



## Press release

Date

4 August 2020

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# Consumer sentiment makes a strong recovery but remains below average

**Consumer sentiment in Switzerland has largely recovered from its slump in April. Expectations regarding general economic development have improved, but those regarding the labour market remain very negative. Accordingly, respondents believe that now is not a good time to make major purchases.**

In July, the consumer sentiment index stood at –12 points, meaning that consumer sentiment has largely recovered from its historic low in April (–39 points). However, it still comes in below average (long-term average: –5 points).

Expectations regarding general economic development have improved significantly, starting from their historically low level in April. The relevant sub-index has climbed to –17 points, indicating that a certain economic recovery has begun in the wake of the relaxation of the measures to contain the coronavirus.

By contrast, expectations regarding the development of the labour market remain very negative. Although the index on expected unemployment has improved, it is still fairly close to the historical level reached during the financial and economic crisis. Job security has also been assessed much worse than in April.

While households' past financial situation (–10 points) has been rated at a similar level to the previous quarter, expectations regarding the financial situation have brightened considerably, with the relevant sub-index (–4 points) now only slightly below the long-term average. Declining consumer prices are also likely to have contributed to this result. Accordingly, the sub-index on anticipated price development has also dropped.

The likelihood of making major purchases has left April's low behind but remains well below average, with the relevant sub-index standing at –17 points. Key reasons for this may be the difficult labour market prospects and the high level of uncertainty, which outweigh the improved expectations regarding households' own budget.

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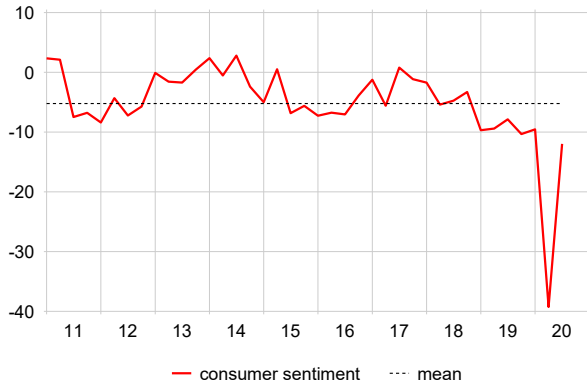
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# Consumer sentiment

Appendix to the SECO's press release of August 4, 2020<sup>1</sup>

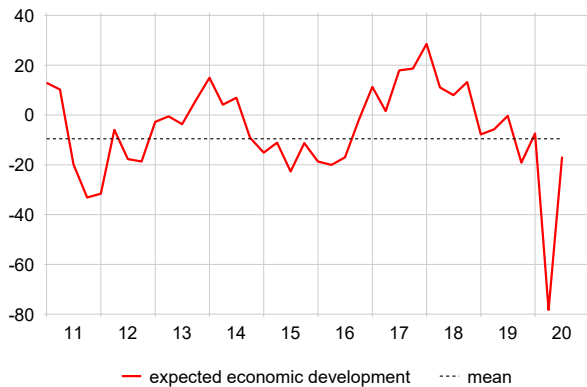
## Consumer sentiment index<sup>2</sup>

Calculated from the four sub-indices below

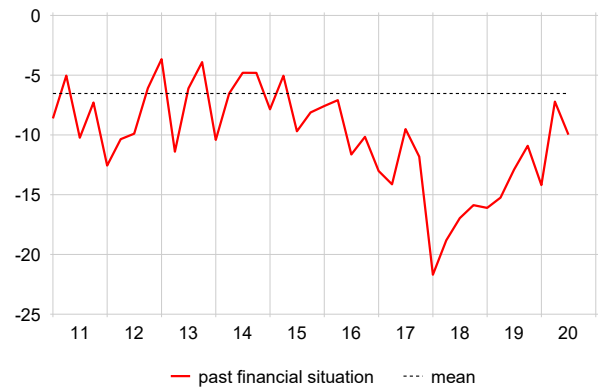


Quarter	19:4	20:1	20:2	20:3
<b>Consumer sentiment</b>	<b>-10.3</b>	<b>-9.5</b>	<b>-39.3</b>	<b>-12.0</b>
Expected economic development	-19.1	-7.4	-78.3	-16.7
Past financial situation	-10.9	-14.2	-7.2	-10.0
Expected financial situation	-2.9	-7.9	-23.6	-4.1
Major purchases	-8.4	-8.6	-48.0	-17.1

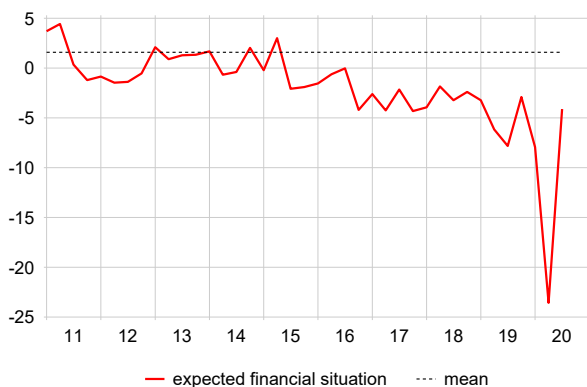
### Sub-index 1: Expected economic development



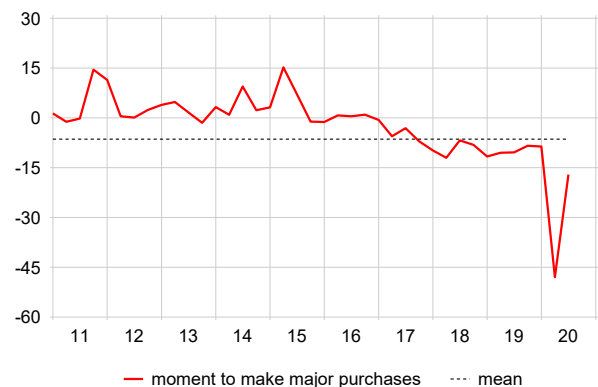
### Sub-index 2: Past financial situation



### Sub-index 3: Expected financial situation



### Sub-index 4: Major purchases



<sup>1</sup> The survey is held every January, April, July and October and is conducted by telephone and online. A total of 1372 people aged 16 and over took part in the last survey in German, French or Italian. Further information and the data are available at [www.seco.admin.ch/consumer-confidence](http://www.seco.admin.ch/consumer-confidence).

<sup>2</sup> Seasonally and calendar adjusted data. All means depicted in the figures refer to the time period from October 1972.