Risks to financial stability remain in an uncertain world

Financial Stability Report
November 2025

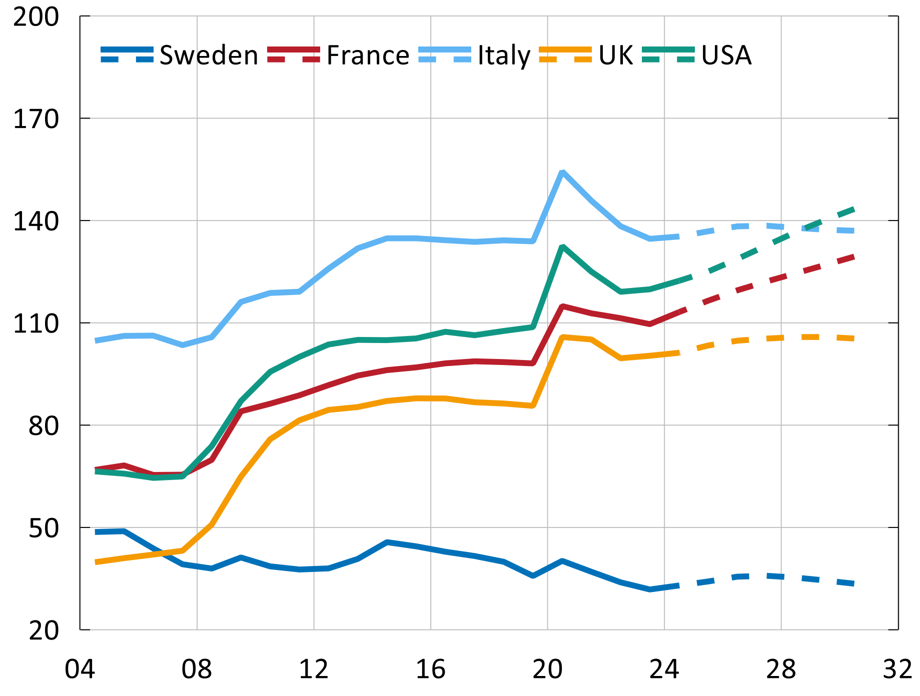
S V E R I G E S   R I K S B A N K

Continued uncertain political situation abroad

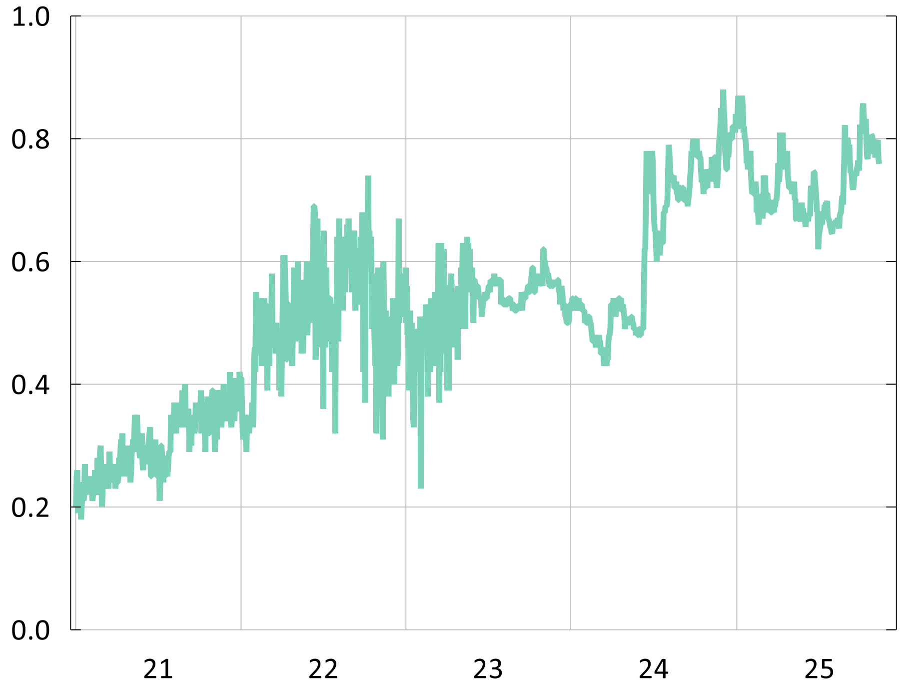
- Serious geopolitical situation
- Global economic policy
- Several growing vulnerabilities

