

Press Release

Zurich, 28 August 2020, 9:00 a.m.

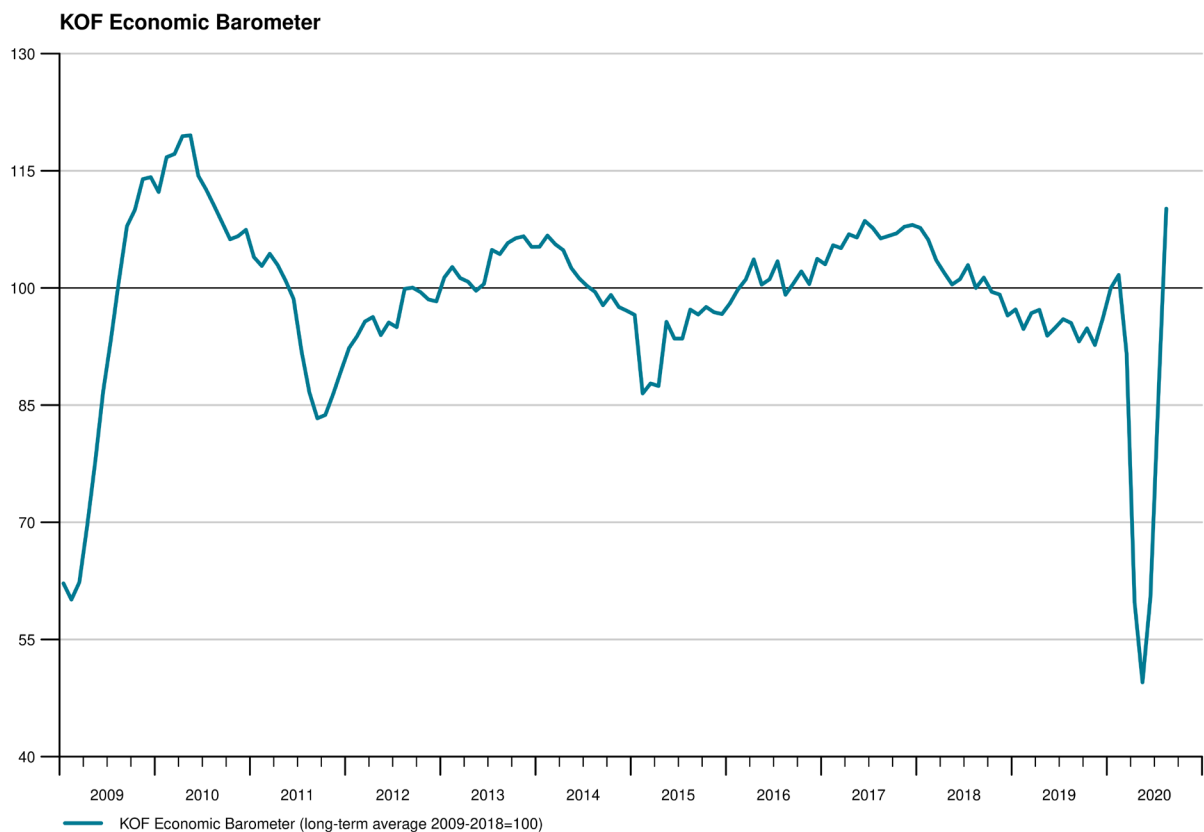
KOF Economic Barometer: Strong Increase

The KOF Economic Barometer rose sharply in August, now for the third month in a row. The plus was almost the same as in the previous month, when the barometer showed the strongest monthly increase since the beginning of the calculated values in the early 1990s. The crash in the spring of this year was, however, also the worst in the history of the barometer. According to this, the Swiss economy is in the upswing phase of what appears for the time being a V-shaped recession.

