

March 2022 report

Expectations among Labour Market Parties, Purchasing Managers and Money Market Players

Mar 15, 2022

Kantar Prospera has been commissioned by Sveriges Riksbank (Central Bank of Sweden) to undertake a series of surveys aiming at mapping expectations of inflation, wage increase, GDP and repo rate in Sweden among Labour Market Parties, Purchasing Managers and Money Market Players. The survey also includes Money Market Players' expectations of the Swedish 5 year government bond rate, EUR and USD rates.

The Money Market Player survey is conducted every month. The survey also including Labour Market Parties and Purchasing Managers is published quarterly.

Questions regarding the survey will be answered by Karl Pettersson, +46 (0)70 461 14 94.

This release, or parts thereof, may be published immediately. Please state Kantar Prospera as the source.

As of February 2021, Kantar Prospera also maps expectations on the Riksbank's bond purchases.

(%)	Year 1		Year 2		Year 5	
	Mar 22	Dec 21	Mar 22	Dec 21	Mar 22	Dec 21
All Interviewees						
Annual inflation CPI	3,6	2,4	2,6	2,2	2,2	2,1
Annual inflation CPIF	3,4	2,3	2,6	2,1	2,2	2,1
Annual GDP	3,0	3,4	2,6	2,8	2,5	2,4
Annual wage increase	2,6	2,6	2,8	2,6	2,6	2,6

	3 months			12 months			24 months			60 months		
	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21
All interviewees												
Repo rate (%)	0,1	-	0,0	0,3	-	0,1	0,7	-	0,3	1,2	-	0,9
Money Market Players												
Repo rate (%)	0,0	0,0	0,0	0,3	0,2	0,0	0,7	0,5	0,2	1,4	1,1	0,9
5 year gvt bond rate (%)	0,5	0,5	0,0	0,7	0,7	0,3	1,2	1,0	0,6	1,8	1,5	1,2
EUR/SEK	10,75	10,39	10,15	10,43	10,17	10,05	10,17	9,99	9,94	-	-	-
USD/SEK	9,83	9,18	9,01	9,53	9,09	8,98	9,09	8,82	8,85	-	-	-

	Current quarter			Following 3 quarters		
	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21
Money Market Players						
The Riksbank's bond purchases (SEK bn)	102	95	114	133	119	129
Distribution (%)						
Government bonds	35,2	36,9	29	33,4	39,1	39
Municipal bonds	30,3	28,4	19	25,8	27,5	26
Covered bonds	32,1	31,9	49	30,6	33,9	34
Corporate bonds	2,5	3,0	3	2,0	2,1	2

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Overview of subgroups

(%)	Year 1			Year 2			Year 5		
	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21
Annual inflation CPI									
All Interviewees	3,6	-	2,4	2,6	-	2,2	2,2	-	2,1
Employees' Organisations	3,2	-	2,4	2,6	-	2,1	2,2	-	2,2
Employers' Organisations	3,2	-	2,2	2,5	-	2,1	2,2	-	2,1
Purchasing Managers, Manufacturing	4,3	-	2,6	2,8	-	2,3	2,2	-	2,1
Purchasing Managers, Trading	4,0	-	2,8	2,8	-	2,3	2,2	-	2,0
Money Market Players	3,2	2,5	2,1	2,4	2,2	2,1	2,1	2,1	2,1
Annual inflation CPIF									
All Interviewees	3,4	-	2,3	2,6	-	2,1	2,2	-	2,1
Employees' Organisations	3,1	-	2,4	2,6	-	2,1	2,1	-	2,1
Employers' Organisations	3,1	-	2,3	2,5	-	2,1	2,1	-	2,0
Purchasing Managers, Manufacturing	4,8	-	2,6	2,8	-	2,3	2,3	-	2,2
Purchasing Managers, Trading	3,6	-	2,6	2,9	-	2,4	2,3	-	2,3
Money Market Players	3,2	2,4	2,1	2,2	2,1	2,0	2,1	2,1	2,0
Annual GDP									
All Interviewees	3,0	-	3,4	2,6	-	2,8	2,5	-	2,4
Employees' Organisations	3,4	-	3,5	2,8	-	2,9	2,6	-	2,6
Employers' Organisations	2,8	-	3,5	2,2	-	2,7	2,1	-	2,1
Purchasing Managers, Manufacturing	3,0	-	3,3	2,8	-	2,8	2,7	-	2,6
Purchasing Managers, Trading	3,1	-	3,4	2,9	-	2,8	2,7	-	2,5
Money Market Players	2,8	3,4	3,5	2,3	2,5	2,7	2,2	2,2	2,3
Annual wage increase									
All Interviewees	2,6	-	2,6	2,8	-	2,6	2,6	-	2,6
Employees' Organisations	2,8	-	2,7	3,0	-	2,8	2,9	-	3,0
Employers' Organisations	2,7	-	2,5	2,7	-	2,5	2,5	-	2,5
Purchasing Managers, Manufacturing	2,6	-	2,6	2,7	-	2,5	2,5	-	2,4
Purchasing Managers, Trading	2,5	-	2,5	2,8	-	2,6	2,5	-	2,5

