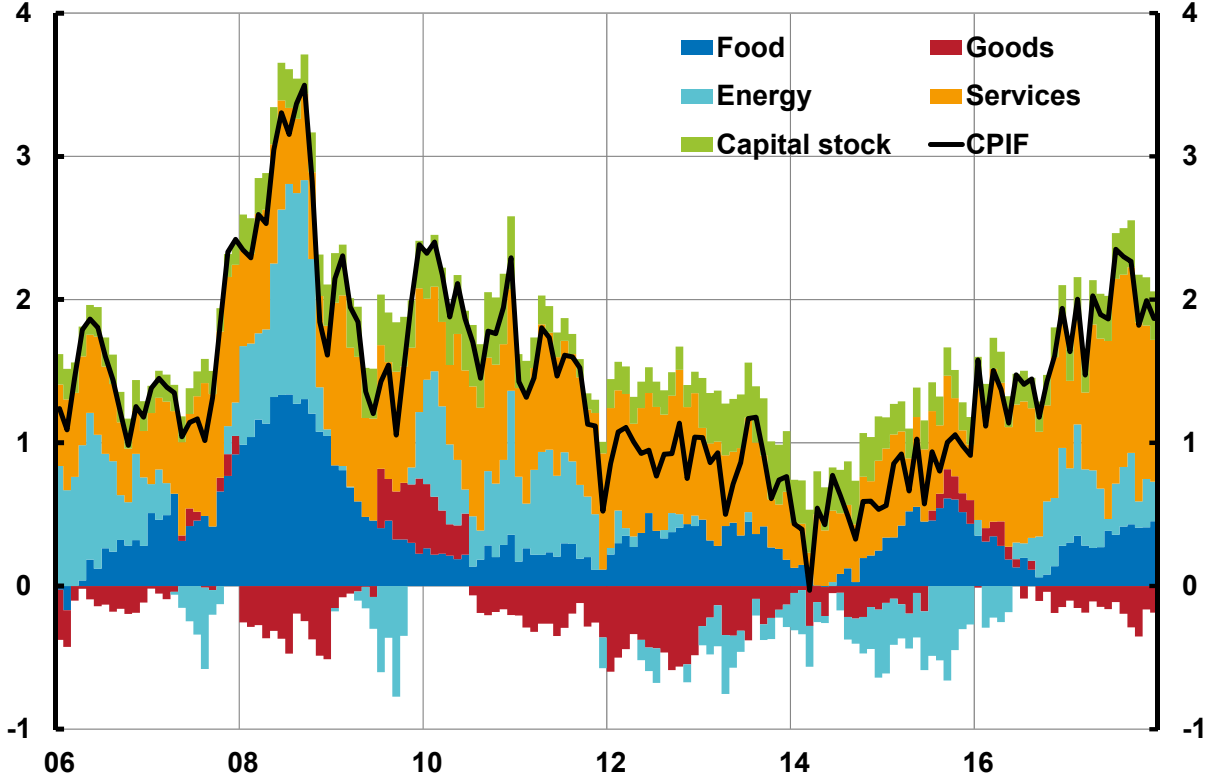


Note. The pink area shows the Riksbank's variation band and covers about three-quarters of the outcomes since January 1995. The variation band is a means of showing whether the deviation from the inflation target is unusually large.

Sources: Statistics Sweden and the Riksbank

Figure 1.10. Contribution to the CPIF

Percentage points and annual percentage change

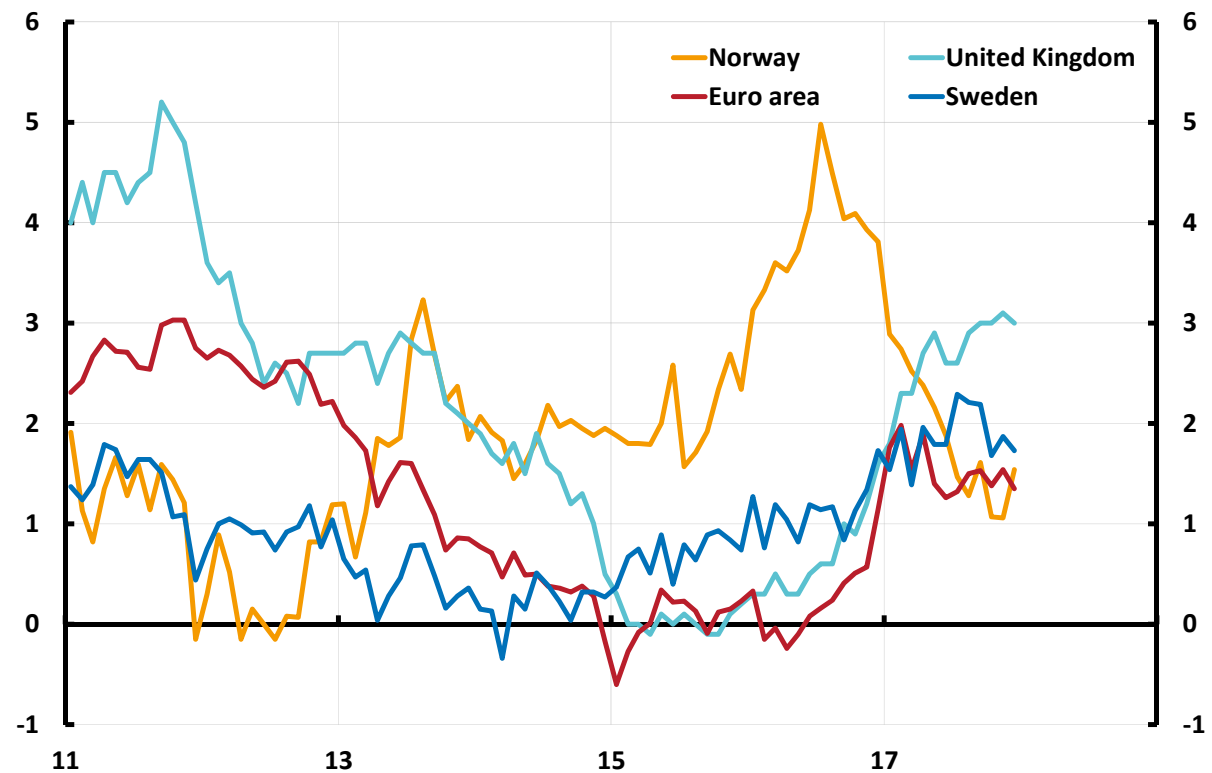


Note. The bars illustrate the contribution of each price group to the rate of change in CPIF in the past twelve months. The contribution can be interpreted as the annual rate of change in each group, multiplied by the group's weight in CPIF.

Sources: Statistics Sweden and the Riksbank

Figure 1.11. Inflation in different countries

HICP, annual percentage change

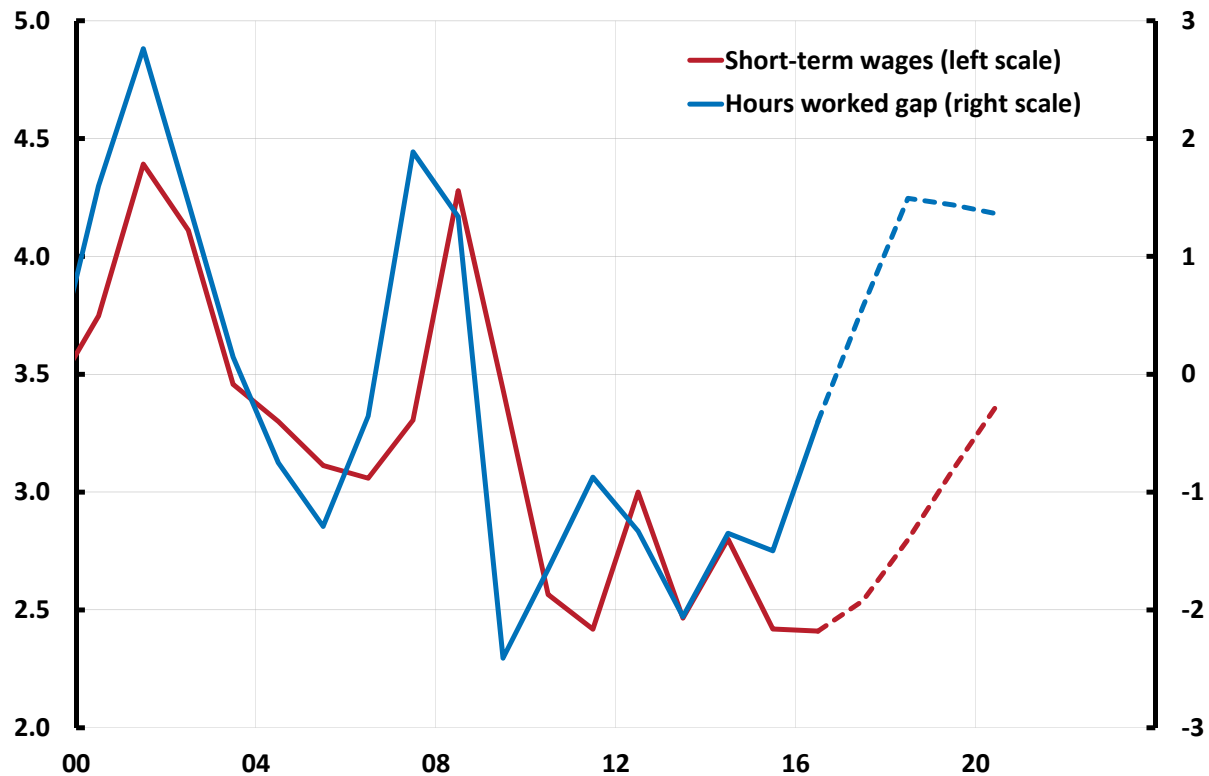


Note. HICP refers to the EU-harmonised index for consumer prices.

Source: Statistics Sweden and Eurostat

Figure 1.12. Hours worked gap and short-term wages

Per cent and annual percentage change, respectively

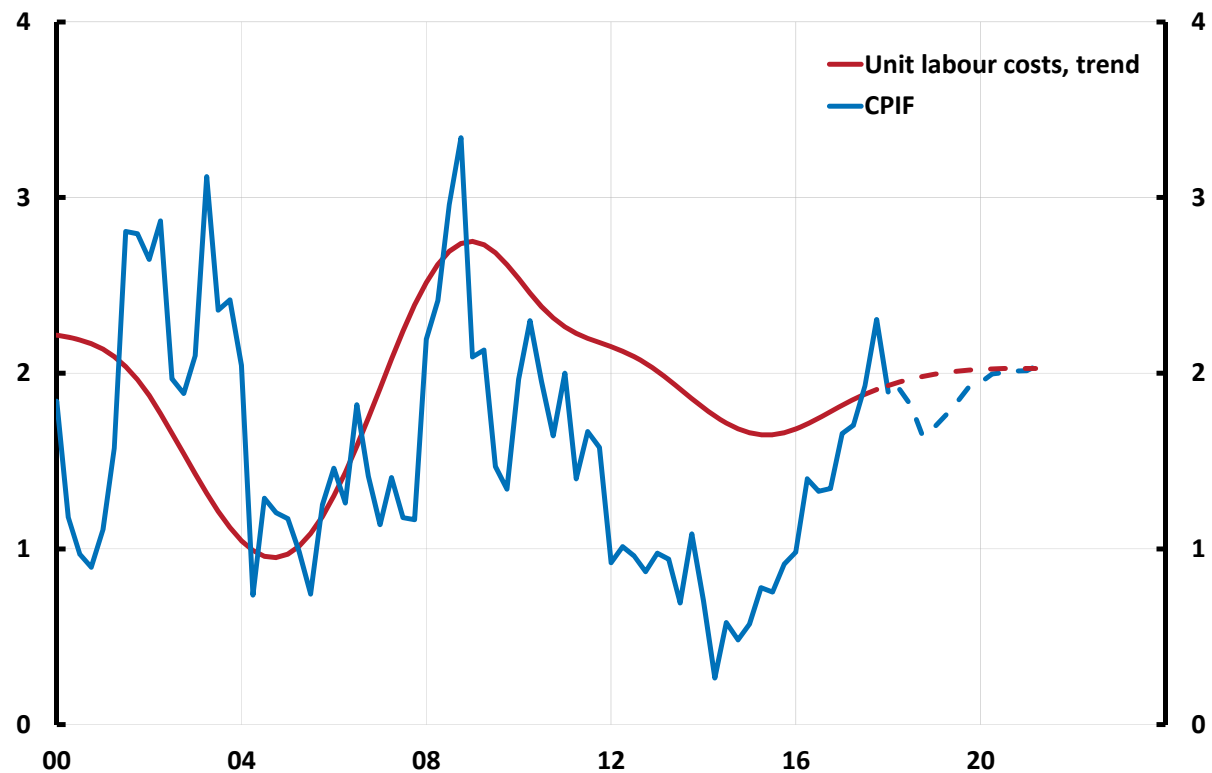


Note. The hours worked gap refers to the deviation in the number of hours worked from the Riksbank's assessed trend. Broken lines refer to the Riksbank's forecasts in February 2018.

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

Figure 1.13. Inflation and unit labour costs

Annual percentage change



Note. The trend in unit labour costs (refers to the economy as a whole) has been calculated using a so-called HP filter. To calculate the trend, the Riksbank's forecast in February 2018 and an assumption that unit labour costs will increase by 2 per cent beyond the forecast horizon are used. Broken lines refer to the Riksbank's forecasts in February 2018.

