

Monetary policy decision

September 2019

Inflation on target with rate rises at a slower pace

Increased uncertainty abroad

International developments

Trade conflict USA - China

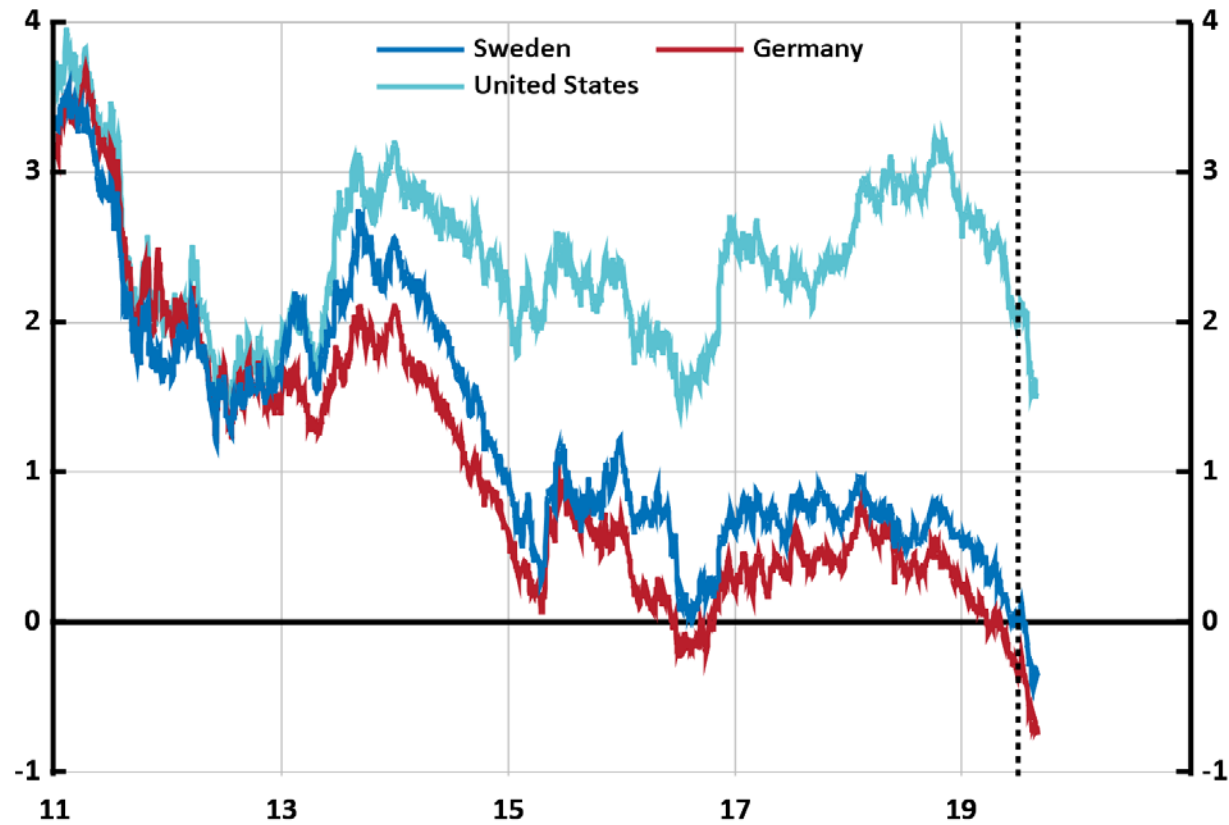
Brexit

Political uncertainty in several countries

Risk of a faster slowdown abroad



Lower interest rates

