

Media Release

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Results of the KOF Business Tendency Surveys from July 2015

KOF Business Situation Indicator Stabilises at a Lower Level

In July, the assessment by Swiss businesses of their business situation changed only slightly compared to the previous month. This means that the indicator has remained at a low level since May. This is shown by the KOF Business Tendency Surveys from July, which were completed by more than 8,000 businesses in Switzerland. Whilst the Swiss economy has not by any means yet digested the franc shock, for the moment it has at least made a start.

Development according to economic sector

The practically unchanged business situation in the Swiss private sector masks countervailing trends within individual economic sectors. The business situation in the manufacturing sector, the retail sector and the hotel and catering sector in July 2015 was no longer as unfavourable as previously. In the construction sector it has even improved compared to the previous month. By contrast, the good business situation in the project engineering sector and of financial and other service providers has worsened. In addition, the business situation has deteriorated significantly for wholesalers. Compared with the situation at the start of the year – before the franc's exchange rate floor was removed – only financial companies have been able to improve their position. In particular the manufacturing sector, retailers and wholesalers have reported a significant deterioration of business compared to the start of 2015.

Business situation according to region

From a regional perspective, the business situation developed unevenly in July. The business situation improved compared to the previous month in Ticino – which however continues to report the most unfavourable assessment of all regions – Central Switzerland and the Zurich Region. The situation hardly changed in Espace Mittelland. By contrast, the business situation worsened in the Lake Geneva Region, East Switzerland and North-West Switzerland. The situation has chilled since the start of the year in particular in East Switzerland and North-West Switzerland. However, the reverses from the situation at the start of the year in the Lake Geneva Region and Zurich are also striking. Nonetheless, the situation remains largely good in particular in Espace Mittelland, Central Switzerland and the Zurich Region.

The results of the current KOF Business Tendency Surveys from July 2015 incorporate the answers provided by more than 4,500 businesses from industry, construction and the major service sectors. This corresponds to a response rate of around 56%.

More detailed results concerning the KOF Business Tendency Surveys are available at:

<http://www.kof.ethz.ch/en/media/press-releases/k/business-tendency-surveys/>

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