

Jean-Pierre Roth: Fifteen months of financial crisis – a status report

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 the Associazione Bancaria Ticinese, Centro di Studi Bancari, Vezia, 3 December 2008.

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

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The financial crisis broke out a little over fifteen months ago. The magnitude of the turmoil experienced by the financial industry has been greater than all the forecasts. So far, our entire attention has been focused on the problems of the financial industry, while the real economy appeared to be passing through this difficult period without too many problems. We now realise that this view was deceptive: the situation in the non-financial sector is deteriorating substantially. This could lead to new challenges in 2009. After having benefitted extensively from the international expansion of the past few years, we are currently experiencing the consequences of a widespread recession. This situation is difficult for our country, but we may be better placed than others for coping with it.