

Press Release

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

KOF Economic Barometer: Slight Weakening

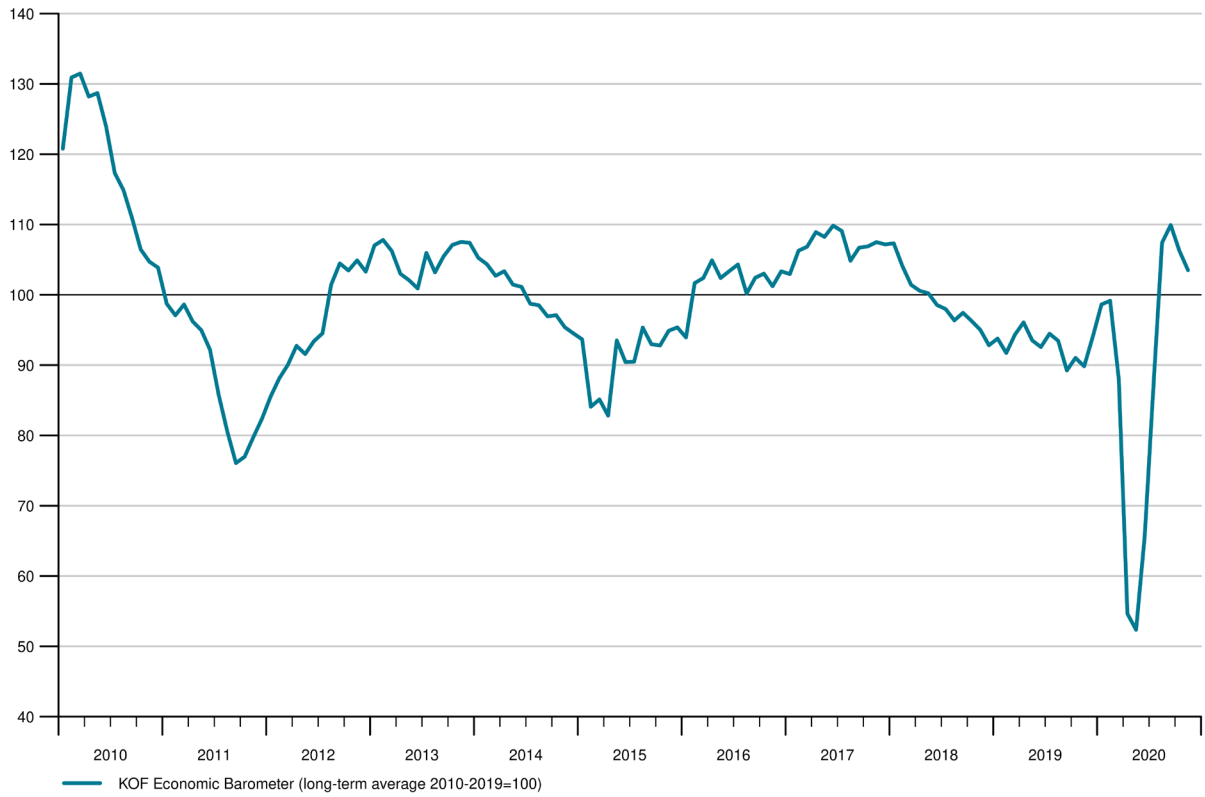
The KOF Economic Barometer declines in November for the second time in a row, after a brief recovery in the summer. The barometer currently stands at 103.5 points, 2.8 points lower than in October (revised from 106.6 to 106.3 points). The barometer is thus moving towards its long-term average, which means that the outlook for the Swiss economy remains subdued also in view of the current pandemic situation.

The decline of the KOF Economic Barometer in November is primarily due to a bundle of indicators from the manufacturing sector and private consumption. In addition, indicators relating to foreign demand and the other services sector send a negative signal. By contrast, indicators for accommodation and food service activities, the construction industry and the financial and insurance services sector remained virtually constant.

