

# Interest rate forecast for companies



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

## Newest SNB interest rate cut expected to be the last

Yields on Swiss government bonds and mortgage interest rates rose sharply at the beginning of March following the new German government's announcement of a major fiscal package for the next ten years and a significant easing of the debt brake. This led to a sharp rise in German yields, which also pushed up Swiss interest rates.

Fiscal support could slightly improve the economic outlook in Europe, which would also justify higher interest rates in Switzerland. However, we find the sharp increase in interest rates at the beginning of March exaggerated. This is especially the case in Switzerland, where future government debt has not increased, in contrast to Germany, and the risk premium on government bonds therefore remains low.

The Swiss National Bank's (SNB) monetary policy assessment almost went unnoticed. The SNB has lowered its key interest rates again due to low inflation in Switzerland and the economic risks in the eurozone. Given the low interest rate level of 0.25%, this is likely to be the SNB's last interest rate cut in this cycle.

Yields on Swiss government bonds and mortgage interest rates will probably settle at a lower level than today, but will not return to the lows seen last December. Mortgage interest rates linked to SARON are likely to remain at the current level.

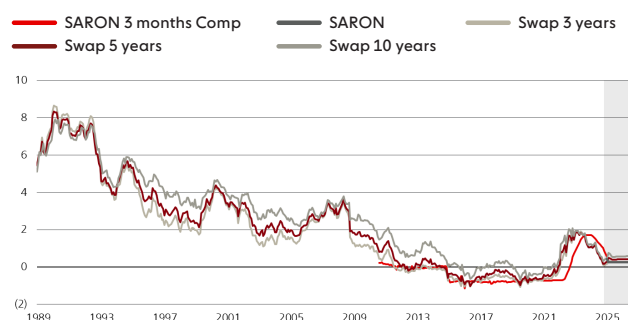
(Status as per 20 March 2025)

## 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

	31.03.25	30.06.25	31.12.25	30.06.26	31.12.26
SARON	0.25	0.25	0.25	0.25	0.31
Swap 3 years	0.34	0.23	0.25	0.27	0.34
Swap 5 years	0.48	0.40	0.41	0.42	0.49
Swap 10 years	0.75	0.54	0.56	0.58	0.65

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

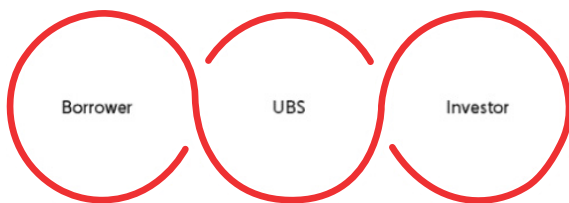
Interest rate level	UBS key4 fixed-rate mortgage			UBS key4 saron mortgage
	short	medium	long	
high	●	●	●	●
decreasing	●	●	●	●
normal	●	●	●	●
rising	●	●	●	●
low	●	●	●	●

● 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.

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## For all your questions

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