

# Thoughts on technology and the economy

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

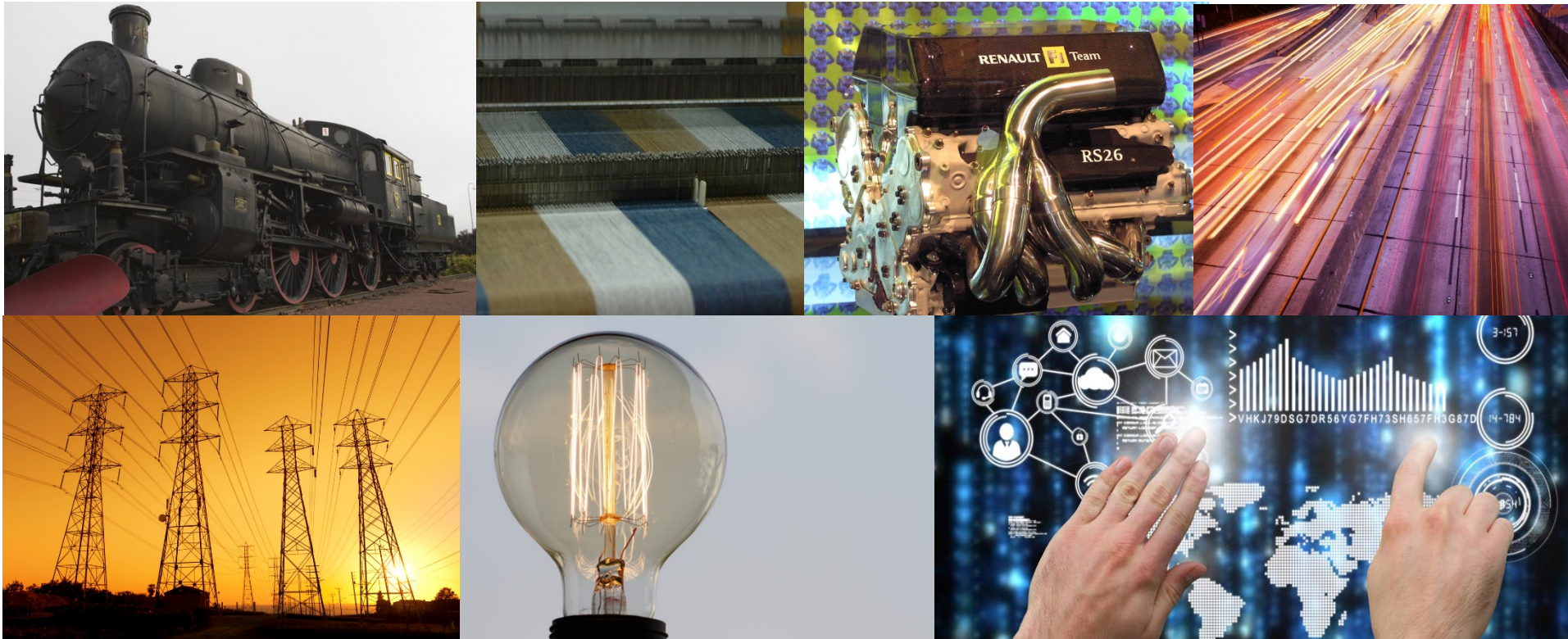


Cecilia Skingsley  
Deputy Governor



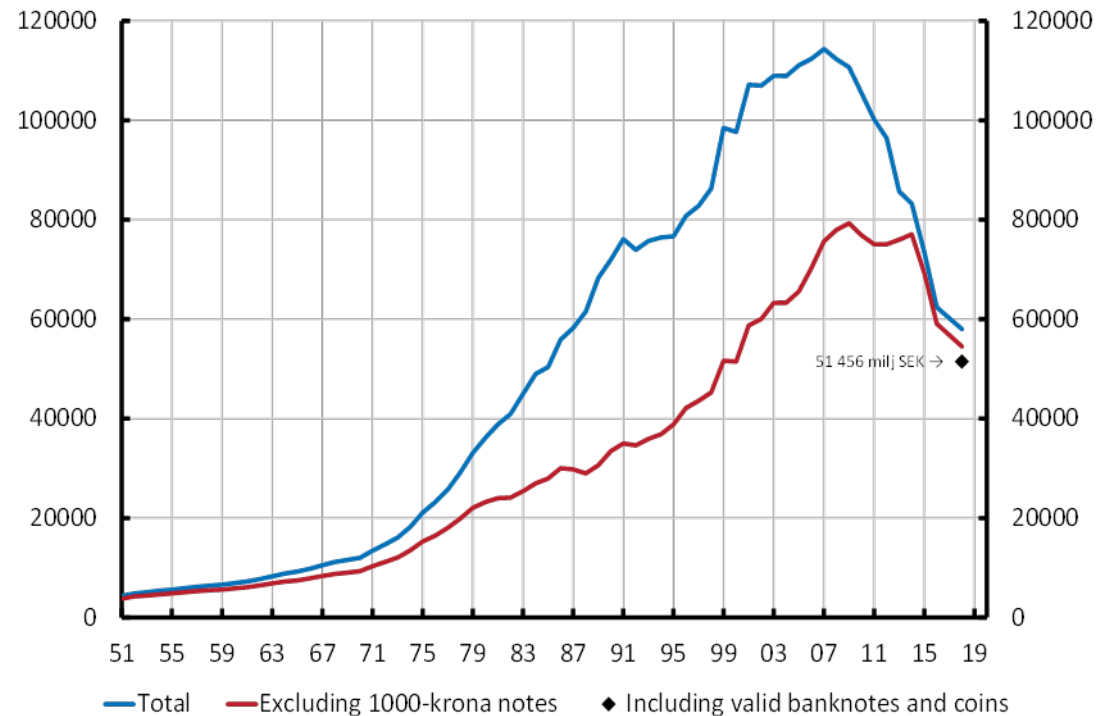