High public debt limits scope for manoeuvre

Public debt



Interest rate differential France towards Germany

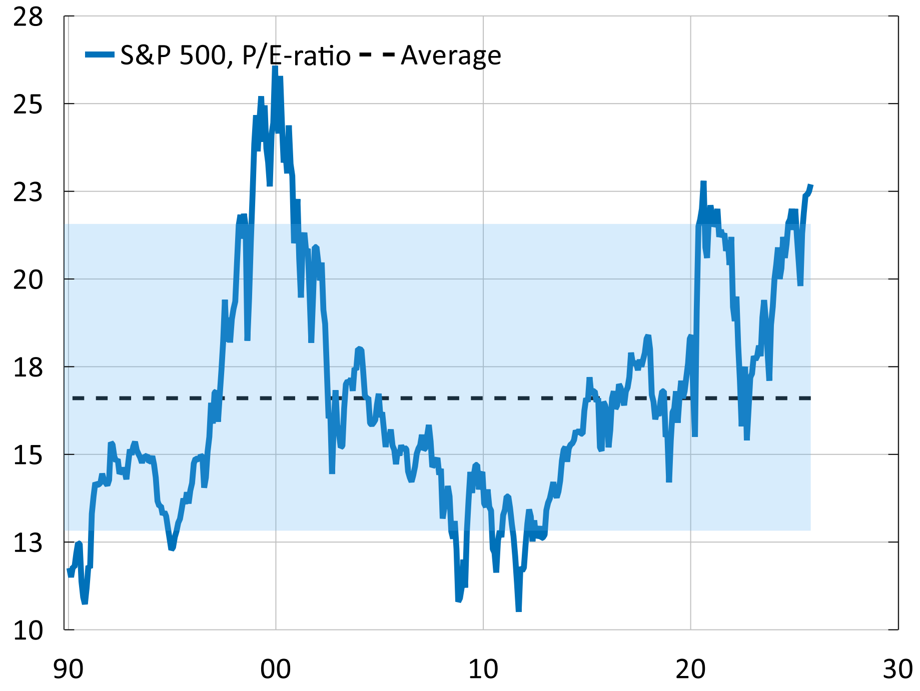


Note. Left-hand chart refers to the government debt-to-GDP ratio, where the dashed lines are the IMF forecast. Right-hand chart refers to the difference between a French and a German 10-year government bond yield, percentage points.