Sources: Statistics Sweden and the Riksbank

Figure 1.14. KIX-weighted nominal exchange rate

Index, 18 November 1992 = 100

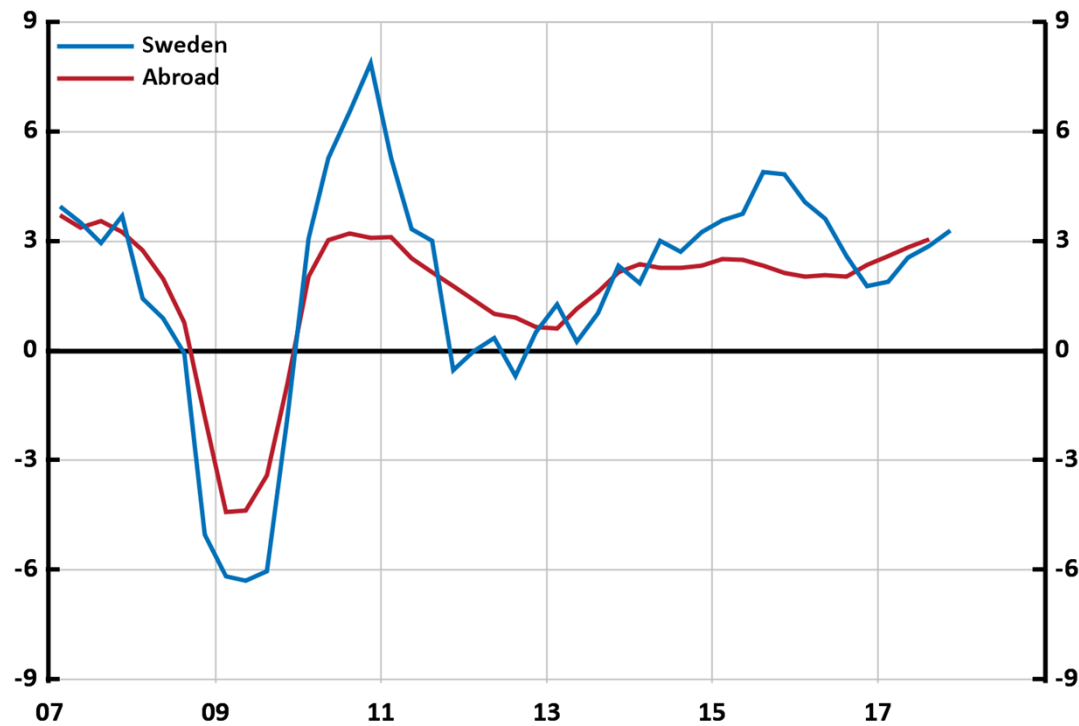


Note. KIX refers to an aggregate of countries that are important for Sweden's international transactions.

Source: The Riksbank

Figure 2.1. GDP growth in Sweden and abroad

Annual percentage change

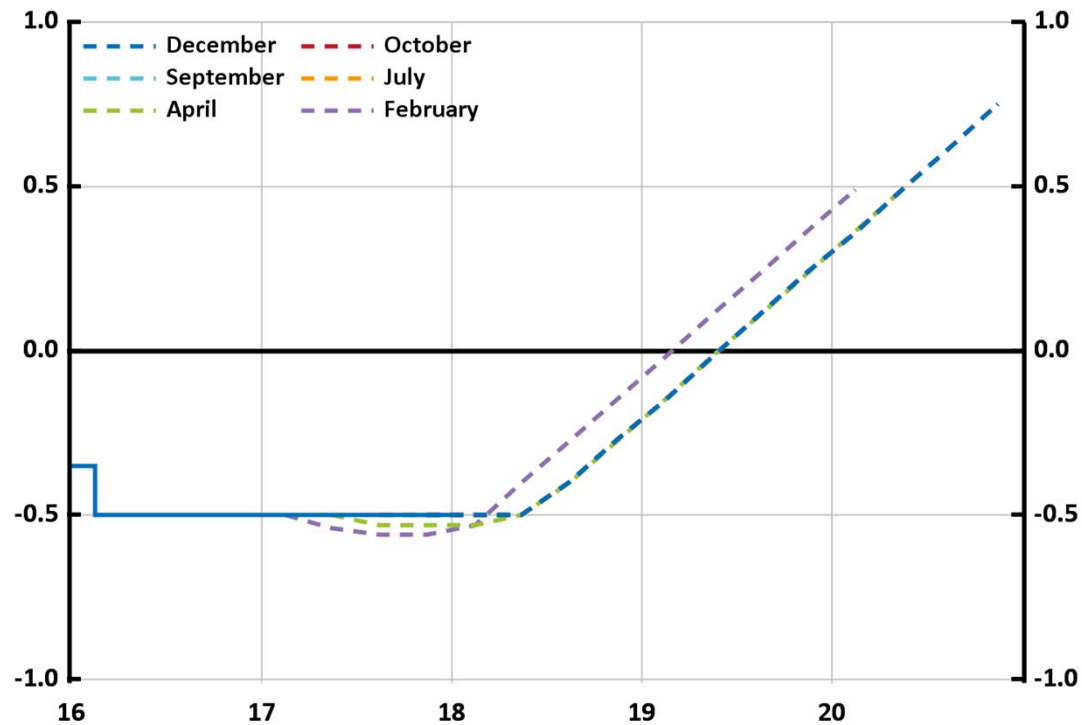


Note. GDP abroad is KIX-weighted.

Source: National sources, Statistics Sweden and the Riksbank

Figure 2.2. Repo rate, forecasts 2017

Per cent

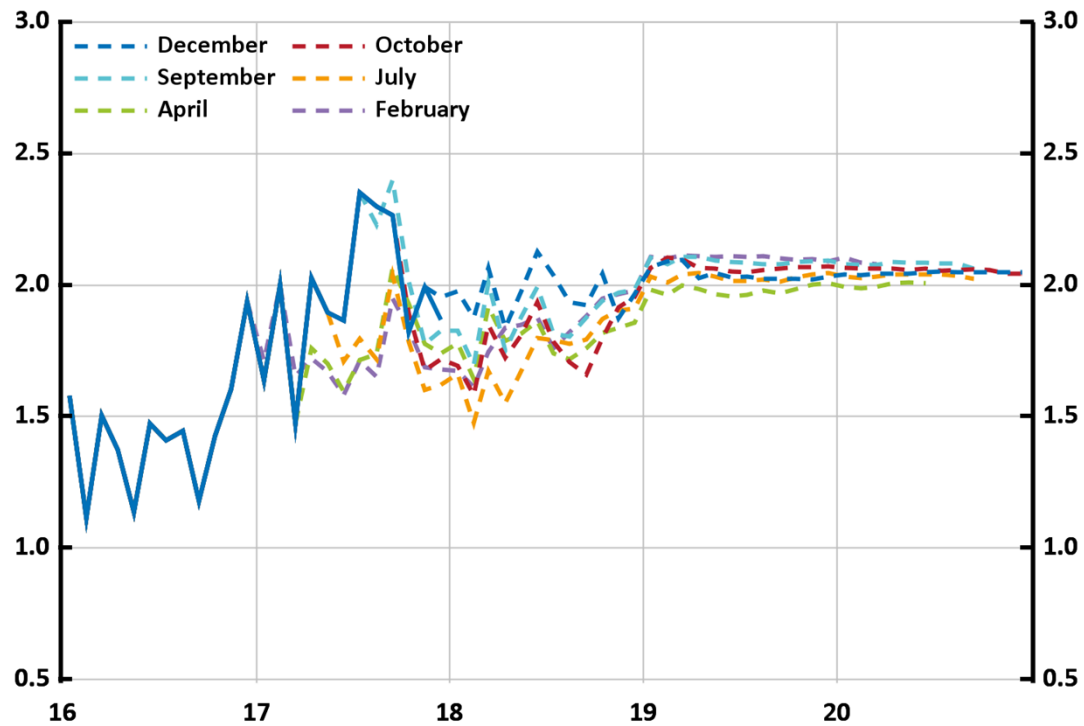


Note. Outcome data are daily rates and forecasts are quarterly averages. The repo-rate paths in April, July, September, October and December largely coincides with each other.

Source: The Riksbank

Figure 2.3. CPIF, forecasts 2017

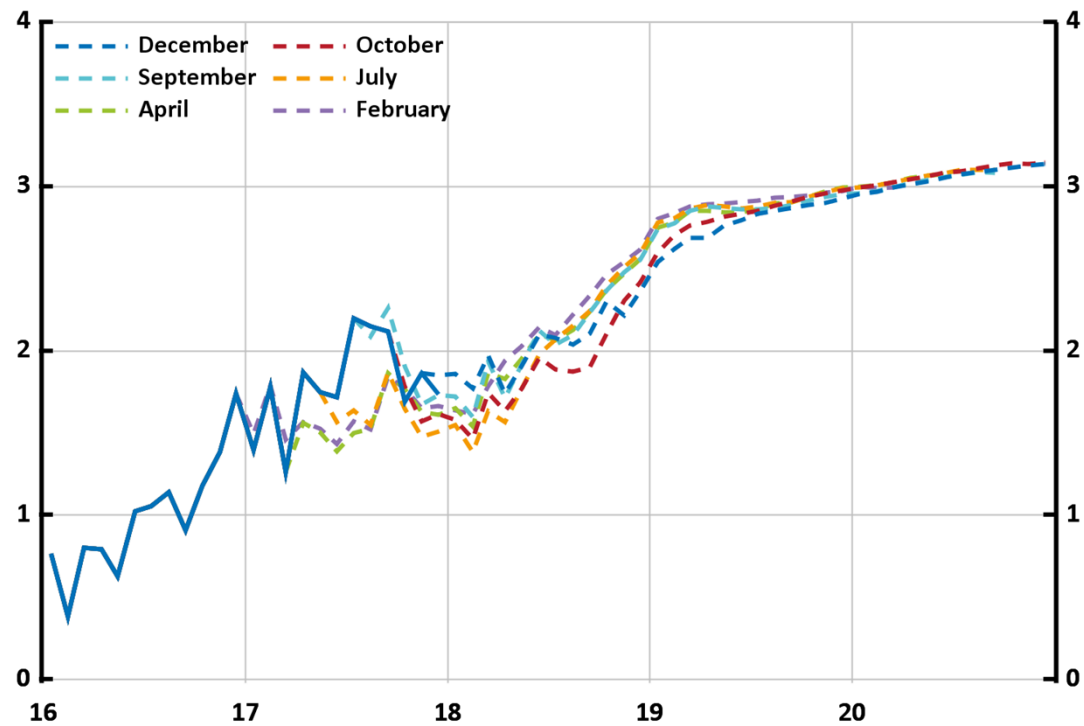
Annual percentage change



Sources: Statistics Sweden and the Riksbank

Figure 2.4. CPI, forecasts 2017

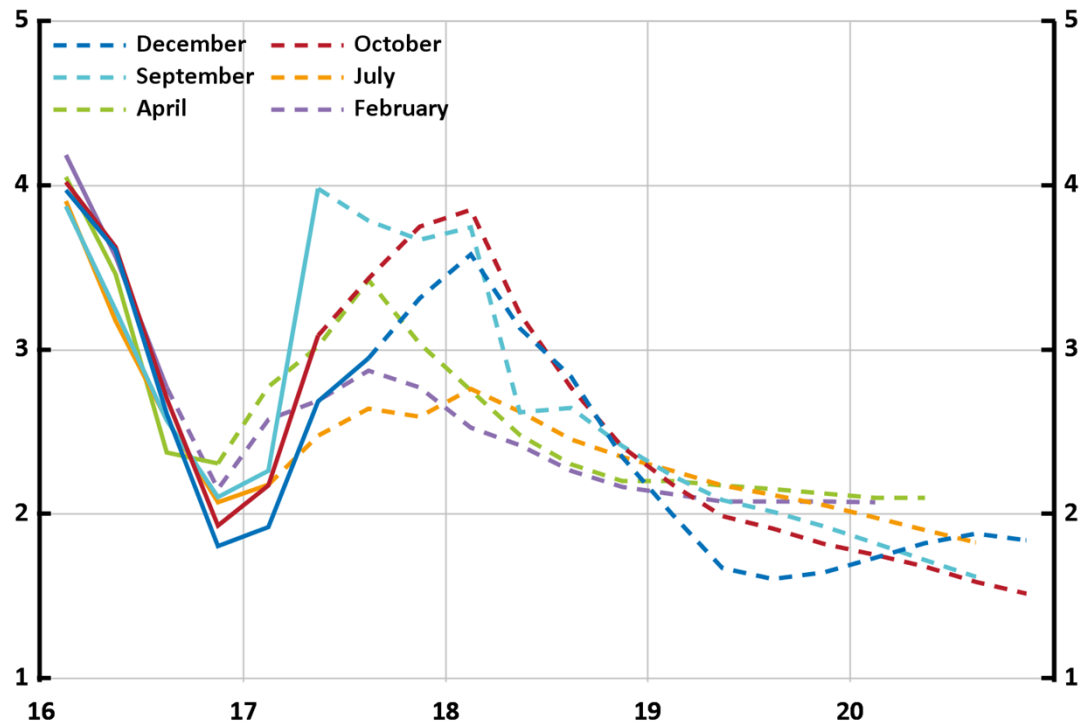
Annual percentage change



Sources: Statistics Sweden and the Riksbank

Figure 2.5. GDP, forecasts 2017

Annual percentage change

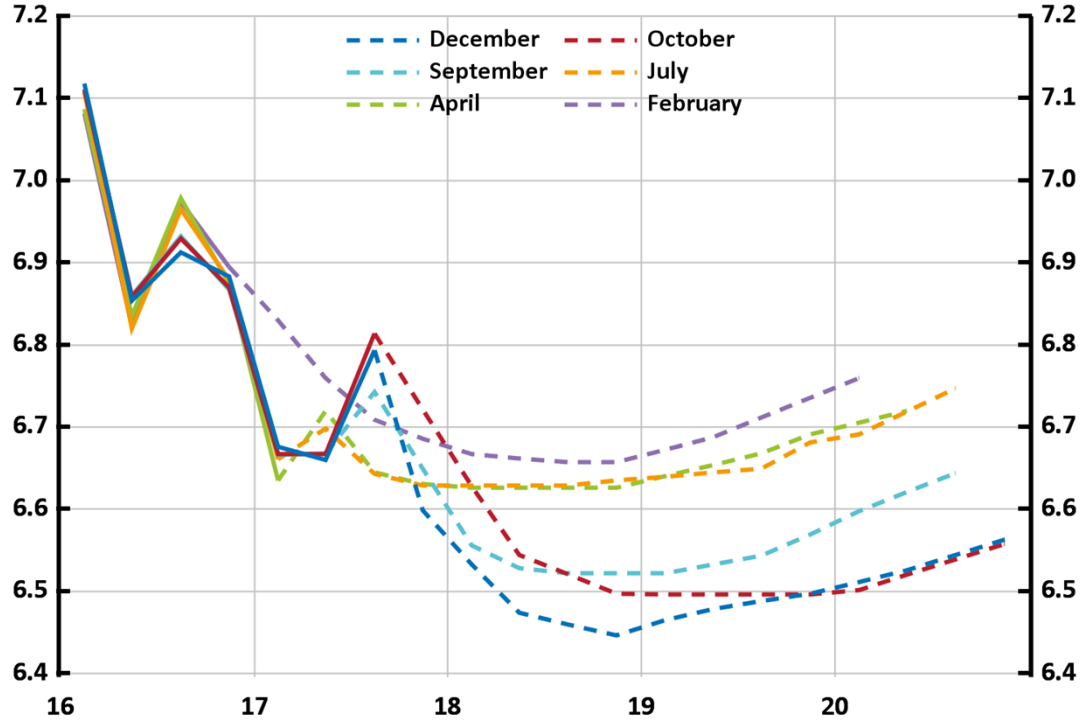


Note. Several outcome lines are shown in the figure. This is because the outcomes have been revised by Statistics Sweden.