# Technological breakthroughs throughout history



# Money and means of payment of the future?

## Cash usage is falling

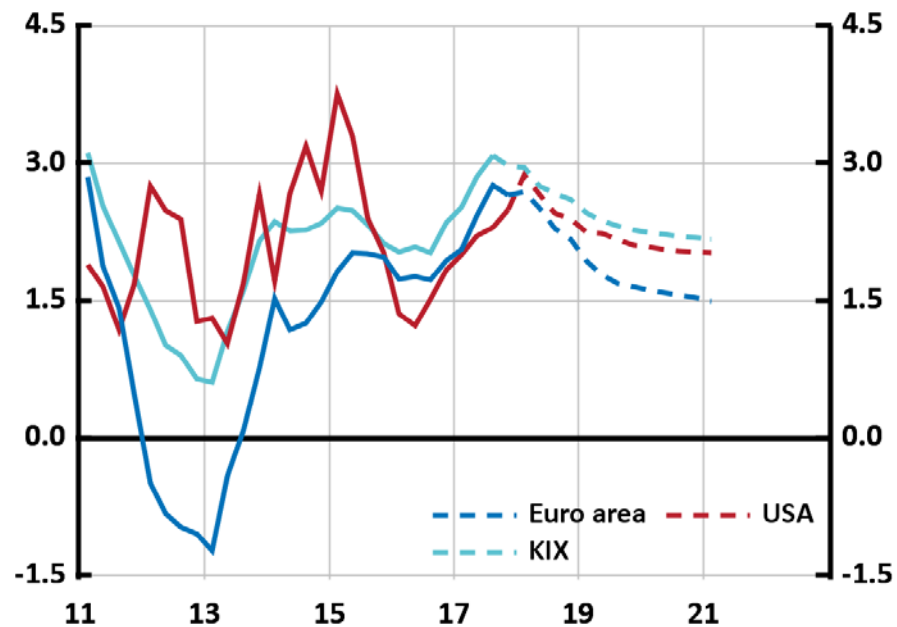


Note. SEK million (at year-end).

