



Press release

Date

5 September 2019

Gross domestic product in the 2nd quarter of 2019: economy weakens

Switzerland's GDP rose by 0.3% in the 2nd quarter of 2019, after increasing by 0.4% (revised) in the previous quarter.¹ The development of domestic and foreign demand was weak, as in other European countries, which had a particularly negative impact on the service sectors.

Private consumption (+0.3%) saw slightly below-average growth in the 2nd quarter, supported by expenditure for healthcare, housing and energy. **Government consumption** (+0.1%) increased only slightly. **Investment in construction** (–0.1%) provided no impetus, accordingly value added in **construction** (+0.1%) hardly rose at all. Finally, **investment in equipment** (–1.0%) recorded a quite substantial decline. Investment in machinery was reduced again in particular, as the uncertain environment is dampening companies' investment activity.

Slowed by the generally weak domestic demand and slightly decreasing **exports of services** (–0.2%), significant service sectors lost momentum in the 2nd quarter. Value added in **trade** (–0.3%) decreased again after an encouraging start to the year. A slight dip in value added was also registered in the **business services** sector (–0.1%), while **accommodation and food services** (+2.6%) and the **finance sector** (+0.7%) made gains.

Unlike in other European countries, the industry sector contributed significantly to GDP growth in the 2nd quarter. In **manufacturing** (+1.3%), value added almost continued the dynamic growth of the previous quarter, with turnover and exports climbing in the chemical and pharmaceutical segment in particular. However, other industry sectors, specifically machinery and metals, reported declining turnover and were thus in line with the recent international development. **Exports of goods**² (–0.8%) fell slightly overall. At the same time, **imports**² of goods and services also dropped (–0.6%).

¹ Real percentage changes on the previous quarter. Adjusted for the effects of major sporting events, economic growth amounted to 0.3%, after reaching 0.6% in the previous quarter. Data and further information: www.seco.admin.ch/gdp.

² Excluding valuables.

**Press briefing 5 September 2019 – 9.30 a.m. Media Centre in Bern:
Is Switzerland facing a recession?**

Eric Scheidegger, Head of SECO's Economic Policy Directorate, and Philipp Küttel, Head of the FSO's National Accounts Section, explain the current GDP figures and the economic situation. On this occasion, the influence of major sporting events on gross domestic product will also be discussed.

Telephone media enquiries will be answered after the press briefing from around 11 a.m.

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Quarterly figures on GDP

Appendix to the SECO's press release of September 5, 2019¹

Figure 1: Gross domestic product²

Real, seasonally adjusted, q-o-q change in %

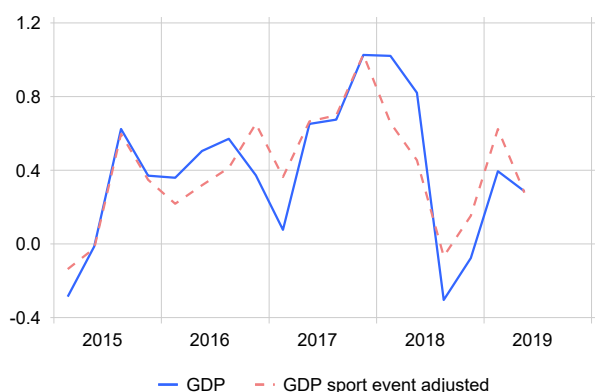


Figure 2: Growth contributions

Real, seasonally adjusted, q-o-q change, in percentage points

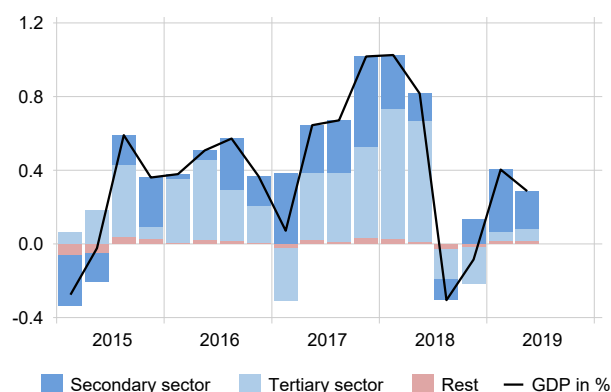


Table 1: Production approach³

Real, seasonally adjusted, quarterly change in %

	18:3	18:4	19:1	19:2
Gross domestic product	-0.3	-0.1	0.4	0.3
Manufacturing	-0.5	1.2	1.4	1.3
Construction	0.3	-1.1	1.4	0.1
Trade	-0.4	-0.3	0.6	-0.3
Accommodation, food	1.0	-0.4	0.2	2.6
Finance, insurance	-0.6	-1.4	1.3	0.7
Business services	0.9	0.5	0.5	-0.1
Public administration	-0.3	0.0	0.1	-0.1
Health, social activities	0.5	0.9	0.8	0.4
Arts, entertainment, recreation	-8.6	-9.3	-10.4	0.3
Other	-0.5	-0.1	-0.4	-0.2
Gross domestic product sport event adjusted	-0.1	0.2	0.6	0.3

