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Important disclosures and certifications are contained from page 18 of this report.

16 October 2026

Reading the Markets Sweden

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Danske Bank

Reading the Markets Sweden

This week's themes:

FX: SEK supported by Europe, but challenged by the US

FX: New framework - SEK tactical views

Fixed Income: SNDO likely to revise borrowing requirement lower in November

Fixed Income: The strange 'risk-off' move in SGB ASW
→ **New recommendation:** Buy SGB1060 (May-28) ASW vs Sell SGB1068 (Feb-37) ASW

Macro: Low core inflation masks signs of rising goods price pressure in Sweden

Macro: Heatmap of monthly changes in Swedish inflation

Macro: Misunderstood labour market

Recommended reading:

- FX Strategy - Macro and risk outlooks favour the USD
- Research US - Midterm update: Democratic lead holds three weeks before election
- Geopolitical Radar: More US Troops to Arrive in Iran

Events ahead and markets overview

Economic releases, SNDO and Riksbank

Date	CET	Event	Period	Fcst	Last
Mon 26 Oct	08:00	PPI MoM/YoY	Sep		0.9%/6.8%
Tue 27 Oct	08:00	Trade balance	Sep		SEK -11.9bn
Tue 27 Oct	08:00	Financial market statistics incl. Household lending (YoY)	Sep		3.30%
Thu 29 Oct	08:00	NIER Economic Tendency Survey	Oct		107.1
Thu 29 Oct	08:00	NIER Consumer confidence	Oct		102.2
Thu 29 Oct	08:00	NIER Manufacturing confidence	Oct		106.3
Thu 29 Oct	08:00	GDP Indicator MoM/YoY	Sep		1.1%/3.5%
Thu 29 Oct	08:00	GDP Indicator QoQ/YoY	Q3		1.4%/2.8%
Thu 29 Oct	08:00	Retail Sales MoM/YoY	Sep		0.8%/6.9%
Date	**CET**	**SNDO upcoming auctions**			
Wed 21 Oct	11:00	SEK 2bn SGB1056 (Jun-32) and SEK 3bn SGB1068 (Feb-37)			
Tue 27 Oct	11:00	SEK 17.5bn T-bills			
Date	**CET**	**Riksbank speeches**			
Thu 22 Oct	15:00	Jansson: "The economic situation and Current Monetary Policy"			

Source: Bloomberg, Riksbank, Debt Office, Danske Bank

Summary of market views

Segment	Strategic comment
Duration	Neutral - Considering to start receiving
Yield curvature	Neutral
SEK FRAs	Profit taken in Dec-26 SEK FRA, Pay Mar-27 SEK FRA vs Euribor
Swaps	Look for SEK underperformance vs EUR
SGBs	Buy 2Y SGB ASW vs Sell 10Y SGB ASW
Covered Bonds	Short 5y vs Kommuninvest
Kommuninvest	Long 5y vs covered bond
Index-linked	SGB3113 (Dec-27) cheap vs CPI forecasts, we prefer outright positions
Policy rate	**Current: 1.75%** **3M: 2.00%** **6M: 2.50%** **12M: 2. 50%**
SEK outlook	SEK supported by Europe, but challenged by the US

Source: Bloomberg, Riksbank, Debt Office, Danske Bank *Note: Past performance is not a reliable indicator of future results*

SEK supported by Europe, but challenged by the US

EUR/SEK has moved lower as concerns over French public finances have contributed to a softer ECB outlook, narrowing the EUR-SEK rate differential and supporting the krona. Rates have explained much of the recent correction, which is broadly in line with our previous short-term view (1M EUR/SEK 11.20). However, we see limited further downside without a more hawkish Riksbank or additional ECB repricing. The backdrop is less supportive for SEK against the dollar. Wednesday's US CPI reinforced the relatively hawkish US rate outlook, keeping the USD-SEK rate differential wide and supporting the dollar. As a result, SEK remains more vulnerable against USD even as lower European rates provide support against EUR.

We also got data from the Swedish Investment Fund Association this week. Swedish fund investors turned more defensive in September, rotating out of equities and into fixed income. From an FX perspective, the shift from Swedish equity funds to bond funds has limited direct currency implications. At the same time, lower net inflows into global equity and North American funds imply some USD selling and SEK buying as investors reduce exposure to foreign assets. Part of the September move can be explained by reallocations within the Swedish pension system, where capital was shifted from global equity exposure into fixed income. As bond funds invest in either Swedish or currency-hedged fixed income assets, the reallocation reduces exposure to foreign assets and is therefore marginally supportive for SEK. Overall, the September flow data point to a somewhat more SEK-supportive backdrop than in recent months, when strong inflows into global funds contributed to persistent USD buying and SEK selling.

EUR/SEK and the interest rate differential between the euro area and Sweden



Monthly Net Fund Flows, Sweden

	09-2026	08-2026	07-2026	06-2026	05-2026	04-2026	03-2026	02-2026	01-2026
Equity Funds Total	-6,88 bn	7,18 bn	9,96 bn	9,55 bn	10,49 bn	10,85 bn	-18,39 bn	8,06 bn	-5,40 bn
-Global	-0,56 bn	6,38 bn	8,88 bn	15,53 bn	9,81 bn	6,61 bn	-12,42 bn	-2,01 bn	-10,60 bn
-North America	-0,91 bn	-0,58 bn	1,29 bn	-0,87 bn	1,19 bn	-0,32 bn	-1,63 bn	-8,17 bn	-8,39 bn
-Europe	-0,49 bn	0,40 bn	0,67 bn	-4,90 bn	-2,46 bn	0,73 bn	-1,32 bn	3,93 bn	4,45 bn
-Sweden	-5,15 bn	0,47 bn	4,01 bn	-5,13 bn	-2,68 bn	1,28 bn	1,35 bn	13,08 bn	8,05 bn
-Sectors	-2,77 bn	1,32 bn	-4,99 bn	0,72 bn	1,53 bn	-0,55 bn	-6,45 bn	-6,82 bn	-2,95 bn
Index Funds	5,06 bn	11,77 bn	16,48 bn	8,73 bn	13,78 bn	12,14 bn	9,00 bn	22,89 bn	10,46 bn
Long Term Fixed Income	7,19 bn	5,35 bn	11,60 bn	4,45 bn	11,92 bn	8,47 bn	4,07 bn	4,15 bn	5,89 bn
Short Term Fixed Income	3,97 bn	2,26 bn	4,95 bn	5,81 bn	1,81 bn	1,38 bn	3,70 bn	-1,00 bn	6,52 bn

Color ranged based on historical values for each series

Sources: Bloomberg, Macrobond, Danske Bank

New framework: SEK tactical views (monitor shown on the next slide)

Why we built it and how it works

The idea is to get one consistent, rule-based read on short-term SEK that can deviate from our longer-term forecasts. The monitor brings the main short-term signals together in one place.

