



Current monetary policy

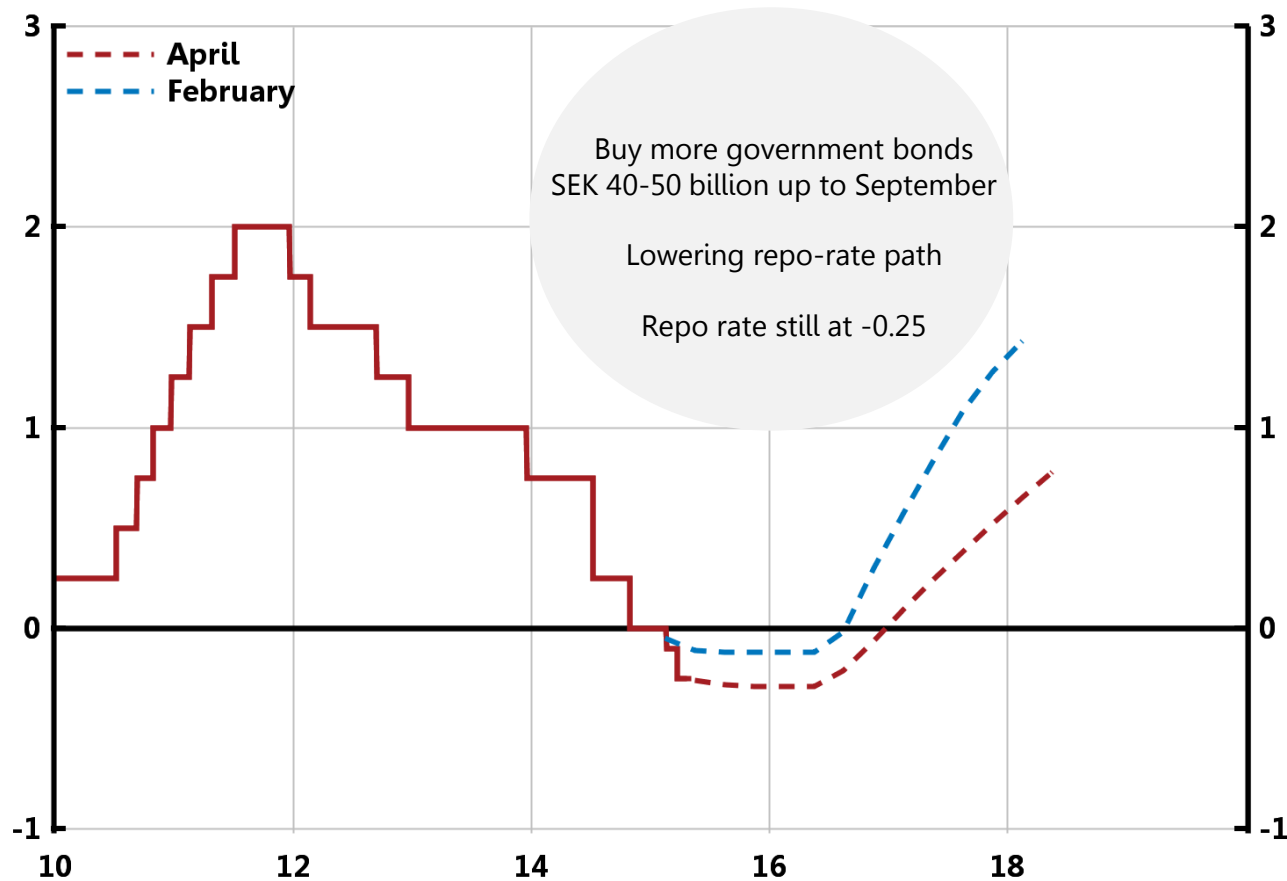
Business Arena Malmö
7 May 2015

First Deputy Governor Kerstin af Jochnick

**We want to ensure that inflation
continues to rise**

2 %

Continued expansionary monetary policy



Important to safeguard the inflation target



- Has created stable game rules for price-setting and wage formation since the 1990s
 - One should be able to assume the inflation target will be attained
 - Creates the conditions for good and long-term sustainable growth
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Economic activity improving

Good GDP growth



Labour market strengthening



Note. Annual percentage change and percentage of labour force, 15–74 years, respectively, seasonally-adjusted data.