Sources: Statistics Sweden and the Riksbank

Figure 2.6. Unemployment, forecasts 2017

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

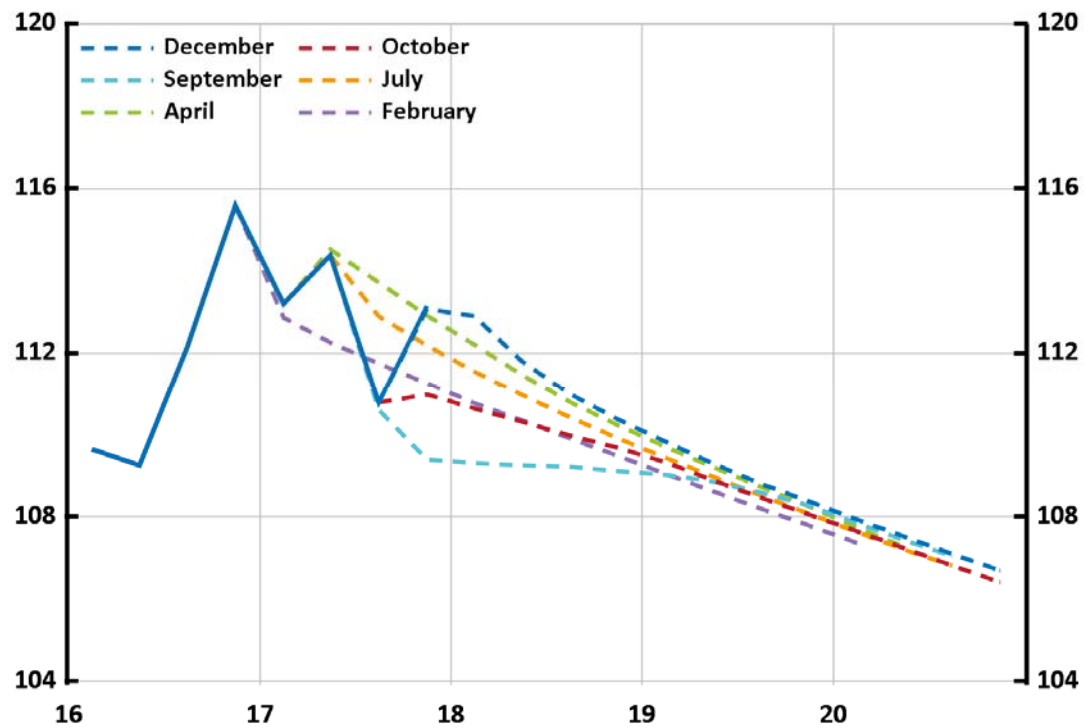


Note. Several outcome lines are shown in the figure. This is because the outcomes have been revised by Statistics Sweden.

Sources: Statistics Sweden and the Riksbank

Figure 2.7. KIX-weighted nominal exchange rate, forecasts 2017

Index, 18 November 1992 = 100

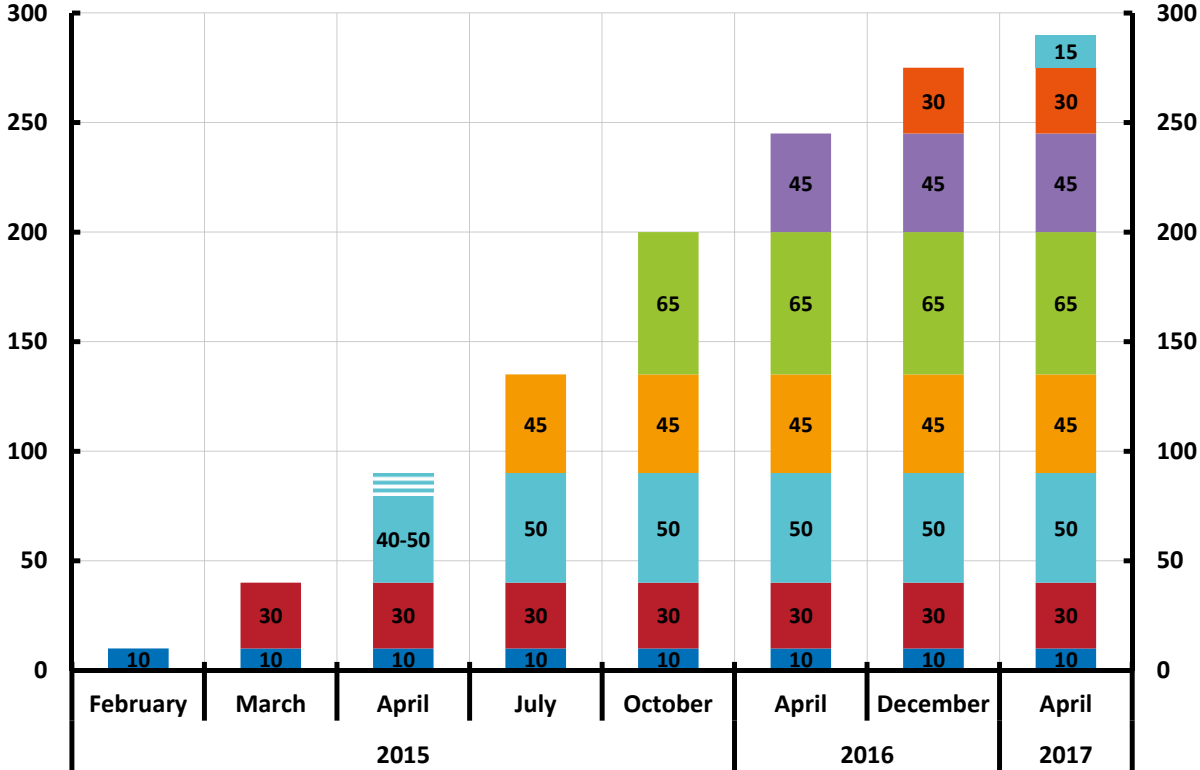


Note. KIX refers to an aggregate of countries that are important for Sweden's international transactions.

Sources: National sources and the Riksbank

Figure 2.8. Purchases of government bonds decided by the Riksbank

Nominal amounts, SEK billion

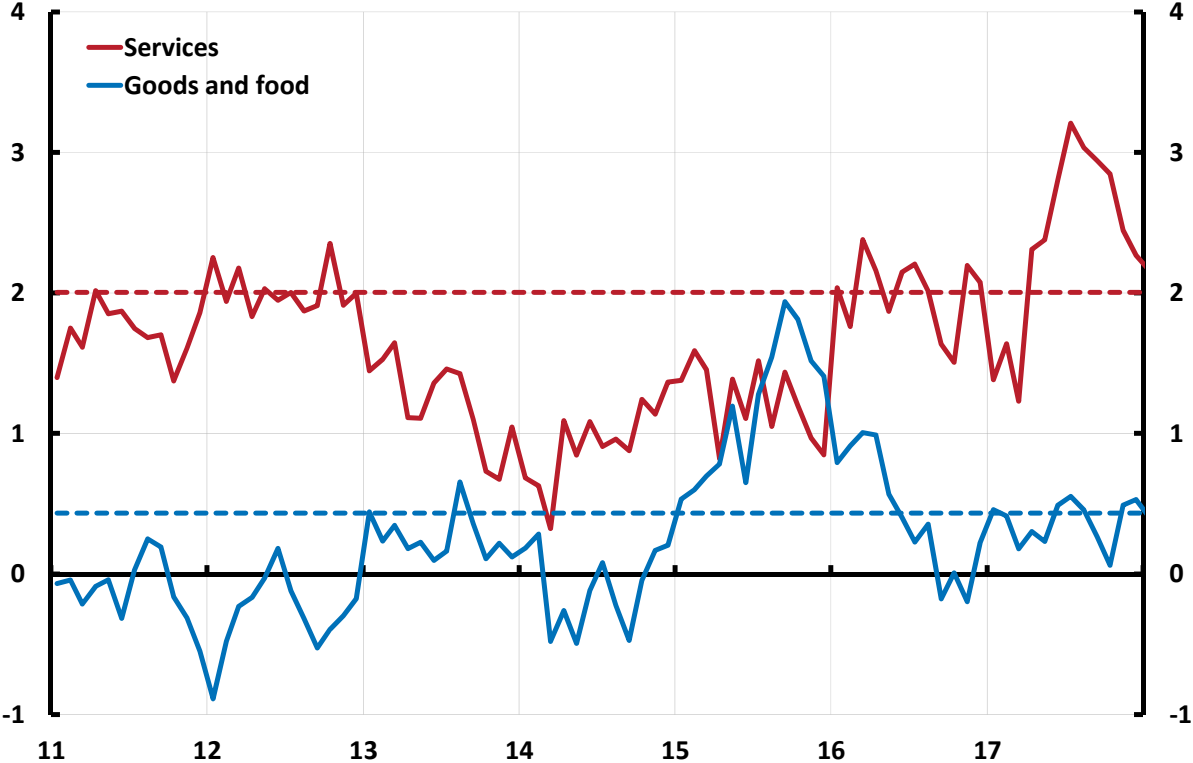


Note. Government bond purchases, excluding reinvestments.

Source: The Riksbank

Figure 2.9. Prices of goods and services in CPIF

Annual percentage change

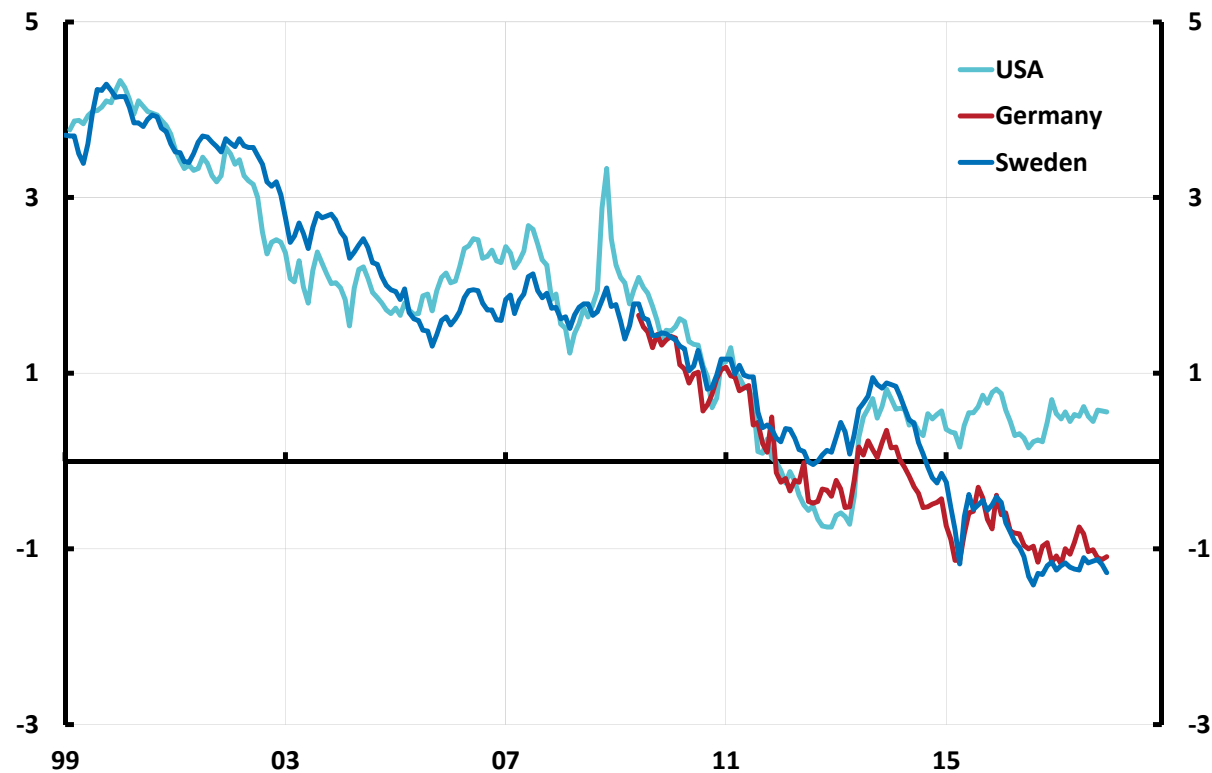


Note. Goods and food is a combination of the aggregate goods and food in the CPIF. Together, these account for 45 per cent of the CPIF. Service prices account for 45 per cent of the CPIF. The broken lines represents the mean value since January 1995.

