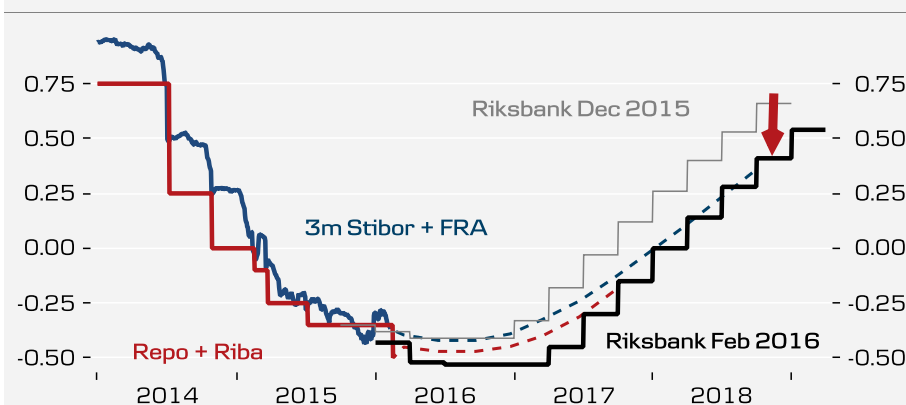


Flash Comment

Riksbank goes NIRP for longer

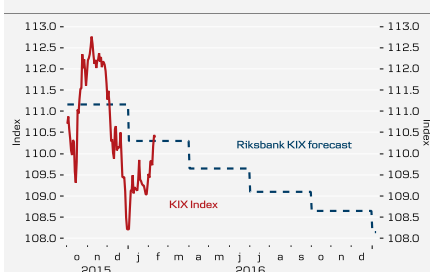
- The Riksbank cut 15bp to -0.50% and flattened the repo rate path out to Q2 17 but there is more to come in our view.
- Stands ready to intervene in the FX market.
- Says it will reinvest maturities and coupons and stands prepared to do more QE. We still expect another SEK50bn expansion in April. The Riksbank for the first time mentioned purchases of linkers.
- Reduces inflation forecast by 0.4pp 2016 but is still a bit too bullish compared with our forecast.
- We will comment more thoroughly in our market letter out later today.

Riksbank lowers/flattens repo path



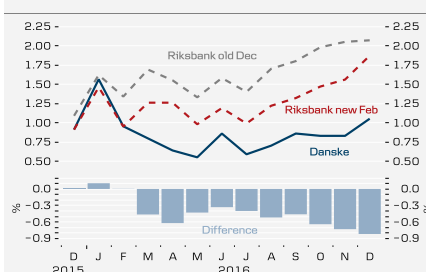
Source: Macrobond Financial

Riksbank shifts SEK index lower



Source: Macrobond Financial

Lowers CPIF forecast – but not enough



Source: Macrobond Financial, Danske Bank

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