

# Press Release

Zurich, 28 October 2021, 5.30 p.m.

## KOF Monetary Policy Communicator for the Euro Area

**The KOF MPC figure for 28 October 2021 is 0.19. At today's meeting, the ECB's Governing Council confirmed the need for an accommodative monetary policy stance.**

The Governing Council reiterated that favourable financing conditions can be maintained with a moderately lower pace of net asset purchases under the pandemic asset purchase programme compared to the second and third quarter of this year. The key ECB interest rates, purchases under the asset purchase programme as well as its forward guidance remain unchanged.

According to Eurostat, Euro area annual HICP inflation was 3.4% in September. The ECB expects inflation to continue rising this year and subsequently to decline in the course of next year. The main drivers of the inflation upswing are rising energy prices, a demand surplus related to the reopening of the economy and the reversal of the temporary VAT reduction in Germany. While these factors will ease in the course of 2022, inflation pressure will nonetheless last longer than originally expected.

### Recent Developments

Date	KOF MPC	RDF*
11 Mar 2021	0.14	-0.50
22 Apr 2021	-0.07	-0.50
10 Jun 2021	-0.34	-0.50
22 Jul 2021	0.24	-0.50
09 Sep 2021	0.39	-0.50
28 Oct 2021	0.19	-0.50

\*ECB Rate on the Deposit Facility

### KOF MPC and ECB Main Refinancing Rate

