



Inflation-targeting after the financial crisis

Almega, Stockholm
22 May 2015

Deputy Governor Cecilia Skingsley

Economic activity improving

Good GDP growth



Labour market strengthening



International discussion about inflation-targeting

Rethinking Macroeconomic Policy¹

Prepared by Olivier Blanchard, Giovanni Dell'Ariccia, and Paolo Mauro

Monetary Policy After the Fall

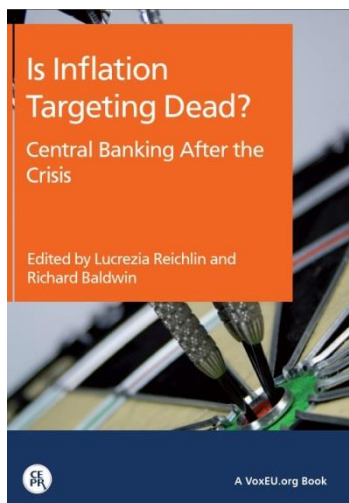
Remarks
Mark Carney - Former Governor (2008 - 2013)

IMF Assesses New Era of Monetary Policy

IMF Survey

Augmented inflation targeting: Le roi est mort, vive le roi

Richard Baldwin, Daniel Gros 17 April 2013



The Effects of the Great Recession on Central Bank Doctrine and Practice

Remarks by

Ben S. Bernanke

Central banking post-crisis: What compass for uncharted waters?

by Claudio Borio

Monetary policy will never be the same

Olivier Blanchard 27 November 2013

Are the Golden Years of Central Banking Over? Monetary Policy after the Crisis

Stefan Gerlach

Monetary Policy Targets After the Crisis

MONETARY POLICY IN THE POST-CRISIS WORLD:
LESSONS LEARNED AND STRATEGIES FOR THE FUTURE

Christina D. Romer

Michael Woodford

Does the Crisis Experience Call for a New Paradigm in Monetary Policy?

John B. Taylor

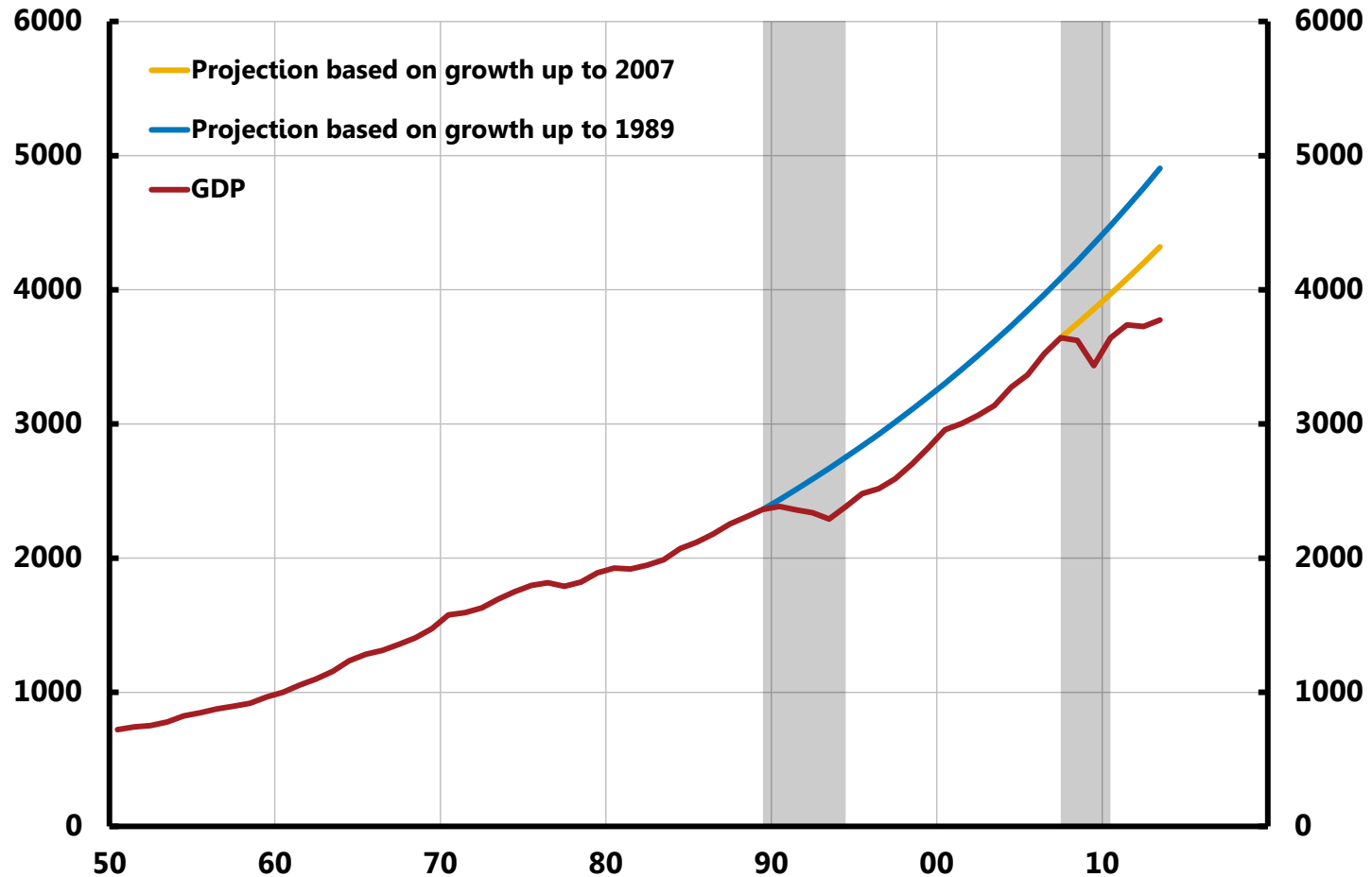
Navigating Monetary Policy in the New Normal

