



# My view of monetary policy

Riksdag Committee on Finance  
18 November 2014

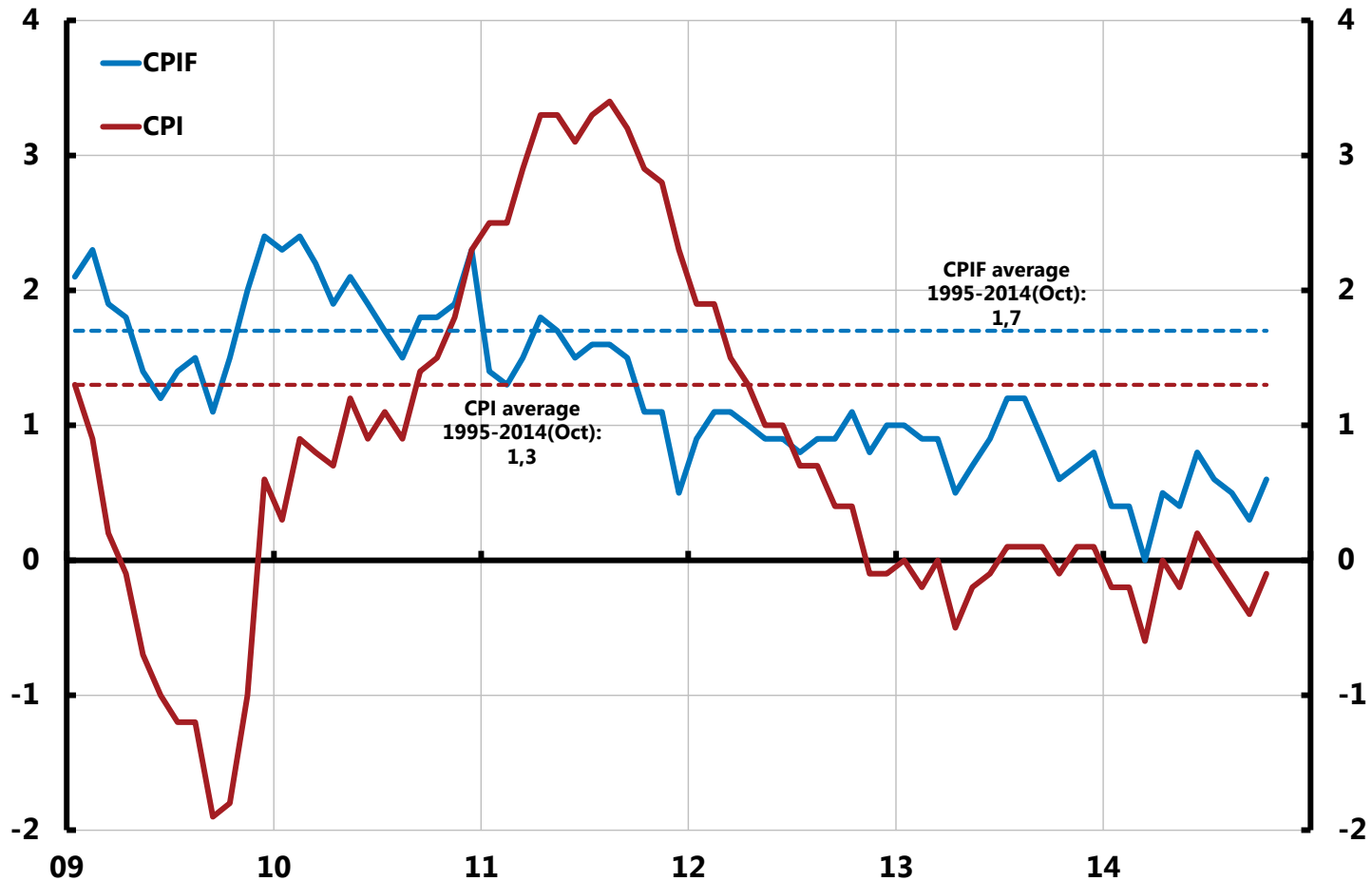
Deputy Governor Per Jansson

# What I intend to talk about

- Inflation low – but monetary policy has reacted decisively
- My view of monetary policy going forward



