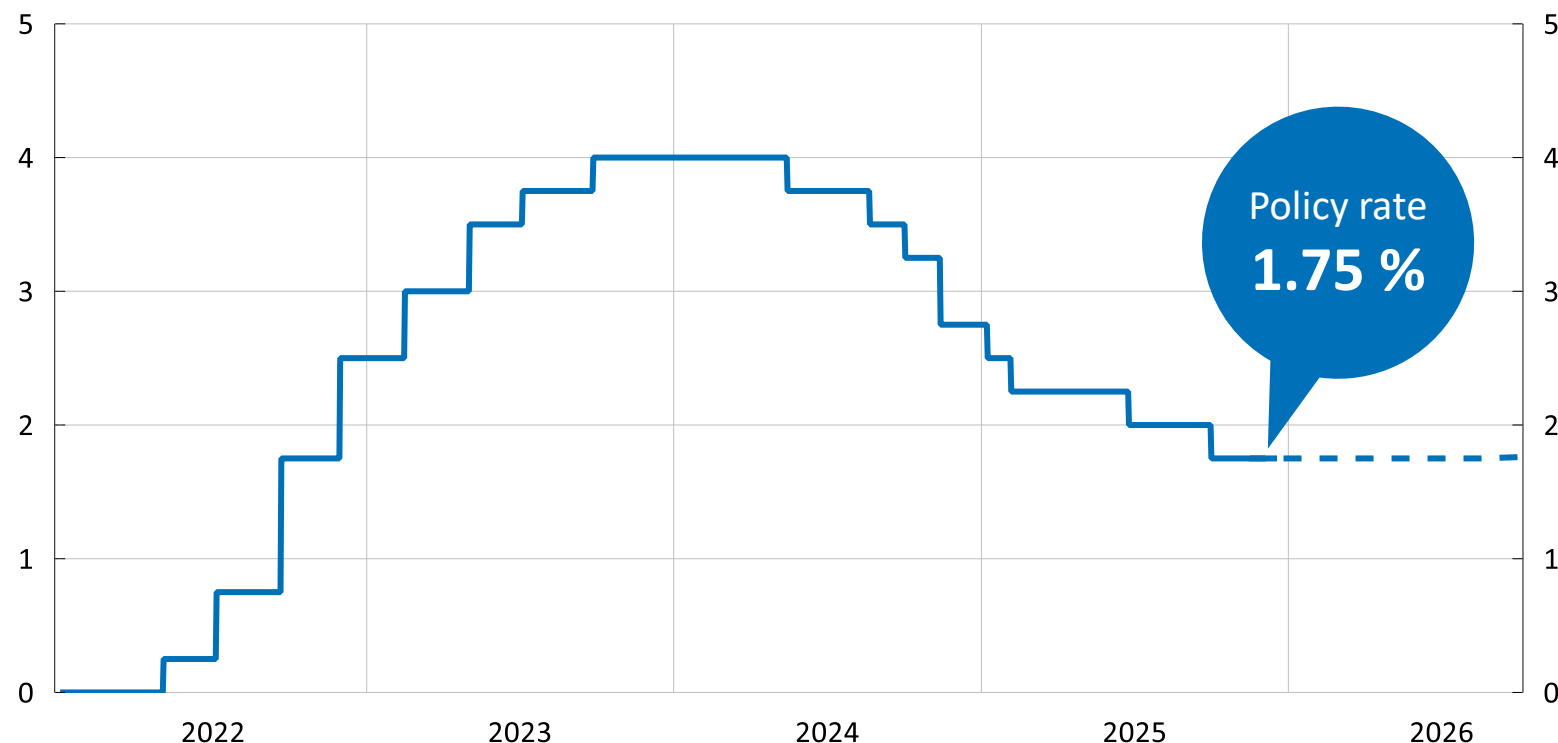


# Economic activity improving, inflation outlook remains the same

Monetary policy December 2025

# Monetary policy provides support to economic activity and stabilises