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ECB SHOULD BE CAUTIOUS AFTER TWO INTEREST RATE HIKES

As expected, the European Central Bank (ECB) today raised its key interest rate from 2.25% to 2.5%.

UNICE, representing the European business community, considers that the current monetary policy stance remains broadly appropriate and still provides supportive financing conditions for investment, but urges ECB to be cautious in future policy decisions. UNICE's forthcoming Spring Economic Outlook (to be released on 13 March) will show that the momentum of the ongoing recovery is fragile and that inflationary pressures should remain contained over the next two years.

NOTE TO THE EDITOR

UNICE is the voice of more than 20 million small, medium and large companies. Active in European affairs since 1958, UNICE's members are 39 central industrial and employers' federations from 33 countries, working together to achieve growth and competitiveness in Europe.

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