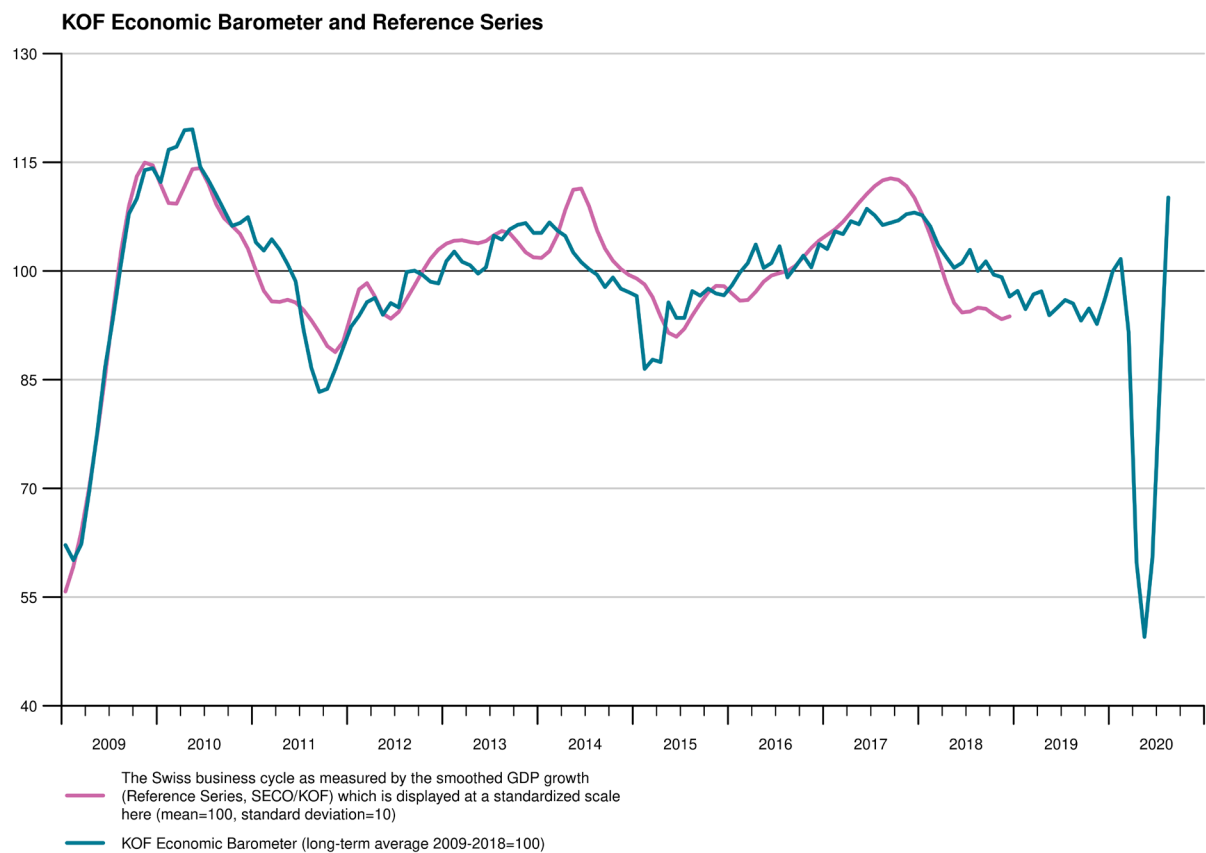
The KOF Economic Barometer rose by 24.2 points in August. After 86.0 (revised from 85.7) in July, the barometer now points to 110.2. This is well above the long-term average. The indicator groups for manufacturing, the hospitality sector and foreign demand are primarily responsible for the current increase. To a lesser extent, the indicators relating to financial and insurance services as well as other services contributed to the improvement. The construction sector, on the other hand, recorded a slight deterioration.