inflation at the target going forward

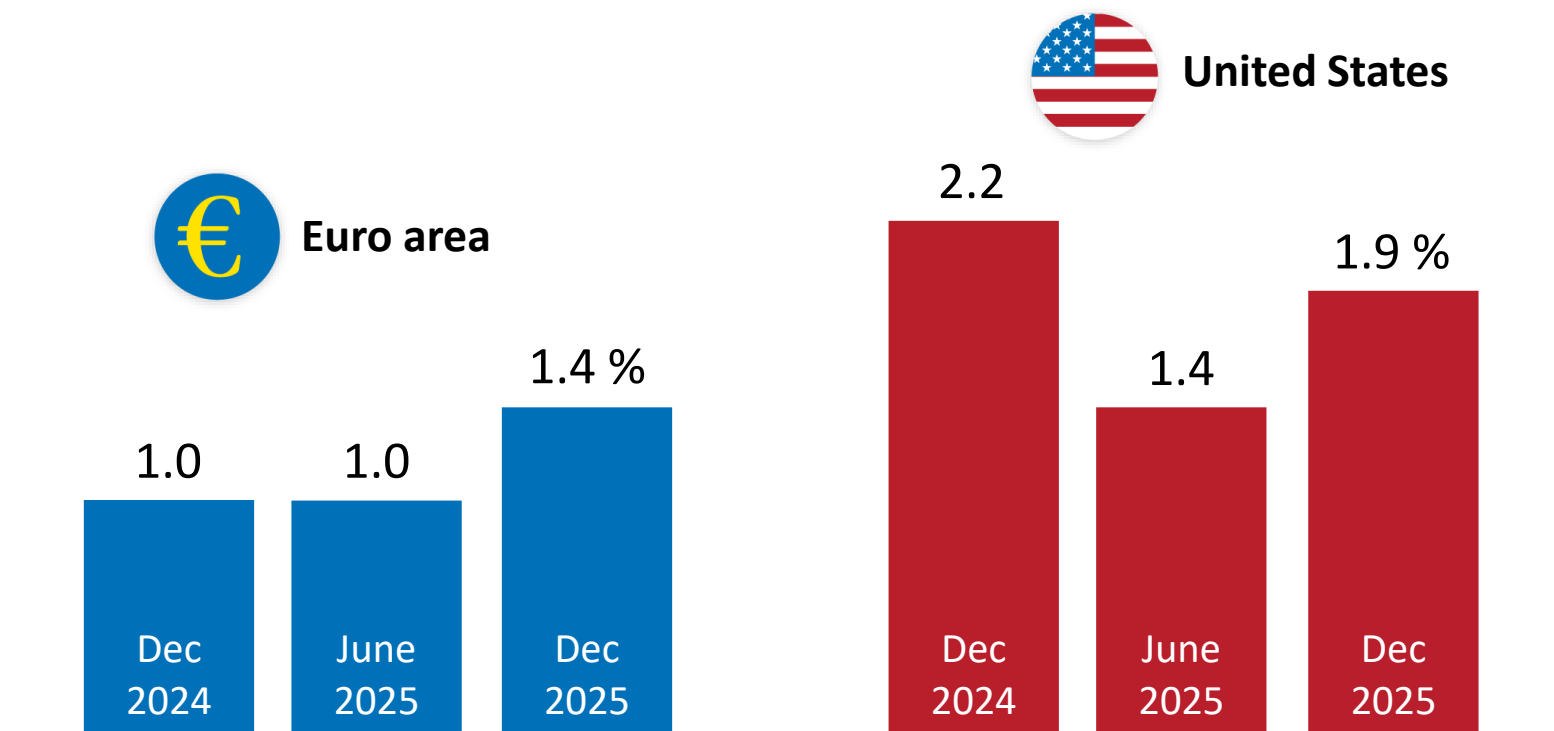


- Policy rate **unchanged** at 1.75 per cent.
- The policy rate is expected to remain at this level for **some time to come**.



