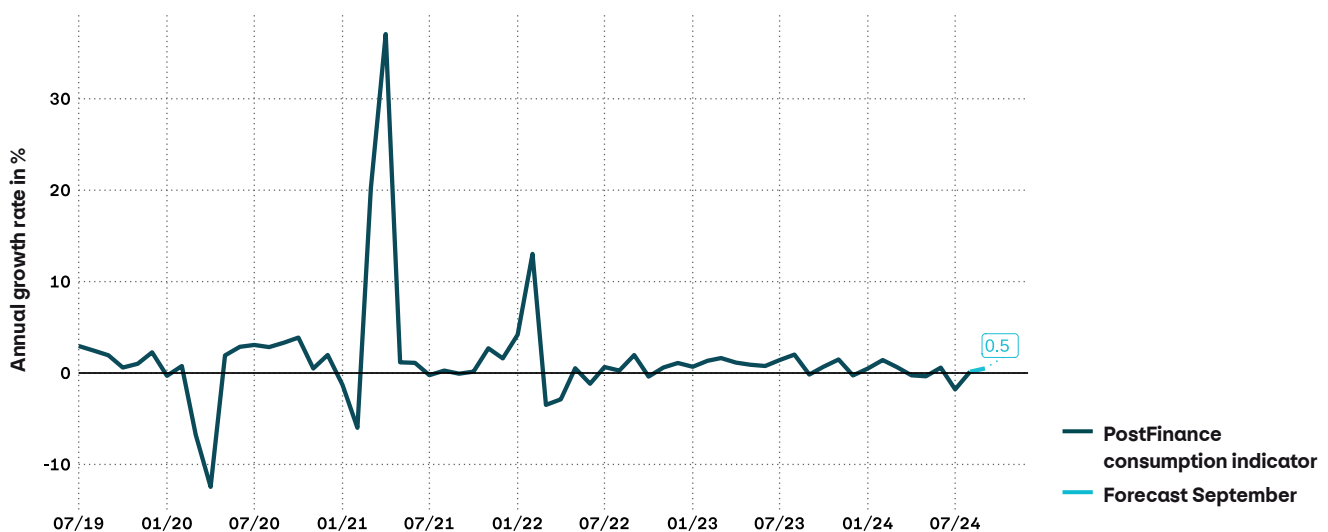


Swiss consumer spending stabilizes

After a brief slump in the summer, Swiss consumer spending has recently stabilized again. In September, consumer spending by Swiss people was 0.5 percent higher than in the same month last year. The increase reflects improved consumer confidence compared to the previous year. While concerns about economic development and their own financial situation prevailed at the end of last year, consumers are now somewhat more confident again. Nevertheless, there is still a certain reluctance, particularly with regard to spending on everyday consumer goods and beauty and wellness treatments.

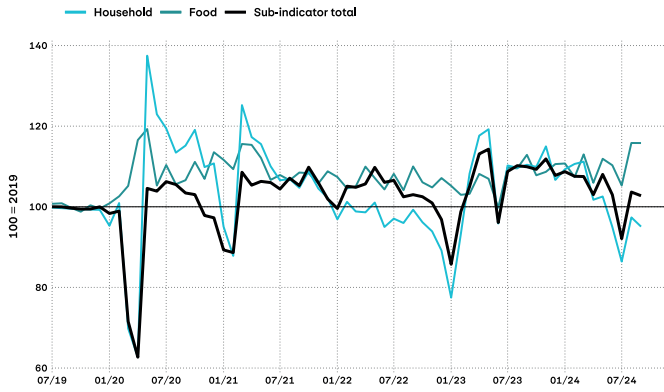
PostFinance consumption indicator



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.

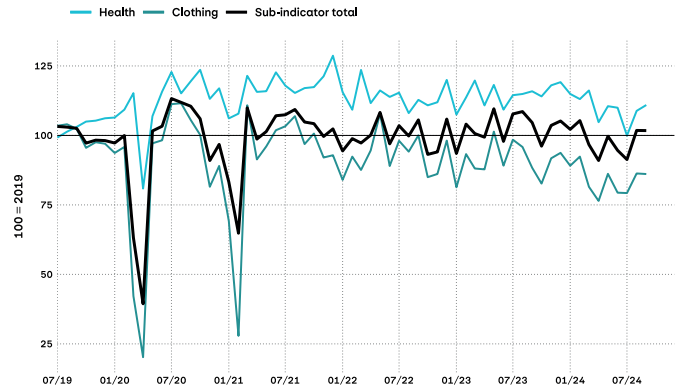


“Everyday & household” sub-indicator



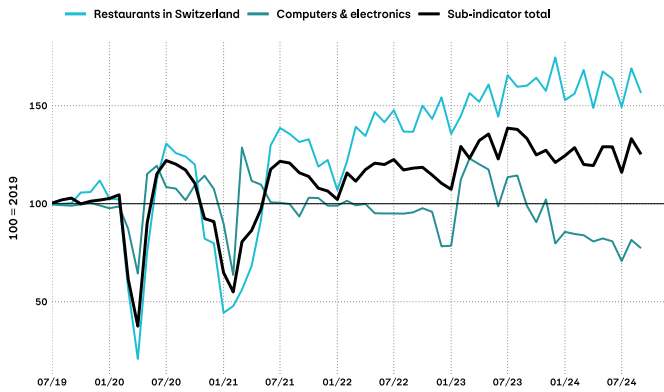
People are still spending less on everyday goods than last year. This trend is particularly apparent when it comes to household items. Spending on food, on the other hand, has increased, although this is probably mainly due its higher price level.

“Beauty & wellness” sub-indicator



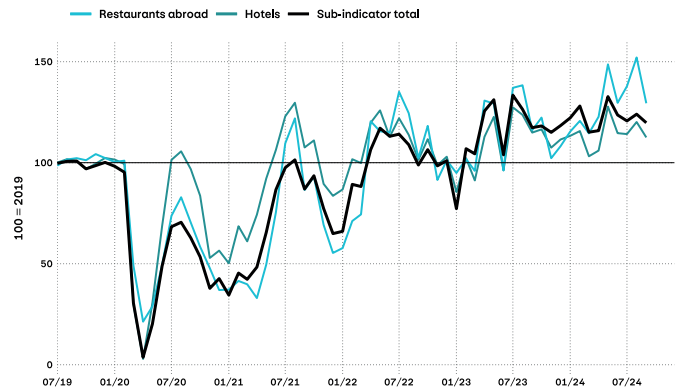
Spending in the beauty and wellness sector also remains weak. Over the course of this year, expenditure on both clothing and health treatments has tended to drop. However, this trend seems to have levelled out in the past two months.

“Recreation & leisure” sub-indicator



Spending in the recreation and leisure area has seen significantly fewer fluctuations this year than in the previous year. Visits to restaurants in Switzerland in particular have stabilized at a high level. In contrast, there is still noticeable saturation in the area of computers and electronics.

“Travel” sub-indicator



Swiss residents still travel a lot. Although spending on hotels and restaurants abroad fell last month, it remains at a high level.



Beat Wittmann
Head of Investment Office

PostFinance Ltd
Investment Office
Mingerstrasse 20
3030 Bern
Switzerland

postfinance.ch/market-view