

# Interest rate forecast for companies



Mortgages from UBS key4 mortgages in the current interest rate environment – February 2025

## Trump's policies give rise to volatility

Yields on Swiss government bonds and mortgage interest rates rose again in January after falling significantly last year. Robust data on the US economy has strengthened market expectations that the US Federal Reserve will cut its key interest rates only slightly or not at all this year. This has led to a considerable rise in US yields, and consequently also in Swiss yields.

In addition to the robust US data, the inauguration of the new US government also caused interest rates to rise. With his promise of lower taxes and new tariffs, Donald Trump stands for a trend toward higher interest rates. However, it is still difficult to predict how Trump will actually implement US tariffs. Widespread tariffs could plunge the global economy into a recession and bring about a fall in interest rates.

Donald Trump's trade policy will no doubt lead to more volatility on the bond market, but not herald a turnaround. We therefore expect yields on Swiss government bonds and mortgage interest rates to continue their sideways trend. Mortgage interest rates linked to SARON are likely to benefit from a further interest rate cut by the Swiss National Bank.

(Status as at 29 January 2025)

## 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 fixed-rate Mortgage or a fixed-rate from UBS key4 mortgages 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 key4 mortgages fixed advances, a UBS key4 mortgages Floating Rate loan or a UBS key4 mortgages saron flex mortgage.

## Long-term interest rate trend in %



Sources: Bloomberg, UBS Switzerland AG  
This is only an indicative interest rate. The effective interest rate is calculated using the margin + Compounded SARON of the accounting period. The Compounded SARON cannot be negative.

## Interest rate forecast in figures

	29.01.25	30.06.24	31.12.25	30.06.26	31.12.26
SARON	0.45	0.25	0.25	0.26	0.34
Swap 3 years	0.22	0.15	0.13	0.16	0.27
Swap 5 years	0.31	0.21	0.22	0.25	0.35
Swap 10 years	0.51	0.35	0.37	0.40	0.50

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.

## UBS key4 mortgages offer attractive combinations for all mortgage profiles under any interest rate conditions

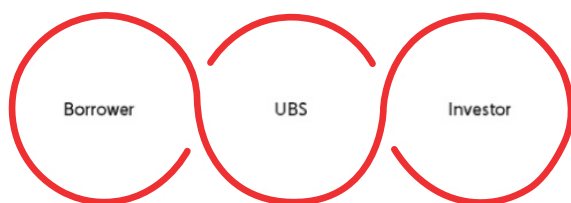
Interest rate level	UBS key4 fixed-rate mortgage			UBS key4 saron mortgage
	short	medium	long	
high	●	●	●	●
decreasing	●	●	●	●
normal	●	●	●	●
rising	●	●	●	●
low	●	●	●	●

● suitable    ● suitable under certain conditions    ● not suitable

With an overall limit under Real Estate financing von UBS key<sup>4</sup> mortgages, you have maximum flexibility for covering your financial needs thanks to a variety of loan usage options.

## What you can expect from UBS key<sup>4</sup> mortgages




[UBS key<sup>4</sup> mortgages](#) 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.



- ✓ Always at your side  
We assess and broker requests and take care of the entire administration.
- ✓ Several offers  
With one request you will receive several attractive offers.
- ✓ Transparent costs  
There are no hidden costs. You only pay fees if you take out a mortgage.

UBS Switzerland AG  
Platforms UBS key<sup>4</sup> mortgages  
P.O. Box  
8098 Zurich

## For all your questions

-  [key4.ch](https://key4.ch)
-  [sh-key4-ipre@ubs.ch](mailto:sh-key4-ipre@ubs.ch)
-  0844 003 399