

# Negative Interest Rate Policy and the Influence of Macroeconomic News on Yields

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## Abstract

We consider the influence of domestic and US macroeconomic news surprises on daily bond yields over the January 1999 to January 2018 period for four advanced Negative Interest Rate Policy (NIRP) economies – Germany, Japan, Sweden, and Switzerland. Our results suggest that the influence of macroeconomic news surprises is for all four countries under study during the NIRP period non-existent or noticeably weaker than during the preceding Zero Interest Rate Policy (ZIRP) period. Our results are consistent with the suggestion that NIRP is characterized by a lower bound that is no less constraining than the zero lower bound that characterizes ZIRP.

**Keywords:** NIRP; Bond Yields; Macroeconomic News

**JEL classification:** E43, E52, E58

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