

'Significant risk' the krona will appreciate more than the economy can bear, Anders Borg warns

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Anders Borg, Sweden's former Finance Minister, warned there is a "significant risk" the krona will appreciate more than the economy can bear and is urging the central bank to intervene in such a scenario, Bloomberg [reports](#).

"I don't think we should allow the krona to strengthen that much from these levels," he told the newsbureau. The Riksbank should "add a downside risk to the krona by every now and then acting relatively forcefully on the currency market."

Anders Borg steered Sweden through Europe's debt crisis as head of the finance ministry for eight years through 2014, and was ranked by the Financial Times as Europe's [best](#) finance minister.

The Riksbank kept its main rate at minus 0.25 percent last week but extended its bond-purchase program.

The manufacturing purchasing managers' index for Sweden [rose](#) to 55.7 in April from 54.1 the previous month, surprising analysts.

Sweden's economy expanded by 1.1 per cent in the final three months of 2014, quarter on quarter.