(%)	3 months			12 months			24 months			60 months		
	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21	Mar 22	Feb 22	Dec 21
Repo rate												
All Interviewees	0,1	-	0,0	0,3	-	0,1	0,7	-	0,3	1,2	-	0,9
Employees' Organisations	0,0	-	0,0	0,1	-	0,0	0,4	-	0,2	1,0	-	0,6
Employers' Organisations	0,0	-	0,0	0,1	-	0,1	0,3	-	0,2	1,0	-	1,1
Purchasing Managers, Manufacturing	0,1	-	0,0	0,5	-	0,2	0,7	-	0,3	0,9	-	1,0
Purchasing Managers, Trading	0,2	-	0,1	0,4	-	0,2	0,9	-	0,6	1,3	-	1,1
Money Market Players	0,0	0,0	0,0	0,3	0,2	0,0	0,7	0,5	0,2	1,4	1,1	0,9

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About the survey	Mar 22	Dec 21
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Method

Telephone interviews

Interview period

Questions on inflation, GDP and wage increase expectations	Mar 1-Mar 11	Nov 29-Dec 13
Questions on future repo rate, 5 year government bond rate, EUR and USD rate	Mar 8	Dec 7

Response rate

Number of organisations approached for interview	209	210
Number of organisations not reached or denied participation	92	79
Overall response rate (%)	56	62

For response rates per question please see Tables 1-9

About the interviews (numbers)

All Interviewees	209
Labour Market Organisations	
Employers'	23
Employees'	27
Purchasing Managers*	
Manufacturing	54
Trading	57
Money Market Players**	
Swedish	46
International	2

*The group of companies interviewed is a random sample selected from a company directory at the National Statistics Office of Sweden comprising Swedish companies with more than 200 employees.

**The Money Market Players are active in the Swedish fixed income market. They were not asked to assess the expected wage increases. Only the Money Market Players have participated in the survey covering expected 5Y government bond, EUR and USD rates

About the interviewers

Average experience of the survey (years)	11,4
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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
Repo rate	The Riksbank's borrowing/lending rate from/to banks for seven days' money
Wage increase	The percentage increase in wages/salaries as measured over all sectors in the economy, exclusive of social costs but inclusive of wage increases negotiated earlier and wage drift.

Previous reports
www.kantarsifo.se/erbjudande/prospira/inflation-expectations

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TABLE 1 - Inflation expectations

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

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No resp. (numbers)	Response Rate
All Interviewees									
Year 1	3,600	3,500	1,250	15,000	1,654	0,154	115	94	55%
Year 2	2,628	2,500	1,300	5,000	0,785	0,073	115	94	55%
Year 5	2,176	2,000	1,000	5,000	0,560	0,054	109	100	52%
Employees' Organisations									
Year 1	3,211	3,000	2,500	4,500	0,643	0,151	18	9	67%
Year 2	2,611	2,500	1,800	4,500	0,697	0,164	18	9	67%
Year 5	2,235	2,200	1,800	3,000	0,308	0,075	17	10	63%
Employers' Organisations									
Year 1	3,192	3,000	1,800	5,000	0,986	0,274	13	10	57%
Year 2	2,546	2,200	1,700	4,500	0,815	0,226	13	10	57%
Year 5	2,200	2,000	1,700	3,000	0,431	0,124	12	11	52%
Purchasing Managers, Manufacturing									
Year 1	4,343	4,000	1,250	15,000	2,760	0,617	20	34	37%
Year 2	2,815	3,000	1,500	4,200	0,796	0,178	20	34	37%
Year 5	2,166	2,000	1,500	3,500	0,521	0,119	19	35	35%
Purchasing Managers, Trading									
Year 1	3,958	4,000	1,500	10,000	1,668	0,300	31	26	54%
Year 2	2,835	2,500	1,500	5,000	0,901	0,162	31	26	54%
Year 5	2,182	2,000	1,000	4,500	0,631	0,119	28	29	49%
Money Market Players									
Year 1	3,185	3,000	1,300	5,800	1,109	0,193	33	15	69%
Year 2	2,361	2,200	1,300	4,200	0,643	0,112	33	15	69%
Year 5	2,138	2,000	1,000	5,000	0,674	0,117	33	15	69%

