

Press Release

Zurich, 27 April 2017, 5.30 p.m.

KOF Monetary Policy Communicator for the Euro Area

The KOF MPC figure for 27 April 2017 is 0.35. As communicated by the ECB, underlying inflation pressures have yet to show a convincing upward trend.

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

After reaching 2.0% in February 2017, euro area annual HICP inflation stood at 1.5% in March. This reflected mainly lower energy and unprocessed food price inflation, but also a decline in services price inflation. Headline inflation is likely to increase in April and thereafter to hover around current levels until the end of this year. At the same time, underlying inflation pressures continue to remain subdued and have yet to show a convincing upward trend. As communicated by the ECB, the ongoing volatility in headline inflation underlines the need to look through transient developments in HICP inflation. Against this backdrop the ECB confirmed that their net asset purchases, at the new monthly pace of 60bn euros, are intended to run until the end of December 2017, or beyond, if necessary.

Current ECB holdings of securities for monetary policy purposes amount to 1,933bn euros (beginning of March: 1,825bn euros).

Recent Developments

Date	KOF MPC	MRF*
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
09 Mar 2017	0.12	0.00
27 Apr 2017	0.35	0.00

*ECB Main Refinancing Rate

KOF MPC and ECB Main Refinancing Rate