Sources: Statistics Sweden and the Riksbank

Figure 2.10. Real interest rates

Per cent

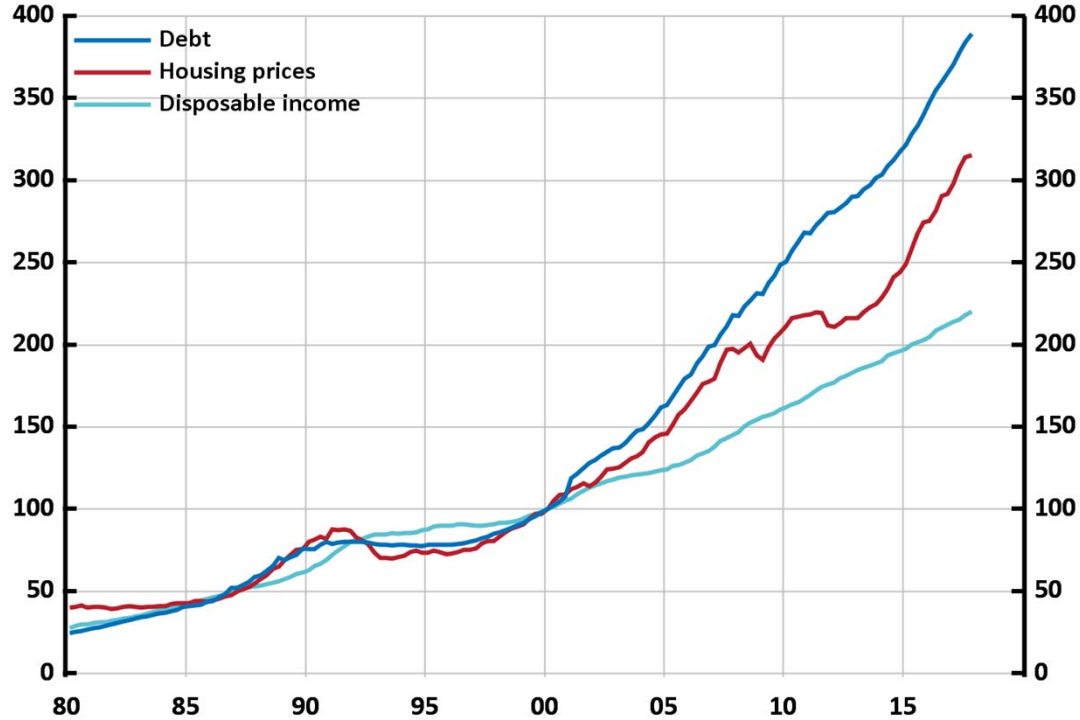


Note. 10-year yield on real government bonds in Sweden, Germany and the United States. Swedish real interest rate is zero coupon yields interpolated from bond prices using the Nelson-Siegel method.

Sources: Federal Reserve, Thomson Reuters and the Riksbank

Figure 2.11. Housing prices, households debt and disposable income

Index, 2000 Q1 = 100

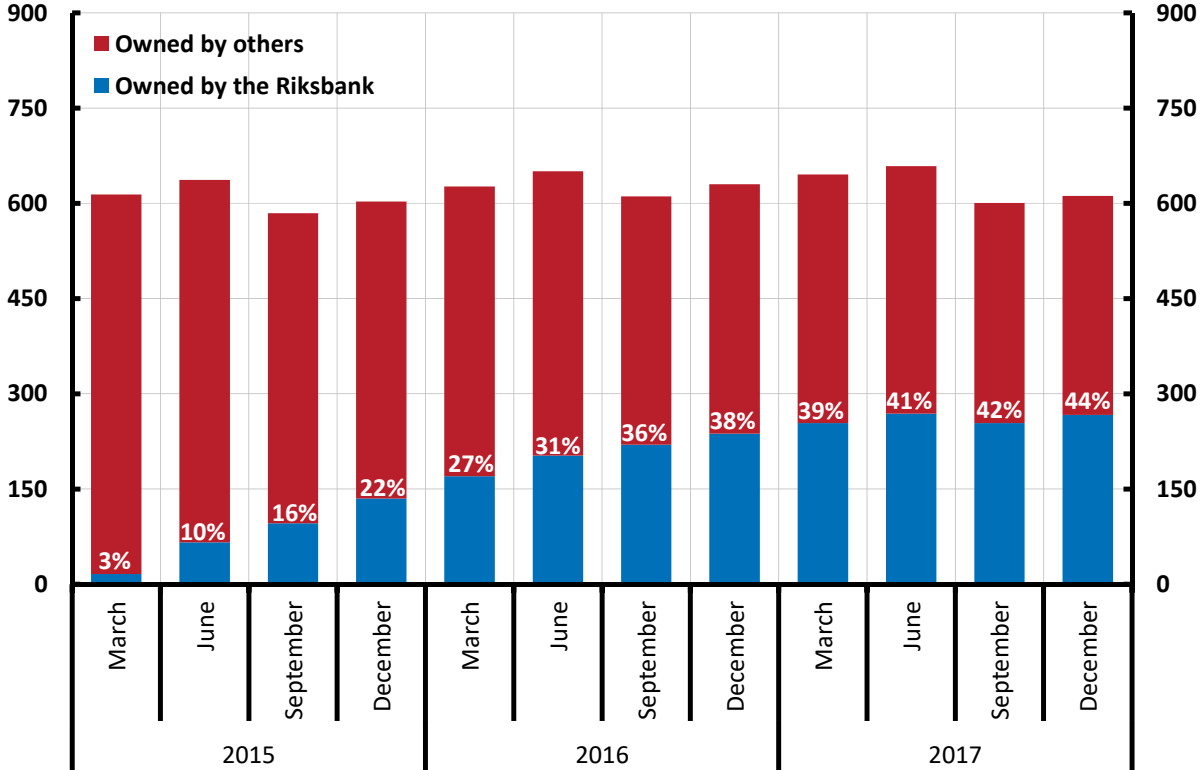


Note. Disposable income refers to four-quarter moving average and housing prices refers to property price index.

Source: Statistics Sweden and the Riksbank

Figure 2.12. Outstanding stock of nominal government bonds and the Riksbank's holdings

Billions and percentage of stock

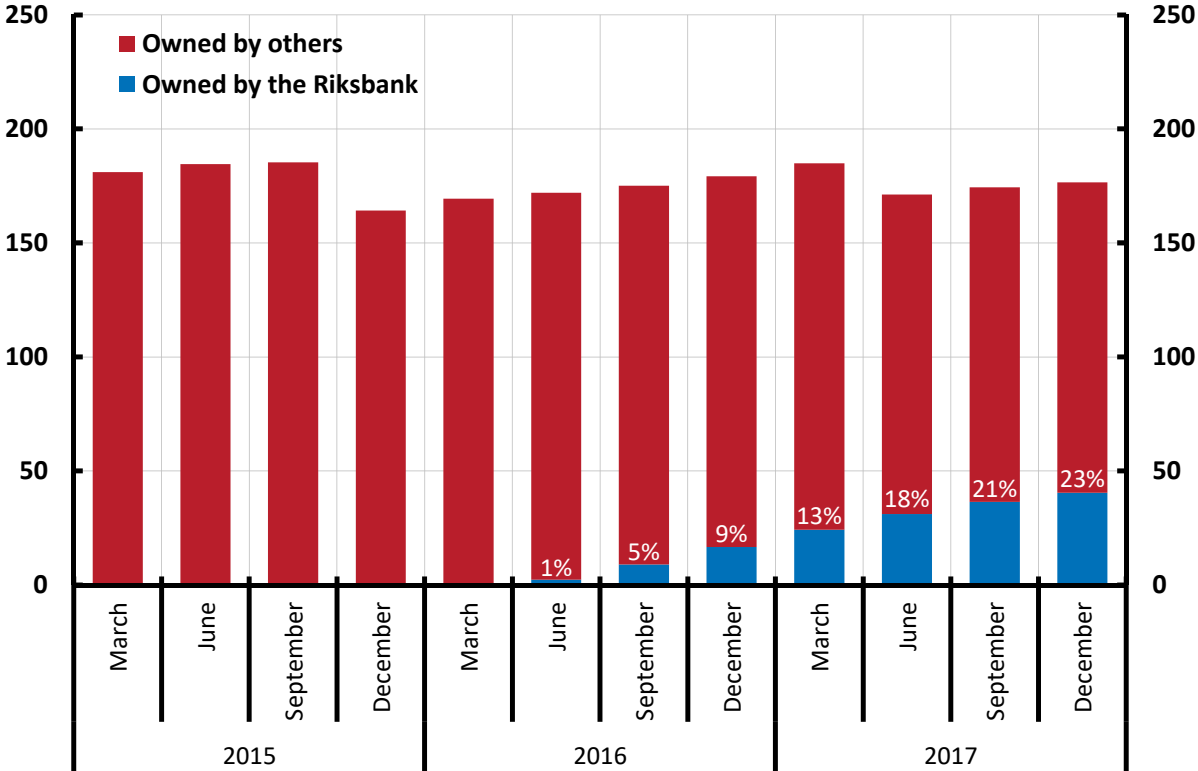


Note. Both outstanding stock and the Riksbank's holdings refer to nominal amount.

Sources: Swedish National Debt Office and the Riksbank

Figure 2.13. Outstanding stock of real government bonds and the Riksbank's holdings

Billions and percentage of stock

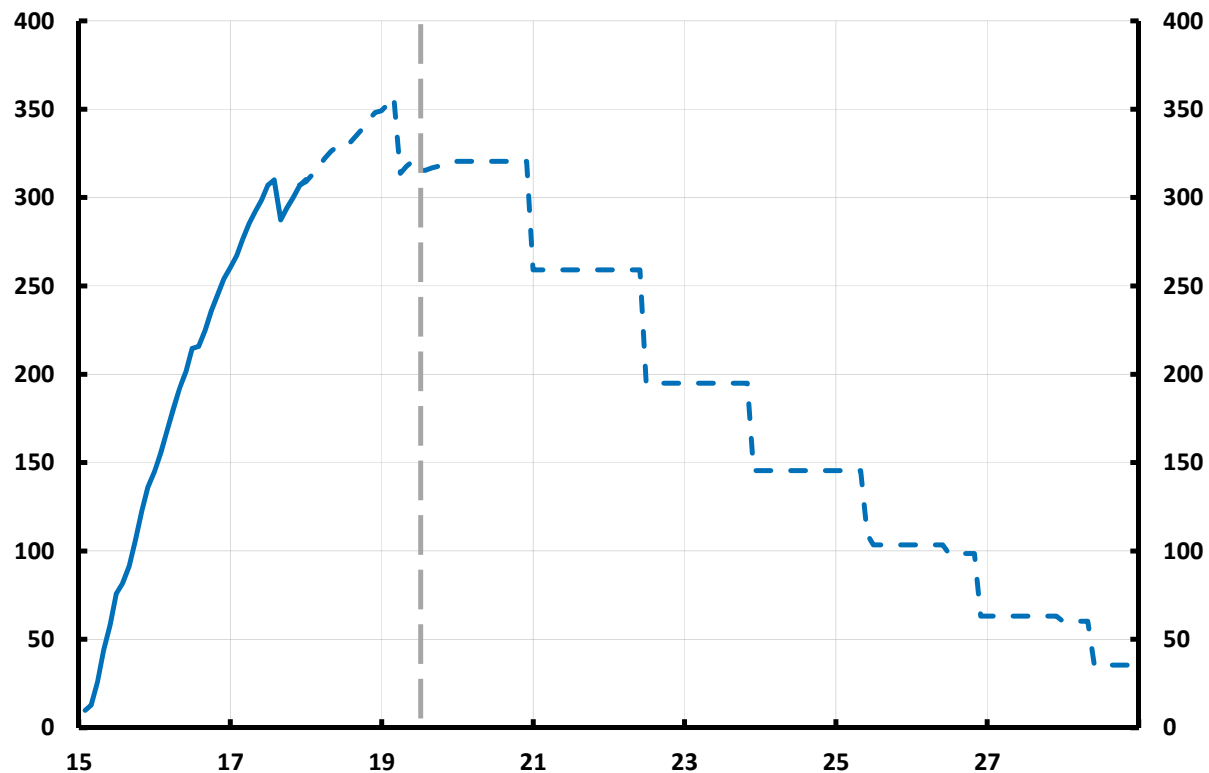


Note. Both outstanding stock and the Riksbank's holdings refer to nominal amount.

Sources: Swedish National Debt Office and the Riksbank

Figure 2.14. The Riksbank's holdings of government bonds

Nominal amounts, SEK billion

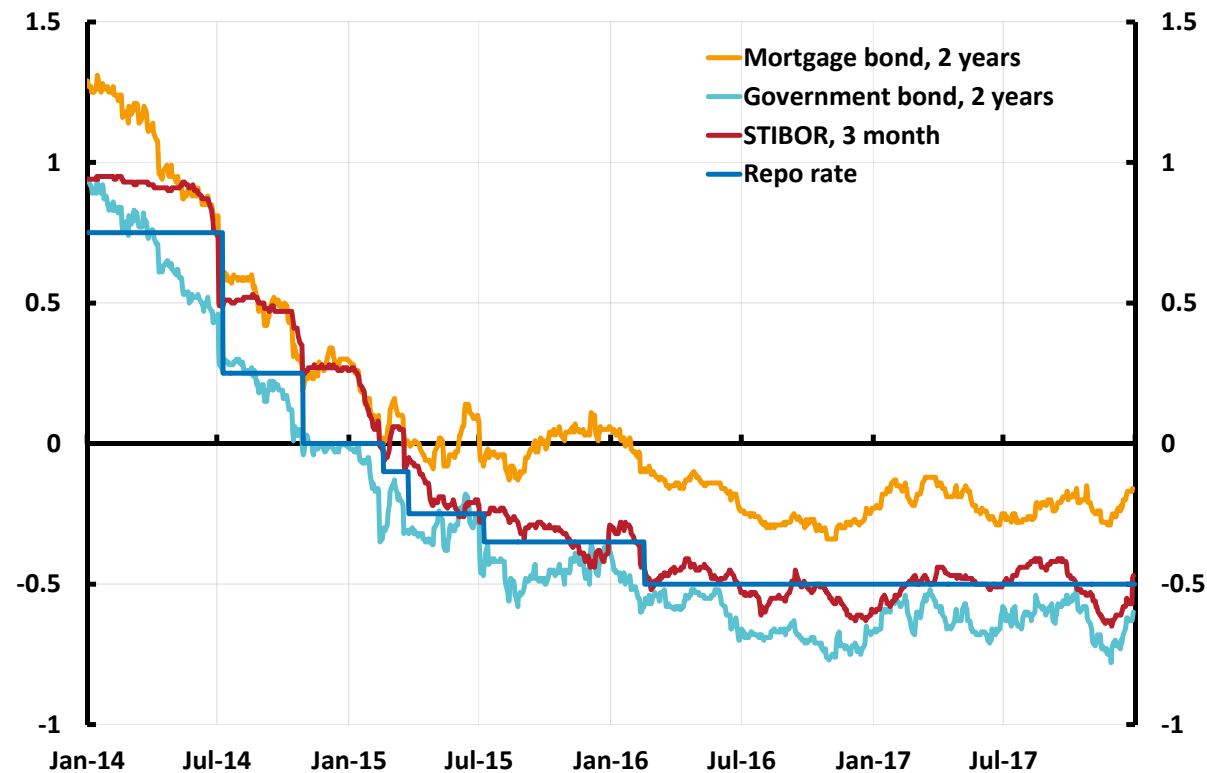


Note. Forecast December 2017 up until June 2019, after that a technical projection with the assumption that no further reinvestments are made. The development of the holdings is also affected to a certain extent by the bonds' market prices and by which bonds the Riksbank chooses to reinvest in. The vertical line marks the shift between the forecast and technical projection.

