

December 2022 report

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

Dec 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 policy 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 Jannica Westling, +46 (0)76 536 24 03.

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	
	Dec 22	Sep 22	Dec 22	Sep 22	Dec 22	Sep 22
All Interviewees						
Annual inflation CPI	6,1	6,1	3,5	3,6	2,4	2,3
Annual inflation CPIF	5,2	5,4	3,1	3,3	2,3	2,2
Annual GDP	0,2	1,3	1,7	1,7	2,5	2,4
Annual wage increase	3,8	3,7	3,2	3,2	2,7	2,6

	3 months			12 months			24 months			60 months		
	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22
All interviewees												
Policy rate (%)	2,7	-	1,5	2,8	-	2,0	2,3	-	1,9	1,9	-	1,6
Money Market Players												
Policy rate (%)	2,8	2,5	2,0	2,8	2,7	2,4	2,3	2,3	2,0	2,2	2,2	1,9
5 year gvt bond rate (%)	2,3	2,5	2,3	2,5	2,7	2,4	2,4	2,6	2,4	2,4	2,5	2,3
EUR/SEK	10,88	10,86	10,66	10,59	10,54	10,52	10,25	10,17	10,29	-	-	-
USD/SEK	10,58	10,99	10,83	10,08	10,53	10,49	9,65	9,86	10,14	-	-	-

	Current quarter			Following 3 quarters		
	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22
Money Market Players						
The Riksbank's bond purchases (SEK bn)	15	15	77	12	22	97
Distribution (%)						
Government bonds	34,4	33,5	34,7	37,7	32,7	34,1
Municipal bonds	32,1	33,9	30,5	34,3	29,3	32,4
Covered bonds	30,6	30,4	32,7	24,3	26,0	30,6
Corporate bonds	2,9	2,3	2,1	3,7	12,0	2,9

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Overview of subgroups

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

(%)	3 months			12 months			24 months			60 months		
	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22	Dec 22	Nov 22	Sep 22
Policy rate												
All Interviewees	2,7	-	1,5	2,8	-	2,0	2,3	-	1,9	1,9	-	1,6
Employees' Organisations	2,8	-	1,2	2,7	-	1,7	2,2	-	1,7	2,0	-	1,5
Employers' Organisations	2,8	-	1,6	2,7	-	2,2	2,2	-	2,1	1,8	-	1,7
Purchasing Managers, Manufacturing	2,6	-	1,2	2,6	-	1,7	2,2	-	1,6	1,8	-	1,4
Purchasing Managers, Trading	2,7	-	1,3	2,9	-	1,9	2,5	-	1,8	1,9	-	1,4
Money Market Players	2,8	2,5	2,0	2,8	2,7	2,4	2,3	2,3	2,0	2,2	2,2	1,9

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About the survey

Dec 22

Sep 22

Method

Telephone interviews

Interview period

Questions on inflation, GDP and wage increase expectations

Nov 30-Dec 13

Sep 1-Sep 13

Questions on future policy rate, 5 year government bond rate, EUR and USD rate

Dec 7

Sep 6

Response rate

Number of organisations approached for interview

208

208

Number of organisations not reached or denied participation

87

89

Overall response rate (%)

58

57

For response rates per question please see Tables 1-9

About the interviews (numbers)

All Interviewees

208

Labour Market Organisations Employers'

23

Employees'

26

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)

