

Press Release

Zurich, 25 January 2024, 5.30 pm

KOF Monetary Policy Communicator for the Euro Area

The KOF MPC figure for 25 January 2024 is 0.09. At today’s meeting, the ECB’s Governing Council decided to keep the three key ECB interest rates unchanged.

The ECB’s Governing Council expects inflation to ease further over the next months and has again decided to keep its three key interest rates unchanged. The Council communicated that, similarly to previous meetings, it intends to keep policy rates at restrictive levels as long as necessary.

Annual HICP inflation in the euro area has increased to 2.9% in December, in light of fiscal relief measures for high energy prices dropping out of the annual inflation rate. Overall however, the trend of disinflation continued. For example, food price inflation further decreased to 6.1% in December, while inflation excluding energy and food fell to 3.4%. Goods inflation came down to 2.5%, with services inflation staying stable at 4.0%. Domestic prices pressures have started to ease, despite remaining at elevated levels due to falling labour productivity and a strong wage growth. Most measures of longer-term inflation expectations currently stand at around 2%, with shorter-term measures having dropped markedly.

Recent Developments

Date	KOF MPC	MRF*
15 Jun 2023	0.06	4.00
27 Jul 2023	0.25	4.25
14 Sep 2023	0.09	4.50
26 Oct 2023	0.29	4.50
14 Dec 2023	0.00	4.50
25 Jan 2024	0.09	4.50

*ECB Main Refinancing Rate

KOF MPC and ECB Main Refinancing Rate