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

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No resp. (numbers)	Response Rate
All Interviewees									
Year 1	3,446	3,200	0,750	15,000	1,578	0,166	90	119	43%
Year 2	2,558	2,300	1,000	5,000	0,831	0,088	90	119	43%
Year 5	2,169	2,000	1,000	4,700	0,604	0,065	87	122	42%
Employees' Organisations									
Year 1	3,114	3,000	2,500	4,100	0,494	0,132	14	13	52%
Year 2	2,621	2,600	1,700	4,000	0,647	0,173	14	13	52%
Year 5	2,114	2,000	1,800	2,600	0,274	0,073	14	13	52%
Employers' Organisations									
Year 1	3,067	3,050	1,800	5,000	0,952	0,275	12	11	52%
Year 2	2,500	2,200	1,500	4,500	0,850	0,245	12	11	52%
Year 5	2,118	2,000	1,700	3,500	0,479	0,144	11	12	48%
Purchasing Managers, Manufacturing									
Year 1	4,823	3,800	0,750	15,000	3,610	1,088	11	43	20%
Year 2	2,827	3,000	1,000	4,500	1,002	0,302	11	43	20%
Year 5	2,255	2,000	1,500	4,000	0,708	0,213	11	43	20%
Purchasing Managers, Trading									
Year 1	3,605	3,500	1,500	5,100	0,960	0,210	21	36	37%
Year 2	2,919	2,500	2,000	5,000	0,952	0,208	21	36	37%
Year 5	2,284	2,000	1,000	4,700	0,778	0,179	19	38	33%
Money Market Players									
Year 1	3,156	3,000	1,230	5,200	1,024	0,181	32	16	67%
Year 2	2,223	2,150	1,300	4,200	0,639	0,113	32	16	67%
Year 5	2,113	2,050	1,000	4,500	0,614	0,108	32	16	67%

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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	2,459	2,500	0,300	4,800	1,035	0,199	27	21	56%
Upper bound	3,837	3,700	2,100	6,500	1,134	0,218	27	21	56%
Year 2									
Lower bound	1,500	1,700	-0,500	3,500	0,846	0,160	28	20	58%
Upper bound	3,082	2,700	1,900	5,000	0,939	0,177	28	20	58%
Year 5									
Lower bound	1,318	1,550	-1,500	2,500	0,876	0,166	28	20	58%
Upper bound	3,005	2,800	1,800	5,000	0,840	0,159	28	20	58%