# Somewhat better growth prospects abroad

## Forecasts for GDP growth 2025



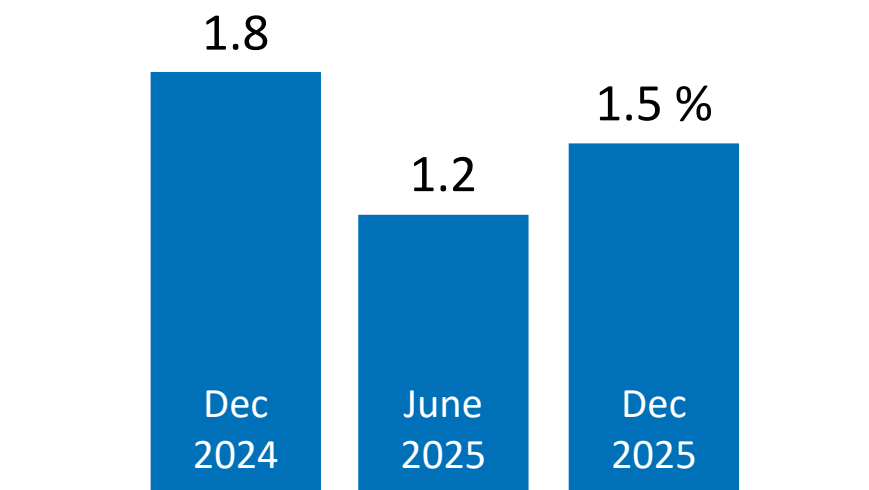
- Stable global trade despite higher tariffs and uncertainty.
- United States has not developed as weak as expected.
- Fiscal policy stimulus and higher long-term rates.

The Riksbank's forecasts for GDP in the euro area and the United States from the Monetary Policy Reports in December 2024, June 2025 and December 2025.

Sources: Eurostat, US Bureau of Economic Analysis and the Riksbank.

