FOREX FOCUS: Time To Count Those Swiss Bank Accounts

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-- Swiss policy more in hands of rich account holders now

-- Euro-zone rich move in as MENA potentates move out

-- Strong Swiss franc keeping imported inflation at bay for now

LONDON (Dow Jones)--Swiss policy is probably more at the mercy of foreign potentates and billionaires now than ever before.

The Swiss National Bank may suggest it is in charge and even the Swiss government would like to think it has some control given new measures to cap the Swiss franc's rise.

But the path of Swiss interest rates, and the performance of the franc itself, will probably depend more on just where the rich want to squirrel their money away than anything else.

Fears were that those much-prized Swiss bank accounts would lose their appeal as the Swiss authorities started to unravel their secrecy laws under pressure from the U.S. last year.

After all, the Swiss franc has been driven steadily higher since 2008, fed by a rise in Swiss savings deposits to CHF240 billion from CHF160 billion, according to data published by BNP Paribas.

Some analysts reckon the continued twists and turns of the euro-zone debt crisis could well help to keep the franc on the rise.

With the risk of sovereign-debt default still failing to go away and with Ireland now threatening to withdraw its sovereign guarantees from bank bonds, more and more of the European rich will be looking for an alternative to their euro-denominated assets.

And where is the obvious place if they want to leave the euro zone but not Europe? Good old, reliable old Switzerland.

However, not all the rich might be quite so comfortable giving their money to the gnomes of Zurich.

In fact, over the last few weeks, while the streets of many Middle East and North African nations have been given over to rioting and leaders of Egypt and Tunisia have been forced from power, the franc has failed to rise.

This could be because many of the foreign potentates of the MENA region, known for diverting funds into Swiss bank accounts, have been rapidly closing their accounts now that the Swiss authorities have made it clear that their funds could be sequestered if found to be obtained illegally.

After watching the swift removal of Tunisian President Zine al-Abidine Ben Ali and the freezing of his family's assets, it would be a very unwise leader still planning for a future in power.

There is also third possible investment flow that might help to dictate the franc's direction. This could come from the Swiss investors themselves, if they start to worry about the destabilizing influence that inflation pressures start to have on the economy.

SNB chairman Philipp Hildebrand warned about just this in an interview this week, suggesting the central bank will be forced to raise interest rates.

But the timing of any such rate move could depend not only on the ability of the Swiss economy to recover more rapidly from its recent slump but also on the strength of the franc itself, which for the moment is helping to shield Switzerland from inflation pressures coming from abroad.

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