



Press release

Date

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Gross domestic product in the second quarter of 2023: Swiss economy stagnates

Following on from a robust first quarter (+0.9%), Switzerland's GDP adjusted for sporting events remained flat in the second quarter of 2023 (+0.0%).¹ Industry saw a decline in value added, while the service sector again grew at an above-average rate.

After a positive start to the year, **manufacturing** (–2.9%) recorded declining value added in the second quarter. One factor in this was the marked decline in the **chemical and pharmaceutical industry** (–2.3%), which had been moving more or less sideways since the high-growth years of 2015 to 2022. At the same time, the challenging international environment is weighing on the cyclically sensitive industrial sectors such as mechanical engineering and metal construction, resulting in a second-quarter decline in value added for the rest of industry. This was also reflected in a broad-based decline in **goods exports**² across various countries and categories (–1.2%).

The **construction sector** suffered a setback in the second quarter. Hit by shrinking revenues in all segments of the construction industry, value added receded slightly (–0.7%). **Construction investment** (–0.8%) was likewise down marginally. There was also a broad-based decline in **investments in equipment** (–3.7%), mainly in relation to information technology, research and development, and vehicles.

On the other hand, the second quarter saw increases in both **government consumption** (+0.1%) and **private consumption** (+0.4%). In particular, private consumer spending was up in both housing and services, especially healthcare and also food and accommodation services. Combined with a further increase in the number of guests from abroad, this contributed to strong growth in value added for the **accommodation and food services sector** (+5.2%).

The second quarter also saw some growth for most of the other service sectors: **health and social care services** (+0.8%), **business-related services** (+0.7%) and the **entertainment**

¹ To facilitate cyclical interpretation, this press release provides quarter-on-quarter growth rates in real terms, seasonally adjusted and (where applicable) adjusted for sporting events. The adjustment for sporting events concerns GDP, the 'arts, entertainment and recreation' sector, and service exports and imports. Further information on the adjustment for sporting events can be found at www.seco.admin.ch/gdp under 'Documents'. Not adjusted for sporting events: +0.0% in the second quarter of 2023 and +0.3% in the first quarter of 2023.

² Goods excluding valuables.

sector³ (+0.7%). However, value added stagnated in the **transport and communication sector** (+0.0%), with an increase in passenger transport offset by a downturn in goods transport. Following several quarters of decline, value added stabilised in the **financial services sector** (+0.0%). The commission business in particular showed some signs of recovery in the wake of increased financial services exports. However, **retail trade** (-0.4%) registered a slight decline. Bolstered by wholesale trade and car sales, **trade** (+2.1%) nonetheless posted an above-average overall result for the quarter.

Foreign trade made a positive overall contribution to GDP growth in the second quarter. A decline in exports of goods was counteracted by an increase in **exports of services**⁴ (+2.6%) and a contraction in **imports of goods and services**⁵ (-3.7%).

Notes:

As every year, in summer 2023 the Federal Statistical Office published its first results on the Annual National Accounts for the previous year and the revised results for the two years prior to that. SECO has integrated the updated data into the Quarterly National Accounts and, where necessary, modified the calculation method.

The Swiss National Bank introduced a new **current account** survey as of the first quarter of 2023.⁶ The data currently available for the second quarter is likely to be revised to a greater extent than usual at a later date. Data items from the current account are used at various points in calculating the Swiss National Accounts. As a result, there may be a need for greater revisions than usual over the coming quarters.

Further information on GDP in the second quarter and on the annual revision can be found in the autumn 2023 edition of ***Konjunkturtendenzen*** (Economic situation in Switzerland) at www.seco.admin.ch/gdp.

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³ Not adjusted for sporting events: +1.0%.

⁴ Not adjusted for sporting events: +1.3%.

