

Press Release

Zurich, 30 June 2021, 9:00 a.m.

KOF Economic Barometer: Normalization in Sight

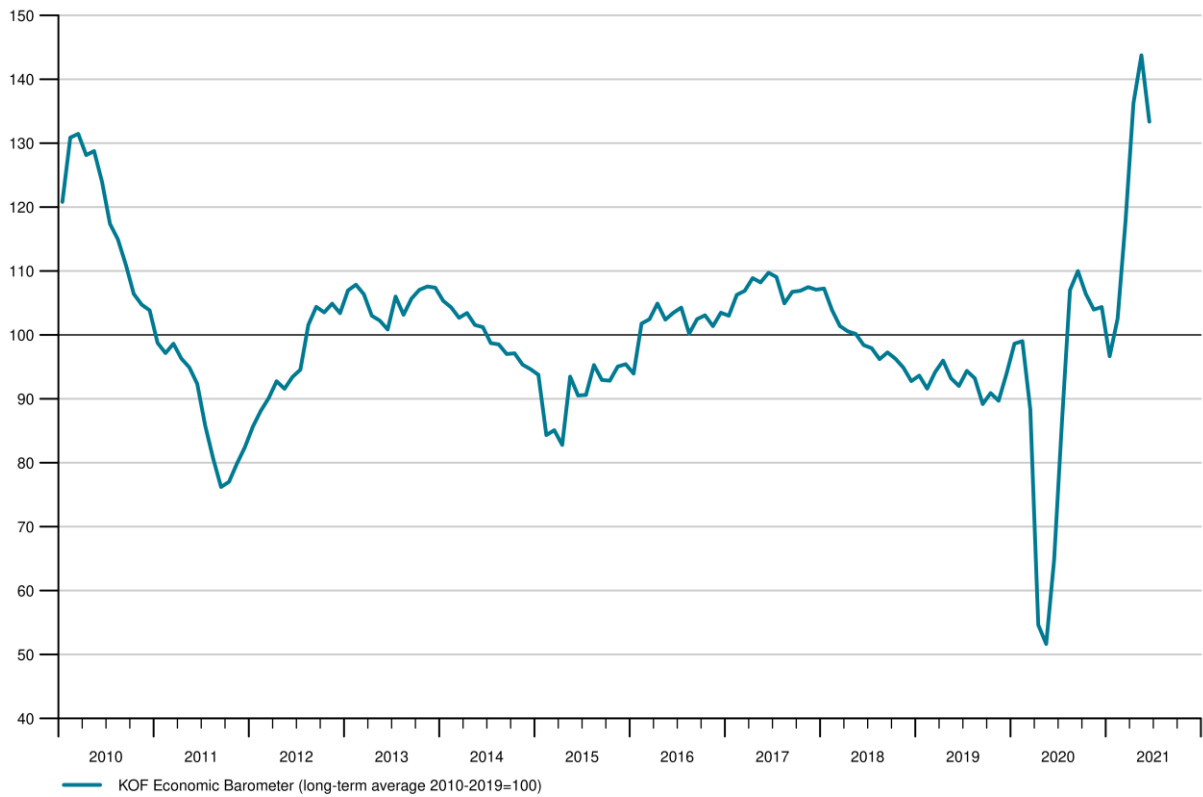
At mid-year, the KOF Economic Barometer moves a step towards its long-term average. The strong rise of the barometer across the last months is now replaced by a corrective movement. The barometer still lies well above its long-term average. The prospects for the Swiss economy remains very positive, provided that the economy is not severely affected by a renewed spread of the virus.

The KOF Economic Barometer falls by 10.3 points in June and now stands at 133.4 points. In May, the barometer reached its all-time high of 143.7 points (revised from 143.2). The decline is in particular driven by indicator bundles for the manufacturing and the other services sector. The indicator bundles for accommodation and food service activities, foreign demand and the financial and insurance services sector also contribute to this negative development. By contrast, indicator bundles reflecting private consumption show a comparatively weak decline.

