



## Press Release

Questions will be answered by Emelie Alm, +46 (0)765 36 21 19.

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

TNS Sifo 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 future repo rates 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.

The latest survey in the all categories series September 2015, has now been completed, the previous June 2015 was published June 10, 2015. The last survey among money market players was published August 12, 2015.

A comparison of the results of the surveys can be summarised as follows (rounded off figures):

### All Interviewees' Expectations of

	Year 1		Year 2		Year 5	
	Sep 15	Jun 15	Sep 15	Jun 15	Sep 15	Jun 15
<b>Annual</b>						
<b>Inflation, %</b>	0,7	0,7	1,1	1,1	1,7	1,8
<b>GDP, %</b>	2,4	2,3	2,5	2,4	2,6	2,6
<b>Wage increase, %</b>	2,0	2,0	2,2	2,2	2,5	2,5

	3 months		12 months		24 months		60 months	
	Sep 15	Jun 15	Sep 15	Jun 15	Sep 15	Jun 15	Sep 15	Jun 15
<b>Repo rate, %</b>	-0,3	-0,3	-0,1	0,0	0,5	0,6	1,6	1,6

### Money Market Players' Expectations of

	3 months			12 months			24 months			60 months		
	Sep 15	(Aug 15)	Jun 15	Sep 15	(Aug 15)	Jun 15	Sep 15	(Aug 15)	Jun 15	Sep 15	(Aug 15)	Jun 15
<b>Repo rate, %</b>	-0,4	(-0,4)	-0,3	-0,3	(-0,2)	-0,2	0,3	(0,4)	0,5	1,9	(2,0)	2,0
<b>5 year gvt bond rate, %</b>	0,1	(0,2)	0,3	0,4	(0,6)	0,6	1,1	(1,3)	1,2	2,3	(2,4)	2,4
<b>EUR</b>	9,43	(9,32)	9,30	9,19	(9,13)	9,08	9,02	(8,69)	8,89	-	(-)	-
<b>USD</b>	8,57	(8,57)	8,54	8,60	(8,54)	8,53	8,37	(8,36)	8,36	-	(-)	-



### Interview Period & Method

TNS Sifo Prospera's survey that encompasses inflation, GDP and wage increase expectations as well as all but money market players' expectations of repo rates, was carried out August 24 – September 8, 2015 (previous May 25 – June 9, 2015 (July 29 – August 10, 2015)).

The part regarding money market players' expectations of future repo rates, 5 year government bond rates, EUR and USD rates took place on September 2, 2015 (June 3, 2015 (July 29, 2015)).

The survey is carried out over the telephone. The interviewers' average experience of the survey is 1,0 years.

### About the Interviewees & Response Rate

#### *All Interviewees*

In all 235 (236) organisations/companies were approached for interview. 21 (20) of the persons in the panel could not be reached or have denied participation, which means that there is an overall response rate of 91 % (92 %). The response rate for individual questions regarding inflation, wage and GDP increase expectations is 87 % or more 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 2-8)

#### *Labour Market Organisations*

51 Swedish labour market organisations, of which 24 on the employers' side and 27 on the employees' side have been approached.

#### *Purchase Managers*

Of the 132 purchasing managers 66 represent the trading industry and 66 the manufacturing industry. 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.

#### *Money Market Players*

The money market category includes 52 players, 46 Swedish and 6 international, active in the Swedish fixed income market. The money market players were not asked to assess the expected wage increases. Only the money market players have participated in the survey covering expected 5 year government bond rates, EUR and USD rates.

### 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.

*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.

*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 – Comparison September 2015 vs (August 2015) June 2015**

A comparison of the results of the two surveys in all interviewee categories is summarised as follows (rounded off figures):

<b>Expectations of</b>	<b>Year 1</b>			<b>Year 2</b>			<b>Year 5</b>		
	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>
<b>Annual inflation, %</b>									
All interviewees	0,7		0,7	1,1		1,1	1,7		1,8
Employees' organisations	0,6		0,6	1,1		1,1	1,8		1,8
Employers' organisations	0,5		0,5	1,0		1,0	1,8		1,9
Purchase managers Manufacturing	0,5		0,6	0,9		1,1	1,5		1,7
Purchase managers Trading	0,7		0,6	1,2		1,0	1,8		1,7
Money market players	1,0	(0,9)	0,9	1,5	(1,4)	1,5	1,8	(1,8)	1,8
<b>GDP, %</b>									
All interviewees	2,4		2,3	2,5		2,4	2,6		2,6
Employees' organisations	2,3		2,3	2,6		2,5	2,9		2,9
Employers' organisations	2,2		2,3	2,4		2,4	2,5		2,7
Purchase managers Manufacturing	2,4		2,2	2,5		2,4	2,7		2,5
Purchase managers Trading	2,4		2,3	2,5		2,4	2,6		2,7
Money market players	2,6	(2,5)	2,5	2,5	(2,5)	2,4	2,3	(2,3)	2,4
<b>Annual wage increase, %</b>									
All interviewees	2,0		2,0	2,2		2,2	2,5		2,5
Employees' organisations	2,3		2,4	2,6		2,6	2,8		2,9
Employers' organisations	1,8		2,0	1,9		1,8	2,6		2,4
Purchase managers Manufacturing	2,0		2,0	2,2		2,1	2,5		2,5
Purchase managers Trading	2,0		2,0	2,2		2,1	2,4		2,5