⁵ Goods excluding valuables and services adjusted for sporting events. Not adjusted for sporting events: -3.4%

⁶ https://data.snb.ch/en/topics/aube/doc/changerev_aube#rev_aube_nlbe

Quarterly figures on GDP

Appendix to SECO's press release of 04.09.2023¹

Table 1: Production approach, change over the previous quarter³

Real, seasonally adjusted², in %

| | 22:3 | 22:4 | 23:1 | 23:2 |
|--------------------------------------|------|------|-------|------|
| Gross domestic product* | | | | |
| <i>sport event adjusted</i> | 0.2 | 0.0 | 0.9 | 0.0 |
| <i>not adjusted for sport events</i> | 0.3 | 0.0 | 0.3 | 0.0 |
| Manufacturing | 0.6 | -1.7 | 0.5 | -2.9 |
| Construction | -2.2 | -0.4 | 1.0 | -0.7 |
| Trade | 1.0 | 2.6 | 2.9 | 2.1 |
| Accommodation, food | 3.6 | 2.6 | 3.5 | 5.2 |
| Finance, insurance | -2.0 | -1.2 | -2.1 | 0.3 |
| Business services | -0.6 | -0.4 | 0.4 | 0.7 |
| Public administration | 0.7 | 0.4 | 0.3 | 0.1 |
| Health, social activities | 0.8 | 0.8 | 0.6 | 0.8 |
| Arts, entertainment, recreation* | | | | |
| <i>sport event adjusted</i> | 1.4 | 1.7 | 0.7 | 0.7 |
| <i>not adjusted for sport events</i> | 6.5 | 1.3 | -49.6 | 1.0 |
| Other | 0.8 | 0.1 | 1.7 | -0.4 |

* Affected by sport event effects: GDP, sector aggregate «arts, entertainment, recreation».

Table 2: Expenditure approach, change over the previous quarter

Real, seasonally adjusted², in %

| | 22:3 | 22:4 | 23:1 | 23:2 |
|--------------------------------------|------|------|------|------|
| Gross domestic product* | | | | |
| <i>sport event adjusted</i> | 0.2 | 0.0 | 0.9 | 0.0 |
| <i>not adjusted for sport events</i> | 0.3 | 0.0 | 0.3 | 0.0 |
| Private consumption | 0.6 | 0.6 | 0.6 | 0.4 |
| Government consumption | 0.1 | 0.2 | 0.4 | 0.1 |
| Equipment and software investment | 1.5 | -0.8 | 2.5 | -3.7 |
| Construction investment | -1.7 | -0.6 | 0.0 | -0.8 |
| Exports of goods excl. valuables | 11.8 | 0.0 | 3.6 | -1.2 |
| as well as excl. merchanting | 1.2 | -2.0 | 4.7 | -2.5 |
| Exports of services* | | | | |
| <i>sport event adjusted</i> | 0.4 | -1.4 | 1.1 | 2.6 |
| <i>not adjusted for sport events</i> | 1.1 | 0.9 | -2.7 | 1.3 |
| Imports of goods excl. valuables | 2.3 | -1.5 | 5.1 | -7.2 |
| Imports of services* | | | | |
| <i>sport event adjusted</i> | 4.4 | -0.4 | 5.7 | 1.5 |
| <i>not adjusted for sport events</i> | 5.5 | 0.6 | 3.3 | 2.3 |

* Affected by sport event effects: GDP, exports and imports of services.

¹Data and further information: www.seco.admin.ch/gdp ; background information on sport event adjustment in the «Documents» tab.

