Interest rate forecast for PostFinance Ltd mortgages

In brief: What the latest SNB decision from 19.3.2026 means

Data valid as at: 19.3.2026 | Editorial deadline: 19.3.2026

- The Swiss National Bank (SNB) is maintaining its zero interest rate. There are no signs of a more restrictive path, given the difficult economic environment.
- Saron mortgages continue to provide inexpensive financing in this environment.
- Fixed-rate mortgages also offer attractive conditions due to low capital market interest rates.

Current economic situation in Switzerland

After a significant setback in the third quarter of 2025, the Swiss economy grew slightly again by 0.2 percent towards the end of the year. However, the economic environment remains challenging. The export sector continues to be hit by US trade tariffs and weak demand from major trading partners such as Germany. Although export volumes have now levelled off, they are lower than the average for 2024 or at the start of 2025. The recent significant appreciation of the Swiss franc, which is making Swiss goods more expensive on the international market, is exacerbating the situation.

In addition, weak sales are gradually having an impact on the labour market. The unemployment rate rose significantly towards the end of last year. This means there is a risk that the weakness in the export sector will spread and may increasingly spill over into the domestic economy. The significant slump in retail sales in January 2026 may not yet indicate sustained weakness in consumption, but it is an initial warning sign.

However, in its monetary policy assessment of 19 March 2026, the Swiss National Bank (SNB) decided to leave the policy rate at zero percent. Besides the aim to avoid negative interest rates, this is likely also due to the fact that no action was required on the inflation front. Switzerland is one of the few western currency areas where price stability prevails in the long term. The inflation rate has barely changed over recent months and currently stands at 0.1 percent. While there is still a danger of slipping into negative territory – and, in turn, outside the SNB's target range – this risk has not increased.

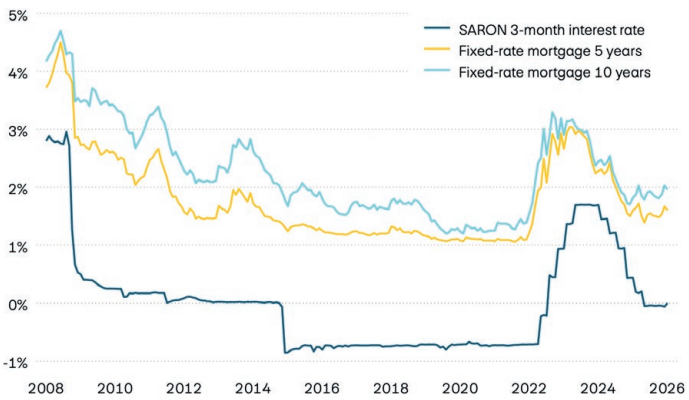
Our interest rate forecast at a glance

Forecast for	3 mths	6 mths	12 mths
Saron	→	→	→
5-year fixed-rate mortgage	→	→	→
7-year fixed-rate mortgage	→	→	→
10-year fixed-rate mortgage	→	→	→

The pressure on the Swiss National Bank's (SNB) interest rate decisions tends to be downwards. However, the fact that it has not eased monetary policy again despite the worsening economic environment shows that it wants to avoid negative interest rates if possible. This means the policy rate environment looks set to remain stable for the time being. This expectation of a continued low interest rate policy is also reflected in Swiss capital market interest rates, which are at a low level. In light of this, no major fluctuations are expected for medium and long-term mortgages.

→ Interest rates moving less than 0.25%
↗ Interest rates rising between 0.25% and 0.49%
↑ Interest rates rising 0.50% or more
↘ Interest rates falling between 0.25% and 0.49%
↓ Interest rates falling 0.50% or more

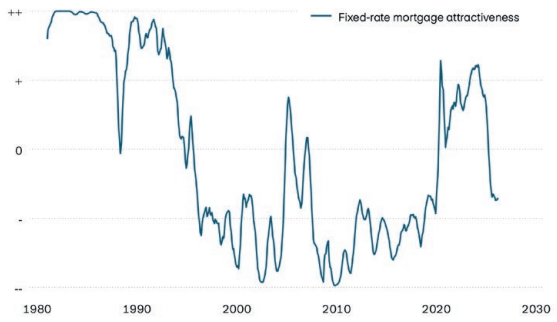
How are mortgage rates developing in Switzerland?



Source: SIX, figures up to and including December 2021 based on Libor and from January 2022 on Saron.

Just over three years ago, mortgage interest rates in Switzerland were still well above the current level and briefly exceeded the 3 percent mark. This was triggered by the more restrictive monetary policy pursued by the Swiss National Bank (SNB), which raised its policy rate to 1.75 percent in the wake of high inflation after the coronavirus pandemic. Inflation has now eased significantly. This means monetary policy has returned to a low interest rate environment. It has led to significantly lower mortgage interest rates, even though they have not fallen to the same extent since the end of 2024, despite further policy rate cuts. As we don't currently expect any change in monetary policy, we anticipate that mortgage rates in Switzerland will generally move sideways over the coming 12 months. We also expect stable performance for the 3-month Saron. Accordingly, the SNB is likely to leave its policy rate unchanged in the next monetary policy assessment on 18 June 2026.

Fixed-rate mortgage or Saron mortgage?

