



# Monetary Policy Report September 2019

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



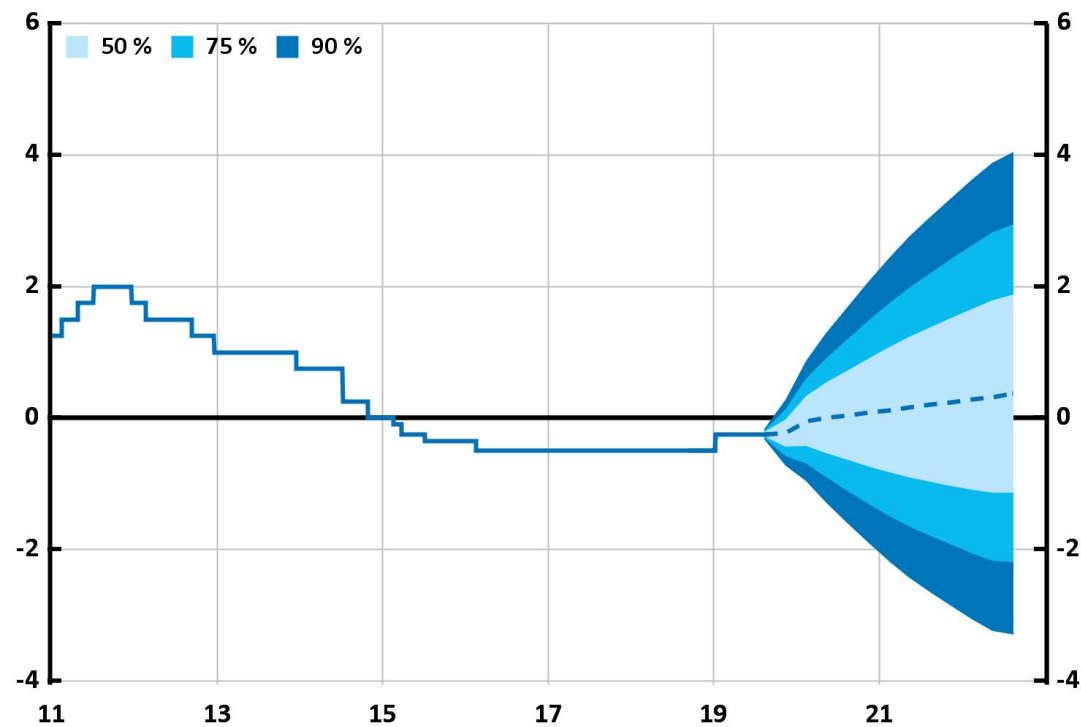
# Chapter 1

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



# Figure 1.1. Repo rate with uncertainty bands

Per cent



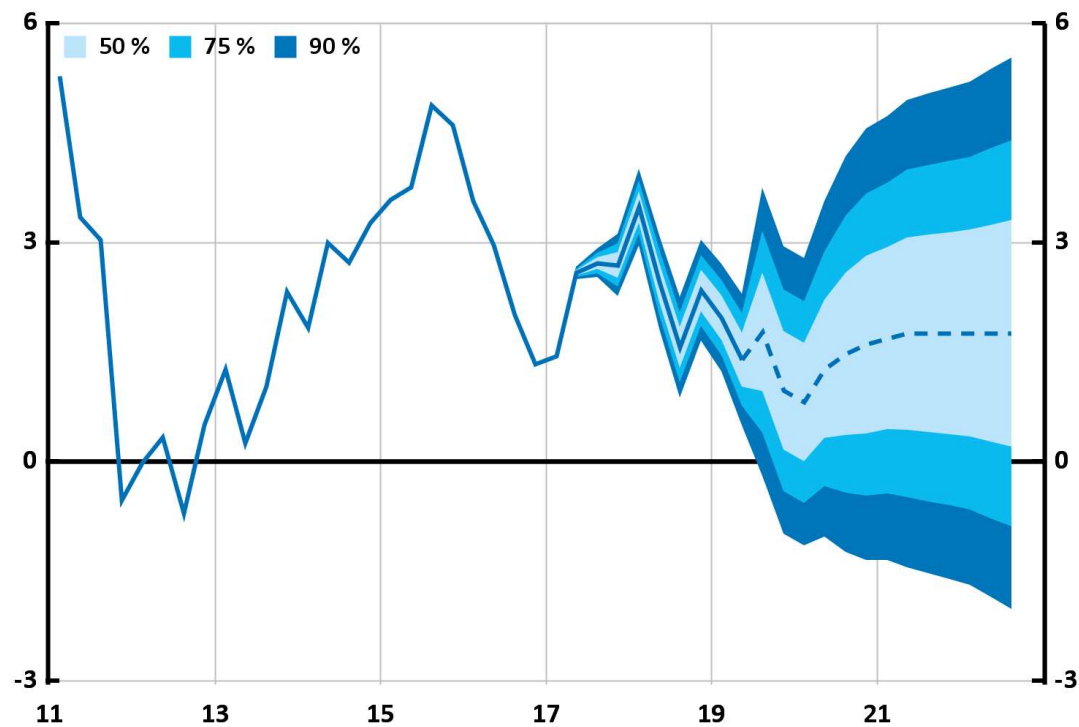
Note. The uncertainty bands for the repo rate are based on the Riksbank's historical forecasting errors and the forecasting errors of risk-premium adjusted forward rates for the period 1999 up to the point when the Riksbank started to publish forecasts for the repo rate during 2007. The uncertainty bands do not take into account the fact that there may be a lower bound for the repo rate.

Outcomes are daily rates and forecasts refer to quarterly averages.

Source: The Riksbank

# Figure 1.2. GDP with uncertainty bands

Annual percentage change, seasonally-adjusted data



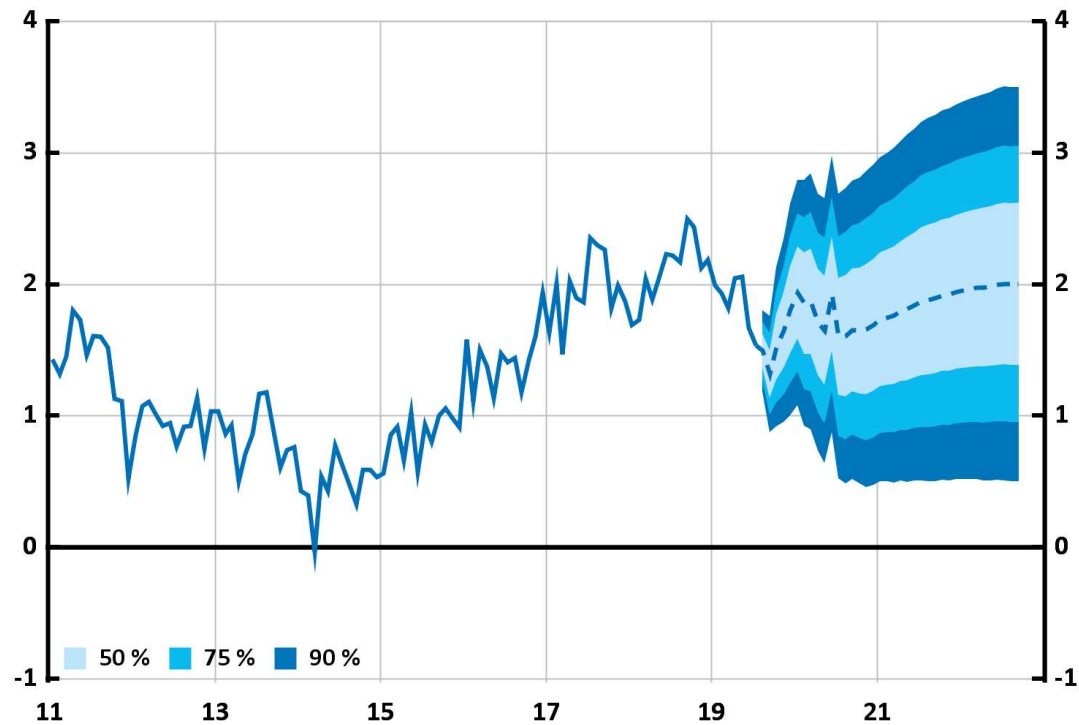
Note. The uncertainty bands are based on the Riksbank's historical forecasting errors. The reported outcomes for GDP are also uncertain, as the National Accounts figures are revised several years after the first publication.

Sources: Statistics Sweden and the Riksbank



# Figure 1.3. CPIF with uncertainty bands

Annual percentage change

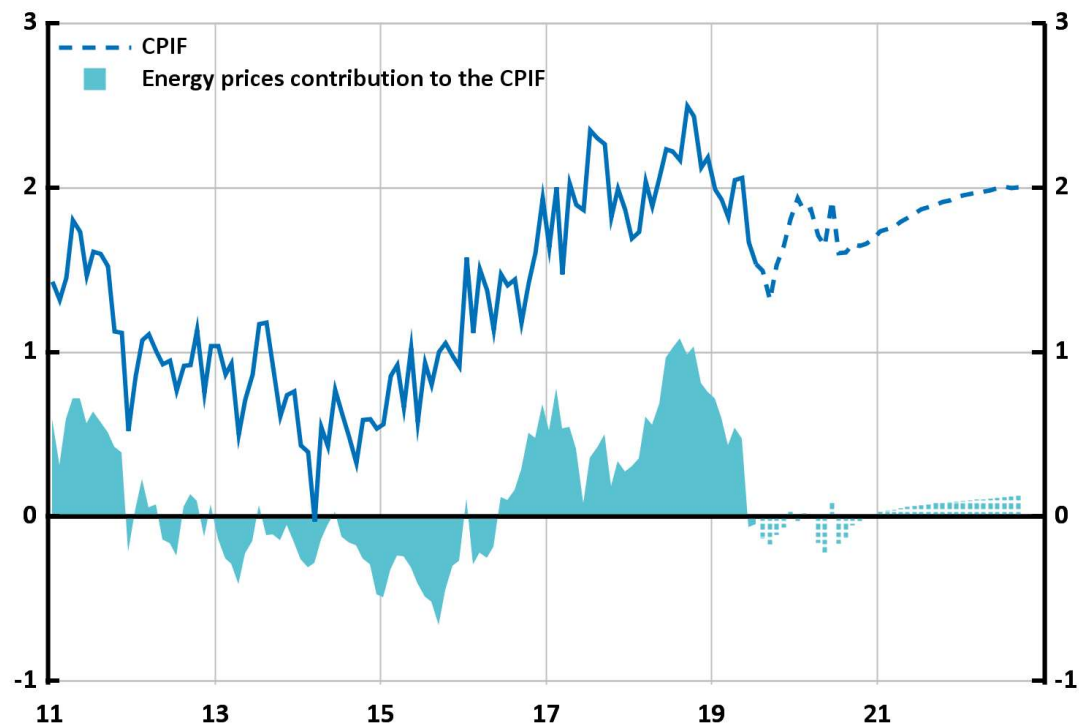


Note. The uncertainty bands are based on the Riksbank's historical forecasting errors.

Sources: Statistics Sweden and the Riksbank

# Figure 1.4. CPIF and contribution from energy prices

Annual percentage change and percentage points, respectively

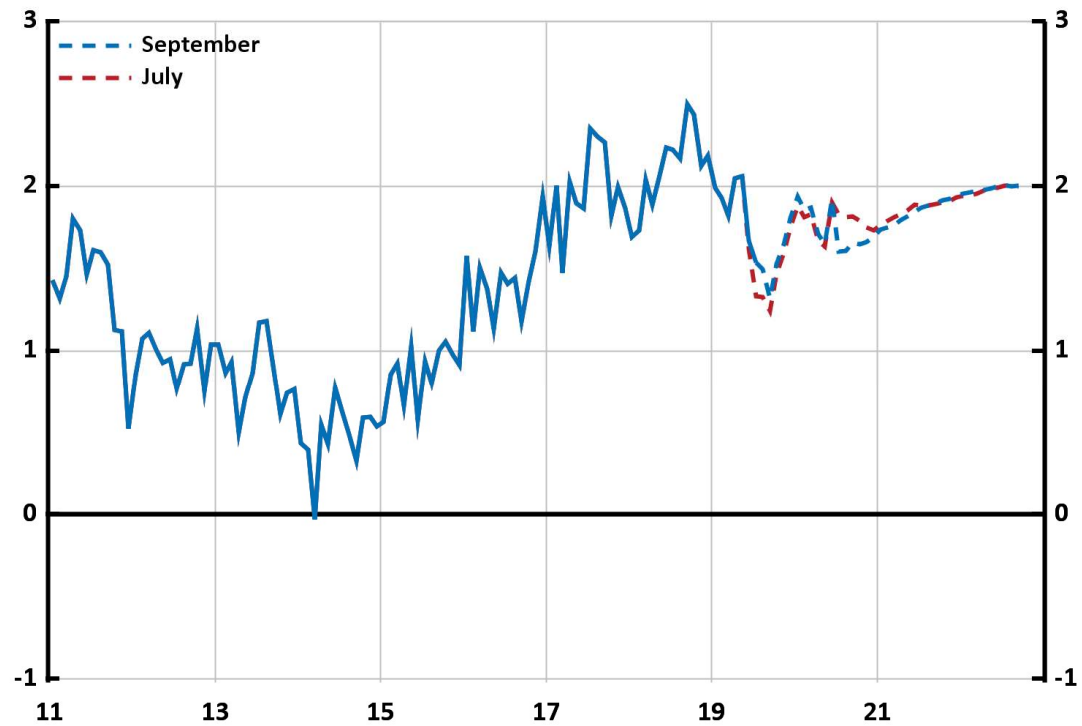


Note. The contribution of energy prices to the CPIF in the forecast is calculated as the annual percentage change in energy prices multiplied by their current weight in the CPIF.

Sources: Statistics Sweden and the Riksbank

# Figure 1.5. CPIF

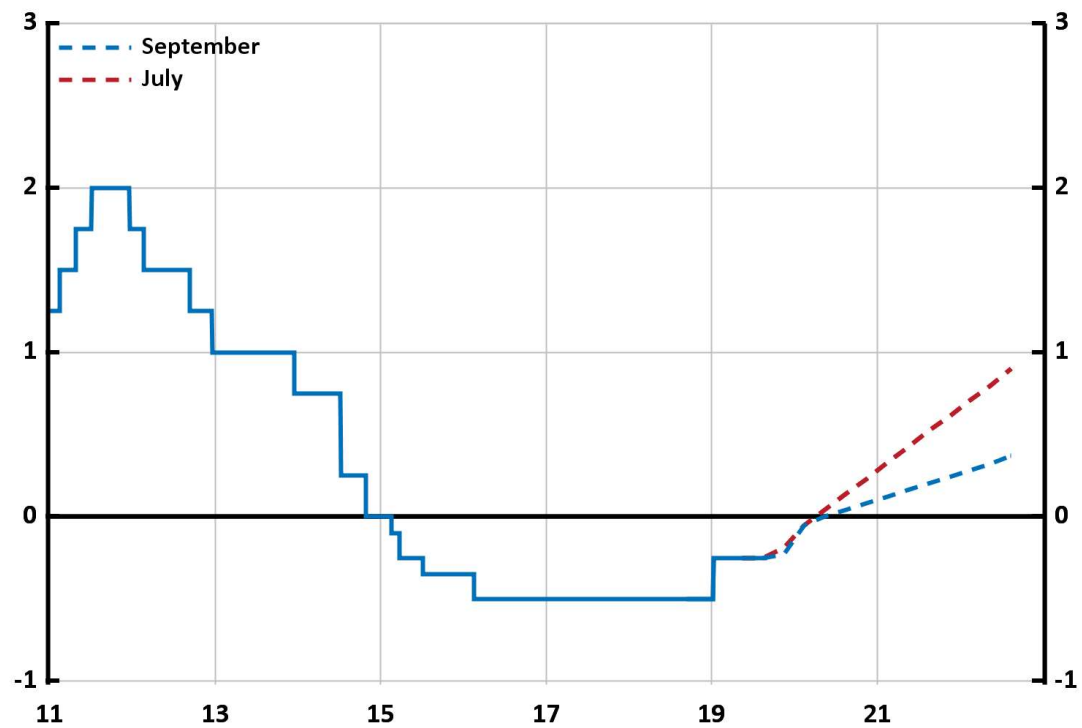
Annual percentage change



Sources: Statistics Sweden and the Riksbank

# Figure 1.6. Repo rate

Per cent



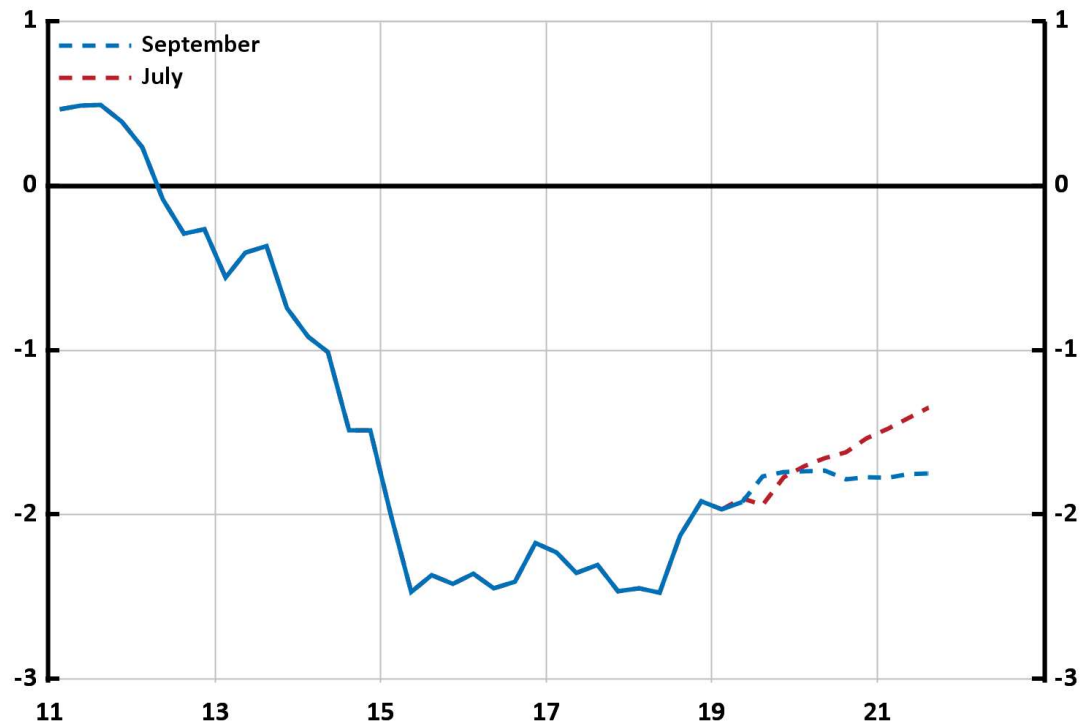
Note. Outcomes are daily data and the forecasts refer to quarterly averages.

Source: The Riksbank



# Figure 1.7. Real repo rate

Per cent, quarterly averages

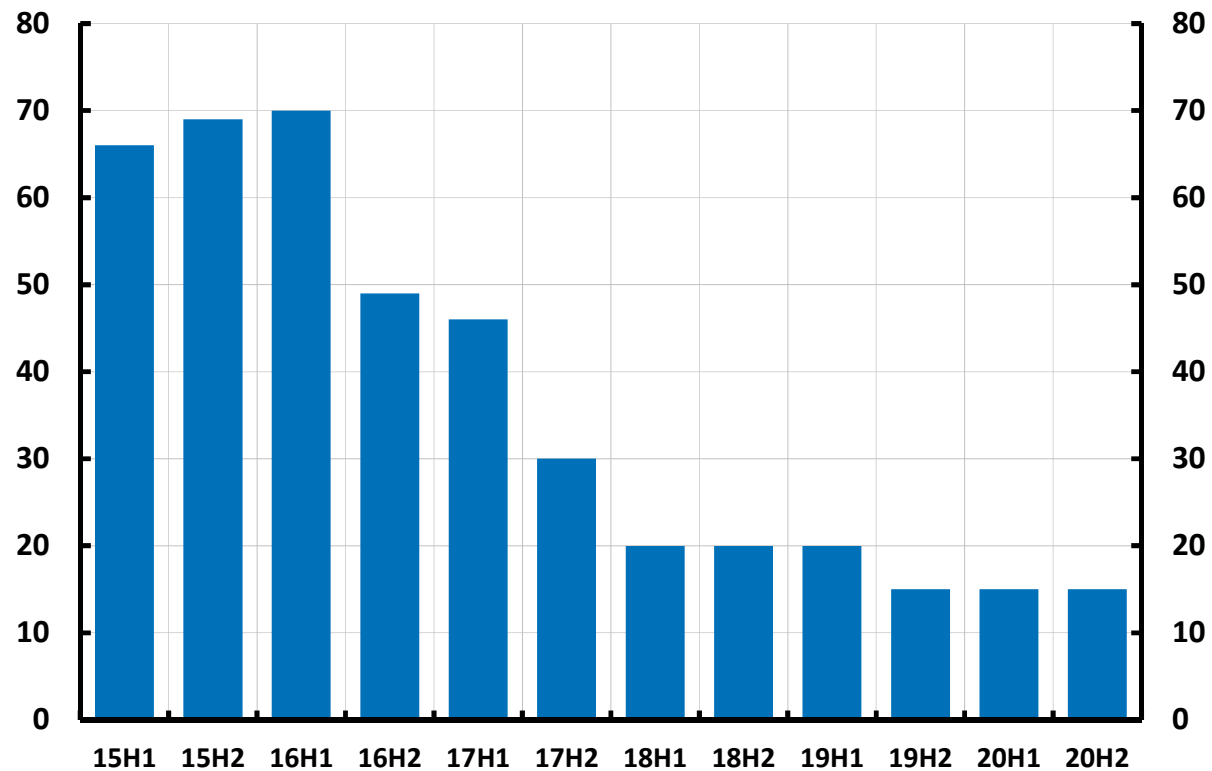


Note. The real repo rate is the Riksbank's expected real interest rate, calculated as a mean value of the Riksbank's repo rate forecast for the year ahead minus the inflation forecast (CPIF) for the corresponding period. Outcomes are based on the latest forecasts at that time.