Figure 1: Gross domestic product

Real, seasonally adjusted², change over the previous quarter in %

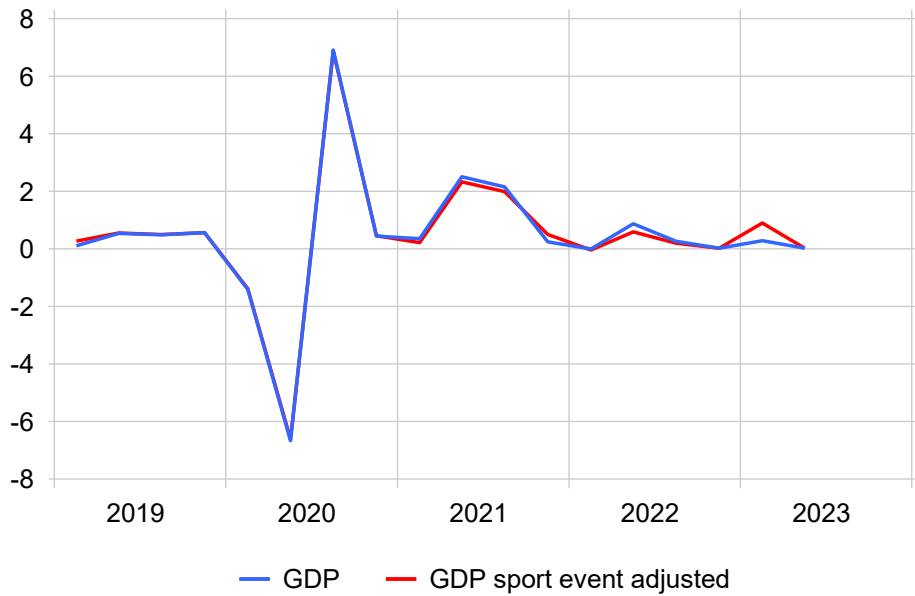


Figure 2: Growth contribution of sectors

over the previous quarter, real, seasonally adjusted² and sport event adjusted, in percentage points

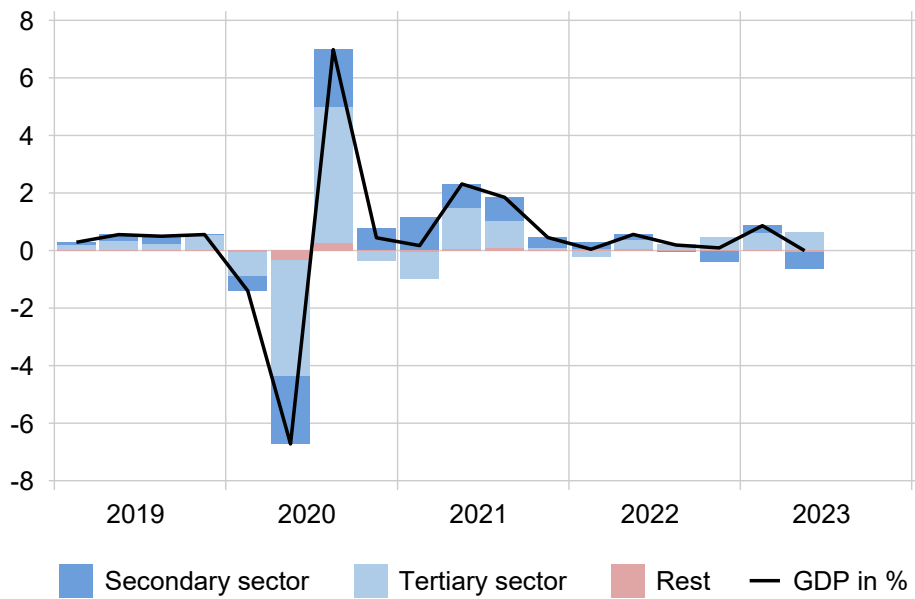


Table 3: Production approach, change over the same quarter of the previous year ³
Real, in %

| | 22:3 | 22:4 | 23:1 | 23:2 |
|--------------------------------------|------|------|-------|-------|
| Gross domestic product* | | | | |
| <i>sport event adjusted</i> | 1.0 | 0.7 | 1.8 | 1.1 |
| <i>not adjusted for sport events</i> | 1.1 | 1.1 | 1.5 | 0.5 |
| Manufacturing | 5.3 | 0.9 | 0.5 | -3.5 |
| Construction | -8.1 | -6.7 | -3.5 | -2.2 |
| Trade | -4.4 | -0.2 | 6.9 | 8.3 |
| Accommodation, food | 19.5 | 19.5 | 20.0 | 15.6 |
| Finance, insurance | -3.0 | -3.7 | -6.4 | -4.9 |
| Business services | -3.5 | -3.5 | -1.5 | 0.0 |
| Public administration | 1.7 | 1.9 | 1.8 | 1.5 |
| Health, social activities | 4.6 | 4.5 | 3.4 | 3.0 |
| Arts, entertainment, recreation* | | | | |
| <i>sport event adjusted</i> | 15.3 | 13.4 | 9.2 | 4.6 |
| <i>not adjusted for sport events</i> | 25.0 | 59.5 | -25.9 | -45.1 |
| Other | 6.8 | 5.7 | 6.2 | 2.3 |

* Affected by sport event effects: GDP, sector aggregate «arts, entertainment, recreation».