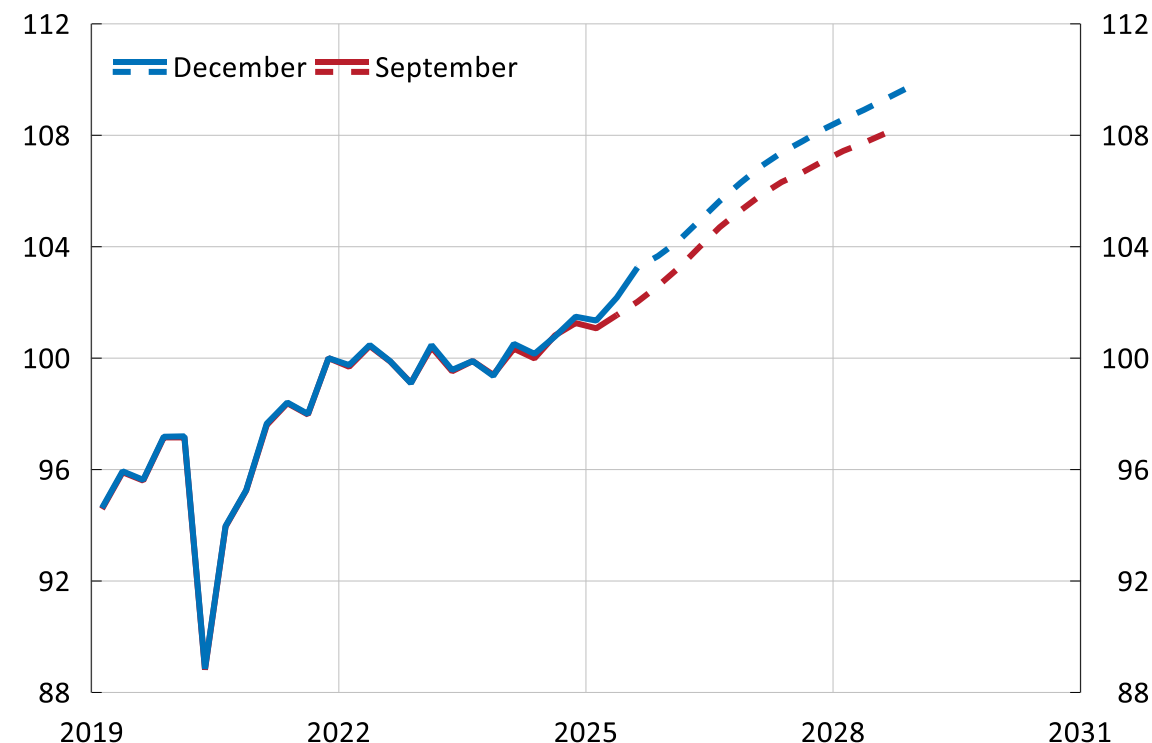
# The economic recovery is under way

## Forecasts for GDP growth 2025



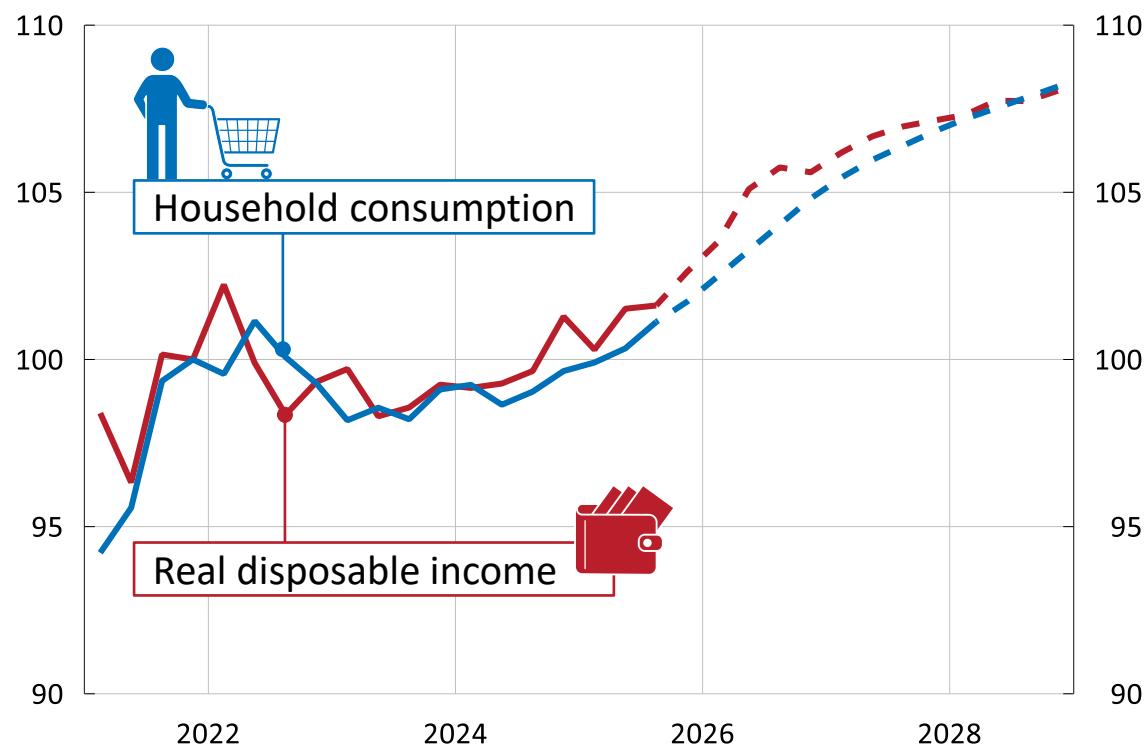
The Riksbank's forecasts for GDP (actual) from the Monetary Policy Reports in December 2024, June 2025 and December 2025.  
Sources: Statistics Sweden and the Riksbank.

## Higher GDP growth during the third quarter



Index, 2021 Q4 = 100. Seasonally adjusted data. Dashed lines represents the Riksbank's forecast.  
Sources: Statistics Sweden and the Riksbank.

