

Press release

Zurich, 3 May 2024, 9am

KOF Employment Indicator: downward trend continuing in the second quarter of 2024

The KOF Employment Indicator has recorded a further decline in the second quarter of 2024 compared with last quarter. The deterioration in employment prospects is particularly evident in the manufacturing and banking sectors. Overall, the indicator is approaching its long-term average.

The KOF Employment Indicator has fallen to 3.4 points in the second quarter of 2024 after standing at 5.9 points in the first quarter of 2024 (revised from 7.5 points). Since hitting its historic high in mid-2022, the indicator has shown a downward trend and is slowly moving towards its long-term average of 1.5 points. Nevertheless, the indicator is still in positive territory and the majority of companies are expecting to increase rather than reduce their workforce. This means that the situation in the Swiss labour market remains encouraging in the second quarter of 2024.

The KOF Employment Indicator is based on KOF's quarterly Business Tendency Surveys. Evaluations for the second quarter of 2024 are based on the responses of around 4,500 firms that were surveyed in April about their employment plans and expectations. On balance, most respondents still consider their current staffing levels to be too low. In addition, the proportion of firms looking to increase their headcount in the next three months is slightly higher than the percentage of those planning to reduce their workforce.

Negative outlook for industry and banks

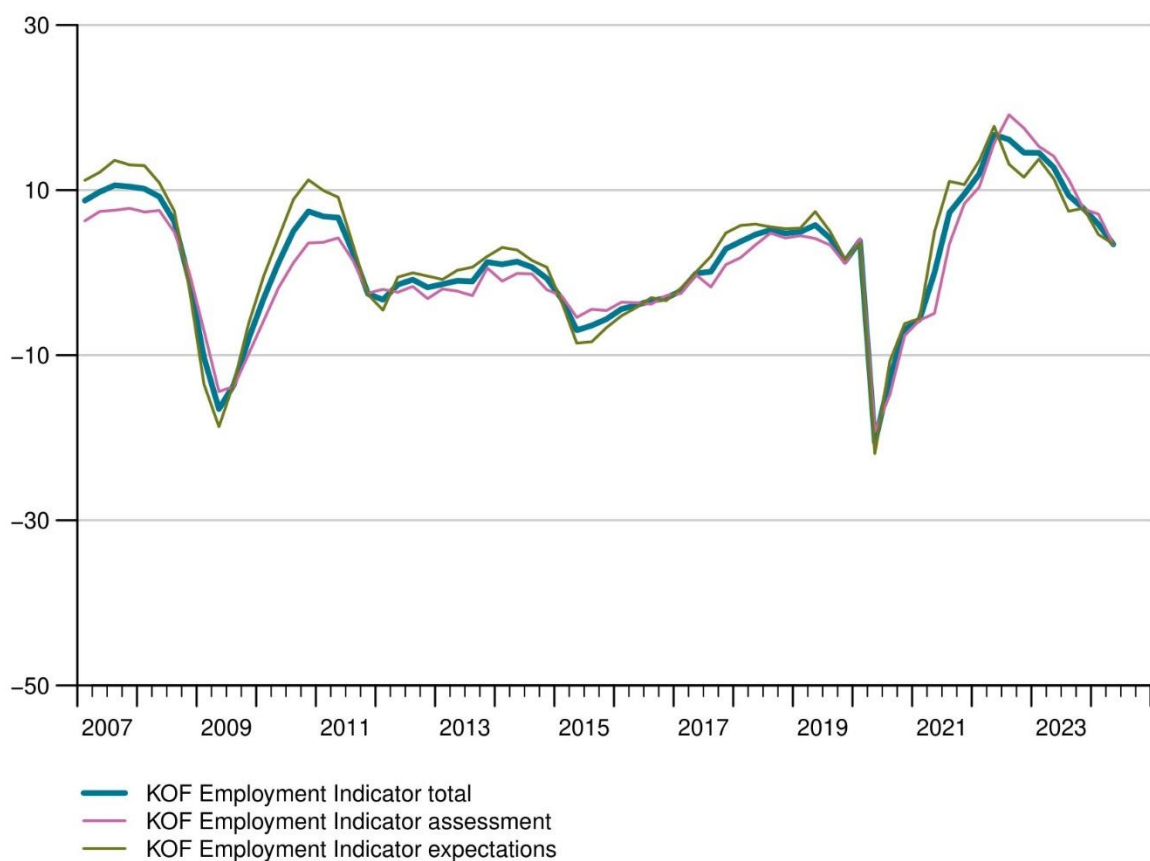
The outlook for manufacturing is the bleakest of all sectors. A majority of respondents in this industry consider their current staffing levels to be too high and are planning to cut jobs over the coming months. The indicator has fallen further since last quarter and, at minus 15 points, is now almost as low as it was at the start of the COVID-19 pandemic in 2020. The KOF Employment Indicator for the banking sector has also fallen sharply compared with last quarter and is now in negative territory, which means that the number of firms expecting to cut jobs outweighs those that do not. The KOF Employment Indicators for the other sectors either remained stable or fell only slightly.