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
All Interviewees									
Year 1	3,011	3,000	0,900	6,000	0,996	0,093	114	95	55%
Year 2	2,596	2,500	0,800	6,400	1,015	0,095	114	95	55%
Year 5	2,478	2,200	0,500	6,000	0,893	0,085	110	99	53%
Employees' Organisations									
Year 1	3,350	3,350	1,500	5,300	0,930	0,219	18	9	67%
Year 2	2,772	2,950	1,000	5,200	1,117	0,263	18	9	67%
Year 5	2,644	2,500	0,500	4,500	0,962	0,227	18	9	67%
Employers' Organisations									
Year 1	2,808	3,000	1,500	3,600	0,724	0,201	13	10	57%
Year 2	2,215	2,000	1,500	3,700	0,643	0,178	13	10	57%
Year 5	2,108	1,700	1,000	6,000	1,305	0,377	12	11	52%
Purchasing Managers, Manufacturing									
Year 1	3,003	3,000	0,900	5,500	1,246	0,286	19	35	35%
Year 2	2,816	2,500	0,800	5,000	1,279	0,293	19	35	35%
Year 5	2,706	2,450	0,900	5,000	1,108	0,261	18	36	33%
Purchasing Managers, Trading									
Year 1	3,132	3,100	1,000	6,000	1,201	0,216	31	26	54%
Year 2	2,884	2,500	1,000	6,400	1,183	0,213	31	26	54%
Year 5	2,714	2,500	1,800	5,000	0,846	0,157	29	28	51%
Money Market Players									
Year 1	2,798	3,000	1,500	4,600	0,690	0,120	33	15	69%
Year 2	2,252	2,100	1,000	3,500	0,531	0,092	33	15	69%
Year 5	2,189	2,000	1,700	3,500	0,357	0,062	33	15	69%

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TABLE 4 - Wage increase expectations

Expected annual wage increase the coming 1, 2 and 5 years

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No resp. (numbers)	Response Rate
All Interviewees									
Year 1	2,640	2,550	1,500	4,000	0,442	0,048	84	77	52%
Year 2	2,784	2,800	1,500	4,000	0,531	0,058	84	77	52%
Year 5	2,603	2,500	1,800	4,000	0,492	0,055	80	81	50%
Employees' Organisations									
Year 1	2,817	2,800	2,100	3,500	0,409	0,096	18	9	67%
Year 2	2,994	3,000	2,100	3,500	0,398	0,094	18	9	67%
Year 5	2,917	3,000	2,000	3,500	0,462	0,109	18	9	67%
Employers' Organisations									
Year 1	2,657	2,600	2,400	3,000	0,195	0,052	14	9	61%
Year 2	2,686	2,600	2,100	3,500	0,368	0,098	14	9	61%
Year 5	2,531	2,400	2,100	3,300	0,371	0,103	13	10	57%
Purchasing Managers, Manufacturing									
Year 1	2,625	2,650	1,500	3,500	0,516	0,115	20	34	37%
Year 2	2,700	2,750	1,500	3,800	0,596	0,133	20	34	37%
Year 5	2,503	2,500	2,000	3,250	0,463	0,106	19	35	35%
Purchasing Managers, Trading									
Year 1	2,543	2,500	1,660	4,000	0,472	0,083	32	25	56%
Year 2	2,762	2,620	1,900	4,000	0,600	0,106	32	25	56%
Year 5	2,510	2,500	1,800	4,000	0,517	0,094	30	27	53%

TABLE 5 - Repo rate expectations

Expected repo rate the coming 3-60 months

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No resp. (numbers)	Response Rate
All Interviewees									
3 months	0,076	0,000	0,000	3,000	0,327	0,032	104	105	50%
12 months	0,298	0,250	0,000	1,500	0,370	0,036	104	105	50%
24 months	0,656	0,500	0,000	2,000	0,525	0,052	103	106	49%
60 months	1,167	1,000	0,000	2,500	0,704	0,070	100	109	48%
Employees' Organisations									
3 months	0,000	0,000	0,000	0,000	0,000	0,000	17	10	63%
12 months	0,118	0,000	0,000	0,500	0,170	0,041	17	10	63%
24 months	0,376	0,300	0,000	1,000	0,287	0,070	17	10	63%
60 months	1,000	1,000	0,200	2,000	0,600	0,145	17	10	63%
Employers' Organisations									
3 months	0,000	0,000	0,000	0,000	0,000	0,000	13	10	57%
12 months	0,065	0,000	0,000	0,250	0,109	0,030	13	10	57%
24 months	0,308	0,400	0,000	1,000	0,315	0,087	13	10	57%
60 months	0,979	0,875	0,000	2,000	0,703	0,203	12	11	52%
Purchasing Managers, Manufacturing									
3 months	0,124	0,000	0,000	1,000	0,267	0,061	19	35	35%
12 months	0,450	0,250	0,000	1,500	0,461	0,106	19	35	35%
24 months	0,716	0,500	0,000	2,000	0,547	0,126	19	35	35%
60 months	0,911	1,000	0,000	2,500	0,767	0,176	19	35	35%
Purchasing Managers, Trading									
3 months	0,179	0,000	0,000	3,000	0,549	0,099	31	26	54%
12 months	0,423	0,250	0,000	1,500	0,451	0,081	31	26	54%
24 months	0,858	0,500	0,000	2,000	0,609	0,111	30	27	53%
60 months	1,348	1,250	0,250	2,500	0,594	0,110	29	28	51%
Money Market Players									
3 months	0,000	0,000	0,000	0,000	0,000	0,000	24	24	50%
12 months	0,271	0,250	0,000	1,000	0,244	0,050	24	24	50%
24 months	0,742	0,750	0,000	2,000	0,472	0,096	24	24	50%
60 months	1,372	1,250	0,000	2,500	0,778	0,162	23	25	48%