4,5

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

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 reportswww.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	6,127	6,000	2,000	12,000	2,183	0,199	120	88	58%
Year 2	3,478	3,000	0,700	10,000	1,778	0,162	120	88	58%
Year 5	2,364	2,000	-2,000	7,000	1,007	0,093	118	90	57%
Employees' Organisations									
Year 1	6,295	6,250	2,000	12,000	2,476	0,554	20	6	77%
Year 2	3,500	3,000	1,000	8,000	2,034	0,455	20	6	77%
Year 5	2,260	2,000	1,500	4,000	0,557	0,124	20	6	77%
Employers' Organisations									
Year 1	6,000	6,000	3,200	11,000	2,714	0,701	15	8	65%
Year 2	3,033	2,600	0,700	6,000	1,309	0,338	15	8	65%
Year 5	1,996	2,000	1,500	3,000	0,404	0,108	14	9	61%
Purchasing Managers, Manufacturing									
Year 1	6,478	6,000	3,000	12,000	2,317	0,483	23	31	43%
Year 2	4,174	3,500	1,500	10,000	2,024	0,422	23	31	43%
Year 5	2,691	2,000	1,000	7,000	1,305	0,272	23	31	43%
Purchasing Managers, Trading									
Year 1	6,460	6,000	3,500	11,000	1,963	0,358	30	27	53%
Year 2	3,973	3,250	1,400	9,000	1,831	0,334	30	27	53%
Year 5	2,390	2,000	-2,000	5,000	1,192	0,221	29	28	51%
Money Market Players									
Year 1	5,516	5,500	2,000	10,200	1,783	0,315	32	16	67%
Year 2	2,707	2,500	1,000	6,000	1,217	0,215	32	16	67%
Year 5	2,333	2,000	1,400	7,000	0,964	0,170	32	16	67%

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	5,200	5,000	0,000	10,000	2,063	0,214	93	115	45%
Year 2	3,052	2,500	0,500	9,000	1,690	0,175	93	115	45%
Year 5	2,313	2,000	-2,000	7,000	1,043	0,109	92	116	44%
Employees' Organisations									
Year 1	5,178	5,050	0,000	10,000	2,148	0,506	18	8	69%
Year 2	2,867	2,500	0,500	6,300	1,662	0,392	18	8	69%
Year 5	2,139	2,000	1,500	4,000	0,512	0,121	18	8	69%
Employers' Organisations									
Year 1	4,408	5,000	1,000	8,200	2,507	0,695	13	10	57%
Year 2	2,362	2,000	0,900	5,000	1,020	0,283	13	10	57%
Year 5	1,925	1,950	1,500	2,500	0,263	0,076	12	11	52%
Purchasing Managers, Manufacturing									
Year 1	6,046	5,500	2,600	9,500	2,168	0,601	13	41	24%
Year 2	4,346	4,000	1,200	8,500	2,078	0,576	13	41	24%
Year 5	2,892	3,000	1,500	5,000	1,033	0,287	13	41	24%
Purchasing Managers, Trading									
Year 1	6,172	6,000	4,000	10,000	1,686	0,397	18	39	32%
Year 2	3,689	3,250	1,200	9,000	2,003	0,472	18	39	32%
Year 5	2,306	2,000	-2,000	5,000	1,510	0,356	18	39	32%
Money Market Players									
Year 1	4,626	4,700	1,000	7,300	1,715	0,308	31	17	65%
Year 2	2,535	2,250	1,000	6,000	1,141	0,205	31	17	65%
Year 5	2,324	2,000	1,400	7,000	1,088	0,195	31	17	65%

