

Press Release

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

Another decline of the KOF Economic Barometer – Swiss economy nevertheless on the road to recovery

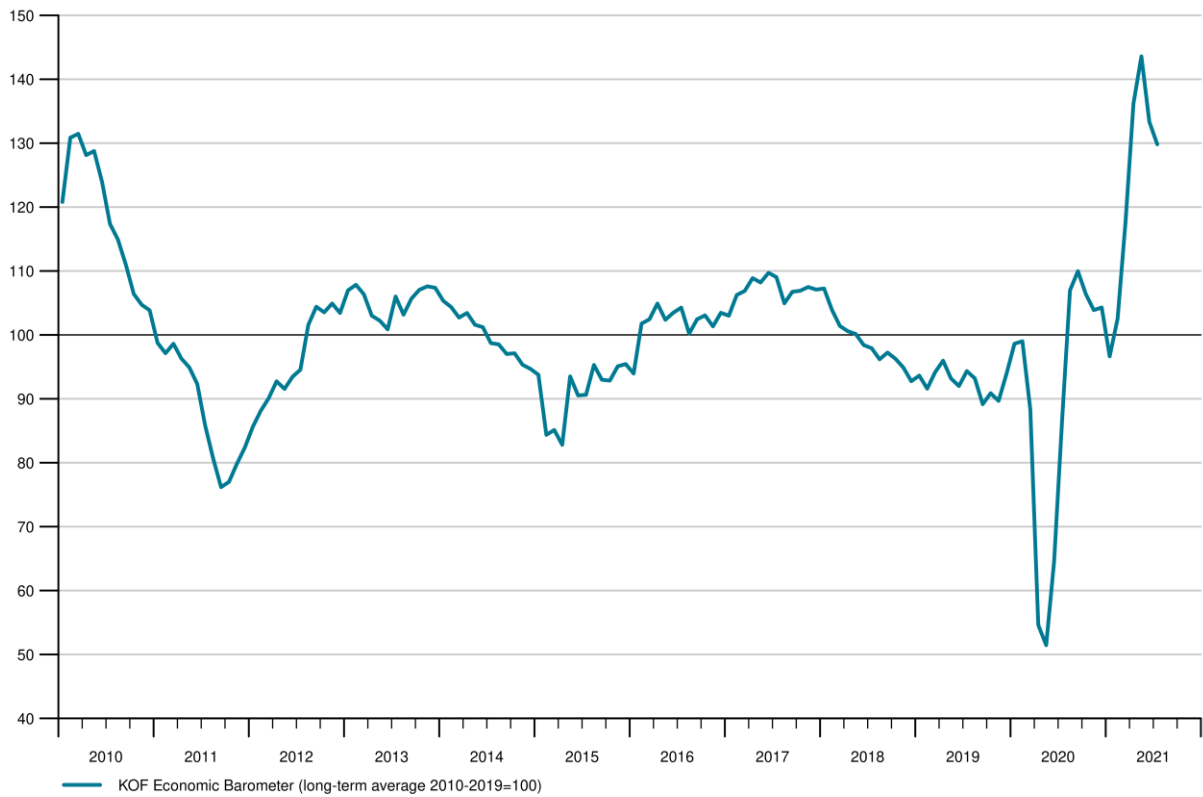
In July, the KOF Economic Barometer falls further below its May peak. Despite this second decline in a row, the barometer level is clearly above the long-term average. The economy is still on a strong expansion path, although the high pace of recent months may not to be sustained.

The KOF Economic Barometer falls by 3.5 points to 129.8 points in July. In June, the barometer stood at 133.3 (revised from 133.4) and in May at 143.6 (revised from 143.7). Despite this second consecutive decline, the KOF Economic Barometer's above-average reading points to a very favourable economic development in the coming months. The outlook for manufacturing, foreign demand, construction, financial and insurance services as well as private consumption remains favourable but is not quite as positive as in the previous month. In contrast, the outlook for accommodation and food service activities and for other services is improving.

