SEK Views FX Survey

- Foreign monetary policy and risk appetite to weigh on the SEK

Amanda Sundström
Senior Macro Strategist
amanda.sundstrom@seb.se
+46704622017

Nils Jerveland
Junior Strategist
nils.jerveland@seb.se

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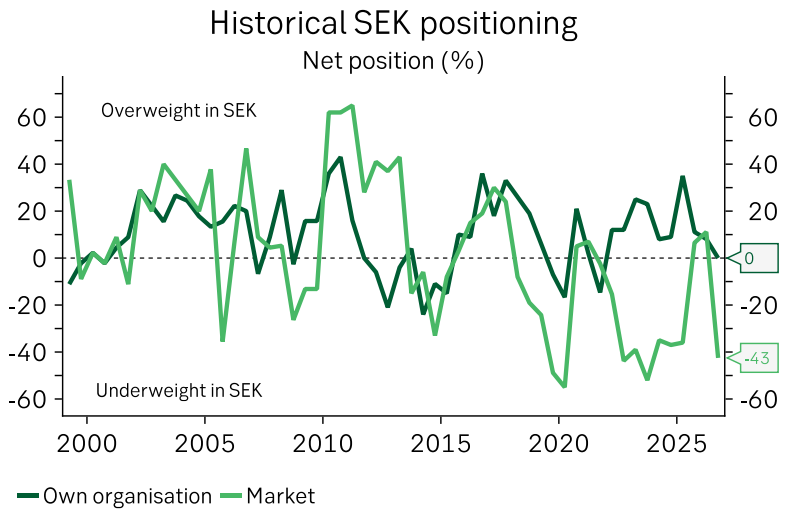
Summary

- The SEK Views survey of major Swedish FX market participants shows that **respondents' own SEK positioning remains neutral. The broader market is now perceived to be heavily underweight SEK**, marking a sharp reversal from last year.
- **Respondents are still bullish on the SEK going forward, but less so than in March. EUR/SEK** is expected to trade at 11.24 in December 2026, implying a markedly weaker SEK than respondents expected in the March survey (10.56). The SEK is then forecast to strengthen, with EUR/SEK reaching 11.00 by mid-2027. **USD/SEK** is expected to stand at 9.99 at end-2026 and 9.71 by mid-2027, also representing a notable shift from the March survey.
- **Foreign central-bank policy is seen as weighing on the SEK, although Riksbank policy is expected to counteract some of the negative impact.** Swedish fiscal policy is viewed as a positive factor going forward, as is capital reallocation from the US towards Europe and Sweden – although the latter is seen as much less supportive than in March. Risk appetite are still seen as weighing on the SEK, and foreign fiscal policy is also viewed as a negative factor.
- **The Riksbank is expected to hike by 25bp in 2026 and by a further 50bp in 2027,** according to the median response. A vast majority of respondents (90%) expect a rate hike by November, with most predicting that the Riksbank will then remain on hold in December. Almost half expect the policy rate to reach 2.50% by December 2027.
- While **most respondents plan to keep their hedging ratios unchanged**, responses are more varied than usual, particularly among corporates. More respondents than usual plan to increase their hedging ratios, although some have decreased or intend to decrease them.
- **The war in the Middle East continues to play a central role in expectations for the SEK**. Almost all respondents expect the SEK to strengthen if the war de-escalates or ends and to weaken if it escalates.

