

July 2023 report
Money Market Players' expectations

Jul 13, 2023

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	
	Jul 23	Jun 23	Jul 23	Jun 23	Jul 23	Jun 23
Money Market Players						
Annual inflation CPI	4,1	4,3	2,4	2,4	2,2	2,2
Annual inflation CPIX	3,2	3,3	2,3	2,3	2,2	2,1
Annual GDP	-0,4	-0,4	1,2	1,3	2,0	2,1

	3 months		12 months		24 months		60 months	
	Jul 23	Jun 23	Jul 23	Jun 23	Jul 23	Jun 23	Jul 23	Jun 23
Money Market Players								
Policy rate (%)	4,0	3,7	3,4	3,4	2,8	2,6	2,3	2,2
5 year gvt bond rate (%)	2,8	2,7	2,6	2,5	2,6	2,4	2,5	2,4
EUR/SEK	11,70	11,40	11,29	11,03	10,87	10,64	-	-
USD/SEK	10,72	10,61	10,36	10,20	9,82	9,66	-	-

About the survey		Jul 23	Jun 23
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Method	Telephone interviews		
Interview period			
Questions on inflation and GDP expectations		Jul 6-Jul 12	Jun 7-Jun 13
Questions on future policy rate, 5 year government bond rate, EUR and USD rate		Jul 6	Jun 7
Response rate			
Number of organisations approached for interview		48	48
Number of organisations not reached or denied participation		24	15
Overall response rate (%)		50	69
For response rate per question please see Tables 1-8			
About the interviews (numbers)			
Money Market players	Swedish	46	
	International	2	
About the interviewers			
Average experience of the survey (years)		5,3	

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/prospera/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	4,102	4,375	-0,500	7,000	1,594	0,325	24	24	50%
Year 2	2,438	2,350	1,250	5,000	0,852	0,174	24	24	50%
Year 5	2,160	2,100	1,300	3,000	0,381	0,078	24	24	50%
CPIF									
Year 1	3,168	3,150	-0,500	7,000	1,556	0,324	23	25	48%
Year 2	2,291	2,200	1,500	3,500	0,585	0,122	23	25	48%
Year 5	2,161	2,000	1,500	3,000	0,322	0,067	23	25	48%

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	2,268	2,200	-1,000	5,000	1,477	0,339	19	29	40%
Upper bound	4,379	4,700	1,000	8,000	1,675	0,384	19	29	40%
Year 2									
Lower bound	1,425	1,150	0,500	3,000	0,623	0,147	18	30	38%
Upper bound	3,492	3,150	2,400	5,000	0,996	0,235	18	30	38%
Year 5									
Lower bound	1,387	1,000	0,000	3,000	0,685	0,157	19	29	40%
Upper bound	3,389	3,000	2,400	5,000	0,818	0,188	19	29	40%

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	-0,352	-0,500	-2,000	1,100	0,878	0,179	24	24	50%
Year 2	1,154	1,350	-1,000	3,000	0,984	0,201	24	24	50%
Year 5	2,038	2,000	1,500	3,000	0,317	0,065	24	24	50%

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	3,975	4,000	3,500	4,000	0,112	0,025	20	28	42%
12 months	3,400	3,500	1,000	4,500	0,763	0,171	20	28	42%
24 months	2,750	2,750	1,000	4,000	0,649	0,145	20	28	42%
60 months	2,300	2,375	1,000	3,250	0,536	0,120	20	28	42%

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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	3,688	3,750	3,000	4,000	0,214	0,054	16	32	33%
Upper bound	4,219	4,250	4,000	4,750	0,202	0,050	16	32	33%
12 months									
Lower bound	2,375	2,750	0,000	4,000	1,218	0,304	16	32	33%
Upper bound	4,250	4,000	3,500	5,000	0,500	0,125	16	32	33%
24 months									
Lower bound	1,547	2,000	-0,500	3,000	1,042	0,260	16	32	33%
Upper bound	3,578	3,750	2,000	5,000	0,757	0,189	16	32	33%
60 months									
Lower bound	1,125	1,375	-1,000	2,000	0,913	0,228	16	32	33%
Upper bound	3,375	3,125	2,000	5,000	0,842	0,210	16	32	33%

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	2,849	2,800	2,500	3,500	0,245	0,056	19	29	40%
12 months	2,613	2,600	1,500	3,500	0,477	0,109	19	29	40%
24 months	2,583	2,500	1,750	4,200	0,569	0,131	19	29	40%
60 months	2,517	2,400	1,750	3,500	0,551	0,126	19	29	40%
EUR/SEK									
3 months	11,697	11,750	11,000	12,100	0,289	0,065	20	28	42%
12 months	11,292	11,375	10,500	12,300	0,439	0,098	20	28	42%
24 months	10,865	11,000	10,000	11,600	0,499	0,112	20	28	42%
USD/SEK									
3 months	10,717	10,725	10,250	11,250	0,281	0,063	20	28	42%
12 months	10,356	10,375	9,000	11,200	0,592	0,132	20	28	42%
24 months	9,817	9,885	8,000	11,200	0,762	0,170	20	28	42%