Source: The Riksbank

# Figure 1.8. The Riksbank's purchases of government bonds

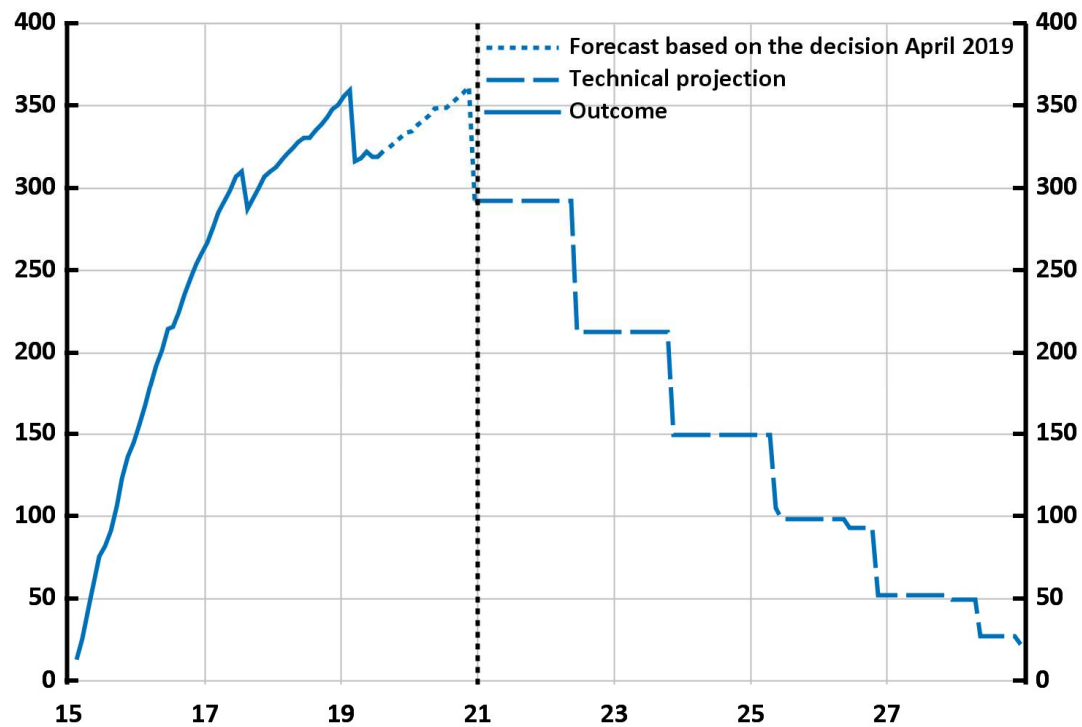
Nominal amounts, SEK billion



Source: The Riksbank

# Figure 1.9. The Riksbank's holdings of government bonds

Nominal amounts, SEK billion

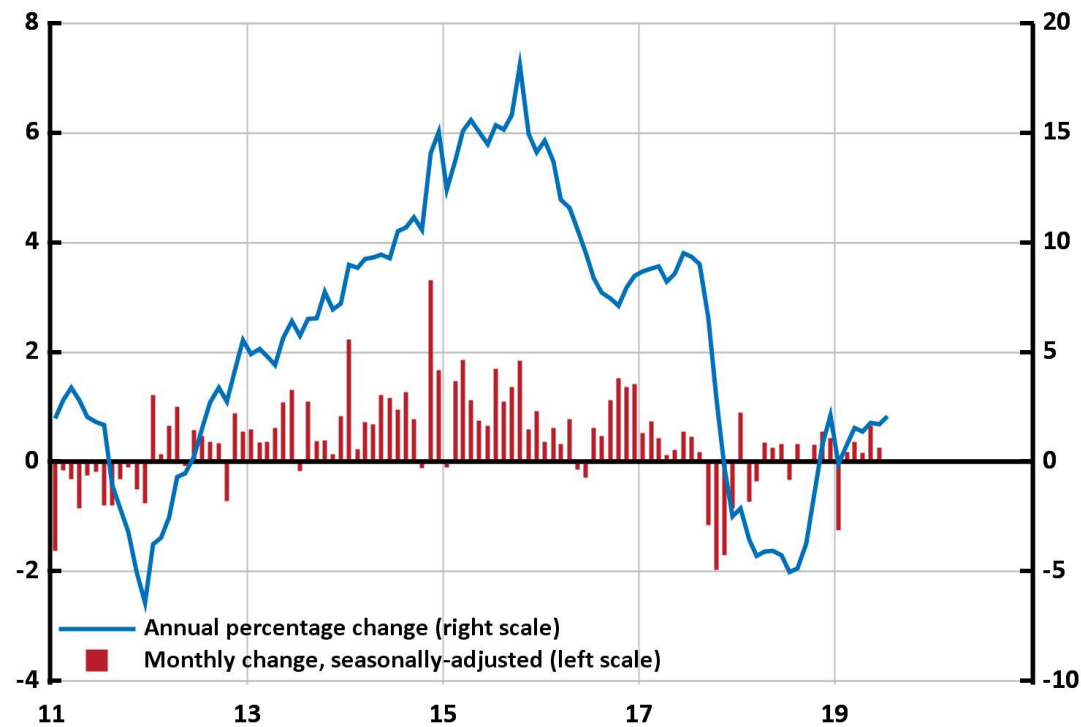


Note. Forecast up until December 2020, after that a technical projection with the assumption that no further purchases are made. The vertical line marks the shift between the forecast and technical

Source: The Riksbank

# Figure 1.10. House prices according to HOX Sweden

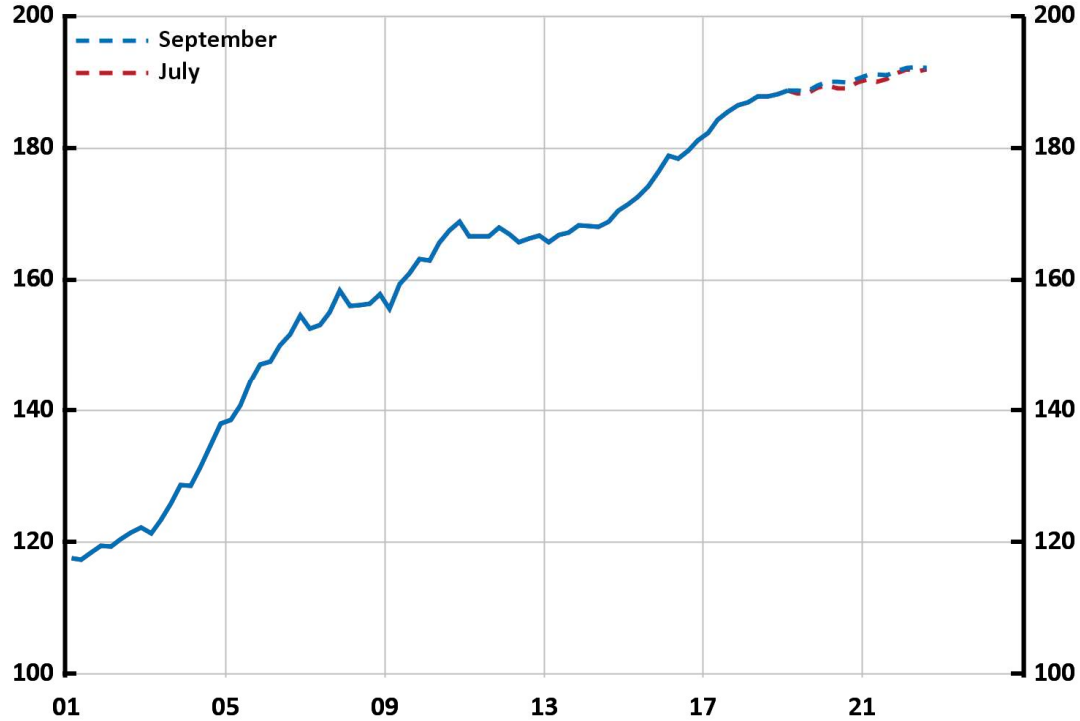
Per cent



Sources: Valueguard and the Riksbank


# Figure 1.11. Household debt ratio

Per cent of yearly disposable income



Note. Households' total debts as a share of their disposable income totalled over the past four quarters.

Sources: Statistics Sweden and the Riksbank



# Article – Inflation expectations in Sweden close to 2 per cent

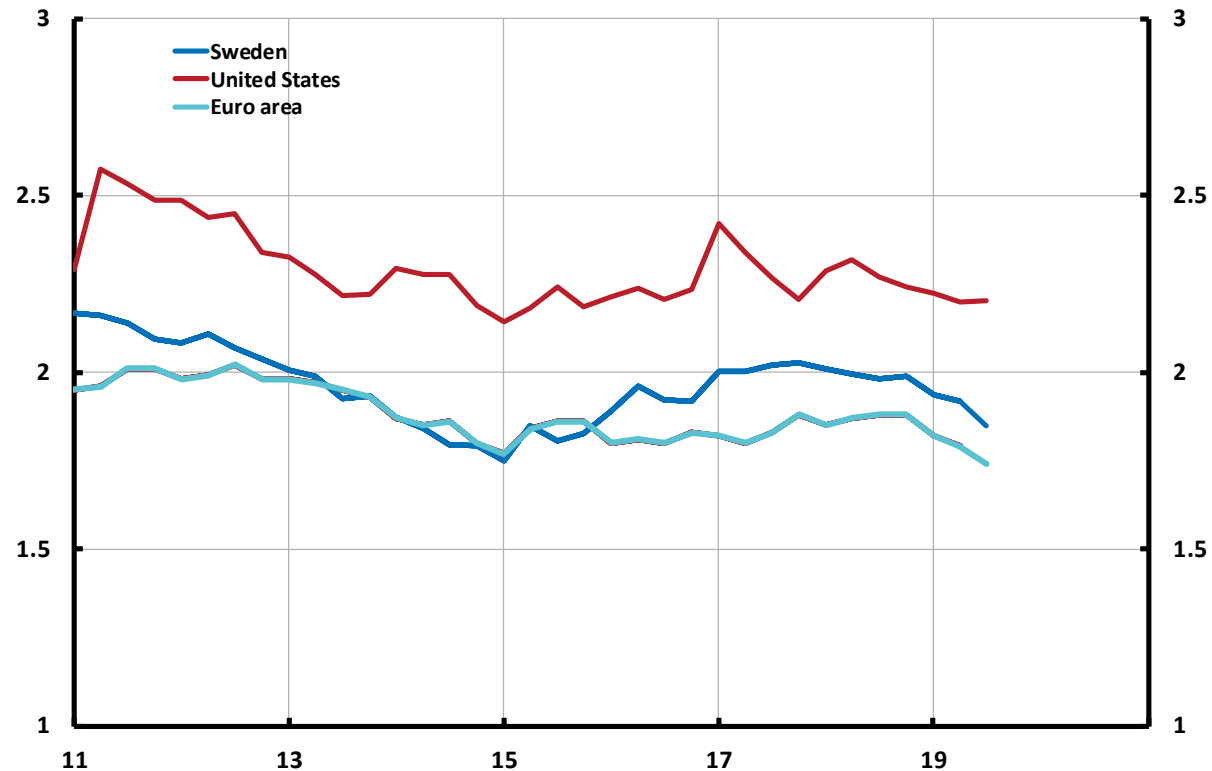
S V E R I G E S R I K S B A N K





# Figure 1.12. Survey based measures of long-term inflation expectations

Per cent, average

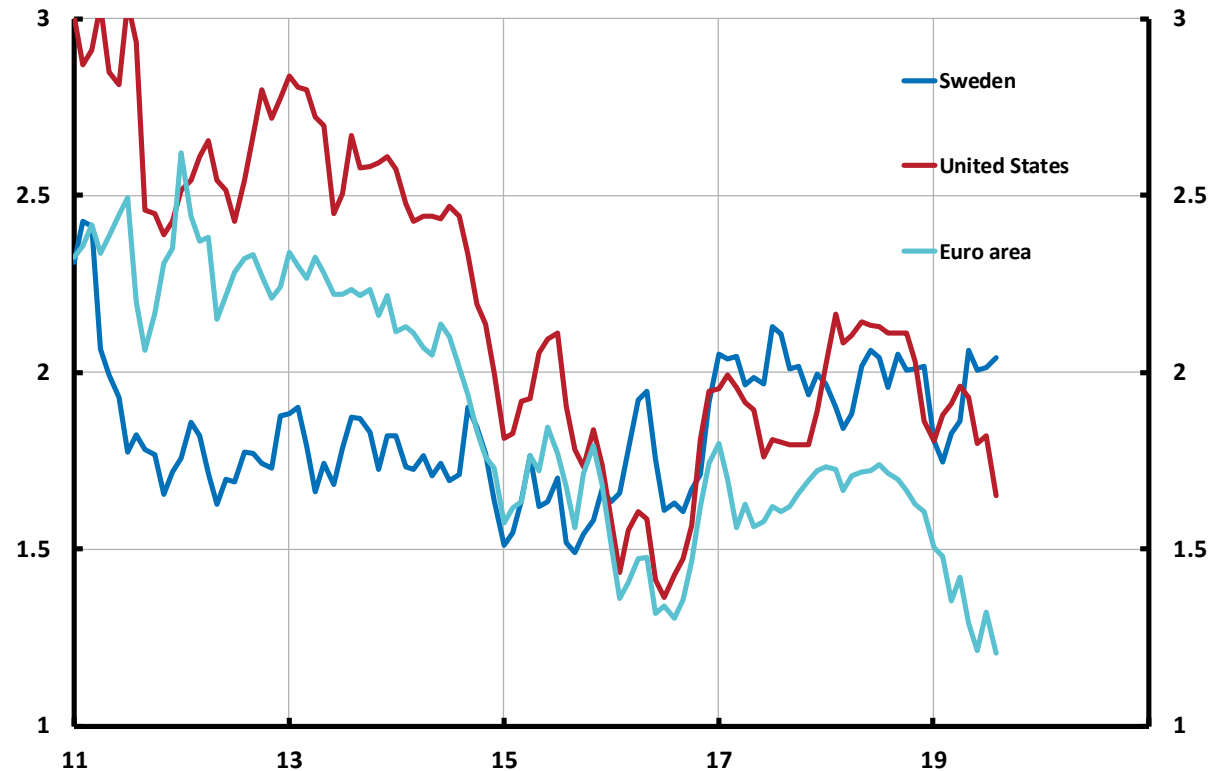


Note. Sweden: Expectations 5 years ahead from money market participants, calculated on a quarterly basis.  
Euro area and United States: Expectations according to the ECB's and Federal Reserve Bank of Philadelphia's Surveys of Professional Forecasters.

Sources: Kantar Sifo Prospera, ECB and Federal Reserve Philadelphia

# Figure 1.13. Market-based measures of long-term inflation expectations

Per cent

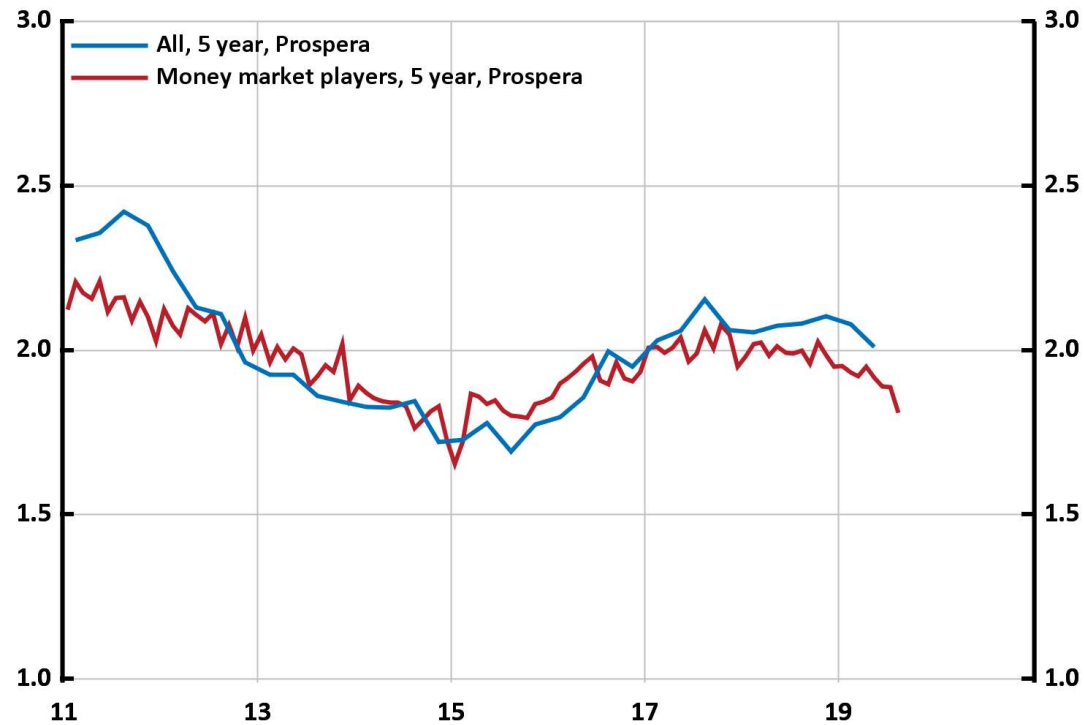


Note. Inflation expectations refer to a 5-year period starting in 5 years' time. For the United States and Sweden, these are calculated on the basis of bond yields. For the euro area, they are calculated on the basis of inflation swaps.

Sources: Bloomberg, Macrobond and the Riksbank

# Figure 1.14. Long-term inflation expectations, Sweden

Per cent, average



Source: Kantar Sifo Prospera

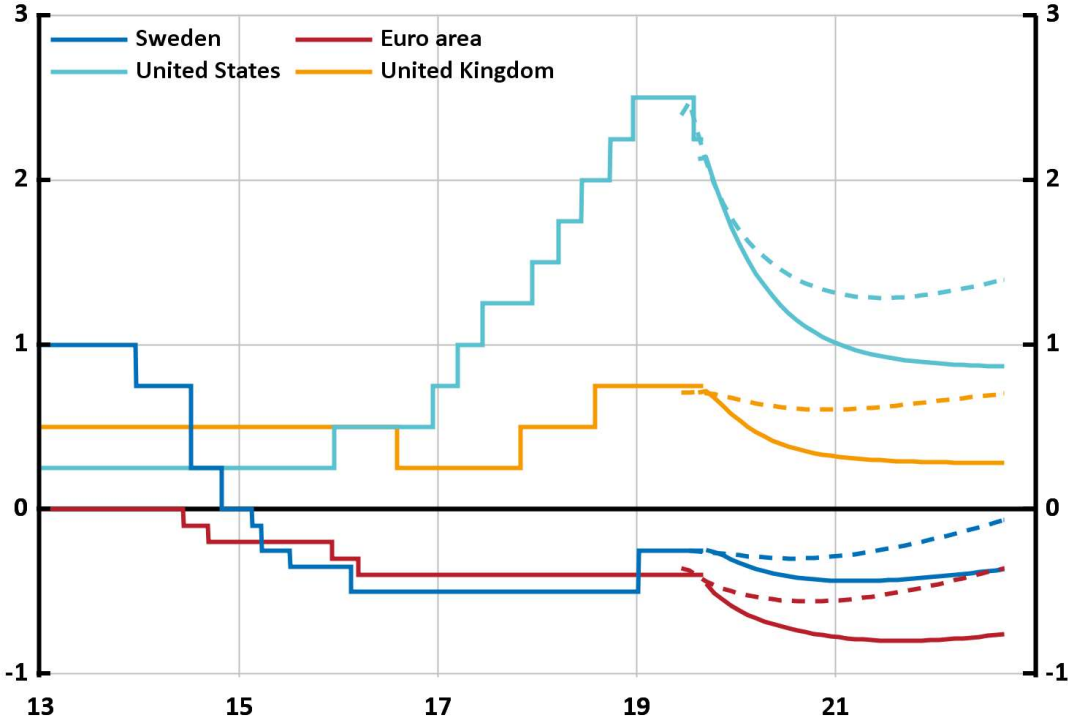
# Chapter 2

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



# Figure 2.1. Policy rates and rate expectations according to forward rates

Per cent

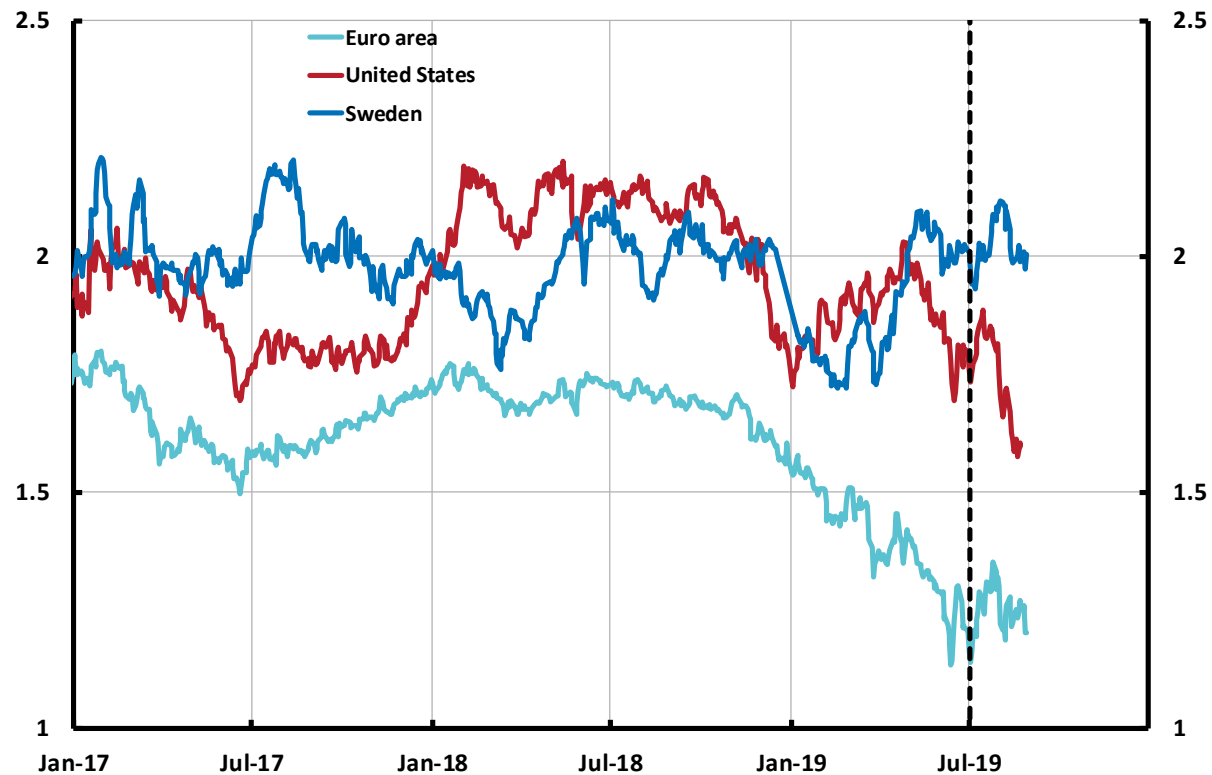


Note. Forward rates describe the expected overnight rate. Unbroken lines refer to 2 September 2019, broken lines refer to 28 June 2019.

