Press Release

Questions will be answered by Erik Eliasson, +46 (0)705 55 63 86.
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TNS Sifo 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 inflation, GDP and future repo rates in Sweden as well as expectations of the Swedish 5 year government bond rate, EUR and USD rates.

The latest survey in the series, May, has now been completed. The previous survey, April 2014, was published April 9, 2014.

A comparison of the results of the two surveys covering money market players can be summarised as follows (rounded off figures):

### Money Market Players’ Expectations of

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>May 14</td>
<td>Apr 14</td>
<td>May 14</td>
</tr>
<tr>
<td><strong>Inflation, %</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual</td>
<td>0,9</td>
<td>1,0</td>
<td>1,5</td>
</tr>
<tr>
<td><strong>GDP, %</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 months</td>
<td>2,4</td>
<td>2,4</td>
<td>2,5</td>
</tr>
<tr>
<td>12 months</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24 months</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60 months</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Repo rate, %</strong></td>
<td>0,6</td>
<td>0,7</td>
<td>0,6</td>
</tr>
<tr>
<td><strong>5 year gvt bond rate, %</strong></td>
<td>1,3</td>
<td>1,5</td>
<td>1,6</td>
</tr>
<tr>
<td><strong>EUR</strong></td>
<td>9,00</td>
<td>8,82</td>
<td>8,83</td>
</tr>
<tr>
<td><strong>USD</strong></td>
<td>6,56</td>
<td>6,52</td>
<td>6,77</td>
</tr>
</tbody>
</table>
Interview Period & Method
TNS Sifo Prospera’s survey that encompasses inflation and GDP expectations was carried out May 7 – May 12, 2014 (previous survey March 26 – April 3, 2014).
The part covering expectations of future repo rates, 5 year government bond rates, EUR and USD rates took place on May 7, 2014 (previous survey March 26, 2014).
The survey is carried out over the telephone. The interviewers’ average experience of the survey is 18.7 years.

About the Interviewees & Response Rate
In all 53 (53) organisations were approached for interview. 3 (3) of the persons in the panel could not be reached or have denied participation, which means that there is an overall response rate of 94 % (94 %). The response rate for individual questions regarding inflation and GDP increase expectations is at least 92 % for the one year and two year assessments. For the five year assessment as well as the questions regarding repo rates, 5 year government bond rates, EUR and USD rates the response rate is generally lower. (Tables 1-6)
The money market category includes 47 Swedish and 6 international players active in the Swedish fixed income market.

Definitions
Inflation, the percentage increase in Consumer Price Index (CPI).
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.

Previous TNS Sifo Prospera Inflation Expectations Surveys
TNS Sifo Prospera inflation reports and tables, from 1995 and onwards, can be downloaded from http://www.prospera.se/reports/inflation-expectations
TABLE 1 - Inflation Expectations

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

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Lowest</th>
<th>Highest</th>
<th>Standard Deviation</th>
<th>Standard Error</th>
<th>Responses</th>
<th>No Resp.</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Market Players</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1</td>
<td>0.867</td>
<td>1.000</td>
<td>-0.300</td>
<td>2.000</td>
<td>0.505</td>
<td>0.072</td>
<td>49</td>
<td>4</td>
<td>92%</td>
</tr>
<tr>
<td>Year 2</td>
<td>1.452</td>
<td>1.500</td>
<td>0.000</td>
<td>2.700</td>
<td>0.554</td>
<td>0.079</td>
<td>49</td>
<td>4</td>
<td>92%</td>
</tr>
<tr>
<td>Year 5</td>
<td>1.840</td>
<td>1.900</td>
<td>0.500</td>
<td>3.000</td>
<td>0.433</td>
<td>0.065</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Lowest</th>
<th>Highest</th>
<th>Standard Deviation</th>
<th>Standard Error</th>
<th>Responses</th>
<th>No Resp.</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Market Players</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower bound</td>
<td>0.433</td>
<td>0.500</td>
<td>-1.000</td>
<td>1.600</td>
<td>0.490</td>
<td>0.074</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
<tr>
<td>Upper bound</td>
<td>1.327</td>
<td>1.275</td>
<td>0.300</td>
<td>3.000</td>
<td>0.537</td>
<td>0.081</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
<tr>
<td>Year 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower bound</td>
<td>0.757</td>
<td>0.900</td>
<td>-2.000</td>
<td>2.000</td>
<td>0.682</td>
<td>0.103</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
<tr>
<td>Upper bound</td>
<td>2.010</td>
<td>2.000</td>
<td>0.500</td>
<td>4.000</td>
<td>0.713</td>
<td>0.107</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
<tr>
<td>Year 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower bound</td>
<td>1.006</td>
<td>1.000</td>
<td>-1.500</td>
<td>2.000</td>
<td>0.632</td>
<td>0.095</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
<tr>
<td>Upper bound</td>
<td>2.669</td>
<td>2.500</td>
<td>1.500</td>
<td>5.000</td>
<td>0.817</td>
<td>0.123</td>
<td>44</td>
<td>9</td>
<td>83%</td>
</tr>
</tbody>
</table>

