

# Press Release

Zurich, 19 January 2017, 5.30 p.m.

**The KOF MPC figure for 19 January 2017 is 0.68. As communicated by the ECB, there are no signs yet of a convincing upward trend in underlying inflation.**

At today's meeting the ECB Governing Council decided to keep all key ECB interest rates unchanged.

According to Eurostat, euro area annual HICP inflation was 1.1% in December, markedly up from 0.6% in November. This development reflected mainly a strong increase in annual energy inflation, while the ECB sees no signs yet of a convincing upward trend in underlying inflation. Headline inflation is expected to pick up further in the near term, largely reflecting movements in the annual rate of change of energy prices. However, measures of underlying inflation will rise only gradually over the medium term. The Governing Council communicated that it will continue to look through changes in inflation if judged to be transient. It also sees the need for a very substantial degree of monetary accommodation for inflation pressures to build up and support headline inflation in the medium term.

Current ECB holdings of securities for monetary policy purposes amount to 1,690bn euros (end of December: 1,654bn euros).

## Recent Developments

Date	KOF MPC	MRF*
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
19 Jan 2017	0.68	0.00

\*ECB Main Refinancing Rate

## KOF MPC and ECB Main Refinancing Rate