How: Each SEK cross is assessed across five building blocks:
- Value: Is the cross cheap or expensive versus our fair value model?
- Technicals: What is the trend, and does the recent move look stretched?
- Carry: Do interest-rate differences support or weigh on the cross, and are they moving?
- Cross-asset: What are equities and energy markets signaling?
- Flow: What do recent FX flows suggest?

Each block is scored from -3 to +3 and combined into one overall Score. Value is weighted at 1/3 and each of the other four blocks at 1/6. Within Technicals and Carry, the momentum signals receive a higher weight.

🟢 Green / positive = upside in the cross = weaker SEK
🔴 Red / negative = downside in the cross = stronger SEK
Bearish ≤ -1.5 | Slightly bearish -1.5 to -0.5 | Neutral -0.5 to +0.5 | Slightly bullish +0.5 to +1.5 | Bullish ≥ +1.5

The Risk regime is context only. It shows whether the broader market backdrop is calm or stressed but does not affect the Score.

Back-testing the framework

We did hypothetical back-testing with no transaction costs but carry included, covering three years of history, where one signal (Value) is fitted on the same data it is tested on. Returns are positive, but much of the relationship is noisy, so the results should be viewed as supportive rather than evidence of a robust trading strategy.

What we tested: We went long or short each cross when the Score was at least 0.75 in either direction, entered at the next close and held for 5 or 10 days, including carry. We also measured week by week how closely each signal and the Score lined up with the next 5, 10 and 20 days of spot moves.

What it shows: Over the last twelve months, the Score returned about 6% a year at about 2.8% volatility, with a maximum drawdown of about 1.2%. The Sharpe ratio was 2.1 at a 5-day hold and 2.3 at 10 days. Without the in-sample Value signal the result is weaker, but still positive.

Several signals contributed on their own. Value and Carry each did well in the last year, and Trend added a smaller positive result. Over the full three years the link between the Score and return is modest and close to the noise level for most signals.

The FX market is efficient, and a few drivers dominate for a while and then stop mattering, and relationships that held in one regime often fade in the next. **We therefore treat the monitor as a disciplined way to organise the evidence and to see where it agrees or disagrees, not as a source of trade recommendation on its own.**

Sources: Bloomberg, Macrobond, Danske Bank

SEK tactical views, as of 2026-10-15

	Spot	Value	Technicals		Carry		Cross-asset	Flow momentum	Score	
			Trend	Stretched	Level	Momentum			Average of blocks	Scale
	Latest 15 Oct 15:08	Spot vs our short term fair value model	Spot over 20/50/200-day averages	RSI 14	3M rate spread vs last 2 years	2Y spread, 5d change vs last 2 years	EUR, USD: equities 20d, NOK: energy 5d, vs 2 years	FX net flow, 5d vs 1y norm	Value weighs double the rest	Bands 0.5 / 1.5
EUR/SEK	11.17	1.5	1.0	0.5	3.0	0.5	0.0	0.0	**0.9**	**Slightly bullish**
USD/SEK	9.97	2.0	3.0	-0.5	1.5	0.5	0.0	-2.0	**0.8**	**Slightly bullish**
NOK/SEK	1.05	-1.5	3.0	-1.0	3.0	0.0	0.5	-3.0	**-0.5**	**Slightly bearish**

Colour scale

-3	-2	-1	0	+1	+2	+3

Downside in the cross (stronger SEK) — Upside in the cross (weaker SEK)

Risk regime

Very low	Low	Normal	**High**	Very high

↑ Increasing — 5-day momentum of the risk index

How to read

Horizon	Tactical views for a 10-20 day horizon, or shorter.
Value	Spot vs our short-term fair value model, as a z-score against the model's 3-year sample. Spot below fair value = upside in the cross = positive.
Trend	Three tests, +1 each if true and -1 if not: spot over the 20-day average, 20-day over the 50-day, and 50-day over the 200-day. Sum -3 to +3, no z-score.
Stretched	RSI = Relative Strength Index, 14 days, on spot (no z-score), contrarian. Overbought = negative, oversold = positive.
Carry level	3M rate spread (foreign minus SEK), z-score against the last 2 years. High carry = positive.
Carry momentum	5-day change in the 2Y swap spread (foreign minus SEK), z-score against the last 2 years. Widening = positive.
Cross-asset	EUR, USD: MSCI World vs Swedish (OMXS30) equity performance over 20 days, z-score against the last 2 years. Global outperformance = rebalancing SEK buying = negative.
	NOK: Brent and TTF gas, 5-day change, z-score against the last 2 years. Energy up = NOK stronger = positive.
Flow momentum	Net spot and forward FX flows on competitive platforms (FXALL, 360T, Bloomberg).
	5-day net flow in the foreign currency minus SEK, z-score against its one-year average. Net SEK buying = negative.
Score	Average of the five blocks. Value weighs double each other block (1/3 against 1/6). Trend counts double Stretched, and Carry momentum double Carry level.
Scale	Neutral under 0.5, slightly bullish/bearish from 0.5, bullish/bearish from 1.5. Bullish = upside in the cross (weaker SEK).
Risk regime	Backdrop only, not in the Score: VIX, MOVE, US high-yield spread (log, standardised vs 2 years, averaged), in five steps. Box = 5-day momentum of the index.
***Not used**	FX risk reversals (1M 25-delta): skew sits persistently on one side (EUR, USD: calls on the cross) and moves with the spot trend, so no added signal.

