

KOF Bulletin

No. 20, June 2009

Gloomy Outlook for the Labour Market

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THE ECONOMY



KOF SURVEYS SHOW A SIGNIFICANT DETERIORATION IN THE LABOUR MARKET SITUATION

The state of the labour market has deteriorated significantly since the start of the year. This is underscored both by information released by the State Secretariat for Economic Affairs (SECO) on the development of unemployed persons registered with employment bureaus, as well as by the latest KOF survey results on personnel levels. On a seasonally-adjusted basis, the number of unemployed individuals and job-seekers has risen continually since the summer of 2008. There was a continuously-accentuated increase up until January 2009. Since then it has remained steady at a high level. In April 2009 the unemployment rate lay at 3.4%, representing a rise of 0.9 percentage points since bottoming out in July 2008.

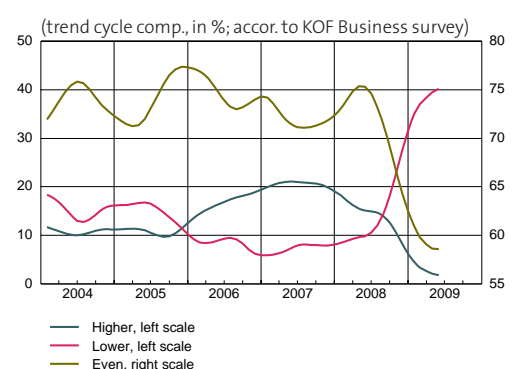
For the industrial sector in general, the KOF results show a marked slowdown in production momentum since the start of 2008. Output has declined since the middle of last year. There is still no sign of this decline levelling off. This development has consequences for employment. KOF survey results signal an unfavourable development of late. The proportion of enterprises that consider the size of their workforce to be sufficient sank from 80% to 60% between the start of 2008 and April 2009. However, the proportion of companies which consider their workforce to be excessive rose from 5% to some 35% during the same period.

The state of the construction sector is also unsatisfactory. Around three quarters of building companies consider the size of their workforce to be adequate, while more than one fifth consider it to be too high. At present, the picture in the retail sector is slightly more favourable. With over 80% of businesses reporting that this parameter was «satisfactory», the share of «excessive» reports during the first four months of the current year lay only slightly above the share of «too low» reports. The hotel sector is suffering from the steady decline in domestic and foreign overnight guests. Following a steady slowdown in growth last year, sales in this sector have been falling since the start of 2009. In overall terms, workforce levels have been excessive since mid 2008. Within the banking sector, the employment situation appears to have stabilised. Architects and engineers are the only economic sector where positive replies still slightly outweigh the negative ones.

Responses to questions relating to the future show that no improvement is to be expected in the coming months. Within the industrial sector, a further reduction in production is planned. The share of industrial enterprises which expect their workforce levels to remain unchanged in the coming months has declined from 75% to some 55% since mid 2008. By contrast, the proportion of businesses which are considering cutting the size of their workforce has jumped from 10% to almost 45%. Only very few businesses are planning to expand their workforces (see Chart G 1).

Within the construction sector, which is also predicting a further decline in incoming orders, workforce levels are expected to be reduced yet again. The employment outlook within the retail sector has deteriorated significantly. In mid 2008 almost all businesses were planning to leave their workforce levels unchanged. In the interim, however, this share has fallen to below 60%. Nevertheless, in April almost a fifth was expecting to hire additional workers, while one quarter was considering

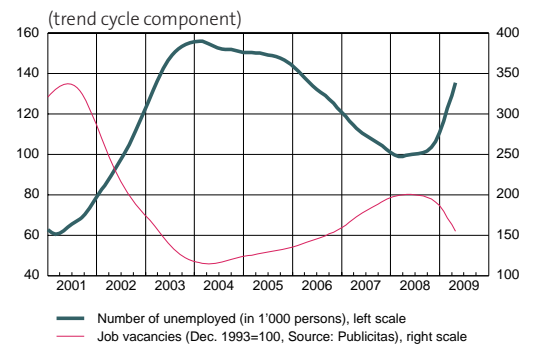
G 1: Expected Employment in Manufacturing



shedding staff. Remarkably, in the case of banks, employment levels are not expected to be reduced any more than only marginally. The situation within the architectural and engineering sector is more favourable. Positive impulses are also expected from sectors which are less sensitive to the economic cycle – in particular the health sector.