In the goods producing sector (manufacturing and construction), indicator bundles for all sub-sectors weaken. The strongest negative contributions are provided by the order backlogs, the intermediate product purchases and the assessment of the general business situation. Only slight declines are observed for the assessment of employment, barriers to production and the storage of intermediate goods.

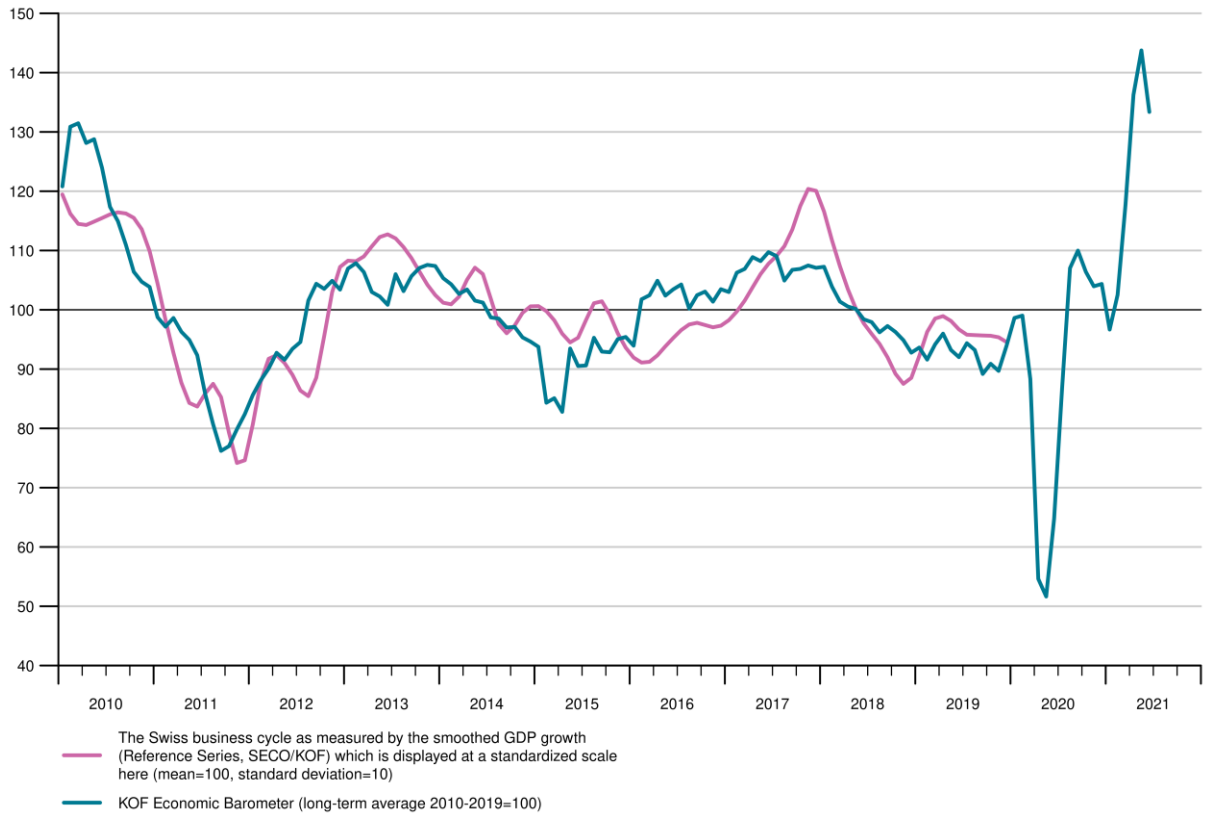
All bundled indicators for the sub-sectors of manufacturing are still well above their respective long-term averages. However, slight declines with respect to the previous month are recorded for all sub-sectors. First and foremost, the metal industry, the paper and printing sector and the chemicals, pharmaceuticals and plastics sector. The food and beverages industry exhibits the slightest declines.