Source: The Riksbank

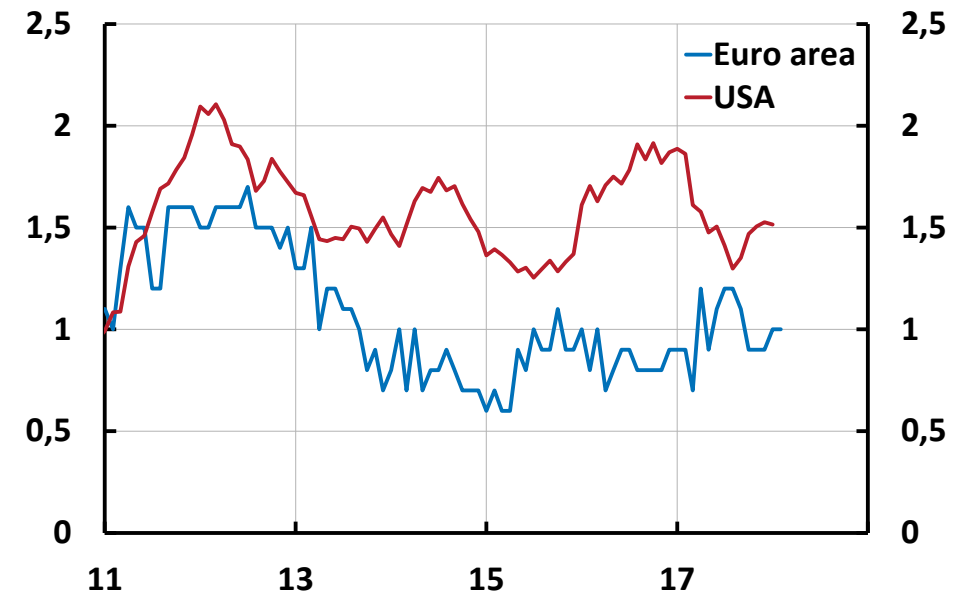
# International economy increasingly strong

Good GDP growth...



Note. Annual percentage change. The KIX is an aggregate of countries that are important for Sweden's international transactions. Underlying inflation in the euro area is measured as the HICP excluding food, tobacco, alcohol and energy. In the United States, it is measured as PCE excluding food and energy.

