



Press release

Date

5 February 2020

Consumer sentiment confirms economy is stabilising

Households are feeling more optimistic about the development of the economic situation and labour market. However, consumer sentiment remains below average overall, as households' own budget situation is still gloomy.

Swiss consumer sentiment remains cautious overall. At –9 points, the consumer sentiment index¹ in January 2020 again stood below its long-term average (–5 points). The index's position has changed little since early 2019.

However, expectations regarding general economic development have brightened significantly in recent months, with the relevant sub-index rising from –19 to –7 points and now standing just above its average again (–9 points), which points to roughly average economic growth. In line with the improved economic prospects, consumers have also expressed increased confidence in the labour market. The sub-index on anticipated unemployment has dropped considerably from 48 to 33 points and is thus clearly below its long-term average. Job security has also retained its above-average rating. Respondents are therefore assuming that the labour market's current healthy state will continue.

Nevertheless, the outlook for households' own budget remains troubled, which explains the generally gloomy sentiment. Both the past (–14 points) and anticipated financial situation (–8 points) have been assessed as well below average (average: –7 points and +2 points respectively). The improvement which had been indicated in the previous quarter has not been borne out in January's survey. Instead, the outlook for households' own financial situation has worsened again. However, the likelihood of making major purchases has stayed constant at –8 points, which is close to the average (–6 points).

The survey results also show a significant increase in the anticipated price development, which may have been partly due to the rapid and considerable rise in oil prices before the survey in January. The higher expectations regarding price development could explain why households

¹ Since July 2019, the consumer sentiment index has been calculated using the following four seasonally and calendar-adjusted sub-indices: expected economic development, past financial situation, expected financial situation and moment to make major purchases. Further information: www.seco.admin.ch/consumer-confidence.

are rather pessimistic about their own financial situation despite the more positive prospects for the development of the economy and the labour market.

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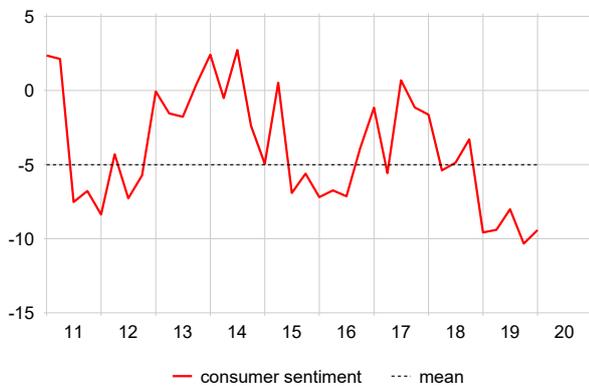
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Consumer sentiment

Appendix to the SECO's press release of February 5, 2020¹

Consumer sentiment index²

Calculated from the four sub-indices below

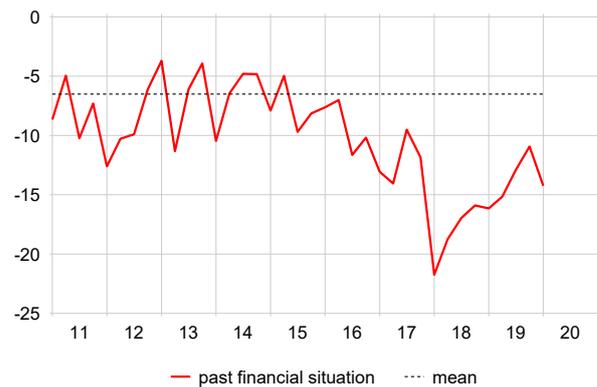


Quarter	19:2	19:3	19:4	20:1
Consumer sentiment	-9.4	-8.0	-10.3	-9.4
Expected economic development	-5.7	-0.6	-19.1	-7.1
Past financial situation	-15.2	-12.9	-10.9	-14.2
Expected financial situation	-6.2	-7.7	-2.9	-8.0
Major purchases	-10.5	-10.8	-8.3	-8.3

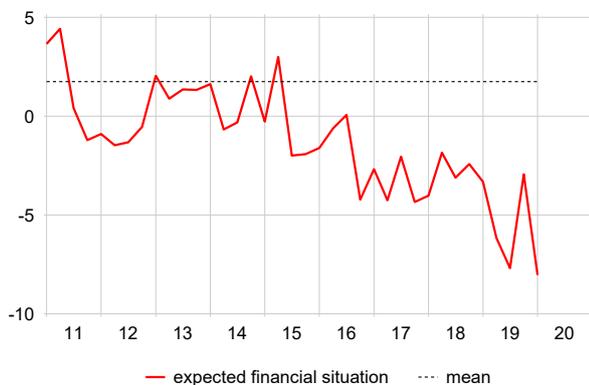
Sub-index 1: Expected economic development



Sub-index 2: Past financial situation



Sub-index 3: Expected financial situation



Sub-index 4: Major purchases



¹ The survey is held every January, April, July and October and is conducted by telephone and online. A total of 1302 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.

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