

DECISION

DATE: 26 May 2026
DEPARTMENT: Financial Stability Department
DNR: 2026-00734

Countercyclical capital buffer rate (to be notified on 29 May 2026 at 09.30)

The Riksbank's decision

The Riksbank decides to leave the countercyclical capital buffer rate unchanged at 2 per cent. The 2 per cent capital buffer rate that started to apply on 22 June 2023 will therefore continue to apply.

Grounds for the decision

Legal basis

According to Chapter 3, Section 1 of the Sveriges Riksbank Act (2022:1568), the Riksbank shall contribute to the stability and efficiency of the financial system, without neglecting the price stability target.

According to Chapter 7, section 1 of the Capital Buffers Act (2014:966), the Riksbank shall calculate a countercyclical capital buffer guide for each quarter and, if necessary, set or change a countercyclical capital buffer rate.

According to Chapter 7, section 2 of the same act, the Riksbank shall comply with Article 136.2 and 136.3 of the Capital Adequacy Directive when assessing the appropriate buffer rate and calculating the buffer guide. This means that the Riksbank will assess the degree of cyclical systemic risks and take into account, among other things, the credit gap, which refers to the deviation of total private debt as a share of GDP from its long-term trend.

Current buffer rate contributes to resilience in a volatile environment

The uncertain global situation has for some time now posed heightened risks to financial stability in Sweden.¹ Since the outbreak of war in the Middle East, global developments have been very dramatic, with periods of significant volatility in the financial markets. The Swedish financial system has shown resilience and key funding markets have also functioned well. After some tightening at the beginning of the war, global financial conditions have stabilised. However, they are not as expansionary as they were before the war. Risk appetite has also recovered, while global equity markets have recovered from earlier declines. At the same time, market interest rates and risk premiums have been volatile and remain at slightly higher levels than before the war.

The Swedish economic recovery that started last year seems to have slowed somewhat. In its most recent forecast from March, the Riksbank assessed that the war in the Middle East would hamper the economic outlook somewhat in the near term. New statistics and indicators point to the Swedish economy developing somewhat more weakly than expected at the beginning of the year.² The Swedish economy has so far proved resilient to unfavourable events in the world and the conditions for a continued recovery are essentially good. However, the war makes the economic outlook more uncertain and conditions could deteriorate rapidly.

Both households and companies have good access to funding and continue to enjoy relatively favourable borrowing conditions, despite the fact that market interest rates are somewhat higher than prior to the outbreak of war. Bank lending to both households and companies is growing slightly faster than at the end of last year, but growth rates remain moderate. Corporate borrowing via bond markets has been weaker than their borrowing from banks, especially in foreign currency. For households, the moderate credit growth coincides with developments in housing prices, which have picked up somewhat but remain weak from a historical perspective. This suggests that there is currently no build-up of cyclical systemic risks associated with private sector lending.³

In the last quarter of 2025, total household and corporate debt also declined slightly relative to GDP and income. Total debt then amounted to just over 146 per cent of GDP, which is 2 percentage points lower than in the corresponding period in the previous year. The credit-gap, which measures the deviation of total debt as a share of GDP from its long-term trend, declined to

¹ See the section "Financial stability – current situation and risks" in the *Minutes of the monetary policy meeting*, May 2026, Sveriges Riksbank.

² For a broader description, see Monetary Policy Report, March 2026 and Monetary Policy Update, May 2026, Sveriges Riksbank.

³ For a broader description, see Financial Stability Report 2026:1, May 2026, Sveriges Riksbank.

-18.9 per cent and the capital buffer guide therefore remained at 0 per cent.⁴ The lower level of debt is due to the fact that households' and companies' incomes and cash flows have increased more than their debts in the past, which has improved their ability to service their loans. The Riksbank's indicator for cyclical systemic risk has increased slightly, although it remains at a low level and shows limited signs of an increased build-up of risk.⁵

The Swedish banking system has good resilience overall, mainly because banks are profitable and have good liquidity and substantial capital buffers. The capital requirements are therefore not expected to limit the banks' room for manoeuvre, which suggests that banks have the capacity to maintain the supply of credit to the real economy. Taken together, the Riksbank assesses that the countercyclical capital buffer rate shall remain unchanged at 2 per cent.

However, the financial system may be put to the test in the current uncertain global environment, especially if the conflict in the Middle East is prolonged. The Riksbank applies a positive neutral level for the countercyclical capital buffer rate during periods when cyclical systemic risks are not building up or elevated. The current capital buffer rate, which corresponds to the positive neutral level, therefore allows the requirement to be lowered if necessary, if the Swedish banking system were to be more significantly affected by the uncertain developments abroad.

The decision has been taken by the Executive Board (Governor Erik Thedéen, First Deputy Governor Aino Bunge and Deputy Governors Per Jansson, Anna Seim and Göran Hjelm) following a presentation by Advisor Maria Sjödin and Senior Economist Niclas Olsén Ingefäldt. Olof Sandstedt, Head of the Financial Stability Department, and Mattias Erlandsson, Acting Deputy Head of the Monetary Policy Department, participated in the final processing. The Riksbank has also consulted Finansinspektionen prior to this decision.

⁴ The credit gap is calculated according to the Basel Committee's standardised approach and the capital buffer guide is calculated from the credit gap. See BCBS (2010), "*Guidance for national authorities operating the countercyclical capital buffer*", December 2010, BCBS. According to this methodology, a credit gap below 2 per cent means that the capital buffer guide is 0 per cent.

⁵ The indicator for cyclical systemic risk is based on the methodology in Lang et al. (2019), "Anticipating the bust: a new cyclical systemic risk indicator to assess the likelihood and severity of financial crises", *ECB Occasional Paper Series*, No 219. However, the indicator has been adapted to better reflect Swedish conditions and Swedish data.