



Press release

Date

29 November 2022

Gross domestic product in the third quarter of 2022: growth underpinned by domestic economy

Switzerland's GDP grew by 0.2% in the third quarter of 2022, following an increase of 0.1% in the second quarter.¹ Growth has largely been driven by the domestic economy. The service sector delivered broad-based growth. Meanwhile, some of the more cyclical industrial sectors were held back by the international environment.

Despite relatively high inflation rates, **private consumer spending** (+0.7%) again increased above average in the third quarter. In particular, spending was up on housing and energy, leisure and travel, and non-food purchases. The value added in the retail trade increased accordingly; likewise, **trade** as a whole (+2.3%) again registered substantial growth after a run of four negative quarters. The **accommodation and food services** sector (+2.8%) continued to recover from the pandemic-related slump, buoyed by an upturn in international tourism among other things. Other service sectors such as **healthcare** (+0.7%) and **business-related services** (+0.6%) also registered a significant increase in value added. In contrast, value added in the financial services sector declined (-4.4%).

Investments in equipment (+2.1%) were another contributory factor to the robust growth in **domestic final demand** (+0.6%). Some easing in international supply bottlenecks allowed for extensive investment in vehicles; there was also an increase in investment in IT, in particular. In line with the pick-up in domestic demand, there was also a sharp rise in **imports** (+4.9%).²

Construction investment (-2.0%) contracted yet again – the only component of domestic demand to do so – and with that also the value added in the **construction industry** (-2.2%). Turnover was down in building construction in particular but also in civil engineering and other construction site work.

In **manufacturing** (-0.2%), value added dipped slightly in the third quarter. While the chemical and pharmaceutical industry returned to substantial growth after two negative quarters, other sectors were increasingly being held back by a challenging international environment. The

¹ Quarter-on-quarter growth rates in real terms. Adjusted for sporting events, GDP grew by the same 0.2% in the third quarter and by 0.1% in the second quarter. Further information on quarterly GDP can be found in Konjunkturtendenzen (Economic situation in Switzerland) at www.seco.admin.ch/gdp.

² Goods and services excluding valuables. Adjusted for sporting events: +4.6%.

more cyclical industrial sectors experienced a downturn in value added, as reflected in declining exports of machinery and metals, for example. The nonetheless strong growth in total **exports**³ (+5.9%) is largely explained by a sharp increase in transit trade.

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³ Goods and services excluding valuables. Adjusted for sporting events: +5.8%.