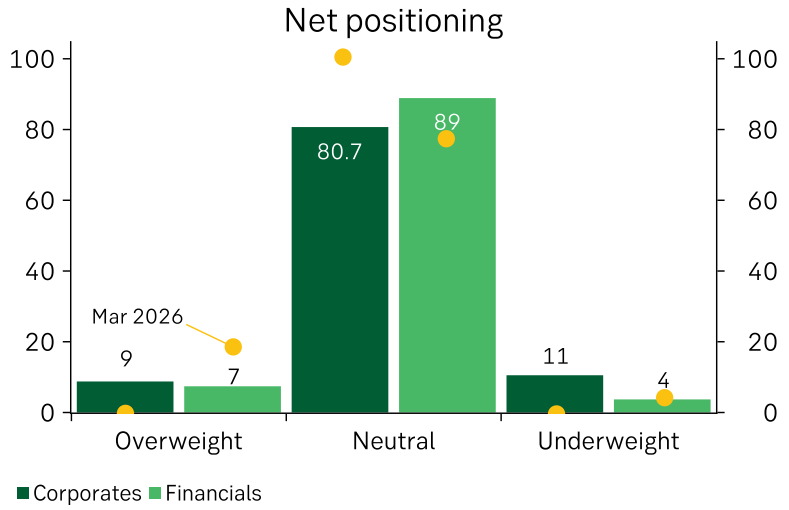
Market positioning

Slightly less overweight SEK

- Participants' **own SEK net positioning is neutral,** with a large majority of both corporates (81%) and financial institutions (89%) reporting neutral SEK positions.
- **Financial institutions** have generally decreased their position in the SEK, with 89% saying that they are neutral in their SEK positions. The share of financials that are overweight on SEK is now down at 7%, while only 4% say they are underweight.
- **Corporates** have become somewhat more split since March, when all responded that they were neutral. In October, 81% said they are neutral, while 9% said they are overweight SEK and 11% say that they are underweight.
- The **market** is perceived to be clearly underweight SEK, showing a net position of -43% in October (+8% in March). This brings the perceived market net positioning close to historical lows, a sharp recoil from slightly net positive levels in October 2025 and March this year.
- Similarly, the **difference in views** on own positioning and the market's positioning is now, yet again, large – a sharp contrast to the situation this spring.



Source: Macrobond, SEB



Source: Macrobond, SEB

FX Forecasts and SEK fair-value

Respondents still expect a stronger SEK ahead

- **EUR/SEK is expected to trade at 11.24 by December 2026, slightly below current levels.**
  - This is a strengthening of the SEK compared to the average level during the survey period, but a considerably weaker SEK than forecasted in the March 2026 survey (10.56 by end-2026). EUR/SEK is seen at 11.00 by June 2027.
  - That implies approximately the same percentage appreciation in EUR/SEK over the coming 3-6 months as in the March survey, but from a clearly weaker starting point.
- **USD/SEK is expected to stand at 9.99 by year-end and decline to 9.71 by June 2027.**
  - This is a sharp shift compared to March, when USD/SEK was seen at 9.00 by year-end. The median forecast for USD/SEK by June 2027 is lower than the mean, suggesting a downwards bias among responses. USD/SEK traded at 10.00 on average during the survey period.
  - Generally, answers vary greatly, particularly on USD/SEK.
- **USD to remain around current levels until mid-2027**
  - The implicit forecast implies that EUR/USD will remain close to the average level during the survey (1.13) until mid-2027, which implies a weaker EUR than predicted in the March survey.
- Expected **fair value** bounced higher to 10.38 for EUR/SEK following a decrease to 10.02 in March. Similarly, the USD/SEK fair value rose to 8.96 (8.46 in March).

Forecasts

	EUR/SEK dec-26	EUR/SEK jun-27	USD/SEK dec-26	USD/SEK jun-27
Average	11.24	11.00	9.99	9.71
Median	11.25	11.00	10.00	9.65
High	11.60	11.80	11.80	11.80
Low	10.30	10.25	9.50	8.90

Average during survey: EUR/SEK 11.32, USD/SEK 10.00

Fair value

	EUR/SEK	USD/SEK
Average	10.38	8.96
Median	10.50	9.00
High	11.20	10.20
Low	9.00	7.00