Sources: The national central banks, Macrobond and the Riksbank

# Figure 2.2. Market-based measures of long-term inflation expectations

Per cent



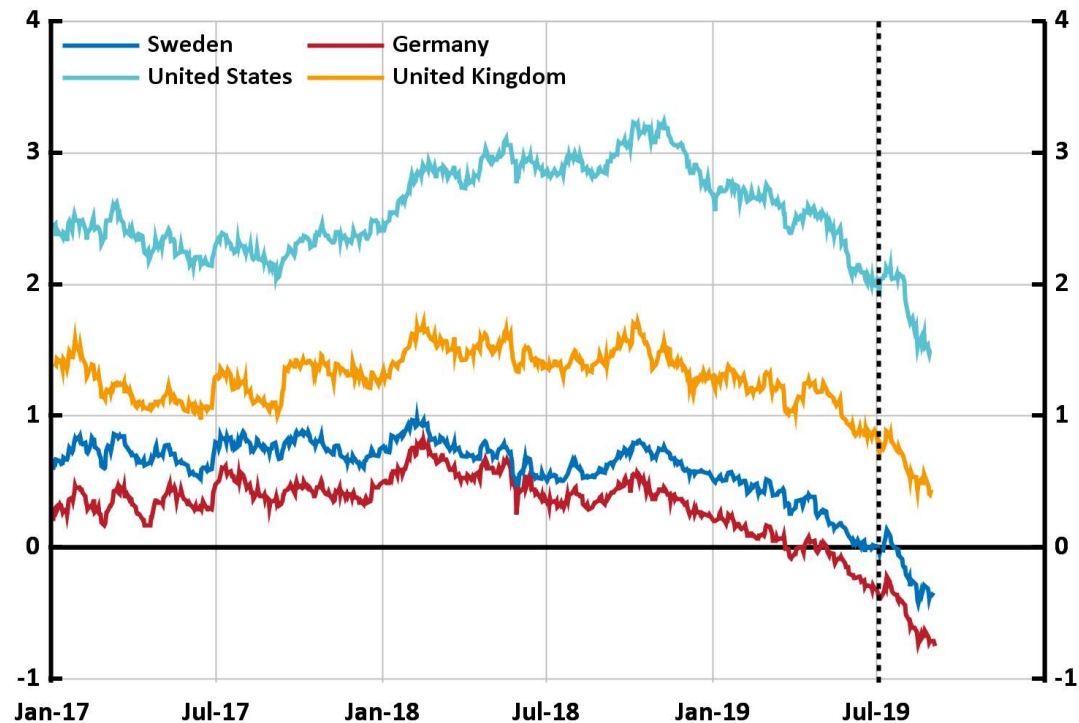
Note. Inflation expectations refer to a 5-year period starting in 5 years' time. For the United States and Sweden, these are calculated on the basis of bond yields and refer to the CPI. For the euro area, they are calculated on the basis of inflation swaps and refer to the HICP. The vertical line indicates the monetary policy meeting in July.

Sources: Bloomberg, Macrobond and the Riksbank



# Figure 2.3. Government bond yields with 10 years to maturity

Per cent

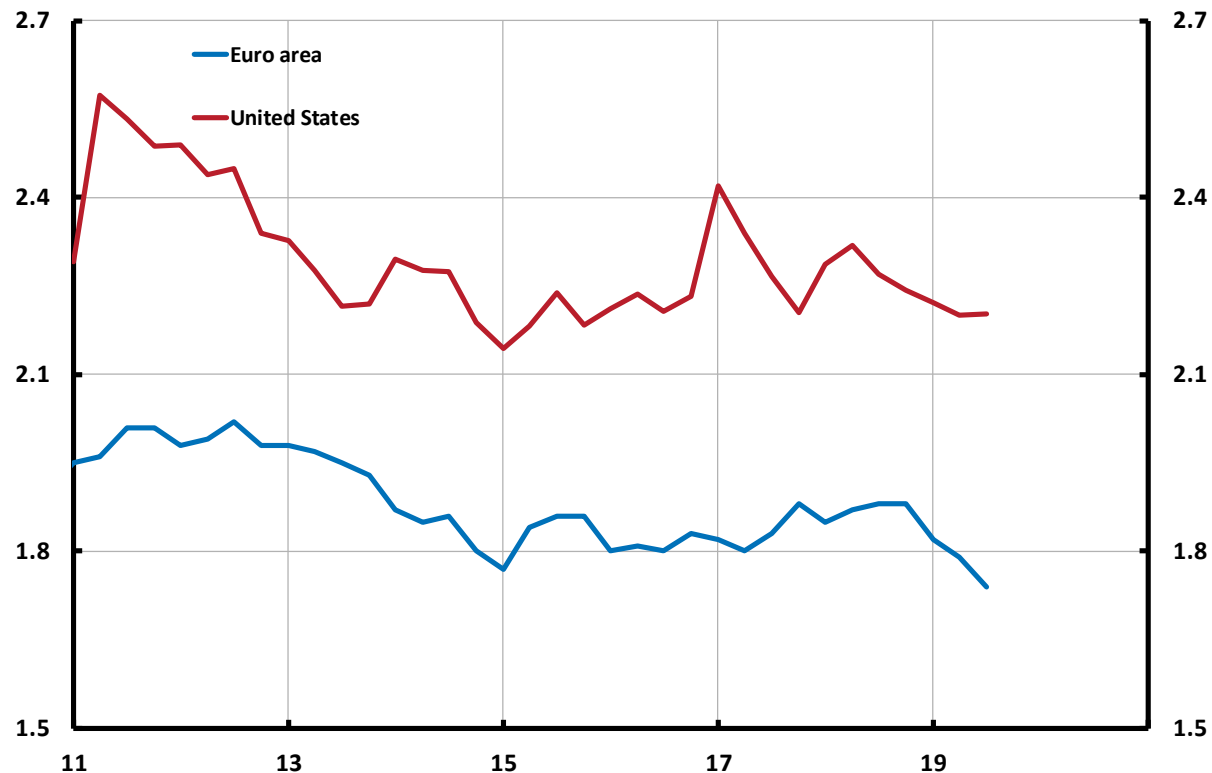


Note. Implied zero-coupon yields from government bonds for Sweden, Germany and United Kingdom. 10-year benchmark bonds for the United States. The vertical line indicates the Monetary Policy Meeting in July.

Sources: The national central banks and the Riksbank

# Figure 2.4. Inflation expectations over the long term in the euro area and United States

Per cent, average

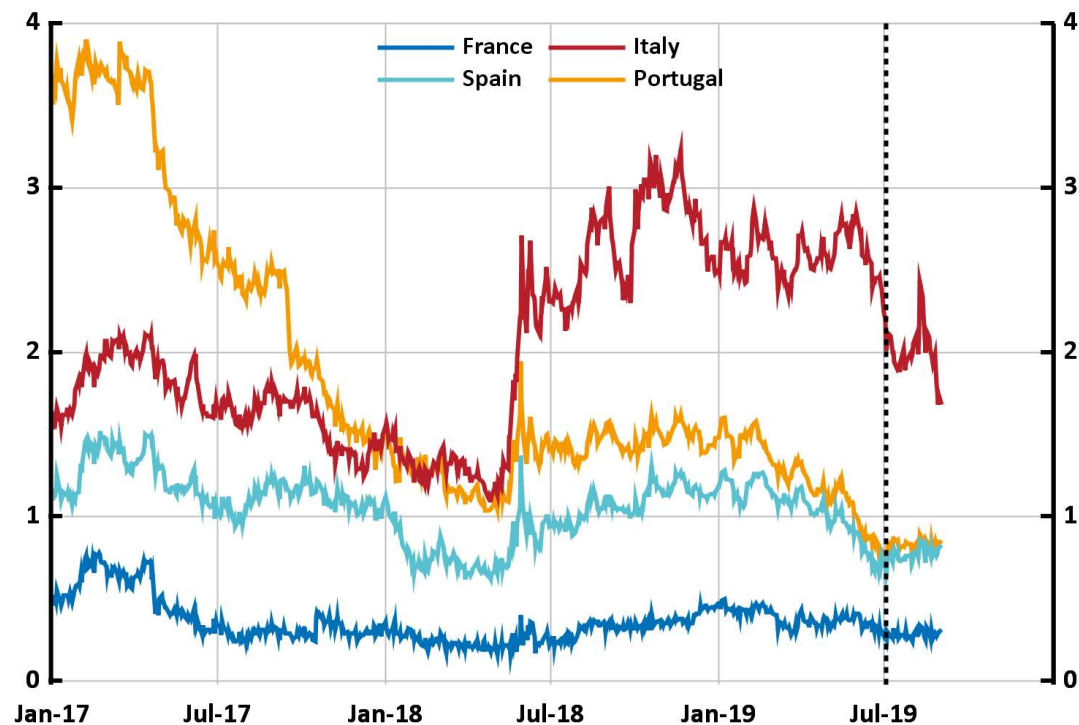


Note. Expectations according to the ECB's and Federal Reserve Bank of Philadelphia's Survey of Professional Forecasters, inflation according to the HICP 5 years ahead and CPI 10 years ahead, respectively.

Sources: ECB and Federal Reserve Bank of Philadelphia

# Figure 2.5. Yield differential in relation to Germany, 10-year

Percentage points

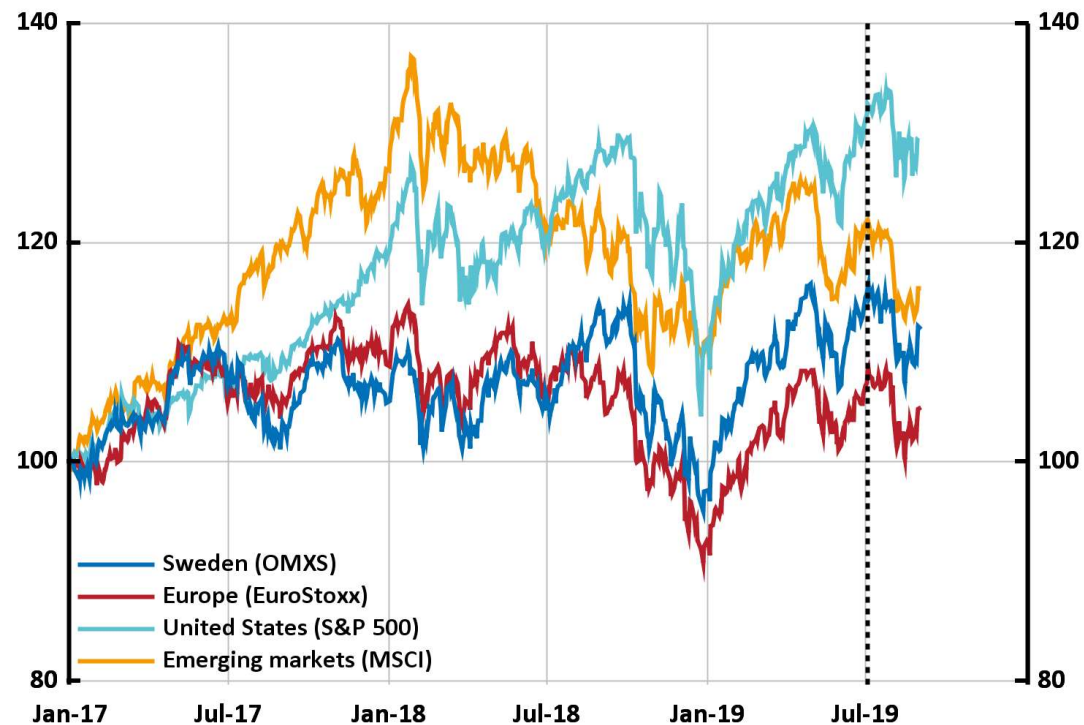


Note. Yield differentials refer to 10-year benchmark bonds. The vertical line indicates the Monetary Policy Meeting in July.

Source: Macrobond

# Figure 2.6. Stock market movements in domestic currency

Index, 3 January 2017 = 100

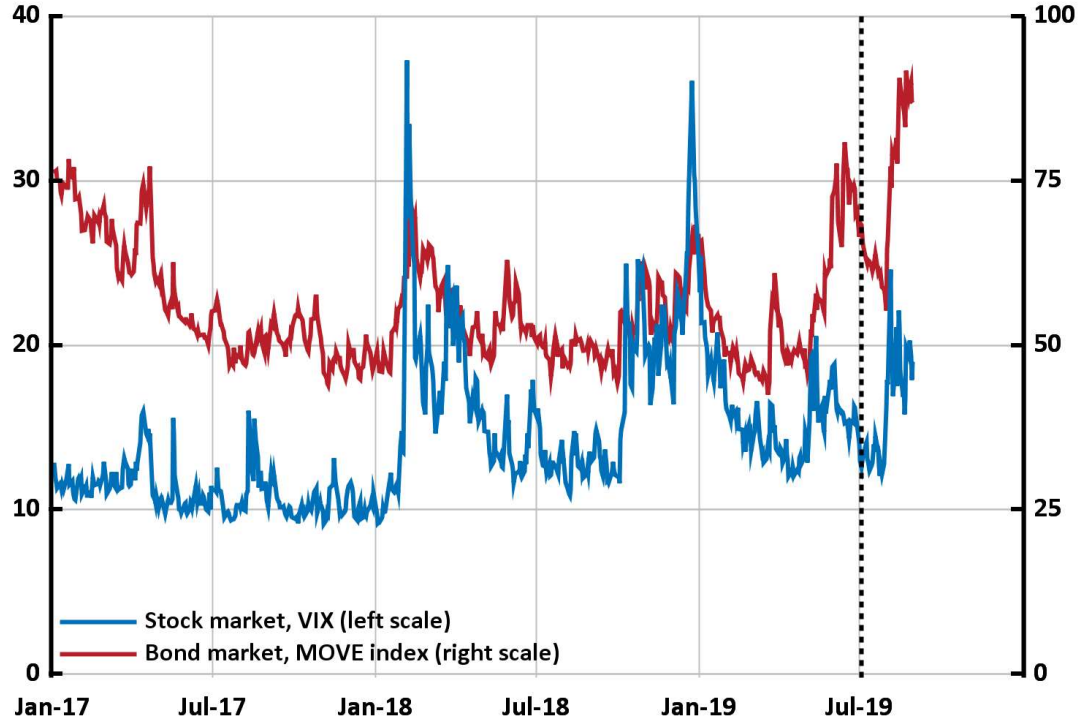


Note. The vertical line indicates the Monetary Policy Meeting in July.

Source: Macrobond

# Figure 2.7. Volatility index for US equity and bond markets

Per cent and index respectively

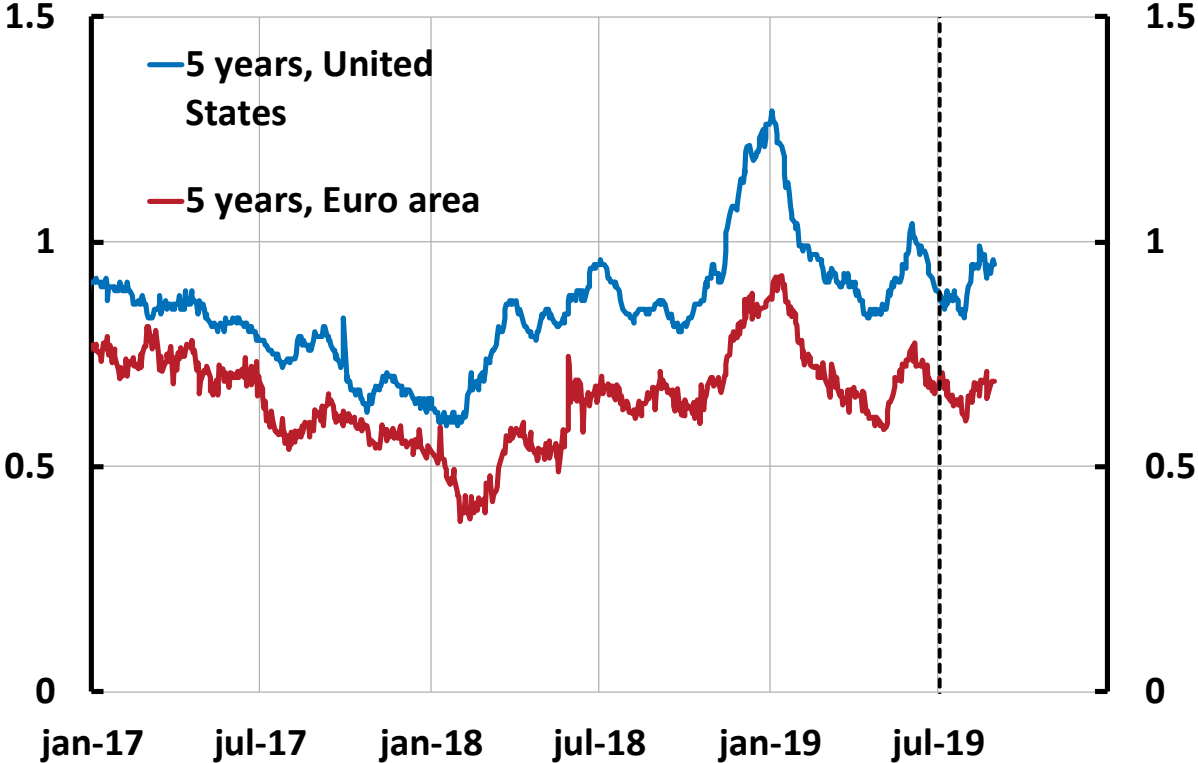


Note. Volatility Index (VIX) shows the expected volatility on the US stock market based on options prices. Merrill Lynch Option Volatility Estimate (MOVE) Index is a measure of the expected volatility of US government bonds based on options prices. The vertical line indicates the Monetary Policy Meeting in July.

Sources: Chicago Board Operations Exchange and Merrill Lynch

# Figure 2.8. Difference between yields on corporate bonds and government bonds in the United States and euro area

Percentage points



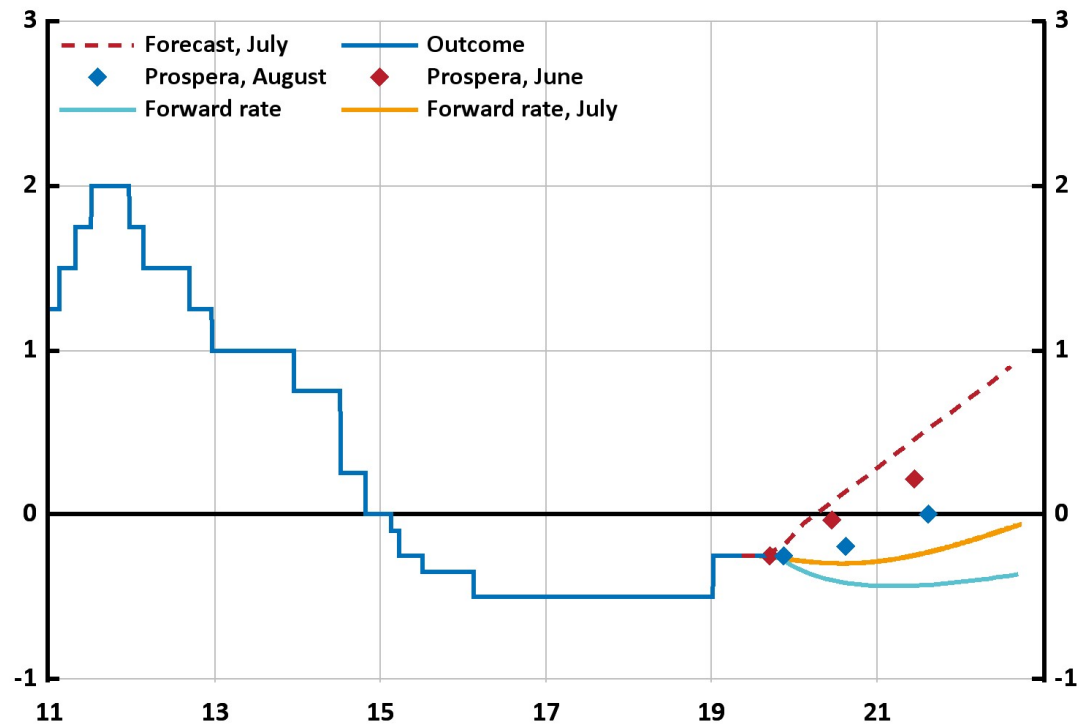
Note. Yield differentials refer to 5-year benchmark bonds. Refers to bonds for companies with good credit ratings. The vertical line indicates the Monetary Policy Meeting in July.