# Consumption expected to increase at a solid pace going forward

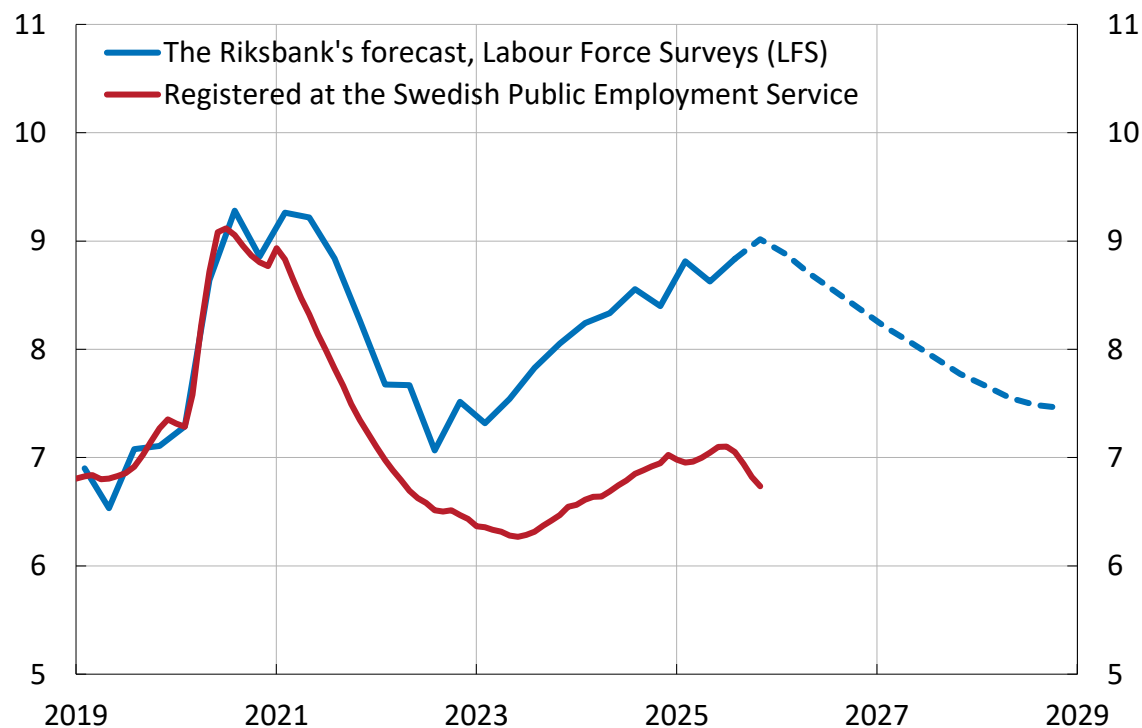


- Consumption is following developments in income well.
- The inflation shock eroded household purchasing power.
- Interest expenditure is lower, real wages are rising.
- Swedish consumption is now growing strongly compared with many other countries.

Index, 2021 Q4 = 100. Seasonally adjusted data. Real disposable income is calculated as the ratio between disposable income and the deflator of household consumption expenditure, which usually increases at the same rate as the CPIF. Dashed lines represents the Riksbank's forecast. Sources: Statistics Sweden and the Riksbank.

# Weak labour market but signs of a turnaround

## Unemployment



Per cent of labour force. Seasonally adjusted data. LFS refers to persons aged 15–74 and the Swedish Public Employment Service refers to 16–65 years. LFS refers to quarterly data, AF to monthly data. Sources: Swedish Public Employment Service, Statistics Sweden and the Riksbank.