Sources: Danske Bank

SNDO likely to revise borrowing requirement lower in November

The Swedish National Debt Office (SNDO) is due to present a new borrowing forecast on 26 November, and while we will publish our detailed forecast closer to the release, we already want to highlight that the risk picture for forecast changes from the SNDO is towards a less negative budget balance, and hence also a lower borrowing requirement.

The SNDO's previous borrowing forecast was published on 28 May, and other public forecasters, such as the NIER and Agency for Financial and Public Management, have subsequently presented new forecasts for the budget balance that point towards less negative numbers for both 2026 and 2027. Furthermore, since the May report, the monthly outcome has been SEK25.4bn better than expected.

The SNDO's macroeconomic forecasts are also low compared to more recent forecasts, due to the stronger macro data seen over the summer, which seems to further support the narrative that forecasts are likely to be revised for the better.

In the May report, the revisions compared to the Nov-25 report were, however, for the worse, and the higher borrowing requirement translated primarily into higher money market funding (but also slightly higher bond volumes). Assuming the borrowing requirement will be lowered, consequently we also believe that this will be reflected in lower money market funding, although we believe some minor downward adjustment to the SGB auction sizes cannot be ruled out also. See next page for details.

Public forecasters are pointing towards stronger budget balance than the SNDO projected in May

Proj. Budget balance (SEKbn)	2025	2026	2027	2028
Swedish National Debt Office, May-26	**-102**	**-196**	**-208**	
National Institute of Economc Research, Jun-26	-102	-149	-152	
Agency for Financial and Public Management, Sep-26	-102	-165	-135	-57
National Institute of Economc Research, Sep-26	-102	-140	-142	

SNDO 2026 growth forecast from May looks too pessimistic

	GDP (cal. Adj)		Unemployment rate	
	2026	2027	2026	2027
Swedish Naitonal Debt Office, May-26	1.60%	2.20%	8.6%	8.2%
Danske Bank, Sep-26	2.80%	2.50%	8.6%	7.9%
National Institute of Economc Research, Sep-26	2.80%	2.20%	8.7%	8.2%
Agency for Financial and Public Management, Sep-26	2.50%	2.0%	8.7%	7.8%

Sources: Swedish National Debt Office, NIER, Agency for Financial and Public Management, Danske Bank

SNDO likely to revise borrowing requirement lower in November

In the May-26 report, the SNDO increased the borrowing volumes compared to Nov-25, primarily by lifting money market issuance – we would thus expect a reduction in Nov-26 to be reflected here as well

SEK billion

Funding plan	Outcome 2025	25:2 2025	Forecast 2026	25:2 2026	Forecast 2027	25:2 2027
T-bills	173	173	238	250	233	243
Liquidity management	137	134	173	142	151	132
Sum of money market funding	**310**	**307**	**411**	**392**	**383**	**375**
Nominal government bonds	118	118	220	216	240	220
Inflation-linked bonds	6	6	6	6	6	6
Foreign currency bonds	41	41	19	19	19	19
Sum of bond funding	**165**	**165**	**245**	**241**	**265**	**245**
Total gross borrowing	**475**	**472**	**656**	**633**	**648**	**620**

Note: Money market funding corresponds to outstanding stock at the end of December. 25:2 refers to the previous forecast.

The monthly outcome in the budget balance has been SEK25bn stronger than expected since the May report (SEKm)

	Outcome	Forecast	Deviation	Acc. Dev. [2]	Outcome 12-month
Budget balance	**-22 986**	**-34 615**	**11 629**	**25 413**	**-134 345**
Net borrowing requirement	**22 986**	**34 615**	**-11 629**	**-25 413**	**134 345**
Primary balance [3]	20 811	33 557	-12 746	21 943	132 748
Net lending to agencies etc. [4]	947	-499	1 447	-45 698	-24 286
Interest payments on central government debt	1 227	1 557	-330	-1 658	25 883
- Interest on loans in SEK	2 496	1 515	981	1 260	31 093
- Interest on loans in foreign currency	57	44	13	-336	-540
- Realised currency gains and losses	-1 325	-1	-1 324	-2 583	-4 670

[1] The net borrowing requirement corresponds to the budget balance with the opposite sign.

[2] Sum of monthly forecast deviations since last forecast.

[3] Net of the state's primary expenditure and income.

[4] The net of government agencies etc. deposits and loans in the state's internal bank. The net lending includes both current government operations and temporary occurrences that can be decided on short notice. The net lending affects the net borrowing requirement and central government debt, but is not covered by the Central government expenditure ceiling.

Source: Swedish National Debt Office

The strange ‘risk-off’ move in SGB ASW
New recommendation: Buy SGB1060 (May-28) ASW vs Sell SGB1068 (Feb-37) ASW

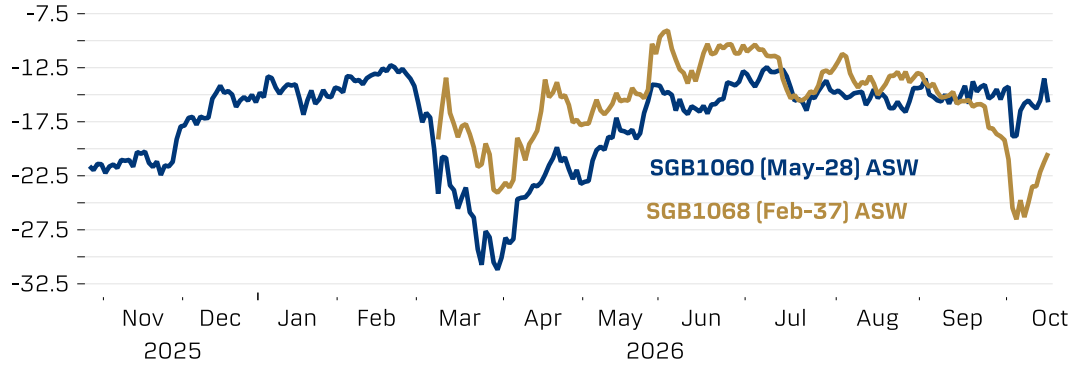
While the SGB ASWs have outperformed during the recent market jitters surrounding France, the recent price action in SGB ASW spreads does not follow the historical (or international) ‘risk off’ pattern, as we see it. Since the widening of French bonds began, we have primarily seen 10Y SGB ASWs trade richer and the 2s10s ASW box has flattened. This can be compared to the German curve, where the ASW box has steepened instead, driven primarily by the 2Y Schatz trading richer.