Source: The Riksbank

Figure 2.15. Interest rates in Sweden with up to 2-year maturity

Per cent

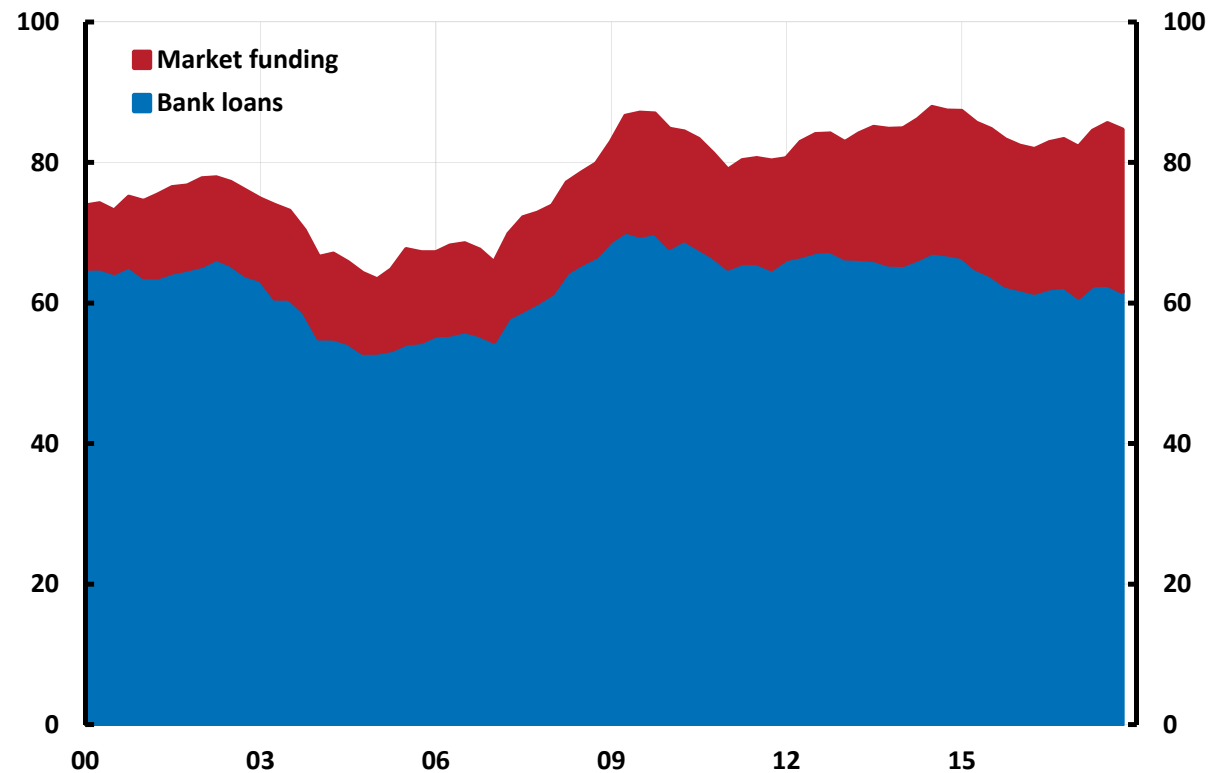


Note. The rate for government bonds and mortgage bonds refers to the implied zero coupon rate.

Source: The Riksbank

Figure 2.16. Non-financial companies' debts in Sweden

Per cent of GDP

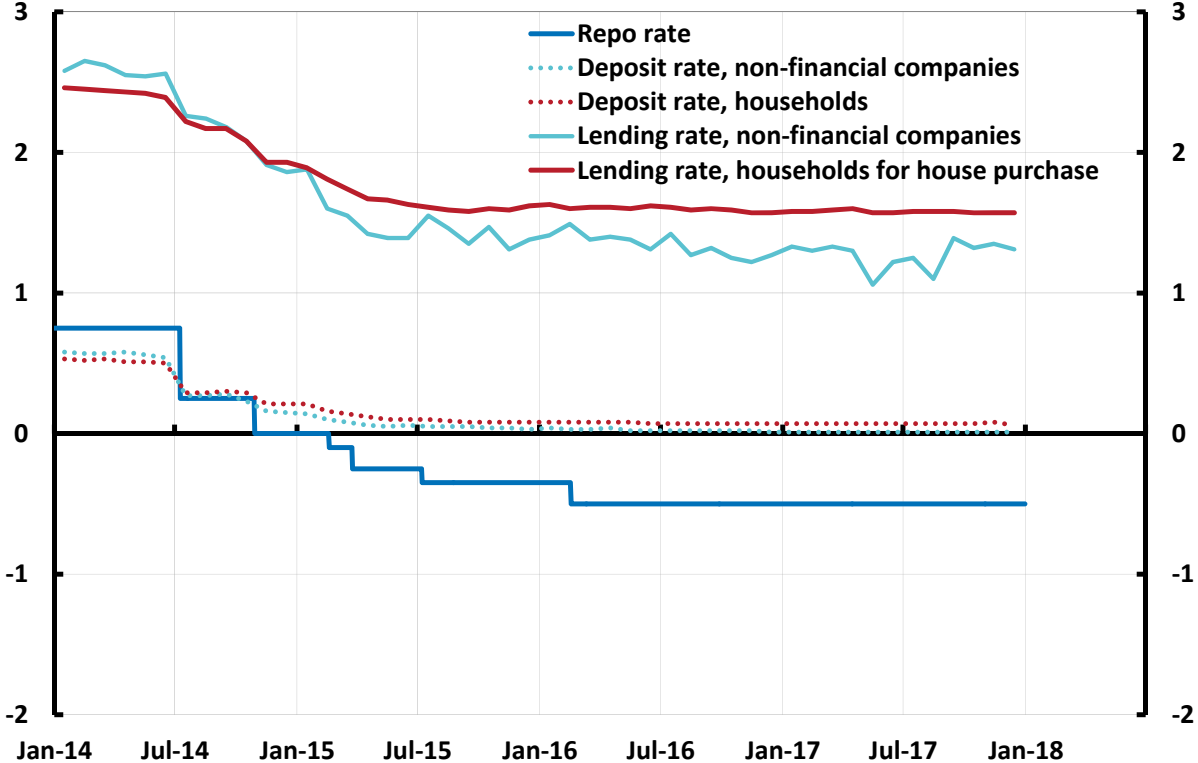


Note. Market funding refers to certificates and bonds.

Sources: Statistics Sweden and the Riksbank

Figure 2.17. Repo rate together with the average deposit and lending rate to households and companies, new contracts

Per cent

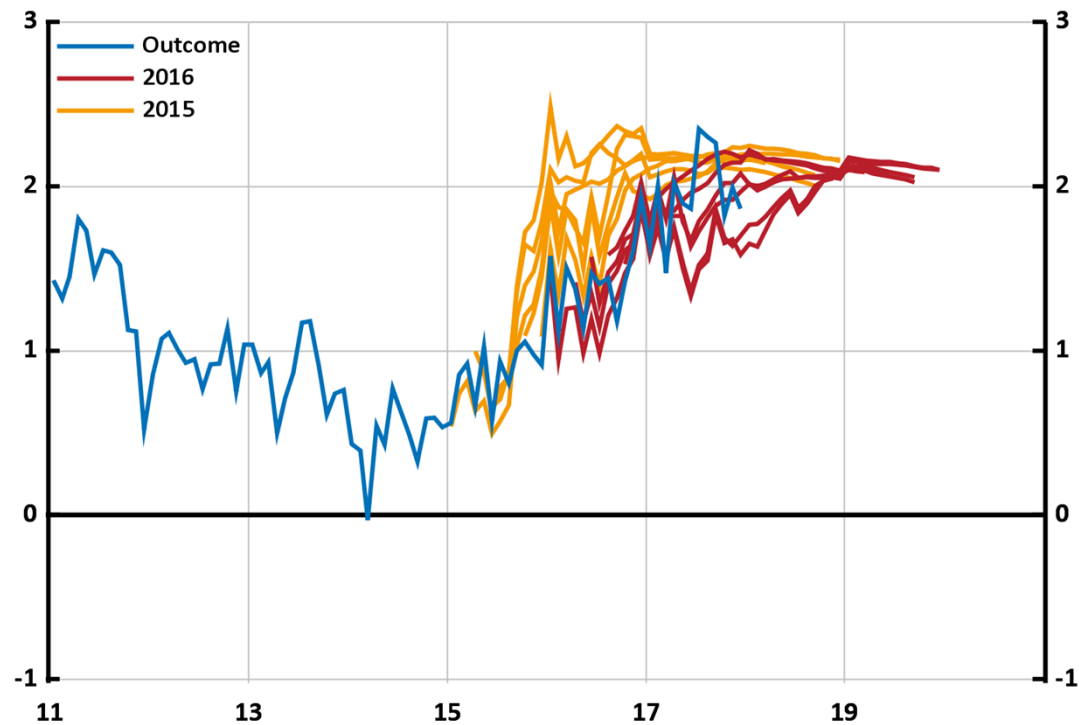


Note. MFIs' average deposit and lending rates are a weighted average of all interest rates for different maturities.

Sources: Statistics Sweden and the Riksbank

Figure 3.1. CPIF, outcome and forecasts

Annual percentage change

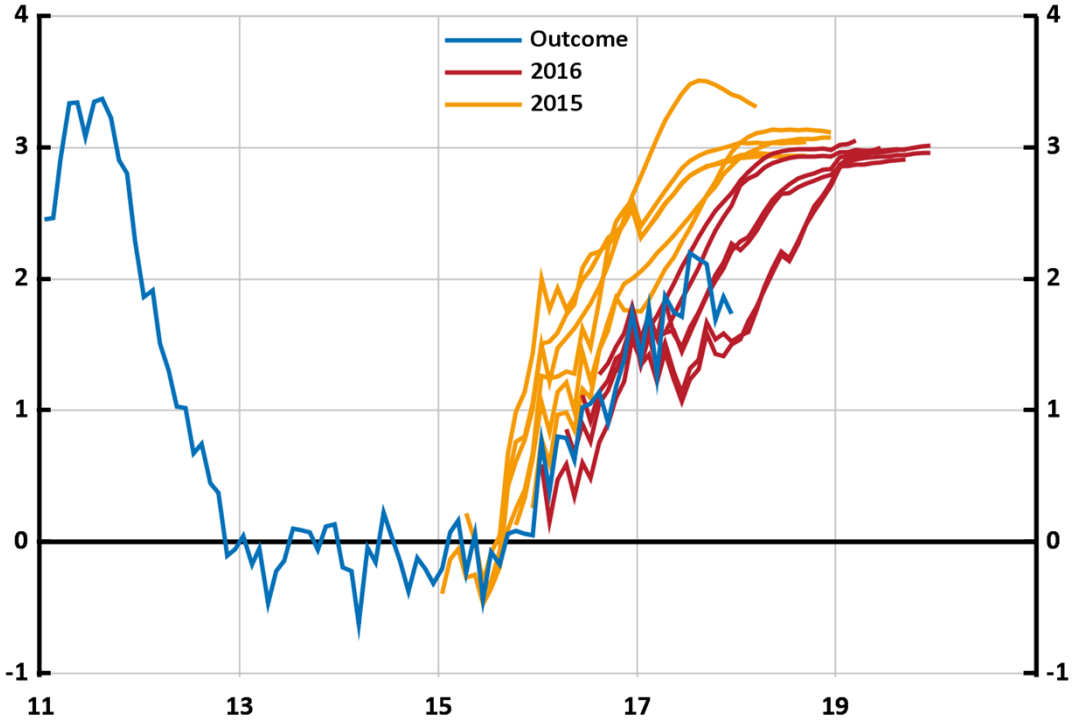


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Sources: Statistics Sweden and the Riksbank

Figure 3.2. CPI, outcome and forecasts

Annual percentage change

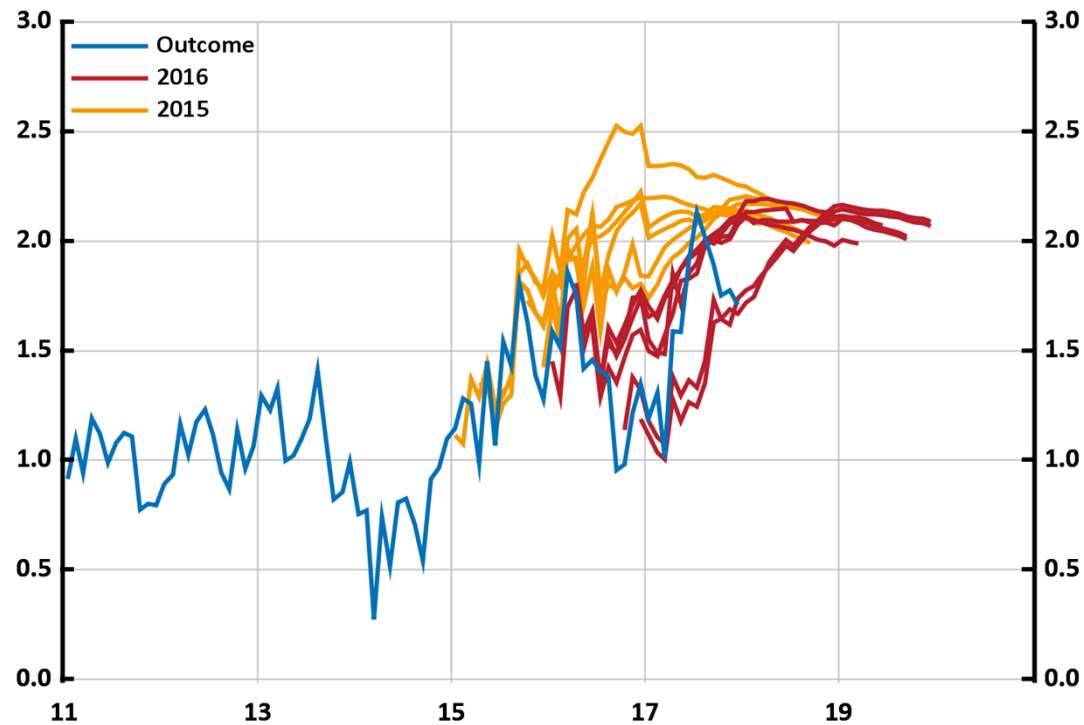


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Sources: Statistics Sweden and the Riksbank