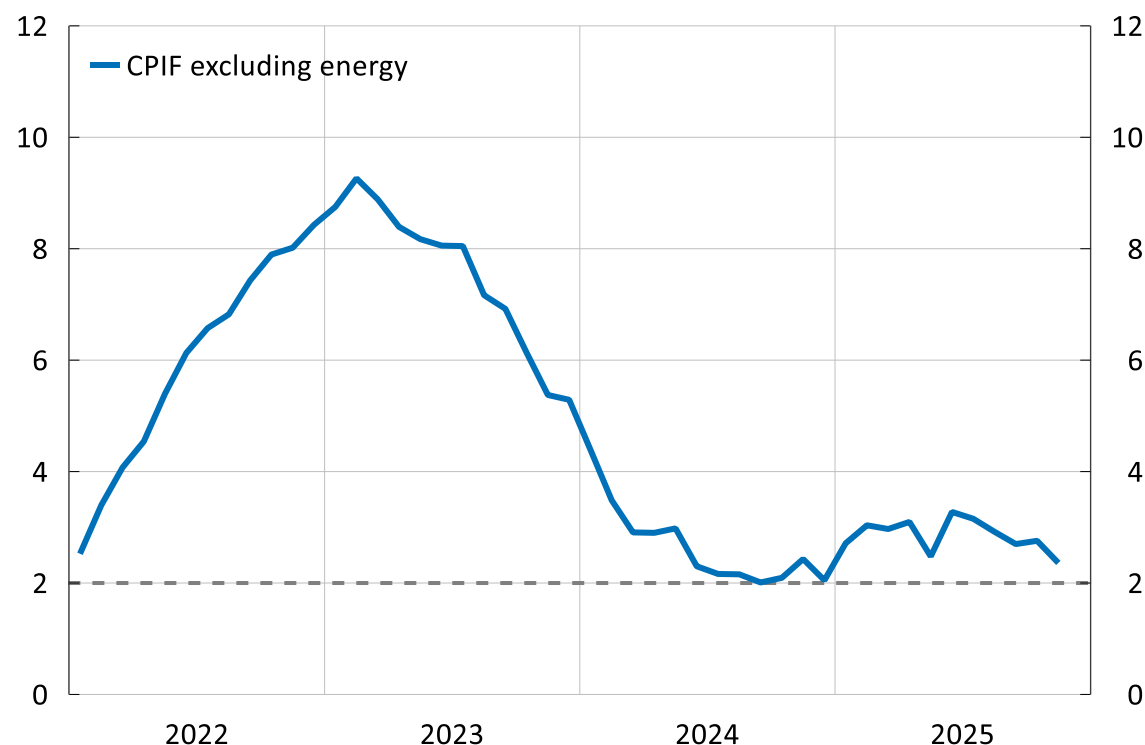
## Recruitment plans



Seasonally-adjusted net figures. The number of companies responding that they plan to increase employee numbers compared with how many plan to reduce employee numbers in the coming 3 months. Source: National Institute of Economic Research.

