

Jean-Pierre Roth: The economic situation – la vie en rose?

Summary of a speech by Mr Jean-Pierre Roth, Chairman of the Governing Board of the Swiss National Bank and Chairman of the Board of Directors of the Bank for International Settlements, at a meeting with representatives of Ticino industry, Centro di studi bancari, Vezia, 28 November 2006.

The complete speech can be found in French on the Swiss National Bank's website (www.snb.ch).

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It is true that our exports continue to benefit from a buoyant global economy, that areas of concern such as the volatility of oil prices or the possibility of a significant and lasting downturn in the US economy have partially receded, and that the current economic recovery has led to an improvement in the labour market without endangering price stability. Is this la vie en rose (living life through rose-tinted spectacles)?

A brief outline of the situation in the national and international economies is given, indicating that the overall perspective remains favourable. It concludes with a concise evaluation of the risks, showing that the current euphoria may conceal significant risks that we must not lose sight of.