

**SNB (Swiss-National-Bank) Fight on avoiding
a CHF (Swiss-Franc) appreciation
and for a CHF depreciation**

Master Thesis

In

Banking & Finance

At

**Swiss Banking Institute
University of Zurich**

With

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SNB (Swiss-National-Bank) Fight on avoiding a CHF (Swiss-Franc) appreciation and for a CHF depreciation

April 2011

Abstract

In this paper we evaluate the Swiss-Franc (CHF) exchange rate movements during the Years of 2003 till 2011. We give an insight in the Swiss Economy and the tasks of the SNB (Swiss-National-Bank). This will equip us with the instruments and goals of the SNB. We use the "Uncovered Interest Rate Parity" model in our theoretical part to conclude that movements were a reversal to the mean and are therefore economically reasonable. Still this result is a contrast to the economical assessment of the SNB. We study further the "Purchasing Power Parity" to show the contrast in results we get to those from before. We examine what the circumstances were for a correction. That implies taking a look at the various crises of the past years, such as the Global-Financial - and Euro Crisis. We conclude that all crises were the extension of just one core crisis. An interesting insight we also find is that the great volatility shocks that occurred during these crises had nearly no influence on our model. At last we critically access the SNB actions and give an outlook for the near future.