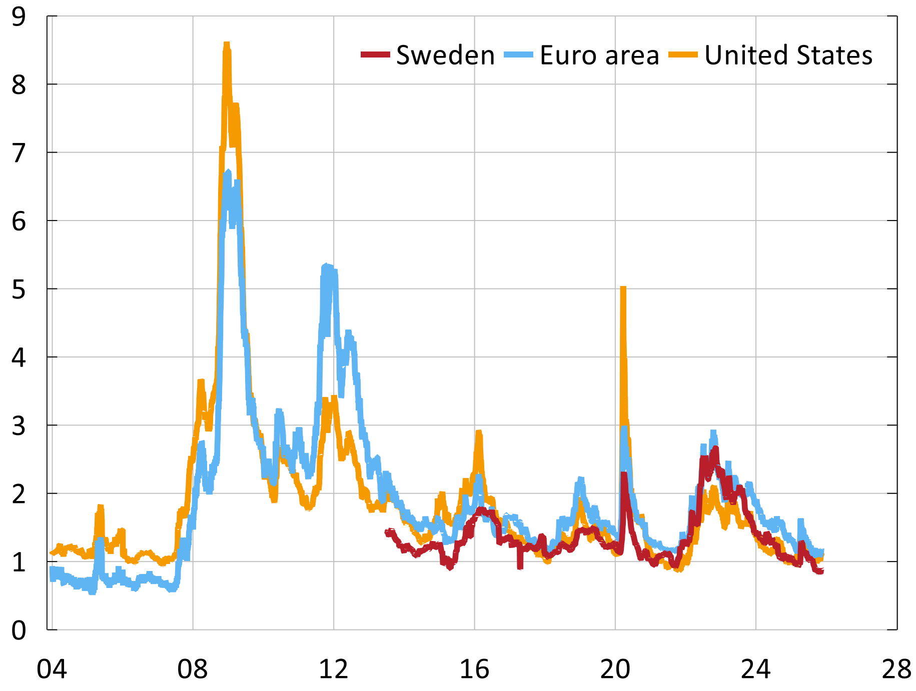
Sources: IMF and Macrobond.

High risk appetite on the financial markets

Forward-looking P/E ratio in the USA



Risk premiums on corporate bonds



Note. Left-hand chart shows 12-month forward-looking P/E-ratio for the S&P 500. The shaded area shows the gap between the 10th and 90th percentiles. Right-hand chart shows risk premiums on BBB-rated corporate bonds, percentage points.

Sources: Bloomberg and S&P Global.

Non-banks playing an increasingly important role

- Influencing bond markets via risky strategies
- Increasingly important for corporate debt financing
- Increasingly interconnected with the traditional banking system

Global disruptions could affect Sweden

High **export dependence**

Households and non-banks have **large exposures** abroad

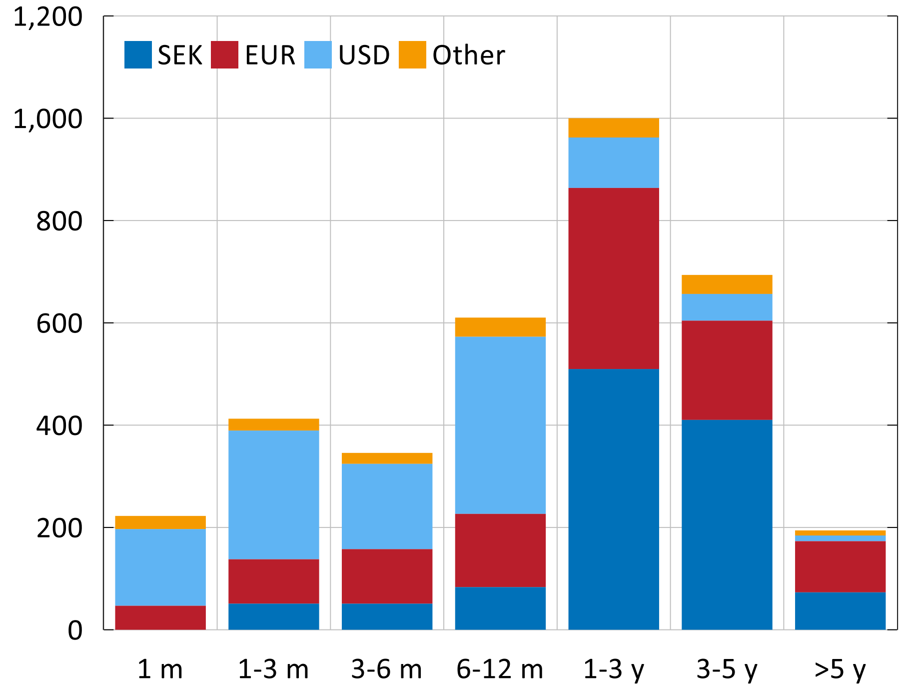
Swedish households and companies are **sensitive to interest rates**

