

April 2024 report

Money Market Players' expectations

Apr 11, 2024

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 24	Mar 24	Apr 24	Mar 24	Apr 24	Mar 24
Money Market Players						
Annual inflation CPI	2,0	2,0	1,9	1,8	2,0	2,0
Annual inflation CPIF	2,0	2,0	2,0	1,9	2,0	2,0
Annual GDP	0,9	0,8	2,0	2,1	2,2	2,2

	3 months		12 months		24 months		60 months	
	Apr 24	Mar 24	Apr 24	Mar 24	Apr 24	Mar 24	Apr 24	Mar 24
Money Market Players								
Policy rate (%)	3,7	3,9	2,9	2,9	2,4	2,3	2,5	2,4
5 year gvt bond rate (%)	2,4	2,4	2,4	2,3	2,4	2,4	2,5	2,6
EUR/SEK	11,44	11,18	11,17	10,94	10,80	10,66	-	-
USD/SEK	10,63	10,30	10,33	10,04	9,92	9,73	-	-

About the survey		Apr 24	Mar 24
Method	Telephone interviews		
Interview period			
Questions on inflation and GDP expectations		Apr 3-Apr 10	Mar 6-Mar 13
Questions on future policy rate, 5 year government bond rate, EUR and USD rate		Apr 3	Mar 6
Response rate			
Number of organisations approached for interview		46	46
Number of organisations not reached or denied participation		16	16
Overall response rate (%)		65	65
For response rate per question please see Tables 1-8			
About the interviews (numbers)			
Money Market players	Swedish	44	
	International	2	
About the interviewers			
Average experience of the survey (years)		6,1	
Definitions			
Inflation CPI	The percentage increase in Consumer Price Index		
Inflation CPIF	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/prospira/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	2,010	2,000	0,100	4,000	0,933	0,170	30	16	65%
Year 2	1,862	2,000	0,900	2,600	0,443	0,081	30	16	65%
Year 5	2,030	2,000	1,500	2,600	0,274	0,050	30	16	65%
CPIF									
Year 1	2,044	2,050	0,860	3,200	0,568	0,104	30	16	65%
Year 2	1,978	1,950	1,500	2,750	0,314	0,057	30	16	65%
Year 5	2,027	2,000	1,500	2,600	0,257	0,047	30	16	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	1,460	1,650	0,000	2,900	0,763	0,153	25	21	54%
Upper bound	2,824	2,700	1,400	5,000	0,797	0,159	25	21	54%
Year 2									
Lower bound	1,284	1,300	0,400	2,300	0,554	0,111	25	21	54%
Upper bound	3,036	2,900	2,000	5,000	0,865	0,173	25	21	54%
Year 5									
Lower bound	1,160	1,500	-0,500	2,000	0,690	0,138	25	21	54%
Upper bound	3,108	2,700	2,000	5,000	0,960	0,192	25	21	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	0,917	0,800	-0,800	2,500	0,829	0,151	30	16	65%
Year 2	2,028	2,000	-1,000	3,500	0,934	0,170	30	16	65%
Year 5	2,153	2,050	1,500	2,900	0,335	0,061	30	16	65%

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	3,739	3,750	3,500	4,000	0,121	0,026	22	24	48%
12 months	2,898	3,000	2,250	3,500	0,315	0,067	22	24	48%
24 months	2,398	2,375	2,000	3,000	0,295	0,063	22	24	48%
60 months	2,488	2,500	2,000	4,000	0,464	0,101	21	25	46%

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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	3,583	3,500	3,000	3,750	0,192	0,045	18	28	39%
Upper bound	4,014	4,000	3,750	4,500	0,160	0,038	18	28	39%
12 months									
Lower bound	2,417	2,500	1,000	3,250	0,624	0,147	18	28	39%
Upper bound	3,528	3,500	3,000	5,000	0,484	0,114	18	28	39%
24 months									
Lower bound	1,636	1,750	0,000	2,500	0,687	0,162	18	28	39%
Upper bound	3,167	3,000	2,250	5,000	0,717	0,169	18	28	39%
60 months									
Lower bound	1,368	1,500	0,000	2,250	0,719	0,174	17	29	37%
Upper bound	3,441	3,000	2,000	5,000	0,864	0,210	17	29	37%

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	2,414	2,400	2,200	3,100	0,214	0,048	20	26	43%
12 months	2,370	2,300	2,000	3,000	0,306	0,068	20	26	43%
24 months	2,412	2,500	1,750	3,200	0,390	0,089	19	27	41%
60 months	2,540	2,500	1,500	3,500	0,496	0,114	19	27	41%
EUR/SEK									
3 months	11,442	11,400	11,200	11,850	0,153	0,033	21	25	46%
12 months	11,174	11,200	10,800	11,750	0,240	0,052	21	25	46%
24 months	10,802	10,900	10,000	11,500	0,385	0,084	21	25	46%
USD/SEK									
3 months	10,633	10,600	10,300	11,000	0,234	0,051	21	25	46%
12 months	10,329	10,250	9,600	11,000	0,361	0,079	21	25	46%
24 months	9,923	10,000	8,300	11,000	0,571	0,125	21	25	46%