Source: Macrobond



# Figure 2.9. Repo rate and market repo rate expectations

Per cent

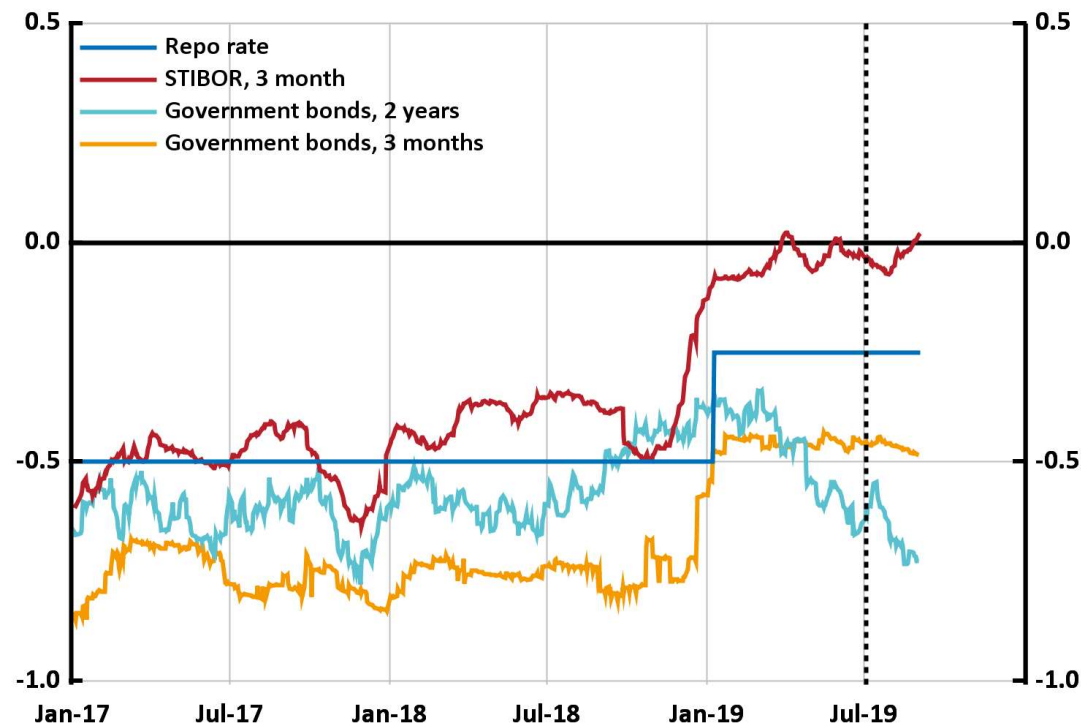


Note. The forward rate refers to 2 September 2019 and is a measure of the expected repo rate. The Prospera survey responses show the average for money market participants 29 May 2019 (Prospera June) respectively 7 August 2019 (Prospera August).

Sources: Kantar Sifo Prospera, Macrobond and the Riksbank

# Figure 2.10. The repo rate, interbank rates and market rates

Per cent

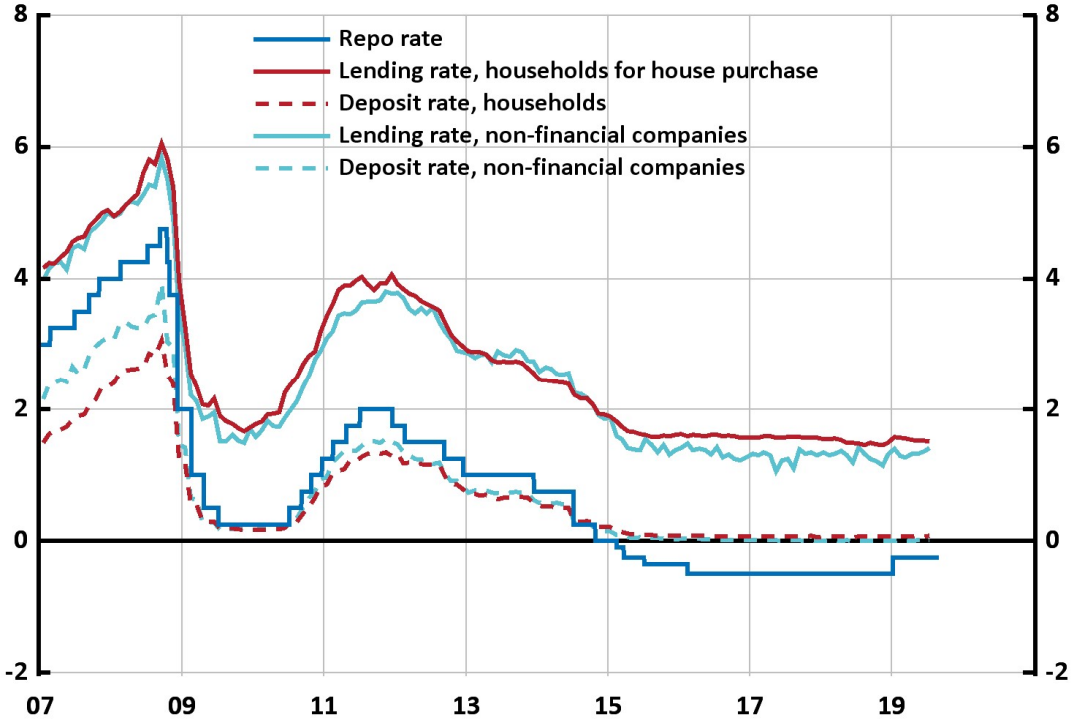


Note. Zero coupon yields are calculated on government bonds. The vertical line indicates the Monetary Policy Meeting in July.

Sources: Macrobond and the Riksbank

# Figure 2.11. Repo rate together with the average deposit and lending rate to households and companies, new contracts

Per cent

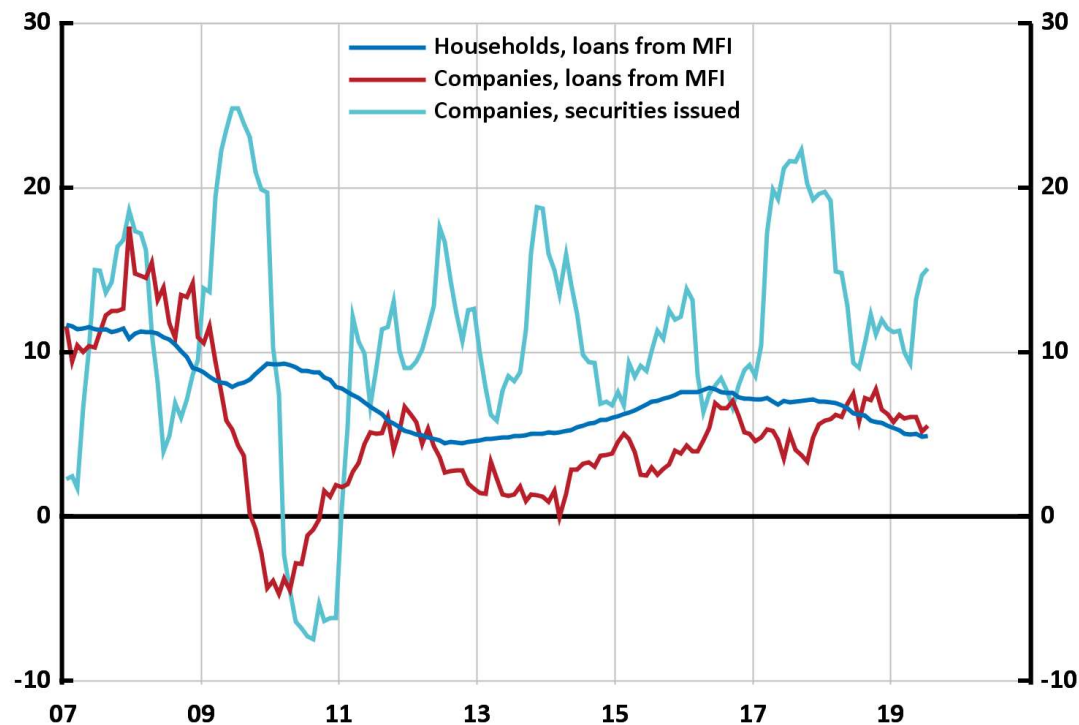


Note. MFIs' average deposit and lending rates are a weighted average of all interest rates for different maturities.

Sources: Statistics Sweden and the Riksbank

# Figure 2.12. Bank lending to households and companies

Annual percentage change



Note. Lending by Monetary financial institutions (MFI) to households and non-financial corporations adjusted for reclassifications and bought and sold loans, according to financial market statistics. Securities issued by non-financial corporations have been adjusted for currency impact.

Source: Statistics Sweden

# Figure 2.13. Competition-weighted nominal exchange rate, KIX

Index, 18 November 1992 = 100



Note. The KIX (krona index) is a weighted average of the krona exchange rate against currencies in 32 countries that are important for Sweden's international transactions. A higher value indicates a weaker exchange rate. The vertical line indicates the Monetary Policy Meeting in July.

Sources: National sources and the Riksbank

# Chapter 3

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





# Figure 3.1. The CPIF and variation band

Annual percentage change

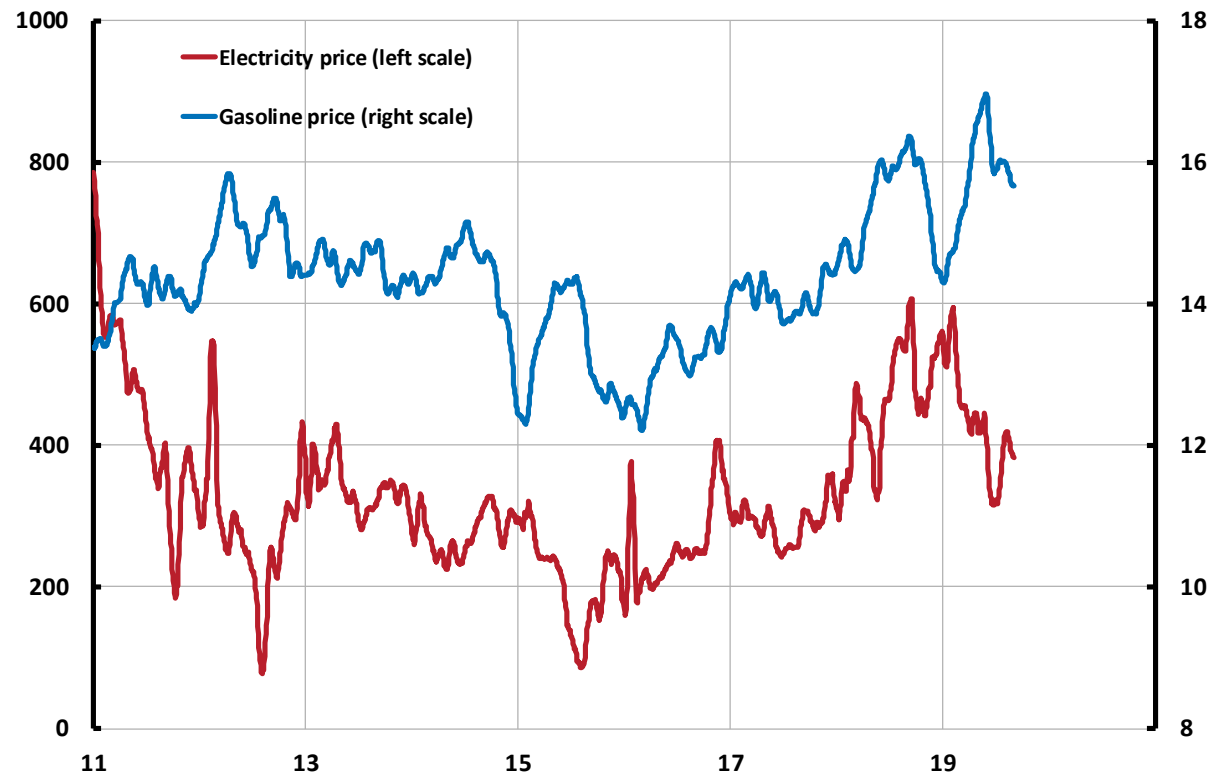


Note. The pink area shows the Riksbank's variation band and covers about three-quarters of the outcomes since January 1995. The variation band is a means of showing whether the deviation from the inflation target is unusually large. The broken line represents the forecast for the next 6 months.

Sources: Statistics Sweden and the Riksbank

# Figure 3.2. Energy prices

SEK per MWh and SEK per litre respectively, 15-day average

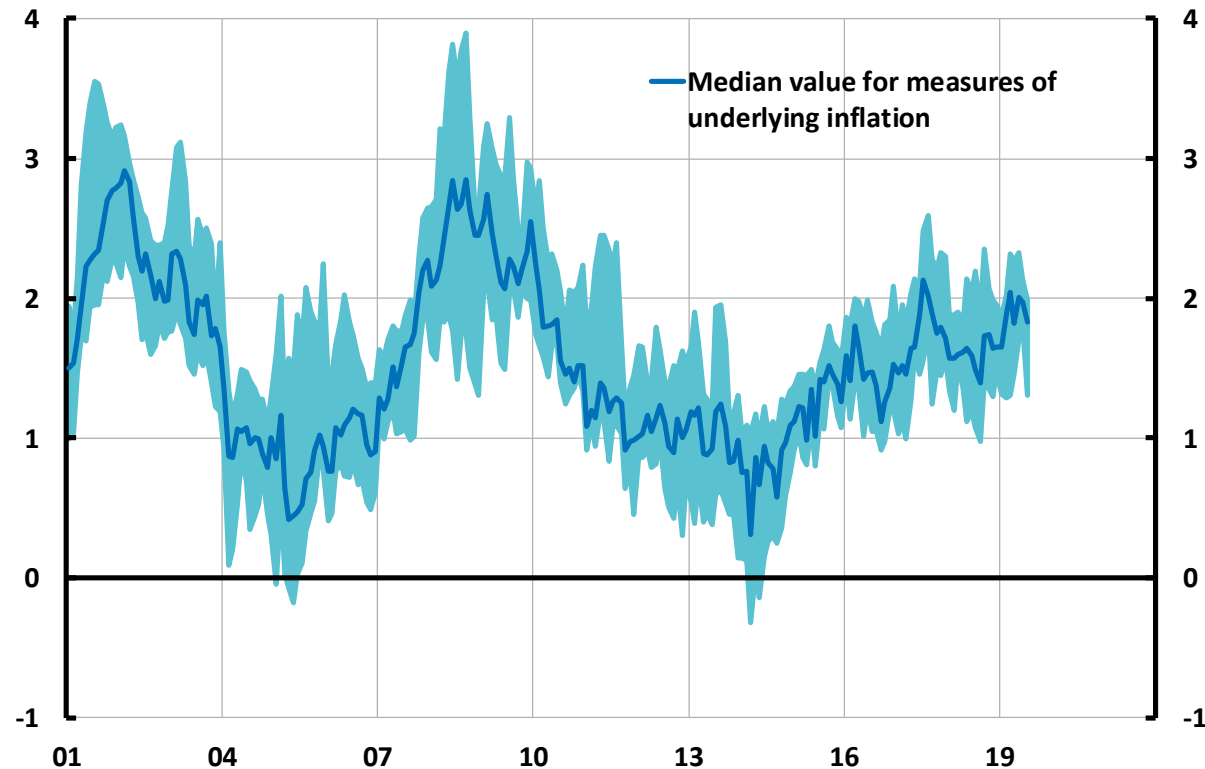


Note. Prices refer to a 15-day average of the system price per MWh electricity and 95-octane gasoline.

Sources: Macrobond and Nordpool

# Figure 3.3. The CPIF and different measures of core inflation

Annual percentage change

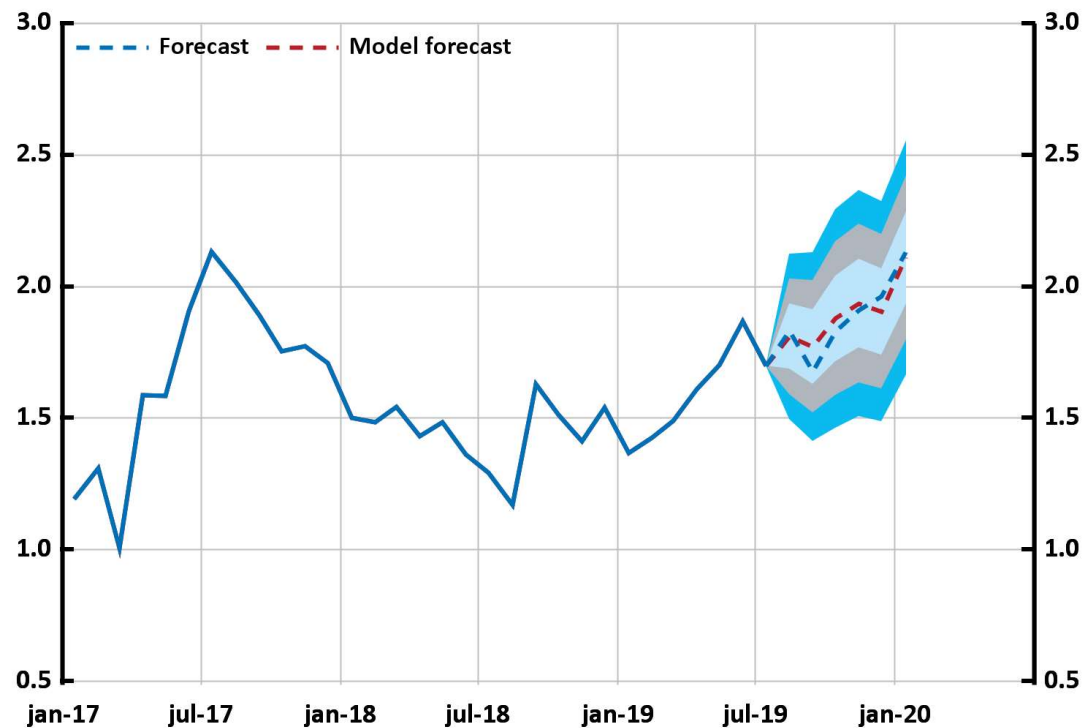


Note. The field shows the highest and lowest outcomes among different measures of core inflation. The measures included are the CPIF excluding energy, UND24, Trim85, CPIF excluding energy and perishables, persistence-weighted inflation (CPIFPV), factors from principal component analysis (CPIFPC) and weighted median inflation (Trim1).

Sources: Statistics Sweden and the Riksbank

# Figure 3.4. CPIF excluding energy, model forecast with uncertainty bands

Annual percentage change

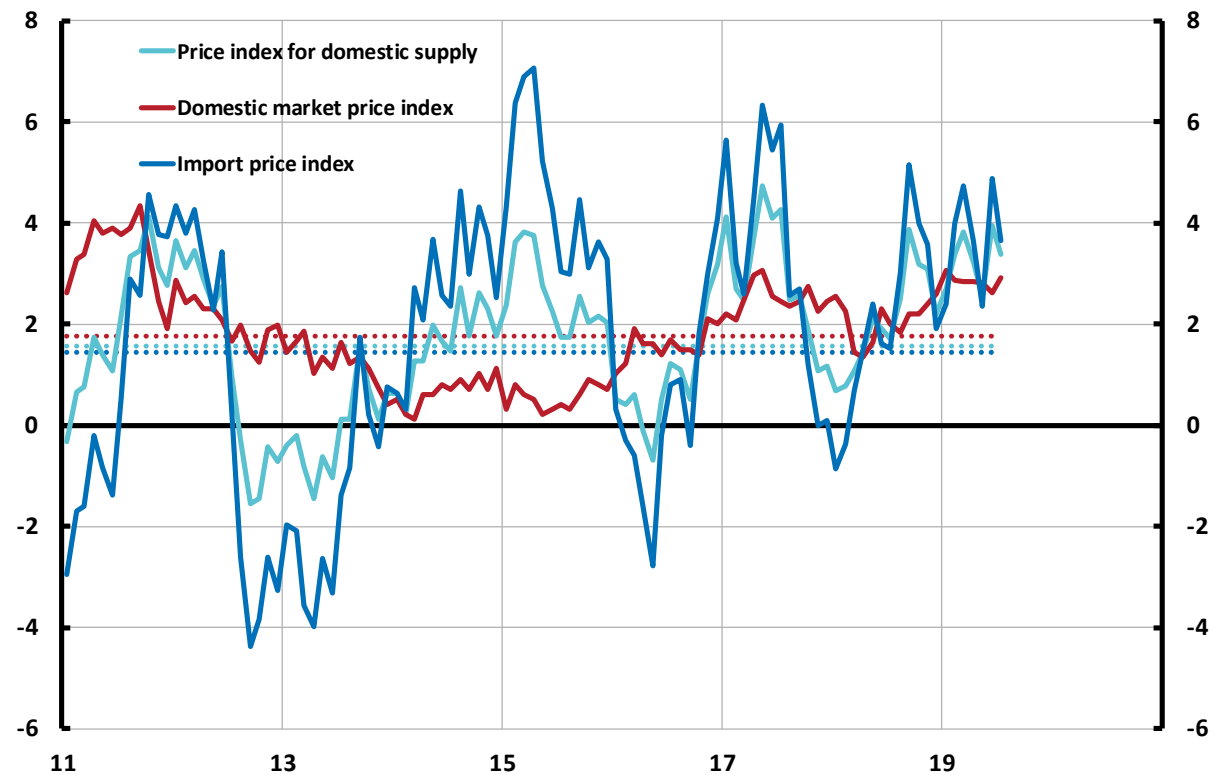


Note. The uncertainty bands 50, 75 and 90 per cent are based on the models' historical forecast errors.

