

May 2024 report

Money Market Players' expectations

May 16, 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	
	May 24	Apr 24	May 24	Apr 24	May 24	Apr 24
Money Market Players						
Annual inflation CPI	1,8	2,0	1,7	1,9	2,0	2,0
Annual inflation CPIX	2,0	2,0	1,9	2,0	2,0	2,0
Annual GDP	1,0	0,9	2,1	2,0	2,2	2,2

	3 months		12 months		24 months		60 months	
	May 24	Apr 24	May 24	Apr 24	May 24	Apr 24	May 24	Apr 24
Money Market Players								
Policy rate (%)	3,7	3,7	2,9	2,9	2,4	2,4	2,4	2,5
5 year gvt bond rate (%)	2,4	2,4	2,3	2,4	2,4	2,4	2,5	2,5
EUR/SEK	11,58	11,44	11,19	11,17	10,86	10,80	-	-
USD/SEK	10,78	10,63	10,39	10,33	9,94	9,92	-	-

About the survey		May 24	Apr 24
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Method	Telephone interviews		
Interview period			
Questions on inflation and GDP expectations		May 7-May 14	Apr 3-Apr 10
Questions on future policy rate, 5 year government bond rate, EUR and USD rate		May 7	Apr 3
Response rate			
Number of organisations approached for interview		46	46
Number of organisations not reached or denied participation		15	16
Overall response rate (%)		67	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 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/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	1,847	1,950	0,500	3,300	0,775	0,141	30	16	65%
Year 2	1,690	1,900	-0,500	2,600	0,621	0,113	30	16	65%
Year 5	2,007	2,000	1,200	2,600	0,274	0,050	30	16	65%
CPIF									
Year 1	1,951	2,000	0,500	3,800	0,585	0,105	31	15	67%
Year 2	1,856	2,000	-0,500	2,600	0,534	0,096	31	15	67%
Year 5	1,963	2,000	1,200	2,500	0,276	0,050	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	1,296	1,450	0,000	3,000	0,713	0,140	26	20	57%
Upper bound	2,750	2,550	2,000	5,000	0,754	0,148	26	20	57%
Year 2									
Lower bound	1,113	1,450	-1,500	2,000	0,789	0,155	26	20	57%
Upper bound	2,942	2,550	1,500	5,000	0,827	0,162	26	20	57%
Year 5									
Lower bound	0,994	1,000	-0,500	1,900	0,699	0,140	25	21	54%
Upper bound	3,196	3,000	2,000	5,000	0,882	0,176	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	0,990	0,900	-0,900	3,000	0,982	0,176	31	15	67%
Year 2	2,092	2,200	-0,700	3,500	0,873	0,157	31	15	67%
Year 5	2,188	2,000	1,600	3,000	0,418	0,076	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	3,713	3,750	3,500	3,750	0,091	0,017	27	19	59%
12 months	2,852	3,000	2,000	3,500	0,334	0,064	27	19	59%
24 months	2,361	2,500	1,000	3,250	0,424	0,082	27	19	59%
60 months	2,404	2,500	1,500	3,250	0,400	0,079	26	20	57%

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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	3,511	3,500	3,000	3,750	0,181	0,038	22	24	48%
Upper bound	3,898	3,875	3,750	4,500	0,184	0,039	22	24	48%
12 months									
Lower bound	2,250	2,375	1,000	3,000	0,645	0,138	22	24	48%
Upper bound	3,420	3,250	3,000	5,000	0,465	0,099	22	24	48%
24 months									
Lower bound	1,500	1,750	0,000	2,750	0,703	0,150	22	24	48%
Upper bound	3,175	3,000	2,250	5,000	0,670	0,143	22	24	48%
60 months									
Lower bound	1,143	1,250	0,000	2,000	0,748	0,163	21	25	46%
Upper bound	3,500	3,000	2,000	5,000	0,898	0,196	21	25	46%

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	2,378	2,390	2,000	2,800	0,213	0,042	26	20	57%
12 months	2,304	2,275	1,500	2,900	0,302	0,059	26	20	57%
24 months	2,395	2,500	1,500	3,000	0,353	0,071	25	21	54%
60 months	2,527	2,500	1,500	3,600	0,499	0,100	25	21	54%
EUR/SEK									
3 months	11,579	11,500	11,200	12,000	0,180	0,036	25	21	54%
12 months	11,194	11,250	10,250	11,750	0,316	0,063	25	21	54%
24 months	10,862	11,000	10,000	11,600	0,436	0,087	25	21	54%
USD/SEK									
3 months	10,781	10,750	10,500	11,500	0,235	0,047	25	21	54%
12 months	10,388	10,500	9,500	11,200	0,452	0,090	25	21	54%
24 months	9,935	10,000	8,300	11,200	0,612	0,122	25	21	54%