Press Release

Zurich, 30 June 2023, 9:00 a.m.

KOF Economic Barometer: Outlook remains gloomy

In June, the KOF Economic Barometer stands at 90.8 points. The outlook for the Swiss economy thus remains at a below-average level for the second half of the year.

The economic barometer stands at 90.8 points in June and is thus 0.6 points lower than in May (revised from 90.2 to 91.4 points). This is the third time in a row that the barometer has fallen. The downward movement in the Barometer is primarily caused by bundles of indicators that capture foreign demand. Here, the outlook continues to deteriorate. The indicators covering private consumption and the economic sector of other services also give a slightly negative signal. The indicators for manufacturing and construction, on the other hand, point slightly in a positive direction.

In the goods producing sector (manufacturing and construction), the picture is predominantly positive. The strongest positive drivers are indicators assessing the inventory, followed by indicators capturing the employment outlook. Indicators that measure the business situation and indicators that measure the situation regarding order backlog also point in a positive direction. In contrast, indicators that measure the outlook for production send a slightly negative signal.
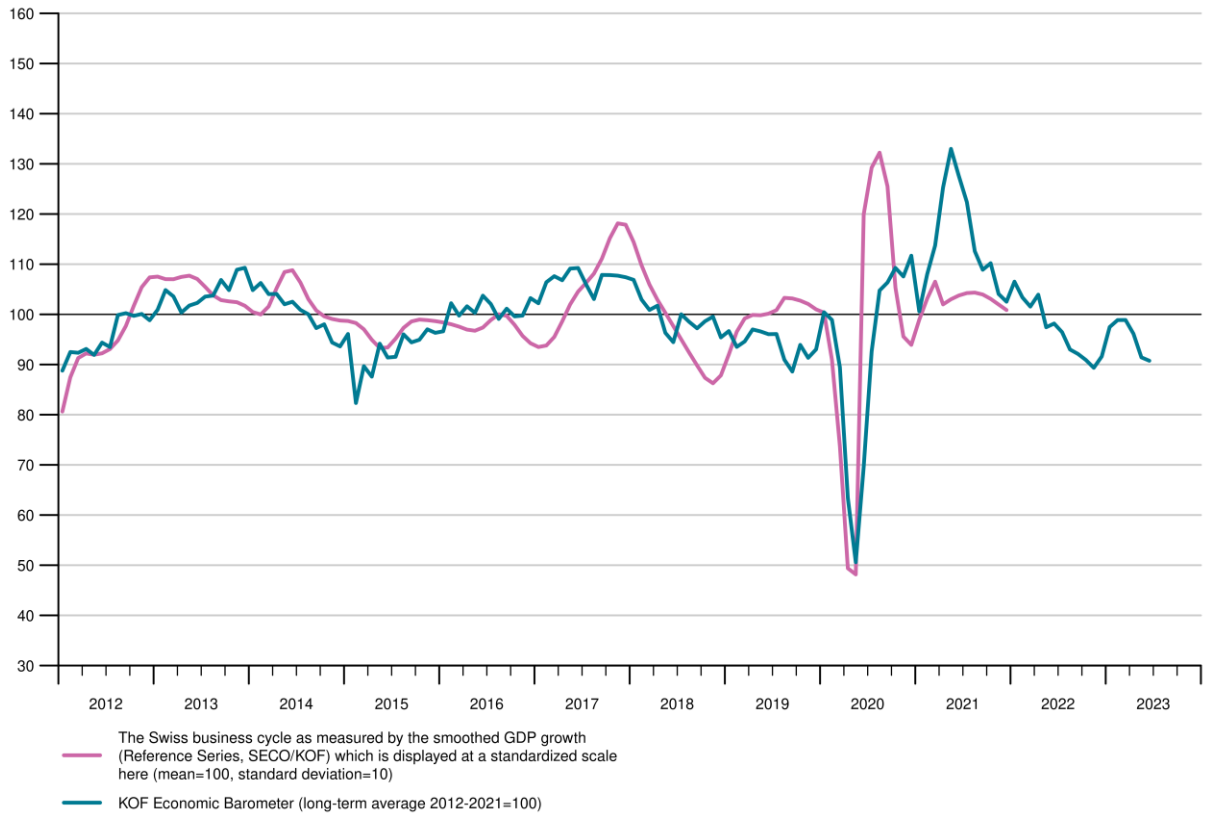