Looking especially at the 2Y point in Sweden, the SGB1060 (May-28) ASW is at relatively cheap levels year-to-date. The opposite is true for the 10Y point, which is close to the same (rich) level as in late March. While not our base case, the SGB1060 should be the ‘true’ “safe haven” position in SGBs should we see a further deterioration in risk sentiment, resulting in flight to quality flows.

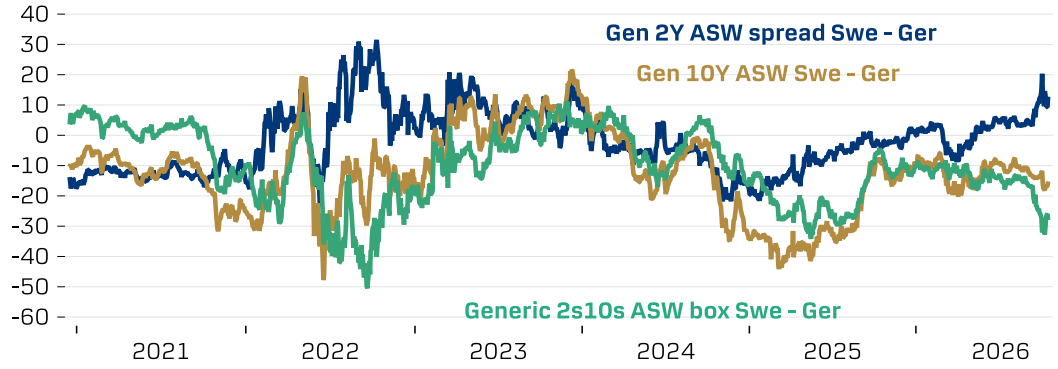
Given the above, our interpretation from the recent moves in SGBs can perhaps best be explained by positioning rather than a true “safe haven” flow. The recent ‘weak-ish’ SGB auctions in longer bonds give further support to this view. If the situation in France does not become much worse from here and risk sentiment improves, the 10Y SGB should, on the other hand, have room to cheapen. So, in combination, we find it attractive for investors to be long the 2Y SGB ASW and be short the 10Y SGB ASW.

New recommendation: Sell SGB1068 (Feb-37) ASW vs Buy SGB1060 (May-28) ASW @ -5bp Target P/L: +8bp/-13bp

SGB1060 ASW looks cheap vs SGB1068 (Feb-37)



The 2Y SGB ASW is also cheap vs Germany, 10Y ASW look rich



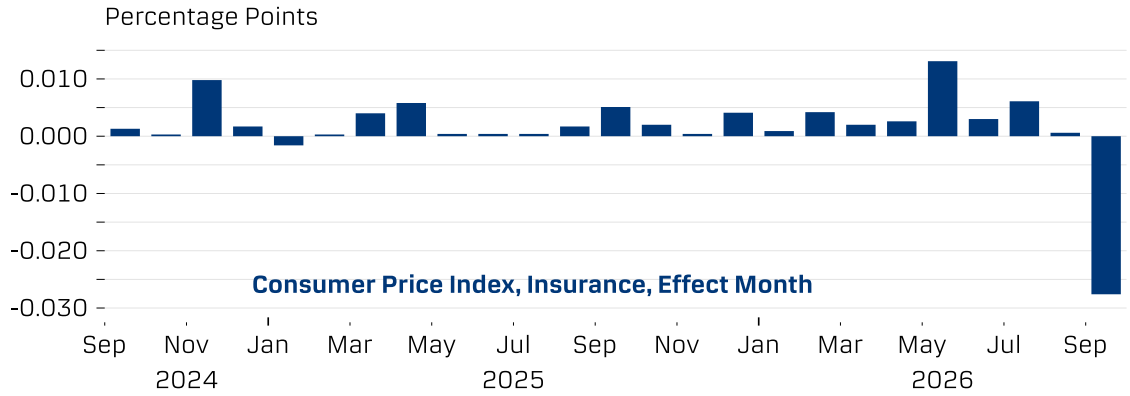
Source: Danske Bank Note: Past performance is not a reliable indicator of current or future results.

Low core inflation masks signs of rising goods price pressure in Sweden

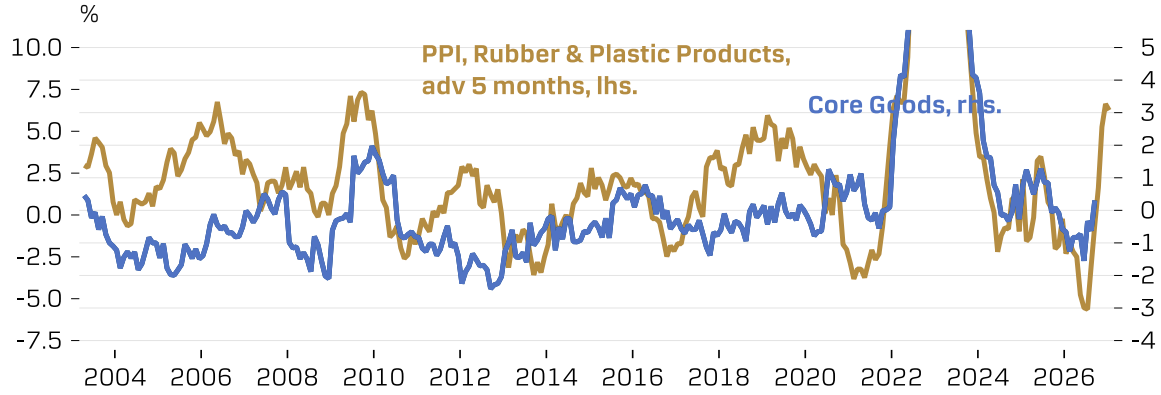
Final inflation figures largely confirmed the flash estimate, with a small upward revision to core inflation to 0.54% y/y from the preliminary 0.53%. CPIF came in at 1.48% y/y and CPI at 1.15%. The flash estimate surprised to the downside, with lower services inflation driving core inflation below the consensus estimate and our forecast. The details revealed that the surprise stems mainly from a few categories. Car rental fell by 28.9% m/m, had a surprisingly large impact and contributed -0.2 pp m/m to CPIF in September, which is larger than usual for the month. Another item that stood out was insurance, which fell by 2.9% month-on-month. The effect is quite small, contributing only -0.027 percentage points to CPIF, but the decline is unusual.