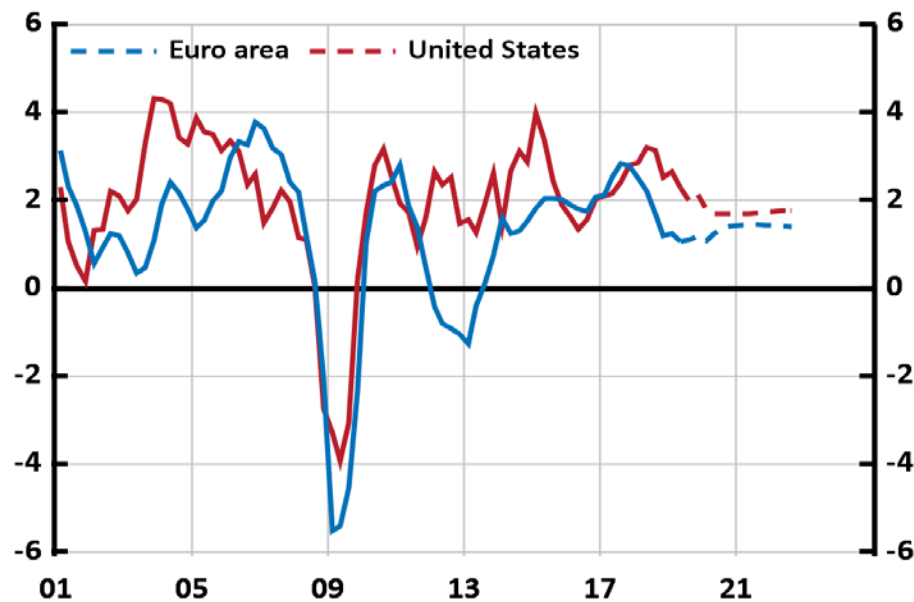


Per cent. Yields on 10-year government bonds.
The vertical line indicates the monetary policy meeting in July.

Sources: National central banks and the Riksbank

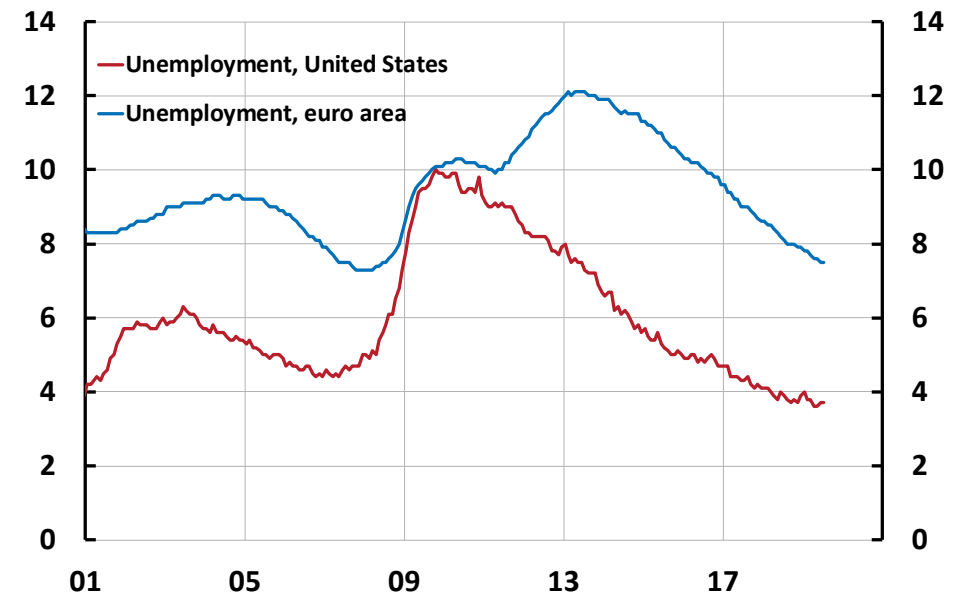
Global economic activity slowing down

More normal growth



Annual percentage change and share of labour force.