Sources: Statistics Sweden and the Riksbank

# Figure 3.5. Prices of consumer goods in the producer channel

Annual percentage change

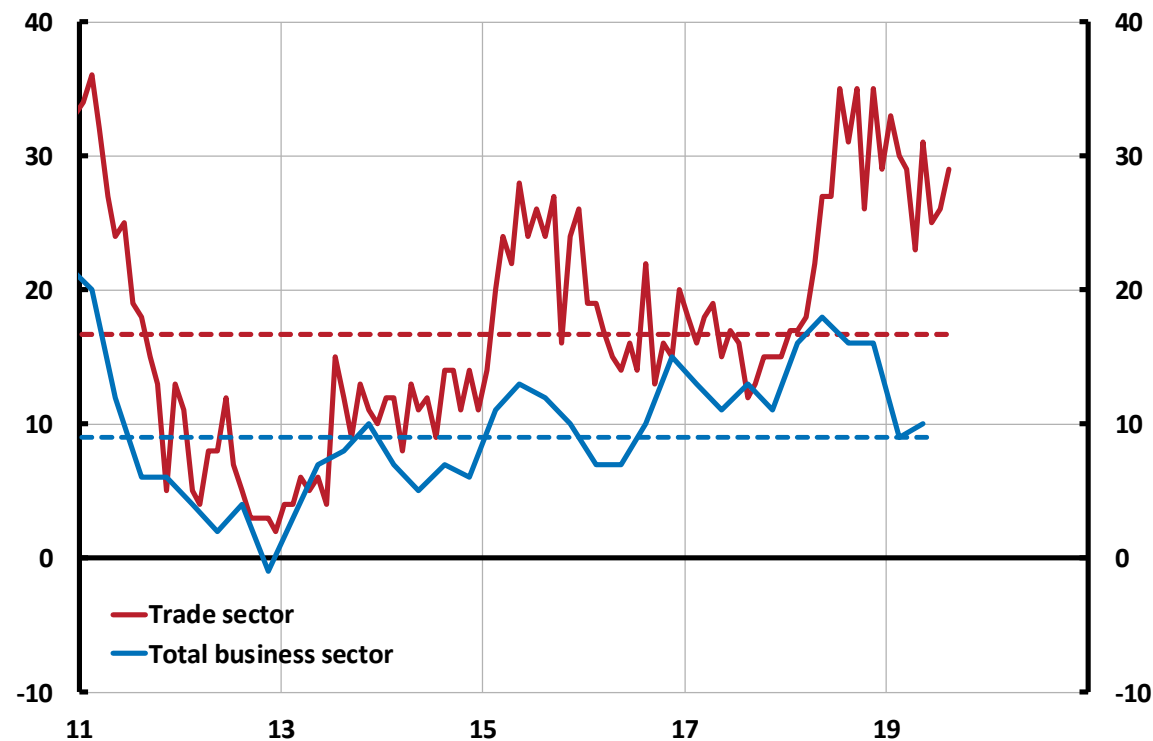


Note. The import price index measures how much Swedish importers pay for their goods at the border. Domestic market prices measure how much Swedish producers are paid when sales take place in Sweden. The price index for domestic supply is an aggregate of the import price and home market price indices. Broken lines refer to average rate of increase since the year 2000.

Source: Statistics Sweden

# Figure 3.6. Price plans in the business and trade sectors

Net figures, seasonally-adjusted data

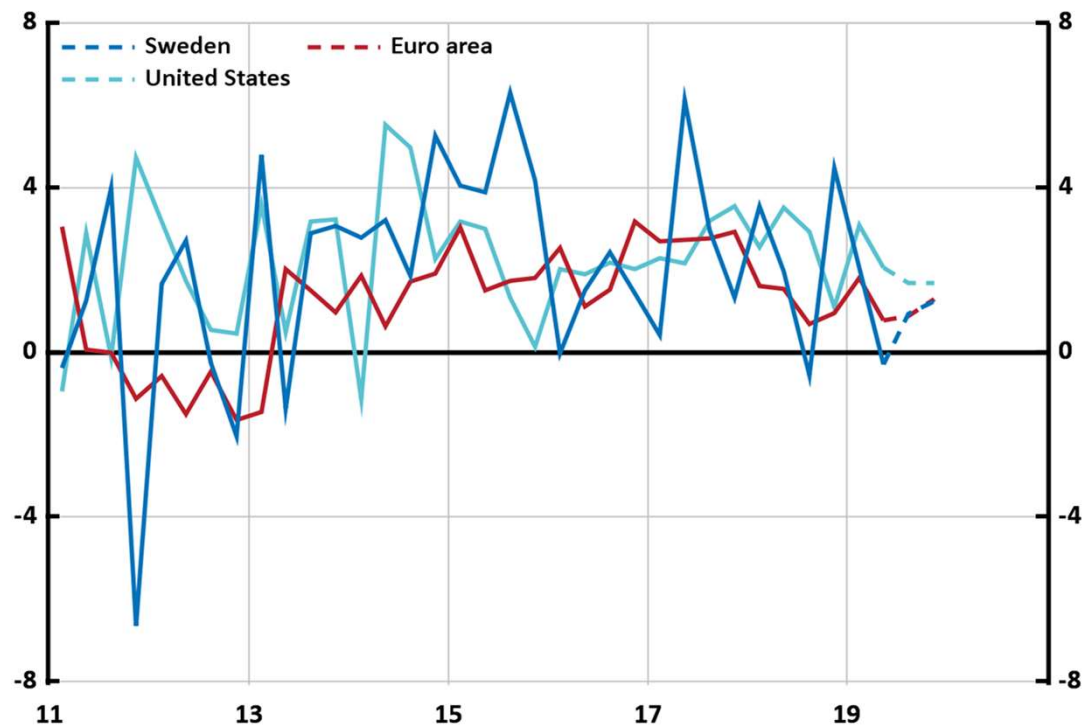


Note. The net figure is the difference between the proportion of companies stating that they expect higher sales prices and those expecting lower sales prices over the next three months. Broken lines represent mean values since May 2003.

Source: National Institute of Economic Research

# Figure 3.7. GDP in Sweden and abroad

Quarterly change in per cent, annualised, seasonally-adjusted data

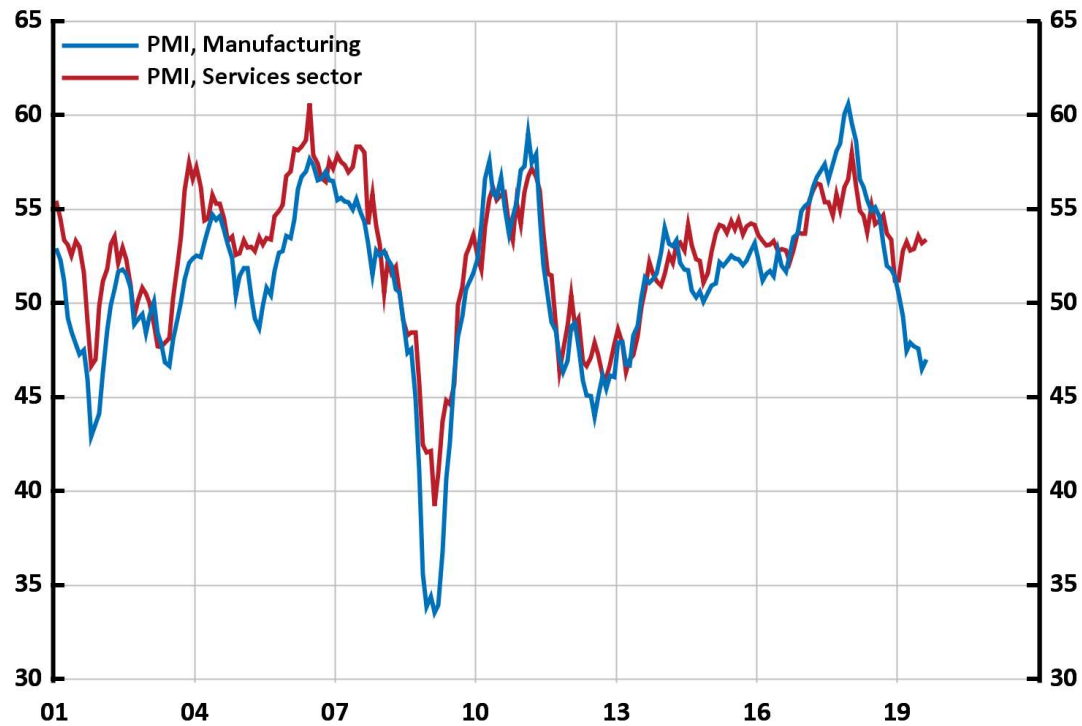


Sources: Bureau of Economic Analysis, Eurostat, Statistics Sweden and the Riksbank



# Figure 3.8. Confidence indicators in the euro area

Index



Source: Markit Economics

# Figure 3.9. Price of crude oil

USD per barrel, Brent oil

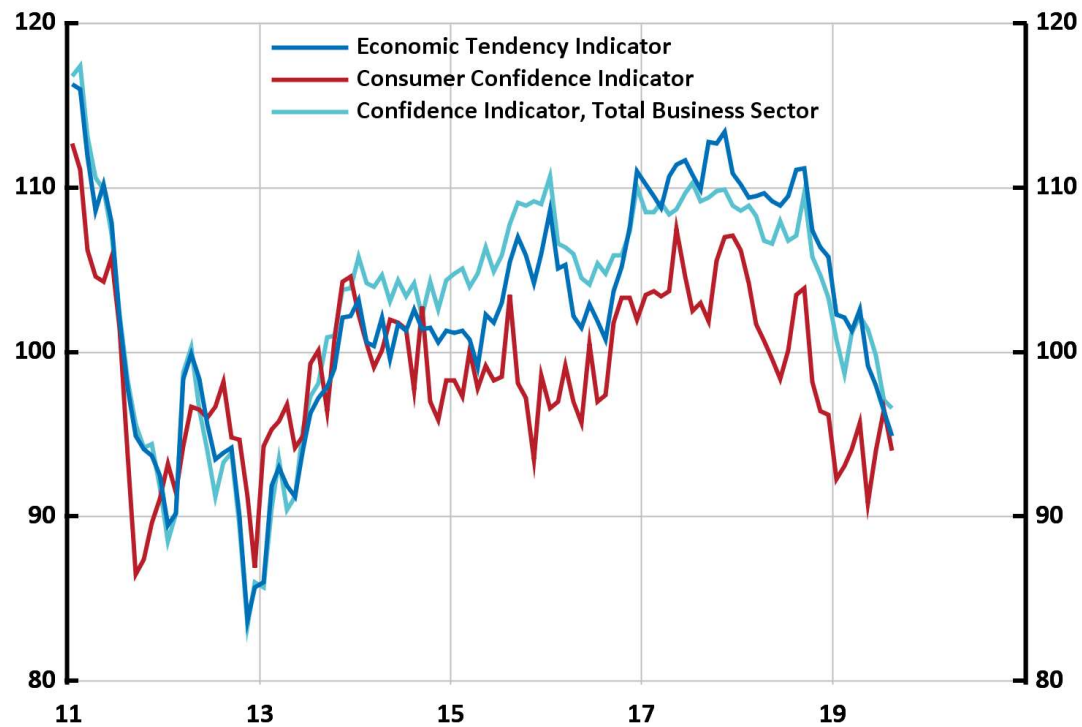


Note. Forward prices are calculated as a 15-day average. The outcomes refer to monthly averages of spot prices.

Sources: Macrobond and the Riksbank

## Figure 3.10. Confidence indicators

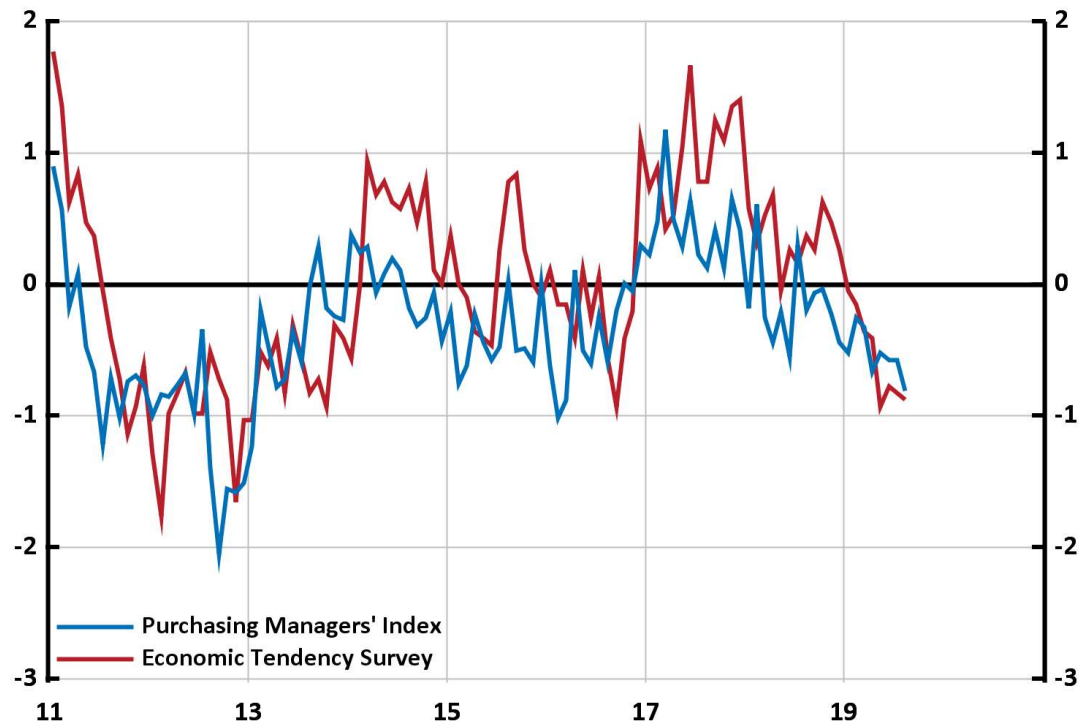
Index, average = 100, standard deviation = 10, seasonally-adjusted data



Source: National Institute of Economic Research

# Figure 3.11. New export orders in the manufacturing sector

Standard deviations

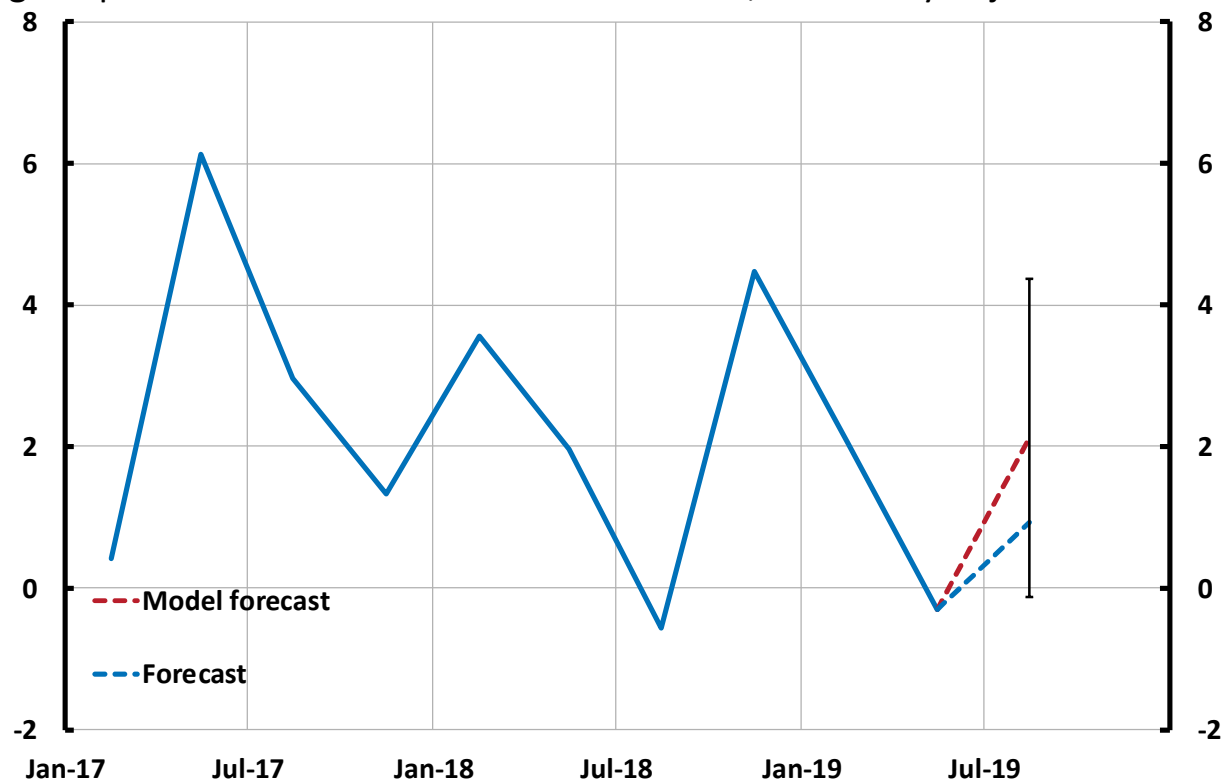


Note. The series have been seasonally adjusted and normalised so that the mean value is 0 and the standard deviation is 1.

Sources: National Institute of Economic Research and SiLF/Swedbank

# Figure 3.12. GDP, model forecast with uncertainty bands

Quarterly change in per cent calculated in annualised terms, seasonally adjusted data

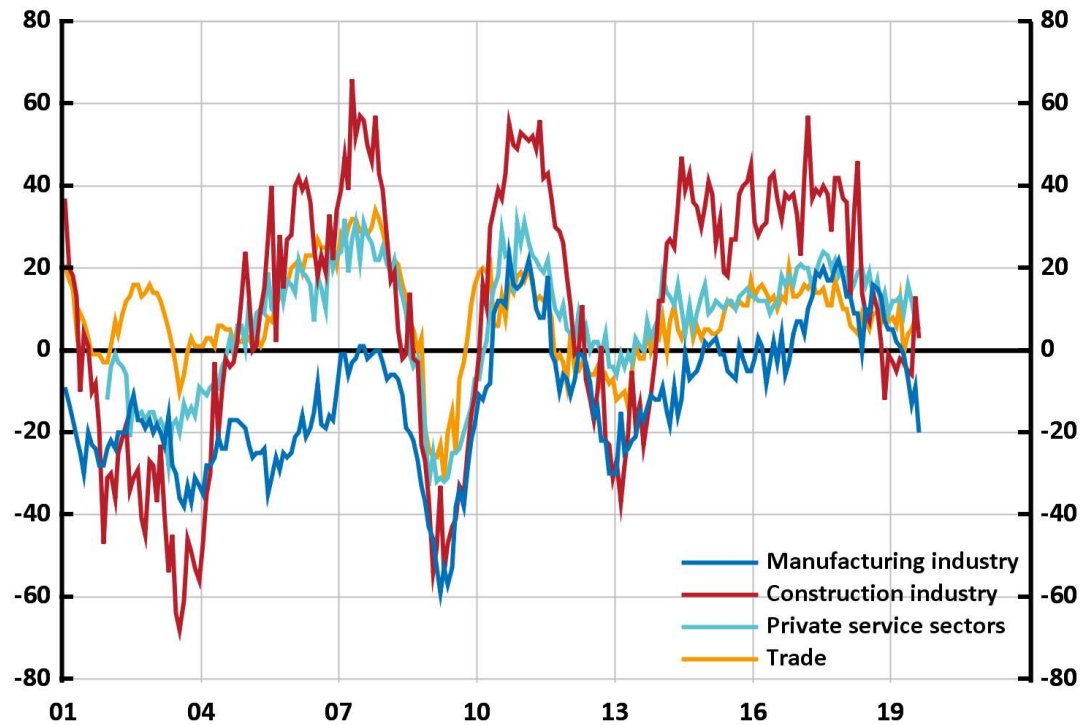


Note. The model forecast is a mean value of forecasts conducted using different statistical models. The vertical line represents a 50-per cent uncertainty band based on the models' historical forecasting errors.

Sources: Statistics Sweden and the Riksbank

# Figure 3.13. Recruitment plans by industry

Net figures, seasonally-adjusted data

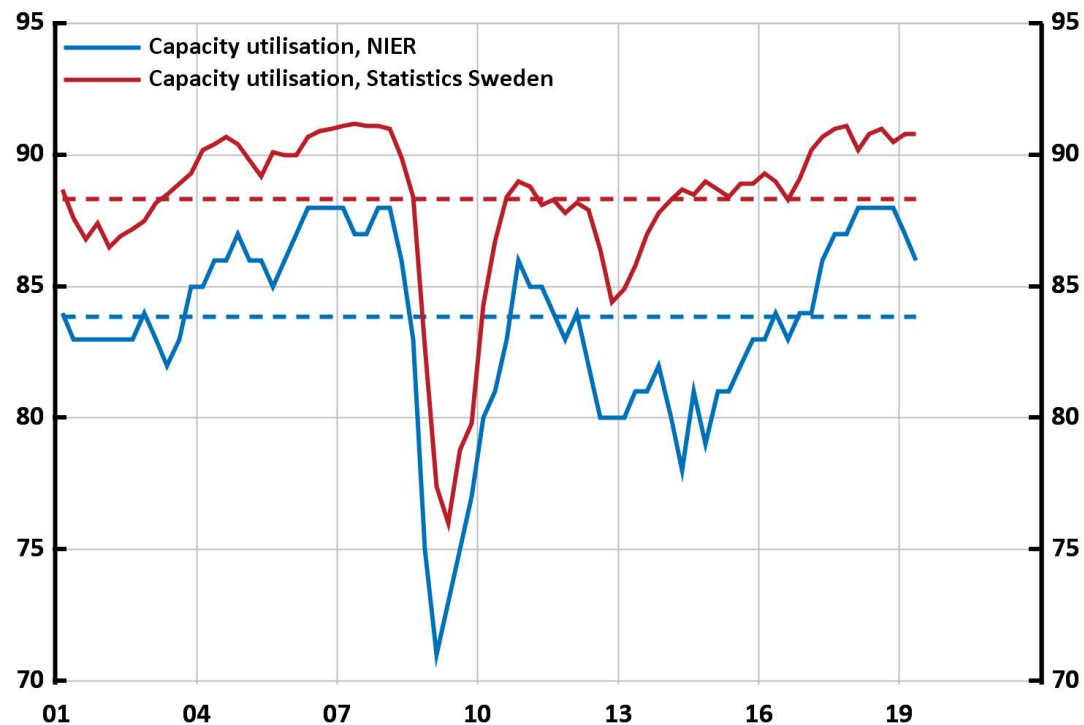


Note. Recruitment plans refer to expectations of the number of employed in the business sector three months ahead.