Cyber threats and dependence on **foreign infrastructure**

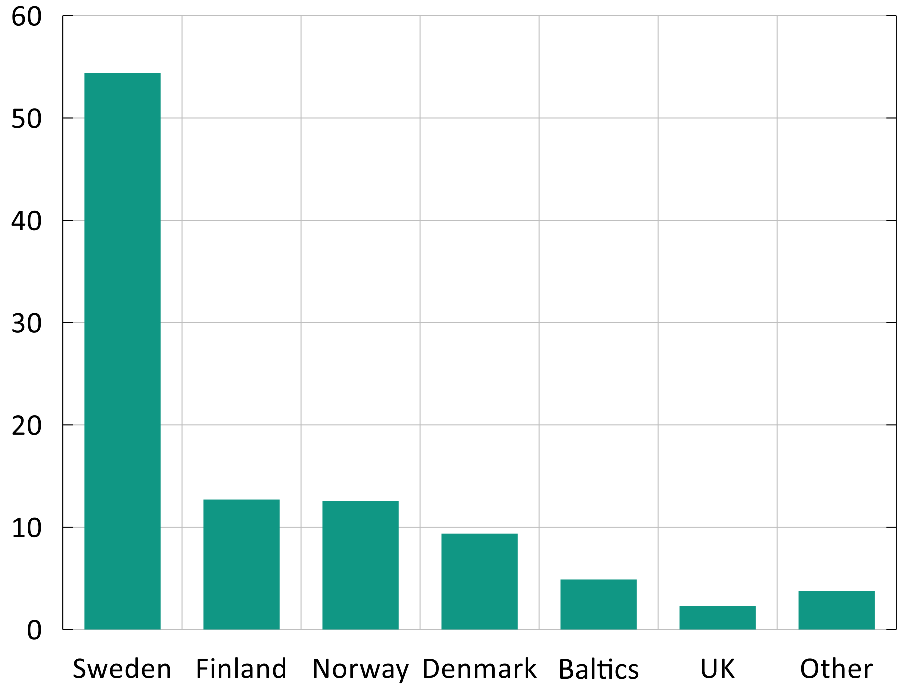
The major banks fund themselves on the **international capital markets**