KOF Economic Barometer

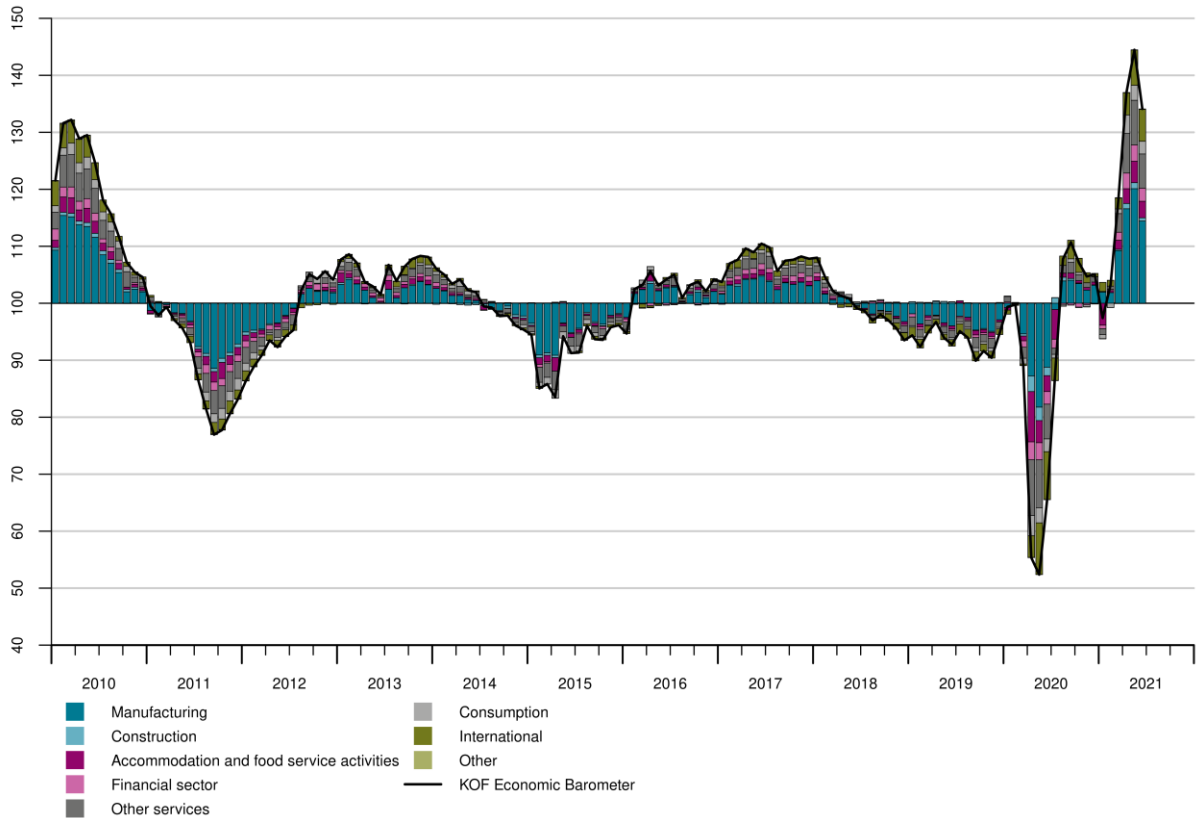


Month	Current level	Level previous month
Jun 2020	64.8	64.8
Jul 2020	86.7	86.6
Aug 2020	107.0	107.0
Sep 2020	110.0	110.0
Oct 2020	106.4	106.4
Nov 2020	104.0	103.8
Dec 2020	104.4	104.3
Jan 2021	96.7	96.6
Feb 2021	102.5	102.5
Mar 2021	117.8	117.8
Apr 2021	136.3	136.4
May 2021	143.7	143.2
Jun 2021	133.4	

KOF Economic Barometer and Reference Series



Contribution of variable groups to the KOF Economic Barometer



This graph shows the 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 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 result in the value of the KOF Economic Barometer.

Detailed information regarding the KOF Economic Barometer:

www.kof.ethz.ch/en/forecasts-and-indicators/indicators/kof-economic-barometer.html/

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