

Press Release

Zurich, 28 May 2021, 9:00 a.m.

KOF Economic Barometer: Another sharp increase

The KOF Economic Barometer once again reaches a historical high. The slight decline that the barometer underwent in the second half of 2020 has been replaced by continuing strong increases in the spring of this year. Once again, the barometer is well above its long-term average. The outlook for the Swiss economy for the middle of 2021 can be regarded as very positive, provided that the containment of the virus continues to progress.

The KOF Economic Barometer stands at 143.2 points in May, 6.8 points higher than in April (revised from 134.0 to 136.4 points). The sharp increase is driven by bundles of indicators from the manufacturing sector and foreign demand. An additional positive signal is sent by indicators for accommodation and food service activities followed by indicators for the other services sector. By contrast, slight negative impulses are sent by private consumption.

The positive developments within the manufacturing sector are largely driven by indicators for the textile and clothing industry followed by indicators for the chemicals, pharmaceuticals and plastics sector. Sub-indicators for the electrical industry and the machine and vehicle construction industry also contribute to this development. By contrast, the paper and printing sector recorded slightly negative developments.

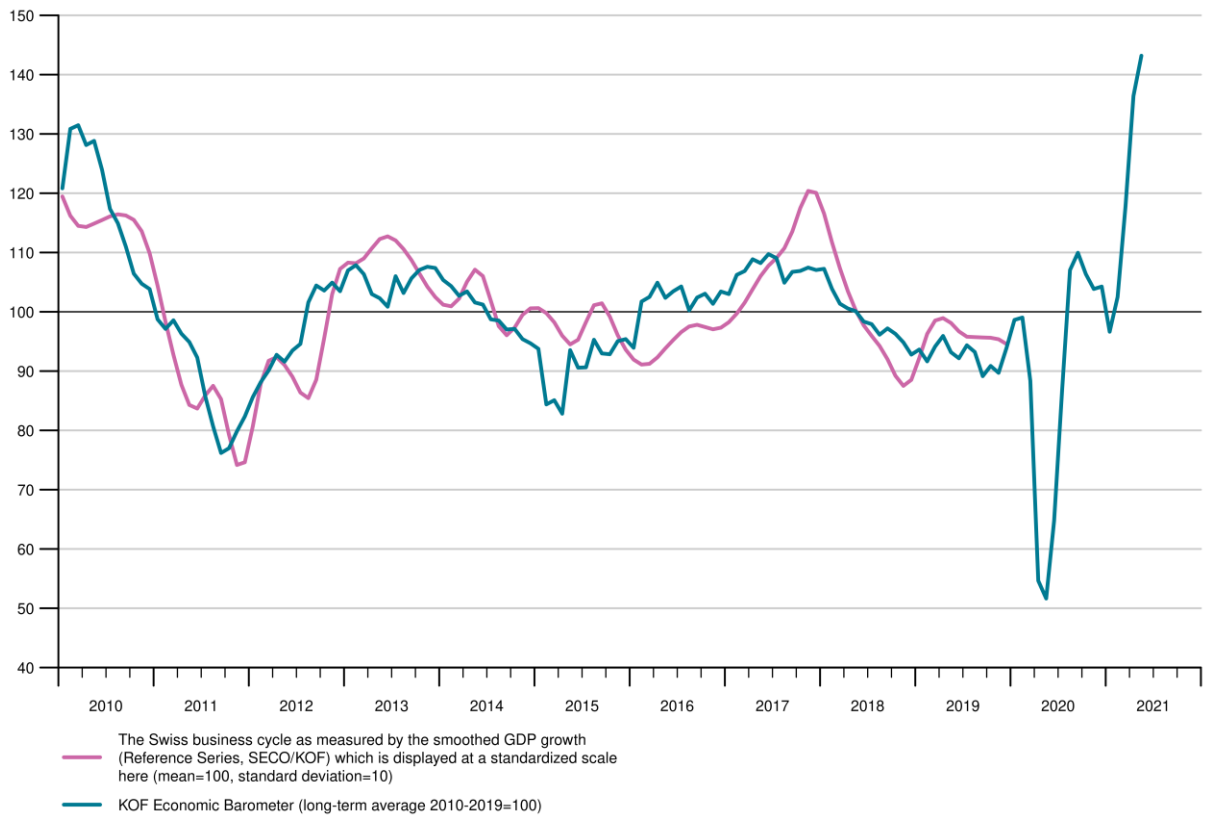
Within the goods producing sector (manufacturing and construction) indicators for assessing the competitive situation and production capacities point in a positive direction. Indicators on employment and the export opportunities also send a positive signal. By contrast, sub-indicators for the purchase of intermediate products send a negative signal.