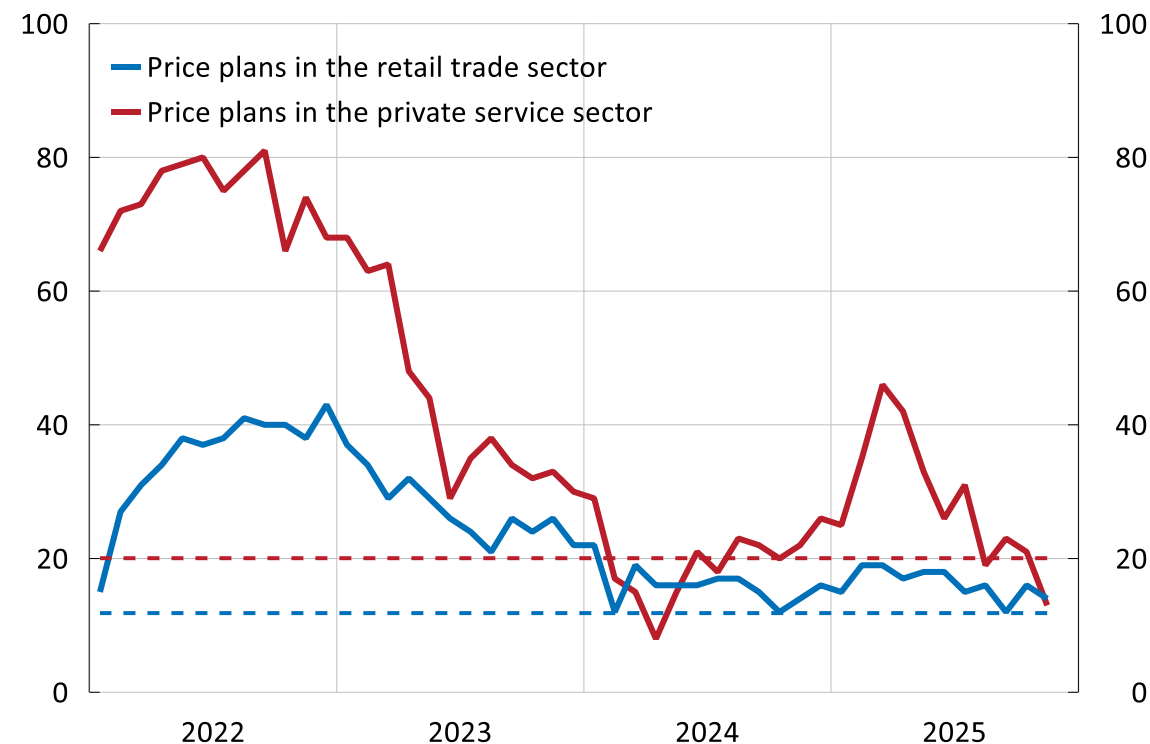
# Inflation has fallen as expected

## Inflation has approached 2 per cent



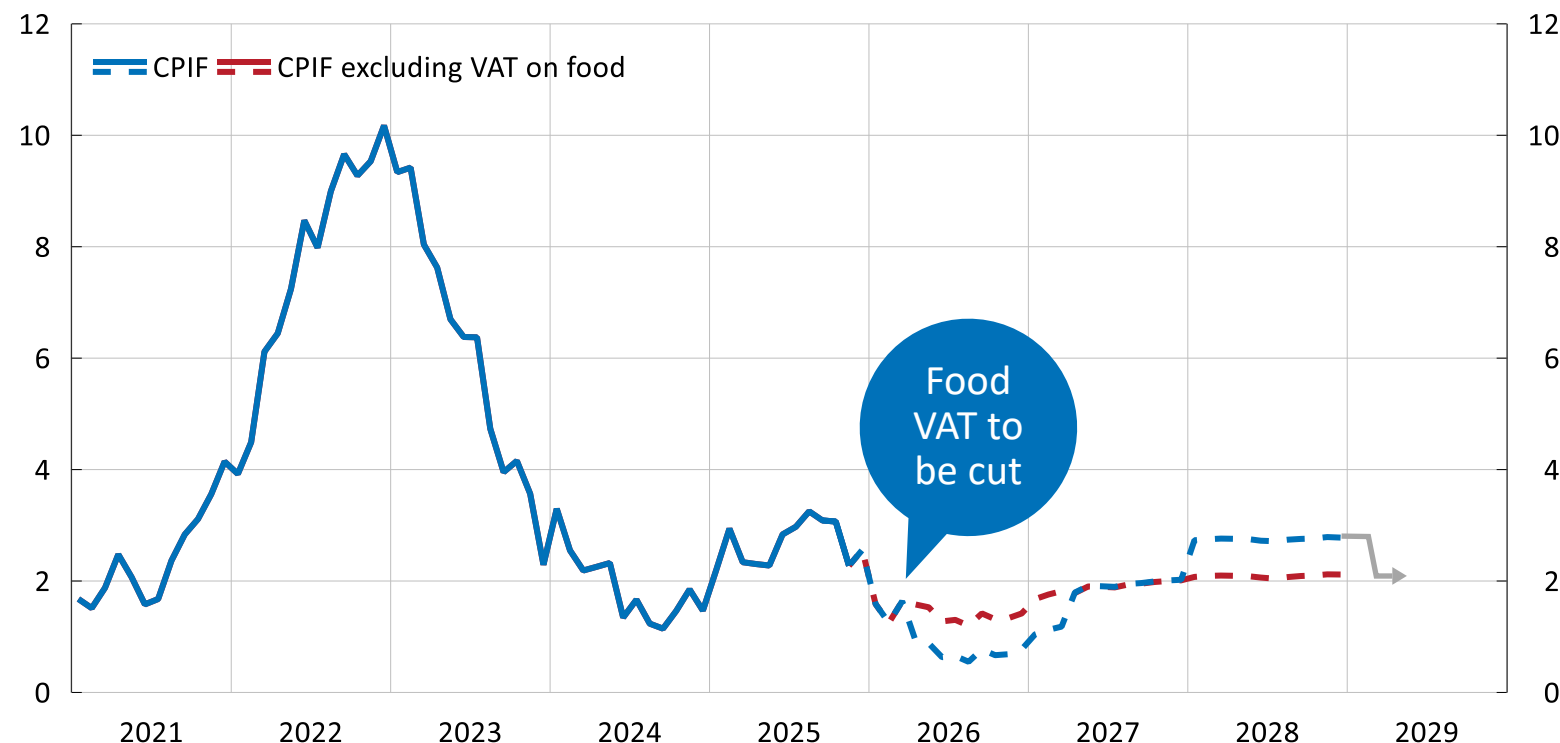
Annual percentage change.  
Source: Statistics Sweden.

## Inflationary pressures in line with target



Seasonally-adjusted net figures. Number of companies planning to raise their prices compared with how many plan to reduce them in the coming three months. Dashed lines represent the average for the period 2005–2025. Source: National Institute of Economic Research.

# Clear effects on inflation from temporarily reduced VAT on food



Annual percentage change. Solid lines refer to outcomes, dashed lines to the Riksbank's forecasts.  
Sources: Statistics Sweden and the Riksbank.



# We are monitoring developments closely

If the outlook for inflation and economic activity holds, the policy rate will stay at 1.75 per cent for some time to come.