The major banks are highly dependent on the outside world

Maturity structure of securities issued



Breakdown of exposures by country

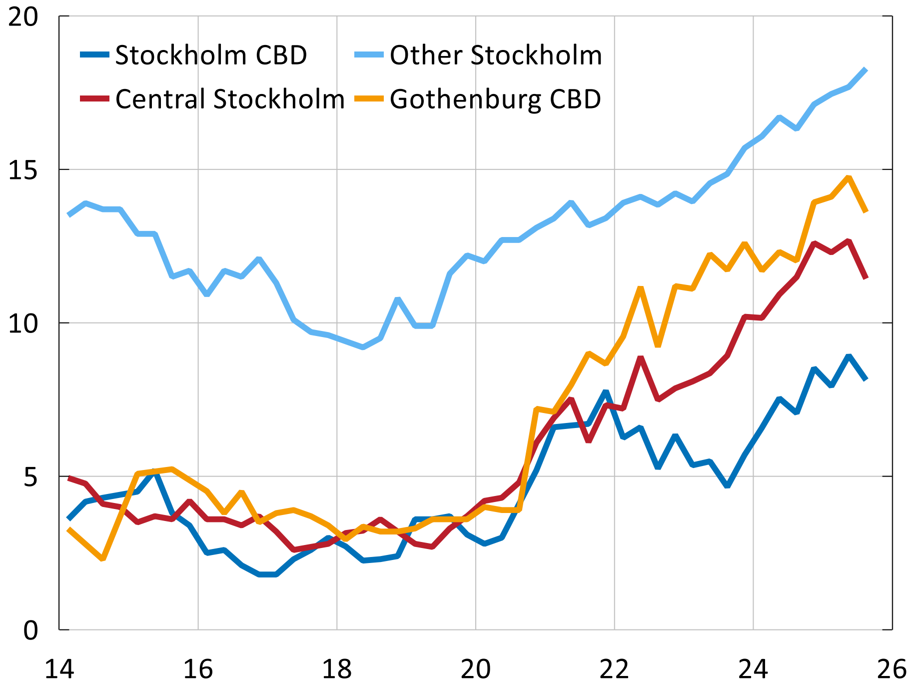


Note. Left-hand chart shows maturity structure for the three major Swedish banks' issued securities as of September 2025, SEK billion. Right-hand chart shows the three major Swedish banks' and Nordea's exposures in different countries, per cent.

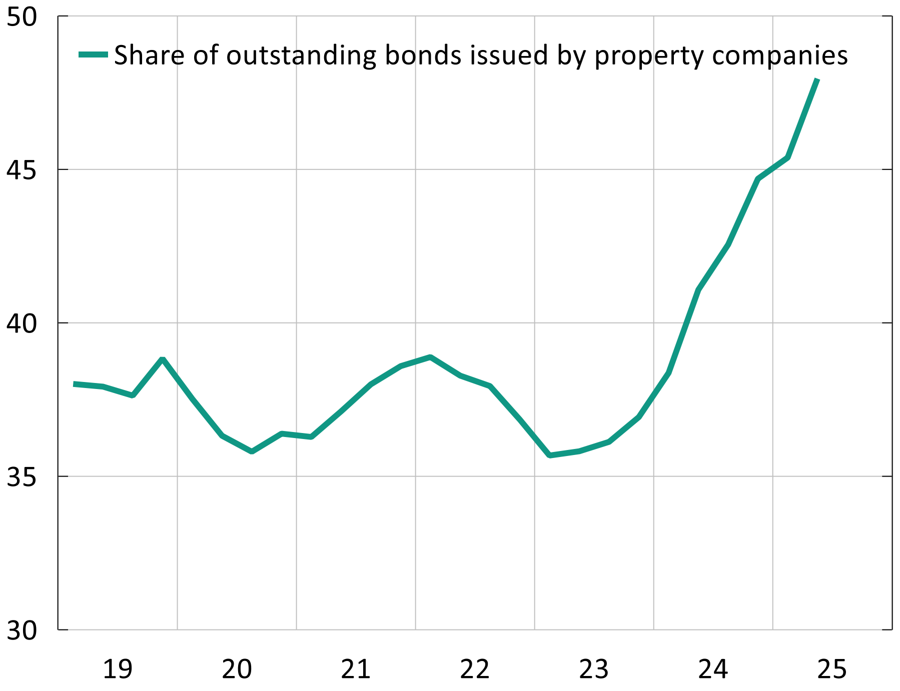
Sources: The Riksbank and the banks' interim reports.