... but underlying inflationary pressures still subdued

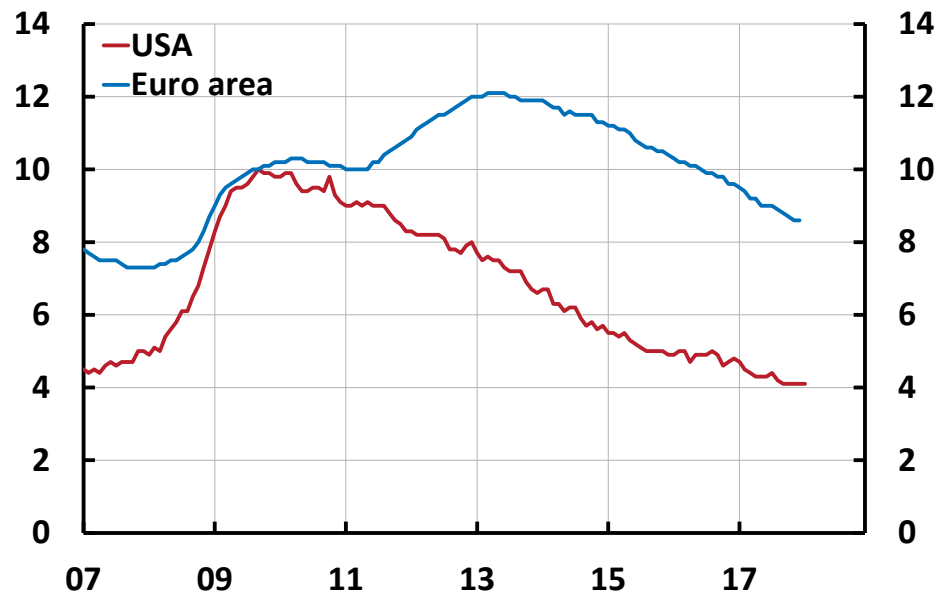


Sources: National sources, Bureau of Economic Analysis, Eurostat and the Riksbank

# Wages have developed slowly abroad

Unemployment has declined in the euro area and the USA...

...but wages have increased slowly, particularly in the euro area



Note. Per cent and annual percentage change respectively With regard to remuneration to employees, the Labour Cost Index is used for the euro area and the Employment Cost Index for the United States.

Source: OECD, Bureau of Labor Statistics and ECB.

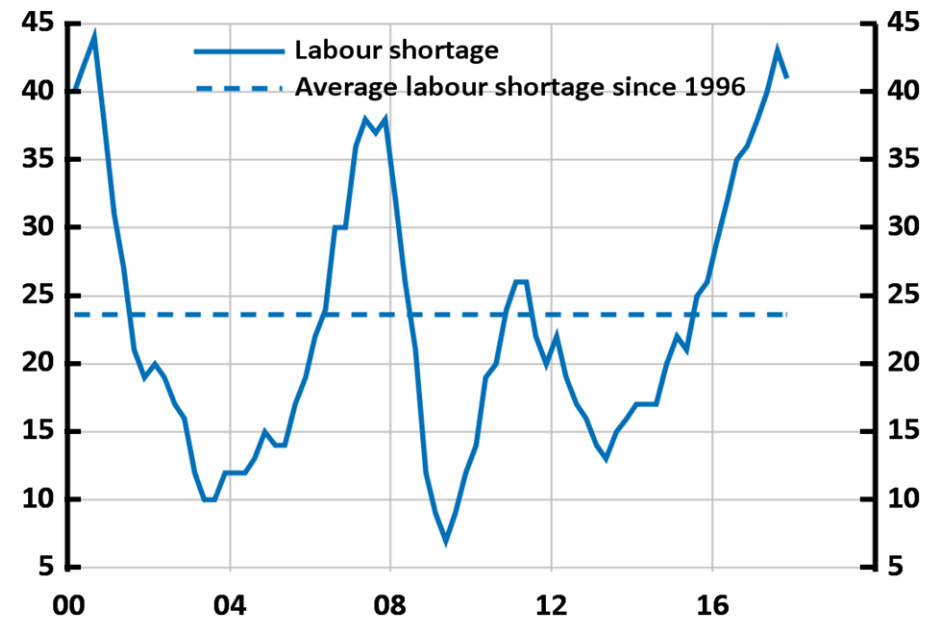
# Swedish labour market still strong

## Unemployment has fallen



Note. Percentage of labour force, aged 15-74, and percentage of companies, respectively.

