

Press Release

Zurich, 29 September 2017, 9.00 a.m.

KOF Economic Barometer: Outlook for the Swiss Economy Remains Favourable

In September 2017, the KOF Economic Barometer increases by 1.6 points. It thus partially reverses its previous month's decline. With a new reading of 105.8, the Barometer still points to a level clearly above its long-term average. This indicates that the outlook remains favourable - the Swiss economy should continue to grow at above average rates in the near future.

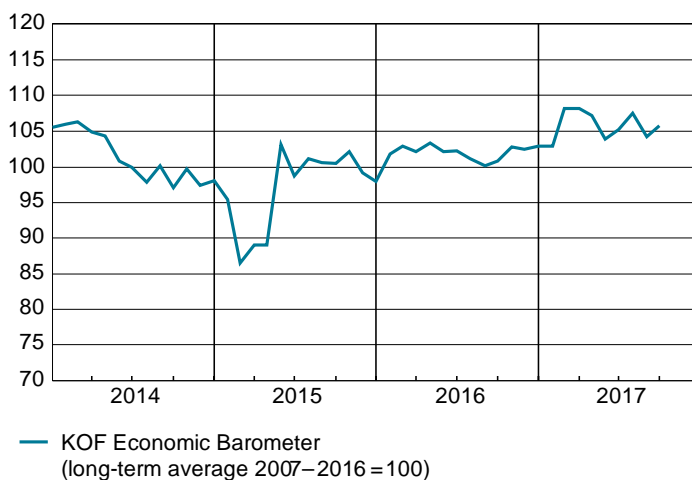
In September 2017, the KOF Economic Barometer increases compared to the previous month (revised from 104.1 to 104.2) by 1.6 points to a level of 105.8. Accordingly, it partially reverses its decline in August. The Barometer still stands markedly above its long-term average. It thus indicates a continuation of growth with rates above average, even though the last few months do not reveal any clear up- or downward trend.

The strongest positive contributions come from the manufacturing sector. The indicators relating to the hotel and catering industry also show a slight upward tendency. At the same time, the outlook for domestic consumption, the export industry, the financial sector and construction has deteriorated somewhat.

Within the manufacturing industry, the positive overall outlook can be attributed to somewhat diverging signals. An improving sentiment is mainly visible in the electronic, wood processing, chemical and metal industries. Slightly negative signals, on the other hand, come from the paper industry and from machine manufacturers. The remaining industry branches recorded hardly any change.

KOF Economic Barometer

(Index values)



Values for the past months

Current level / Level a month ago

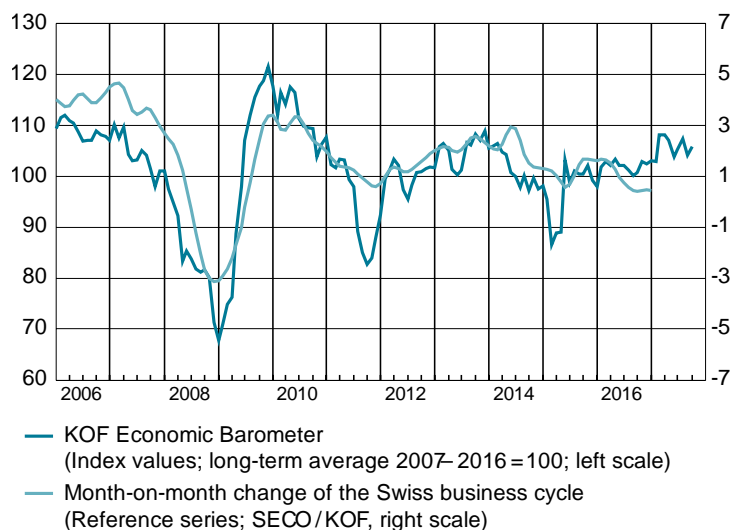
2016m9	100,8	101,6
2016m10	102,8	103,8
2016m11	102,5	102,3
2016m12	103,0	102,4
2017m1	102,9	102,1
2017m2	108,2	106,8
2017m3	108,2	107,1
2017m4	107,2	106,3
2017m5	103,9	101,9
2017m6	105,2	105,8
2017m7	107,5	108,0
2017m8	104,2	104,1
2017m9	105,8	

The manufacturing businesses assess the incoming orders more favourably than before. Additionally, the slightly more optimistic assessment of the domestic firms' competitiveness suggests that the recent depreciation of the Swiss franc has started to alleviate the pressure.

KOF Economic Barometer and reference time series: annual update

In September 2017, the scheduled annual update of the KOF Economic Barometer took place. The annual update of the Barometer concerns the following steps: redefinition of the pool of indicators that enter the selection procedure, update of the reference time series and renewed execution of the variable selection procedure. The updated reference series is the smoothed continuous growth rate of the Swiss Gross Domestic Product (GDP) according to the new System of National Accounts ESVG 2010, released in early September 2017, which takes into account the release of the previous year's annual 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 273 indicators (instead of 272 as in the previous vintage) from a pool of almost 500 potential indicator series. They are combined using statistically determined weights.

KOF Economic Barometer and Reference Series



More detailed information regarding the KOF Economic Barometer:

www.kof.ethz.ch/en/forecasts-and-indicators/indicators/kof-economic-barometer.html/ →

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