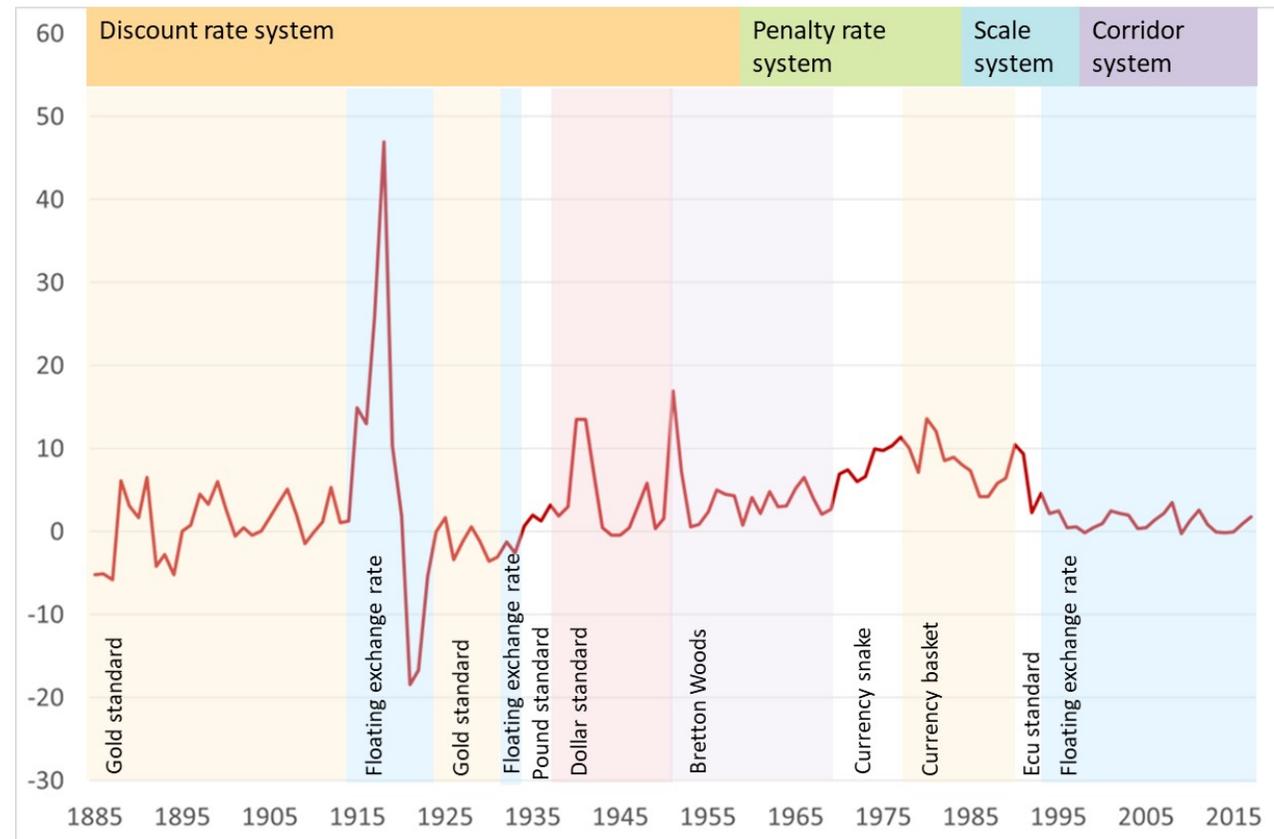


Payment market in transition and challenges to the Riksbank's operational framework

ICMA's 51st Annual General Meeting &
Conference, 16 May 2019

Stefan Ingves
Governor

The Riksbank's interest rate management system has changed with the world



CPI inflation, per cent.

Source: The Riksbank

The Riksbank has always needed to keep up with developments in the payment markets



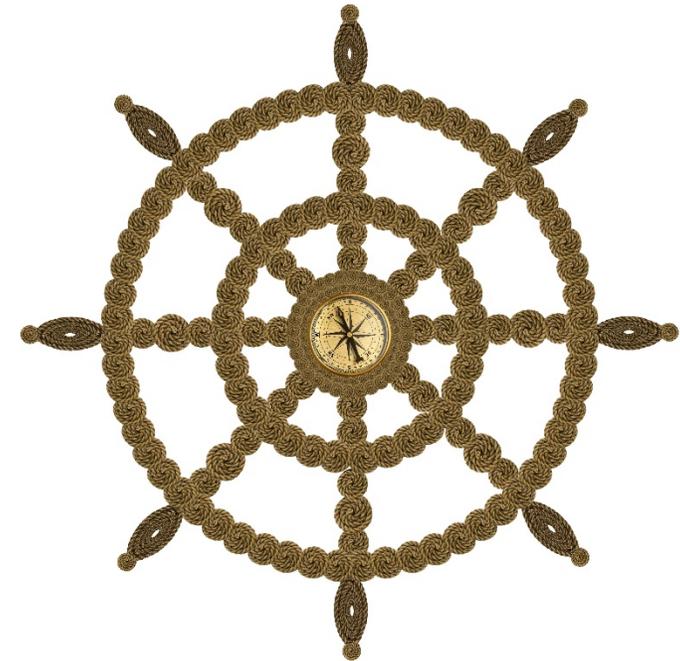
New changes give rise to new challenges

- Increased demand for instant payments
- All payments should be settled in central bank money



Operational framework needs to be reviewed

- Need for more robustness and flexibility due to:
 - Increased number of counterparties
 - More Riksbank payment services
 - System with daily market operations



What kind of an operational framework could best meet these new challenges?

- Preferred features of a future operational framework:
 - Robust
 - Transparent
 - Automatic



Transaction-based overnight rate to evaluate the operational framework

- Reporting will come into effect on 1 October
- Could constitute a new reference rate in SEK



Thank you!