	<b>3 months</b>			<b>12 months</b>			<b>24 months</b>			<b>60 months</b>		
	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>	<b>Sep 15</b>	<b>(Aug 15)</b>	<b>Jun 15</b>
<b>Repo rate, %</b>												
All interviewees	-0,3		-0,3	-0,1		0,0	0,5		0,6	1,6		1,6
Employees' organisations	-0,3		-0,3	-0,1		0,0	0,3		0,7	1,5		1,5
Employers' organisations	-0,4		-0,3	-0,1		0,0	0,6		0,6	1,9		1,8
Purchase managers Manufacturing	-0,3		-0,2	0,0		0,1	0,5		0,7	1,4		1,5
Purchase managers Trading	-0,4		-0,3	0,0		0,0	0,6		0,6	1,6		1,5
Money market players	-0,4	(-0,4)	-0,3	-0,3	(-0,2)	-0,2	0,3	(0,4)	0,5	1,9	(2,0)	2,0

**TABLE 2 - 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
<b>All</b>									
<b>Year 1</b>	0,691	0,500	-0,500	3,000	0,603	0,041	211	24	90%
<b>Year 2</b>	1,149	1,000	-0,250	4,000	0,654	0,045	210	25	89%
<b>Year 5</b>	1,693	1,900	0,000	3,500	0,649	0,046	202	33	86%
<b>Employees' organisations</b>									
<b>Year 1</b>	0,584	0,500	-0,100	1,500	0,516	0,103	25	2	93%
<b>Year 2</b>	1,058	1,000	0,000	2,000	0,543	0,109	25	2	93%
<b>Year 5</b>	1,776	2,000	0,500	3,250	0,576	0,120	23	4	85%
<b>Employers' organisations</b>									
<b>Year 1</b>	0,518	0,500	0,000	1,300	0,388	0,087	20	4	83%
<b>Year 2</b>	1,048	1,000	0,200	2,000	0,486	0,109	20	4	83%
<b>Year 5</b>	1,768	2,000	0,400	2,500	0,468	0,107	19	5	79%
<b>Purchasing Managers, Manufacturing</b>									
<b>Year 1</b>	0,539	0,500	-0,500	3,000	0,657	0,086	59	7	89%
<b>Year 2</b>	0,894	1,000	-0,250	4,000	0,745	0,097	59	7	89%
<b>Year 5</b>	1,453	1,500	0,000	3,500	0,831	0,109	58	8	88%
<b>Purchasing Managers, Trading</b>									
<b>Year 1</b>	0,734	0,500	-0,250	2,500	0,677	0,087	60	6	91%
<b>Year 2</b>	1,191	1,000	-0,100	2,500	0,621	0,081	59	7	89%
<b>Year 5</b>	1,796	2,000	0,400	3,300	0,631	0,083	58	8	88%
<b>Money Market Players</b>									
<b>Year 1</b>	0,960	1,000	0,100	1,900	0,446	0,065	47	5	90%
<b>Year 2</b>	1,507	1,500	0,400	2,800	0,531	0,077	47	5	90%
<b>Year 5</b>	1,798	1,800	1,000	2,700	0,393	0,059	44	8	85%

**TABLE 3 - Inflation Expectations - 75% probability forecast uncertainty intervals**

Expected annual increase intervals in CPI 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
<b>Money Market Players</b>									
<b>Year 1</b>									
Lower bound	0,377	0,200	-0,500	1,250	0,513	0,077	44	8	85%
Upper bound	1,391	1,500	0,500	3,000	0,497	0,075	44	8	85%
<b>Year 2</b>									
Lower bound	0,819	1,000	-1,000	1,800	0,630	0,095	44	8	85%
Upper bound	2,026	1,875	1,000	3,500	0,666	0,100	44	8	85%
<b>Year 5</b>									
Lower bound	0,960	1,000	-2,000	1,800	0,719	0,111	42	10	81%
Upper bound	2,589	2,500	1,250	4,700	0,768	0,119	42	10	81%

