

Article | 16 June 2026

FX SWEDEN

## Riksbank preview: Low inflation limits hawkish scope

Sweden's central bank will struggle to replicate the ECB's hawkishness given stubbornly low inflation. We expect a hold on 17 June. While policymakers may try to keep markets leaning hawkish, inflation and rate projections could fall short of tightening expectations. We expect no hikes from the Riksbank this year, but EUR/SEK could still fall in 2H



Riksbank Governor Erik Thedeén

Markets are fully expecting a hold by the Riksbank on 17 June, and consensus is also unanimous. The question is whether policymakers will give any hints that justify the 23bp of tightening priced into the SEK curve by year-end. The determinants will be the tone of the statement, new rate projections and new inflation forecasts.

We see a greater risk that projections will fail to match hawkish pricing this week rather than exceed it. Still, policymakers should make sure to highlight inflation risks and their readiness to act in the statement; this could help limit any negative impact on the SEK on decision day.

### Inflation too low to consider hikes

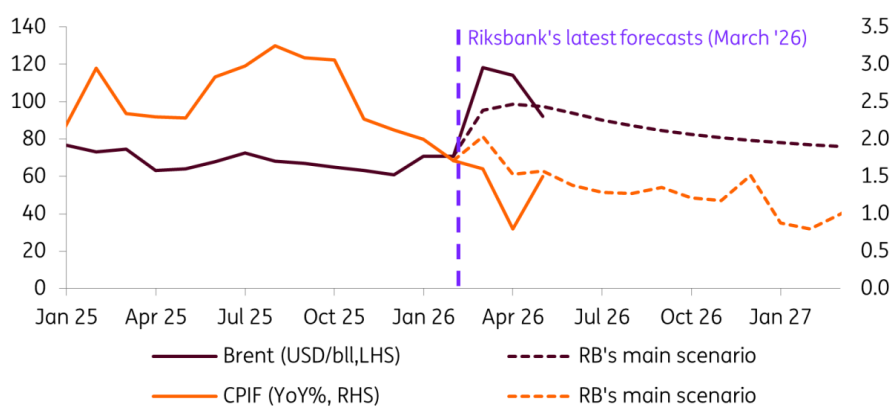
We don't see much room for the Riksbank to turn hawkish in the statement as both headline

(1.5%) and core (0.5%) CPI inflation have remained very muted. We expect a reiteration of the wait-and-see approach on rates.

At the same time, we don't think there will be explicit pushback against rate hike expectations, and Governor Eric Theede will retain some optionality on a future rate increase. Similar to the European Central Bank, concerns are centred around the de-anchoring of inflation expectations. It therefore has an incentive to keep markets leaning hawkish, particularly given European leaders' words of caution over the timing of the Strait of Hormuz reopening.

Theede could also stress the currency factor again: since the ECB and other central banks are tightening, pressure on the krona may build and generate imported inflation.

### Riksbank overestimated CPIF, despite higher oil prices



Source: ING, Riksbank, Refinitiv

### No upward revisions in projections

We don't expect upward revisions in the central CPIF inflation forecast. March's projections overestimated CPIF for March and April despite oil prices being higher than the Riksbank had forecast. Accordingly, we expect roughly unchanged rate projections for 2026, signalling no hike.

We could see a small upward revision in 2027, with the first hike being brought forward to the first half of next year and introducing some probability of another hike in the second half.

### Our calls for 2H26: No Riksbank hikes, EUR/SEK slow decline

Our view remains that the Riksbank won't hike rates this year. Our inflation estimates suggest CPIF will remain well below the 2% target, growth should soften below 2.0% year-on-year in the second half of 2026, and the September election also argues against bold hawkish moves. The trigger for a hike without an inflation jump could be a sharp weakening of the krona, which is not what we expect, especially considering the recent softening in oil prices.

We have revised EUR/SEK numbers slightly higher on policy divergence, but still target some depreciation in the second half, driven by Swedish growth outperformance relative to the eurozone and new flows of capital repatriation to Sweden. Our year-end target is 10.70.

### Author

**Francesco Pesole**

FX Strategist

[francesco.pesole@ing.com](mailto:francesco.pesole@ing.com)

### Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. (“ING”) solely for information purposes without regard to any particular user’s investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit [www.ing.com](http://www.ing.com).