Quarterly figures on GDP

Appendix to the SECO's press release of 29.11.2022¹

Figure 1: Gross domestic product²

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

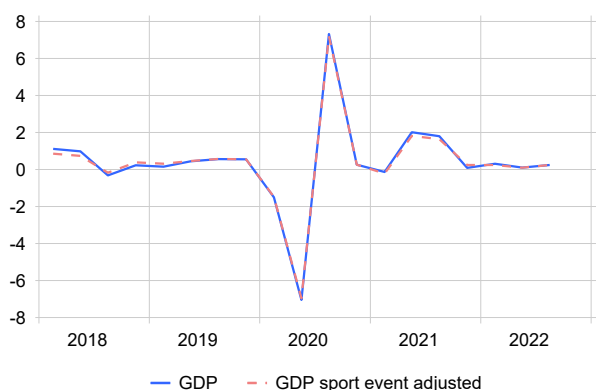


Figure 2: Growth contributions

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

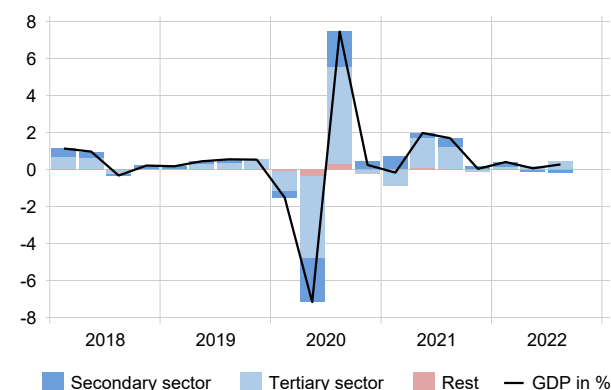


Table 1: Production approach³

Real, seasonally adjusted, quarterly change in %

	21:4	22:1	22:2	22:3
Gross domestic product	0.1	0.3	0.1	0.2
Manufacturing	1.9	1.6	-0.4	-0.2
Construction	-1.3	-0.6	-1.7	-2.2
Trade	-0.6	-1.6	-2.4	2.3
Accommodation, food	1.9	0.0	13.0	2.8
Finance, insurance	-1.1	0.1	-1.1	-2.1
Business services	0.7	0.0	0.1	0.6
Public administration	0.1	0.1	0.1	0.5
Health, social activities	0.4	1.2	1.2	0.7
Arts, entertainment, recreation	-15.5	10.9	3.5	0.2
Other	-0.5	1.1	2.3	-0.1
Gross domestic product sport event adjusted	0.2	0.2	0.1	0.2

Table 2: Expenditure approach⁴

Real, seasonally adjusted, quarterly change in %

	21:4	22:1	22:2	22:3
Gross domestic product	0.1	0.3	0.1	0.2
Private consumption	0.2	0.4	1.3	0.7
Government consumption	0.3	0.3	0.0	0.2
Equipment and software investment	4.6	-4.2	1.7	2.1
Construction investment	-1.2	-1.2	-1.1	-2.0
Exports of goods excl. valuables	-2.1	7.4	-13.5	7.8
as well as excl. merchanting	2.4	1.6	-1.3	1.7
Exports of services	11.5	-8.5	6.6	2.0
Imports of goods excl. valuables	0.8	4.9	-0.7	3.0
Imports of services	4.8	-8.0	3.3	7.8

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. Background information on sport event adjustment can be found in the publication «Konjunkturtendenzen» («Economic Trends») from fall 2022 and in the technical note from 5 September 2022 on the website www.seco.admin.ch.

Table 3: Production approach³

Real, change in %

	previous year		previous year's quarter			
	2020	2021	21:4	22:1	22:2	22:3
Gross domestic product	-2.4	4.2	3.7	4.4	2.2	0.5
Manufacturing	-4.2	11.4	11.7	8.8	5.4	2.8
Construction	-1.7	1.3	-1.1	-1.0	-3.2	-5.9
Trade	0.7	-0.1	-4.1	-3.8	-7.1	-3.6
Accommodation, food	-40.1	-0.1	43.7	189.3	82.5	18.7
Finance, insurance	6.0	5.2	3.3	1.7	-1.6	-4.2
Business services	0.0	2.7	3.4	3.2	2.2	1.5
Public administration	2.3	1.1	1.0	0.5	0.6	0.8
Health, social activities	-3.3	5.1	1.7	4.3	4.8	3.6
Arts, entertainment, recreation	-34.9	52.0	67.3	168.7	31.0	-2.8
Other	-7.6	2.4	2.3	5.0	5.7	2.8
Gross domestic product sport event adjusted	-2.3	3.9	3.4	4.1	2.2	0.6

Table 4: Expenditure approach⁴

Real, change in %

	previous year		previous year's quarter			
	2020	2021	21:4	22:1	22:2	22:3
Gross domestic product	-2.4	4.2	3.7	4.4	2.2	0.5
Private consumption	-4.1	1.6	2.6	7.0	4.3	2.5
Government consumption	3.5	3.5	3.0	2.0	1.5	0.9
Equipment and software investment	-4.3	8.1	9.1	3.7	1.7	4.1
Construction investment	-1.0	-3.0	-3.4	-3.4	-2.7	-6.2
Exports of goods excl. valuables as well as excl. merchanting	-0.6	11.0	10.6	14.4	-4.2	-2.7
Exports of services	-12.5	11.5	17.4	13.5	13.6	11.3
Imports of goods excl. valuables	-6.2	4.5	5.5	10.1	8.2	7.7
Imports of services	-6.1	5.9	9.0	7.1	3.1	6.7

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.