

Press Release

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

KOF Economic Barometer: Constant Level at the End of the Year

The KOF Economic Barometer remains virtually unchanged at the end of the year. The sharp declines that the barometer underwent in early 2020 have been offset by a rapid recovery during the summer. The barometer already reached a value above its long-term average again in August and was able to maintain this level during the second half of the year. However, the prospects for the Swiss economy remain subdued at the beginning of 2021 due to the ongoing pandemic.

The KOF Economic Barometer stands at 104.3 points in December, 0.6 points higher than in November (revised from 103.5 to 103.7 points). The slight increase is driven by bundles of indicators from the manufacturing sector and private consumption. An additional positive signal is sent by indicators for the financial and insurance service sector. By contrast, negative impulses are coming from indicators for foreign demand.

The positive developments within the manufacturing sector stem primarily from indicators for the machine and vehicle construction industry, followed by indicators for the textile and clothing industry, the electrical industry as well as the paper and printing sector. By contrast, sub-indicators for the wood, glass, stone and earth sector fall. Bundles of indicators for the remaining sectors – including the chemicals, pharmaceuticals and plastics sector, the metal industry and the food and beverages sector – remain virtually unchanged compared to the previous month.

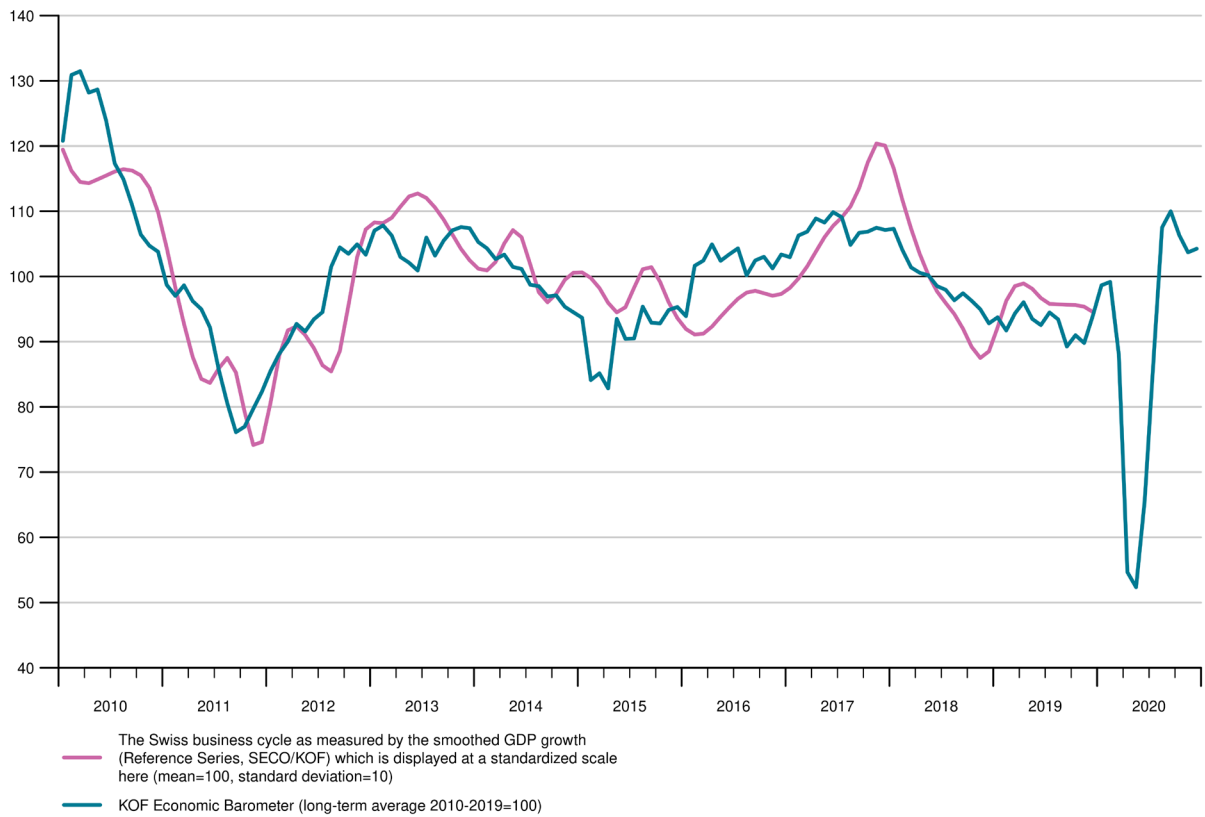
In the goods producing sector (manufacturing and construction) indicators for the assessment of new orders and the purchase of intermediate goods point in a positive direction. By contrast, all other sub-indicators in the goods producing sector remain nearly constant compared to the previous month.