In the manufacturing sector, indicators for the electrical industry send the strongest positive signal. Indicator bundles for the machinery and vehicle manufacturing sector as well as for the chemical and pharmaceutical industries also point in a positive direction. Indicators for the paper and printing industry send a negative signal.
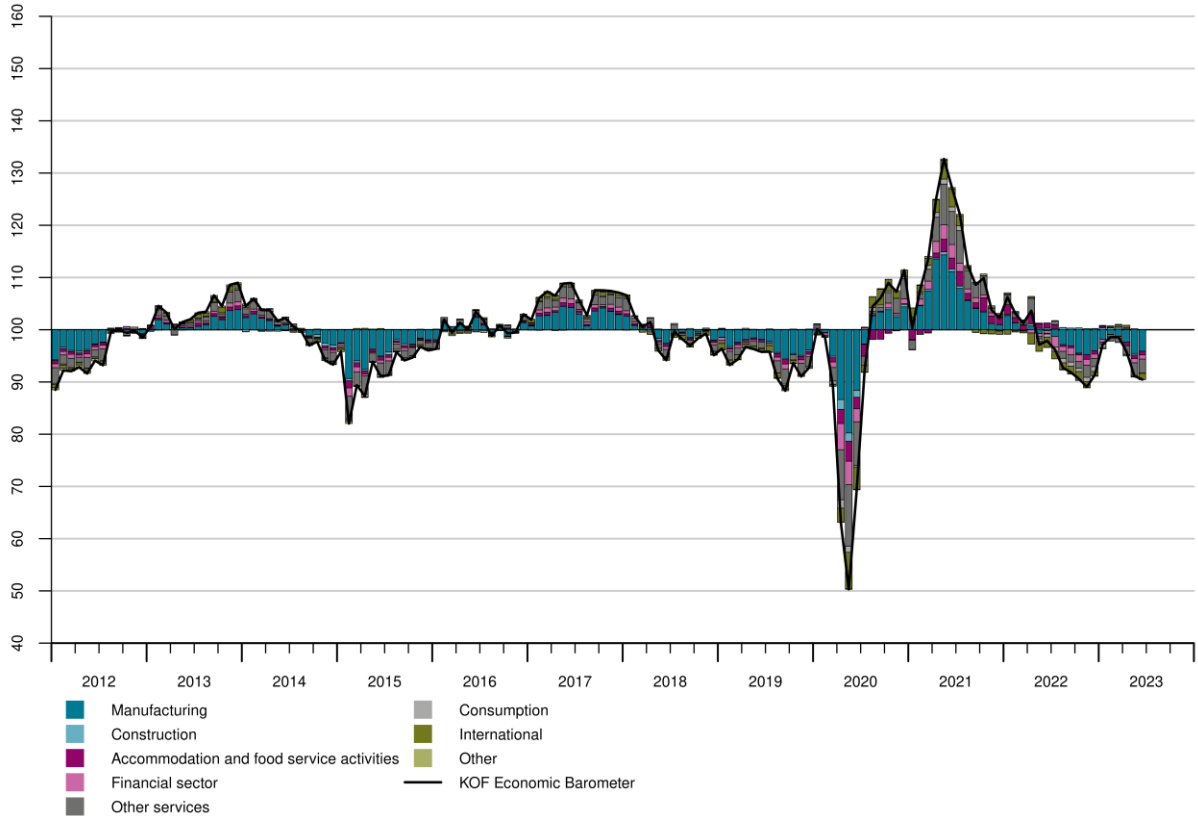
KOF Economic Barometer

KOF Economic Barometer (long-term average 2012-2021=100)

Month	Current level	Level previous month
Jun 2022	98.2	98.2
Jul 2022	96.5	96.4
Aug 2022	93.0	93.1
Sep 2022	92.1	92.1
Oct 2022	90.9	90.9
Nov 2022	89.3	89.3
Dec 2022	91.6	91.6
Jan 2023	97.5	97.5
Feb 2023	98.9	98.9
Mar 2023	98.9	99.0
Apr 2023	96.1	96.1
May 2023	91.4	90.2
Jun 2023	**90.8**	

KOF Economic Barometer and Reference Series

The Swiss business cycle as measured by the smoothed GDP growth
(Reference Series, SECO/KOF) which is displayed at a standardized scale
here (mean=100, standard deviation=10)

KOF Economic Barometer (long-term average 2012-2021=100)

Contribution of variable groups to the KOF Economic Barometer

Manufacturing
Construction
Accommodation and food service activities
Financial sector
Other services

Consumption
International
Other
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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