



Press release

Date

16 October 2025

Economic forecast: US tariffs weigh on Swiss industry, uncertainty remains elevated

Higher US tariffs have further clouded the outlook for the Swiss economy. Based on recently revised GDP data,¹ the Expert Group on Business Cycles projects significantly below-average economic growth of 1.3% in 2025, slowing further to 0.9% in 2026.² This forecast reflects expectations of a weak second half of 2025 and is based on the technical assumption that international tariffs will remain at current levels.

The first half of 2025 was marked by considerable volatility in foreign trade and GDP data. In Switzerland, above-average growth in the first quarter was followed by a significant slowdown, as anticipated.

Uncertainty surrounding international trade and economic policy remains high and continues to shape the outlook for both global and Swiss economic growth. The present forecast is based on the technical assumption that international tariffs will remain at current levels and that trade tensions will not intensify.² Under these conditions, the Expert Group expects global demand for Swiss goods and services to expand only modestly in the coming quarters.

The current trade policy environment presents particular challenges for Switzerland. Since 7 August, imports from Switzerland have been subject to additional US tariffs of 39% instead of the previous 10%, with certain exceptions. In addition, most other US trading partners face lower tariffs, placing Swiss exporters at a competitive disadvantage in the US market. Finally, the Swiss franc has appreciated in recent months. The additional tariffs are placing a heavy burden on affected sectors and export-oriented companies, with significant ripple effects expected across the broader economy. Moreover, persistent uncertainty is also dampening economic activity.

Against this backdrop, economic performance in Switzerland is expected to be weak in the second half of the year, particularly in goods exports. However, the revised GDP data indicate slightly stronger momentum in the first half than previously estimated. The Expert Group therefore reaffirms its forecast of 1.3% growth for 2025.

¹ A comprehensive benchmark revision of the national accounts was completed in summer 2025. See www.seco.admin.ch/gdp. This forecast is being published approximately one month later than usual to incorporate the revised data.

² Forecast finalised on 7 October. Further information can be found in the economic forecast section of 'Konjunkturtendenzen' for autumn 2025 (available in German) and at www.seco.admin.ch/economic-forecasts.

In 2026, both exports and equipment investment are expected to be weaker than previously projected. The Expert Group has revised its growth forecast for the Swiss economy down to 0.9% (June forecast: 1.2%). The global economy is expected to gain momentum only gradually over the course of the year, providing some support to Swiss exports.

Sluggish economic growth is also affecting the labour market. Unemployment is forecast to rise to 3.2% in 2026, up from 2.9% in 2025 (both forecasts unchanged),³ while employment growth is expected to be weaker than previously anticipated. Inflation is projected at 0.2% in 2025 and 0.5% in 2026 (June forecasts: 0.1% and 0.5%, respectively).

Economic risks

The future trajectory of international economic and trade policy – and its impact on the broader economy – remains highly uncertain, particularly in light of sector-specific tariffs announced by the US and EU, which would further slow down foreign trade. Conversely, if Switzerland were to reach an agreement with the US or if international trade policy were to ease, a more favourable development would be expected.

Overall, however, downside risks currently dominate. A deterioration in the international environment cannot be ruled out. Financial markets remain vulnerable to significant corrections. Risks related to global debt – especially sovereign debt – have intensified. Balance sheet risks in financial institutions and vulnerabilities in real estate markets also persist. Geopolitical risks remain elevated, particularly in connection with the armed conflicts in Ukraine and the Middle East. Should any of these risks materialise, further upward pressure on the Swiss franc would be expected.

Contact for enquiries

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³ The basis for calculating the unemployment rate was updated at the beginning of July 2025. As a result of the rise in the labour force, the newly published unemployment rates are marginally lower.

Economic Forecasts Switzerland

Appendix to the SECO press release from 16.10.2025¹

Economic forecasts Switzerland

Growth rates in % unless otherwise stated, growth contributions in percentage points, GDP and components: volumes, seasonally adjusted; foreign trade: excluding valuables

	2023	2024	2025 *	2026 *
GDP and components, sport event adjusted**				
GDP	1.3	1.2	1.3 (1.3)	0.9 (1.2)
Private consumption	1.4	2.4	1.4 (1.6)	1.3 (1.3)
Government consumption	1.4	1.3	1.5 (1.3)	0.4 (0.4)
Investment in construction	-1.5	-1.4	-0.1 (2.5)	1.8 (1.8)
Investment in fixed assets and software	3.8	1.2	-0.9 (0.8)	0.5 (1.6)
Exports of goods	-3.3	2.7	2.3 (4.6)	-0.5 (1.0)
Exports of services	1.2	3.6	2.0 (2.0)	2.5 (3.0)
Imports of goods	0.8	4.2	3.6 (4.7)	-1.0 (0.0)
Imports of services	1.5	2.9	-1.5 (4.0)	3.0 (4.0)
Contributions to GDP-growth, sport event adjusted**				
Final domestic demand	1.4	1.4	0.7 (1.3)	0.9 (1.1)
Foreign trade	-1.8	0.0	0.6 (0.0)	-0.1 (0.0)
Labor market and prices				
Employment in full-time equivalents	2.1	1.3	0.4 (0.5)	0.2 (0.4)
Unemployment rate in %	2.0	2.4	2.9 (2.9)	3.2 (3.2)
Consumer price index	2.1	1.1	0.2 (0.1)	0.5 (0.5)
GDP, not adjusted for sport events	0.9	1.4	1.1 (0.9)	1.2 (1.6)

* Forecasts by the Federal Expert Group on Business Cycles from 16.10.2025, forecasts from 16.06.2025 in brackets.

** Affected by sport event effects are: GDP, exports of services, imports of services, foreign trade.
Sources: FSO, SECO

International and monetary environment

Growth rates in % unless otherwise stated, GDP and global demand: volumes, seas. adjusted

	2023	2024	2025 *	2026 *
GDP international, real				
United States	2.9	2.8	1.8 (1.6)	1.7 (1.7)
Euro area	0.5	0.8	1.3 (0.9)	1.1 (1.2)
Germany	-0.7	-0.5	0.3 (0.2)	1.0 (1.1)
United Kingdom	0.3	1.1	1.3 (1.0)	1.3 (1.3)
Japan	1.2	0.1	1.2 (0.7)	0.6 (0.6)
BRIC-Countries	5.8	5.2	4.8 (4.4)	4.1 (4.2)
China	5.2	5.0	4.8 (4.3)	4.1 (4.1)
Global demand	1.6	1.6	1.7 (1.3)	1.5 (1.6)
Price of crude oil in USD/barrel Brent	82.5	80.5	70.1 (67.2)	66.2 (63.8)
Switzerland				
SARON in %	1.5	1.3	0.1 (0.2)	0.0 (-0.0)
10-year Swiss federal bonds, return in %	1.1	0.6	0.4 (0.4)	0.5 (0.5)
Real exchange rate index	3.4	0.9	1.4 (0.2)	1.4 (0.7)

* Assumptions by the Federal Expert Group on Business Cycles from 16.10.2025. Assumptions from 16.06.2025 in brackets.

Sources: SECO, corresponding statistical institutions

¹Data and further information: www.seco.admin.ch/economic-forecasts