Speech by Christine Lagarde at the ECB Forum on Central Banking

Stanley Fischer: Central bank lessons from the global crisis

Financial crises highly costly to society

GDP in Sweden 1950-2014, SEK billion

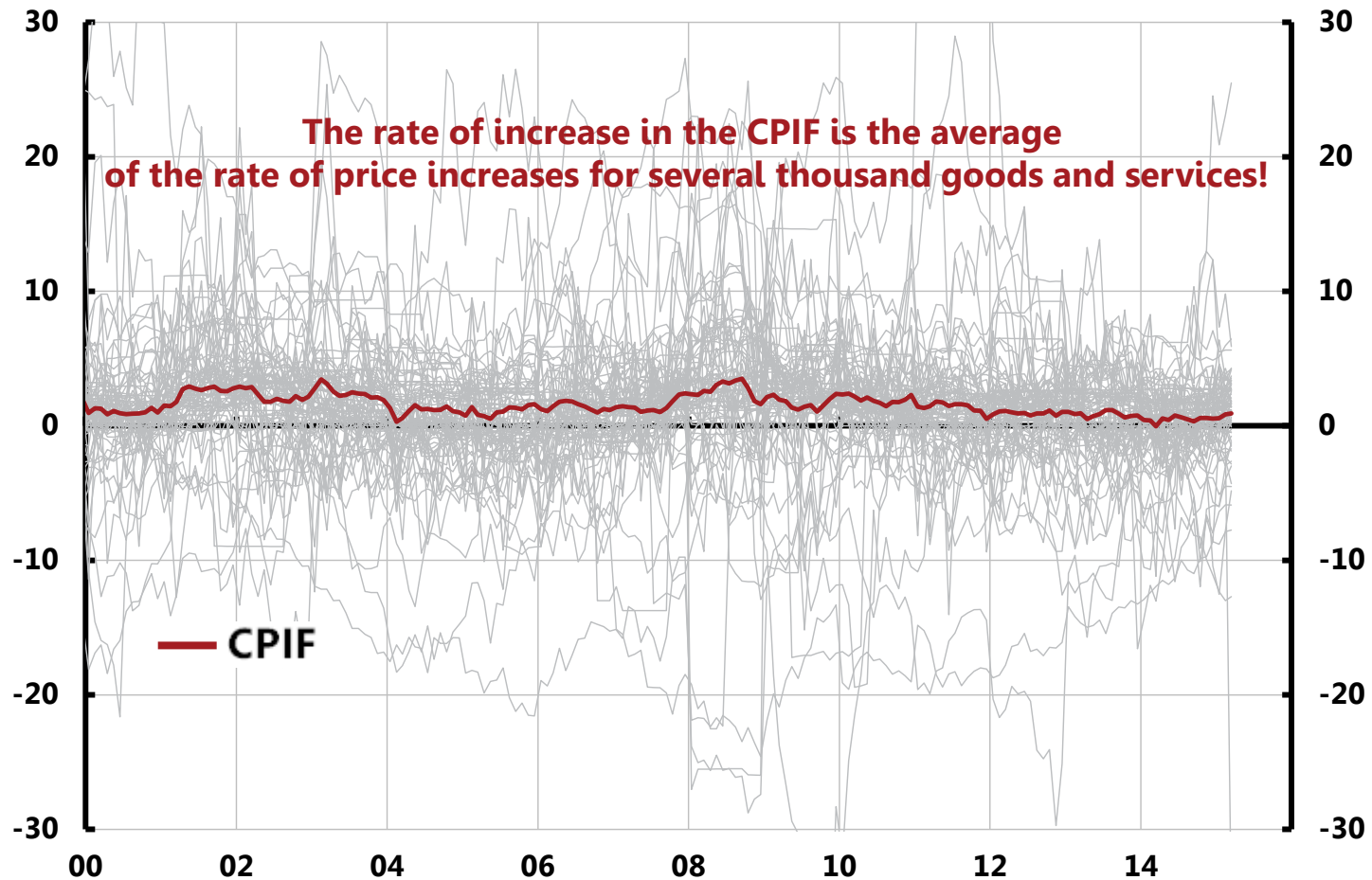


Should monetary policy take financial imbalances into account?



