

Press Release

Zurich, 30 May 2017, 9.00 a.m.

KOF Economic Barometer Decreases Substantially

In May 2017, the KOF Economic Barometer fell by 4.7 points (from revised 106.3 in April) to a new standing of 101.6. After a slight downward correction in the last month, the indicator's value decreased substantially this month. However, with a standing slightly above its long-term average, the Barometer is signalling solid growth rates for the Swiss economy around its long-term average.

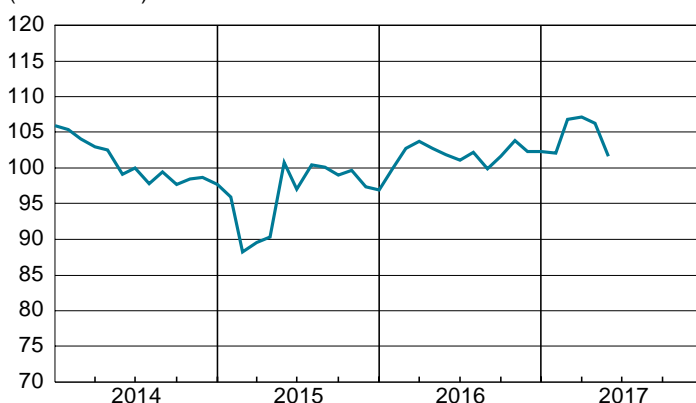
In May 2017, the KOF Economic Barometer stands, with its new value of 101.6 points, slightly above its long-term average. However, it did decrease substantially as compared to April. The decrease was mainly due to negative contributions by manufacturing. In addition, the indicators for the export development and for domestic consumption as well as the ones from the financial and the constructing sectors contributed negatively to the dynamics of the Barometer.

Within manufacturing, the negative outlook was mainly visible in the paper, metal and electronic industries. These negative dynamics were slightly compensated by a more positive outlook in the food industry.

Taken together, the environment for the Swiss industry has toughened somewhat. The substantially decreased sentiment in the manufacturing sector crystallised in particular in a more sceptical judgments of the incoming orders and competitiveness. In contrast, the indicators for inventories indicate a slightly more positive trend.

KOF Economic Barometer

(Index values)



— KOF Economic Barometer
(long-term average 2006–2015=100)

Values for the past months

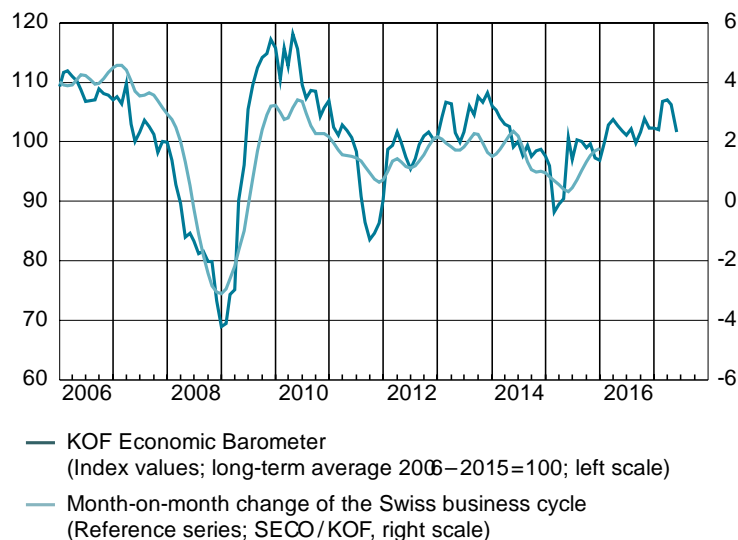
Current level / Level a month ago

2016m5	101,8	101,8
2016m6	101,2	101,2
2016m7	102,2	102,2
2016m8	99,8	99,8
2016m9	101,6	101,6
2016m10	103,9	103,9
2016m11	102,3	102,3
2016m12	102,3	102,3
2017m1	102,0	102,0
2017m2	106,8	106,9
2017m3	107,2	107,2
2017m4	106,3	106,0
2017m5	101,6	

KOF Economic Barometer and reference time series: annual update

In September 2016, the scheduled annual update of the KOF Economic Barometer took place. The annual update of the Barometer concerns the following stages: redefinition of the pool of indicators that enter the selection procedure, update of the reference time series, a new execution of the variable selection procedure and a procedure to estimate missing monthly values of quarterly variables. The updated reference series is the smoothed continuous growth rate of Swiss GDP according to the new System of National Accounts ESVG 2010, released at the end of August 2015, which takes into account the release of the previous year's annual Gross Domestic Product (GDP) data by the Swiss Federal Statistical Office. As a result of the indicator variable selection procedure, the updated KOF Economic Barometer is now based on 272 indicators (instead of 238 as in the previous vintage) from a pool of more than 400 potential indicator series. They are combined using statistically determined weights.

KOF Economic Barometer and Reference Series



More detailed information regarding the KOF Economic Barometer:

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

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