

<p>The Swiss National Bank conducts the country’s monetary policy as an independent central bank. It is obliged by Constitution and statute to act in accordance with the interests of the country as a whole. Its primary goal is to ensure price stability, while taking due account of economic developments.</p>	<p>Mandate</p>
<p>Price stability is an important condition for growth and prosperity. The SNB equates price stability with a rise in consumer prices of less than 2% per annum. Deflation – i.e. a sustained decrease in the price level – also breaches the objective of price stability.</p>	<p>Price stability</p>
<p>The SNB implements its monetary policy by steering the interest rate level on the money market. It sets the SNB policy rate and seeks to keep the secured short-term money market rates close to the SNB policy rate. In order to influence monetary policy conditions, the SNB also intervenes in the foreign exchange market, as necessary.</p>	<p>Implementation of monetary policy</p>
<p>The SNB is entrusted with the note-issuing privilege. It supplies the Swiss economy with banknotes that meet high standards with respect to quality and security. It is also charged by the Confederation with the task of coin distribution.</p>	<p>Cash supply and distribution</p>
<p>The SNB facilitates and secures the operation of cashless payment systems. To this end, it is involved in the Swiss Interbank Clearing (SIC) payment system. The payments are settled in the SIC system via sight deposit accounts held with the SNB.</p>	<p>Cashless payment transactions</p>
<p>The SNB manages the currency reserves, the most important component of its assets. It requires currency reserves to ensure that it has room for manoeuvre in its monetary policy at all times. The level of the currency reserves is largely dictated by the implementation of monetary policy.</p>	<p>Asset management</p>
<p>The SNB contributes to the stability of the financial system. It fulfils this mandate by analysing sources of risk to the financial system and identifying areas where action is needed. In addition, it helps to create and implement a regulatory framework for the financial sector, and oversees systemically important financial market infrastructures.</p>	<p>Financial system stability</p>
<p>The SNB participates in international monetary cooperation. To this end, it works in conjunction with the federal authorities. It participates in multilateral institutions, cooperates with the federal government in providing international monetary assistance, and works on a bilateral level with other central banks and authorities.</p>	<p>International monetary cooperation</p>
<p>The SNB acts as banker to the Confederation. It keeps accounts for and processes payments on behalf of the Confederation, issues money market debt register claims and bonds, handles the custody of securities and carries out foreign exchange transactions.</p>	<p>Banker to the Confederation</p>
<p>The SNB compiles statistical data on banks and financial markets, the balance of payments, direct investment, the international investment position and the Swiss financial accounts.</p>	<p>Statistics</p>