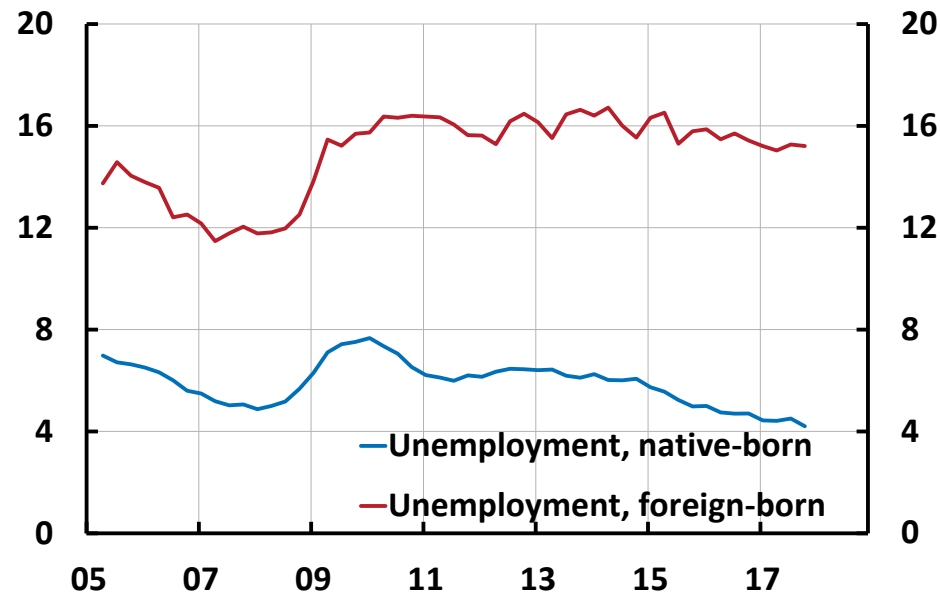
## Labour shortage



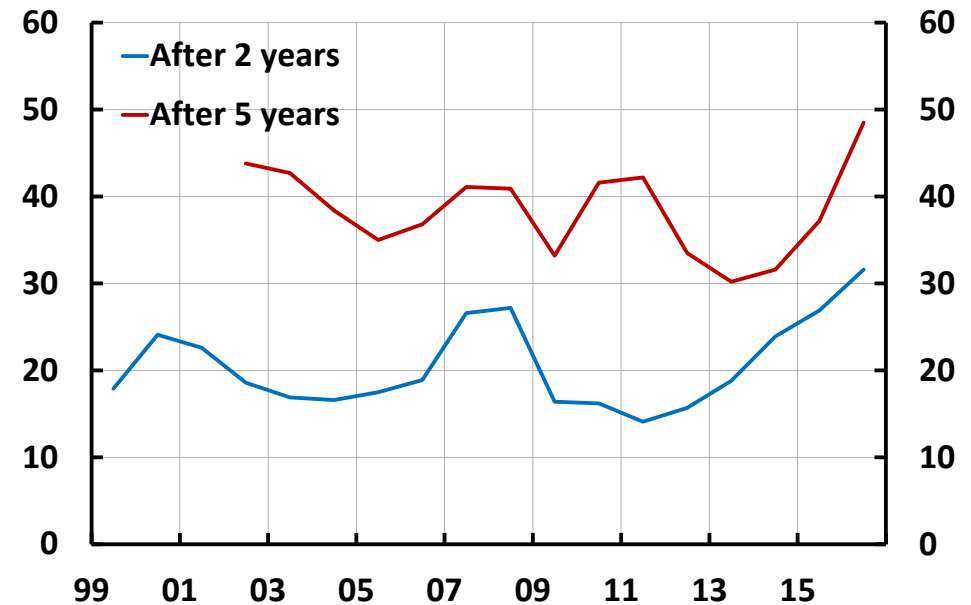
Sources: National Institute of Economic Research, Statistics Sweden and the Riksbank