Remaining challenges in the property sector

Office vacancies



Funds’ holdings of corporate bonds



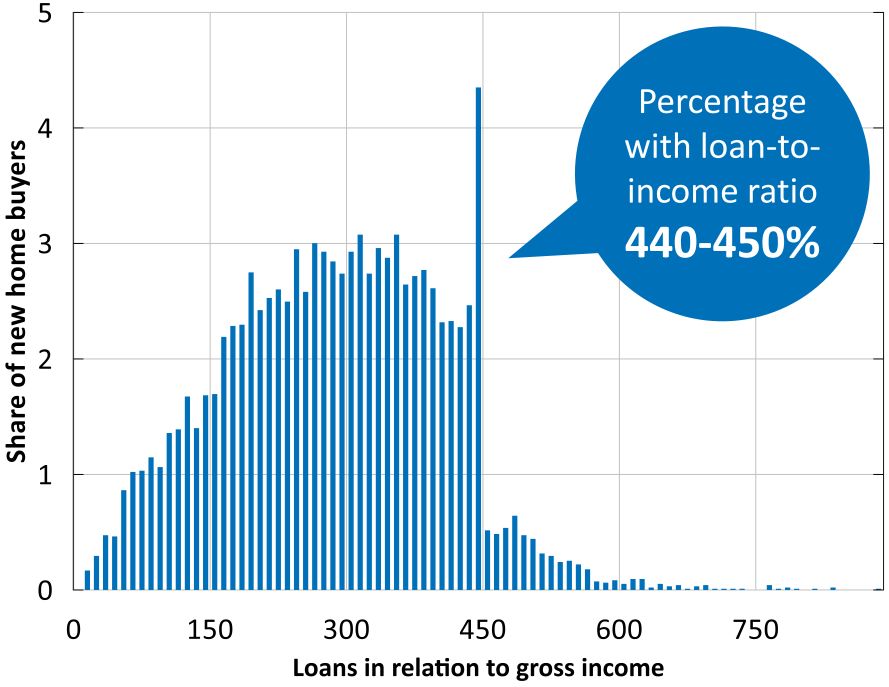
Note. Left-hand chart shows floor vacancy rates for office properties measured as proportion of vacant space, per cent. CBD refers to the central business district, which is the city's centre for shops, offices and services. Right-hand chart shows corporate bond funds’ holdings of total outstanding bonds issued by property companies, in Swedish kronor, per cent.

Sources: Citymark and the Riksbank (VINN).

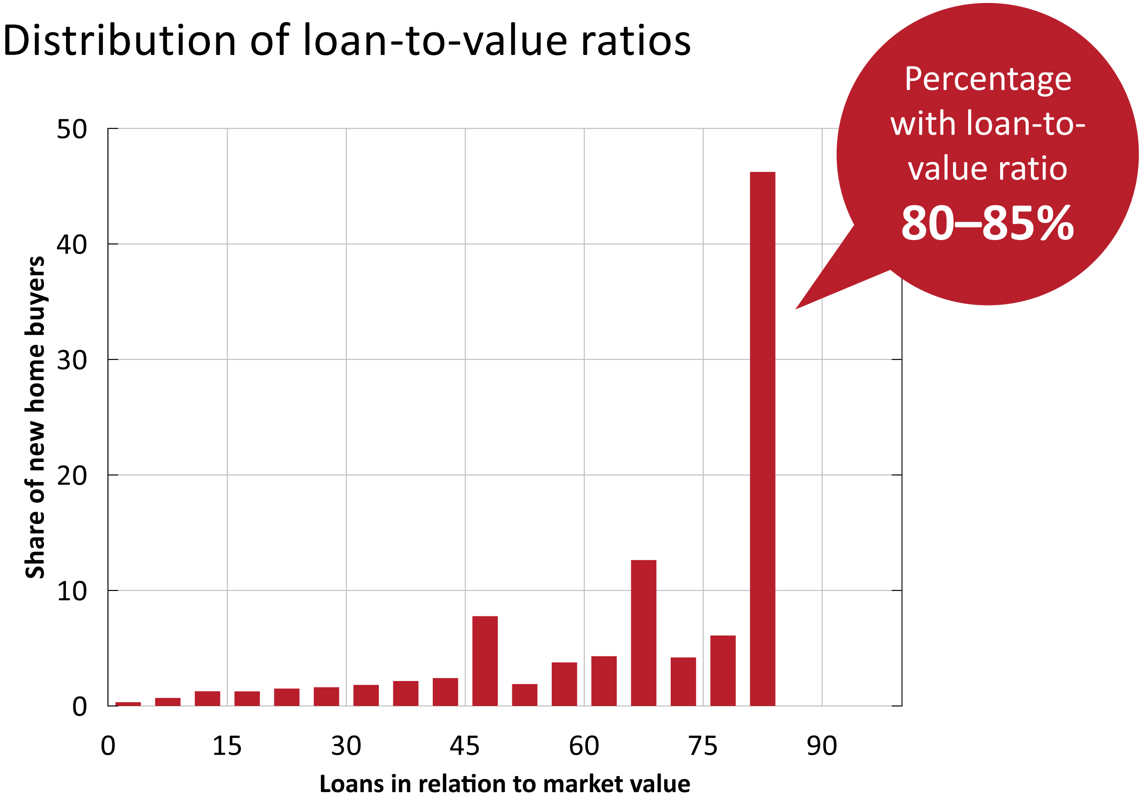
More generous loan regulations may make more households vulnerable