Figure 3.3. CPIF excluding energy, outcome and forecasts

Annual percentage change

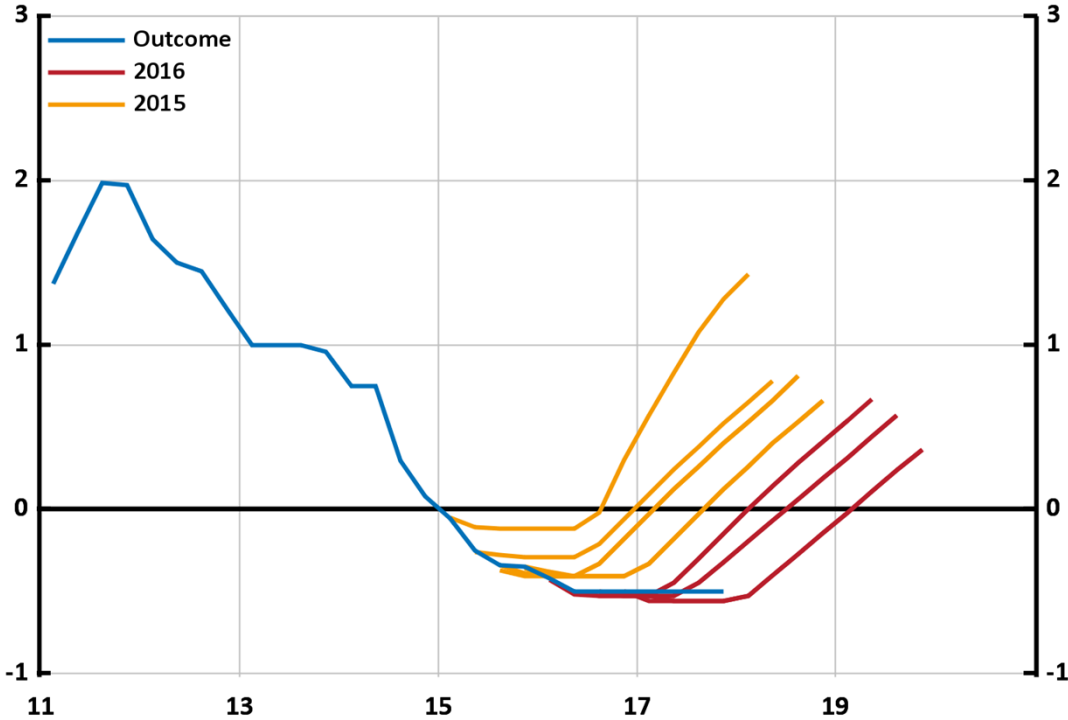


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Sources: Statistics Sweden and the Riksbank

Figure 3.4. Repo rate, outcome and forecasts

Per cent, quarterly averages

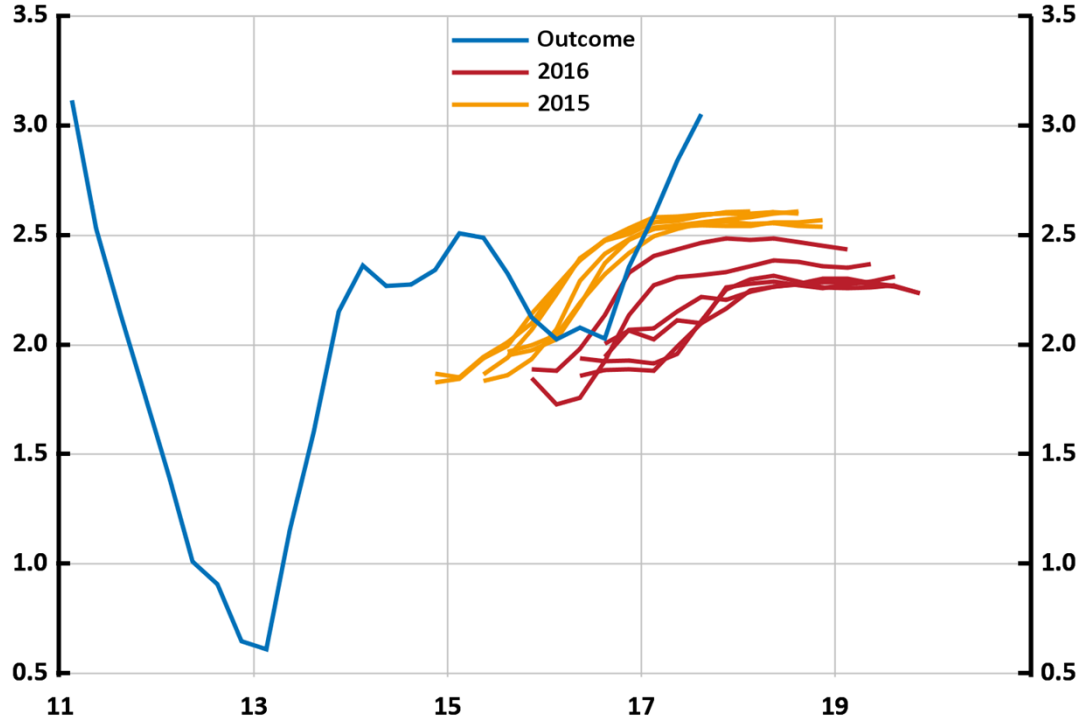


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Source: The Riksbank

Figure 3.5. GDP abroad, outcome and forecasts

KIX-weighted, annual percentage change

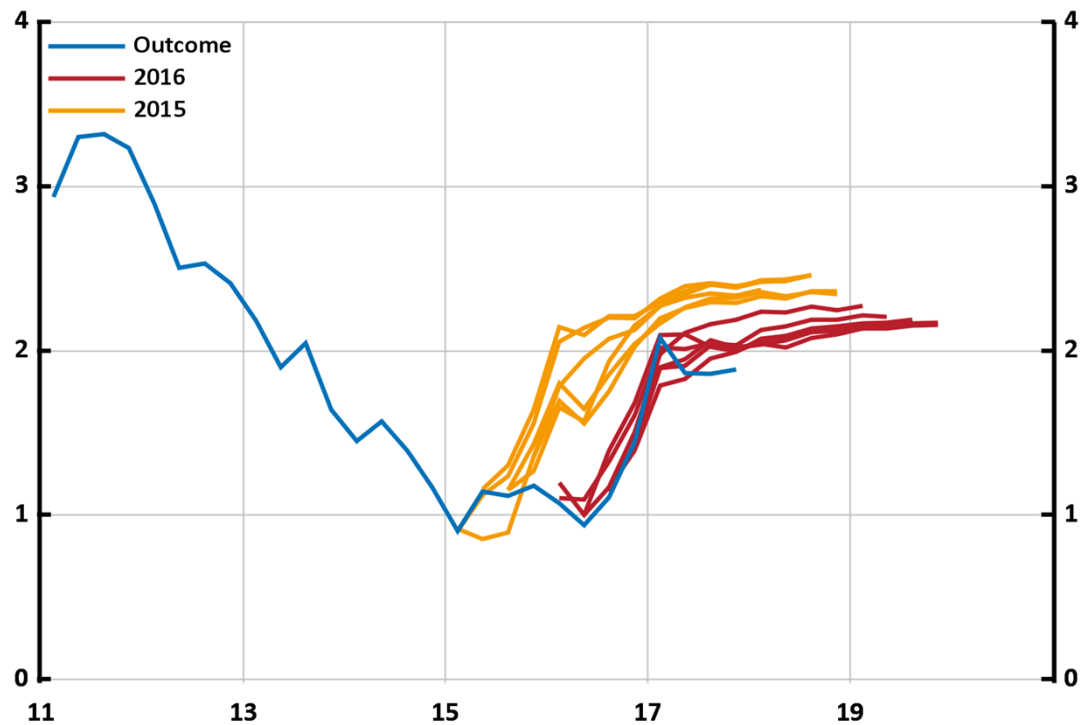


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016. KIX refers to an aggregate of countries that are important for Sweden's international transactions.

Sources: National sources and the Riksbank

Figure 3.6. Inflation abroad, outcome and forecasts

KIX-weighted, annual percentage change

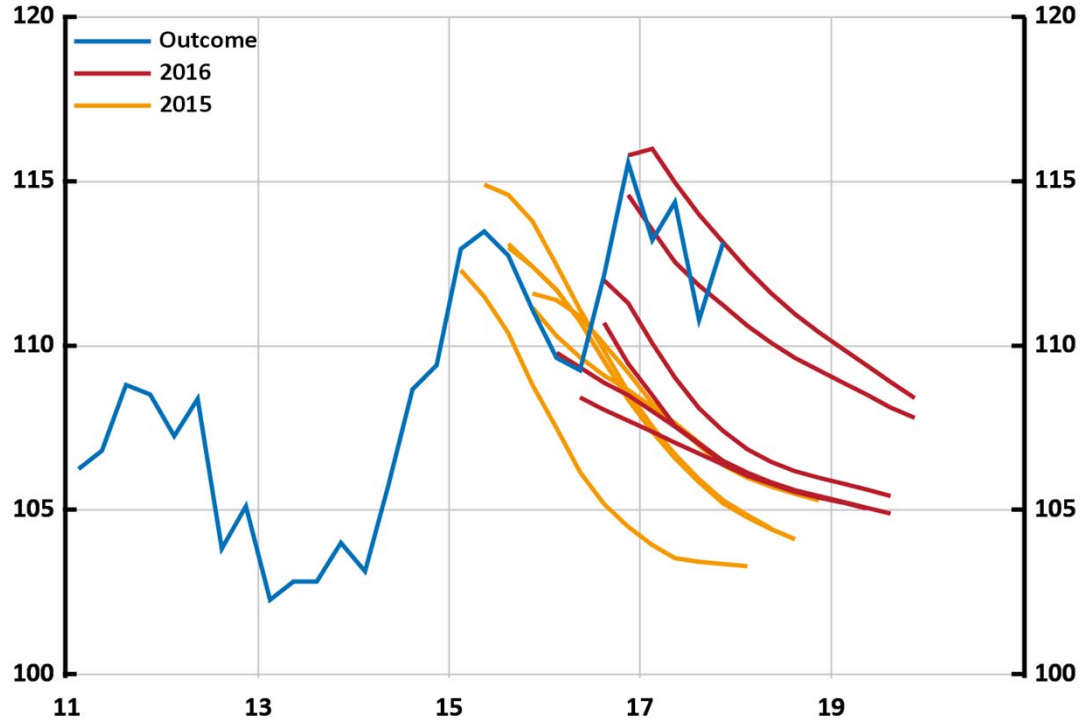


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016. KIX refers to an aggregate of countries that are important for Sweden's international transactions.

Sources: National sources and the Riksbank

Figure 3.7. KIX-weighted nominal exchange rate, outcome and forecasts

Index, 18 November 1992 = 100

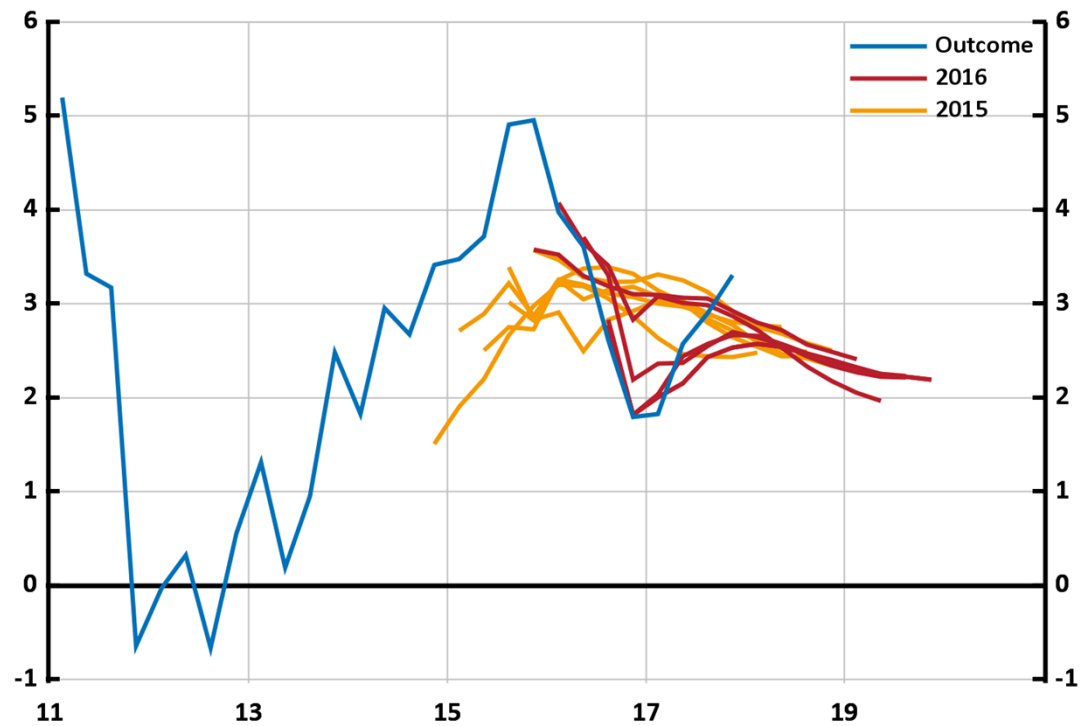


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016. KIX is an aggregate of countries that are important for Sweden's international trade.

