Nordic Alert

07 October 2026

Swedish inflation set to rise; Fed minutes tonight

Global key stories

Equity markets were all smiles yesterday and the S&P500 reached new highs against the backdrop of lower oil prices and falling bond yields. The krona strengthened broadly in the cheerful market sentiment, but has weakened a slightly during the morning as new Iranian attacks on oil tankers sent Brent oil (1st contract) above USD 100 per barrel again. Asian equity indices are down this morning (Nikkei -0.7%) and stock market futures point to lower opening prices in Europe and unchanged in the US.

In this week's Reflections, Jens and Malte write about why long-term interest rates have risen, and why the years of ultra-low interest rates should rather be seen as a historical parenthesis.

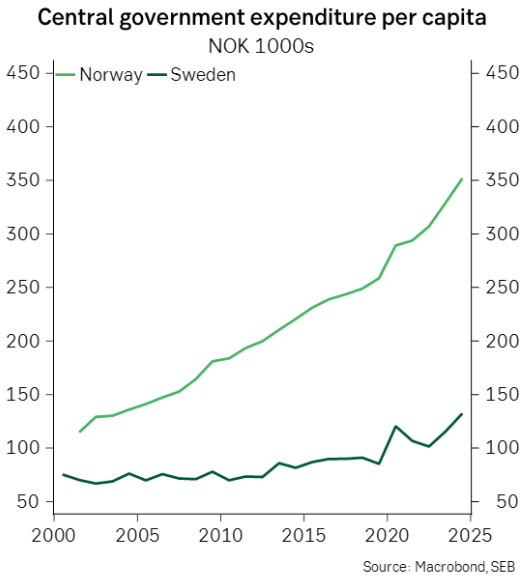
Busy agenda: among other things, Swedish inflation and budget balance, German and Norwegian industrial production, the Norwegian government budget proposal, an IMF speech – and not least, Fed minutes tonight.

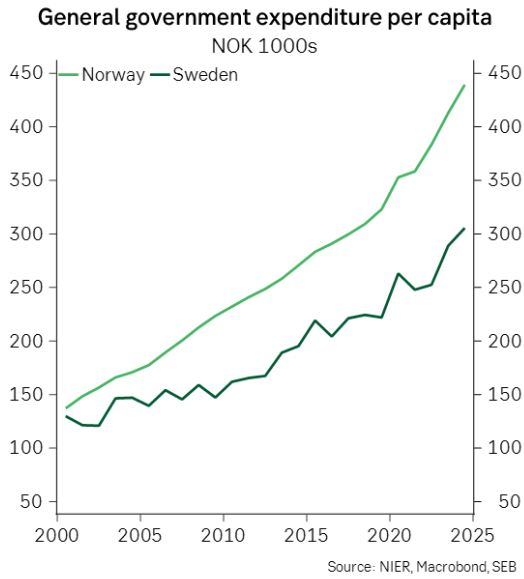
German industrial production has been declining for several years, but sentiment indicators indicate better times ahead. At the same time, many structural problems remain and in the near term, high natural gas prices are looming. In August, however, industrial production is expected to have risen after an unexpected fall in July.

Fed minutes in focus after hawkish September hike. Fed members' own interest rate forecasts pointed to at least one further hike this year and probably another one in 2027, before rates can start to be lowered in 2028-2029. The minutes will be of particular interest for views on the need for more hikes, the extent to which inflation is driven by supply or demand factors, and how restrictive current monetary policy is. Several Fed members have recently signaled one or two further hikes, versus the three to four that the market has periodically priced in.

Nordic key stories

The Norwegian state budget for 2027 is presented today. Norway has exceptional government finances with large oil and gas revenues. Spending is thus regulated by the so-called 3 per cent rule, which in simplified terms means that a maximum of 3 per cent of the value of the oil fund may be used in the state budget. However, the fund has grown to a somewhat fantastical NOK 22 trillion and the increase in value means that an additional NOK 24 billion can be spent without violating the rule. Fiscal policy is expected to continue to be expansionary, albeit less than in recent years. Central government spending in the 2026 budget was around NOK 2.2 trillion – more than twice as much per capita as in Sweden. Even considering that municipalities account for a larger share of spending in Sweden, Norway spends significantly more per capita (here until 2025).