Sources: Statistics Sweden and the Riksbank

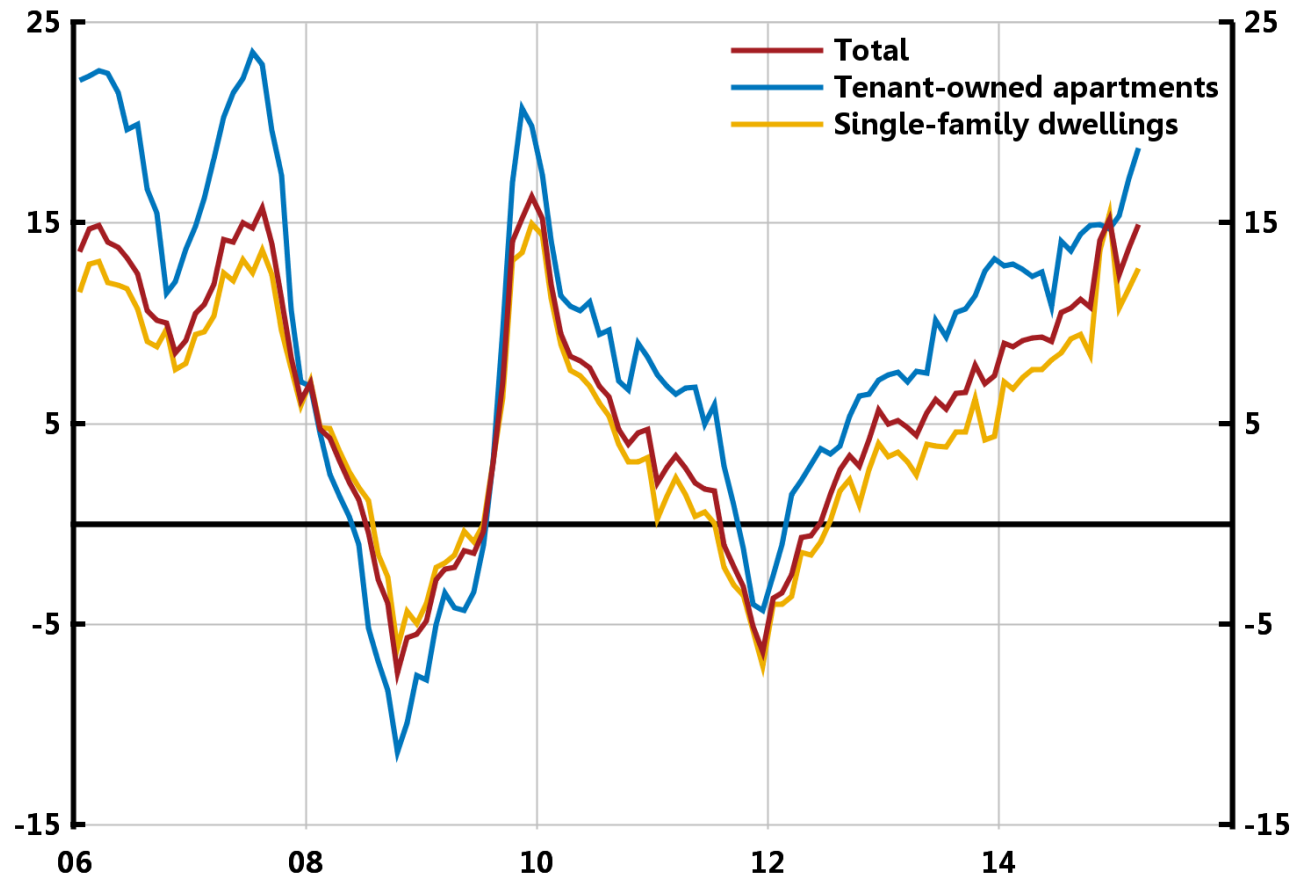
Sources of concern

**Low inflation for a long
time**
**How quickly will inflation
rise?**

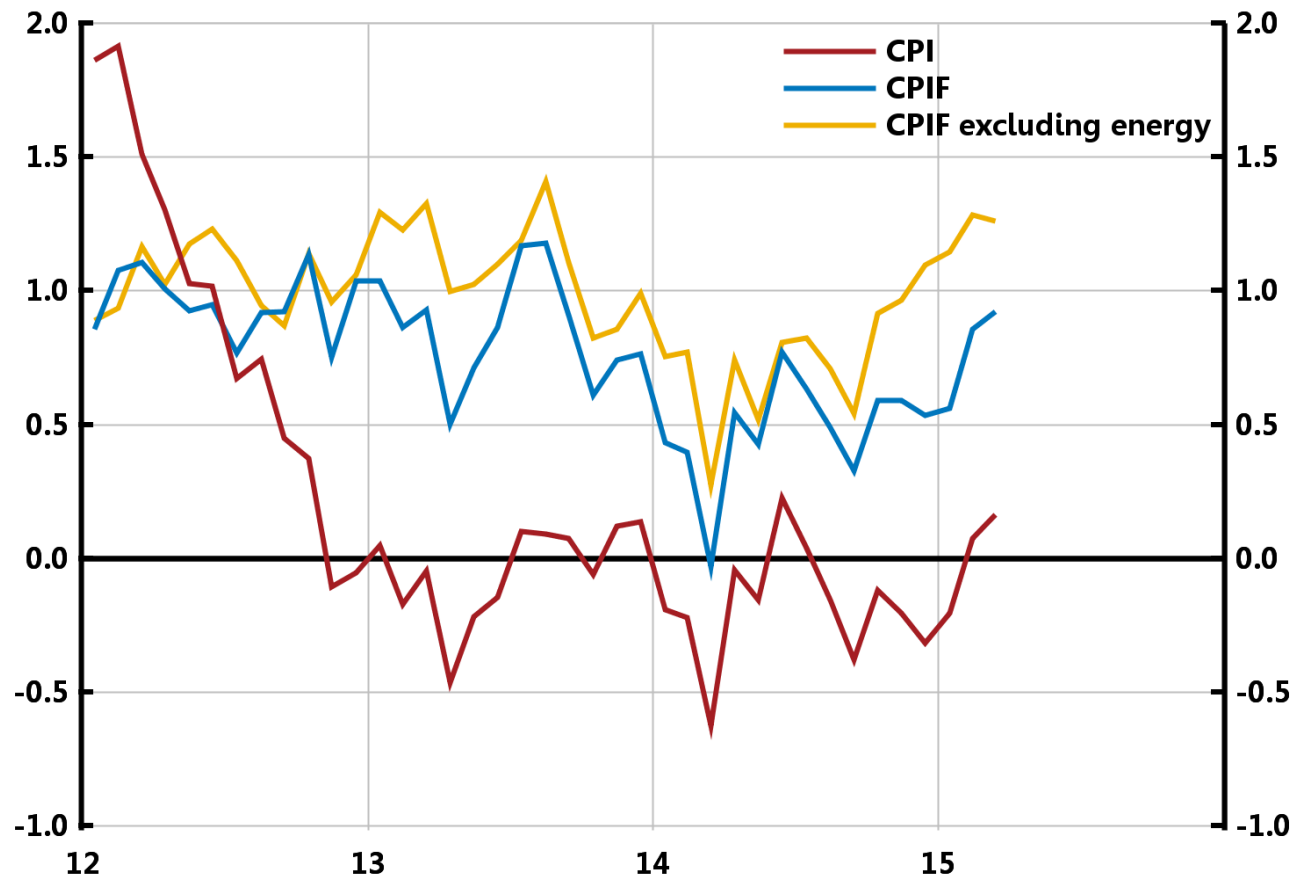
**Central banks out of
step**
**Rapid appreciation of
the krona - a risk to the
upturn in inflation**

**Uncertainty about
international
developments**

Household debt and housing market risk over a long period of time



Monetary policy having an impact – inflation is rising from a low level

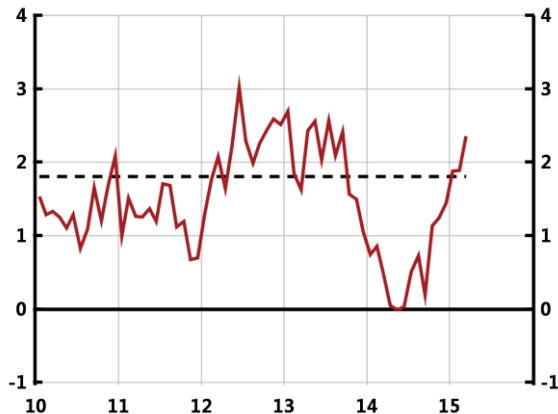


Note. Annual percentage change. The CPIF is the CPI with a fixed mortgage rate.

Source: Statistics Sweden

The upturn in inflation is broad

Food prices



Services prices



Goods prices



High readiness to do more if necessary



- Limited tolerance for low inflation
- Ready to act even between ordinary meetings





Thank you!