Source: National sources and The Riksbank

Figure 3.8. GDP, outcome and forecasts

Annual percentage change, calendar-adjusted data

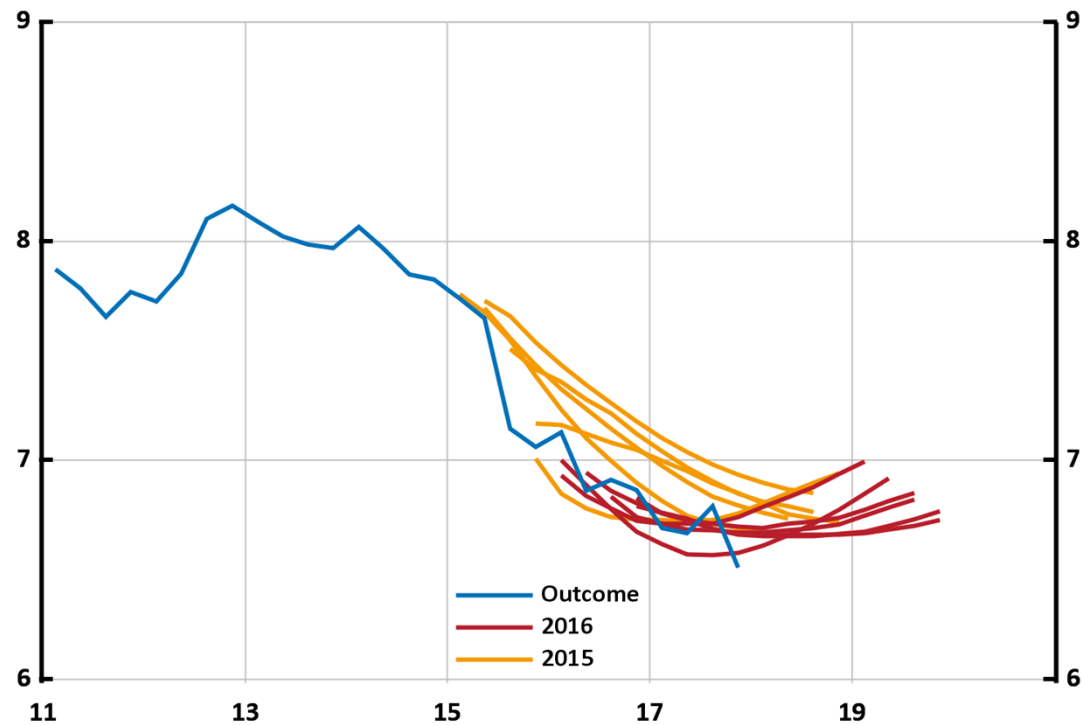


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Sources: Statistics Sweden and the Riksbank

Figure 3.9. Unemployment, outcome and forecasts

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

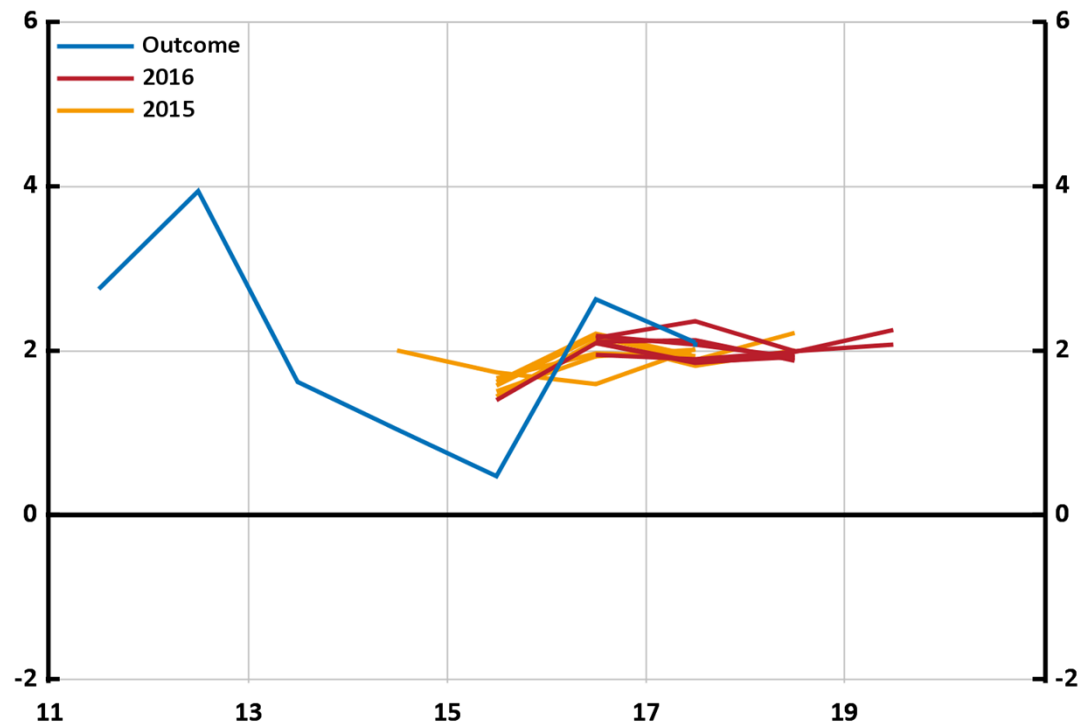


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Sources: Statistics Sweden and the Riksbank

Figure 3.10. Unit labour cost, outcome and forecasts

Annual percentage change

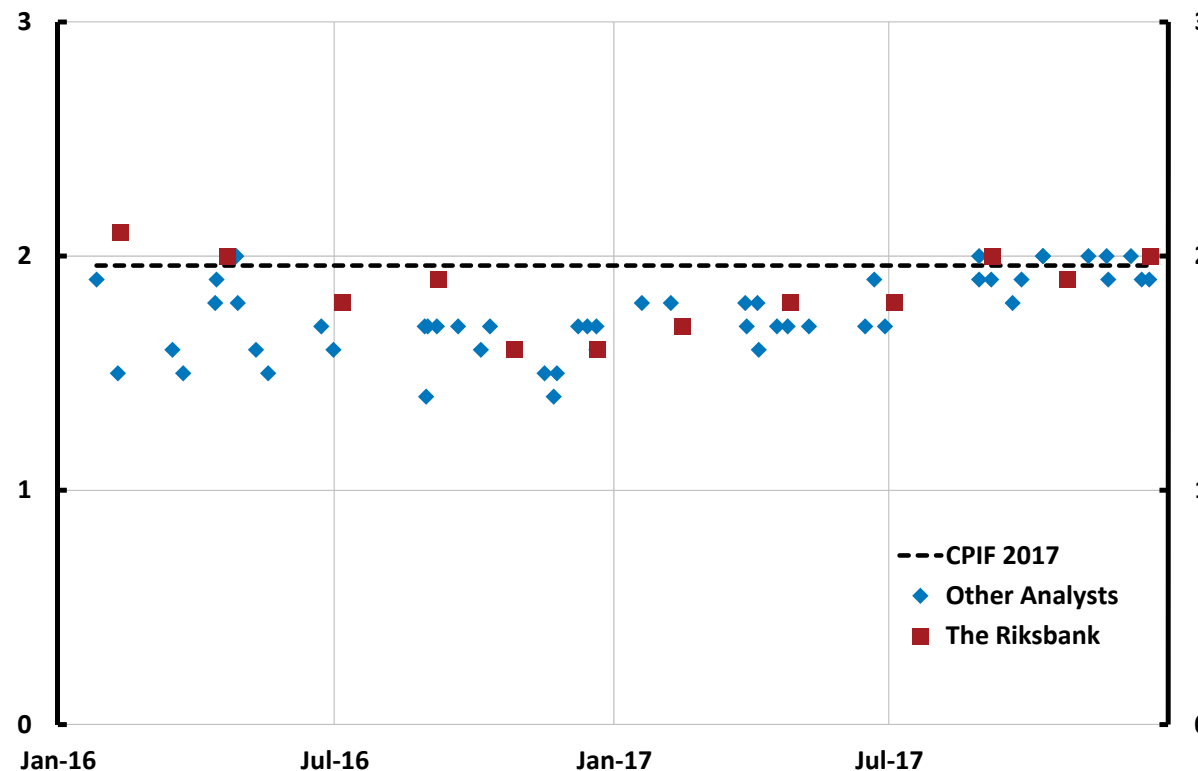


Note. The yellow and red lines represent the Riksbank's forecasts 2015 and 2016.

Source: Statistics Sweden and the Riksbank

Figure 3.11. Forecasts 2016 and 2017 for CPIF inflation in 2017

Annual percentage change, annual average

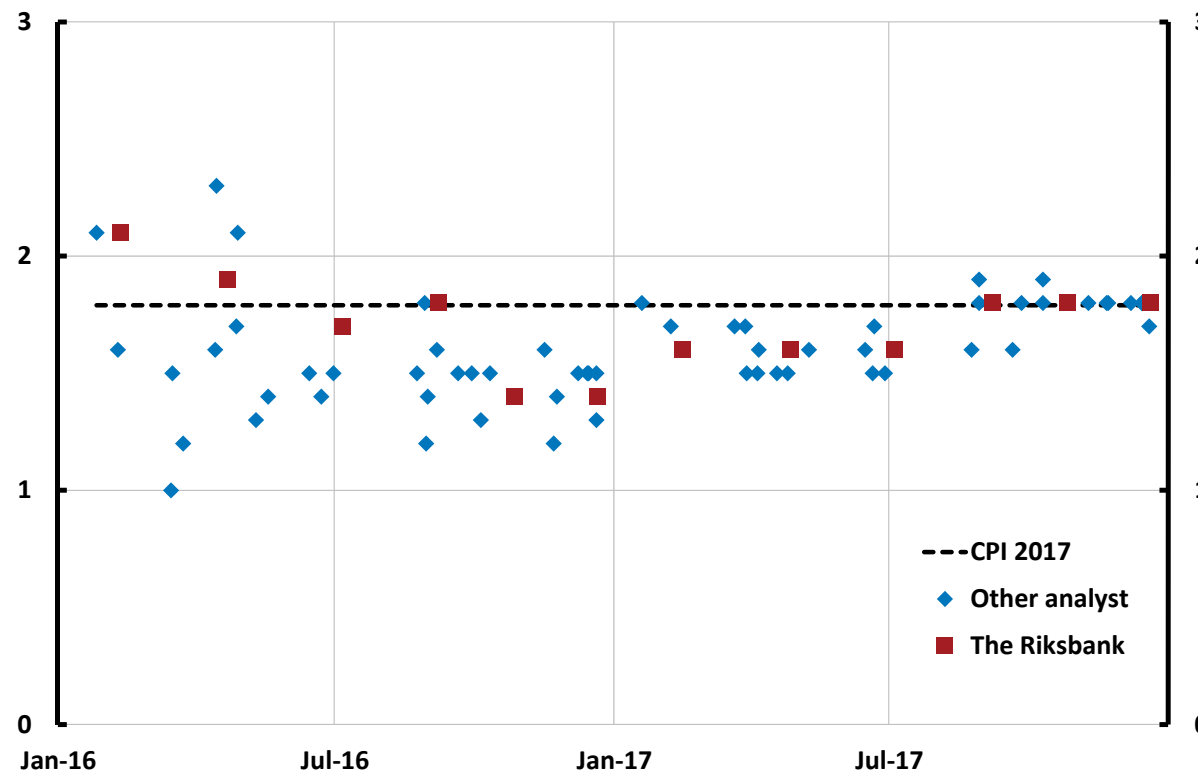


Note. Other analysts refer to the Ministry of Finance, HUI Research AB, the National Institute of Economic Research, the Swedish Trade Union Confederation (LO), Nordea, SEB, Svenska Handelsbanken, the Confederation of Swedish Enterprise and Swedbank.

Sources: Respective analysts, Statistics Sweden and the Riksbank

Figure 3.12. Forecasts 2016 and 2017 for CPI inflation in 2017

Annual percentage change, annual average

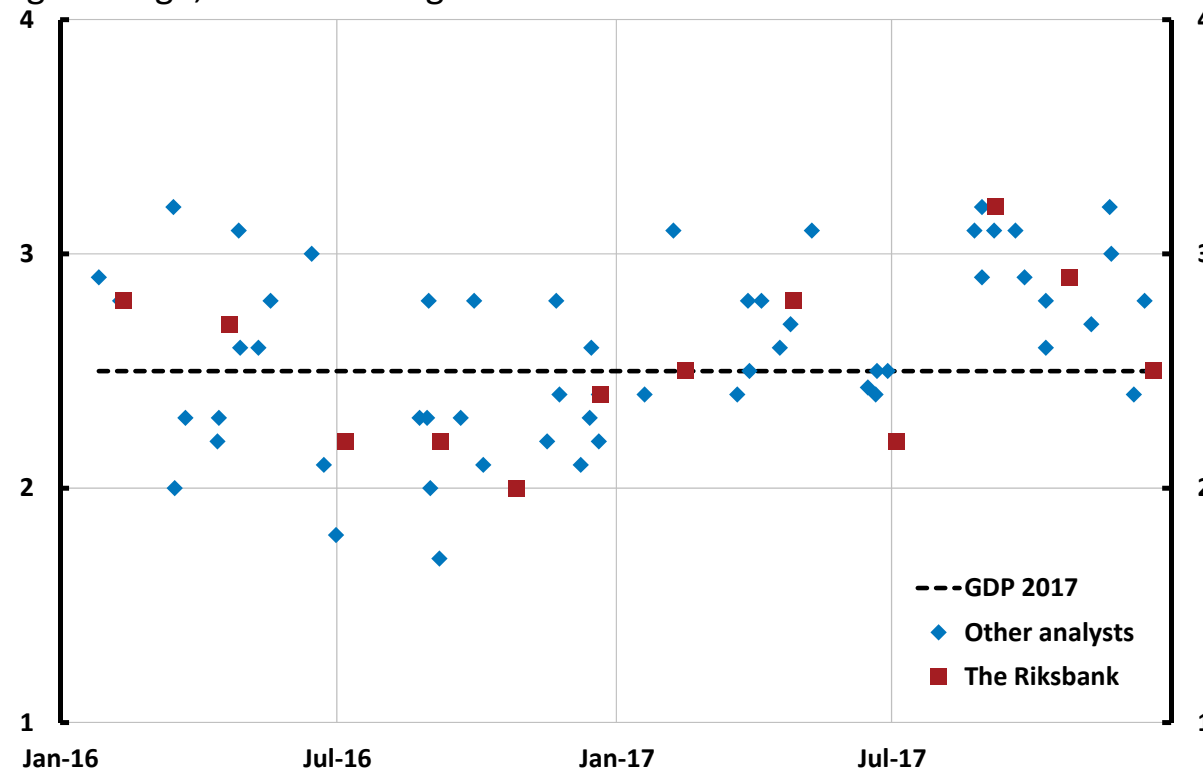


Note. Other analysts refer to those specified in Figure 3:11.