**TABLE 4 - 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
<b>All</b>									
Year 1	2,426	2,500	0,500	3,500	0,626	0,043	210	25	89%
Year 2	2,492	2,500	-2,000	4,000	0,690	0,048	206	29	88%
Year 5	2,597	2,500	0,000	5,000	0,696	0,050	197	38	84%
<b>Employees' organisations</b>									
Year 1	2,318	2,550	1,000	3,000	0,719	0,153	22	5	81%
Year 2	2,614	2,500	1,000	3,500	0,627	0,137	21	6	78%
Year 5	2,860	2,900	1,700	4,000	0,634	0,142	20	7	74%
<b>Employers' organisations</b>									
Year 1	2,224	2,500	0,500	3,500	0,862	0,188	21	3	88%
Year 2	2,390	2,350	0,700	4,000	0,831	0,186	20	4	83%
Year 5	2,521	2,500	1,000	4,000	0,655	0,150	19	5	79%
<b>Purchasing Managers, Manufacturing</b>									
Year 1	2,426	2,500	1,000	3,500	0,591	0,076	60	6	91%
Year 2	2,478	2,500	1,000	4,000	0,679	0,088	59	7	89%
Year 5	2,710	3,000	1,000	4,000	0,564	0,074	58	8	88%
<b>Purchasing Managers, Trading</b>									
Year 1	2,399	2,500	0,800	3,300	0,626	0,081	60	6	91%
Year 2	2,492	2,500	-2,000	4,000	0,813	0,106	59	7	89%
Year 5	2,632	2,500	0,000	5,000	0,895	0,119	57	9	86%
<b>Money Market Players</b>									
Year 1	2,602	2,600	1,000	3,400	0,461	0,067	47	5	90%
Year 2	2,497	2,500	1,000	4,000	0,494	0,072	47	5	90%
Year 5	2,309	2,300	1,300	4,000	0,506	0,077	43	9	83%

**TABLE 5 - 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
<b>All</b>									
<b>Year 1</b>	2,025	2,000	0,500	4,000	0,581	0,045	164	19	90%
<b>Year 2</b>	2,216	2,300	0,500	4,000	0,607	0,048	160	23	87%
<b>Year 5</b>	2,509	2,500	0,500	5,000	0,678	0,054	155	28	85%
<b>Employees' organisations</b>									
<b>Year 1</b>	2,328	2,500	1,000	3,500	0,539	0,108	25	2	93%
<b>Year 2</b>	2,592	2,500	1,000	3,500	0,569	0,116	24	3	89%
<b>Year 5</b>	2,826	3,000	1,000	3,800	0,665	0,139	23	4	85%
<b>Employers' organisations</b>									
<b>Year 1</b>	1,810	2,000	0,600	2,700	0,601	0,134	20	4	83%
<b>Year 2</b>	1,895	2,000	0,700	2,800	0,669	0,153	19	5	79%
<b>Year 5</b>	2,644	2,600	0,900	5,000	1,029	0,243	18	6	75%
<b>Purchasing Managers, Manufacturing</b>									
<b>Year 1</b>	2,031	2,000	1,000	4,000	0,522	0,068	59	7	89%
<b>Year 2</b>	2,206	2,100	1,000	4,000	0,569	0,074	59	7	89%
<b>Year 5</b>	2,450	2,500	1,000	3,500	0,553	0,073	57	9	86%
<b>Purchasing Managers, Trading</b>									
<b>Year 1</b>	1,964	2,000	0,500	3,500	0,610	0,079	60	6	91%
<b>Year 2</b>	2,177	2,200	0,500	3,500	0,577	0,076	58	8	88%
<b>Year 5</b>	2,397	2,500	0,500	3,500	0,631	0,084	57	9	86%