# Low inflation for several years

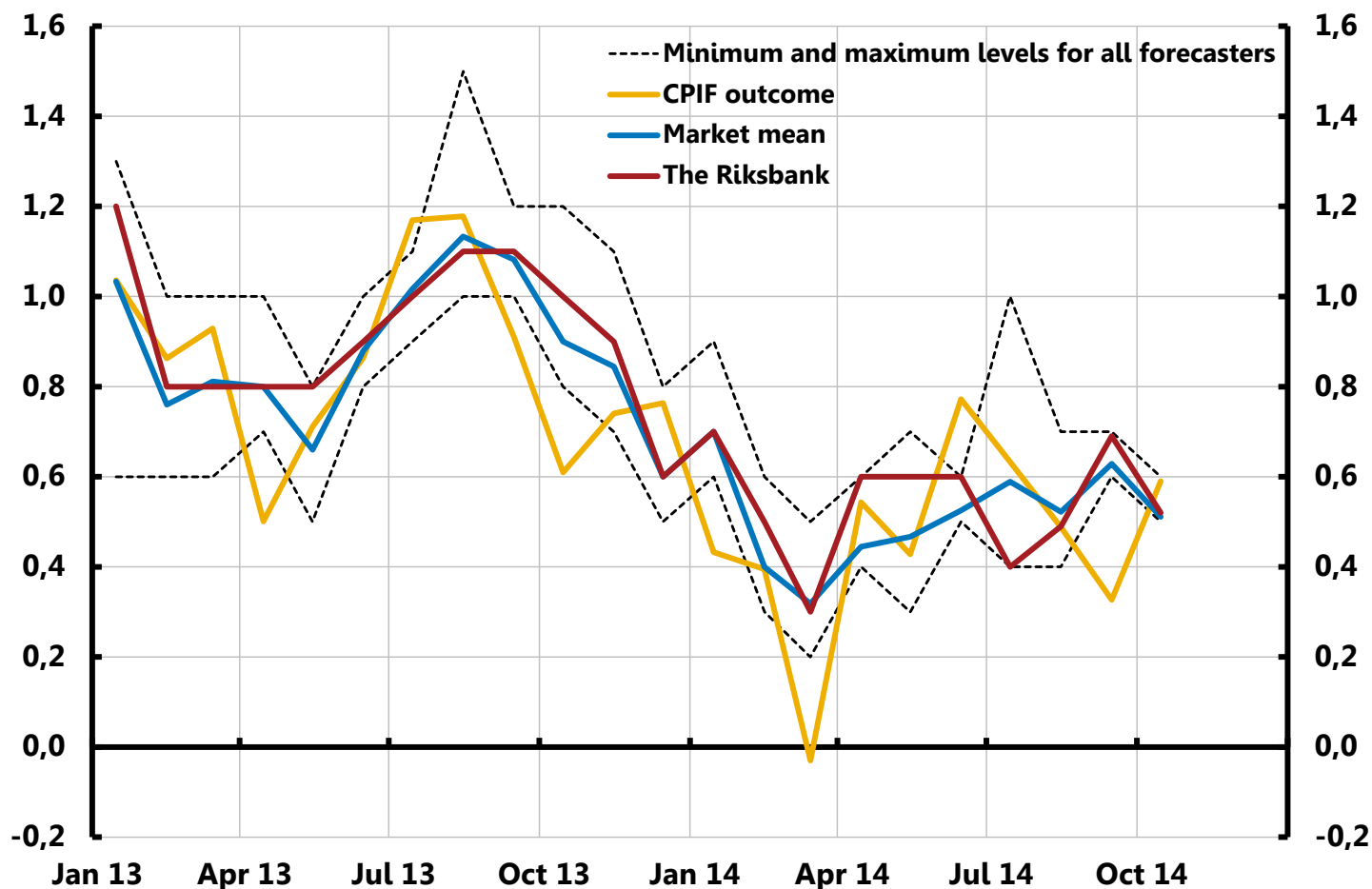


Annual percentage change. The CPIF is the CPI with a fixed mortgage rate.  
Broken lines refer to real-time average since the year 1995.