KOF Economic Barometer

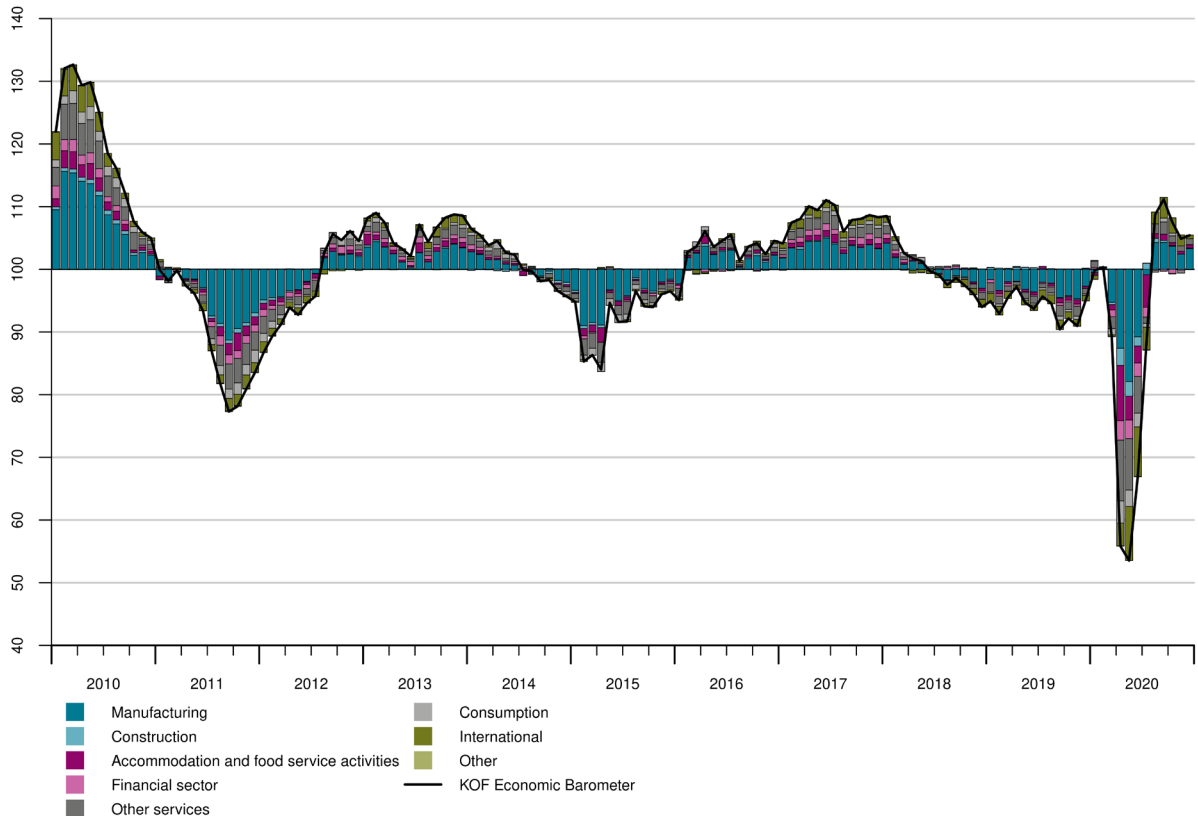


Month	Current level	Level previous month
Dec 2019	94	94.1
Jan 2020	98.6	98.6
Feb 2020	99.2	99.2
Mar 2020	88.1	88
Apr 2020	54.7	54.6
May 2020	52.4	52.3
Jun 2020	65.7	65.7
Jul 2020	86.9	86.9
Aug 2020	107.5	107.4
Sep 2020	110	109.9
Oct 2020	106.3	106.3
Nov 2020	103.7	103.5
Dec 2020	104.3	

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/

Contacts

Philipp Baumann | baumann@kof.ethz.ch

Mediendienste | Tel. +41 44 633 99 48 | kofcc@kof.ethz.ch