Goods prices excluding food and energy rose more than is normal for September, despite IKEA having announced price cuts from 1 September. There are no official figures for IKEA's weight in the furniture component of the CPI basket, but it is assumed to be high. However, there was no sign of a price cut, and furniture prices rose by 1.7% m/m. Prices of information and communication equipment rose by 4.1% m/m, which is a larger increase than usual in September. Durable goods prices rose 1.1% m/m, which is higher than usual, and the trend appears to have turned: annual inflation in durables reached 0.9%, the first positive reading in more than a year. The rise was expected, as goods prices tend to follow PPI for rubber and plastic products with a lead of around five months, and that index has been signaling higher prices (see chart). This is likely the first sign of higher global price pressure feeding through to consumer prices, so low core inflation may not be as dovish as it first appears.

Monthly effect from lower insurance prices in September



The correlation between PPI Rubber & Plastic products and core goods



Source: Statistics Sweden, Macrobond and Danske Bank

Heatmap of monthly changes in Swedish inflation

Sweden: Inflation Heatmap Breakdowns m/m

	09-2026	08-2026	07-2026	06-2026	05-2026	04-2026	03-2026	02-2026	01-2026	12-2025	11-2025	10-2025
Total	0.9	-0.3	-0.3	0.4	1.0	-0.6	-0.6	0.6	0.1	0.0	-0.4	0.3
Food & Non-Alcoholic Beverages	-0.8	-0.1	0.6	-0.6	-0.4	-5.5	-1.0	0.4	0.3	0.3	-0.3	0.4
Alcoholic Beverages & Tobacco	0.2	0.1	0.3	0.0	0.1	-0.1	0.4	0.3	0.3	0.2	0.1	0.2
Clothing & Footwear	2.4	4.8	-1.9	-4.8	0.7	0.9	2.2	2.3	-5.2	0.2	-0.7	0.2
Housing, Water, Electricity, Gas & Other Fuels	1.7	0.9	-1.6	0.4	1.8	-0.7	-3.1	0.4	4.6	-0.5	0.7	0.2
Furnishings & Household Goods	1.3	-1.2	0.9	-1.3	1.1	0.3	-0.2	-0.2	0.5	-1.9	-0.2	0.5
Health	0.9	0.8	-5.0	0.9	0.1	-0.5	0.0	1.3	-6.4	0.3	1.4	0.5
Transport	0.9	-0.2	-2.0	-0.2	-0.4	2.4	4.0	0.3	-2.1	0.4	0.0	0.3
Communication	1.3	-0.5	2.2	0.1	0.4	-0.7	-0.3	1.0	0.2	-0.6	-1.0	0.2
Recreation & Culture	1.3	-5.2	3.6	5.7	3.9	0.0	-2.9	0.6	-3.6	2.9	-3.8	0.0
Education	-0.3	0.0	-17.9	0.6	0.3	0.0	-0.3	0.2	1.7	0.3	0.6	-0.4
Restaurants & Hotels	0.6	-0.4	0.7	0.2	1.2	0.7	0.0	1.6	-0.7	-1.2	-0.6	0.0
Miscellaneous Goods & Services	-0.1	0.3	-0.9	0.0	0.7	-0.1	0.3	0.6	0.2	0.0	0.1	0.7
Insurance & Financial Services	-1.3	0.0	0.3	0.8	0.6	0.5	0.1	0.2	-0.2	0.2	0.0	0.1

Conditional formatting based on the Z scores of the last 60 observations (round to 1 decimal)
Red indicates high inflation as compared to previous observations for each respective category

Source: Statistics Sweden, Macrobond and Danske Bank

Misunderstood labour market

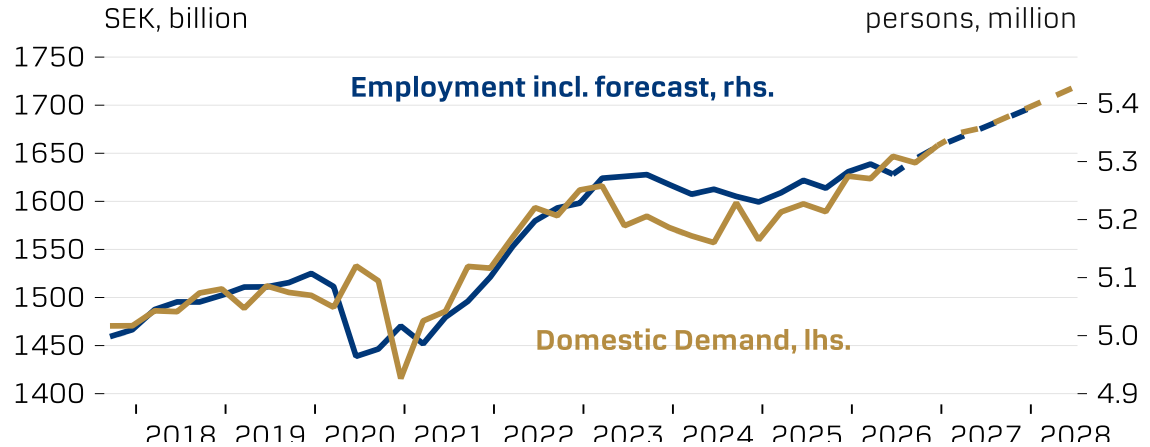
The labour market is improving, and, in our view, the common narrative on the Swedish labour market is too bleak. **The recovery is ongoing, employment is rising, and more credible measures show a steady decline in unemployment**.

