Riksbank Review

20 August 2026

Unchanged rate and rate path from June still holds

As widely expected, the Riksbank left rates unchanged, and the press release says that the forecast from June largely holds. Inflation has surprised on the upside and risks from the Iran war remain, but the picture is not clear-cut. Companies' pricing plans have been subdued, disruptions in global supply chains have declined and the labour market has been somewhat weaker than expected. The Executive Board therefore assesses that it is a well-balanced policy to leave the policy rate unchanged, and that the probability of a rate hike later this year remains. The Board does not indicate that the probability for a hike has increased. The rate path from June indicated 50% (12bps) probability for a hike this year.

The press release was more dovish than we anticipated, and according to our Investor Survey, 70% of respondents predicted that the Riksbank would say that risks to the rate path have shifted to the upside.

Message from press release was confirmed at the pressconference
At the press conference, governor Thedéen confirmed the message in the press statement. The Riksbank is slightly more concerned over inflation - growth is stronger but the labour market is still weak. The conclusion is that the forecast from June still holds. Furthermore, governor Thedéen also highlighted that the high inflation during the summer has been driven by volatile prices on international travels and to some extent also domestic tourist services. Thedéen sounded slightly hawkish, but this has been the case for some time and has not been reflected in actual policy. At the press conference Thedéen said that the section below from the press release was the best summery of the Riksbank's current policy considerations.

"The Executive Board therefore assesses that it is a well-balanced policy to leave the policy rate unchanged, and that the probability of a rate increase later this year remains. If the unexpectedly high inflation during the summer were to be the start of a larger and more lasting upturn in inflation, the Riksbank would adjust its monetary policy in a tighter direction"

In our opinion, the August policy update gives some support for our forecast for an unchanged policy rate in 2026. Still, we acknowledge that uncertainty is high and it will be very important that the monthly core inflation during the autumn slows in line with our forecast and that energy prices do not spike again. Near-term rate expectations declined by 5-6bps after the announcement. Markets continue to price a full rate hike by the end of this year and this is unlikely to change before the predicted lower momentum for inflation is confirmed.

Riksbank policy rate (2026-08-20)								
Announcement date	Market pricing		Riksbank Jun 2026		SEB forecast		Market vs.	
	Policy rate	chg	Policy rate	chg	Policy rate	chg	RB	SEB
2026-06-17	**1.75**	**0**	**1.75**	**0**	**1.75**	**0**	**0**	**0**
2026-08-20	1.75	0	1.78	3	1.75	0	-3	0
2026-09-24	1.82	7	1.81	3	1.75	0	1	7
2026-11-04	1.91	9	1.84	3	1.75	0	7	16
2026-12-16	**2.01**	**10**	**1.87**	**3**	**1.75**	**0**	**14**	**26**
2027-02-03	2.12	11	1.90	3	1.75	0	22	37
2027-03-23	2.24	12	1.93	3	1.75	0	31	49
2027-05-05	2.36	12	1.95	2	1.75	0	41	61
2027-06-16	2.43	7	1.96	1	1.75	0	47	68
2027-08-16	2.48	5	1.98	2	1.75	0	50	73
2027-09-22	2.51	3	1.99	1	1.75	0	52	76
2027-11-03	2.54	3	2.01	2	1.75	0	53	79
2027-12-15	2.56	2	**2.02**	**1**	**2.00**	**25**	54	56
2028-01-26	2.57	1	2.04	2	-	-	53	-
2028-03-15	2.58	1	2.05	1	-	-	53	-
2028-05-03	2.59	1	2.07	2	-	-	52	-
2028-06-14	2.60	1	2.09	2	-	-	51	-
2028-08-16	2.60	0	2.11	2	-	-	49	-
2028-09-20	2.60	0	2.13	2	-	-	47	-

Note: Official dates incl. June 2027 - thereafter SEB assumption.

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