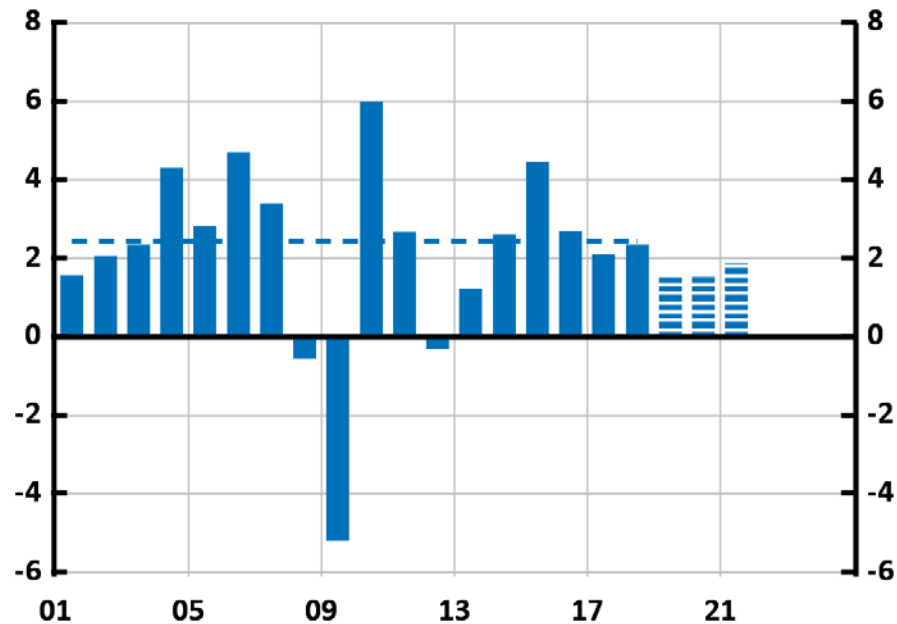
Strong labour market



Sources: Bureau of Economic Analysis, Eurostat and OECD

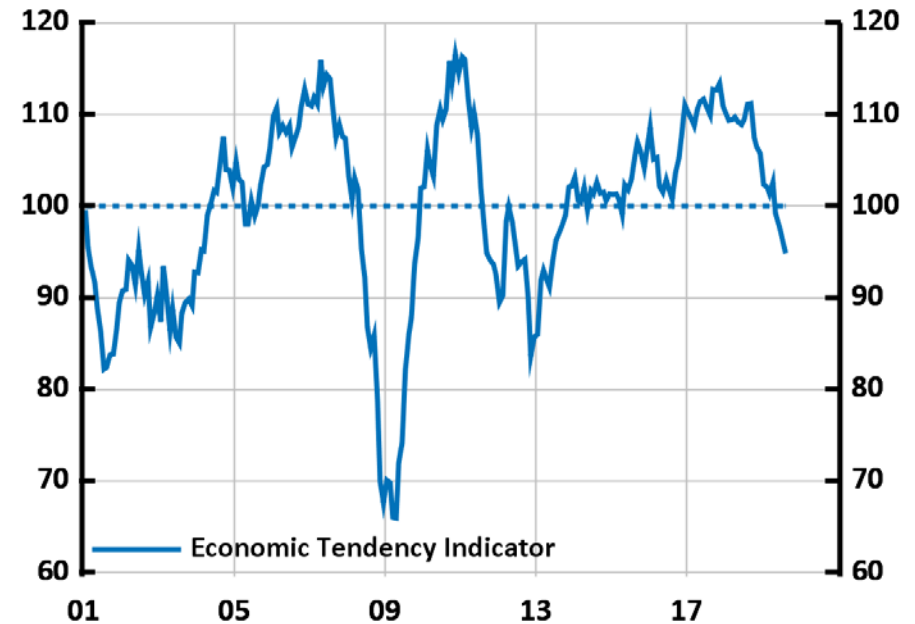
Swedish economy in a calmer phase

GDP growth slowing down



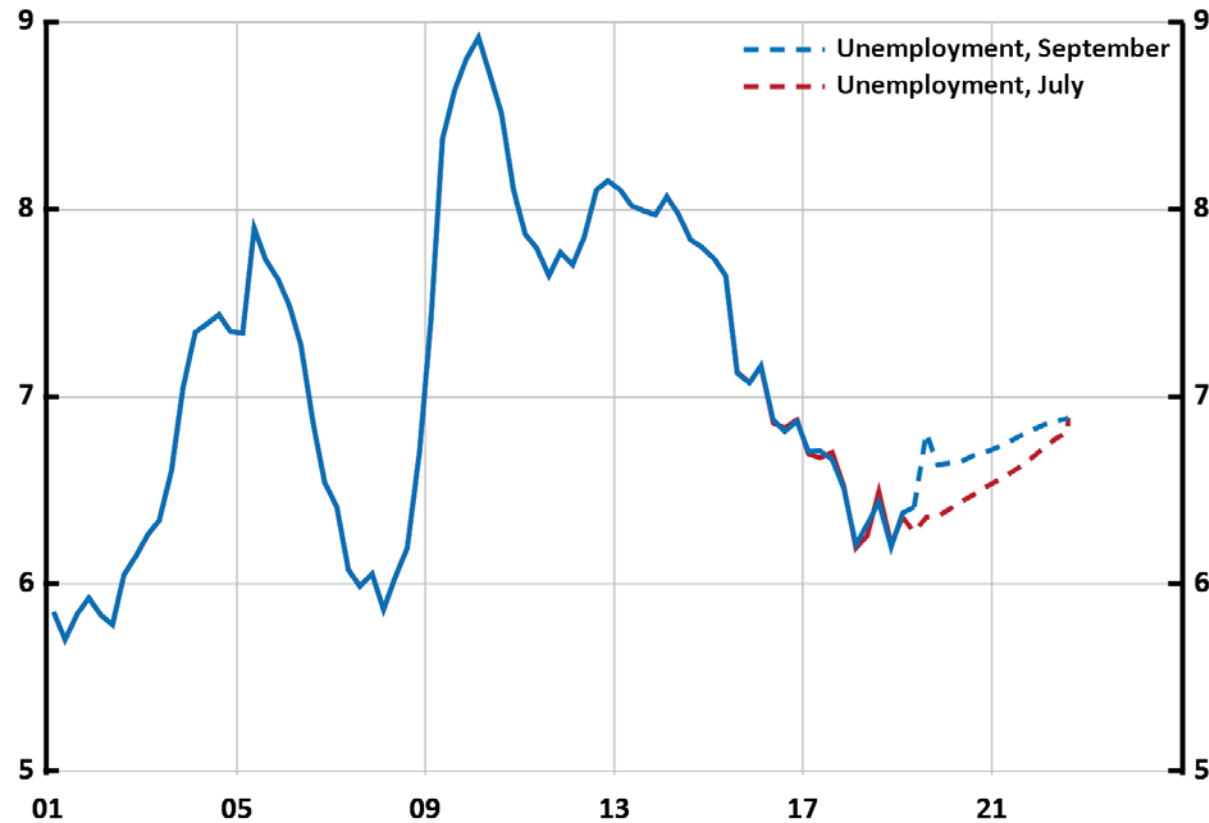
Annual percentage change and index respectively, mean value = 100, standard deviation = 10. Broken lines represent mean values since 1993.

Indicators giving support for calmer growth