Sources: Statistics Sweden and  
the Riksbank

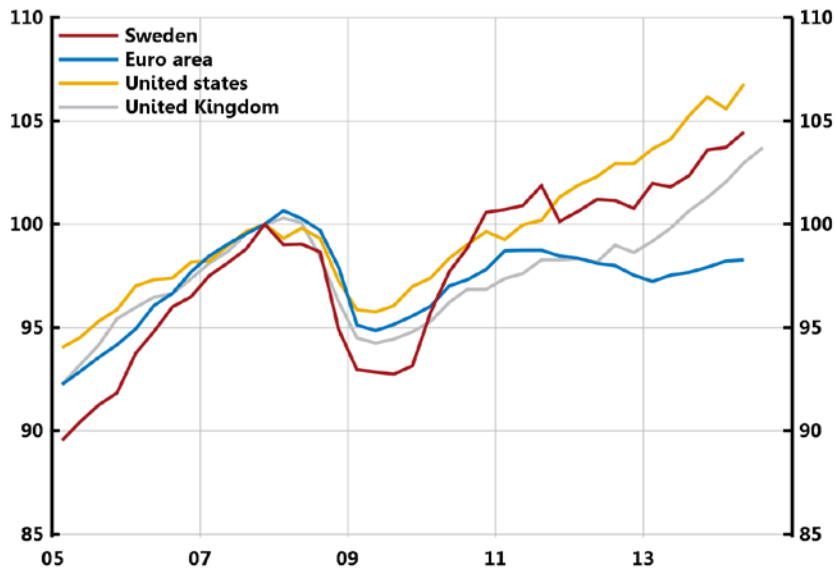
# The situation worsened at the end of 2013 and beginning of 2014