Implied

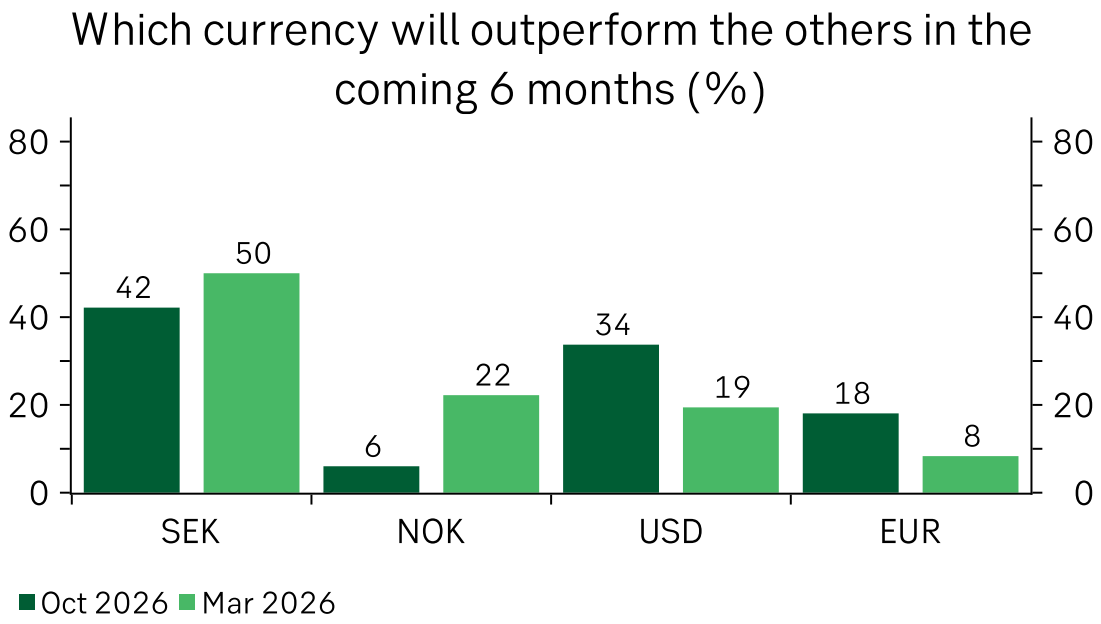
	EUR/USD dec-26	EUR/USD jun-27
Average	1.13	1.13
Median	1.13	1.14

Source: Macrobond, SEB

Respondents remain bullish SEK

But less so than in March

- **Respondents are still bullish on the SEK going forward, but less so than in March.** 42% of respondents say that they now expect the SEK to outperform others in the coming 6 months, although the average forecasts for EUR/SEK and USD/SEK imply only a modest appreciation of the SEK (see previous slide).
- **Many (34%) expect the dollar to strengthen the most compared to others**, while 18% say they forecast a revival of the euro. This is an increase in both cases compared to March.
- However, **only 6% now say they expect NOK to outperform** – a considerable shift compared to March. NOK has been the best performer among G10 currencies since the start of the year – strengthening almost 13% against the SEK year-to-date.