Table 4: Expenditure approach, change over the same quarter of the previous year
Real, in %

| | 22:3 | 22:4 | 23:1 | 23:2 |
|--------------------------------------|------|------|------|------|
| Gross domestic product* | | | | |
| <i>sport event adjusted</i> | 1.0 | 0.7 | 1.8 | 1.1 |
| <i>not adjusted for sport events</i> | 1.1 | 1.1 | 1.5 | 0.5 |
| Private consumption | 2.7 | 2.8 | 3.3 | 2.1 |
| Government consumption | -1.3 | -0.8 | 0.2 | 0.8 |
| Equipment and software investment | 7.1 | 0.7 | 5.4 | -0.4 |
| Construction investment | -7.5 | -6.0 | -2.2 | -2.7 |
| Exports of goods excl. valuables | 1.9 | 1.4 | 1.1 | 14.8 |
| as well as excl. merchanting | 3.2 | -3.1 | 3.7 | 1.1 |
| Exports of services* | | | | |
| <i>sport event adjusted</i> | 5.3 | -2.3 | 3.7 | 2.8 |
| <i>not adjusted for sport events</i> | 7.7 | -4.0 | 4.4 | 0.6 |
| Imports of goods excl. valuables | 7.2 | 5.1 | 6.0 | -1.8 |
| Imports of services* | | | | |
| <i>sport event adjusted</i> | 6.8 | 2.8 | 13.0 | 12.1 |
| <i>not adjusted for sport events</i> | 5.4 | 2.0 | 10.6 | 12.7 |

* Affected by sport event effects: GDP, exports and imports of services.

Table 5: Production approach, change over the previous year³

Real, in %

| | | | <i>Seasonally² and sport event adjusted</i> | |
|----------------------------------|------------|------------|--|------------|
| | 2021 | 2022 | 2021 | 2022 |
| Gross domestic product* | 5.4 | 2.6 | 5.1 | 2.4 |
| Manufacturing | 18.9 | 6.8 | 18.9 | 6.9 |
| Construction | 2.9 | -5.5 | 2.9 | -5.4 |
| Trade | -4.5 | -4.3 | -4.5 | -4.0 |
| Accommodation, food | -2.9 | 47.2 | -3.0 | 48.4 |
| Finance, insurance | 5.8 | -1.0 | 5.8 | -1.0 |
| Business services | 4.9 | -2.1 | 4.9 | -2.1 |
| Public administration | 0.7 | 1.5 | 0.7 | 1.5 |
| Health, social activities | 5.3 | 5.1 | 5.3 | 5.1 |
| Arts, entertainment, recreation* | 70.4 | 56.9 | 10.8 | 31.6 |
| Other | 1.7 | 7.8 | 1.8 | 7.9 |

* Affected by sport event effects: GDP, sector aggregate «arts, entertainment, recreation».

Table 6: Expenditure approach, change over the previous year

Real, in %

| | | | <i>Seasonally² and sport event adjusted</i> | |
|-----------------------------------|------------|------------|--|------------|
| | 2021 | 2022 | 2021 | 2022 |
| Gross domestic product* | 5.4 | 2.6 | 5.1 | 2.4 |
| Private consumption | 1.8 | 4.2 | 1.8 | 4.2 |
| Government consumption | 3.3 | -0.8 | 3.3 | -0.8 |
| Equipment and software investment | 5.9 | 4.5 | 6.0 | 4.6 |
| Construction investment | -3.1 | -5.5 | -3.1 | -5.5 |
| Exports of goods excl. valuables | 12.6 | 3.4 | 12.3 | 4.0 |
| as well as excl. merchanting | 12.9 | 4.1 | 12.7 | 4.6 |
| Exports of services* | 13.3 | 5.8 | 9.9 | 6.0 |
| Imports of goods excl. valuables | 4.5 | 7.5 | 4.3 | 7.6 |
| Imports of services* | 8.2 | 4.2 | 6.6 | 4.3 |

* Affected by sport event effects: GDP, exports and imports of services.

² Seasonal adjustment including calendar adjustment.

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.