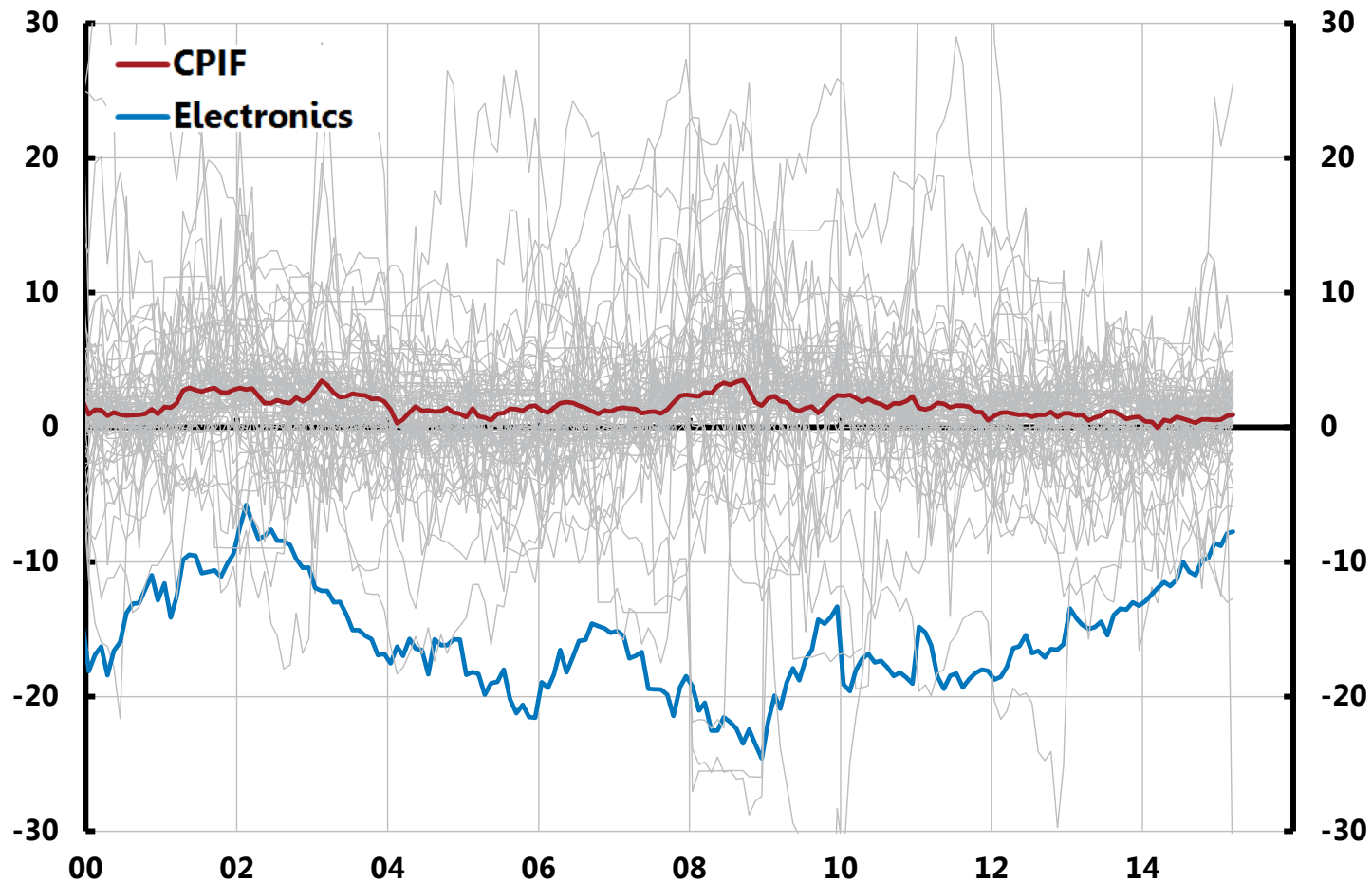
Inflation is "a general rise of the price level"