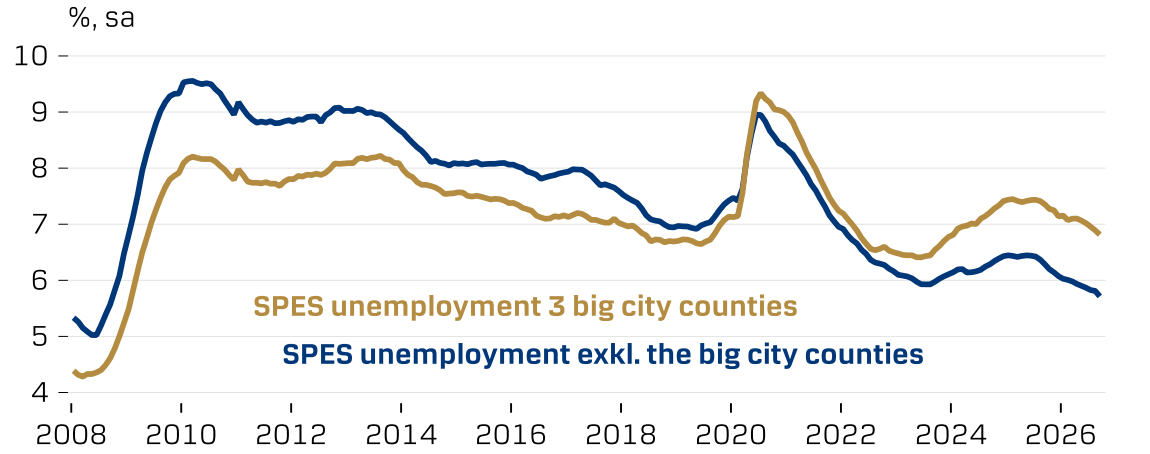
Looking at the demand side, employment has reached new all-time highs, both according to the Swedish labour force survey (AKU) and the Population's Labour Market Status (BAS). Domestic demand fell more than employment after the rate hikes in 2022 and thus has grown more from the trough, but now both have converged.

The main reason for the bleaker view of the Swedish labour market is likely the persistently volatile and high LFS unemployment – which is mired in measurement issues and the time series break in 2021 when a new survey was introduced.

Regarding unemployment, **we argue that the Swedish Public Employment Service's measure should be the main one to follow**. The SPES unemployment is less volatile, based on registered data, without large time-series breaks and captures the core unemployed. In both Denmark and Norway, similar measures (*bruttoledighed* and *NAV*) are the preferred unemployment statistics.

According to the SPES data, unemployment has steadily declined since 2024, with a slight pause earlier this year. The unemployment rate stands at 6.4%, markedly lower than before the pandemic and only 0.25 %-points above the low point in 2023. In addition, in eight of the 21 counties, unemployment is below the low-point before the financial crisis, highlighting markedly strong regional labour markets. **Without the three largest counties, unemployment is already clearly lower than in 2022.**



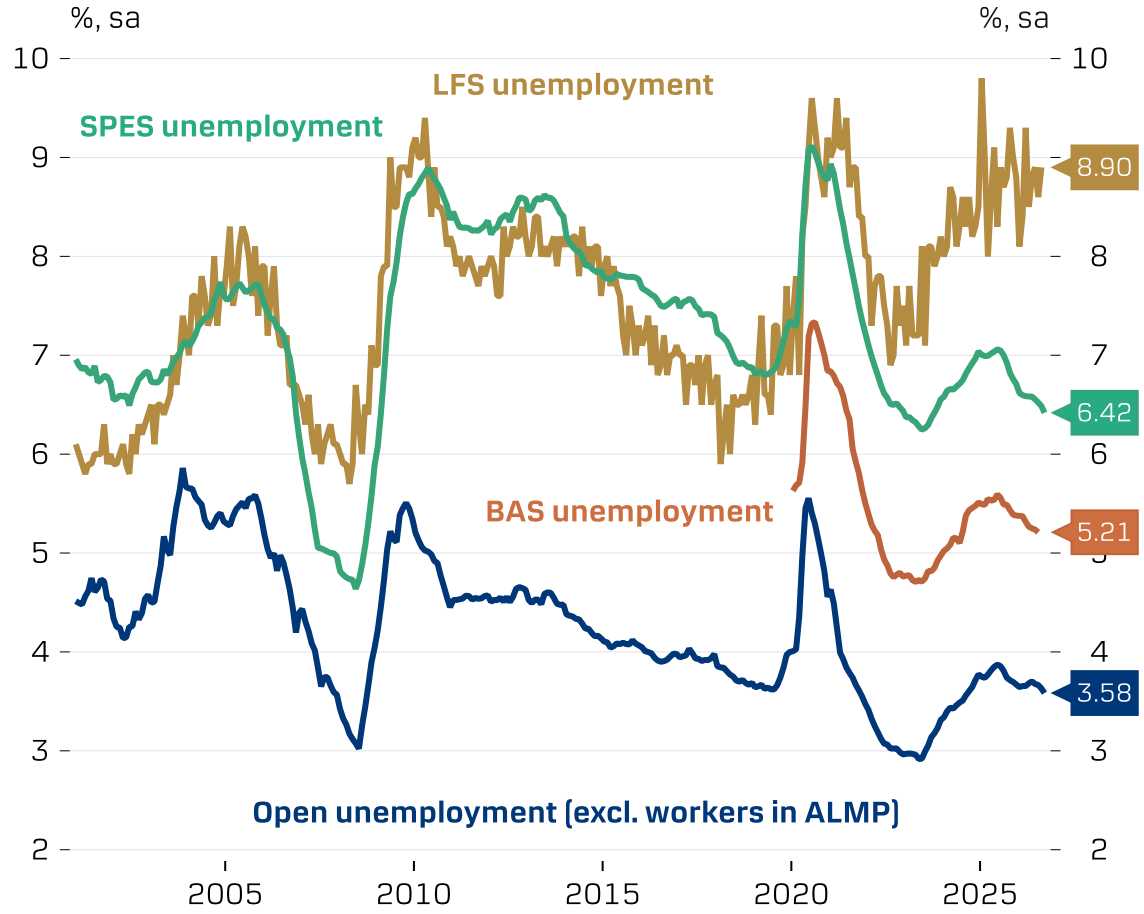


Source: Statistics Sweden, Swedish Public Employment Service, Macrobond and Danske Bank