In the goods producing sector (manufacturing and construction), indicators for all aspects of business activity are weakening. The clouding is particularly pronounced for the general business situation, the competitive position as well as export and employment prospects.

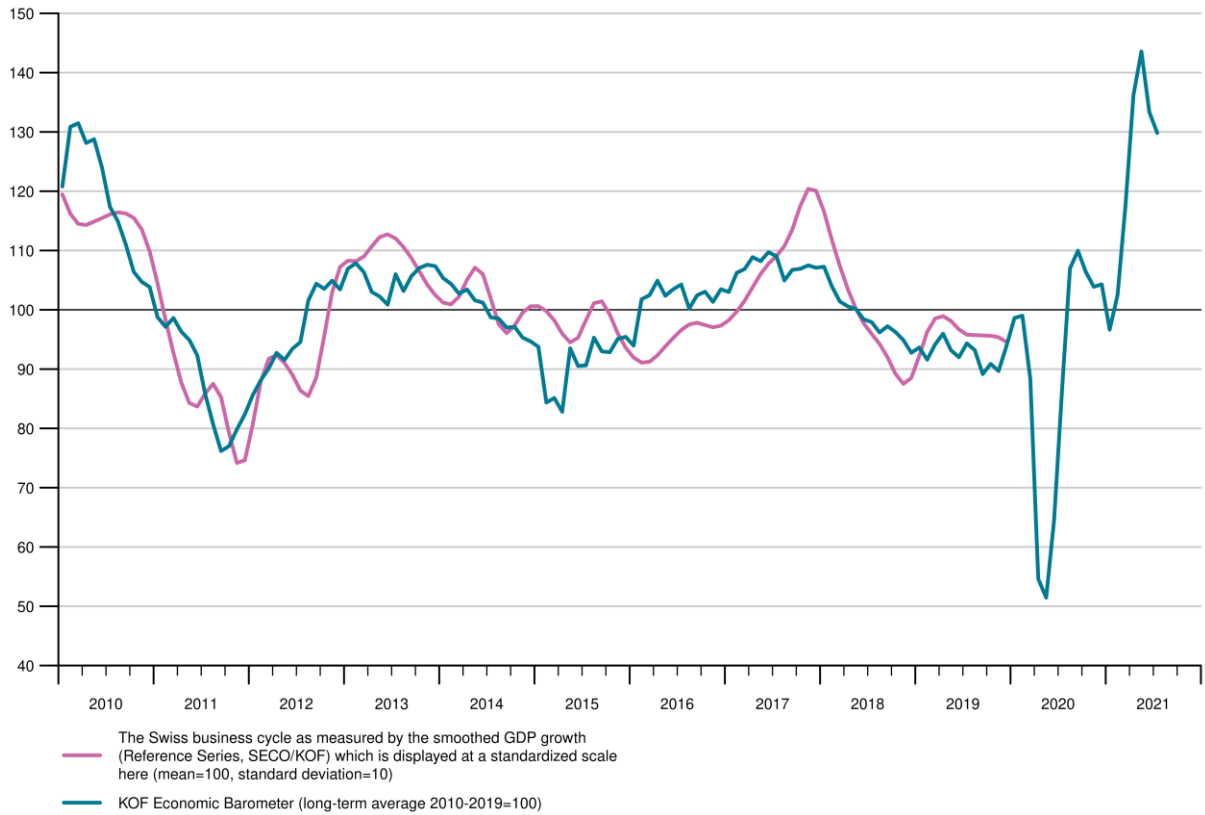
From an industry perspective, the indicators for almost all sub-sectors of manufacturing are also weakening. The biggest declines are in the metal industry, in the electrical industry and in the chemicals, pharmaceuticals and plastics industries. Despite these declines, the levels of the industry indicators and those of the indicators for aspects of business activity in the good producing sector are all above average in a longer-term comparison.