# But there is a division

Unemployment for those born abroad remains high



Establishment on the labour market among refugees is going faster



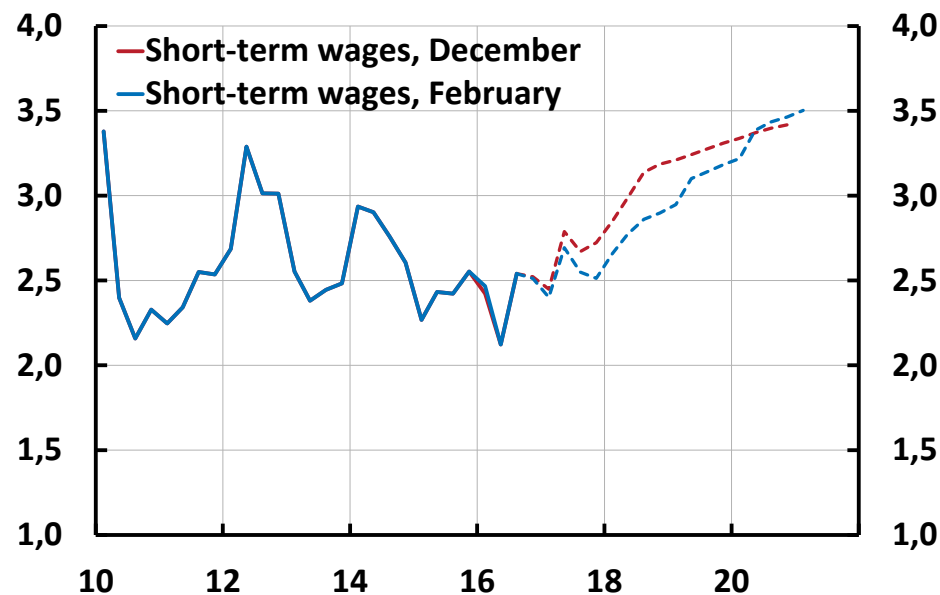
Note. Per cent. Employment rate according to number of years in country, 20-64 years. Refers to refugees and those in need of protection received by municipalities.

Source: Statistics Sweden



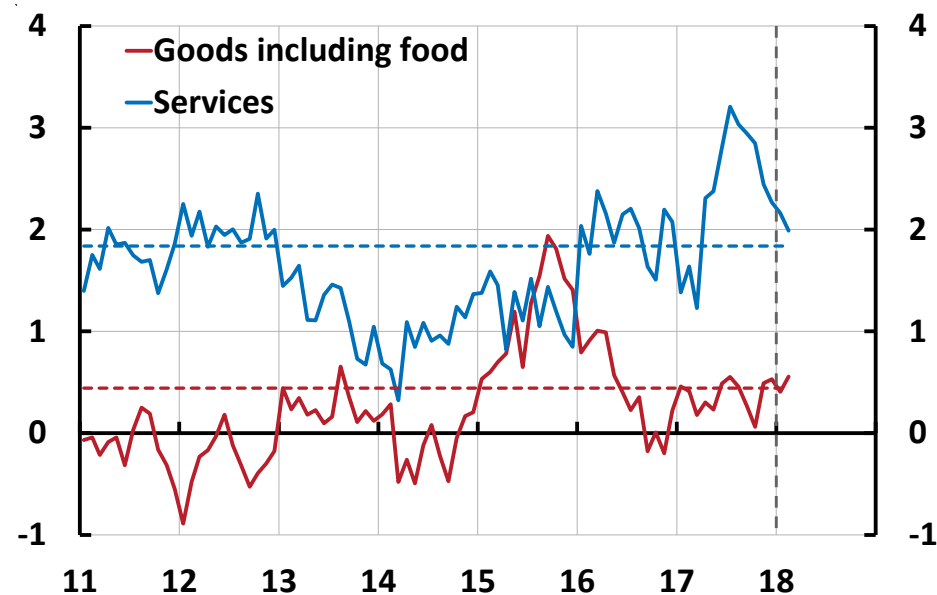
# Somewhat lower inflationary pressures in Sweden recently

Weaker wage development



Note. Annual percentage change. Wages according to short-term wage statistics. Price development up to end of December. The broken lines in the right graph refer to the average from 1995.