Source: National Institute of Economic Research

# Figure 3.14. Capacity utilisation in the manufacturing industry

Per cent, seasonally-adjusted data



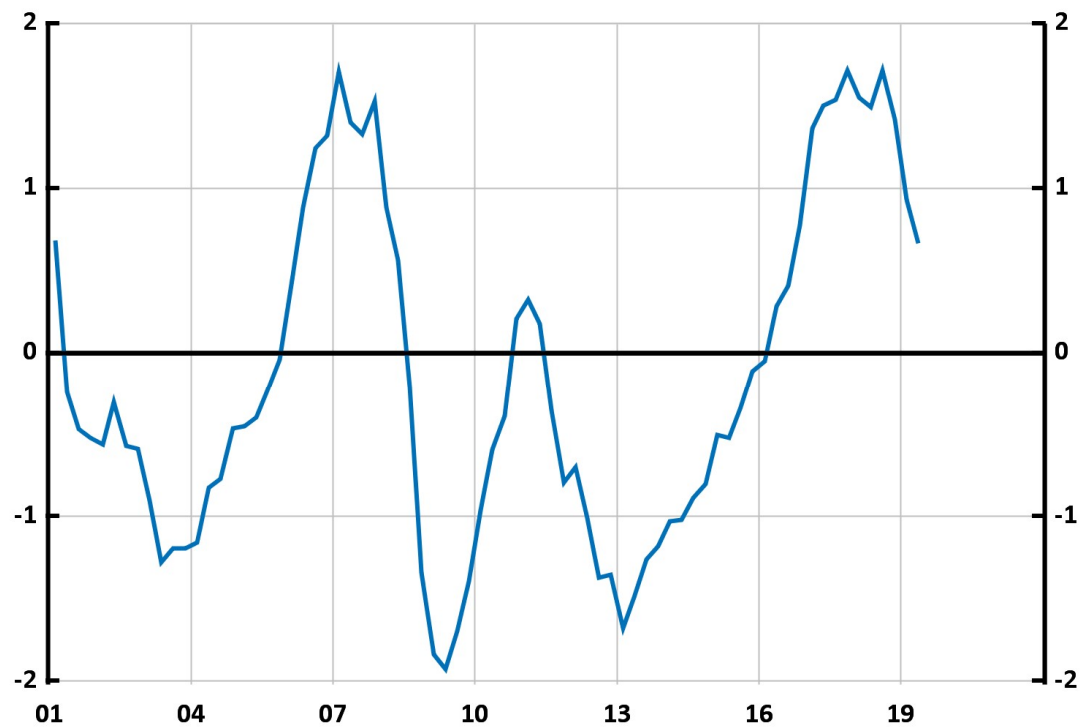
Note. The broken lines represents the mean value since 1996.

Sources: National Institute of Economic Research and Statistics  
Sweden



# Figure 3.15. Resource utilisation indicator

Standard deviations



Note. The RU indicator is a statistical measure of resource utilisation. It is normalised so that the mean value is 0 and the standard deviation is 1.

Source: The Riksbank

# Figure 3.16. Wages in the business sector and economy as a whole

Annual percentage change



Note. The National Mediation Office's forecast of final outcome July 2018–June 2019.

Source: National Mediation Office

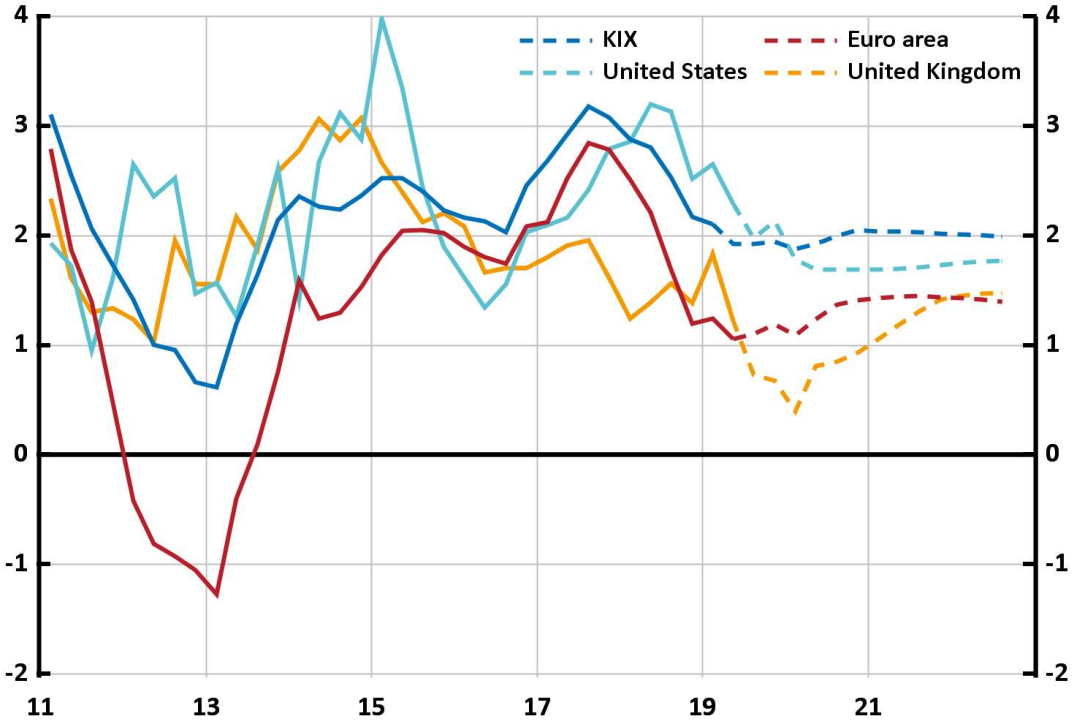
# Chapter 4

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



# Figure 4.1. GDP in various countries and regions

Annual percentage change



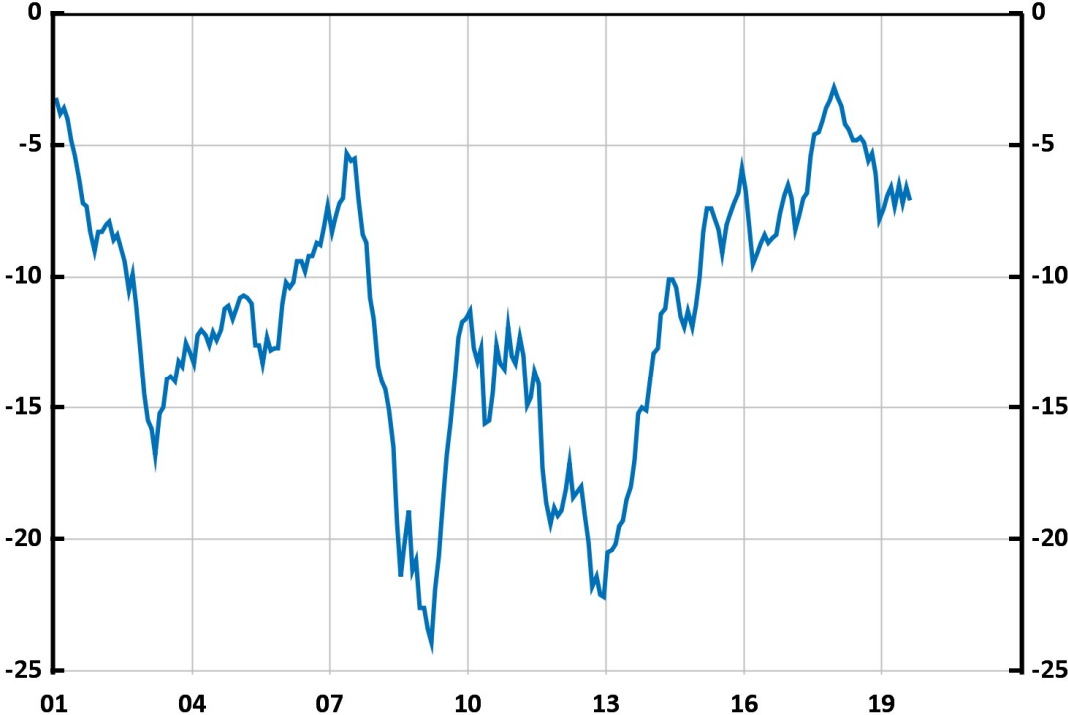
Note. KIX is an aggregate of countries that are important to Sweden's international transactions.

Sources: Bureau of Economic Analysis, Eurostat, national sources, Office for National Statistics and the Riksbank

# Figure 4.2. Consumer confidence in the euro area



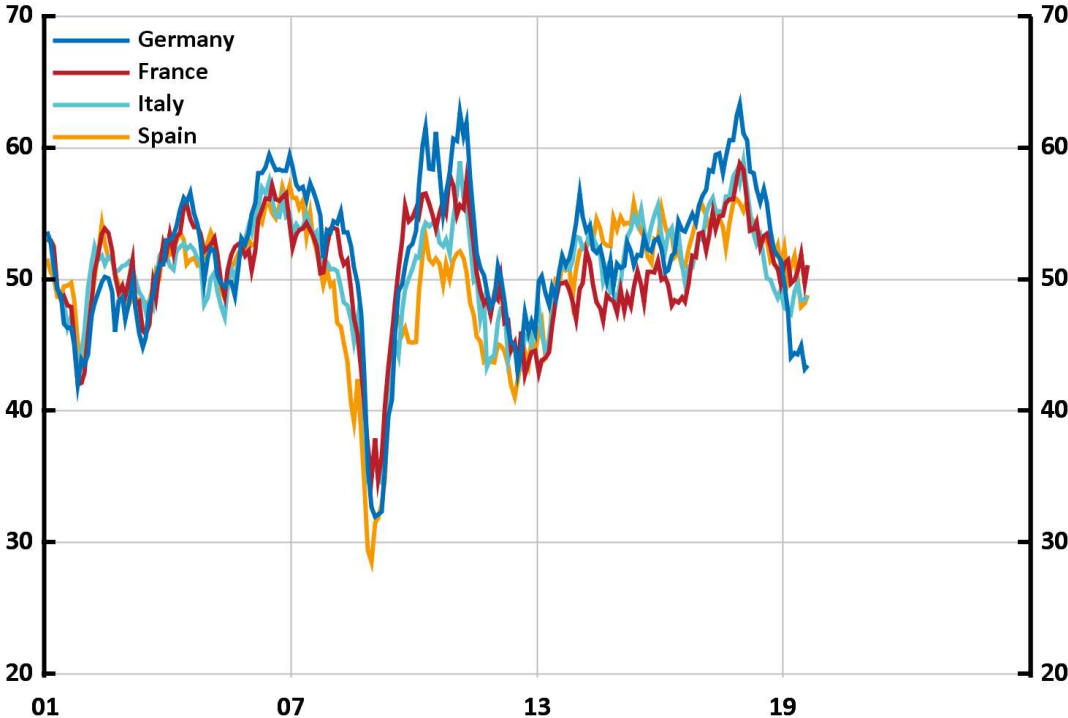
Net values, seasonally adjusted data



Source: The European Commission

# Figure 4.3. PMI manufacturing sector for the euro area

Index

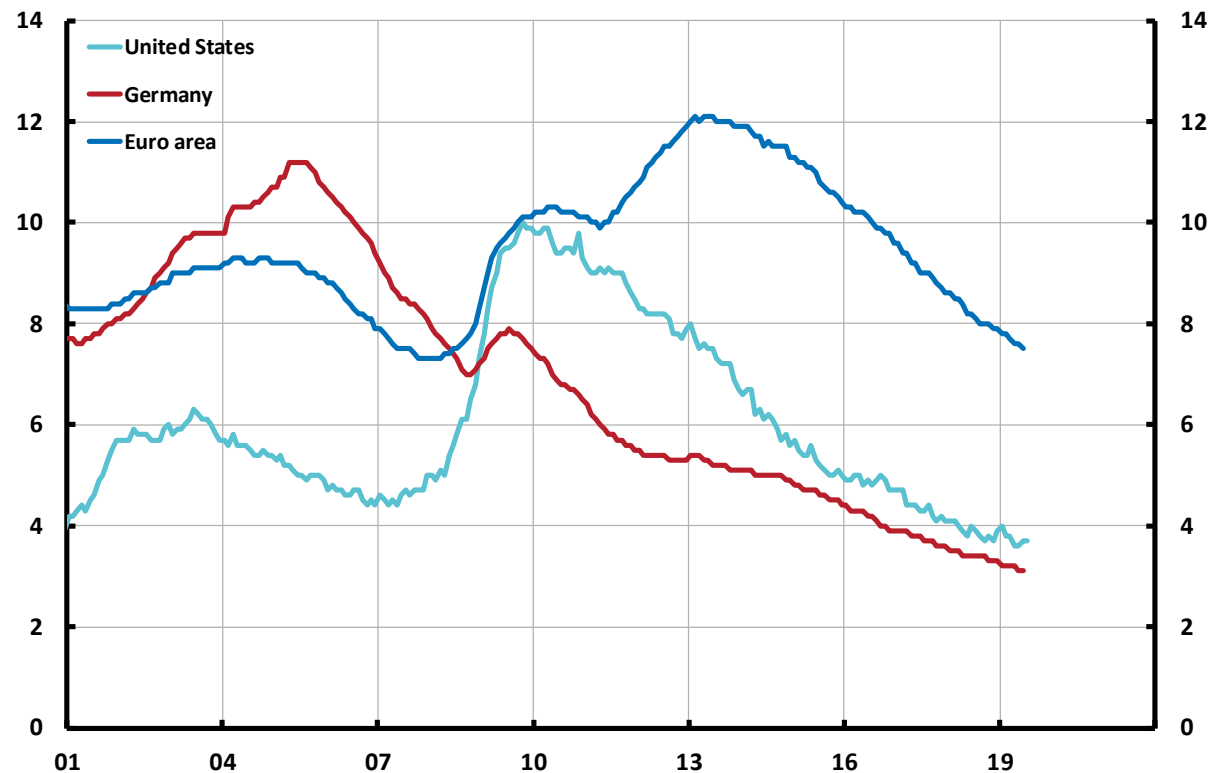


Note. An index figure above 50 indicates growth, while an index figure below 50 indicates a decline.

Source: Markit Economics

# Figure 4.4. Unemployment in various countries and regions

Percentage of the labour force, seasonally adjusted data



Source: OECD



# Figure 4.5. Development of the Chinese currency against the dollar

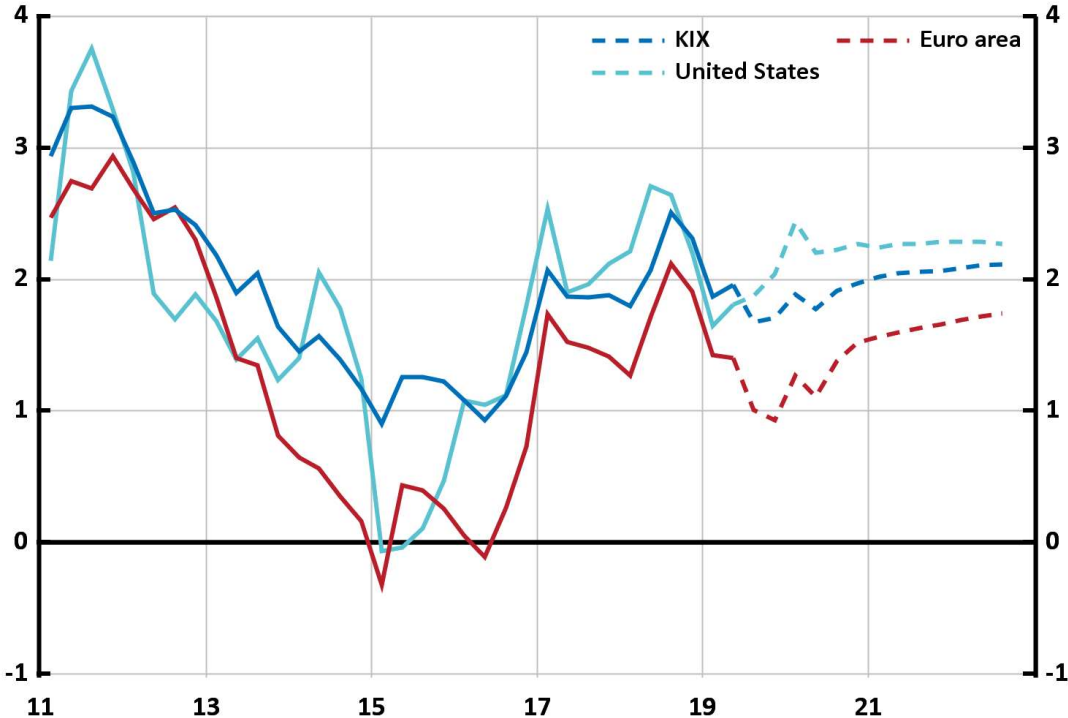
CNY per USD



Source: Macrobond

# Figure 4.6. Consumer prices in various countries and regions

Annual percentage change

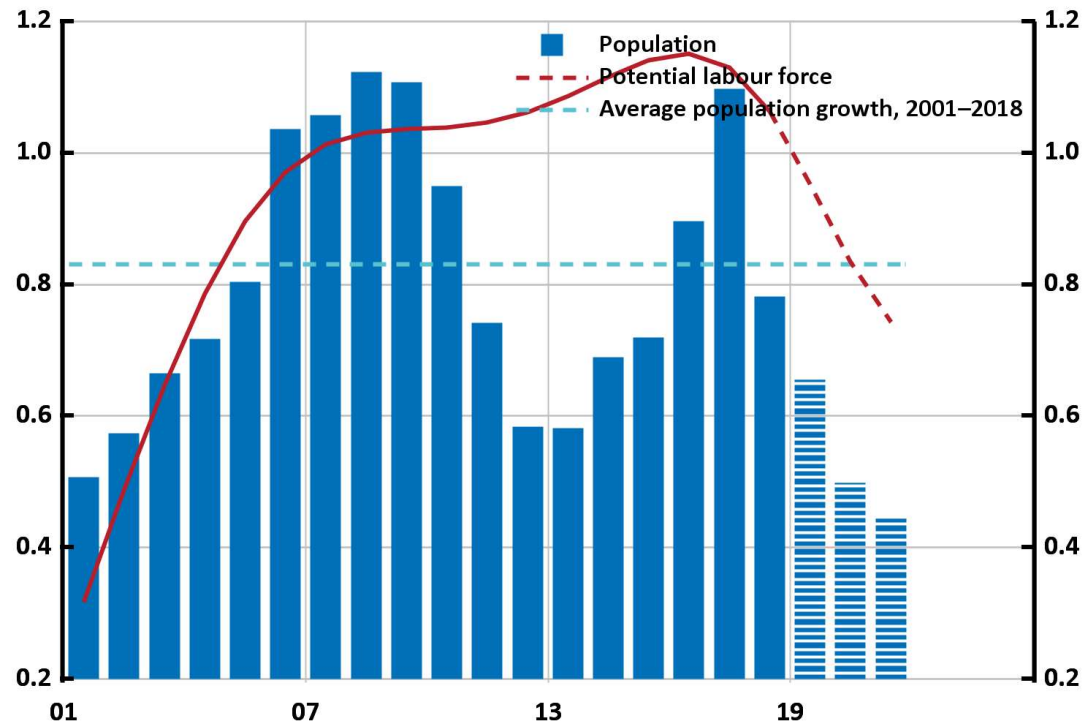


Note. KIX is an aggregate of the countries that are important to Sweden's international transactions. Euro area refers to HICP.

Sources: The Bureau of Labor Statistics, Eurostat, national sources and the Riksbank

# Figure 4.7. Population and potential labour force, 15–74 years

Annual percentage change

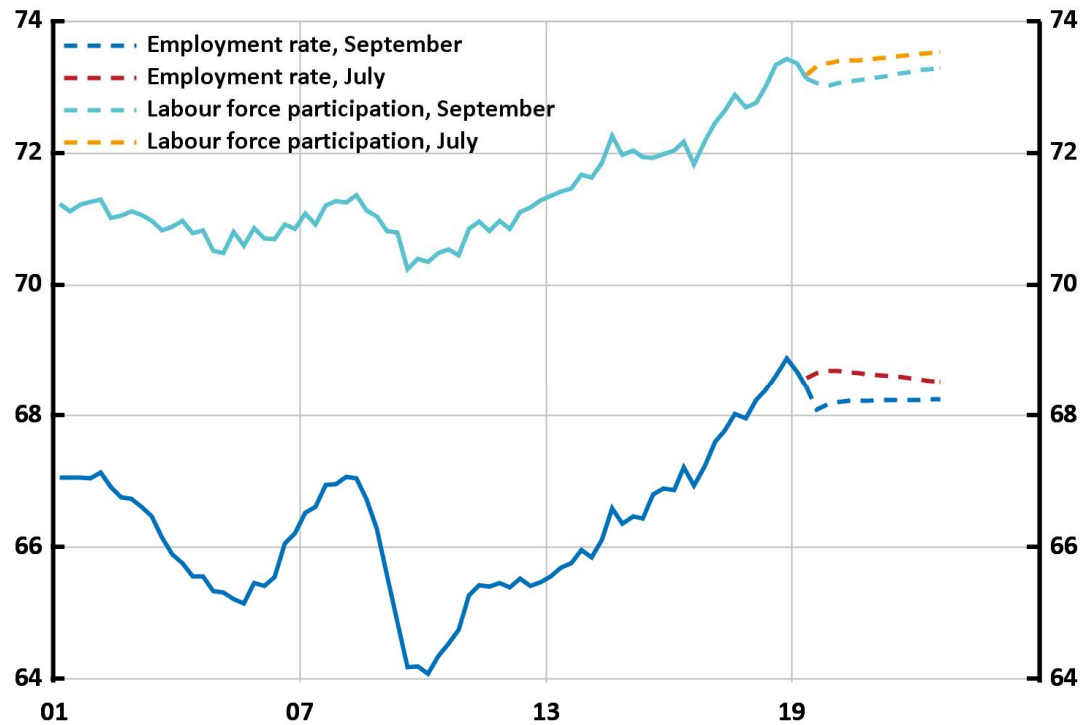


Note. Potential labour force refers to the long-term sustainable level according to the Riksbank's assessment.

