



Press release

Date

28 February 2022

Gross domestic product in the fourth quarter of 2021: ongoing recovery weakens

Switzerland's GDP grew by 0.3% in the last quarter of 2021, following a 1.9% increase the previous quarter.¹ As expected, the recovery continued at a more moderate pace. The domestic economy was hampered by the latest wave of the pandemic and the additional restrictions introduced. Industrial growth was buoyant, driven largely by the chemical and pharmaceutical sector.

Public health restrictions had significantly less impact on the economy in the fourth quarter of 2021 than in earlier waves of the pandemic. Consequently, there was no substantial slump in economic activity this time. **Hotel and catering** (–2.9%) was the only sector to experience a noticeable decline in value added. While hotel guest numbers were slightly up on the previous quarter, restaurant demand contracted. Moreover, as the population's mobility increased only slightly in the fourth quarter, growth weakened in the **transport and communications sector** (+1.2%). The **arts, entertainment and recreation** sector (adjusted for sporting events: +1.8%) also lost considerable momentum.

Trade (+0.4%) recorded a slight increase overall, helped by a positive performance in **retail trade** (+4.0%). Demand increased in food, but also in furnishings and electronics. In contrast, car purchases fell sharply against the backdrop of sustained delivery delays. Consumer spending on travel and hospitality services also declined. Overall, **private consumption expenditure** (+0.3%) recorded only marginal growth. The increase in **government expenditure** (+1.0%) was stronger, driven by pandemic-related spending.

Following a negative third quarter, there was renewed growth in **investment in equipment** (+2.4%), including machinery and IT services. In line with the decline in value added in the **construction sector** (–0.8%), **construction investment** (–0.1%) fell slightly. Overall, domestic demand was considerably more subdued than in the two previous quarters. Growth in **imports²** was thus correspondingly low (+0.2%).

Manufacturing (+1.7%) saw a substantial increase in value added. While some sectors were severely affected by global supply chain disruptions, the chemical and pharmaceutical sector – less impacted by supply bottlenecks – ramped up production again. This was accompanied

¹ Quarter-on-quarter growth rates in real terms. Adjusted for sporting events, GDP grew by 0.5% in the fourth quarter and 1.7% in the third quarter.

² Goods and services, excluding valuables.

by a strong increase in exports of industrial products. The overall decline in total **exports**³ (–0.5%) is explained by the downturn in transit trade.

Initial results for 2021

According to provisional results available, **GDP for 2021** grew by 3.7%.⁴ The Swiss economy thus recovered relatively swiftly from the slump experienced in 2020 (–2.4%). By summer 2021, value added had already exceeded pre-pandemic levels.

The recovery benefited almost all sectors of the economy in 2021, albeit to varying degrees. Manufacturing and thus also the exports of goods registered robust growth. Large parts of the service sector also recovered. However, those services most severely impacted by the pandemic and public health measures recorded value added well below pre-crisis levels.

Note

Further information on GDP in the fourth quarter and 2021 as a whole can be found in the spring 2022 edition of **Konjunkturtendenzen** at www.seco.admin.ch/gdp.

The coronavirus pandemic has also had an impact on **statistical production**. As recommended by Eurostat, the European statistics office, the basic data and methods used for calculating the current GDP have been reviewed in depth. This ensures that no distorting effects arise as a result of the pandemic.⁵ Nonetheless, it is possible that, given the current data situation, more extensive revisions than usual will be necessary in the coming quarters.

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³ Goods and services, excluding valuables.

⁴ Year-on-year growth rates in real terms. Adjusted for seasonal, calendar and sporting events, the GDP growth rates are –2.6% (2020) and 3.6% (2021).

⁵ Cf. <https://ec.europa.eu/eurostat/data/metadata/covid-19-support-for-statisticians>