Short-term forecasts for CPI inflation, annual percentage change

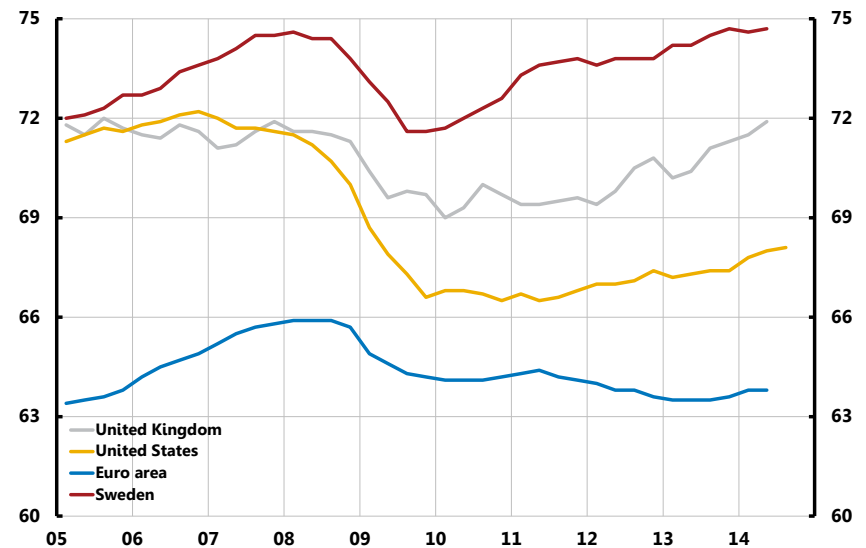


# The low inflation has not hampered the real economy from developing well

## GDP



## Employment rate



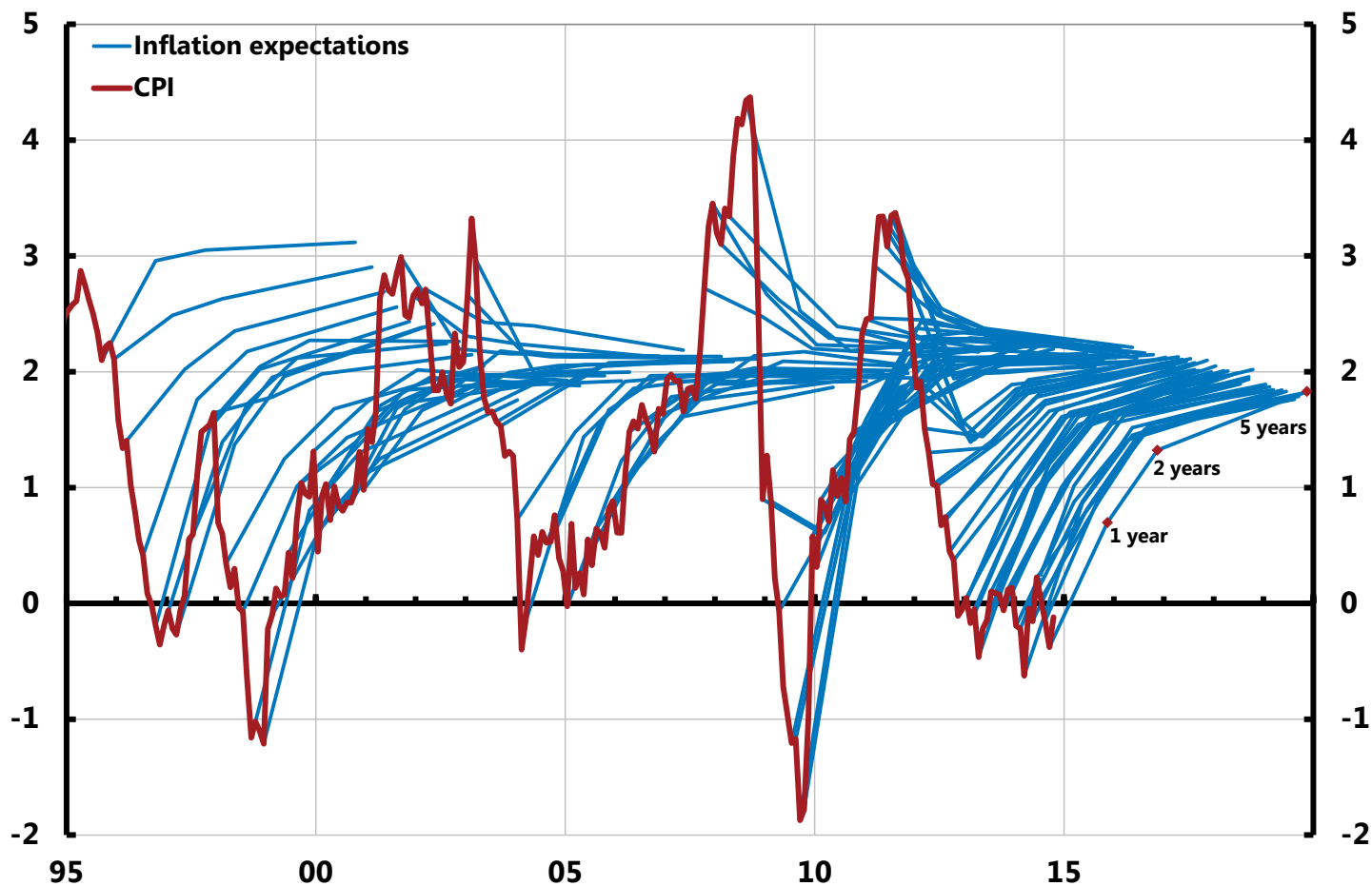
GDP, index, 2007 Q4 = 100.