Press release

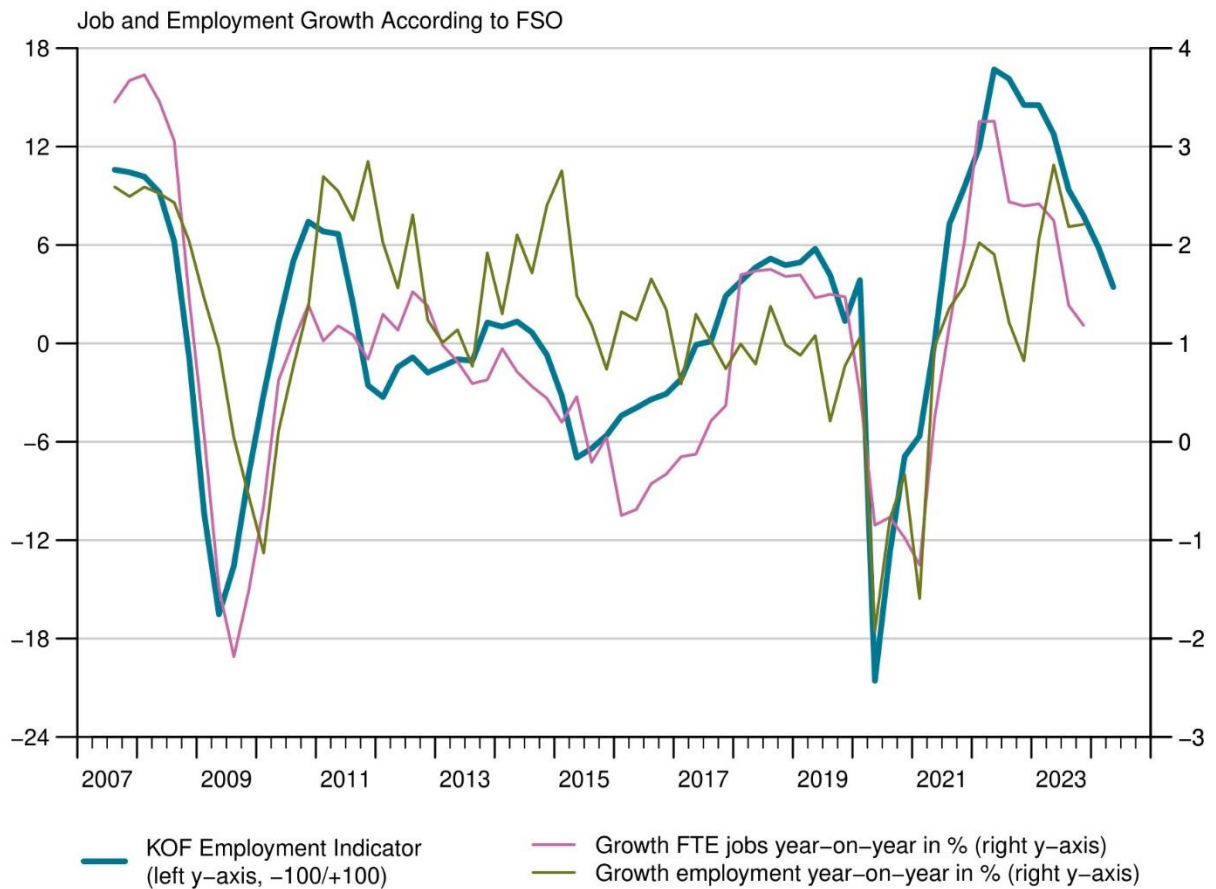
Period	Current indicator value	Value in the preceding quarter
2nd quarter 2022	16.7	16.5
3rd quarter 2022	16.1	16.0
4th quarter 2022	14.5	14.7
1st quarter 2023	14.5	14.9
2nd quarter 2023	12.7	12.4
3rd quarter 2023	9.4	9.2
4th quarter 2023	7.8	8.0
1st quarter 2024	5.9	7.5
2nd quarter 2024	3.4	

KOF Employment Indicator



Press release

KOF Employment Indicator, Job and Employment Growth



Further information on the indicator and its methodology as well as downloadable indicator data are available here:

<https://www.kof.ethz.ch/prognosen-indikatoren/indikatoren/kof-beschaefigungsindikator.html>

Contacts:

Justus Bamert | tel. +41 44 632 85 33 | bamert@kof.ethz.ch

KOF Corporate Communications | tel. +41 44 633 99 48 | media@kof.ethz.ch

