

August 2024 report

Money Market Players' expectations

Aug 15, 2024

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 24	Jul 24	Aug 24	Jul 24	Aug 24	Jul 24
Money Market Players						
Annual inflation CPI	1,5	1,7	1,7	1,8	2,0	2,1
Annual inflation CPIF	1,8	2,0	1,8	2,0	2,0	2,1
Annual GDP	1,7	1,5	2,2	2,2	2,1	2,1

	3 months		12 months		24 months		60 months	
	Aug 24	Jul 24	Aug 24	Jul 24	Aug 24	Jul 24	Aug 24	Jul 24
Money Market Players								
Policy rate (%)	3,3	3,4	2,5	2,6	2,3	2,4	2,4	2,4
5 year gvt bond rate (%)	2,0	2,3	2,2	2,3	2,4	2,5	2,6	2,5
EUR/SEK	11,37	11,27	11,18	11,05	10,84	10,82	-	-
USD/SEK	10,40	10,45	10,17	10,16	9,79	9,82	-	-

About the survey		Aug 24	Jul 24
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Method Telephone interviews

Interview period

Questions on inflation and GDP expectations

Aug 7-Aug 13

Jul 3-Jul 9

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

Aug 7

Jul 3

Response rate

Number of organisations approached for interview

46

46

Number of organisations not reached or denied participation

19

19

Overall response rate (%)

59

59

For response rate per question please see Tables 1-8

About the interviews (numbers)

Money Market players Swedish

44

International

2

About the interviewers

Average experience of the survey (years)

5,1

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

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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	1,497	1,600	0,400	3,000	0,686	0,132	27	19	59%
Year 2	1,661	1,800	0,000	2,600	0,500	0,096	27	19	59%
Year 5	2,044	2,000	1,000	3,000	0,396	0,076	27	19	59%
CPIF									
Year 1	1,773	1,800	0,500	2,500	0,476	0,092	27	19	59%
Year 2	1,826	1,900	0,000	2,500	0,496	0,095	27	19	59%
Year 5	2,037	2,000	1,000	3,000	0,394	0,076	27	19	59%

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	1,144	1,350	-0,500	2,000	0,610	0,125	24	22	52%
Upper bound	2,431	2,500	1,000	4,000	0,619	0,126	24	22	52%
Year 2									
Lower bound	1,098	1,325	-1,000	1,800	0,654	0,134	24	22	52%
Upper bound	2,610	2,500	1,000	4,000	0,687	0,140	24	22	52%
Year 5									
Lower bound	1,094	1,325	-0,500	1,700	0,607	0,124	24	22	52%
Upper bound	2,946	2,750	2,000	5,000	0,770	0,157	24	22	52%

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	1,674	1,700	0,200	3,000	0,800	0,154	27	19	59%
Year 2	2,211	2,100	1,500	3,500	0,436	0,084	27	19	59%
Year 5	2,065	2,000	1,500	3,000	0,345	0,066	27	19	59%

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	3,283	3,250	3,000	3,500	0,170	0,035	24	22	52%
12 months	2,479	2,500	2,000	3,000	0,275	0,056	24	22	52%
24 months	2,313	2,250	2,000	3,000	0,288	0,059	24	22	52%
60 months	2,446	2,500	1,750	3,500	0,406	0,085	23	23	50%

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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	3,083	3,000	2,750	3,250	0,165	0,036	21	25	46%
Upper bound	3,571	3,500	3,250	4,500	0,275	0,060	21	25	46%
12 months									
Lower bound	1,917	2,000	1,000	2,500	0,413	0,090	21	25	46%
Upper bound	3,083	3,000	2,500	5,000	0,555	0,121	21	25	46%
24 months									
Lower bound	1,500	1,500	0,000	2,500	0,570	0,124	21	25	46%
Upper bound	3,202	3,000	2,250	5,000	0,678	0,148	21	25	46%
60 months									
Lower bound	1,213	1,250	0,000	2,250	0,694	0,155	20	26	43%
Upper bound	3,638	3,625	2,500	5,000	0,772	0,173	20	26	43%

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	1,993	2,000	1,500	2,500	0,240	0,049	24	22	52%
12 months	2,158	2,225	1,200	2,750	0,352	0,072	24	22	52%
24 months	2,439	2,500	1,200	3,250	0,420	0,088	23	23	50%
60 months	2,551	2,500	1,400	4,000	0,493	0,103	23	23	50%
EUR/SEK									
3 months	11,370	11,400	11,000	11,600	0,146	0,031	22	24	48%
12 months	11,175	11,100	10,200	11,900	0,370	0,079	22	24	48%
24 months	10,836	10,800	10,000	11,750	0,462	0,099	22	24	48%
USD/SEK									
3 months	10,397	10,400	10,100	10,700	0,157	0,033	22	24	48%
12 months	10,168	10,100	9,300	11,400	0,450	0,096	22	24	48%
24 months	9,787	9,625	8,300	11,400	0,666	0,142	22	24	48%