KOF Economic Barometer

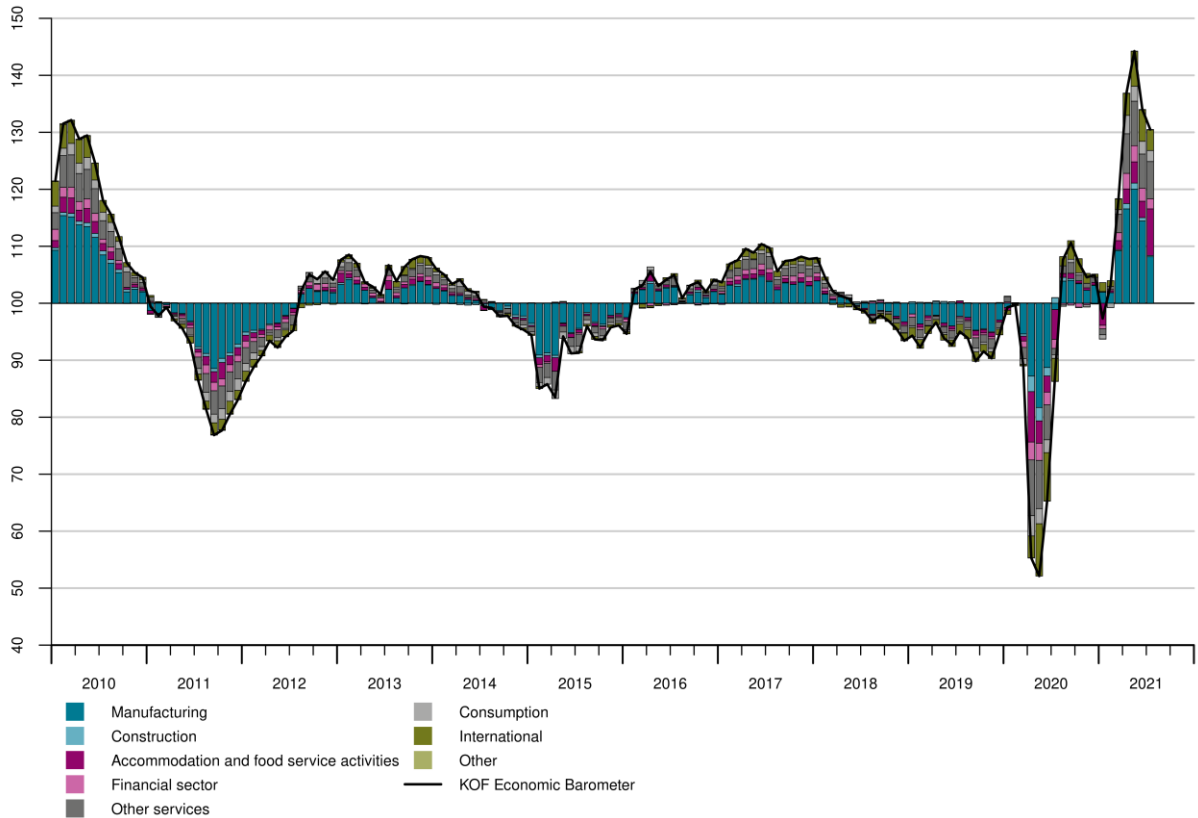


Month	Current level	Level previous month
Jul 2020	86.6	86.7
Aug 2020	107.0	107.0
Sep 2020	110.0	110.0
Oct 2020	106.4	106.4
Nov 2020	103.9	104.0
Dec 2020	104.3	104.4
Jan 2021	96.6	96.7
Feb 2021	102.5	102.5
Mar 2021	117.7	117.8
Apr 2021	136.2	136.3
May 2021	143.6	143.7
Jun 2021	133.3	133.4
Jul 2021	129.8	

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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