

April 2023 report

Money Market Players' expectations

Apr 13, 2023

Kantar Prospera has been commissioned by Sveriges Riksbank (Central Bank of Sweden) to undertake a series of surveys, twelve times a year, aiming at mapping money market players' expectations of Swedish inflation, GDP, policy rate, Swedish 5 year government bond rate, EUR and USD rates.

Questions regarding the survey will be answered by Jannica Westling, +46 (0)76 536 24 03.

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(%)	Year 1		Year 2		Year 5	
	Apr 23	Mar 23	Apr 23	Mar 23	Apr 23	Mar 23
Money Market Players						
Annual inflation CPI	4,9	5,2	2,5	2,5	2,2	2,1
Annual inflation CPIX	4,0	4,1	2,4	2,3	2,2	2,1
Annual GDP	-0,6	-0,8	1,3	1,2	2,1	2,1

	3 months		12 months		24 months		60 months	
	Apr 23	Mar 23	Apr 23	Mar 23	Apr 23	Mar 23	Apr 23	Mar 23
Money Market Players								
Policy rate (%)	3,6	3,5	3,3	3,2	2,6	2,6	2,2	2,3
5 year gvt bond rate (%)	2,6	2,8	2,6	2,7	2,5	2,6	2,5	2,4
EUR/SEK	11,15	11,13	10,90	10,88	10,55	10,53	-	-
USD/SEK	10,26	10,50	9,82	10,13	9,49	9,66	-	-

About the survey		Apr 23	Mar 23
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Method Telephone interviews

Interview period

Questions on inflation and GDP expectations

Apr 4-Apr 12 Mar 2-Mar 14

Questions on future policy rate, 5 year government bond rate, EUR and USD rate

Apr 4 Mar 8

Response rate

Number of organisations approached for interview

48 48

Number of organisations not reached or denied participation

15 15

Overall response rate (%)

69 69

For response rate per question please see Tables 1-8

About the interviews (numbers)

Money Market players Swedish

46

International

2

About the interviewers

Average experience of the survey (years)

12,4

Definitions

Inflation CPI The percentage increase in Consumer Price Index

Inflation CPIX The percentage increase in Consumer Price Index with a fixed interest rate

GDP Gross Domestic Product, the value of all goods and services produced (by Swedish agents) in one year

Policy rate The Riksbank's borrowing/lending rate from/to banks for seven days' money

Previous reports

www.kantarsifo.se/erbjudande/prospera/inflation-expectations

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TABLE 1 - Inflation expectations

Expected annual increase in CPI and CPIF the coming 1, 2 and 5 years

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
CPI									
Year 1	4,903	5,000	0,000	7,200	1,618	0,282	33	15	69%
Year 2	2,501	2,400	1,000	4,000	0,845	0,147	33	15	69%
Year 5	2,194	2,000	1,500	3,500	0,424	0,075	32	16	67%
CPIF									
Year 1	3,977	4,150	0,000	7,000	1,528	0,270	32	16	67%
Year 2	2,354	2,225	1,000	4,500	0,642	0,114	32	16	67%
Year 5	2,166	2,000	1,500	4,000	0,440	0,079	31	17	65%

TABLE 2 - Inflation expectations - 75% probability forecast uncertainty intervals

Expected annual increase intervals in CPIF the coming 1, 2 and 5 years with a 75 % probability

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
Year 1									
Lower bound	2,956	3,500	-2,000	6,000	1,769	0,347	26	22	54%
Upper bound	5,302	5,350	2,000	10,000	1,836	0,360	26	22	54%
Year 2									
Lower bound	1,456	1,500	-1,000	2,600	0,881	0,173	26	22	54%
Upper bound	3,598	3,300	2,100	6,000	1,047	0,205	26	22	54%
Year 5									
Lower bound	1,229	1,500	0,000	2,250	0,733	0,144	26	22	54%
Upper bound	3,244	3,125	2,000	5,000	0,834	0,164	26	22	54%

TABLE 3 - GDP increase expectations

Expected annual increase in GDP the coming 1, 2 and 5 years

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
Year 1	-0,618	-0,800	-2,000	1,200	1,030	0,179	33	15	69%
Year 2	1,300	1,300	-0,700	3,000	0,805	0,140	33	15	69%
Year 5	2,114	2,000	1,500	3,200	0,389	0,069	32	16	67%

TABLE 4 - Policy rate expectations

Expected policy rate the coming 3-60 months

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
3 months	3,567	3,500	3,250	4,250	0,251	0,049	26	22	54%
12 months	3,269	3,250	1,000	4,250	0,659	0,129	26	22	54%
24 months	2,615	2,500	1,500	3,750	0,486	0,095	26	22	54%
60 months	2,208	2,125	1,500	3,500	0,452	0,092	24	24	50%

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TABLE 5 - Policy rate expectations - 75% probability forecast uncertainty intervals

Expected policy rate intervals the coming 3-60 months with a 75 % probability

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
3 months									
Lower bound	3,250	3,250	2,000	4,000	0,387	0,085	21	27	44%
Upper bound	3,857	3,750	3,500	4,500	0,331	0,072	21	27	44%
12 months									
Lower bound	2,500	2,750	0,000	4,000	1,009	0,220	21	27	44%
Upper bound	3,845	3,750	2,750	5,000	0,533	0,116	21	27	44%
24 months									
Lower bound	1,679	2,000	-0,500	3,000	0,946	0,206	21	27	44%
Upper bound	3,429	3,250	2,000	5,000	0,807	0,176	21	27	44%
60 months									
Lower bound	1,250	1,500	-1,000	2,500	0,874	0,195	20	28	42%
Upper bound	3,338	3,000	2,000	6,000	1,027	0,230	20	28	42%

TABLE 6 - 5 year government bond rate, EUR and USD rates expectations

Expected 5 year government bond rate, EUR and USD rates the coming 3-24 months

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
5 year gvt bond rate									
3 months	2,623	2,600	2,200	3,250	0,246	0,051	23	25	48%
12 months	2,579	2,510	1,500	4,000	0,506	0,105	23	25	48%
24 months	2,505	2,500	1,700	3,500	0,509	0,109	22	26	46%
60 months	2,483	2,500	1,700	3,800	0,502	0,107	22	26	46%
EUR/SEK									
3 months	11,152	11,200	10,900	11,500	0,153	0,031	25	23	52%
12 months	10,902	10,900	10,000	11,900	0,416	0,083	25	23	52%
24 months	10,554	10,500	9,750	11,400	0,395	0,079	25	23	52%
USD/SEK									
3 months	10,260	10,300	10,000	10,500	0,142	0,028	25	23	52%
12 months	9,822	9,900	8,000	11,000	0,506	0,101	25	23	52%
24 months	9,488	9,500	8,000	11,000	0,622	0,124	25	23	52%