

DECISION

DATE: 6 May 2026
DEPARTMENT: Monetary Policy Department
DOCUMENT REGISTRATION NUMBER (REF.NO.): 2026–00771
DOCUMENT CLASSIFICATION: R B P U B L I C

Policy rate decision (notified on 7 May 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 13 May 2026.
2. The Riksbank adopts the Monetary Policy Update, annex Monetary Policy Update.

As the Riksbank decided earlier (ref.no. 2025-01134), the minutes from the monetary policy meeting on 6 May 2026 shall be published on 13 May 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).

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.

The war in the Middle East is continuing to impact developments around the world and the longer it continues, the greater is the risk of inflation rising and negative effects on economic developments. The price of oil is still elevated and has varied substantially as a result of various statements by the parties in the war. Prices of other commodities have also been affected by the war and according to surveys, parts of the business sector are experiencing higher cost pressures. As expected, it is primarily higher fuel prices that have been the most tangible economic effect of the war so far. On the financial markets there is still an expectation that the oil price will fall back this year.

In March, the Riksbank assessed that there are fundamentally favourable conditions in place for stronger economic activity, but that the war is dampening the economic outlook somewhat in the near term. Since then, there have been signs that growth was weaker than expected at the start of the year. In addition, the risk of higher inflation in the wake of the war is assessed to have increased somewhat. At the same time, inflation is currently below the target and the recent inflation outcomes have been clearly lower than the Riksbank's forecast, both including and excluding energy prices. This together with the weak economic activity at the outset means that there is scope to wait until there is a clearer picture of the effects of the war and the supply shocks it entails.

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 Update, see enclosure.

Riksbank therefore considers that the decision is compatible with the principle of proportionality in Chapter 1, Section 8 of the Sveriges Riksbank Act.

The Riksbank assesses that the current level of the policy rate of 1.75 per cent gives the Riksbank a good initial position to adjust monetary policy if required to safeguard the inflation target.

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.