

Correction pursuant to Section 36 of the Administrative Procedure Act (2017:900)
On 20 March 2026, an evident error was corrected, whereby the word "February"
in the second paragraph under the heading "The Riksbank's decision" was changed to "March".

Annex A to the minutes

Minutes of the Executive Board meeting on 18 March 2026, § 4



DECISION

DATE: 18 March 2026
DEPARTMENT: Monetary Policy Department
DOCUMENT REGISTRATION NUMBER (REF. NO.): 2026–00551
DOCUMENT CLASSIFICATION: R B P U B L I C

Policy rate decision (notified on 19 March 2026 at 9.30 am)

The Riksbank's decision

1. The Riksbank sets the policy rate at 1.75 per cent, which means that it is held unchanged. The policy rate decided on shall apply as from 25 March 2026.
2. The Riksbank adopts the Monetary Policy Report, annex Monetary Policy Report.

As the Riksbank decided earlier (ref.no. 2025–01134), the minutes from the monetary policy meeting on 18 March 2026 shall be published on 25 March 2026 at 9.30 am.

Grounds for the decision

Legal basis

Under Chapter 2, Section 1 of the Sveriges Riksbank Act (2022:1568), the overriding objective of the Riksbank is to maintain sustainably low and stable inflation (the price stability objective). Without prejudice to the price stability objective, the Riksbank shall also contribute to a balanced development of production and employment (consideration of the real economy).

According to Chapter 2, Section 3 of the Sveriges Riksbank Act, the Riksbank shall, with the approval of the Riksdag, decide on the specification of the price stability target. In September 2017, the Riksbank decided that the target is an annual increase in the consumer price index with a fixed interest rate (CPIF) of 2 per cent (ref. no. 2017–00691).

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

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The Riksbank's main monetary policy tool for achieving the price stability objective is the policy rate. By setting the policy rate, the Riksbank also determines the interest rate for its deposits, credits and repurchase agreements in financial instruments (Chapter 2, Section 4, paragraph 2 of the Sveriges Riksbank Act) and for certificates issued by the Riksbank (i.e. debt instruments pursuant to Chapter 2, Section 5, paragraph 2 of the Sveriges Riksbank Act).

Policy rate held unchanged at 1.75 per cent

To stabilise inflation close to the target, in May 2024 the Riksbank began a series of policy rate cuts, from 4 per cent to 1.75 per cent in September 2025. At the following monetary policy meetings, the policy rate has been held unchanged, at the same time as the Riksbank has communicated that it was assessed to remain at this level for some time to come.

Recent international developments have been dramatic and the war in the Middle East has entailed major movements in energy prices and in financial markets. It is still unclear what the long-term consequences will be, in both geopolitical and economic terms. In Sweden, there are fundamentally favourable conditions for the economic recovery that started in 2025 to continue. Underlying inflation has been unexpectedly low in recent outcomes. The war in the Middle East is expected to dampen growth somewhat in the near term and push up CPIF inflation as a result of higher energy prices. These are also expected to be passed on to some extent to other prices.

The Executive Board has decided to leave the policy rate unchanged at 1.75 per cent. The Riksbank's main scenario, which is highly uncertain this time, assumes that the war has moderate effects on inflation and the economic recovery. It is still too early to be able to see clearly how the war is affecting the outlook. At present, the Riksbank assesses that the current level of the policy rate and an unchanged forecast compared with December 2025 is a well-balanced monetary policy. This contributes to strengthening the economy, and to more underlying inflation being in line with 2 per cent at around the turn of the year. CPIF inflation is expected to reach the target in 2029 when the temporary effects of energy prices and VAT adjustments will have ebbed out.

As part of attaining the price stability target, the Riksbank assesses that under the prevailing circumstances and taking into account the consequences for the real economy and the functioning of the financial markets, a well-balanced decision is to hold the policy rate unchanged at 1.75 per cent.¹ The effects of the monetary policy decision are also considered to be in reasonable proportion to the costs and risks that the decision entails for the finances of the Riksbank and the State. The

¹ This is developed further in the Monetary Policy Report, see enclosure.

decision is thereby assessed to be compatible with the principle of proportionality in Chapter 1, Section 8 of the Sveriges Riksbank Act.

If inflation prospects and the economic outlook stay the same, the policy rate is expected to remain at 1.75 per cent for some time to come. However, developments are associated with considerable uncertainty and there are risks regarding the outlook for inflation and economic activity that could lead to a different monetary policy stance.²

This 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 Adviser Peter Gustafsson. The Head of the Monetary Policy Department Åsa Olli Segendorf and General Counsel Annica Sandberg took part in the final processing work.

² Section 3.2 of the Monetary Policy Report illustrates two alternative scenarios for economic developments in the period ahead. These scenarios are also briefly described in the section outlining the Executive Board's monetary policy considerations.