Rate of price increase for services has slowed down

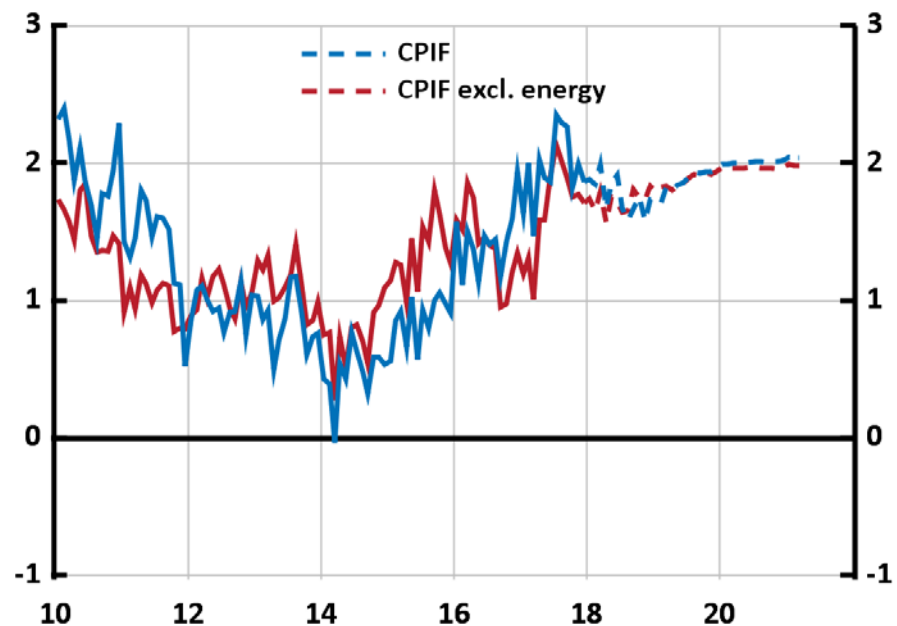


Sources: Statistics Sweden, Swedish National Mediation Office and the Riksbank



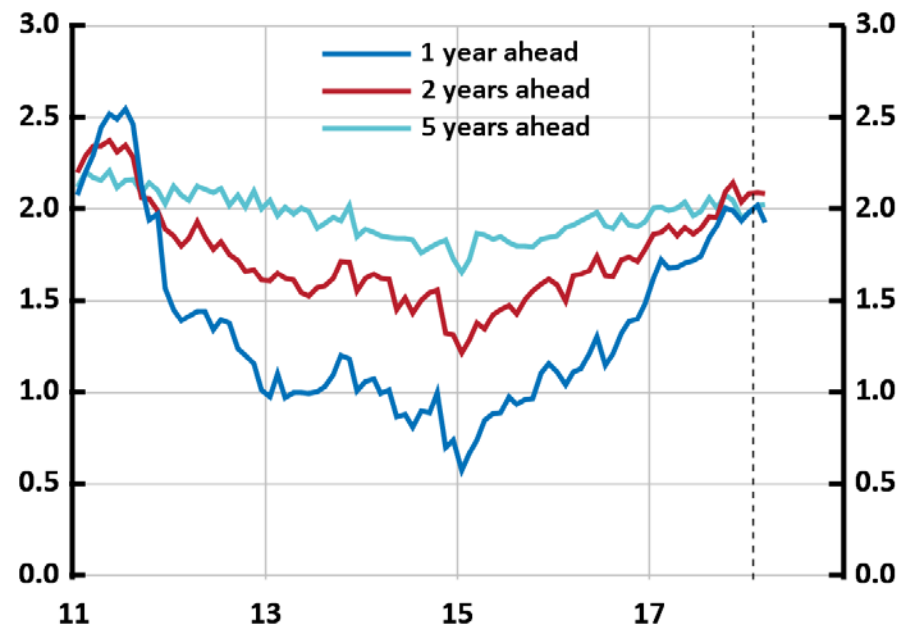
# Inflation close to 2 per cent but with continued support from monetary policy

Inflation close to target...



Note. Annual percentage change and per cent, mean value.

