

## PRESS RELEASE

DATE: 18 December 2025

CONTACT: Press Office tel. +46 8 787 02 00

# Policy rate unchanged at 1.75 per cent

---

The prospects for the Swedish economy are looking brighter. Although it will take time before economic activity returns to normal, the recovery is under way. At the same time, inflation has approached 2 per cent. The Executive Board of the Riksbank has decided to leave the policy rate unchanged at 1.75 per cent and the rate is expected to remain at this level for some time to come.

---

Although inflation has varied somewhat from month to month, it has overall developed in line with the Riksbank's forecast in September and approached 2 per cent. Indicators continue to support the view of inflationary pressures in line with the target going forward.

Compared with the forecast in September, growth has been higher and economic activity is assessed to be stronger. The situation in the labour market remains weak, but there are increasingly clear signs that it is beginning to improve. All in all, this development gives the Executive Board further reassurance that the economic recovery is under way, even if it will take time before economic activity returns to normal.

Overall, the economic outlook appears slightly better, while the inflation outlook is assessed to remain the same. The Executive Board assesses that a policy rate at the current level helps to strengthen domestic demand and thus also economic activity. This, in turn, provides the conditions for inflation to stabilise close to the target in the medium term.

The Executive Board has therefore decided to leave the policy rate unchanged at 1.75 per cent. If the outlook for inflation and economic activity holds, the policy rate is expected to remain at this level for some time to come.

But the outlook for inflation and economic activity is uncertain. There are risks both abroad and in Sweden that could affect both inflation and economic activity

S V E R I G E S   R I K S B A N K

going forward. The risk picture abroad is still marked by geopolitical conflicts, uncertainty regarding US foreign and trade policy, high asset valuations in financial markets and weak public finances in several countries. In Sweden, there is also uncertainty around households' consumption behaviour and the effects that next year's more expansionary fiscal policy will have. The Riksbank is monitoring developments closely and is prepared to adjust monetary policy if the outlook changes.

### Forecasts for Swedish inflation, GDP, unemployment and the policy rate

Annual percentage change, annual and quarterly averages

	2025	2026	2027	2028	2028 Q4
<b>CPI</b>	0.7 (0.8)	0.6 (0.9)	2.1 (2.1)	3.2	3.3
<b>CPIF</b>	2.7 (2.6)	0.9 (1.0)	1.7 (1.7)	2.8	2.8
<b>GDP</b>	1.5 (0.9)	2.9 (2.7)	2.5 (2.4)	1.2	1.3
<b>Unemployment, per cent</b>	8.8 (8.7)	8.6 (8.4)	8.0 (7.9)	7.5	7.5
<b>Policy rate, per cent</b>	2.1 (2.1)	1.8 (1.8)	1.9 (1.9)	2.1	2.1

Note. The assessment in the September 2025 Monetary Policy Report is shown in brackets. Calendar-adjusted GDP growth and seasonally adjusted LFS unemployment in 2028 Q4. Sources: Statistics Sweden and the Riksbank

### Forecast for the policy rate

Per cent, quarterly averages

	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4	2028 Q4
<b>Policy rate</b>	1.75 (1.75)	1.75 (1.75)	1.75 (1.75)	1.77 (1.77)	1.94 (1.92)	2.12

Note. The assessment in the September 2025 Monetary Policy Report is shown in brackets. Source: The Riksbank

---

The decision on the policy rate will apply from 7 January 2026. The minutes from the Executive Board's monetary policy meeting will be published on 30 December 2025. A press conference with Governor Erik Thedéen, and Åsa Olli Segendorf, Head of the Monetary Policy Department, will be held today at 11.00 at the Riksbank. Press cards or the equivalent are required to participate. Advance registration is required, to press officer Susanne Meyer, [susanne.meyer@riksbank.se](mailto:susanne.meyer@riksbank.se) no later than 10.00 on 18 December 2025. The press conference will be broadcast live on [riksbank.se](https://riksbank.se).