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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	3,577	3,500	0,000	6,100	1,925	0,378	26	22	54%
Upper bound	6,065	6,200	2,600	10,000	1,872	0,367	26	22	54%
Year 2									
Lower bound	1,717	1,500	0,000	5,000	1,193	0,234	26	22	54%
Upper bound	3,823	3,550	1,900	8,000	1,481	0,290	26	22	54%
Year 5									
Lower bound	1,375	1,500	-1,000	4,000	0,922	0,181	26	22	54%
Upper bound	3,475	3,000	1,900	7,000	1,235	0,242	26	22	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
All Interviewees									
Year 1	0,228	0,000	-3,000	5,000	1,466	0,134	120	88	58%
Year 2	1,716	1,500	-2,000	5,000	0,975	0,089	120	88	58%
Year 5	2,490	2,400	0,000	6,000	0,852	0,078	118	90	57%
Employees' Organisations									
Year 1	0,345	0,000	-1,500	3,000	1,234	0,276	20	6	77%
Year 2	1,770	1,750	0,500	2,700	0,572	0,128	20	6	77%
Year 5	2,560	2,500	1,500	3,500	0,522	0,117	20	6	77%
Employers' Organisations									
Year 1	-0,587	-0,800	-2,000	1,400	0,922	0,238	15	8	65%
Year 2	1,833	1,500	0,500	3,000	0,841	0,217	15	8	65%
Year 5	2,457	2,000	1,500	6,000	1,267	0,339	14	9	61%
Purchasing Managers, Manufacturing									
Year 1	1,278	1,500	-2,000	5,000	1,549	0,323	23	31	43%
Year 2	1,935	2,000	0,500	5,000	1,228	0,256	23	31	43%
Year 5	2,800	2,800	0,500	5,000	1,007	0,210	23	31	43%
Purchasing Managers, Trading									
Year 1	0,563	0,750	-3,000	3,000	1,542	0,281	30	27	53%
Year 2	1,690	2,000	-2,000	3,000	1,216	0,222	30	27	53%
Year 5	2,659	2,500	0,000	4,500	0,919	0,171	29	28	51%
Money Market Players									
Year 1	-0,534	-0,700	-2,000	3,500	1,073	0,190	32	16	67%
Year 2	1,494	1,500	-0,500	3,000	0,762	0,135	32	16	67%
Year 5	2,086	2,000	1,500	3,000	0,385	0,068	32	16	67%

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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	3,787	3,800	2,000	7,000	0,807	0,087	87	73	54%
Year 2	3,232	3,000	2,000	5,000	0,622	0,067	87	73	54%
Year 5	2,696	2,700	1,900	5,000	0,545	0,059	85	75	53%
Employees' Organisations									
Year 1	4,025	3,900	3,200	5,000	0,556	0,124	20	6	77%
Year 2	3,523	3,500	2,700	5,000	0,481	0,108	20	6	77%
Year 5	3,070	3,000	2,000	5,000	0,575	0,129	20	6	77%
Employers' Organisations									
Year 1	3,407	3,500	3,000	4,100	0,381	0,098	15	8	65%
Year 2	2,960	2,900	2,200	3,800	0,484	0,125	15	8	65%
Year 5	2,493	2,450	2,000	3,300	0,418	0,112	14	9	61%
Purchasing Managers, Manufacturing									
Year 1	4,150	4,000	2,500	7,000	1,064	0,227	22	32	41%
Year 2	3,282	3,000	2,000	5,000	0,850	0,181	22	32	41%
Year 5	2,650	2,750	2,000	3,500	0,501	0,107	22	32	41%
Purchasing Managers, Trading									
Year 1	3,553	3,500	2,000	5,000	0,754	0,138	30	27	53%
Year 2	3,137	3,000	2,000	4,000	0,501	0,092	30	27	53%
Year 5	2,572	2,500	1,900	4,000	0,508	0,094	29	28	51%