In the goods producing sector (manufacturing and construction), indicators for the further development of new orders and profits are in particular showing a negative development. Furthermore, sub-indicators for the assessment of production and the overall business situation are pointing in a downward direction. On the other hand, sub-indicators assessing the export prospects of companies show a slightly positive tendency.

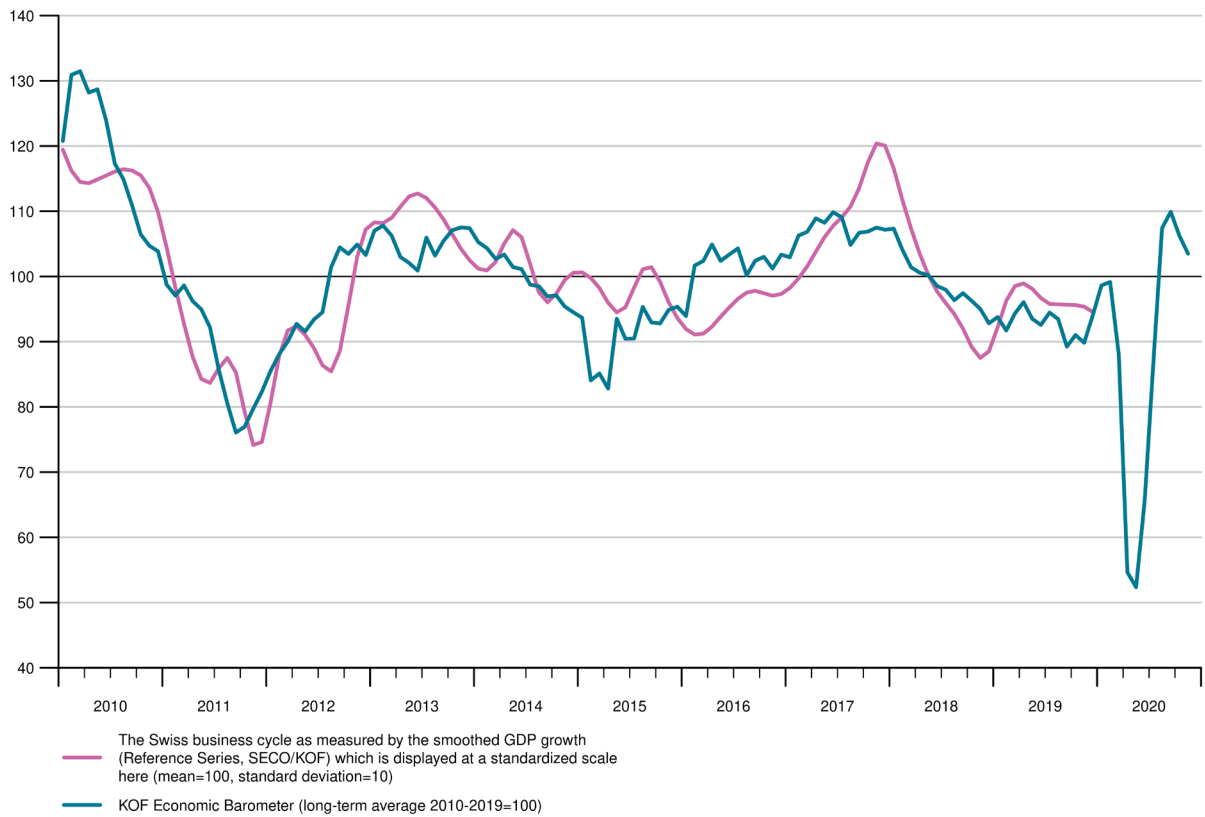
The negative signals within the manufacturing sector are in particular due to indicators for the metal industry, the paper and printing sector, the machine and vehicle construction industry and other manufacturing sectors. By contrast, sub-indicators for the electrical industry send a positive signal. However, indicators for the remaining sectors, including the textile and clothing industry, the chemical, pharmaceutical and plastics industries and the food and beverages sector remain constant.