Sources: Statistics Sweden and the Riksbank

# Figure 4.8. Employment rate and labour force participation

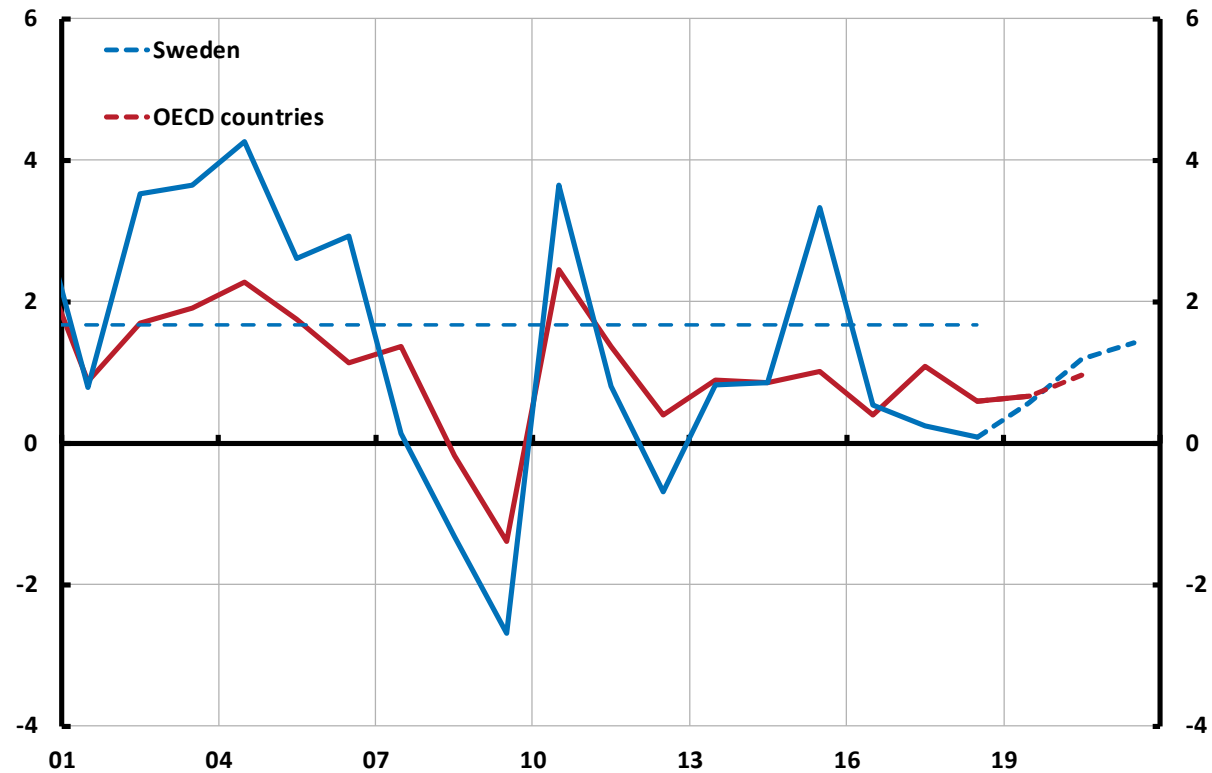
Percentage of the population, aged 15–74, seasonally-adjusted data



Sources: Statistics Sweden and the Riksbank

# Figure 4.9. Productivity

Annual percentage change, calendar-adjusted data

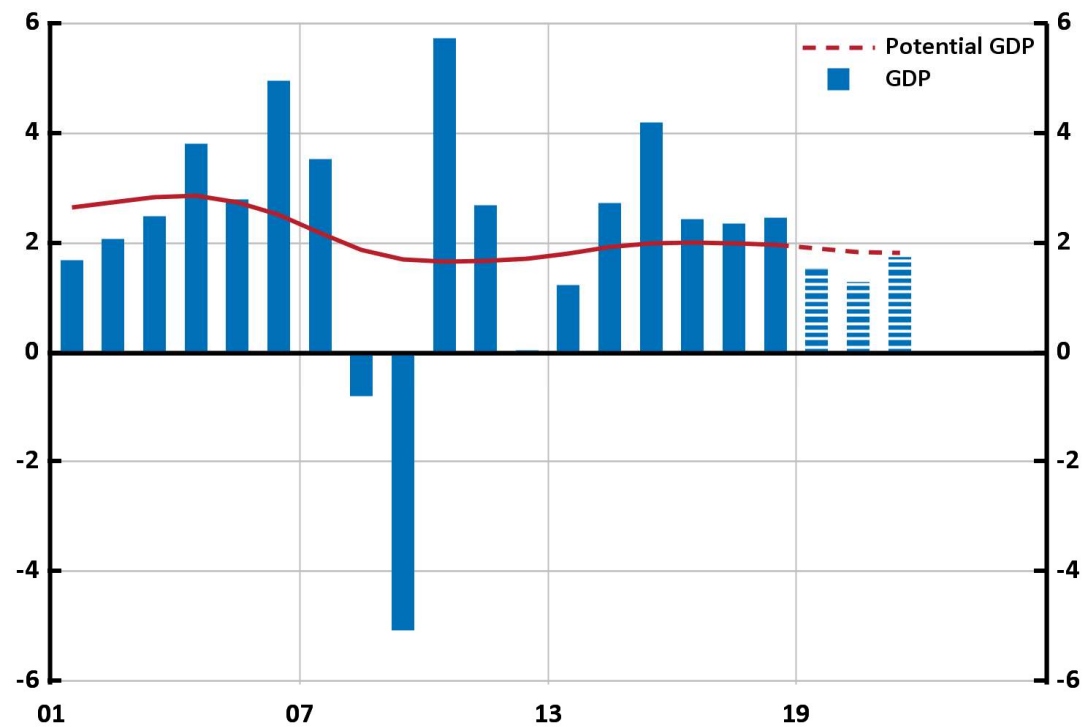


Note. The forecast for the OECD is taken from Economic Outlook, May 2019. Productivity for the OECD refers to GDP per employee. For Sweden, it refers to GDP per hour worked. The broken lines represent the average Swedish productivity growth 1994–2018.

Sources: OECD, Statistics Sweden and the Riksbank

# Figure 4.10. GDP

Annual percentage change, calendar-adjusted data

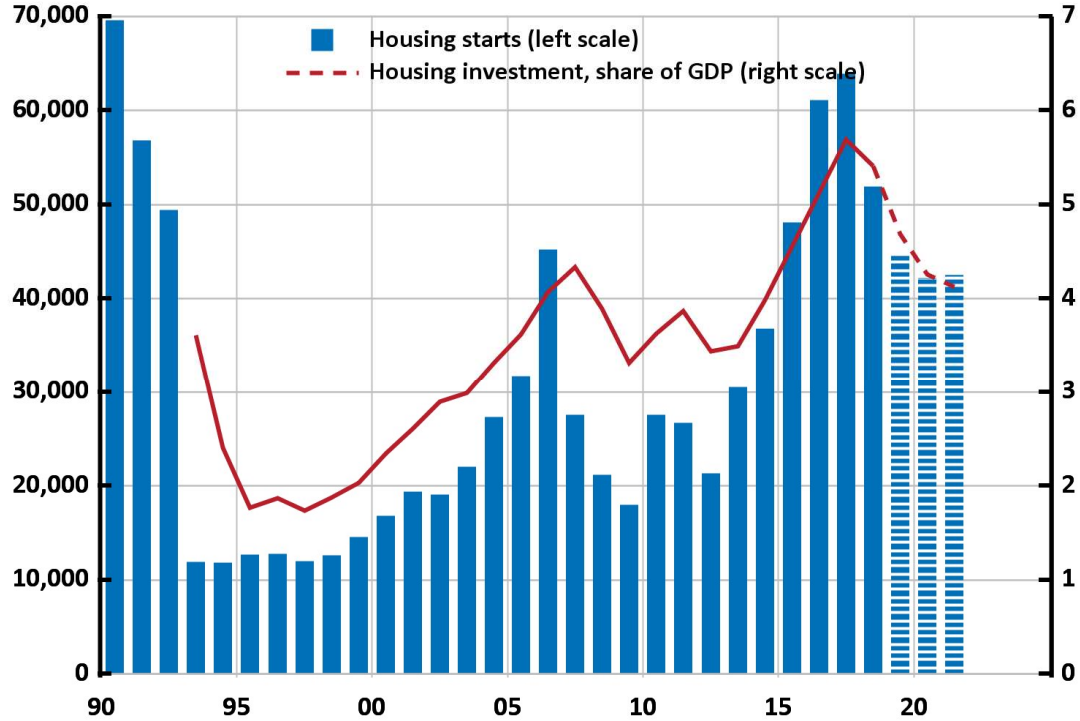


Note. Potential GDP refers to the long-term sustainable level according to the Riksbank's assessment.

Sources: Statistics Sweden and the Riksbank

# Figure 4.11. Housing starts and housing investments

Number and per cent, respectively

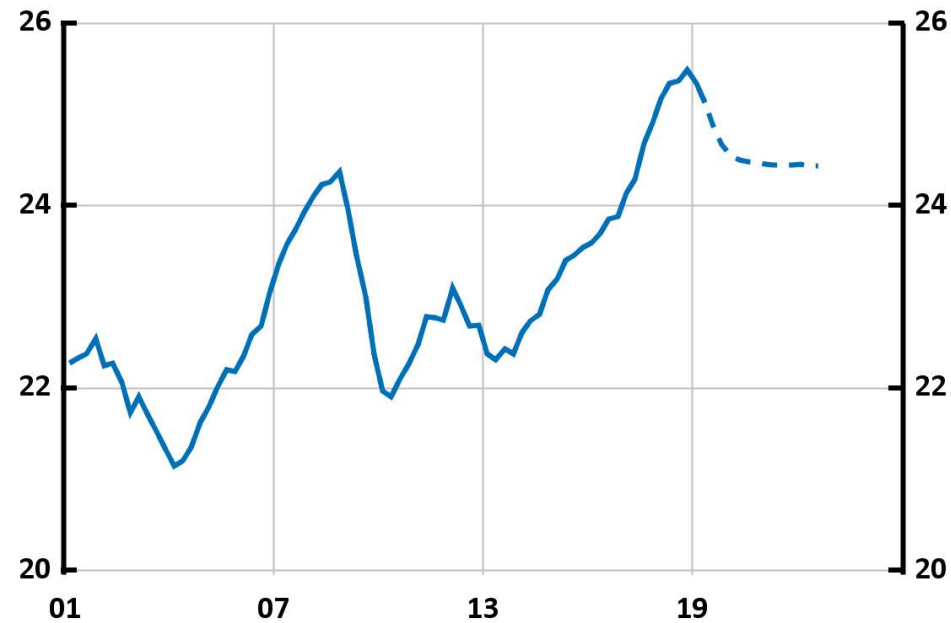


Sources: Statistics Sweden and the Riksbank



# Figure 4.12. Investments share of GDP

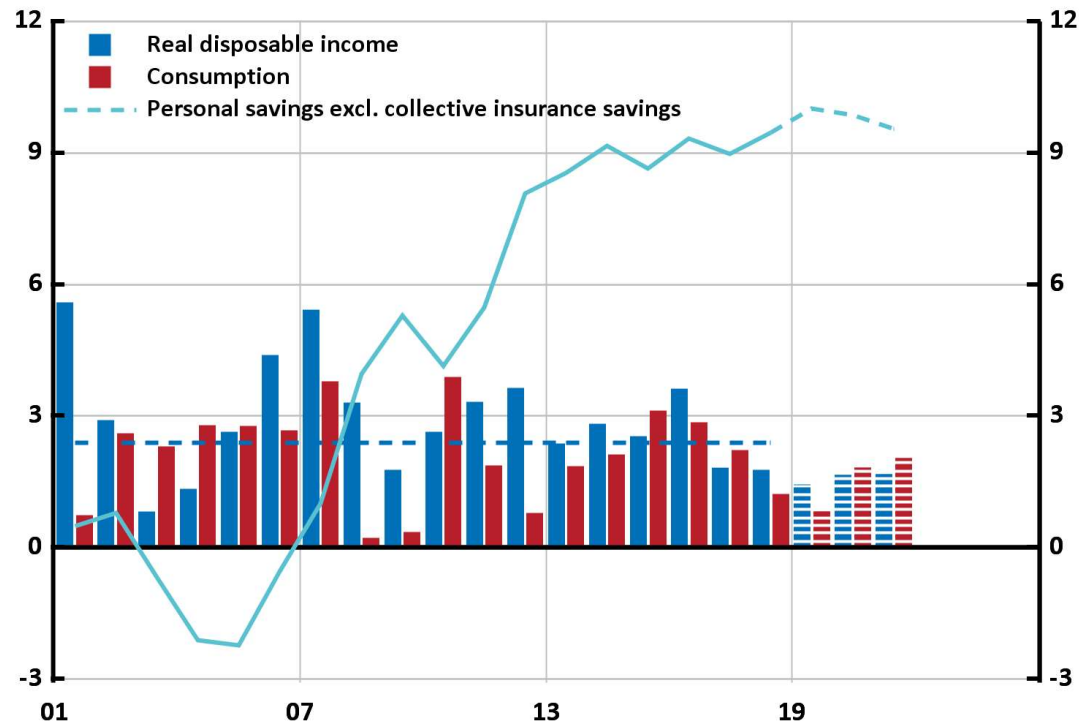
Percentage of GDP, 4 quarter moving average



Sources: Statistics Sweden and the Riksbank

# Figure 4.13. Households' real disposable income, consumption and savings ratio

Annual percentage change and per cent of disposable income, respectively

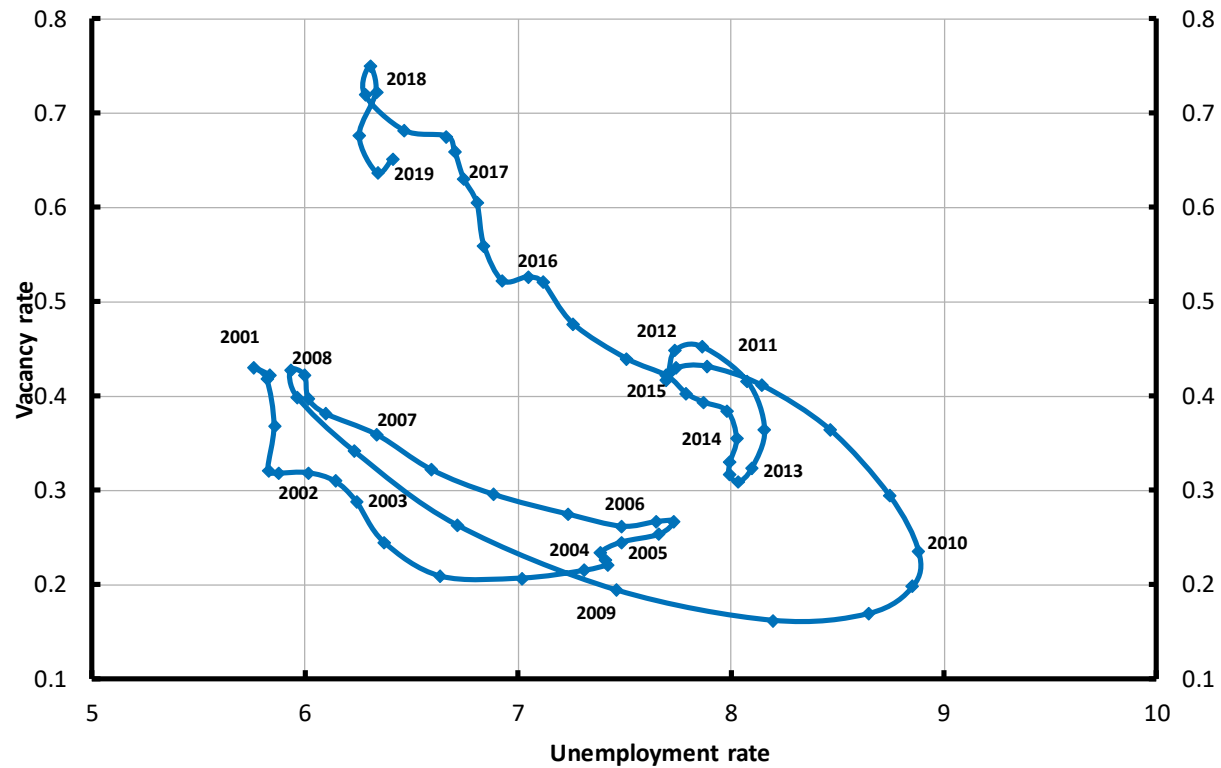


Note. Disposable income has been deflated using the household consumption deflator. Broken line is the average of consumption growth 1994–2018. Collective insurance savings consist of savings that households do not control themselves, such as premium pensions and group insurance policies.

Sources: Statistics Sweden and the Riksbank

# Figure 4.14. Beveridge curve

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

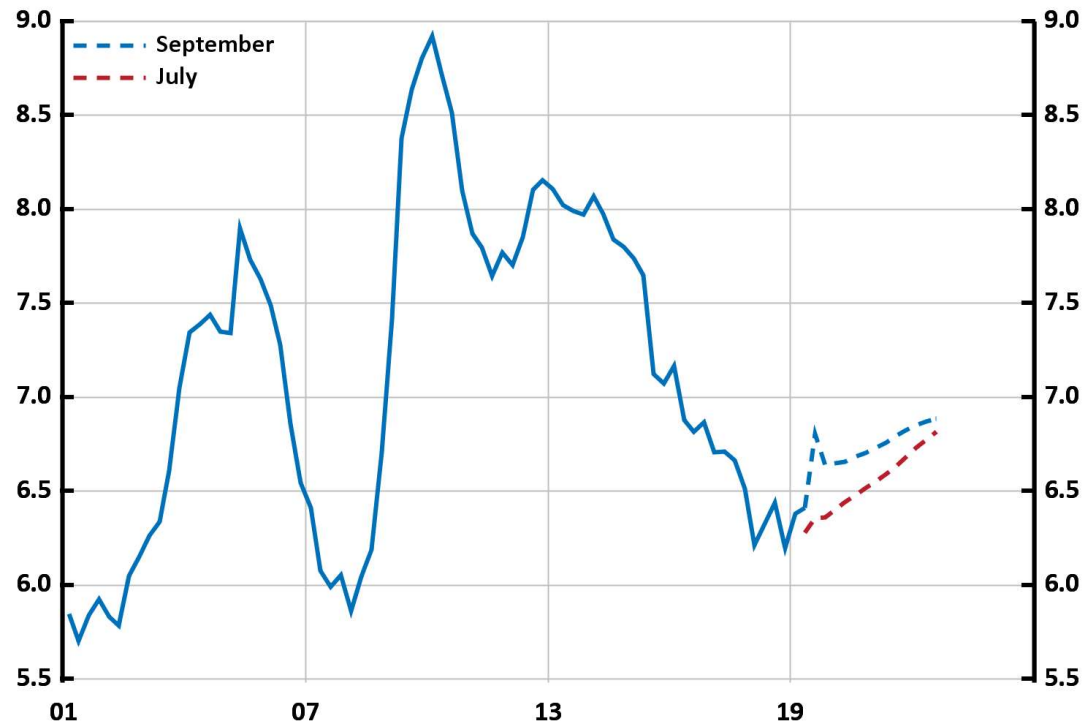


Note. Dates denote first quarter of each year respectively. Vacancies in the business sector.

Sources: Statistics Sweden and the Riksbank

# Figure 4.15. Unemployment

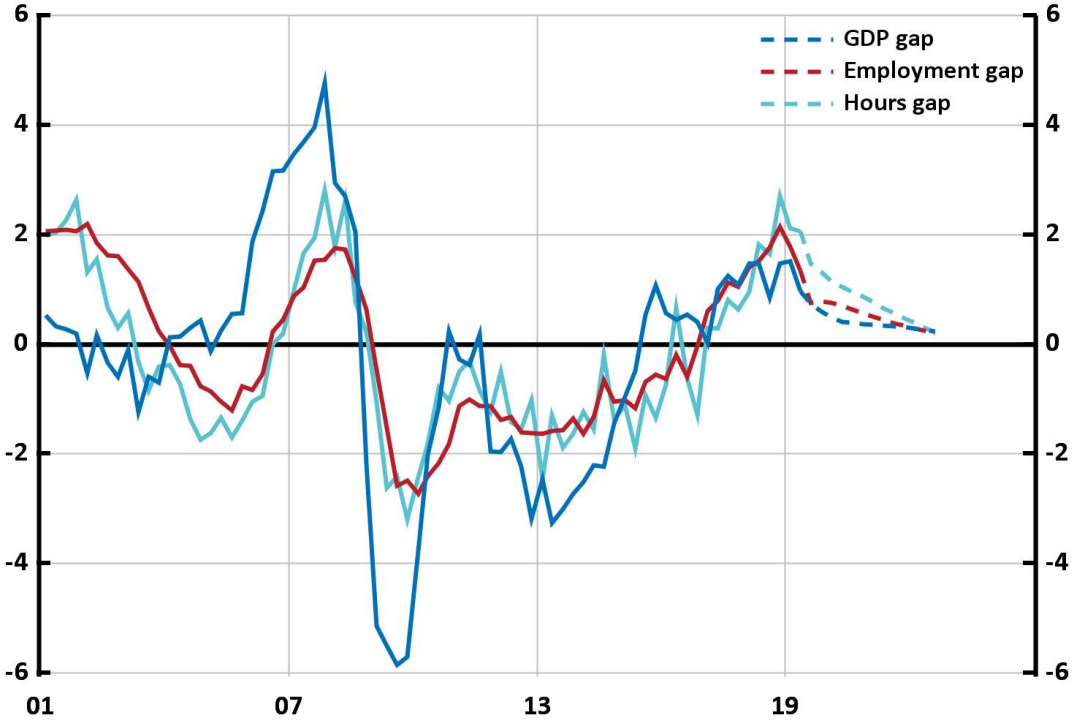
Per cent of the labour force, aged 15–74, seasonally-adjusted data



Sources: Statistics Sweden and the Riksbank

# Figure 4.16. GDP gap, employment gap and hours gap

Per cent

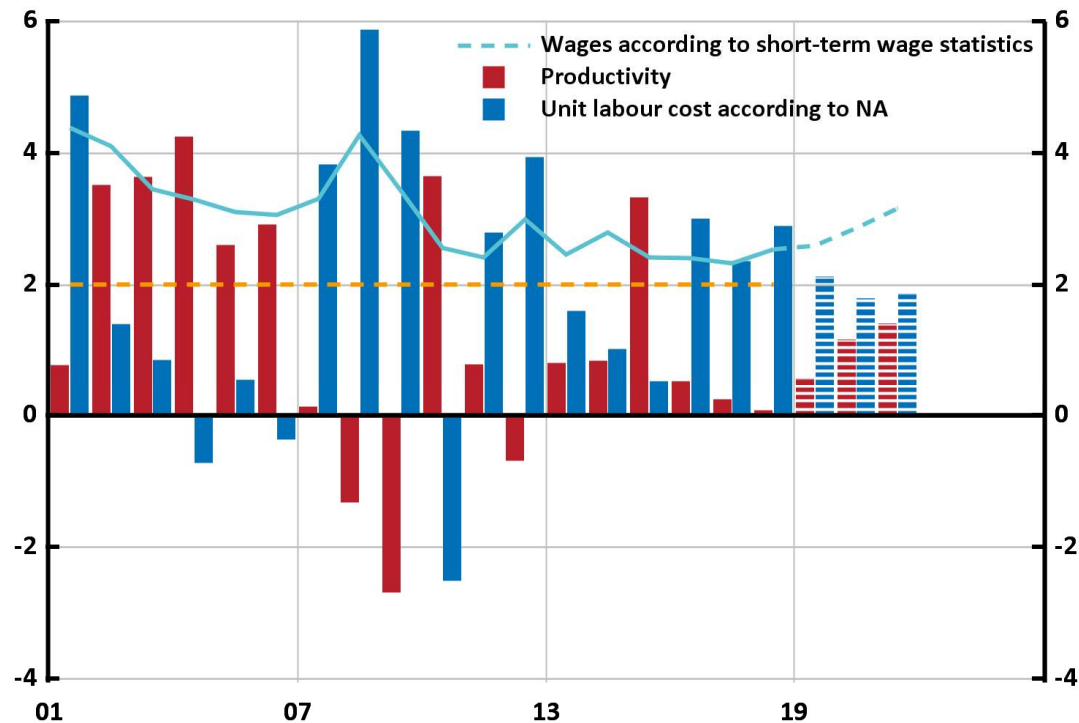


Note. The gaps refer to the deviation of GDP, the number of those employed and the number of hours worked from the Riksbank's assessed trends.