Sources: Respective analysts, Statistics Sweden and the Riksbank

Figure 3.13. Forecasts 2016 and 2017 for GDP growth in 2017

Annual percentage change, annual average

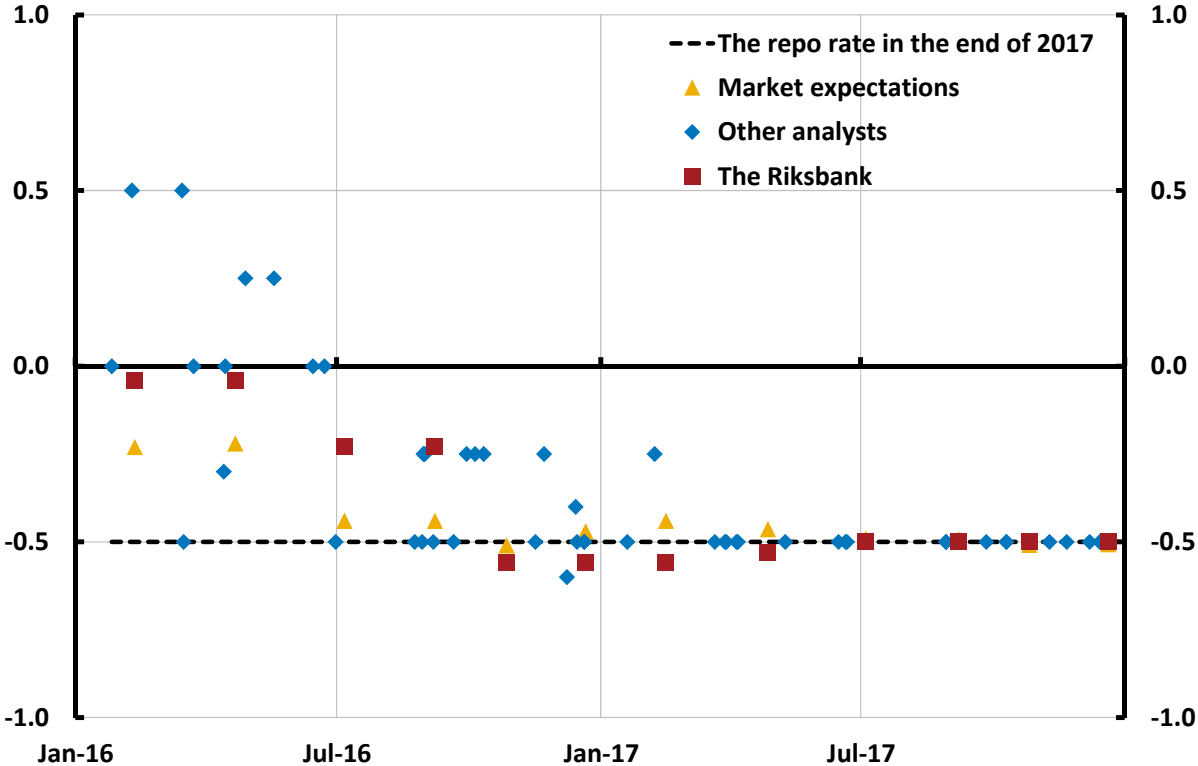


Note. Other analysts refer to those specified in Figure 3:11.

Sources: Respective analysts, Statistics Sweden and the Riksbank

Figure 3.14. Forecasts 2016 and 2017 for the repo rate at the end of 2017

Per cent

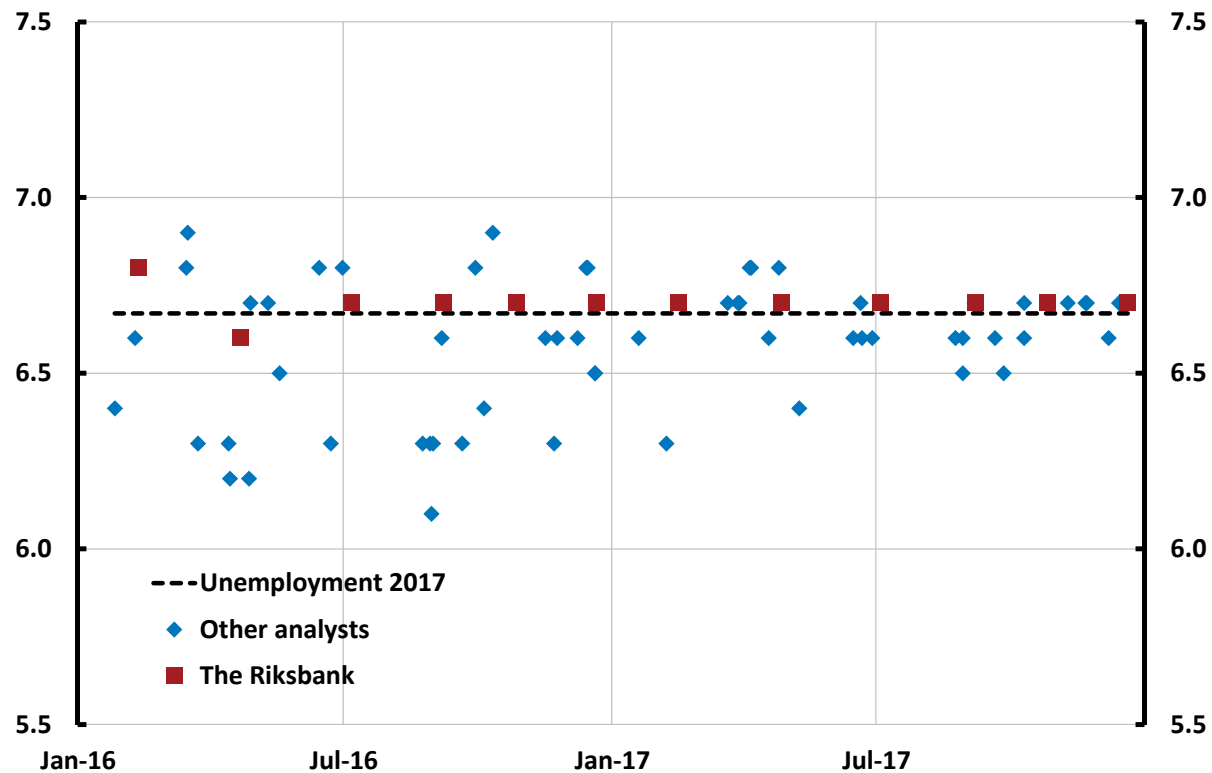


Note. Other analysts refer to the Ministry of Finance, the National Institute of Economic Research, HUI Research AB, Confederation of Swedish Enterprise, Nordea, SEB, Svenska Handelsbanken and Swedbank. Market expectations are calculated according to market pricing of forward rates. The forward rates are calculated using derivative contracts (RIBA and FRA) adjusted for credit risk premiums.

Sources: Respective analysts and the Riksbank

Figure 3.15. Forecasts 2016 and 2017 for unemployment in 2017

Annual percentage change, annual average

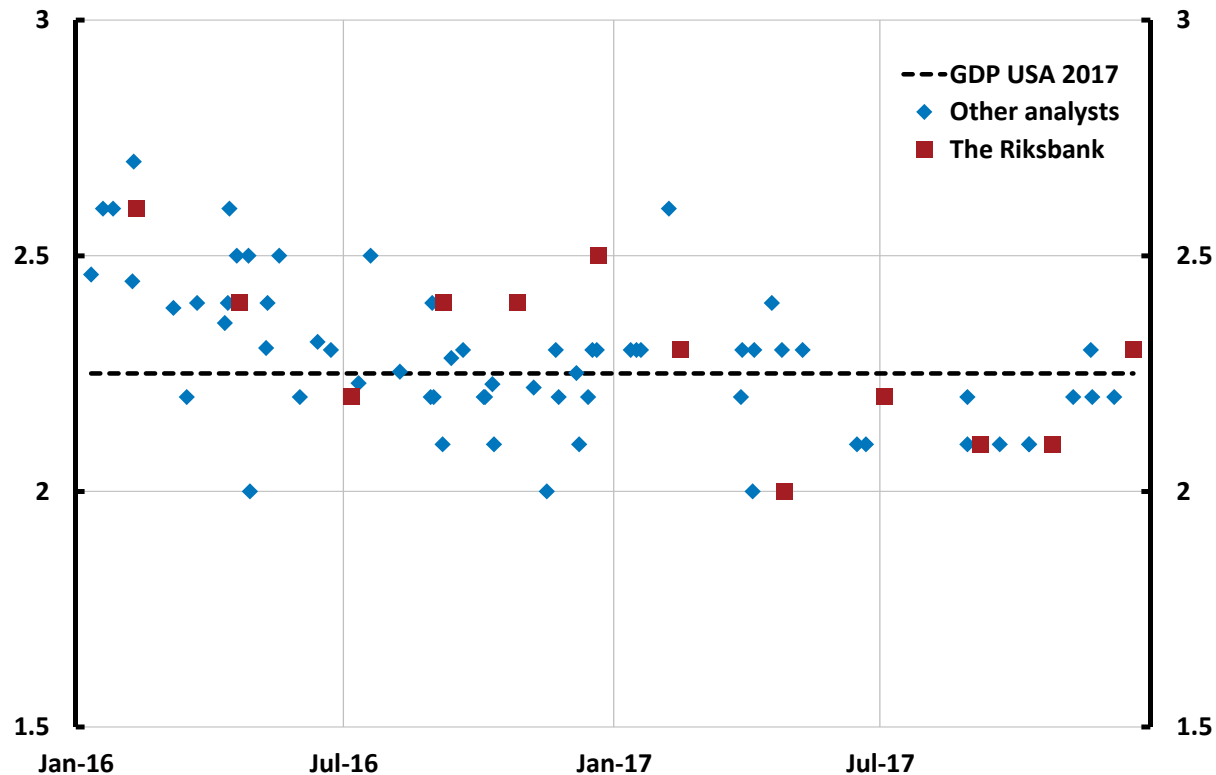


Note. Other analysts refer to those specified in Figure 3:11.

Sources: Respective analysts, Statistics Sweden and the Riksbank

Figure 3.16. Forecasts 2016 and 2017 for GDP growth in the United States in 2017

Annual percentage change, annual average

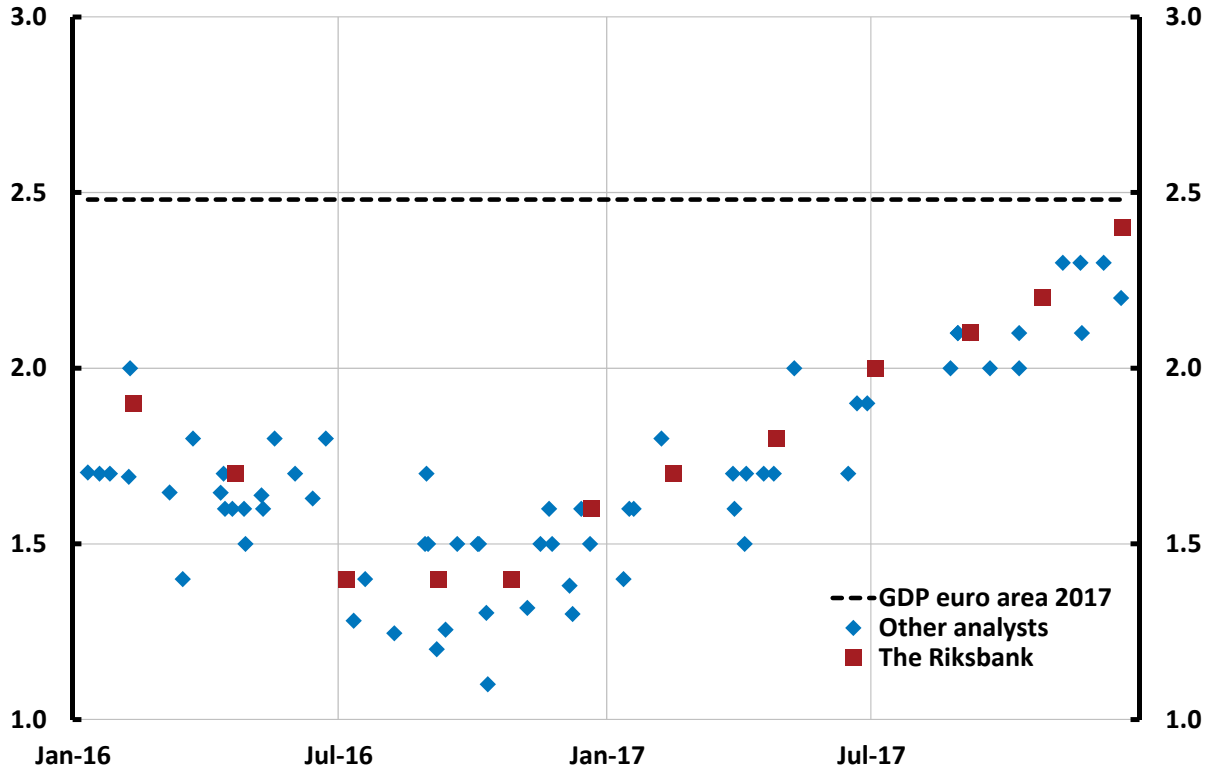


Note. Other analysts refer to Consensus Economics, the Ministry of Finance, IMF, the National Institute of Economic Research, the Swedish Trade Union Confederation (LO), Nordea, OECD, SEB, Svenska Handelsbanken, the Confederation of Swedish Enterprise and Swedbank.

Sources: Respective analysts, Bureau of Economic Analysis and the Riksbank

Figure 3.17. Forecasts 2016 and 2017 for GDP growth in the euro area in 2017

Annual percentage change, annual average



Note. Other analysts refer to those specified in Figure 3:16.

Sources: Respective analyst, Eurostat and the Riksbank