SVERIGES RIKSBANK

Distribution of loan-to-income ratios



Distribution of loan-to-value ratios



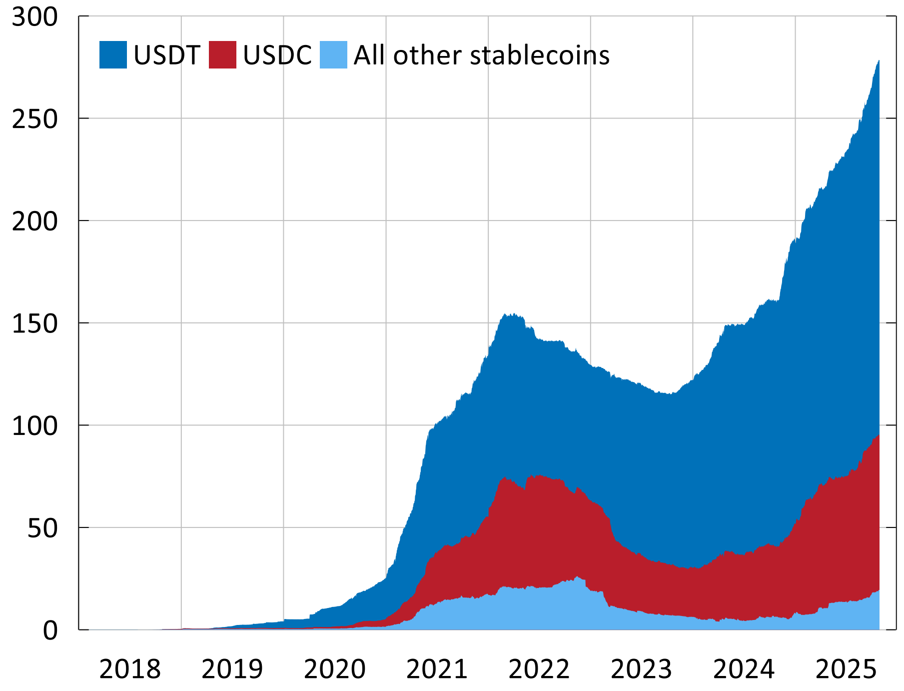
Note. The left-hand chart shows the proportion of new home buyers in different ranges of loan-to-income ratios (0–10 per cent, 11–20 per cent, etc.), per cent, and the right-hand chart in different ranges of loan-to-value ratios (0–5 per cent, 6–10 per cent, etc.), per cent.

Sources: Finansinspektionen (In-depth analysis of mortgages 2024) and the Riksbank.

Stablecoins growing rapidly and can entail risks

- Digital asset in a decentralised system
- Stable value through currency peg
- Faster and programmable transactions
- Means of payment in crypto-trading
- Important to comply with existing standards and to adapt and harmonise regulations

Total value of stablecoins issued



Note. USDT was issued by Tether, and USDC by Circle. Other stablecoins include USD1 (issued by World Liberty Financial) and PYUSD (issued by Paxos on behalf of PayPal), billions of US dollars.

Source: DefiLlama.

Resilience needs to be safeguarded

- Key to safeguarding resilience in global regulatory reforms
- Proposed rules strengthen funds' liquidity management
- Increased preparedness needed to deal with growing cyber threats
- A debt-to-income limit should be part of the macroprudential toolkit
- Banks must be able and willing to borrow from the Riksbank

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