Source: Macrobond, SEB

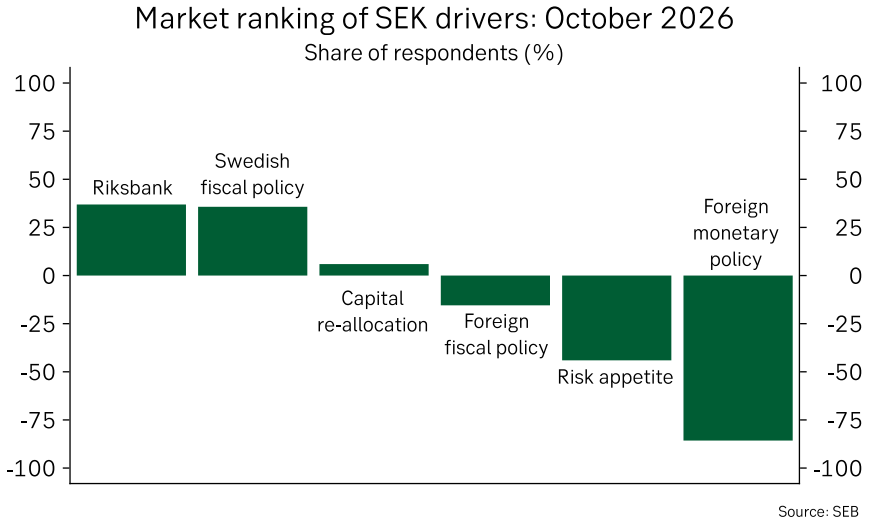
SEK Drivers

Monetary policy back in the driver's seat

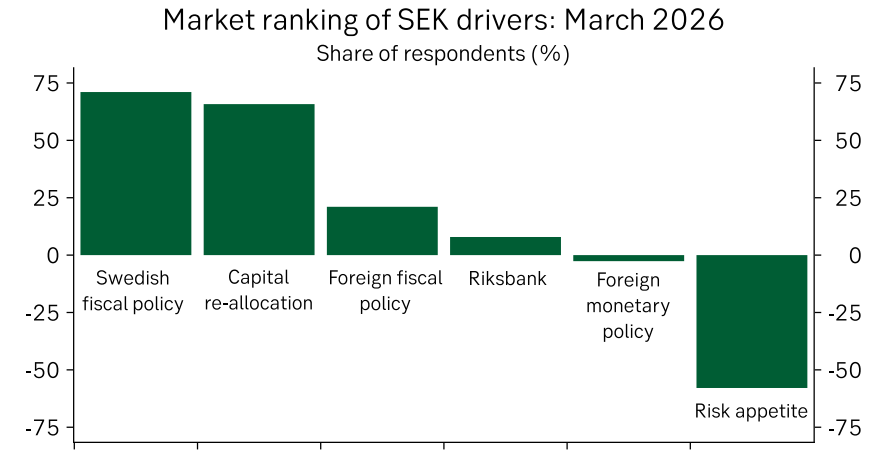
❖ **Foreign central bank policy seen weighing on the SEK, even if Riksbank policy counteract some of the negative impact.**

- Respondents are markedly less positive on the main factors driving the SEK in the coming 3-6 months. Foreign monetary policy is the most negative factor, assumedly as central banks abroad are seen hiking policy rates more than the Riksbank. The Riksbank itself is seen as a clearly positive driver – as is Swedish fiscal policy, but to a much lesser extent.
- Capital reallocation is still seen as supportive of the SEK, although the 'sell US' and European repatriation themes of 2025 have clearly lost momentum amid the Iran war.
- USD strength and higher rates globally are mentioned as negative factors for the SEK. Moreover, one respondent mentions the large Swedish savings surplus as a structurally negative factor for the SEK.

❖ **Risk appetite is still seen as negative for the SEK over the coming 3-6 months, like in March.** Geopolitics and the consequent turbulence in the market environment since the onset of the war in Iran is one central reason to this, and respondents mention energy prices and geopolitics as important drivers of the SEK going forward. More on this on slide 9.