Sources: National Institute of Economic Research, Statistics Sweden and the Riksbank

Strong development on the labour market slowing down



Percentage of labour force, 15-74 years, seasonally adjusted data.

Sources: Statistics Sweden and the Riksbank

Inflation on target



Underlying inflation at 2 per cent

Higher resource utilisation than normal

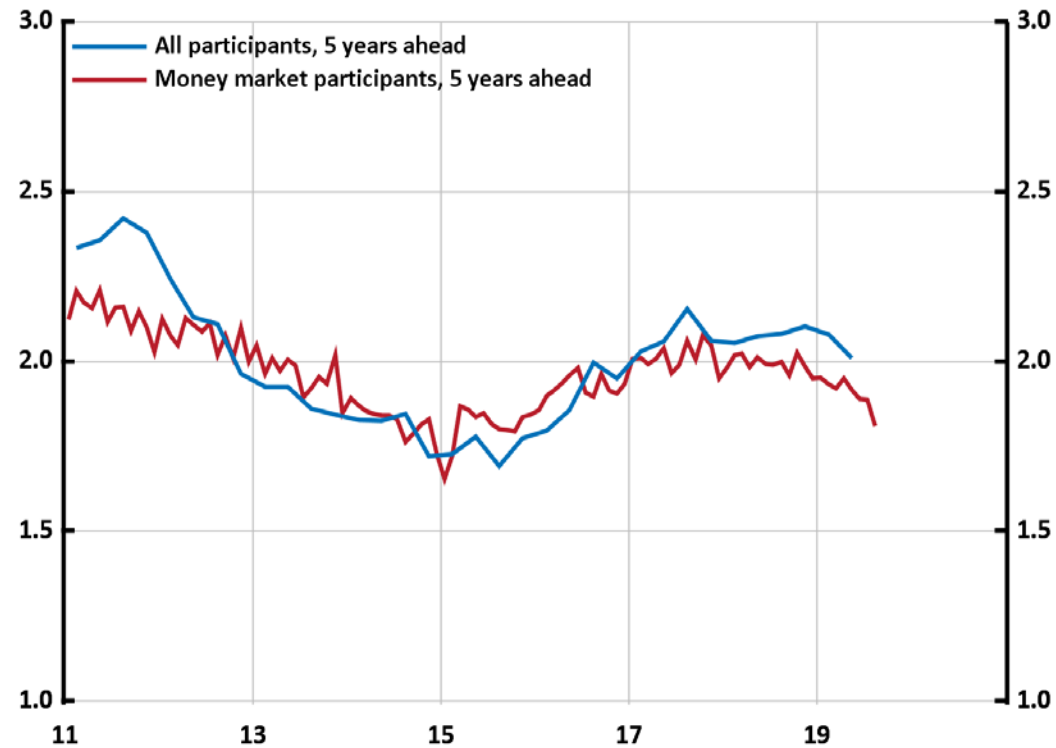
Rising food prices

Earlier krona depreciations

Annual percentage change.