Employment rate, percentage of the population aged 15-64

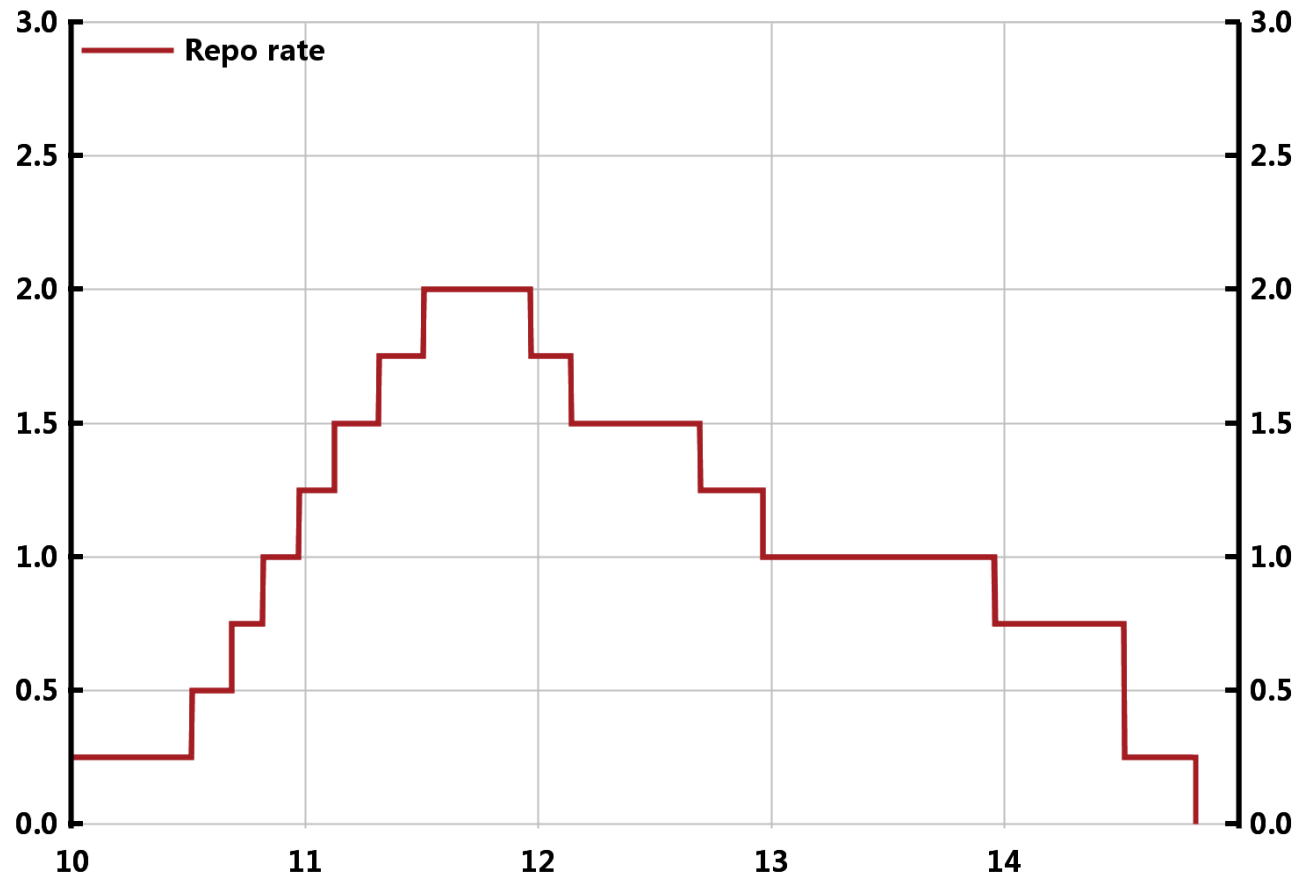
Sources: Eurostat and the OECD

# Important that inflation expectations remain anchored

Annual percentage change



# Monetary policy has reacted decisively



# My view of monetary policy

- I assess that what we have done now is sufficient to get inflation to rise to 2 per cent. But if it is not enough, we have
    - some further scope with regard to monetary policy
    - the same tools for unconventional monetary policy as other central banks
  - Of course, it is not possible to promise that inflation will rise as expected, but all focus must be clearly on bringing inflation to 2 per cent
  - Monetary policy has no scope to contribute to managing household debt in this situation
    - on the contrary, monetary policy contributes to increasing the risks
    - increasingly urgent for other policy areas to take action
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