Sources: Statistics Sweden and the Riksbank

# Figure 4.17. Wages and labour costs in the whole economy

Annual percentage change

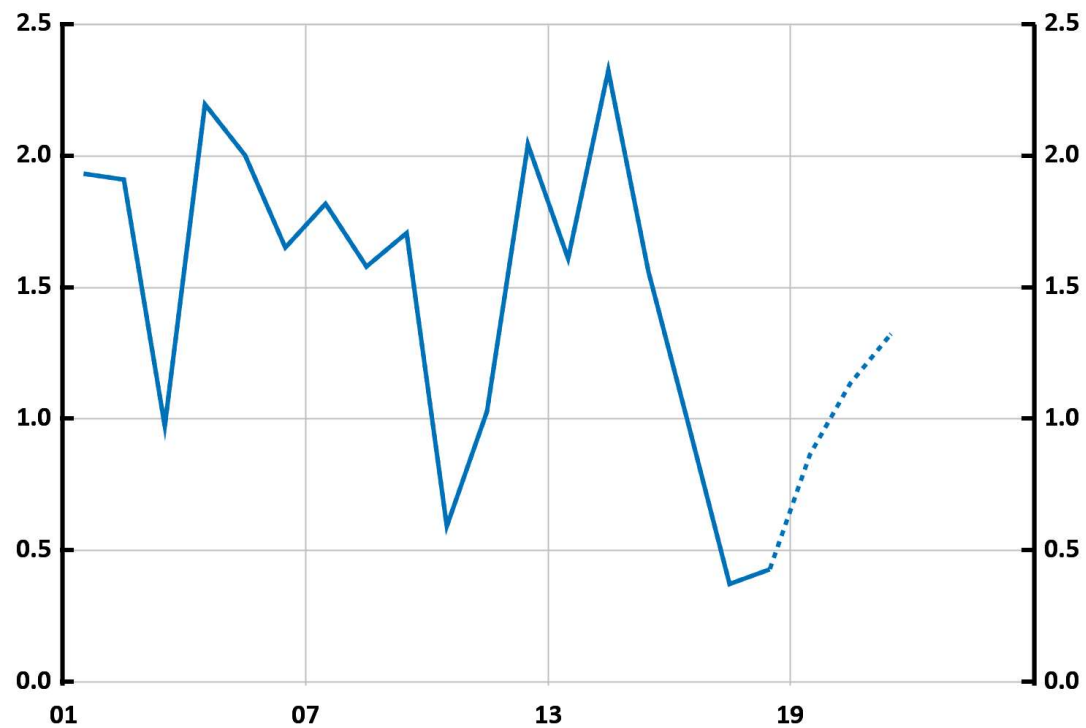


Note. Broken line is the average of unit labour cost according to NA 1994-2018.

Sources: National Mediation Office, Statistics Sweden and the Riksbank

# Figure 4.18. Real wages

Annual percentage change

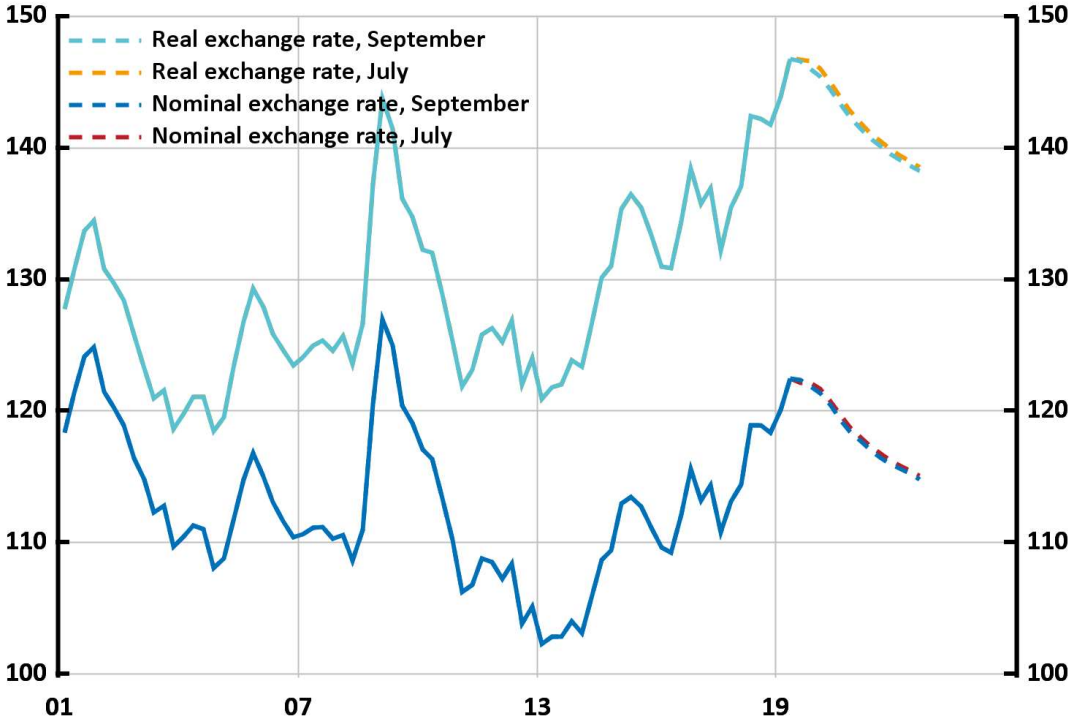


Note. Short-term wages are deflated by the CPIF.

Sources: National Mediation Office, Statistics Sweden and the Riksbank

# Figure 4.19. Real and nominal exchange rate, KIX

Index, 18 November 1992 = 100



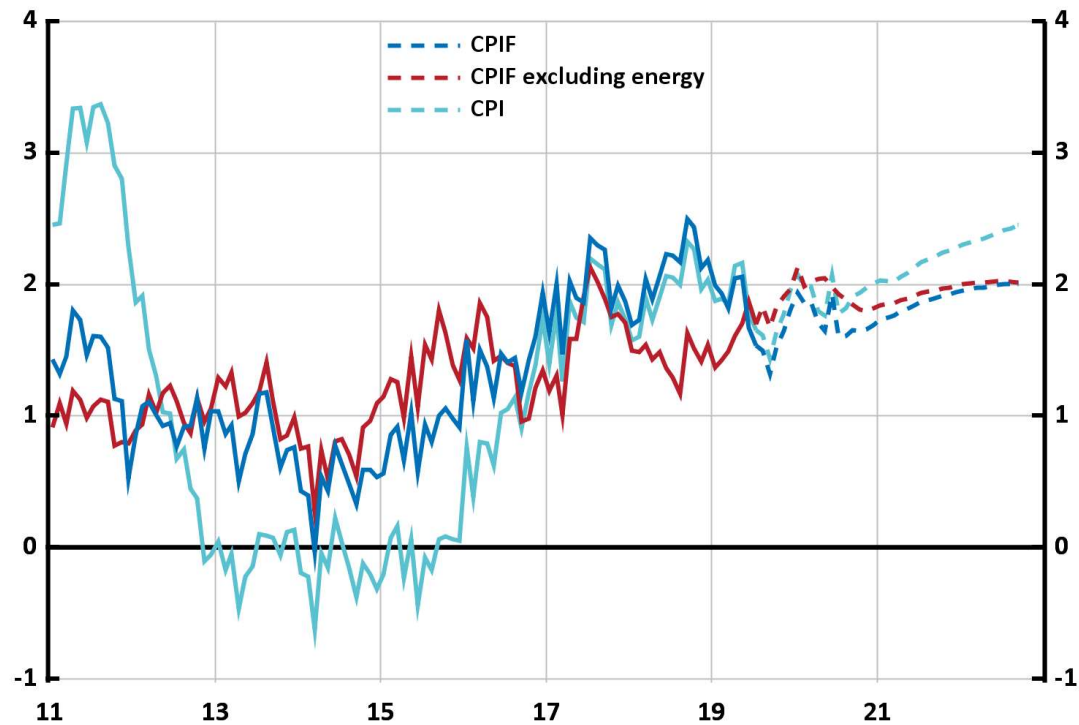
Note. The real exchange rate is calculated using the CPIX for Sweden and the CPI for the rest of the world. The KIX (krona index) is a weighted average of the krona exchange rate against currencies in 32 countries that are important for Sweden's international transactions. A higher value indicates a weaker exchange rate.

Sources: National sources, Statistics Sweden and the Riksbank



# Figure 4.20. CPIF, CPIF excluding energy and CPI

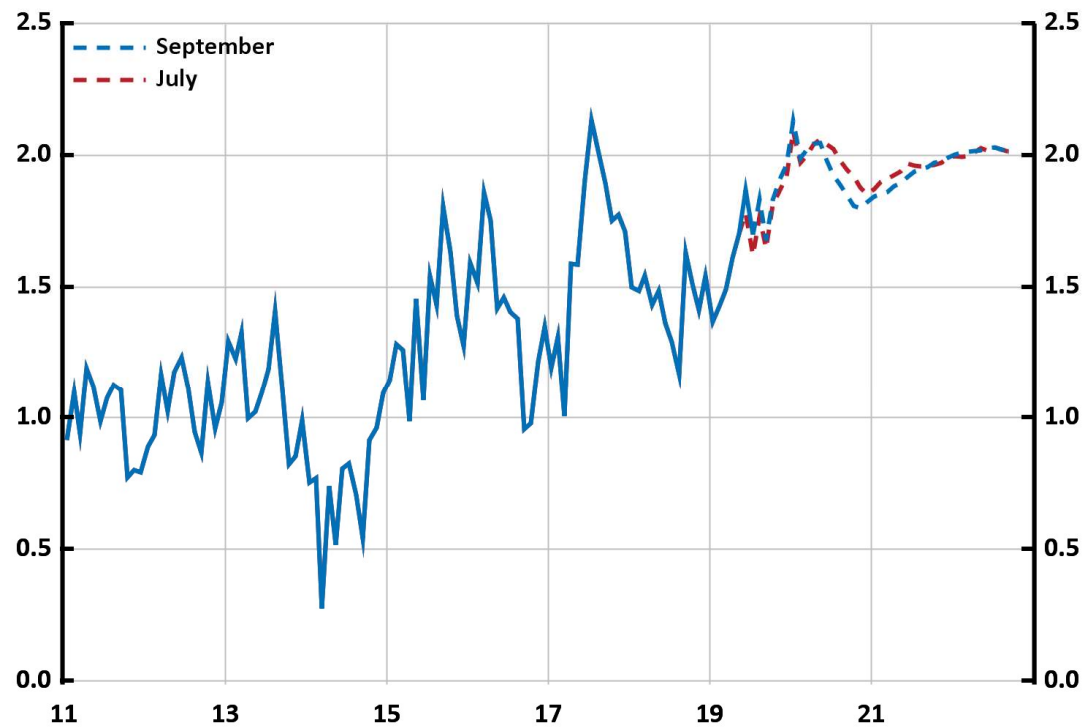
Annual percentage change



Sources: Statistics Sweden and the Riksbank

# Figure 4.21. CPIF excluding energy

Annual percentage change



Sources: Statistics Sweden and the Riksbank

# Tables

The forecast in the previous Monetary Policy Report is shown in brackets unless otherwise stated.

**Table 1. Repo rate forecast**

Per cent, quarterly averages

	Q2 2019	Q3 2019	Q4 2019	Q3 2020	Q3 2021	Q3 2022
Repo rate	-0.25 (-0.25)	-0.25 (-0.25)	-0.23 (-0.19)	0.04 (0.14)	0.20 (0.52)	0.37 (0.90)

Source: The Riksbank

**Table 2. Inflation**

Annual percentage change, annual average

	2017	2018	2019	2020	2021
CPIF	2.0 (2.0)	2.1 (2.1)	1.7 (1.7)	1.7 (1.8)	1.8 (1.9)
CPIF excl. energy	1.7 (1.7)	1.4 (1.4)	1.7 (1.7)	1.9 (2.0)	1.9 (1.9)
CPI	1.8 (1.8)	2.0 (2.0)	1.8 (1.8)	1.9 (2.2)	2.1 (2.6)
HICP	1.9 (1.9)	2.0 (2.0)	1.7 (1.7)	1.7 (1.8)	1.8 (1.8)

Note. HICP is an EU harmonised index of consumer prices.

Sources: Statistics Sweden and the Riksbank

**Table 3. Summary of financial forecasts**

Per cent, unless otherwise stated, annual average

	2017	2018	2019	2020	2021
Repo rate	-0.5 (-0.5)	-0.5 (-0.5)	-0.3 (-0.2)	0.0 (0.1)	0.2 (0.5)
10-year rate	0.7 (0.7)	0.7 (0.7)	0.1 (0.3)	0.1 (0.6)	0.6 (1.1)
Exchange rate, KIX, 18 November 1992 = 100	112.9 (112.9)	117.6 (117.6)	121.7 (121.7)	119.9 (120.2)	116.8 (117.1)
General government net lending*	1.4 (1.4)	0.9 (0.9)	0.1 (0.3)	0.0 (0.3)	0.1 (0.3)

\* Per cent of GDP.

Sources: Statistics Sweden and the Riksbank

**Table 4. International conditions**

Annual percentage change, unless otherwise stated

GDP	PPP-weights	KIX-weights	2017	2018	2019	2020	2021
Euro area	0.11	0.49	2.6 (2.5)	1.9 (1.9)	1.1 (1.2)	1.3 (1.4)	1.4 (1.4)
USA	0.15	0.08	2.4 (2.2)	2.9 (2.9)	2.3 (2.5)	1.7 (1.6)	1.7 (1.6)
Japan	0.04	0.02	1.9 (1.9)	0.8 (0.8)	1.1 (0.8)	0.4 (0.5)	0.9 (0.9)
China	0.19	0.08	6.7 (6.7)	6.7 (6.7)	6.1 (6.0)	5.9 (5.9)	5.9 (5.9)
KIX-weighted	0.75	1.00	3.0 (2.9)	2.6 (2.6)	2.0 (2.0)	2.0 (2.0)	2.0 (2.0)
World (PPP-weighted)	1.00	—	3.8 (3.8)	3.6 (3.6)	3.3 (3.3)	3.6 (3.5)	3.6 (3.6)

Note. Calendar-adjusted growth rates. The PPP weights refer to the global purchasing-power adjusted GDP weights for 2018, according to the IMF. KIX weights refer to weights in the Riksbank's krona index (KIX) for 2019. The forecast for GDP in the world is based on the IMF's forecasts for PPP weights. The forecast for KIX-weighted GDP is based on an assumption that the KIX weights will develop in line with the trend during the previous five years.

CPI	2017	2018	2019	2020	2021
Euro area (HICP)	1.5 (1.5)	1.8 (1.8)	1.2 (1.2)	1.3 (1.3)	1.6 (1.6)
USA	2.1 (2.1)	2.4 (2.4)	1.8 (1.8)	2.3 (2.2)	2.3 (2.2)
Japan	0.5 (0.5)	1.0 (1.0)	0.7 (0.6)	1.3 (1.4)	1.1 (1.1)
KIX-weighted	1.9 (1.9)	2.2 (2.2)	1.8 (1.9)	1.9 (1.9)	2.0 (2.0)

	2017	2018	2019	2020	2021
Policy rates in the rest of the world, per cent	-0.1 (-0.1)	0.1 (0.1)	0.1 (0.2)	0.0 (0.2)	0.0 (0.3)
Crude oil price, USD/barrel Brent	54.8 (54.8)	71.5 (71.5)	62.9 (64.3)	57.2 (59.5)	56.4 (58.5)
Swedish export market	5.3 (5.0)	3.4 (3.3)	3.2 (3.4)	3.5 (3.6)	3.4 (3.4)

Note. International policy rate is an aggregate of policy rates in the US, the euro area (EONIA), Norway and the United Kingdom.

Sources: Eurostat, IMF, Intercontinental Exchange, national sources, OECD and the Riksbank

**Table 5. GDP by expenditure**

Annual percentage change, unless otherwise stated

	2017	2018	2019	2020	2021
Private consumption	2.2 (2.2)	1.2 (1.2)	0.8 (0.7)	1.8 (1.8)	2.0 (2.0)
Public consumption	0.0 (0.0)	0.9 (0.9)	0.5 (0.8)	0.7 (0.8)	0.8 (0.8)
Gross fixed capital formation	6.0 (6.0)	4.0 (4.0)	-1.1 (0.4)	1.0 (1.5)	2.1 (1.8)
Inventory investment*	0.1 (0.1)	0.4 (0.4)	-0.2 (0.0)	-0.2 (-0.2)	0.0 (0.0)
Exports	3.2 (3.2)	3.9 (3.9)	3.8 (4.3)	3.7 (3.8)	3.6 (3.6)
Imports	4.8 (4.8)	3.8 (3.8)	0.6 (1.9)	2.8 (3.1)	3.4 (3.4)
GDP	2.1 (2.1)	2.4 (2.4)	1.5 (1.8)	1.5 (1.6)	1.9 (1.8)
GDP, calendar-adjusted	2.4 (2.4)	2.5 (2.5)	1.5 (1.8)	1.3 (1.4)	1.7 (1.7)
Final domestic demand*	2.4 (2.4)	1.8 (1.8)	0.2 (0.6)	1.2 (1.4)	1.6 (1.6)
Net exports*	-0.5 (-0.5)	0.2 (0.2)	1.5 (1.2)	0.5 (0.5)	0.3 (0.3)
Current account (NA), per cent of GDP	3.7 (3.7)	3.1 (3.1)	4.7 (4.4)	5.1 (4.7)	5.2 (4.8)

\*Contribution to GDP growth, percentage points

Note. The figures show actual growth rates that have not been calendar-adjusted, unless otherwise stated. NA is the National Accounts.

Sources: Statistics Sweden and the Riksbank

**Table 6. Production and employment**

Annual percentage change, unless otherwise stated

	2017	2018	2019	2020	2021
Population, aged 15–74	1.1 (1.1)	0.8 (0.8)	0.7 (0.7)	0.5 (0.5)	0.4 (0.4)
Potential hours worked	1.1 (1.1)	1.1 (1.1)	1.0 (1.0)	0.9 (0.9)	0.7 (0.7)
Potential GDP	2.0 (2.0)	2.0 (2.0)	1.9 (1.9)	1.8 (1.8)	1.8 (1.8)
GDP, calendar-adjusted	2.4 (2.4)	2.5 (2.5)	1.5 (1.8)	1.3 (1.4)	1.7 (1.7)
Number of hours worked, calendar-adjusted	2.1 (2.1)	2.4 (2.4)	0.9 (1.0)	0.1 (0.4)	0.3 (0.3)
Employed, aged 15–74	2.3 (2.3)	1.8 (1.8)	0.4 (0.9)	0.3 (0.5)	0.5 (0.4)
Labour force, aged 15–74	2.0 (2.0)	1.4 (1.4)	0.7 (0.9)	0.4 (0.6)	0.6 (0.5)
Unemployment, aged 15–74 *	6.7 (6.7)	6.3 (6.3)	6.6 (6.3)	6.7 (6.5)	6.8 (6.6)
GDP gap**	0.8 (0.8)	1.3 (1.3)	1.0 (1.3)	0.4 (0.8)	0.3 (0.7)
Hours gap**	0.5 (0.5)	1.8 (1.8)	1.7 (1.8)	1.0 (1.4)	0.6 (1.0)

\* Per cent of the labour force \*\*Deviation from the Riksbank's assessed potential level, per cent

Note. Potential hours refer to the long-term sustainable level for the number of hours worked according to the Riksbank's assessment.

Sources: Statistics Sweden and the Riksbank

**Table 7. Wages and labour costs for the economy as a whole**

Annual percentage change, calendar-adjusted data unless otherwise stated

	2017	2018	2019	2020	2021
Hourly wage, NMO	2.3 (2.3)	2.5 (2.5)	2.6 (2.6)	2.9 (2.9)	3.2 (3.2)
Hourly wage, NA	2.5 (2.5)	2.2 (2.2)	2.7 (2.6)	2.9 (2.9)	3.2 (3.2)
Employers' contribution*	0.0 (0.0)	0.5 (0.5)	0.0 (0.1)	0.1 (0.1)	0.1 (0.1)
Hourly labour cost, NA	2.5 (2.5)	2.7 (2.7)	2.7 (2.7)	3.0 (3.0)	3.3 (3.3)
Productivity	0.2 (0.2)	0.1 (0.1)	0.6 (0.8)	1.2 (1.0)	1.4 (1.3)
Unit labour cost	2.4 (2.4)	2.9 (2.9)	2.1 (1.8)	1.8 (2.0)	1.9 (2.0)

\* Difference in rate of increase between labour cost per hour, NA and hourly wages, NA, percentage points

Note. NMO is the National Mediation Office's short-term wage statistics and NA is the National Accounts. Labour cost per hour is defined as the sum of actual wages, social-security charges and wage taxes (labour cost sum) divided by the number of hours worked by employees. Unit labour cost is defined as labour cost sum divided by GDP in fixed prices.

Sources: National Mediation Office, Statistics Sweden and the Riksbank