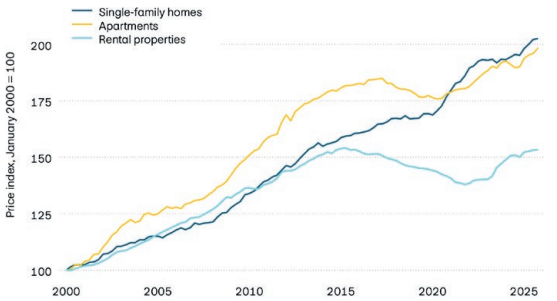


Attractiveness of fixed-rate mortgages

Saron mortgages are currently still more attractive than fixed-rate mortgages. This is also reflected by the low level of PostFinance's fixed-rate mortgage attractiveness index, which tracks the trends on the Swiss mortgage market. We expect Saron mortgages to remain broadly stable over the coming months. For fixed-rate mortgages with medium and longer terms, we currently expect mortgage interest rates to trend sideways. Overall, we don't expect any major changes in interest rate movements or mortgage financing costs in the short term.

Attractiveness of fixed-rate mortgages 1980 – 2026.
Source: PostFinance Ltd, SNB, SIX, Web Financial Group, SECO, KOF

How are property prices developing in Switzerland?



Single-family homes and condominiums

Prices for owner-occupied apartments rose sharply in the past quarter. By contrast, single-family home prices have barely changed compared with the previous quarter, after previously having recorded significantly higher growth rates. This may indicate that single-family homes have now reached such a high price level that owner-occupied apartments are considered a more affordable alternative for many buyers. Looking back over 2025 as a whole, residential property prices remain strong. Both owner-occupied apartments and single-family homes may have benefited from the generally low capital market interest rates. As in the previous two quarters, the price trend for rental apartments was again only slightly positive. The fall in the reference interest rate in September, which took effect in December, is likely to gradually have an impact on this.

Source: SFSO

Swiss economic data

Indicators	Q2 2025	Q3 2025	Q4 2025	2024	2025	2026
GDP growth	1.4%	0.6%	0.7%	1.3%	1.0%	1.0%
Inflation	0.0%	0.2%	0.1%	1.1%	0.2%	0.6%
Unemployment	2.7%	2.8%	3.0%	2.5%	2.8%	3.2%
Net immigration (number of people)	16 000	17 000	27 000	83 000	75 000	65 000
EUR/CHF exchange rate	0.94	0.93	0.94	0.95	0.94	0.91

Source: Bloomberg, Allfunds Tech Solutions, BfS

Terms

Inflation/inflation rates: Inflation is the sustained rise in the general price level for goods and services in an economy over a particular period of time. When the price level rises, the purchasing power of money falls, i.e. fewer goods and services can be bought with the same amount of money as before.

Capital market interest rates: Capital market interest rates have a term of over one year. They play a decisive role in the cost of long-term financing.

Policy rates: Policy rates are interest rates set by central banks and are key monetary policy instruments. Policy rates determine the interest rate at which commercial banks can borrow liquidity from central banks. As a result, most short-term interest rates in an economy fluctuate with policy rates.

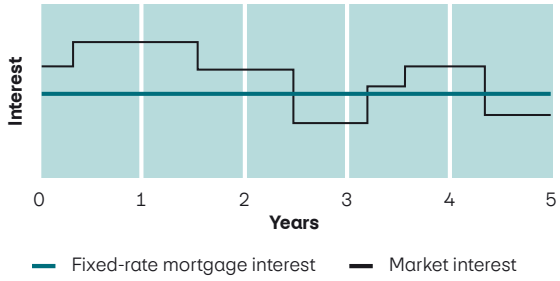
Domestic economy: The domestic economy refers to all economic activity within a country or economic area. It is an important indicator of how strongly an economy is growing in its own right, regardless of the global economy.

Which mortgage is best suited to which interest rate situation?

At PostFinance, you'll find the ideal financing solution for your property.
A mortgage with a fixed rate or one where you can decide on the level of risk and security for yourself?
We offer individual solutions to finance the purchase of your own home.

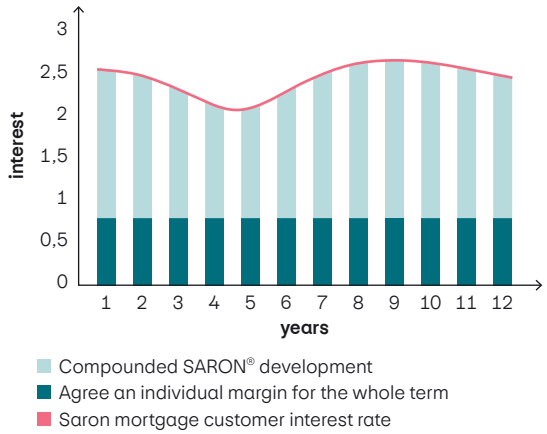
What our experts say
No major fluctuations are expected for medium and long-term mortgages – looking at the full year 2025, residential property prices remain strong.

Term and interest rate



FAQ: How are Saron mortgages developing?
We expect Saron mortgages to remain broadly stable over the coming months.

Term and interest rate



Interested in real estate as an investment opportunity? In our investment compass under "Market overview", you will find an analysis of the current situation on the Swiss real estate market.

→ Create a mortgage quotation now

Do you have any questions?
Our specialists will be happy to help you.
You can also reach us by telephone on +41 58 448 14 14 or online at postfinance.ch/mortgage.

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