Quarterly figures on GDP

Appendix to the SECO's press release of 28.2.2022¹

Figure 1: Gross domestic product²

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

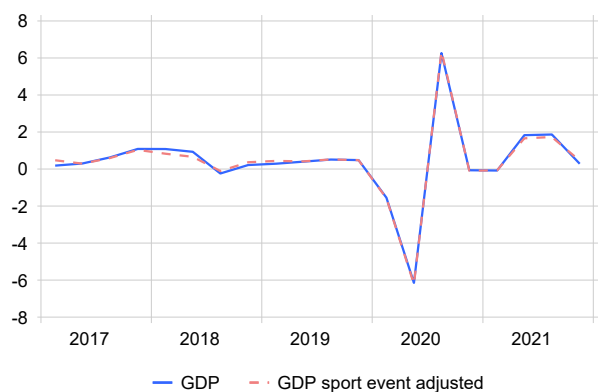


Figure 2: Growth contributions

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

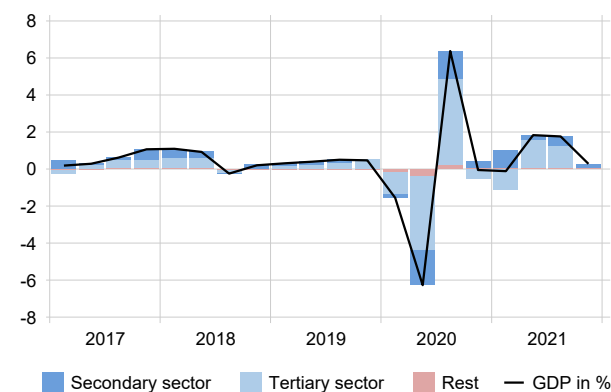


Table 1: Production approach³

Real, seasonally adjusted, quarterly change in %

	21:1	21:2	21:3	21:4
Gross domestic product	-0.1	1.8	1.9	0.3
Manufacturing	5.4	1.9	2.6	1.7
Construction	-0.2	0.1	0.0	-0.8
Trade	-2.8	3.4	-3.8	0.4
Accommodation, food	-44.9	38.1	107.3	-2.9
Finance, insurance	0.1	0.7	0.1	-0.8
Business services	-0.8	1.1	1.5	0.7
Public administration	0.7	0.0	0.5	0.1
Health, social activities	-0.4	0.3	1.6	0.3
Arts, entertainment, recreation	-2.6	52.7	24.7	-15.2
Other	-0.6	1.4	3.2	0.3
Gross domestic product sport event adjusted	-0.1	1.7	1.7	0.5

Table 2: Expenditure approach⁴

Real, seasonally adjusted, quarterly change in %

	21:1	21:2	21:3	21:4
Gross domestic product	-0.1	1.8	1.9	0.3
Private consumption	-3.1	4.1	2.7	0.3
Government consumption	-0.8	1.5	-0.4	1.0
Equipment and software investment	-1.6	3.4	-1.9	2.4
Construction investment	-0.1	0.2	0.0	-0.1
Exports of goods excl. valuables	4.6	1.9	5.9	-2.2
as well as excl. merchanting	5.1	2.0	3.6	2.5
Exports of services	-2.7	7.3	2.4	3.3
Imports of goods excl. valuables	1.1	-0.2	3.2	1.2
Imports of services	-3.3	6.9	3.5	-1.6

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			
	2020	2021	21:1	21:2	21:3	21:4
Gross domestic product	-2.4	3.7	-0.6	8.0	3.8	3.7
Manufacturing	-3.0	11.2	4.4	16.4	12.1	12.2
Construction	-2.6	1.2	-1.0	7.0	-0.1	-0.9
Trade	2.1	-0.4	0.0	5.8	-3.9	-2.8
Accommodation, food	-41.8	4.0	-60.2	30.3	22.1	54.2
Finance, insurance	5.6	1.4	1.6	2.0	1.8	0.0
Business services	-2.4	1.5	-1.9	3.8	1.8	2.5
Public administration	2.3	1.4	1.5	1.3	1.6	1.2
Health, social activities	-0.7	4.5	4.5	9.8	2.3	1.7
Arts, entertainment, recreation	-26.0	52.1	-11.5	129.4	64.8	57.1
Other	-8.8	2.9	-5.1	9.8	3.3	4.3
Gross domestic product sport event adjusted	-2.4	3.6	-0.6	7.9	3.5	3.6

Table 4: Expenditure approach⁴

Real, change in %

	previous year		previous year's quarter			
	2020	2021	21:1	21:2	21:3	21:4
Gross domestic product	-2.4	3.7	-0.6	8.0	3.8	3.7
Private consumption	-3.7	2.6	-3.3	8.3	2.1	3.8
Government consumption	3.5	2.7	2.9	3.5	3.0	1.4
Equipment and software investment	-2.5	4.0	0.2	13.3	1.2	2.3
Construction investment	-0.4	1.3	-0.5	5.7	0.3	-0.3
Exports of goods excl. valuables	-1.1	11.7	5.7	16.8	13.2	11.6
as well as excl. merchandising	-2.9	13.3	2.6	22.6	15.0	14.7
Exports of services	-14.5	10.5	-5.2	19.8	20.1	10.0
Imports of goods excl. valuables	-6.2	4.8	-3.2	13.5	4.3	5.8
Imports of services	-11.0	6.5	-9.9	19.9	16.3	3.7

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 and recreation, Noga 90–93. **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; Other service activities, Noga 94–96; 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.