**TABLE 6 - 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
<b>All</b>									
<b>3 months</b>	-0,345	-0,350	-1,000	1,000	0,157	0,011	201	34	86%
<b>12 months</b>	-0,068	0,000	-0,600	1,250	0,309	0,022	200	35	85%
<b>24 months</b>	0,494	0,500	-0,500	3,000	0,511	0,036	200	35	85%
<b>60 months</b>	1,617	1,500	0,000	4,000	0,769	0,056	191	44	81%
<b>Employees' organisations</b>									
<b>3 months</b>	-0,325	-0,350	-0,500	1,000	0,292	0,060	24	3	89%
<b>12 months</b>	-0,083	-0,175	-0,600	1,250	0,422	0,086	24	3	89%
<b>24 months</b>	0,323	0,250	-0,500	1,750	0,469	0,096	24	3	89%
<b>60 months</b>	1,498	1,500	0,500	2,750	0,549	0,117	22	5	81%
<b>Employers' organisations</b>									
<b>3 months</b>	-0,360	-0,350	-0,500	-0,250	0,046	0,010	21	3	88%
<b>12 months</b>	-0,065	-0,050	-0,400	0,500	0,280	0,063	20	4	83%
<b>24 months</b>	0,628	0,500	-0,250	2,000	0,622	0,139	20	4	83%
<b>60 months</b>	1,932	2,000	0,000	4,000	0,934	0,214	19	5	79%
<b>Purchasing Managers, Manufacturing</b>									
<b>3 months</b>	-0,302	-0,350	-0,500	0,250	0,140	0,018	59	7	89%
<b>12 months</b>	-0,002	0,000	-0,350	1,000	0,282	0,037	59	7	89%
<b>24 months</b>	0,536	0,500	-0,250	3,000	0,582	0,076	59	7	89%
<b>60 months</b>	1,421	1,500	0,000	3,500	0,839	0,110	58	8	88%
<b>Purchasing Managers, Trading</b>									
<b>3 months</b>	-0,356	-0,350	-1,000	0,250	0,153	0,020	60	6	91%
<b>12 months</b>	0,009	0,000	-0,500	1,000	0,286	0,037	60	6	91%
<b>24 months</b>	0,574	0,500	-0,150	1,500	0,415	0,054	60	6	91%
<b>60 months</b>	1,603	1,500	0,500	3,100	0,631	0,082	59	7	89%
<b>Money Market Players</b>									
<b>3 months</b>	-0,403	-0,350	-0,550	-0,250	0,068	0,011	37	15	71%
<b>12 months</b>	-0,292	-0,350	-0,500	0,500	0,203	0,033	37	15	71%
<b>24 months</b>	0,336	0,300	-0,500	1,250	0,450	0,074	37	15	71%
<b>60 months</b>	1,885	2,000	0,500	3,500	0,799	0,139	33	19	63%

**TABLE 7 - 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
<b>Money Market Players</b>									
<b>3 months</b>									
Lower bound	-0,491	-0,500	-0,750	-0,350	0,087	0,015	35	17	67%
Upper bound	-0,341	-0,350	-0,450	-0,250	0,037	0,006	35	17	67%
<b>12 months</b>									
Lower bound	-0,511	-0,500	-1,000	0,000	0,200	0,034	35	17	67%
Upper bound	-0,016	0,000	-0,450	1,000	0,350	0,059	35	17	67%
<b>24 months</b>									
Lower bound	-0,203	0,000	-1,500	0,750	0,439	0,074	35	17	67%
Upper bound	0,916	1,000	-0,450	2,000	0,616	0,104	35	17	67%
<b>60 months</b>									
Lower bound	0,694	1,000	-1,000	1,800	0,766	0,135	32	20	62%
Upper bound	2,906	3,000	0,500	5,500	1,148	0,203	32	20	62%

**TABLE 8 - 5 year Government Bond Rate, EUR and USD rates**

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

Money Market Players

	Mean	Median	Lowest	Highest	Standard Deviation	Standard Error	Responses (numbers)	No resp. (numbers)	Response Rate
<b>5 YEAR GOVERNMENT BOND RATE</b>									
<b>3 months</b>	0,146	0,100	-0,050	0,900	0,210	0,037	32	20	62%
<b>12 months</b>	0,419	0,450	0,000	1,250	0,305	0,054	32	20	62%
<b>24 months</b>	1,053	1,100	0,090	2,500	0,560	0,101	31	21	60%
<b>60 months</b>	2,308	2,500	0,200	4,000	0,904	0,162	31	21	60%
<b>EUR/SEK</b>									
<b>3 months</b>	9,432	9,400	9,000	10,000	0,172	0,029	35	17	67%
<b>12 months</b>	9,192	9,200	8,400	10,500	0,353	0,060	35	17	67%
<b>24 months</b>	9,017	9,000	8,300	10,000	0,350	0,061	33	19	63%
<b>USD/SEK</b>									
<b>3 months</b>	8,569	8,550	8,200	9,140	0,199	0,034	35	17	67%
<b>12 months</b>	8,597	8,540	7,800	9,300	0,428	0,072	35	17	67%
<b>24 months</b>	8,370	8,200	7,500	9,700	0,580	0,101	33	19	63%