

Press Release

Zurich, 30 April 2020, 9:00 a.m.

KOF Economic Barometer: Historical Decline

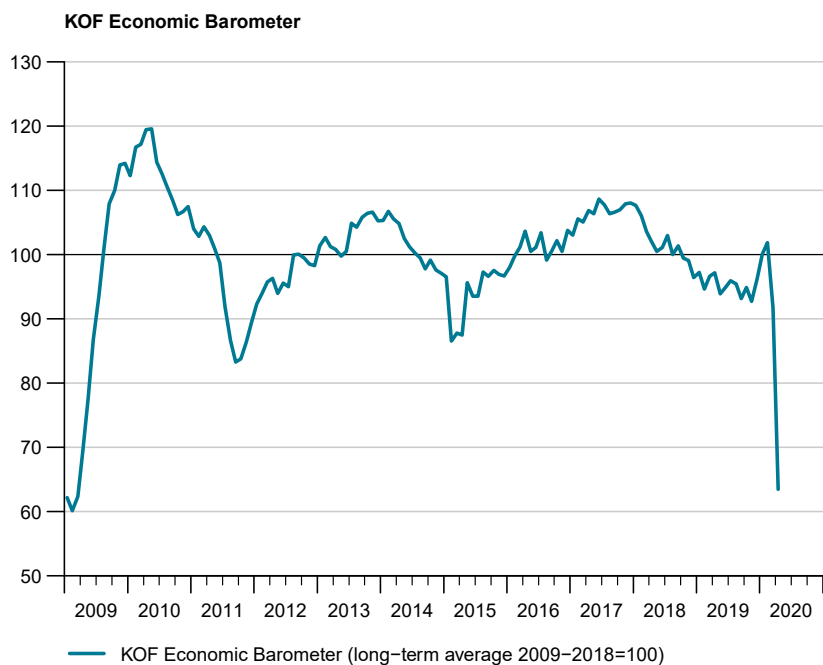
The KOF Economic Barometer declines in April more than ever before in its history. Within a very short period of time, it thus drops to a level (63.5 points) comparable to the 2009 financial crisis. Only in the first three months of 2009 the barometer values were still slightly lower than at present. The Swiss economy is in crisis mode.

In April, the KOF Economic Barometer declines by 28.2 points. This monthly decline is more than twice as large as previous very strong declines. In comparison: in February 2015, after the minimum franc exchange rate was lifted, the barometer fell by 10.0 points. In November 2008, after the collapse of Lehman Brothers, it was 7.1. Strong declines also occurred in the economically difficult 1990s. In 1995, the barometer fell sharply in two months, once by 10.3 points and once by 11.8 points. The latter was the previous minus record, whereby the data situation at that time was not as good as today.

After the Economic Barometer already dropped by 10.1 points in March, it declined to the 63.5 mark in April. Only during the financial crisis was the barometer slightly lower in the first three months of 2009. Currently, nearly all indicator groups are pushing the barometer sharply downward. The decline is led by the indicators for the manufacturing industry and other services. However, the indicators for the accommodation and food service activities, foreign demand, construction, consumption and for financial and insurance service providers are also heavily in the red.

In the goods producing sectors (manufacturing and construction), particularly the indicators for the order situation have fallen sharply. However, indicators on the business situation, employment development, the purchase and storage of intermediate products and production also fell strongly. Only the indicators on the competitive situation did not fall overall.

