



Ministry of Finance
Financial Stability Council

Minutes from the meeting of the Financial Stability Council¹ held on 6 December 2024

§ 1 Stability assessment, civil preparedness, and measures

The authorities presented their stability assessments, views on civil preparedness, and discussed possible measures.²

The Minister for Financial Markets summarised the situation as follows.

The financial system is stable. There is still a recession in Sweden, but inflation has been curbed, and the pressure on businesses and households has begun to ease. However, during periods marked by market optimism, new risks may build up. As the economic cycle turns upward, it is important to remain vigilant.

Additionally, the security situation is serious, which places high demands on preparedness for, for example, cyber and hybrid attacks in the financial sector. The work to increase resilience is ongoing, and it is important that market actors meet the established requirements.

The situation in the commercial real estate sector has improved, but earnings are being pressured by weaker rent growth and higher vacancy rates. Several real estate companies need to continue strengthening their financial position.

¹ Present: *Ministry of Finance*: Niklas Wykman, Chair of meeting, Johan Almenberg, Anna Jegnell; *Riksbank*: Erik Thedéen, Anna Breman, Olof Sandstedt; *Finansinspektionen*: Daniel Barr, Henrik Braconier, Jon Thor Sturluson; *National Debt Office*: Karolina Ekholm, Fredrik Bystedt, Erika Färnstrand Damsgaard; and *Financial Stability Council Secretariat*: Niclas Alsén.

² Riksbank published its Financial Stability Report 2024:2 on 14 November and Finansinspektionen published its report Stability in the Financial System (2024:2) on 20 November.

The resilience of the Swedish major banks remains strong. However, some smaller banks focused on consumer credit are experiencing high credit loss levels, which impairs their profitability and resilience.

§ 2 Crisis exercises

The Stability Council discussed the crisis exercises that are continuously conducted within the Stability Council.

§ 3 International issues

The Ministry of Finance and the authorities informed each other about their work on financial market issues internationally, both within the European Union and global standard-setting bodies. Furthermore, the Basel framework, payment issues, and the capital markets union were discussed³.

§ 4 Borrower-based macroprudential measures

The Stability Council received a presentation on the government inquiry's report into borrower-based macroprudential measures and had the opportunity to ask questions to the inquiry investigators⁴.

§ 5 Completed work within the Stability Council

The Ministry of Finance informed about the work that has been carried out since the previous meeting.

The next regular meeting of the Stability Council is in May 2025.

³ Madeleine Fredelius and Brita Hammar from the Financial Markets Department at the Ministry of Finance participated in the agenda item on the capital markets union.

⁴ The inquiry investigators Peter Englund, John Hassler and Martin Andersson participated in the agenda item. (Report SOU 2024:71, with summary in English.)