

Press Release

Zurich, 8 December 2016, 5.30 p.m.

The KOF MPC figure for 8 December 2016 is 0.5. As communicated by the ECB, there are no signs yet of a convincing upward trend in underlying inflation.

According to Eurostat's flash estimate, euro area annual HICP inflation in November was 0.6%, up from 0.4% in September. 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 increase at the turn of the year and should increase further in 2018 and 2019. Eurosystem staff macroeconomic projections foresee annual inflation at 0.2% in 2016, 1.3% in 2017, 1.5% in 2018 and 1.7% in 2019. Against this backdrop the ECB decided to continue net asset purchases after March 2017 at a monthly pace of €60 billion until the end of December 2017, or beyond, if necessary.

Current ECB holdings of securities for monetary policy purposes amount to 1,608bn euros (beginning of November: 1,531bn euros).

Recent Developments

Date	KOF MPC	MRF*
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
08 Dec 2016	0.50	0.00

*ECB Main Refinancing Rate

KOF MPC and ECB Main Refinancing Rate