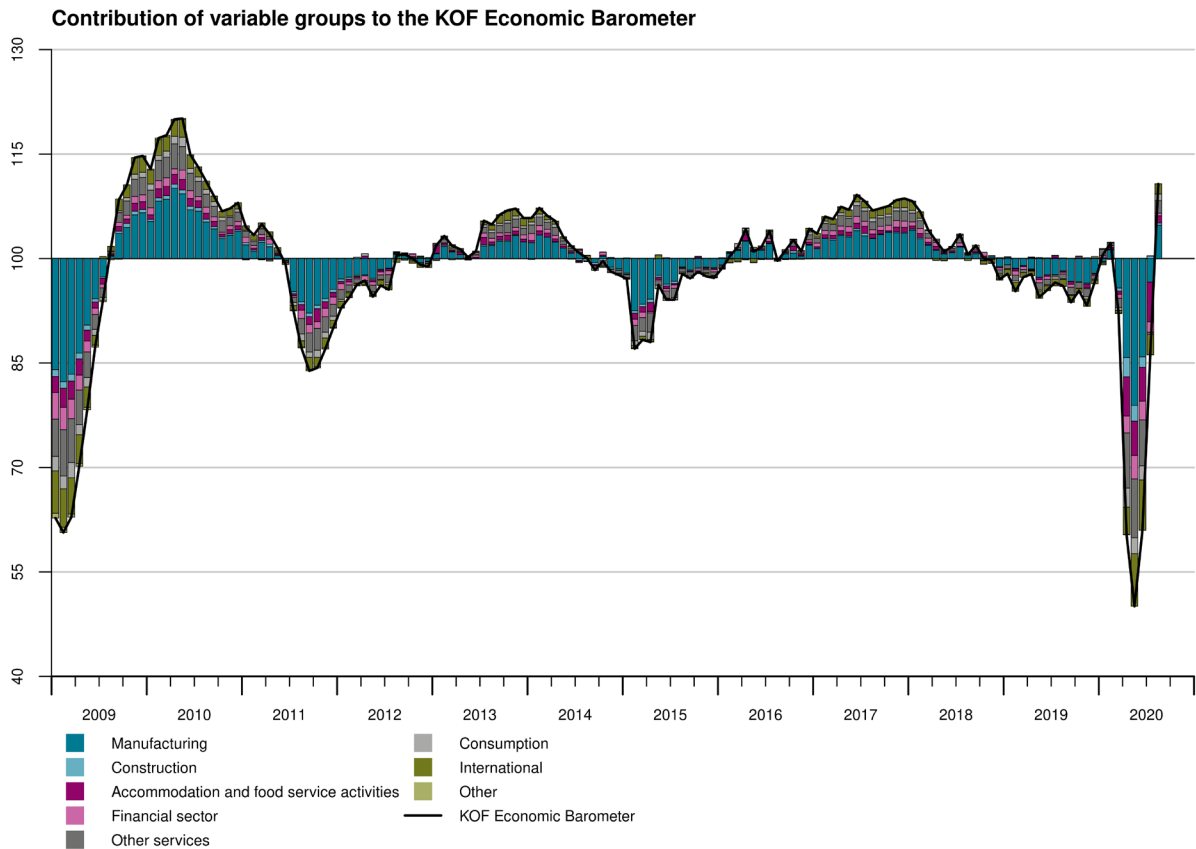
In the manufacturing sector, the outlook has brightened in all sectors. This was particularly pronounced in the metal and chemical, electrical and textile industries.

In the goods producing sector (manufacturing and construction), the indicators related to incoming orders, employment and the business situation were more favorable. The other aspects taken into account in the surveys, such as the assessment of preliminary products, inventories and the competitive position, did at least not generate negative impulses.



Month	Current level	Level previous month
Aug 2019	95.5	95.5
Sep 2019	93.2	93.1
Oct 2019	94.8	94.8
Nov 2019	92.7	92.6
Dec 2019	96.1	96.1
Jan 2020	100.0	99.9
Feb 2020	101.7	101.7
Mar 2020	91.5	91.6
Apr 2020	59.8	59.9
May 2020	49.5	49.6
Jun 2020	60.4	60.6
Jul 2020	86.0	85.7
Aug 2020	110.2	





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 calculated with 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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