

Press Release

Zurich, 20 October 2016, 5.30 p.m.

The KOF MPC figure for 20 October 2016 is 0.62. As communicated by the ECB, the recent uptick in inflation does not yet show signs of a convincing upward trend in underlying inflation.

According to Eurostat's flash estimate, euro area annual HICP inflation in September was 0.4%, up from 0.2% in August. This development reflected mainly a continued increase in energy prices, while the ECB sees no signs yet of a convincing upward trend in underlying inflation. Inflation rates are likely to pick up over the next couple of months, mainly due to base effects in the annual rate of change of energy prices. Inflation rates should increase further in 2017 and 2018. In December, the Governing Council will assess the new staff macroeconomic projections extending through to 2019 and the work of the Eurosystem committees on the options to ensure the smooth implementation of the purchase programme until March 2017, or beyond.

Current ECB holdings of securities for monetary policy purposes amount to 1,476bn euros (beginning of September: 1,366bn euros).

Recent Developments

Date	KOF MPC	MRF*
10 Mar 2016	-0.13	0.00
21 Apr 2016	0.24	0.00
02 Jun 2016	-0.30	0.00
21 Jul 2016	0.26	0.00
08 Sep 2016	0.13	0.00
20 Oct 2016	0.62	0.00
*ECB Main Refinancing Rate		

KOF MPC and ECB Main Refinancing Rate

