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Press Release

Zurich, 30 September 2015, 9.00 a.m.

KOF Economic Barometer: Stabilisation Confirmed

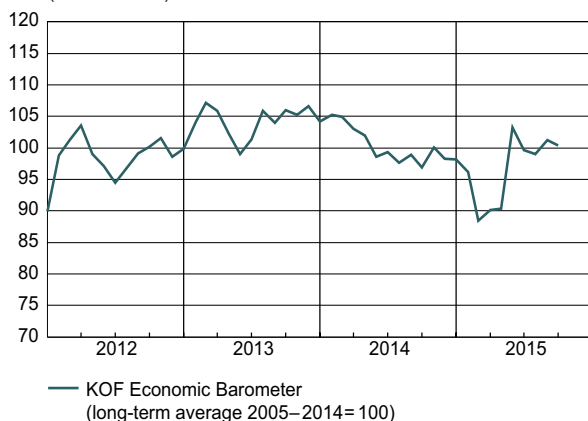
The KOF Economic Barometer, with a current reading of 100.4, showed a minor decrease of 0.8 points in September 2015 (from revised 101.2 in August). The Barometer continues to hover just slightly above its long-term mean value. The outlook for the Swiss economy remains unchanged since the previous release of the KOF Economic Barometer in August.

In September 2015, with a new reading of 100.4 points, the KOF Economic Barometer stays just above its long-term mean value. Overall, slightly positive tendencies in the international environment are counterbalanced by slightly negative developments primarily in the manufacturing as well as construction sectors. With the indicators capturing tendencies in domestic consumption and banking sector stabilising at their previous readings, the overall result is a minor decrease in the Barometer.

Within the manufacturing sector, the outlook improved in the metal, mechanical engineering as well as in the paper industry. Slightly negative tendencies are observed in chemical, food- and wood-processing, textile as well as special industries. With the outlook in the electrical industry remaining stable, the manufacturing sector as a whole exerts a dampening effect on the dynamics

KOF Economic Barometer

(Index values)



Values for the past months

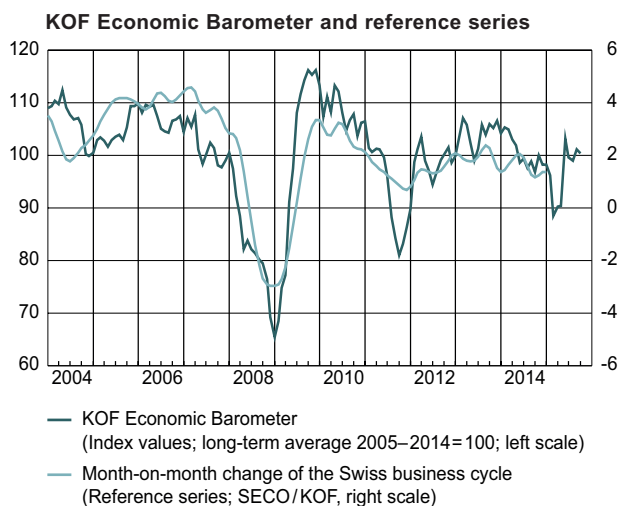
Current level/Level a month ago

2014-09	96.9	99.1
2014-10	100.0	99.4
2014-11	98.3	98.9
2014-12	98.2	99.0
2015-01	96.2	96.1
2015-02	88.5	90.3
2015-03	90.2	90.9
2015-04	90.4	89.8
2015-05	103.2	92.7
2015-06	99.6	89.8
2015-07	99.0	100.4
2015-08	101.2	100.7
2015-09	100.4	

of the Barometer. The deterioration of sentiment in manufacturing is reflected in the assessment of employment, production, business climate as well as intermediary goods. A small positive impulse comes from indicators related to the assessment of inventories.

KOF Economic Barometer and reference time series: annual update

In September 2015, the scheduled annual update of the KOF Economic Barometer took place. This annual update concerns the following stages: redefinition of the pool of indicators that enter the selection procedure, update of the reference time series, a new execution of the variable selection procedure and a technical adjustment how to cope with missing monthly values of quarterly variables. Compared to 479 indicators that entered the variable selection procedure in October 2014, the current pool comprises 420 indicators due to elimination of KOF surveys related to prices and monthly changes in inventories. The updated reference series is the smoothed continuous growth rate of Swiss GDP according to the new System of National Accounts ESVG 2010, released at the end of August 2015, which takes into account the release of the previous year's annual Gross Domestic Product (GDP) data by the Swiss Federal Statistical Office. As a result of the indicator variable selection procedure, the updated KOF Economic Barometer is now based on 238 indicators (instead of 217 as in the previous vintage) that are combined using statistically determined weights. Last but not least, with this annual update we introduce a slight modification of how the variables observed at only the quarterly frequency are treated when computing the Barometer. Instead of freezing those values until the next quarterly release is available, we now implement a statistical procedure to interpolate data values for these variables using the information contained in all other variables that are available at monthly frequency.



For detailed information on the new version of the KOF Economic Barometer see:

<http://www.kof.ethz.ch/en/indicators/economic-barometer/>

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