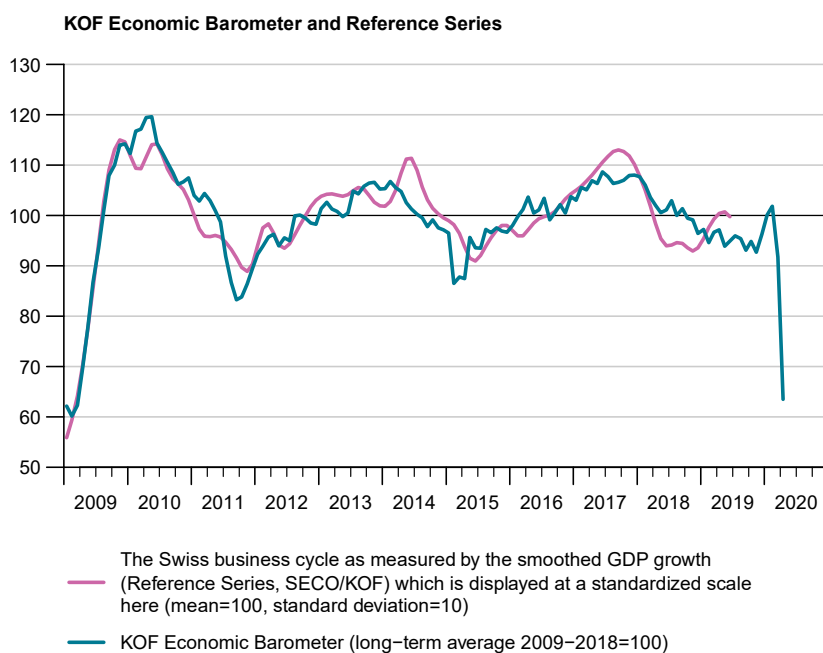
Within manufacturing, the development is also predominantly negative. The outlook has deteriorated particularly sharply for wood, glass, stone and earth, the metal industry, the electrical industry as well as for the other manufacturing industries. On the other hand, the indicators in the chemical, pharmaceutical, plastics and in the textile and clothing industry are only comparatively slightly negative. In the food and beverages sector, the outlook has even become slightly more favourable.

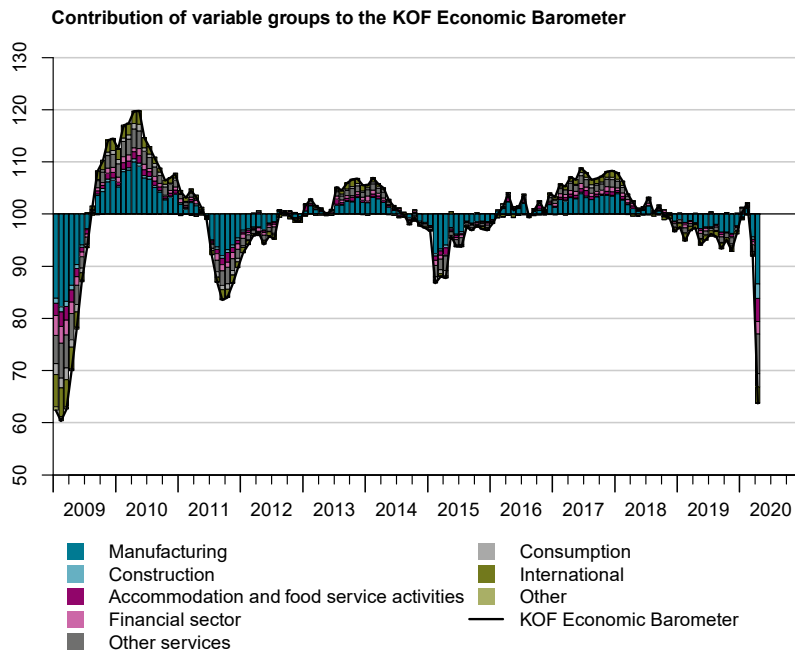


Values for the past months

Current level / Level a month ago

2019m4	97.2	97.2
2019m5	93.9	93.9
2019m6	94.9	95.0
2019m7	95.9	95.9
2019m8	95.4	95.5
2019m9	93.1	93.1
2019m10	94.9	94.8
2019m11	92.7	92.7
2019m12	96.2	96.2
2020m1	100.1	100.1
2020m2	101.8	101.8
2020m3	91.7	92.9
2020m4	63.5	





Deviations of the variable groups from the long-term group mean, which is standardized at 100. The variables included in the KOF Economic Barometer are divided into groups. The group values are calculated from the weighted group totals computed from the individual variable weights. Example: A group value of 102.0 means that the weighted group total deviates upwards by 2.0 from the group average. A contribution of 98.0 means that the weighted group total deviates downwards by -2.0 from the group average. The total deviations of all groups from their respective group average plus 100 results in the value of the KOF Economic Barometer.

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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