Different measures of Swedish unemployment

In Sweden, there are **three main measures of unemployment**:

- **LFS unemployment** is based on a survey and defines an unemployed person as someone aged 15–74 who wants to work, is able to work and has done something to look for a job during the reference period. The biggest change in 2021 was the softening of the job search condition – before an unemployed person had to have applied for a job, now a broader range of activities counts as "looking for a job", for example, it can now be enough to read a job ad on LinkedIn during the survey period.
- To be counted as unemployed in the **Swedish Public Employment Service's** statistics, a person must be registered on the last day of the month and be aged between 16–66. A registered person must actively look for work in order to access income support and unemployment insurance benefits. It is possible to remain registered as unemployed if a person takes a short temporary job lasting a week or so, provided that the unemployment period continues afterwards. The SPES also publishes a measure called open unemployment, which is the subset of the registered unemployed deemed able to find a job without an active labour market programme. This measure stands at 3.6%; and is more comparable with the unemployment recorded in other countries.
- In the **Population's Labour Market Status (BAS)**, registered unemployed persons from the Swedish Public Employment Service are used to produce a measure of the unemployment, most often reported for the 16–64-year age group. The main difference is that a person who is employed cannot be counted as unemployed in BAS even if the position lasted only one day during the month. In addition, BAS calculates unemployment as a monthly average rather than as the number of people registered on the last day of the month.



Source: Statistics Sweden, Swedish Public Employment Service, Macrobond and Danske Bank

Open trade recommendations

Type	Trade	Idea	Opened	Start	Target/Stop	Now	P/L (bp)	Status
SGB	**Sell SGB1068 (Feb-37) ASW vs Buy SGB1060 (May-28) ASW**	2Y SGB ASW cheap relative the 10Y point, and good as 'risk off' hedge	20206-10-15	-5.00	8/-13	-4.9	**0**	**New 2026-10-15**
SEK FRA	**Pay Mar-27 SEK FRA vs Euribor**	Attractive relative pricing ECB vs Riksbank based on forecasts	2026-10-01	-47	-30/-60	-40.2	**6.8**	**Hold**
KI vs Covered bonds	**Sell SHYP1596 (Feb-30) vs Buy K3006 (Jun-30)**	Covered bonds trade too tight against Kommuninvest	2025-04-14	8	20/-2	5.0	**-2.5**	**Hold**

Source: Danske Bank Note: Past performance is not a reliable indicator of current or future results. It is not possible to invest directly in an index

Closed trading recommendations (past 10 trades)

Closed trading recommendations (past 10)

Total P/L closed trades Hit ratio: 60%

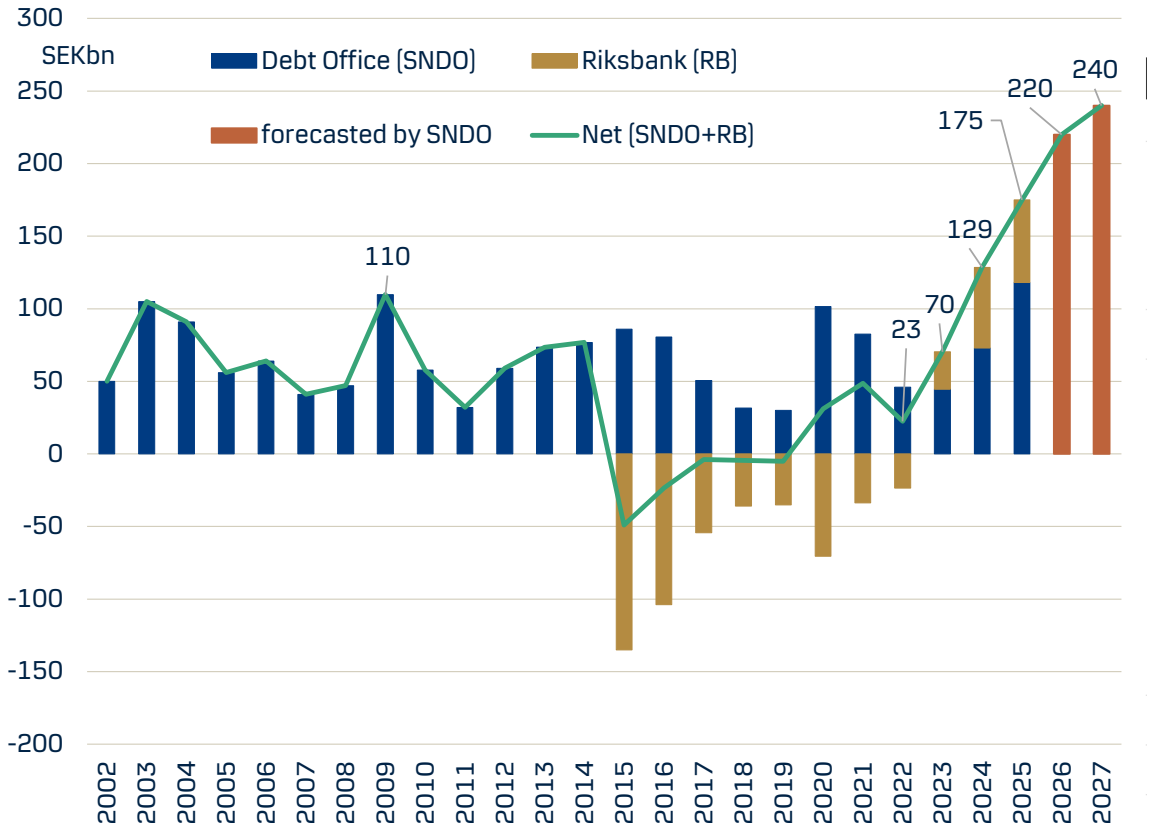
Total P/L closed trades (bps): **65** **bp**