Table 2: Expenditure approach⁴

Real, seasonally adjusted, quarterly change in %

	18:3	18:4	19:1	19:2
Gross domestic product	-0.3	-0.1	0.4	0.3
Private consumption	0.0	0.3	0.3	0.3
Government consumption	0.0	0.4	0.5	0.1
Equipment and software investment	-2.0	-0.8	2.4	-1.0
Construction investment	-0.1	-0.2	0.5	-0.1
Exports of goods excl. valuables	-3.4	8.4	0.6	-0.8
as well as excl. merchandising	-2.9	6.4	1.0	0.3
Exports of services	0.4	-2.0	1.7	-0.2
Imports of goods excl. valuables	-3.3	0.8	2.8	-1.7
Imports of services	-1.2	-0.7	-0.1	1.5

¹ Data and further information: www.seco.admin.ch/gdp

² As an interpretation aid, the SECO also publishes a «sport event adjusted» GDP, which includes but smooths out the effects of major sportevents. Further information can be found in the Konjunkturtendenzen of [autumn 2017](#) and [spring 2018](#).

Table 3: Production approach³

Real, change in %

	previous year		previous year's quarter			
	2017	2018	18:3	18:4	19:1	19:2
Gross domestic product	1.8	2.8	2.5	1.3	1.0	0.2
Manufacturing	5.1	3.9	3.2	2.4	3.1	3.0
Construction	1.7	1.9	2.8	-0.7	1.0	0.8
Trade	-2.4	-0.1	-0.7	-1.5	0.1	0.4
Accommodation, food	2.4	4.2	4.5	3.1	-1.1	5.0
Finance, insurance	3.4	0.9	1.0	-2.3	-0.1	0.1
Business services	1.7	3.2	3.4	3.4	2.6	1.7
Public administration	1.1	0.2	-0.1	-0.5	-0.2	-0.4
Health, social activities	3.4	3.2	3.0	3.3	2.8	2.7
Arts, entertainment, recreation	-11.1	24.9	25.9	13.8	-13.9	-25.3
Other	2.5	3.2	2.3	1.8	0.4	-1.8
Gross domestic product sport event adjusted	2.2	2.3	2.0	1.1	1.3	0.9

Table 4: Expenditure approach⁴

Real, change in %

	previous year		previous year's quarter			
	2017	2018	18:3	18:4	19:1	19:2
Gross domestic product	1.8	2.8	2.5	1.3	1.0	0.2
Private consumption	1.2	1.0	0.7	0.8	0.6	0.9
Government consumption	1.2	0.3	0.0	0.0	0.9	1.0
Equipment and software investment	4.6	1.1	-0.9	-1.7	-1.5	-1.6
Construction investment	1.5	1.2	1.3	-0.6	1.4	0.2
Exports of goods excl. valuables	5.2	5.9	-2.5	9.4	4.1	3.5
as well as excl. merchandising	5.8	4.4	0.1	7.3	5.6	3.4
Exports of services	1.1	1.6	0.2	-2.1	-2.4	0.2
Imports of goods excl. valuables	5.2	6.2	4.1	-0.2	0.8	-2.6
Imports of services	2.8	-4.3	-5.2	-5.7	-4.6	0.2

³ **Manufacturing:** Noga 10–33; **Construction:** Noga 41–43; **Trade:** Wholesale and retail trade; Repair of motor vehicles, Noga 45–47; **Accommodation, food:** Accommodation and food service activities, Noga 55–56; **Finance, insurance:** Financial and insurance activities, Noga 64–66; **Business services:** Real estate services; professional, scientific and technical activities; administrative and support service activities, Noga 68–82; **Public administration:** Public administration and defence; compulsory social security, Noga 84; **Health, social activities:** Human health and social work activities, Noga 86–88; **Arts, entertainment, recreation:** Arts, entertainment, recreation and other service activities, Noga 90–96. **Other:** Agriculture, forestry, fishing, Noga 01–03; Mining and quarrying, Noga 05–09; Energy and water supply, waste management and remediation activities, Noga 35–39; Transportation and storage, Noga 49–53 Information and communication, Noga 58–63; Education, Noga 85; Activities of households as employers, Producing activities of households for own use, Noga 97–98; taxes and subsidies on products.

⁴ Valuables contain: precious metals, jewellery and gems, works of art and antiques and non-monetary gold.