KOF Economic Barometer

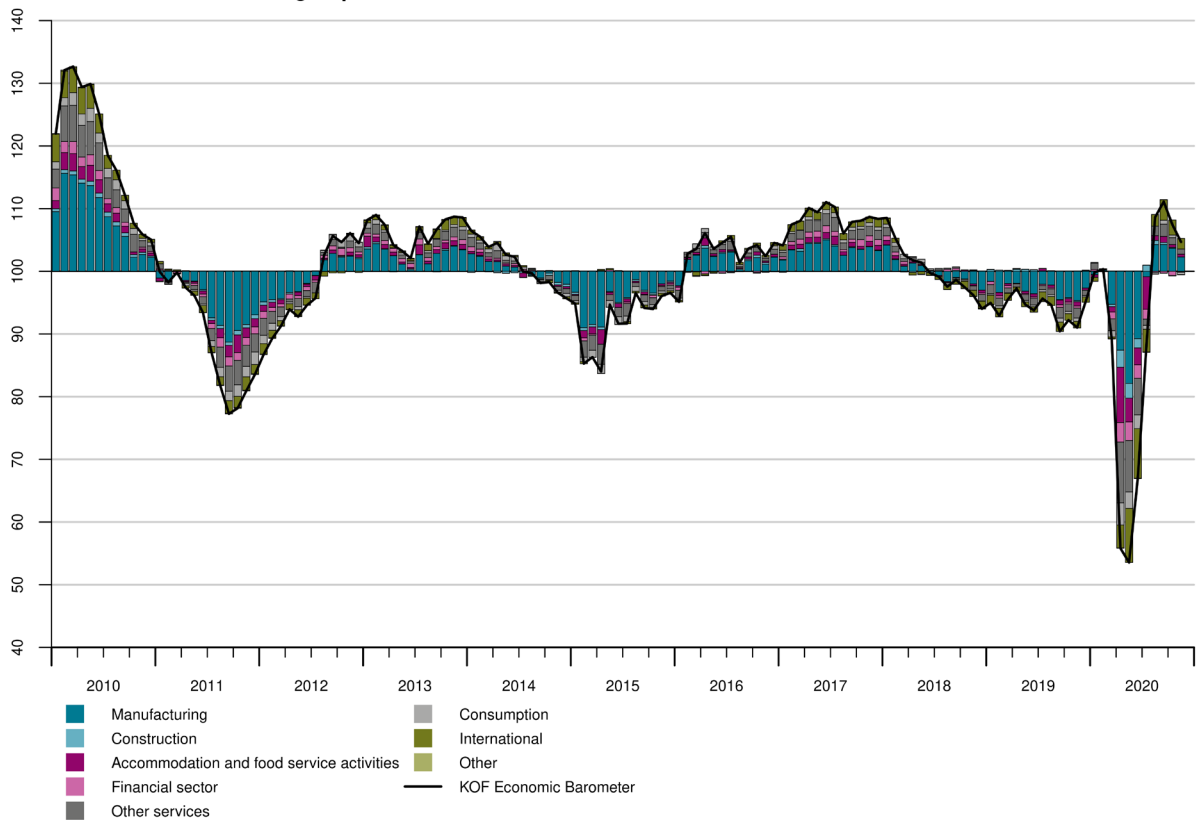


Month	Current level	Level previous month
Nov 2019	89.8	89.9
Dec 2019	94.1	94
Jan 2020	98.6	98.6
Feb 2020	99.2	99.1
Mar 2020	88	88
Apr 2020	54.6	54.6
May 2020	52.3	52.3
Jun 2020	65.7	65.2
Jul 2020	86.9	87
Aug 2020	107.4	107.6
Sep 2020	109.9	110.1
Oct 2020	106.3	106.6
Nov 2020	103.5	

KOF Economic Barometer and Reference Series



Contribution of variable groups to the KOF Economic Barometer



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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