TABLE 3 - GDP Increase Expectations

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

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Lowest</th>
<th>Highest</th>
<th>Standard Deviation</th>
<th>Standard Error</th>
<th>Responses</th>
<th>No Resp.</th>
<th>Response Rate</th>
</tr>
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<tbody>
<tr>
<td>Money Market Players</td>
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<td></td>
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<td></td>
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<tr>
<td>Year 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TABLE 4 - Repo Rate Expectations

Expected repo rate the coming 3-60 months

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Lowest</th>
<th>Highest</th>
<th>Standard Deviation</th>
<th>Standard Error</th>
<th>Responses</th>
<th>No Resp.</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Market Players</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 months</td>
<td>0.554</td>
<td>0.500</td>
<td>0.250</td>
<td>0.750</td>
<td>0.118</td>
<td>0.018</td>
<td>42</td>
<td>11</td>
<td>79%</td>
</tr>
<tr>
<td>12 months</td>
<td>0.605</td>
<td>0.500</td>
<td>0.250</td>
<td>1.000</td>
<td>0.204</td>
<td>0.031</td>
<td>42</td>
<td>11</td>
<td>79%</td>
</tr>
<tr>
<td>24 months</td>
<td>1.244</td>
<td>1.250</td>
<td>0.250</td>
<td>2.000</td>
<td>0.414</td>
<td>0.065</td>
<td>40</td>
<td>13</td>
<td>75%</td>
</tr>
<tr>
<td>60 months</td>
<td>2.625</td>
<td>2.625</td>
<td>1.000</td>
<td>4.000</td>
<td>0.748</td>
<td>0.121</td>
<td>38</td>
<td>15</td>
<td>72%</td>
</tr>
</tbody>
</table>
### TABLE 5 - Repo Rate Expectations - 75% probability forecast uncertainty intervals

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

<table>
<thead>
<tr>
<th>Money Market Players</th>
<th>3 months</th>
<th>12 months</th>
<th>24 months</th>
<th>60 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower bound Mean (%)</td>
<td>0.431</td>
<td>0.400</td>
<td>0.744</td>
<td>1.592</td>
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<tr>
<td>Median (%)</td>
<td>0.500</td>
<td>0.500</td>
<td>0.750</td>
<td>1.750</td>
</tr>
<tr>
<td>Lowest (%)</td>
<td>0.250</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Highest (%)</td>
<td>0.500</td>
<td>1.250</td>
<td>1.750</td>
<td>3.500</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>0.113</td>
<td>0.194</td>
<td>0.395</td>
<td>0.804</td>
</tr>
<tr>
<td>Standard Error</td>
<td>0.018</td>
<td>0.031</td>
<td>0.063</td>
<td>0.130</td>
</tr>
<tr>
<td>Responses (numbers)</td>
<td>40</td>
<td>40</td>
<td>39</td>
<td>38</td>
</tr>
<tr>
<td>No Resp. (numbers)</td>
<td>13</td>
<td>13</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>Response Rate (%)</td>
<td>75%</td>
<td>75%</td>
<td>75%</td>
<td>74%</td>
</tr>
</tbody>
</table>

### TABLE 6 - 5 year Government Bond Rate, EUR and USD rates

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

<table>
<thead>
<tr>
<th>Money Market Players</th>
<th>3 months</th>
<th>12 months</th>
<th>24 months</th>
<th>60 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 YEAR GOVERNMENT BOND RATE</td>
<td>Mean (%)</td>
<td>Median (%)</td>
<td>Lowest (%)</td>
<td>Highest (%)</td>
</tr>
<tr>
<td>EUR/SEK 3 months</td>
<td>8,996</td>
<td>9,000</td>
<td>8,650</td>
<td>9,250</td>
</tr>
<tr>
<td>12 months</td>
<td>8,826</td>
<td>8,800</td>
<td>8,350</td>
<td>9,500</td>
</tr>
<tr>
<td>24 months</td>
<td>8,689</td>
<td>8,600</td>
<td>8,000</td>
<td>9,500</td>
</tr>
<tr>
<td>USD/SEK 3 months</td>
<td>6,560</td>
<td>6,525</td>
<td>6,300</td>
<td>7,100</td>
</tr>
<tr>
<td>12 months</td>
<td>6,766</td>
<td>6,750</td>
<td>6,300</td>
<td>7,640</td>
</tr>
<tr>
<td>24 months</td>
<td>6,912</td>
<td>6,900</td>
<td>6,000</td>
<td>8,100</td>
</tr>
</tbody>
</table>