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Press Release

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KOF Economic Barometer: Falls Back to its April Standing

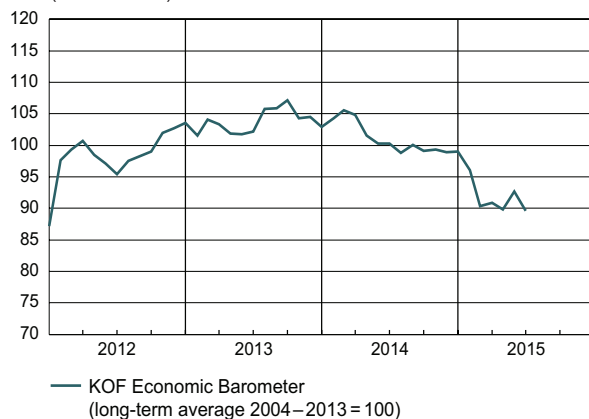
In June 2015, the KOF Economic Barometer has dipped to 89.7 points, compared to the previous month (revised from 93.1 to 92.7) the decrease amounts to 3 points. The interim rise of the Barometer in May has vanished again. Hence, the perspectives for the Swiss economy, according to the Barometer, have become more negative for the coming months.

In June 2015, the Economic Barometer has dropped to its lowest reading since December 2011, when it stood at 87.2 points. After the increase in the last month was largely driven by the improved sentiment in the industry, the renewed decline of the Economic Barometer is now mainly due to a negative development of the indicators in the industrial sector. In this case, the negative sentiment runs through virtually all sub-categories. The largest negative contribution came from the metal and wood sector.

The construction industry, however, seems to recover somewhat; in particular indicators related to the architectural business contribute positively to the overall indicator. A negative contribution comes from the indicators of the financial sector. The indicators that cover foreign demand likewise contribute negatively to the Barometer. This holds particularly true for industry sentiment indicators in the European environment. The consumption indicators neither provide significant positive nor negative contributions.

KOF Economic Barometer

(Index values)



Values for the past months

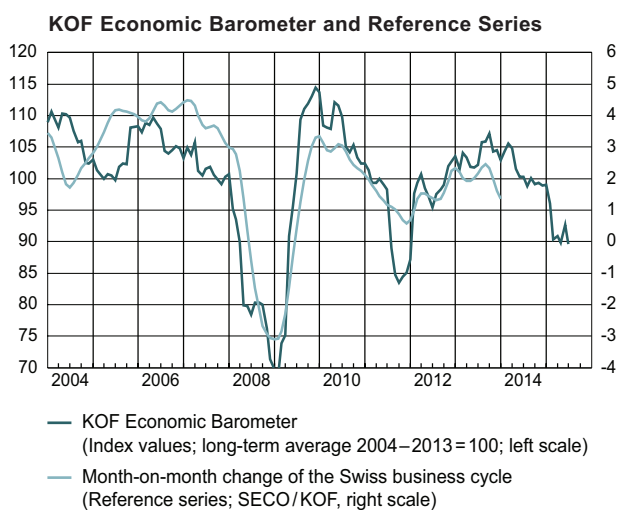
Current level/Level a month ago

2014-06	100.3	100.3
2014-07	98.8	98.8
2014-08	100.1	100.1
2014-09	99.2	99.2
2014-10	99.4	99.4
2014-11	98.9	98.9
2014-12	99.0	99.0
2015-01	96.1	96.1
2015-02	90.3	90.3
2015-03	90.9	90.9
2015-04	89.8	89.8
2015-05	92.7	93.1
2015-06	89.7	

It turns out that in June, broken down by business-related categories in the industry sector, the orders have particularly suffered. Their decline is largely responsible for the renewed fall of the Barometer. The indicators that are related to production and pre-production have also deteriorated.

KOF Economic Barometer and Reference Series

The KOF Economic Barometer is a composite leading indicator for the Swiss economy. The latest version comprises 217 indicator variables, which are combined based on statistically determined weights. The indicator variable selection and their weights are updated annually after the release of the previous year's annual Gross Domestic Product (GDP) data by the Swiss Federal Statistical Office. Last year's revision took place in October. Our new reference series is the smoothed continuous growth rate of Swiss GDP according to the new System of National Accounts ESGV 2010, released at the end of September 2014.



For detailed information on the KOF Economic Barometer and on the October 2014 revision, see:
<http://www.kof.ethz.ch/en/indicators/economic-barometer/>

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