

Communications

P.O. Box, CH-8022 Zurich
Telephone +41 1 631 31 11
Telefax +41 1 631 39 10
www.snb.ch
snb@snb.ch

Zurich, 6 March 2003

Press release

Swiss National Bank lowers the target range for the three-month Libor rate by 0.5 percentage points to 0%–0.75%

With immediate effect, the Swiss National Bank is lowering its target range for the three-month Libor rate by 0.5 percentage points to 0%-0.75%. The temporary narrowing of the target range from 100 to 75 basis points brought about by this move is due to technical factors. For the time being, the National Bank intends to keep the three-month Libor rate at around 0.25%, i.e. at the lower end of the new target range.

The global economic and political uncertainties are persisting. This is adversely affecting the business climate in Switzerland and could delay the economic upturn that was expected to materialise in 2003. Given this difficult situation, the National Bank wishes to ward off a tightening of monetary conditions that would arise from an appreciation of the Swiss franc. The easing of monetary policy does not pose a threat to price stability in Switzerland.

As planned, the National Bank will present its detailed monetary policy assessment, including the inflation forecast, on Thursday, 20 March 2003.

Swiss National Bank