Very exciting Swedish inflation. We believe that core inflation (CPIF excluding energy) rose slightly in September, and that underlying inflation will increase gradually over the next six months. The weakening of the krona poses some upside risk to today's outcome, but continued reversal of high summer prices suggests that we could see a slight downside surprise today. On the other hand, large price increases for both electricity and fuel are expected to lift headline inflation clearly compared with August, and reduced subsidies and rising market prices mean energy prices will increase sharply in Q4. Read more in our Inflation Preview.

SEB's survey, SEK Views, shows that respondents are still quite bullish on the SEK, but considerably less so than in March. The market is now considered to be heavily underweight SEK and EUR/SEK is expected to remain at 11.24 at the end of the year. The war in the Middle East remains a key risk, and the relatively tighter monetary policy abroad is expected to weigh on the krona over the next six months. Read more here.

Today's key events

For graphs and analysis of the week's most important data, click here

Time	Country	Event	Period	SEB forecast	Consensus	Last
08:00	**SWE**	**CPI**	**Sep P**	**1.0/1.2**	**1.0/1.2**	**-0.3/0.3**
08:00	**SWE**	**CPIF | excl. energy**	**Sep P**	**0.9/1.6 | 0.3/0.7**	**0.9/1.6 | 0.3/0.7**	**-0.2/0.7 | -0.5/0.5**
08:00	**SWE**	**Budget balance**	**Sep**		**---**	**61.9bn**
08:00	**NOR**	**Manufacturing production | industrial**	**Aug**		**---/--- | ---/---**	**0.7/1.5 | -7.1/1.8**
08:00	**GER**	**Industrial production sa mom/wda yoy**	**Aug**		**0.4/0.7**	**-1.1/-1.6**
10:00	**NOR**	**Government budget proposal 2026**				
13:00	US	MBA mortgage applications	Oct 2		---	-6
17:00	US	NY Fed 1-yr inflation expectations	Sep		3.6	3.6
20:00	**US**	**FOMC meeting minutes**	**Sep 16**		**---**	**---**
21:00	US	Consumer credit	Aug		15bn	18.1bn

Auctions: SWE, SGB 1068 & 1053 (11:00), NOR, bonds (11:00), UK, bonds (11:00), GER, bonds (11:30), EU, bills (12:00), US, notes (19:00). Speeches: Fed's Logan (01:00), ECB's Cipollone/Vujcic (07:00/09:20 & 19:30), IMF's Georgieva (08:00). **Reports**: Industrivärden. **Other**: Norwegian government present key market data ahead of budget (08:00), Chinese markets clo

Market data

Equities	Index	Future	FX		Commodities	
S&P 500	0.6%	0.1%	EUR/USD	1.12	Brent fut $/bl	101.6
Nasdaq comp	0.4%	0.0%	EUR/SEK	11.25	Gold fut $/oz	4142
Eurostoxx 50	0.5%	-0.7%	USD/SEK	10.02	**Government bonds yields**	
OMX Stockholm 30	0.8%		EUR/NOK	10.75	US 10 year	5.31%
OBX Oslo	-0.5%		USD/NOK	9.57	US 2 year	4.81%
OMX Copenhagen 25	0.6%		NOK/SEK	1.05	Germany 10 year	3.48%
OMX Helsinki 25	1.0%		USD/DKK	6.65	Germany 2 year	3.11%
Nikkei225	-0.8%		USD/JPY	158	Sweden 10 year	3.16%
Shanghai Comp	0.3%		USD/CNY	6.71	Sweden 2 year	2.69%

US and Europe indices indicate change at yesterday's close

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