

# Press Release

Zurich, 29 March 2018, 9.00 a.m.

## KOF Economic Barometer is Falling

**In March 2018, the KOF Economic Barometer fell by 2.4 points to a new reading of 106.0. Notwithstanding this decline, the present position is still on a level clearly above its long-term average. This indicates that in the near future the Swiss economy should continue to grow at rates above average.**

In March 2018, the KOF Economic Barometer fell from 108.4 in the previous month (revised up from 108.0) by 2.4 points to a level of 106.0. This drop of the barometer more than corrected its rise in February. From a longer-term perspective, whilst the barometer is quite volatile at the right margin, it is moving in a range clearly above average since autumn 2016.

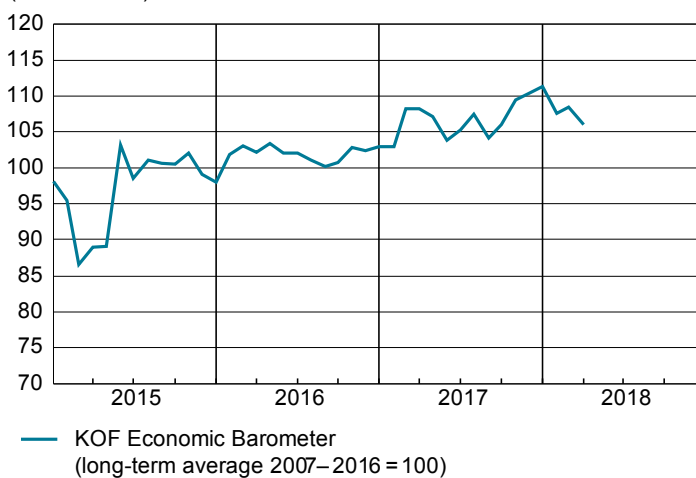
The strongest negative contributions to this result come from manufacturing, followed by the indicators from the exporting industry. On the other hand, the indicators from the financial sector, from the hospitality industry and those relating to domestic private consumption have remained practically unchanged.

Within the manufacturing industry, the clearly negative total outlook can be attributed to rather different branches. Noticeably negative signals came from the metal industry, followed by the wood, textile and food processing industries. An improving sentiment is only visible in the electrical industry. The remaining industry branches recorded hardly any change.

The overall deterioration of sentiment in the manufacturing industry is mainly driven by more pessimistic assessments of the overall business situation and production. On the other hand, the assessment of firm's inventories slightly improved.

### KOF Economic Barometer

(Index values)



### Values for the past months

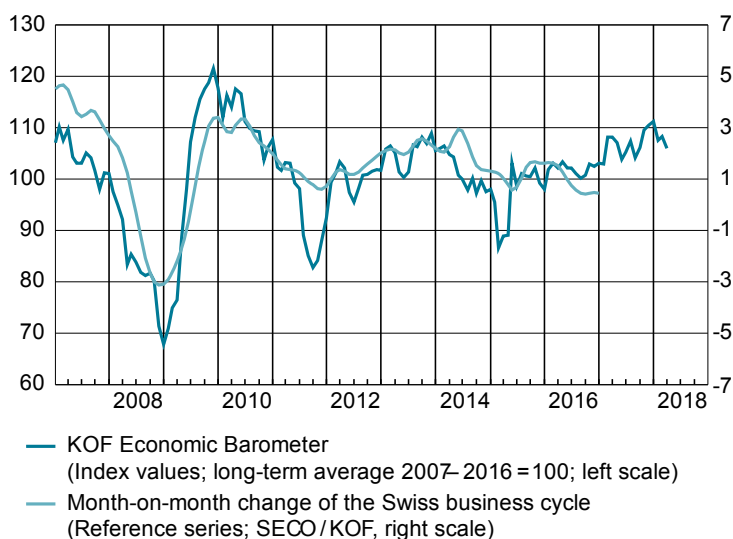
Current level / Level a month ago

2017m3	108,2	108,2
2017m4	107,2	107,2
2017m5	103,9	103,9
2017m6	105,2	105,2
2017m7	107,5	107,5
2017m8	104,2	104,2
2017m9	106,1	106,1
2017m10	109,5	109,4
2017m11	110,4	110,4
2017m12	111,3	111,3
2018m1	107,6	106,6
2018m2	108,4	108,0
2018m3	106,0	

### 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/](http://www.kof.ethz.ch/en/forecasts-and-indicators/indicators/kof-economic-barometer.html/) →

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