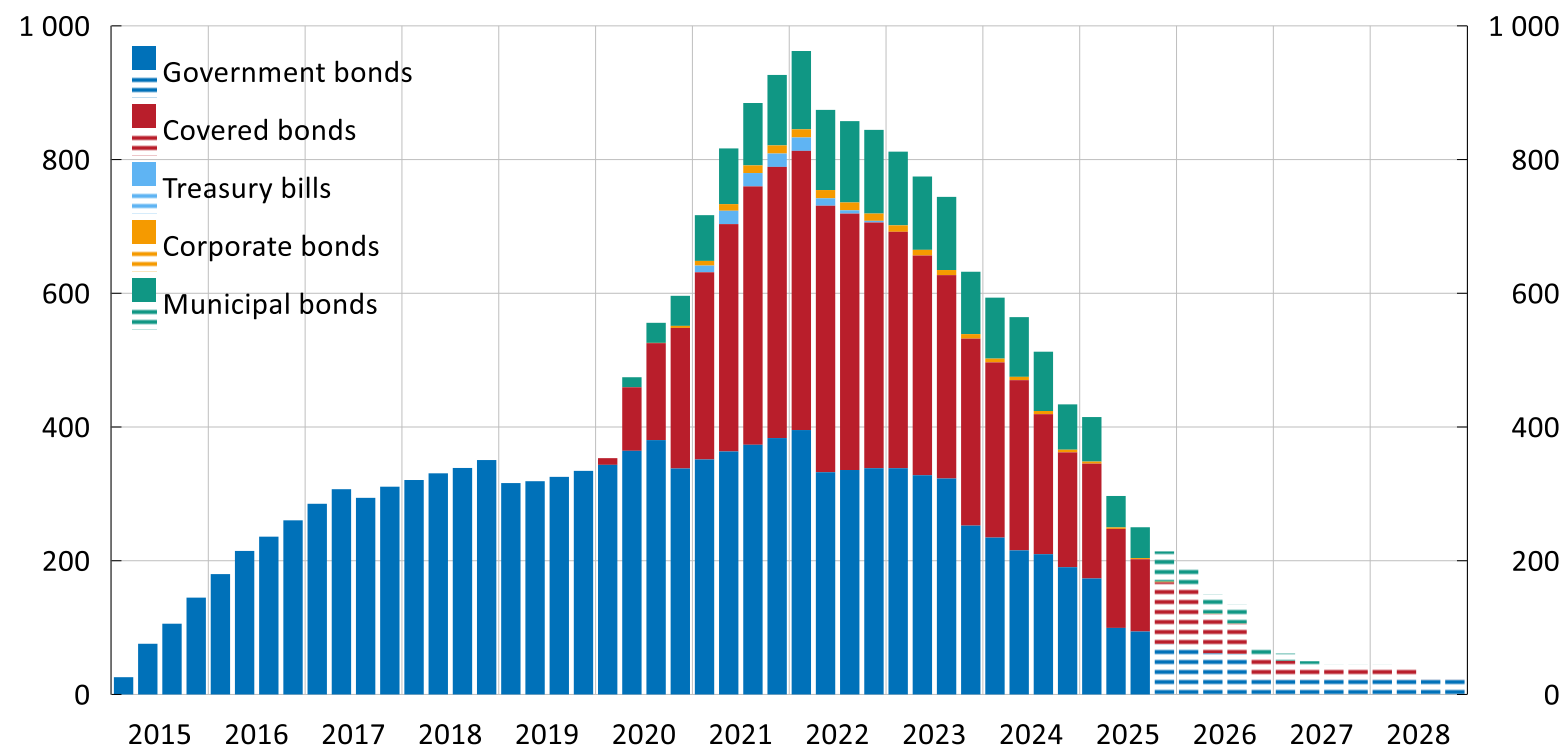
But several factors can have an impact:

- The effects of fiscal policy on economic activity and inflation.
- Geopolitical situation in the world, weak public finances and high asset valuations.



# The sales of nominal government bonds has been concluded

## The Riksbank's asset holdings



Nominal amounts, SEK billion. The striped bars are a projection of the Riksbank's securities holdings. The projection is based on maturities and the monthly sale of real government bonds for a nominal value of SEK 0.8 billion. The series in the figure end in the fourth quarter, which is the final quarter of the Riksbank's three-year forecast horizon.



# Economic activity improving, inflation outlook remains the same

Monetary policy December 2025