TABLE 5 - 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
All Interviewees									
3 months	2,749	2,750	0,750	3,500	0,393	0,037	113	95	54%
12 months	2,760	2,750	1,000	4,500	0,540	0,051	113	95	54%
24 months	2,311	2,250	0,750	5,000	0,681	0,065	111	97	53%
60 months	1,937	2,000	0,500	4,000	0,625	0,060	110	98	53%
Employees' Organisations									
3 months	2,770	2,875	1,000	3,250	0,484	0,108	20	6	77%
12 months	2,725	3,000	1,000	3,500	0,584	0,131	20	6	77%
24 months	2,165	2,400	0,750	2,750	0,546	0,122	20	6	77%
60 months	1,978	2,000	0,750	3,250	0,608	0,136	20	6	77%
Employers' Organisations									
3 months	2,837	2,750	2,500	3,500	0,243	0,063	15	8	65%
12 months	2,743	2,900	1,750	3,500	0,460	0,119	15	8	65%
24 months	2,183	2,500	1,250	3,000	0,530	0,137	15	8	65%
60 months	1,839	2,000	1,000	2,000	0,362	0,097	14	9	61%
Purchasing Managers, Manufacturing									
3 months	2,611	2,750	0,750	3,250	0,527	0,112	22	32	41%
12 months	2,614	2,500	1,500	4,000	0,606	0,129	22	32	41%
24 months	2,234	2,000	1,000	4,000	0,780	0,166	22	32	41%
60 months	1,773	1,625	0,500	3,000	0,736	0,157	22	32	41%
Purchasing Managers, Trading									
3 months	2,717	2,750	1,000	3,250	0,403	0,074	30	27	53%
12 months	2,867	2,900	1,500	4,500	0,601	0,110	30	27	53%
24 months	2,510	2,500	1,000	5,000	0,764	0,142	29	28	51%
60 months	1,872	2,000	1,000	4,000	0,718	0,133	29	28	51%
Money Market Players									
3 months	2,835	2,750	2,500	3,000	0,174	0,034	26	22	54%
12 months	2,798	2,750	1,750	3,750	0,406	0,080	26	22	54%
24 months	2,340	2,250	1,000	4,250	0,657	0,131	25	23	52%
60 months	2,180	2,250	1,000	3,000	0,488	0,098	25	23	52%

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TABLE 6 - 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	2,591	2,750	2,000	3,000	0,251	0,053	22	26	46%
Upper bound	3,091	3,000	2,500	3,500	0,238	0,051	22	26	46%
12 months									
Lower bound	2,011	2,375	0,000	3,000	0,804	0,171	22	26	46%
Upper bound	3,568	3,500	2,750	5,000	0,519	0,111	22	26	46%
24 months									
Lower bound	1,548	1,750	-0,500	3,000	0,967	0,211	21	27	44%
Upper bound	3,667	3,500	2,250	5,000	0,864	0,188	21	27	44%
60 months									
Lower bound	1,171	1,500	-1,000	2,000	0,841	0,184	21	27	44%
Upper bound	3,540	3,000	2,000	5,000	0,992	0,217	21	27	44%

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	2,279	2,215	1,900	3,000	0,362	0,071	26	22	54%
12 months	2,468	2,500	1,470	4,000	0,652	0,128	26	22	54%
24 months	2,384	2,500	1,000	4,000	0,744	0,149	25	23	52%
60 months	2,364	2,300	1,000	3,500	0,580	0,116	25	23	52%
EUR/SEK									
3 months	10,878	10,900	10,500	11,500	0,197	0,039	25	23	52%
12 months	10,590	10,600	10,000	11,200	0,304	0,061	25	23	52%
24 months	10,250	10,300	9,500	11,000	0,391	0,078	25	23	52%
USD/SEK									
3 months	10,584	10,500	10,000	11,500	0,350	0,070	25	23	52%
12 months	10,083	10,000	8,500	11,800	0,604	0,121	25	23	52%
24 months	9,650	9,700	7,800	11,800	0,803	0,161	25	23	52%

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	15,192	9,000	0,000	90,000	24,154	6,699	13	35	27%
Following 3 quarters	11,818	0,000	0,000	100,000	30,189	9,102	11	37	23%

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	34,432	33,000	24,250	40,000	5,092	1,535	11	37	23%
Municipal bonds	32,068	32,500	10,000	49,250	9,278	2,797	11	37	23%
Covered bonds	30,614	32,000	20,000	60,000	11,230	3,386	11	37	23%
Corporate bonds	2,886	2,000	0,000	10,000	3,670	1,106	11	37	23%
Following 3 quarters									
Government bonds	37,667	40,000	33,000	40,000	4,041	2,333	3	45	6%
Municipal bonds	34,333	33,000	30,000	40,000	5,132	2,963	3	45	6%
Covered bonds	24,333	20,000	20,000	33,000	7,506	4,333	3	45	6%
Corporate bonds	3,667	1,000	0,000	10,000	5,508	3,180	3	45	6%