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TABLE 6 - Repo rate expectations - 75% probability forecast uncertainty intervals

Expected repo 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	-0,043	0,000	-0,500	0,000	0,123	0,027	20	28	42%
Upper bound	0,130	0,050	0,000	0,500	0,149	0,033	20	28	42%
12 months									
Lower bound	-0,025	0,000	-1,000	0,500	0,323	0,072	20	28	42%
Upper bound	0,573	0,500	0,000	1,500	0,384	0,086	20	28	42%
24 months									
Lower bound	0,200	0,125	-1,500	1,250	0,599	0,134	20	28	42%
Upper bound	1,213	1,250	0,250	2,500	0,704	0,157	20	28	42%
60 months									
Lower bound	0,676	0,600	-0,750	2,000	0,845	0,194	19	29	40%
Upper bound	2,261	2,000	0,250	4,500	1,253	0,287	19	29	40%

TABLE 7 - 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	0,465	0,475	0,250	0,800	0,120	0,026	22	26	46%
12 months	0,736	0,705	0,500	1,500	0,235	0,050	22	26	46%
24 months	1,231	1,000	0,600	2,500	0,512	0,112	21	27	44%
60 months	1,757	1,500	0,500	3,250	0,786	0,172	21	27	44%
EUR/SEK									
3 months	10,752	10,750	10,400	11,200	0,196	0,040	24	24	50%
12 months	10,425	10,350	9,950	11,500	0,335	0,068	24	24	50%
24 months	10,169	10,075	9,500	11,500	0,406	0,083	24	24	50%
USD/SEK									
3 months	9,829	9,800	9,380	10,400	0,250	0,051	24	24	50%
12 months	9,528	9,500	8,700	10,000	0,374	0,076	24	24	50%
24 months	9,093	9,175	7,800	10,000	0,539	0,110	24	24	50%

TABLE 8 - Expectations of the Riksbank's bond purchases

Estimated nominal value of SEK bond purchases (incl reinvestments) the current and following 3 quarters

	Mean (SEK bn)	Median (SEK bn)	Lowest (SEK bn)	Highest (SEK bn)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
The Riksbank's bond purchases									
Current quarter	102,308	37,000	18,000	900,000	239,763	66,498	13	35	27%
Following 3 quarters	132,708	76,250	0,000	900,000	243,707	70,352	12	36	25%

TABLE 9 - Expectations of the distribution of the Riksbank's bond purchases

Expected distribution on government, municipal, covered and corporate bonds

	Mean (%)	Median (%)	Lowest (%)	Highest (%)	Standard Deviation	Standard Error	Responses (numbers)	No Resp. (numbers)	Response Rate
Money Market Players									
Current quarter									
Government bonds	35,192	33,000	30,000	50,000	5,879	1,631	13	35	27%
Municipal bonds	30,346	32,000	10,000	40,000	6,908	1,916	13	35	27%
Covered bonds	32,115	33,000	10,000	55,000	9,430	2,615	13	35	27%
Corporate bonds	2,458	2,000	1,000	5,000	1,499	0,433	12	36	25%
Following 3 quarters									
Government bonds	33,375	33,000	0,000	50,000	11,953	3,450	12	36	25%
Municipal bonds	25,792	30,000	0,000	40,000	11,912	3,439	12	36	25%
Covered bonds	30,625	32,750	0,000	55,000	14,099	4,070	12	36	25%
Corporate bonds	1,955	2,000	0,000	5,000	1,387	0,418	11	37	23%