Sources: Statistics Sweden and the Riksbank

Inflation expectations close to 2 per cent



Per cent, average.

Source: Kantar Sifo Prospera

Monetary policy considerations

Outcomes largely in line with the forecast

Economic activity as expected entering a calmer phase

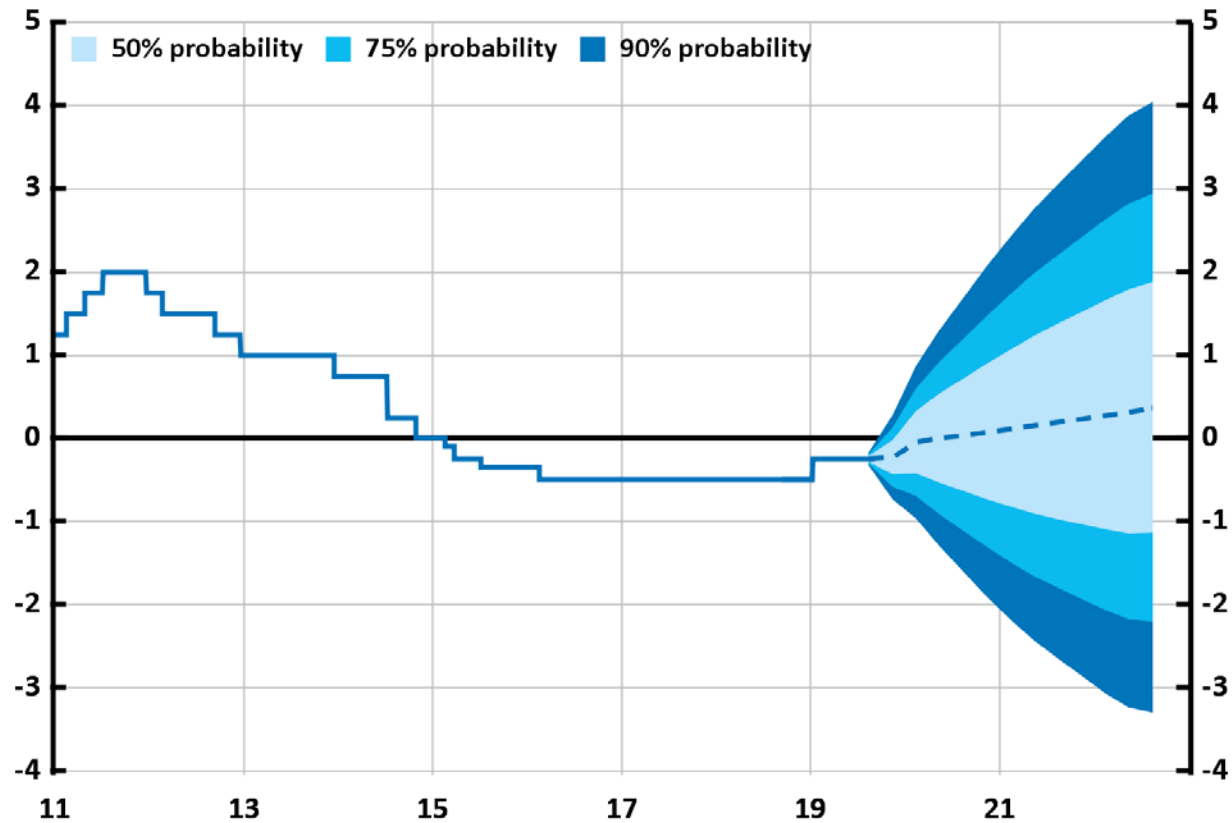
Inflation on target

Worsened sentiment in the global economy

Low interest rates abroad for a longer time

Rate increases at a slower pace

Low interest rates giving support to economic activity and inflation



Per cent.

Source: The Riksbank

Uncertainty abroad

Inflation on target with rate rises at a slower pace