Annual percentage change



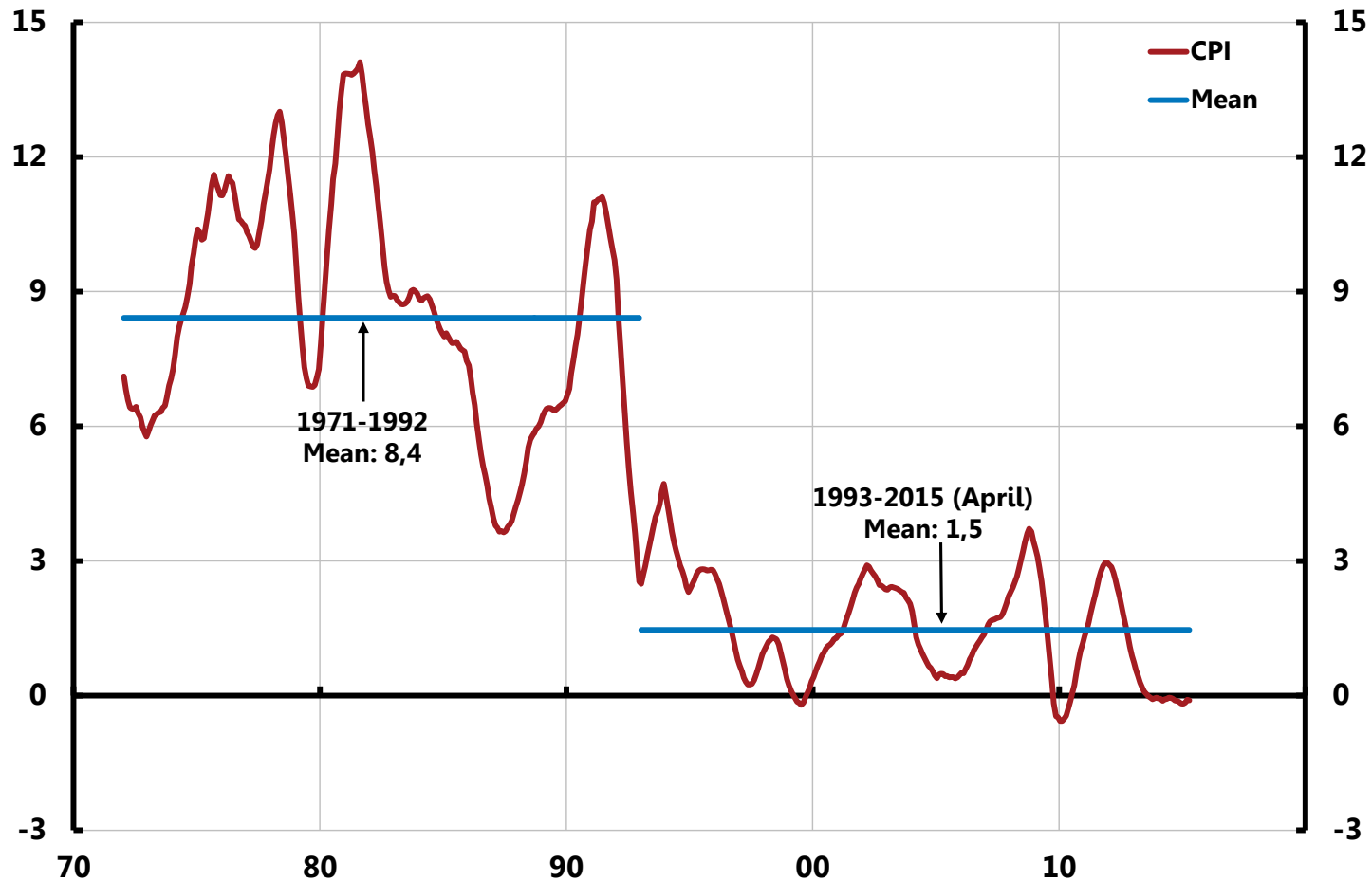
Prices for electronics have long been falling, but recently the fall has slowed down

Annual percentage change



Low and more stable inflation since the target was introduced

Annual percentage change, 12 months moving average



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

But

- The low interest rates can lead to excessive risk taking
 - Household debts and housing market have long posed a risk
 - Measures to reduce these risks are needed urgently
-

Clear effects on analysis and working methods

The Riksbank's Research Division:

2000:

- 5-6 researchers
- Macroeconomics/
Monetary policy

2015:

- 16-17 researchers
- Bank&Finance/Financial
Stability
- Macroeconomics/
Monetary policy

Call for Papers

Sovereign Debt and Default

September 20-21, 2012

Sveriges Riksbank, Stockholm, Sweden

Bubbles

September 12-13, 2013

Sveriges Riksbank, Stockholm, Sweden



New design for Monetary Policy Reports

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Examples of internal work reported in articles and commentaries:

- Why is inflation low?
- Digitisation and inflation
- Low global interest rates
- Lower neutral interest rate in Sweden?
- Recent inflation outcomes and forecasts
- Why haven't companies raised their prices?