KOF Economic Barometer

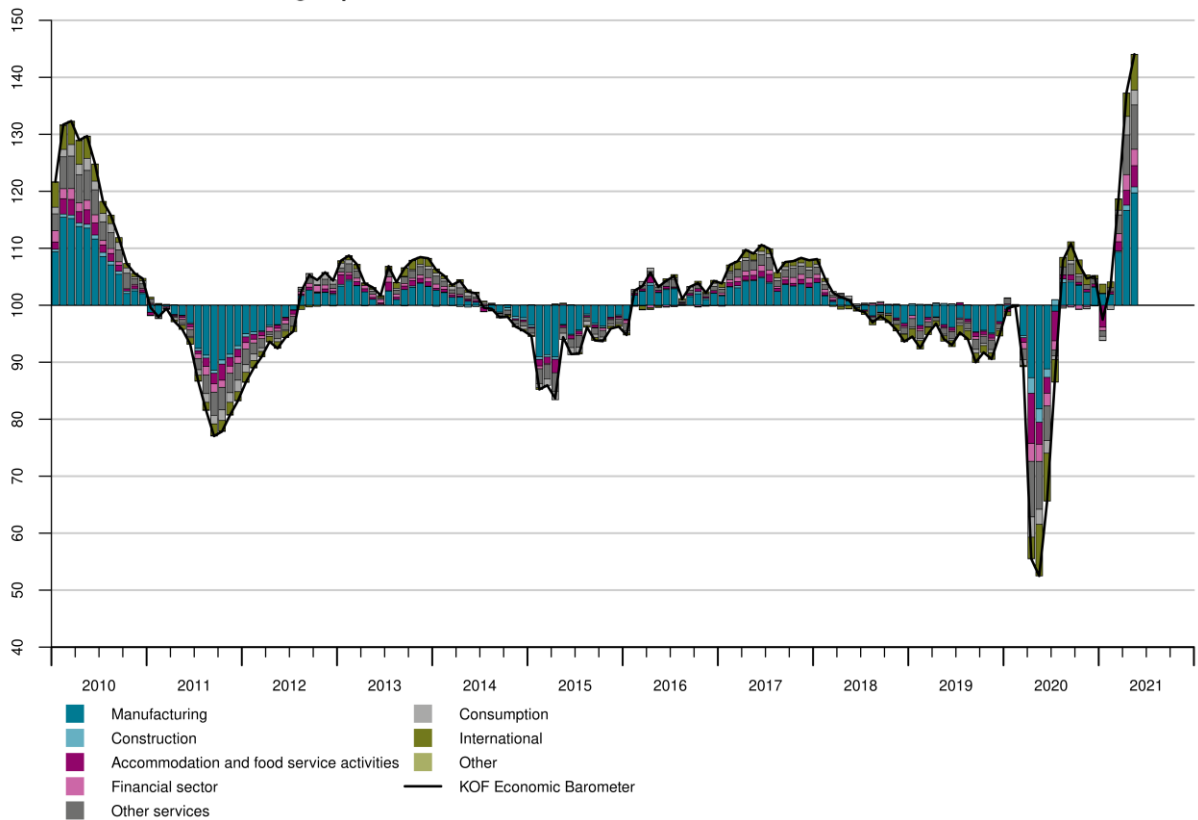


Month	Current level	Level previous month
May 2020	51.6	51.7
Jun 2020	64.8	64.9
Jul 2020	86.6	86.7
Aug 2020	107.0	107.2
Sep 2020	110.0	110.1
Oct 2020	106.4	106.4
Nov 2020	103.8	104.1
Dec 2020	104.3	104.4
Jan 2021	96.6	96.7
Feb 2021	102.5	102.7
Mar 2021	117.8	118.0
Apr 2021	136.4	134.0
May 2021	143.2	

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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