PostFinance consumption indicator

May 2024

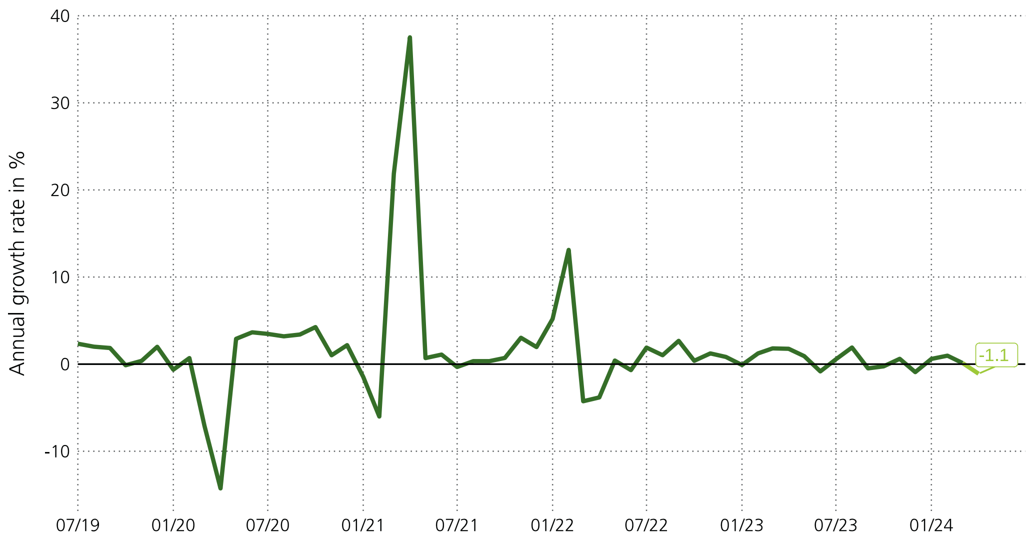
PostFinance

Swiss consumption shows signs of weakness

Swiss consumption has remained stable for a long time in recent months despite the weak economic situation and low consumer confidence. However, the Swiss population's consumption now appears to be gradually declining. As the PF consumption indicator shows, consumer spending adjusted for calendar effects in April was 1.1 percent lower than in the same month last year. If this decline in domestic demand is confirmed in the coming months, this would be a considerable burden for Swiss economic development, which is already suffering from the ongoing recession in the export-orientated industrial sector.

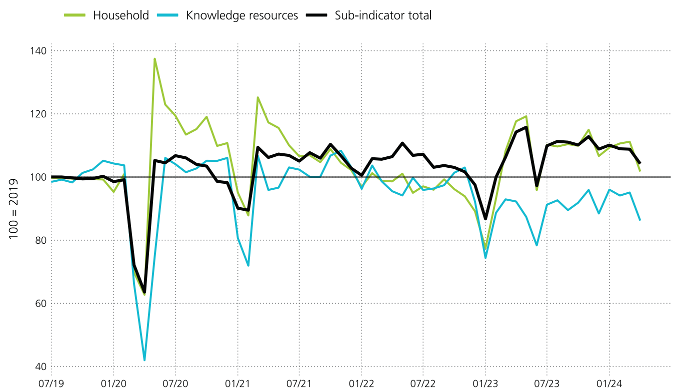
PostFinance consumption indicator

PostFinance consumption indicator — Forecast April



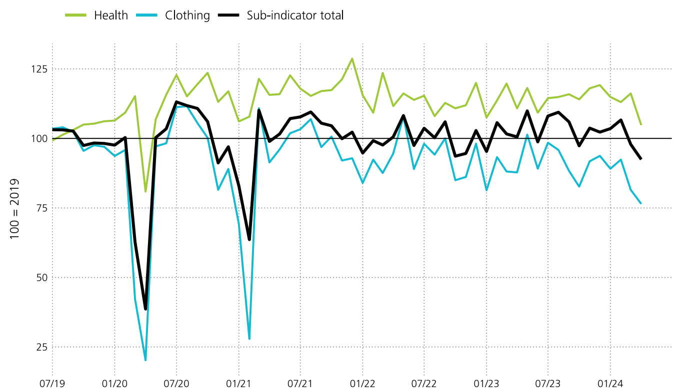
With 2.5 million customers, PostFinance is one of the largest financial institutions in Switzerland. Every month, we analyse our customers' anonymized payment transactions. This enables us to ascertain in almost real time how people in Switzerland spend their money each month. At the same time, the aggregated figures provide meaningful and up-to-date information about economic developments in Switzerland. The PostFinance consumption indicator shows year-on-year consumer spending adjusted for sales and holiday effects. In addition to the main indicator, we have developed seasonally adjusted consumption indicators, that include spending on specific goods and services ("everyday & household", "beauty & wellness", "recreation & leisure" and "travel"). The main indicator is published in annual growth rates, the sub-indicators are presented as indices.

“Everyday & household” sub-indicator



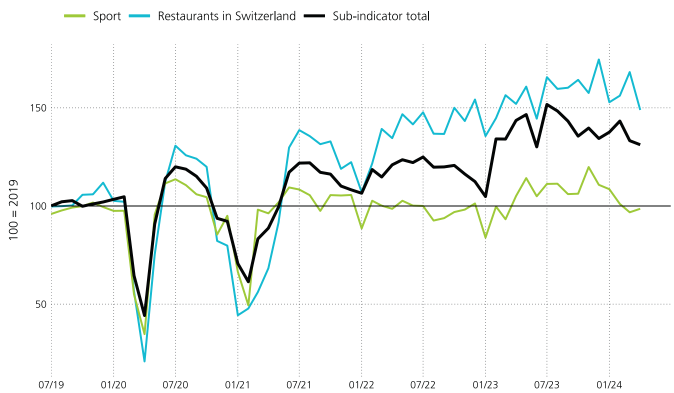
In April, the Swiss population spent significantly less on everyday consumer goods than in previous months. This decline in spending can be seen in both household items and knowledge-related products.

“Beauty & wellness” sub-indicator



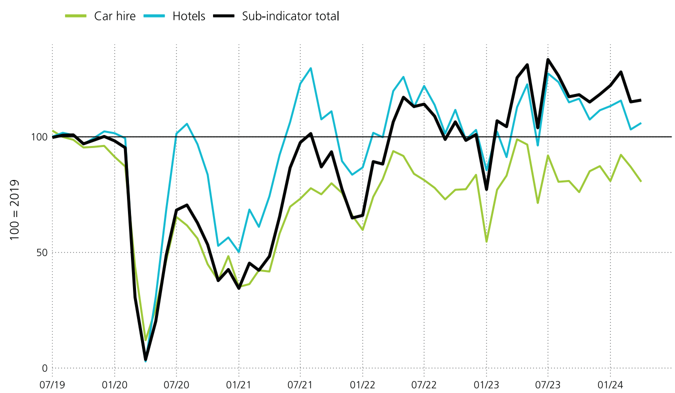
In the beauty and wellness sector, the Swiss show a certain reticence in spending. In April, spending in this segment fell again and is now slightly below the usual level for the past three years. Spending on healthcare and clothing in particular has recently seen a decline.

“Recreation & leisure” sub-indicator



Spending in the leisure sector has recently dropped slightly. In particular, there was less spending in restaurants in April than in the previous month. By contrast, spending on sports activities has stabilized somewhat following a significant decline in the past six months.

“Travel” sub-indicator



Swiss travel remains at a solid level. Spending on hotel accommodation has recently risen slightly, while demand for car rental has fallen somewhat.

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