Source: SEB

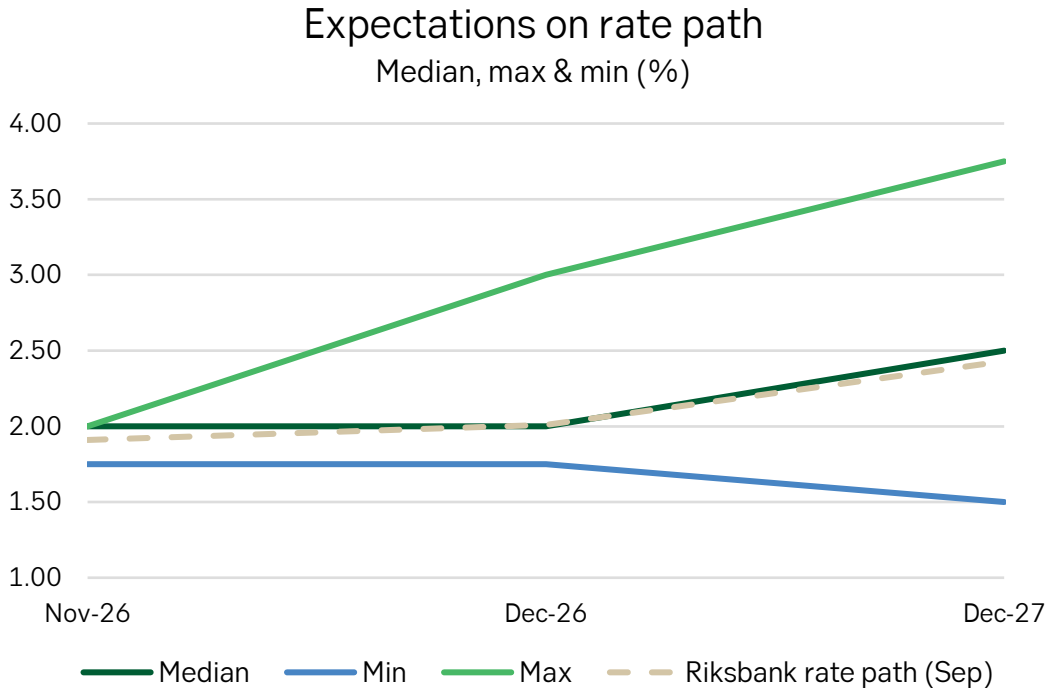


Source: SEB

Riksbank monetary policy expectations

Almost everyone expects the Riksbank to hike this year

- **The Riksbank is expected to hike by 25bps in 2026 and another 50bps in 2027, according to the median response.** The average estimate is 1.98% by November, 2.05% by December and 2.45% by December 2027. This is somewhat more front-loaded but broadly in line with the Riksbank's own rate path. As of October 6, market pricing implies a steeper curve, ending at 2.85% by December 2027 (1.92% in November and 2.10% in December 2026).
- Everyone expects a rate hike as the Riksbank's next policy move, but respondents disagree on the timing.
- **A vast majority (90%) predict a rate hike by November, with most saying that the Riksbank will then stay on hold in December.** Almost half of respondents (48%) expect the policy rate to reach 2.50% by December next year.
- As has been the case for quite some time, answers vary notably. There are large differences in expectations, particularly on the Riksbank's policy rate in 2027. The lowest forecast sees the policy rate at 1.50% and the highest on 3.75%.

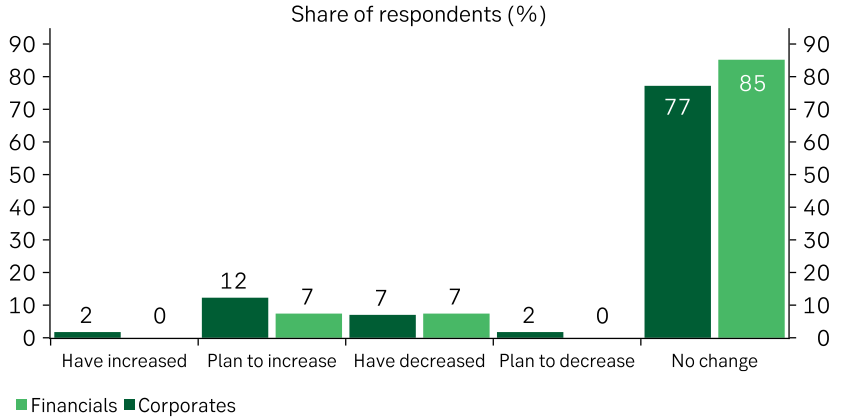


Hedging

More changes in hedging ratios than usual – but most stick with their current ratio

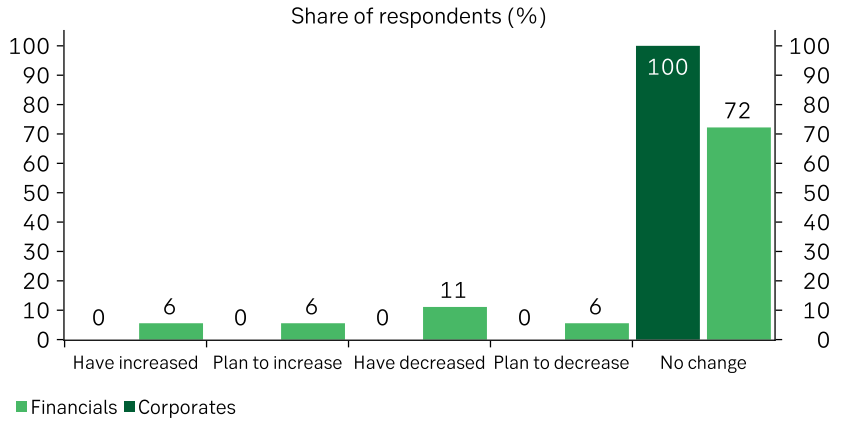
- As usual, the vast majority of respondents plan no change to their hedging, **although a higher share than usual, particularly among corporates, say that they have or plan to change their hedging ratio.**
- **Interestingly, answers are split:** a higher share than historically typical among corporates (12%) say that they plan to increase hedging ratios, and 2% say they already have. However, 7% say that they have decreased hedging ratios instead, and 2% say they plan to do so.
- Financial institutions are also split, with 7% saying they plan to increase hedging and, contrastingly, 7% saying they have decreased hedging already.

October 2026: Have or do you plan to adjust hedge ratios?



Source: SEB

March 2026: Have or do you plan to adjust hedge ratios?

