

**August 2023 report**

## Money Market Players' expectations

Aug 16, 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	
	Aug 23	Jul 23	Aug 23	Jul 23	Aug 23	Jul 23
<b>Money Market Players</b>						
Annual inflation CPI	3,9	4,1	2,3	2,4	2,2	2,2
Annual inflation CPIF	2,9	3,2	2,3	2,3	2,2	2,2
Annual GDP	-0,2	-0,4	1,4	1,2	2,0	2,0

	3 months		12 months		24 months		60 months	
	Aug 23	Jul 23	Aug 23	Jul 23	Aug 23	Jul 23	Aug 23	Jul 23
<b>Money Market Players</b>								
Policy rate (%)	4,0	4,0	3,5	3,4	2,8	2,8	2,4	2,3
5 year gvt bond rate (%)	2,8	2,8	2,6	2,6	2,6	2,6	2,6	2,5
EUR/SEK	11,57	11,70	11,21	11,29	10,83	10,87	-	-
USD/SEK	10,58	10,72	10,12	10,36	9,67	9,82	-	-

<b>About the survey</b>		Aug 23	Jul 23
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<b>Method</b>	Telephone interviews		
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**Interview period**

Questions on inflation and GDP expectations	Aug 8-Aug 14	Jul 6-Jul 12
Questions on future policy rate, 5 year government bond rate, EUR and USD rate	Aug 8	Jul 6

**Response rate**

Number of organisations approached for interview	48	48
Number of organisations not reached or denied participation	20	24
Overall response rate (%)	58	50

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)	14,7
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**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

**Previous reports**

[www.kantarsifo.se/erbjudande/prospira/inflation-expectations](http://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
<b>Money Market Players</b>									
<b>CPI</b>									
Year 1	3,851	4,000	-1,000	7,800	1,653	0,312	28	20	58%
Year 2	2,325	2,400	1,000	4,800	0,784	0,148	28	20	58%
Year 5	2,166	2,050	1,500	3,000	0,313	0,059	28	20	58%
<b>CPIF</b>									
Year 1	2,928	2,800	-1,000	6,200	1,402	0,270	27	21	56%
Year 2	2,254	2,100	1,000	4,500	0,708	0,136	27	21	56%
Year 5	2,156	2,000	1,500	3,500	0,394	0,076	27	21	56%

**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
<b>Money Market Players</b>									
<b>Year 1</b>									
Lower bound	1,963	2,100	-2,000	5,300	1,523	0,341	20	28	42%
Upper bound	3,968	4,000	0,000	8,000	1,729	0,387	20	28	42%
<b>Year 2</b>									
Lower bound	1,398	1,450	0,000	2,500	0,638	0,143	20	28	42%
Upper bound	3,295	3,000	2,000	5,000	0,956	0,214	20	28	42%
<b>Year 5</b>									
Lower bound	1,285	1,500	0,000	2,000	0,513	0,115	20	28	42%
Upper bound	3,210	3,000	2,100	5,000	0,793	0,177	20	28	42%

**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
<b>Money Market Players</b>									
Year 1	-0,154	-0,500	-2,000	2,300	1,011	0,191	28	20	58%
Year 2	1,363	1,500	0,000	3,000	0,859	0,162	28	20	58%
Year 5	2,020	2,000	1,500	3,000	0,316	0,060	28	20	58%

**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
<b>Money Market Players</b>									
3 months	4,000	4,000	3,500	4,250	0,140	0,031	20	28	42%
12 months	3,463	3,500	1,000	4,250	0,704	0,157	20	28	42%
24 months	2,788	2,750	1,500	3,750	0,569	0,127	20	28	42%
60 months	2,355	2,250	1,750	3,000	0,443	0,102	19	29	40%

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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
<b>Money Market Players</b>									
<b>3 months</b>									
Lower bound	3,781	3,750	3,000	4,000	0,256	0,064	16	32	33%
Upper bound	4,203	4,250	4,000	4,500	0,164	0,041	16	32	33%
<b>12 months</b>									
Lower bound	2,613	3,000	0,000	3,750	1,094	0,273	16	32	33%
Upper bound	4,175	4,125	3,500	5,000	0,422	0,106	16	32	33%
<b>24 months</b>									
Lower bound	1,828	2,000	0,000	3,500	0,869	0,217	16	32	33%
Upper bound	3,625	3,500	3,000	5,000	0,632	0,158	16	32	33%
<b>60 months</b>									
Lower bound	1,483	1,500	0,000	3,000	0,826	0,213	15	33	31%
Upper bound	3,633	4,000	2,500	5,000	0,896	0,231	15	33	31%

**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
<b>Money Market Players</b>									
<b>5 year gvt bond rate</b>									
3 months	2,825	2,750	2,500	3,350	0,221	0,051	19	29	40%
12 months	2,631	2,600	1,500	3,500	0,453	0,104	19	29	40%
24 months	2,569	2,500	2,000	3,250	0,390	0,092	18	30	38%
60 months	2,615	2,500	2,000	3,500	0,447	0,105	18	30	38%
<b>EUR/SEK</b>									
3 months	11,571	11,600	11,000	12,000	0,245	0,056	19	29	40%
12 months	11,211	11,250	10,500	12,000	0,401	0,092	19	29	40%
24 months	10,832	10,900	10,000	11,600	0,457	0,105	19	29	40%
<b>USD/SEK</b>									
3 months	10,575	10,500	10,130	11,000	0,219	0,050	19	29	40%
12 months	10,121	10,100	8,500	11,200	0,605	0,139	19	29	40%
24 months	9,671	9,750	8,000	11,200	0,700	0,161	19	29	40%