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Termination of credit agreement for liquidity assistance with federal default guarantee (PLB)

The Swiss National Bank has decided, at the request of UBS and in consultation with the Federal Department of Finance, to terminate as of 11 August 2023 the credit facility agreement between the SNB and Credit Suisse for drawing the liquidity assistance loan with a federal default guarantee (PLB).

At the same time, UBS has announced the repayment in full by Credit Suisse of the liquidity assistance drawn under ELA+ as of 10 August 2023. This facility, like the PLB, was set up based on the Federal Council's Emergency Ordinance of 16 March 2023.

The SNB welcomes the fact that the liquidity assistance under the PLB and ELA+ has been repaid in full.

The targeted measures taken by the federal government, FINMA and the SNB to support the acquisition of Credit Suisse by UBS in March 2023 were necessary due to the acute crisis of confidence at Credit Suisse. The SNB's provision of ample liquidity assistance in Swiss francs and foreign currencies ensured that the acquisition of Credit Suisse by UBS was possible. The SNB's liquidity assistance reached a maximum of CHF 168 billion and allowed the two banks to continue to have access to the necessary liquidity after the acquisition. With the acquisition of Credit Suisse by UBS, a solution was found to secure financial stability and protect the Swiss economy in this exceptional situation.