Type	Trade	Idea	Opened	Start	Target/Stop	Close	P/L	Status
Riksbank SWESTR	**Pay May-meeting SWESTR**	Only 5bp in hikes for RB May meeting provides good risk-reward in case of prolonged war	2026-03-19	169.0	194/162	**164.0**	**-5.0**	**Loss taken 2026-05-07**
SGB steepener	**Sell SGB1063 (Nov-45) vs buy SGB1066 (May-35)**	10y10y SGB segment too expensive and steepener providing attractive c&r	2026-02-12	34.5	60/15	**26.0**	**-8.5**	**Loss taken 2026-05-28**
Index-linked	**Buy SGBI3112 (Jun-26)**	Attractive real yield and cheap vs CPI forecasts	2025-08-14	0.0	Hold to maturity	**0.0**	**10.0**	**Profit taken 2026-06-01**
SGB ASW	**Short 10y SGB1068 (Feb-37) ASW**	SGB ASW lagged the risk-on move and look rich, elevated supply supports should help cheapening	2026-04-16	-16.5	-7/-24	**-9.5**	**7.0**	**Profit taken 2026-06-25**
SEK FRA vs Euribor	**Rec Mar27 SEK FRA vs Euribor**	Tactical trade over RB meeting as they will struggle to meet hawkish market expectations	2026-08-13	-29	-40/-20	**-38**	**9.0**	**profit taken (2026-08-20)**
Short SGB vs EUR swap	**Short 2y SGB(1060) vs matched EUR swap**	Too little hikes in Sweden compared to EUR and SGB's trading to expensive	2026-05-28	-50.0	-20/-75	**-56.0**	**-6.0**	**Loss taken 2026-09-03**
SEK FRA vs Euribor	**Flatten Dec26/27 SEK FRA vs Euribor**	Disconnect in hiking pace between Riksbank and ECB	2026-05-27	33	10/50	**36**	**-2.0**	**Loss taken 2026-09-03**
SEK FRA vs Euribor	**Pay Mar26 SEK vs Rec Dec27 Euribor**	Front-end pricing in EUR excessive relative to ECB call and relative SEK pricing	2026-09-04	46.0	30/56	**56.0**	**-10.0**	**Stop-loss hit 2026-09-08**
Index-linked	**Buy SGBI3113 (Dec-27) on BEI**	Swedish front-end BEI lagging international move, extensive cheapness vs infl forecast	2025-03-17	73	130/45	**130**	**57.0**	**Profit taken 2029-09-11**
SEK FRA	**Rec Dec-26 SEK FRA**	Riksbank pricing stretched compared to our main scenario	2026-09-14	2.415	2.30/2.50	2.320	**10**	**Profit taken 2026-10-01**

Source: Danske Bank Note: Past performance is not a reliable indicator of current or future results. It is not possible to invest directly in an index

SNDO - Nominal SGB supply and Riksbank pricing

Nominal SGB supply (net of Riksbank QE/QT)



Riksbank pricing (15 October 2026)

	Market pricing		Danske Bank forecast		Riksbank Sep-26	
Annoucement date	**Impl. Chg**	**Level**	**Impl. Chg**	**Level**	**Impl. Chg**	**Level**
2026-11-05	0.23	**1.98**	0.00	**1.75**	0.17	**1.92**
2026-12-16	0.12	**2.10**	0.25	**2.00**	0.10	**2.02**
Accumulated 2026	**0.35**		**0.25**		**0.27**	
2027-02-03	0.17	**2.10**	0.25	**2.25**	0.09	**2.11**
2027-03-24	0.15	**2.25**	0.25	**2.50**	*0.08*	**2.19**
2027-05-05	0.15	**2.40**	0.00	**2.50**	*0.08*	**2.27**
2027-06-23	0.11	**2.51**	0.00	**2.50**	*0.08*	**2.35**
2027-08-17	0.08	**2.59**	0.00	**2.50**	*0.07*	**2.42**
2027-09-23	0.05	**2.64**	0.00	**2.50**	*0.00*	**2.42**
2027-11-04	0.02	**2.66**	0.00	**2.50**	*0.00*	**2.42**
2027-12-16	0.00	**2.66**	0.00	**2.50**	*0.00*	**2.42**
Accumulated 2027	**0.73**		**0.50**		**0.40**	
Total	**1.08**		**0.75**		**0.67**	

Source: Macrobond, Danske Bank Note: Past performance is not a reliable indicator of current or future results. It is not possible to invest directly in an index

SNDO – SGB issuance tracker

SNDO: Announced bond supply for period 28-May to 26-Nov

		Size (SEKbn)			Left DV01	%-of
	Nominal SGB	28 May - 26 Nov	Completed	Remaining	pct.	nom
10y	SGB1067 (Oct-36)	27.00	27.00	0.00	0%	0.0%
10y	SGB1068 (Feb-37)	33.00	13.00	20.00	77%	65.8%
pre 10y	SGB1068 (Feb-37)	9.00	9.00	0.00	0%	0.0%
5y	SGB1062 (May-31)	6.00	6.00	0.00	0%	0.0%
5y	SGB1056 (Jun-32)	11.00	5.00	6.00	14%	19.7%
2y	SGB1060 (May-28)	16.25	14.25	2.00	1%	6.6%
>12y	SGB1063 (Nov-45)	0.75	0.75	0.00	0%	0.0%
>12y	SGB1053 (Mar-39)	2.00	1.60	0.40	2%	1.3%
other	SGB1065 (Nov-33)	4.00	4.00	0.00	0%	0.0%
other	SGB1066 (May-35)	4.00	2.00	2.00	6%	6.6%
	Total issuance	**113**	**83**	**30**		

Auction schedule + volume until next borrowing report on 26-Nov

Announcement date	Auction date	Settlement date	Volume (SEKbn)	Comment
14-Oct	**21-Oct**	2026-10-23	5	2bn SGB1056 (Jun-32) 3bn SGB1068 (Feb-37)
21-Oct	**28-Oct**	2026-10-30	5	
28-Oct	**4-Nov**	2026-11-06	5	
4-Nov	**11-Nov**	2026-11-13	5	
11-Nov	**18-Nov**	2026-11-20	5	
18-Nov	**25-Nov**	2026-11-27	5	
Total left (28 May - 26 Nov 2026)			**30**	

Source: SNDO, Danske Bank Note: Past performance is not a reliable indicator of current or future results.

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Report completed: 15 October at 16:50 CET

Report disseminated: 16 October at 06:45 CET