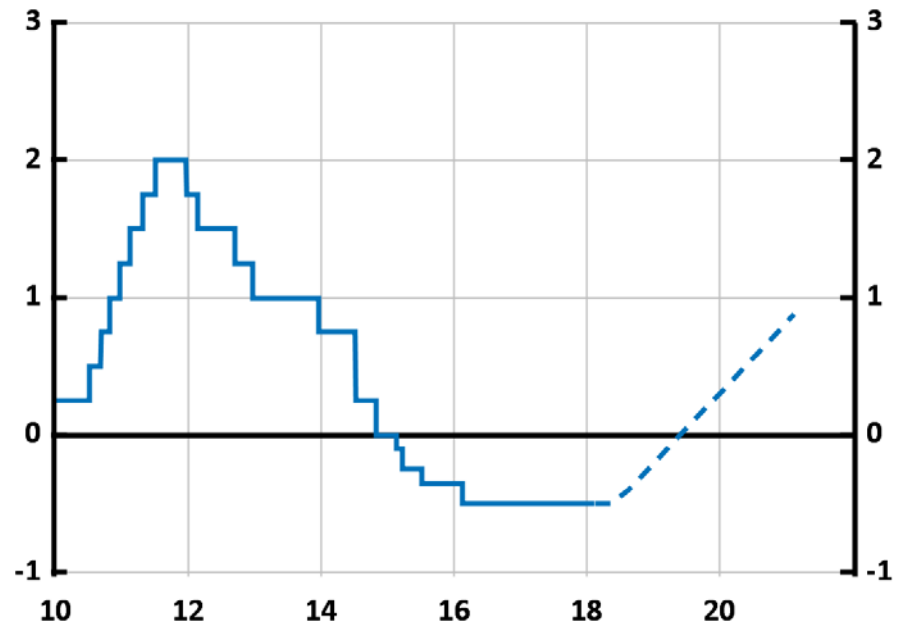
... and expectations at 2 per cent



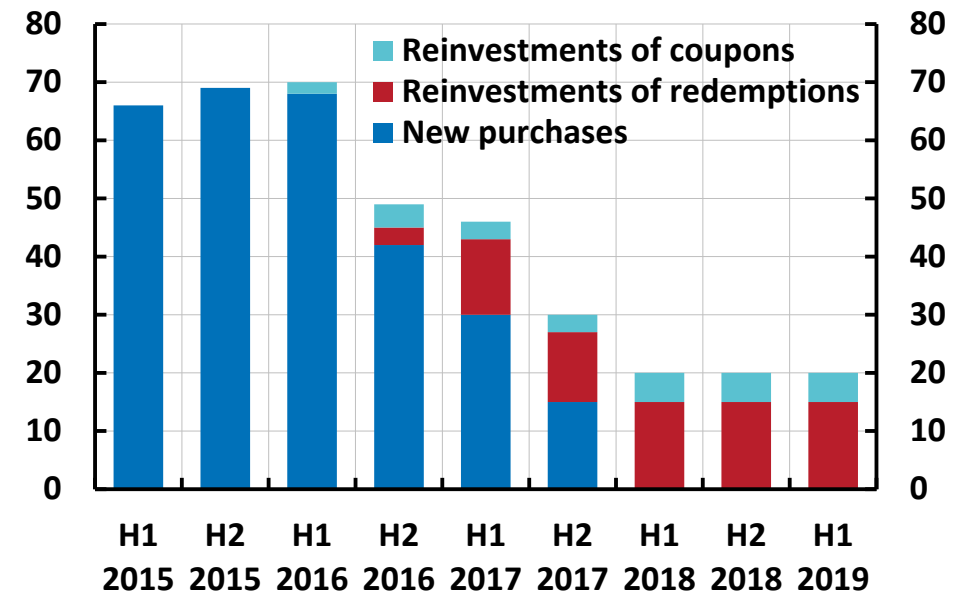
Source: Statistics Sweden, TNS SIFO Prospera and the Riksbank

# Continued expansionary monetary policy

Repo rate -0.50 per cent



Purchases of government bonds



Note. Per cent and nominal amount, SEK billion.

Source: The Riksbank