

# Interest rate forecast for companies

## UBS financing in the current CHF interest rate environment – October and November 2021

### Inflation risks remain manageable

Bottlenecks in global supply and production chains have led to an acceleration in inflation in recent months. At the beginning of October 2021, fears of a strong inflation trend caused 10-year Swiss interest rates to rise to their highest level since 2018. By historical standards, even these highs are nevertheless still at a very low level.

In the coming quarters, we expect oil prices to stabilize, bottlenecks to be resolved and inflation to level off again. If inflation normalizes, however, mortgage interest rates and government bond yields will have little upside potential. The SNB's negative interest rate policy prevents a further rise in Swiss interest rates, which are likely to remain low.

### Long-term CHF interest rate trend in %



Sources: Bloomberg, UBS Switzerland AG  
The effective interest rate of the product is calculated using the margin + compounded Saron of the accounting period. When calculating the interest rate, the compounded Saron can never be less than zero.

### CHF interest rate forecast in figures

	06/10/21	31/12/21	30/06/22	31/12/22	30/06/23
SARON	-0.71	-0.75	-0.75	-0.75	-0.74
Swap 3 years	-0.50	-0.59	-0.56	-0.52	-0.47
Swap 5 years	-0.29	-0.42	-0.30	-0.21	-0.15
Swap 10 years	0.13	0.00	0.13	0.21	0.29

Sources: Bloomberg, UBS Switzerland AG  
Please note that the stated interest rate is in part a forecast and the actual interest rate may be higher or lower.

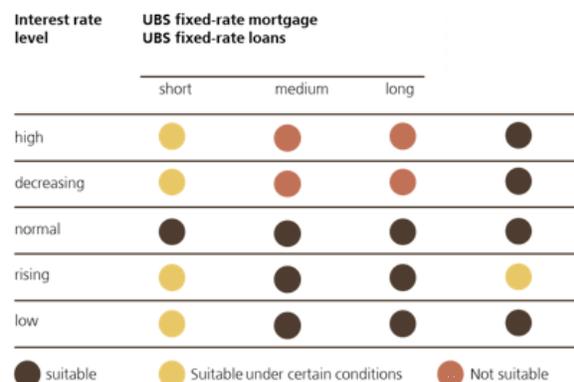
### The perfect real estate financing for every need

The type of financing has a significant effect on the profitability of your investment properties. We offer you tailor-made financing models and support you in optimizing your earnings through the whole life cycle of your properties.

- With a UBS fixed-rate Mortgage or a UBS fixed-rate Loan, we fix the capital, duration and interest rate in the long term. This makes calculating costs easy.
- If you are looking for highly flexible, short-term financing, we recommend UBS fixed advances, a UBS Floating Rate loan or a UBS SARON Flex Mortgage.

With an overall limit under UBS Real Estate financing, you have maximum flexibility for covering your financial needs thanks to a variety of loan usage options.

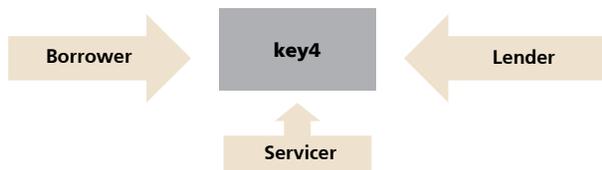
### UBS real estate financing offers attractive combination opportunities under any interest rate conditions



## key4

key4 is a platform for financing investment property, where borrowers and Swiss institutional investors searching for reliable long-term financing opportunities in the Swiss real estate sector can meet. Place just one request and you will receive multiple offers at the best possible conditions from the range of available products. The offers are easy to compare and the choice of investor is completely up to you.

Further information can be found at [key4.ch/en/borrowers](https://key4.ch/en/borrowers)



### Important information

- **Extended range of offerings at attractive conditions** results from having access to multiple investors.
- Free choice of financing from among the offers of the different lenders.
- **UBS quality and service you know and trust**, because all investors on the platform are UBS partners.
- **UBS and your client advisor remain your contact** until the term of the loan ends.
- **No hidden costs** and a clear, transparent fee structure.

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