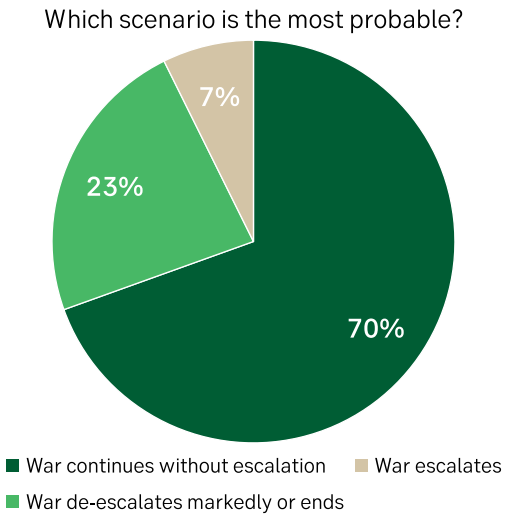


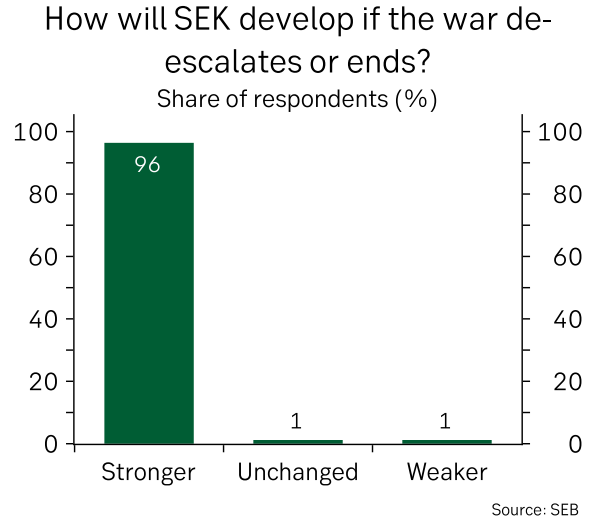
Source: SEB

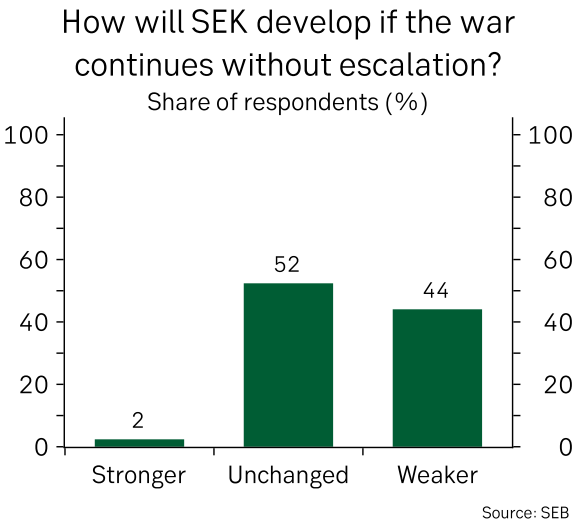
War in the Middle East

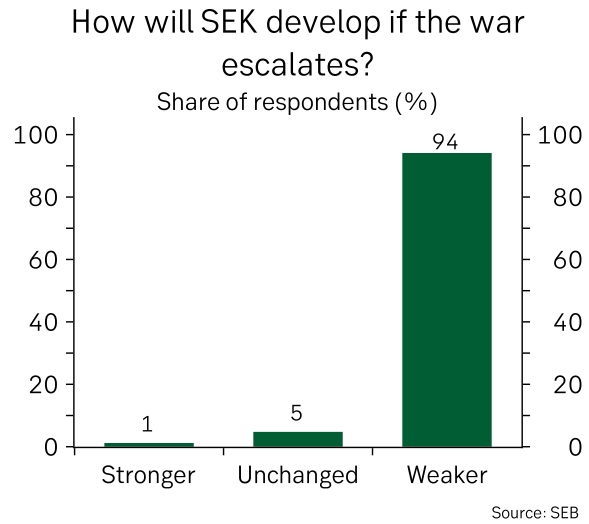
SEK to strengthen if Iran war ends

- **Most respondents (70%) anticipate that the war will continue without escalation in the near-term.** 23% expects the war to de-escalate markedly or end, while only 7% expects an escalation.
- Respondents are almost unanimously positive on the SEK if the war were to end, with **96% of respondents answering that the SEK is expected to strengthen in such a scenario.**
- **Vice versa, 94% expects the SEK to weaken if the war escalates.** Answers are more split in the respondents' main scenario, with half of respondents expecting a neutral response in SEK if the war goes on without escalation, while 44% expect a weaker SEK.









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