Introduction of rescaling factor for inflation-linked bonds

Rescaling factor

As of 2026, Statistics Sweden (SCB) will update the base year for the Swedish Consumer Price Index (CPI), from 1980 to 2020. The base indices for outstanding inflation-linked bonds use the CPI with base year 1980. To accommodate the change of base year, SCB is providing a rescaling factor (RF), calculated as:

$$\mathrm{RF} = \mathrm{Round}\left[\frac{\left(\sum_{t=\text{Jan 2020}}^{\text{Dec 2020}} \frac{\mathrm{CPI}_t^{1980}}{12}\right)}{100}; 4\right] = 3.3592,$$

where CPI_t^{1980} is the CPI with base year 1980 for month t during year 2020.

Statistics Sweden will continue to publish the CPI with base year 1980 up to and including the year 2030. Outcomes as of January 2026 for the CPI with base year 1980 are not to be used when calculating the index factor. The calculations are instead to be done according to the instructions below.

Calculating the index factor

When calculating the index factor, a rescaling factor is to be used to scale the CPI with base year 2020. The table below shows the values that are to be used when calculating the index factor, where CPI^{1980} refers to the CPI with base year 1980 and CPI^{2020} refers to the CPI with base year 2020.

Date	CPI
Oct 2025	$\mathrm{CPI}^{1980}_{\text{Oct 2025}}$
Nov 2025	$\mathrm{CPI}^{1980}_{\text{Nov 2025}}$
Dec 2025	$\mathrm{CPI}^{1980}_{\text{Dec 2025}}$
Jan 2026	$\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Jan 2026}}$
Feb 2026	$\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Feb 2026}}$
Mar 2026	$\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Mar 2026}}$
…	…
After Mar 2026	$\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{mmm yyyy}}$

During March 2026, the index factor will be calculated using the December outcome of the CPI with base year 1980 ($\mathrm{CPI}^{1980}_{\text{Dec 2025}}$), the January outcome of the CPI with base year 2020 ($\mathrm{CPI}^{2020}_{\text{Jan 2026}}$), and the base index obtained using the CPI with base year 1980:

$$\text{(1.) Index factor}_{\text{Day Mar 2026}} = \frac{\mathrm{CPI}^{1980}_{\text{Dec 2025}} + \frac{(\text{day}-1)}{30} \cdot \left(\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Jan 2026}} - \mathrm{CPI}^{1980}_{\text{Dec 2025}}\right)}{\text{Base index}}.$$

As of April 2026, the index factor will be calculated using the CPI with the base year 2020. Below is an example of how the index factor during April 2026 is calculated:

$$\text{(2.) Index factor}_{\text{Day Apr 2026}} = \frac{\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Jan 2026}} + \frac{(\text{day}-1)}{30} \cdot \left(\mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Feb 2026}} \mathrm{RF} \cdot \mathrm{CPI}^{2020}_{\text{Jan 2026}}\right)}{\text{Base index}}.$$

The base index for inflation-linked bonds issued after 1 Jan 2026 will be obtained using the CPI with base year 2020. The rescaling factor is not to be applied for these bonds because all the values are derived from the same base year.

Alternative calculation of the index factor

The approach presented above uses the rescaling factor to adjust the CPI with base year 2020. The index factor can be reformulated so that the rescaling factor re-scales the base index, which is obtained by multiplying the numerator and denominator by 1/RF. Accordingly, the index factor for March 2026 can be expressed as:

$$\text{(3.) Index factor}_{\text{Day Mar 2026}} = \frac{\left(\frac{1}{\mathrm{RF}}\right) \cdot \mathrm{CPI}^{1980}_{\text{Dec 2025}} + \frac{((\text{day}-1))}{30} \cdot \left(\mathrm{CPI}^{2020}_{\text{Jan 2026}} - \left(\frac{1}{\mathrm{RF}}\right) \cdot \mathrm{CPI}^{1980}_{\text{Dec 2025}}\right)}{\left(\frac{1}{\mathrm{RF}}\right) \cdot \text{Base index}}.$$

The same reformulation can be applied when calculating the index factor as of 1 April 2026. Accordingly, the index factor during April 2026 can be expressed as:

$$\text{(4.) Index factor}_{\text{Day Apr 2026}} = \frac{\mathrm{CPI}^{2020}_{\text{Jan 2026}} + \frac{(\text{day}-1)}{30} \cdot \left(\mathrm{CPI}^{2020}_{\text{Feb 2026}} - \mathrm{CPI}^{2020}_{\text{Jan 2026}}\right) \cdot}{\left(\frac{1}{\mathrm{RF}}\right) \cdot \text{Base index}}$$

On implementation whereby the rescaling factor scales the base index according to equations (3.) and (4.), system limitations may arise in connection with the number of decimals (N) for which the scaled base index is specified: $\text{Round}[(1/\mathrm{RF}) \cdot \text{Base index}; \mathrm{N}]$. It is therefore important to ensure that any system limitations do not lead to departure from the price calculations that are obtained for the index factors in equations (1.) and (2.).