In addition to the overall unfavourable survey results, further leading employment indicators, such as the number of job advertisements recorded by Publicitas, the Jobpilot Index drawn up by the University of Applied Sciences Northwestern Switzerland and the number of vacancies published by SECO, where data is already available for the current year, all point to a further decline in employment (see Chart G 2).

G 2: Deterioration on the Labour Market

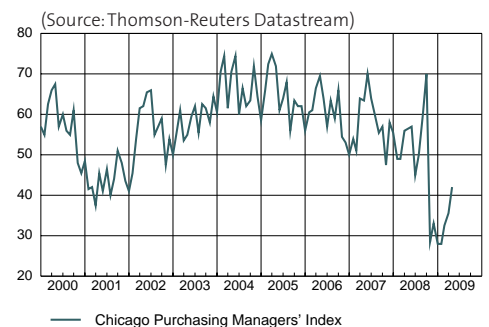


QUO VADIS FINANCIAL CRISIS?

Past financial crises have tended to last longer and have tended to be more intractable than other types of crises. What makes them particularly problematic is the fact that they occur relatively rarely in economic history, and that their recovery patterns tend to be atypical. The unique feature of the current crisis is above all its persistence and lack of an identifiable bottom. For this reason, it is important not to identify a swift recovery before the time is ripe. An end will be in sight only if, *inter alia*, the systemic risks of the banks are tackled in a more determined manner.

The latest figures and surveys, however, are beginning to suggest that the situation may indeed be bottoming out. A variety of data came in better than expected. Sentiment amongst purchasing managers in the US manufacturing sector recovered more strongly in April than previous surveys had suggested (see Chart G 3). In Germany too, the business climate index of the ifo Institute for Economic Research rose moderately in April. Here too, however, it will be necessary to wait and see how things develop. As long as the causes of the crisis within the financial sector have not been tackled, it will not be possible to sound the all-clear.

G 3: Mood Swing among Purchasing Managers

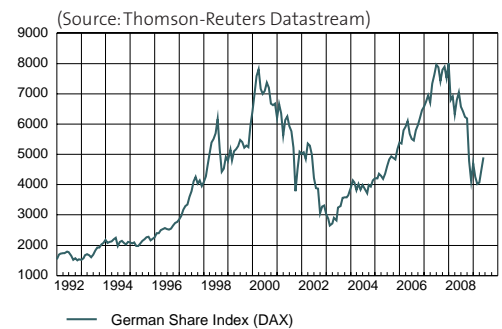


Banks remain the focus of attention. It is here that restructuring is needed. The stress test commissioned by the American government produced bad news for over half of the assessed banks. These are now being called upon to boost their capital base by a further \$ 74.6 billion. In addition, this test has also attracted criticism on the grounds that the assumed scenario is questionable and overoptimistic. A similar test is due to be conducted in the EU up until the end of September.

FLASH-IN-THE-PAN OR LONG-TERM RECOVERY?

The stockmarket rally of the past two months generally helped boost the sentiment. This can also be ascribed to better-than-expected data from industrialised nations. It remains to be seen whether this will prove to be merely a short-term recovery or if it is really the start of a new upturn. If one compares the current level of the German stock index (DAX) with those of previous crises, it becomes apparent that the current levels have not yet fallen back as strongly as was the case in past bear markets (see Chart G 4).

G 4: Dax not at All-Time Low



A new trend has materialised in recent months which could help to ease the pressure on banks. An increasing number of small, specialised investment boutiques are being founded. These have been taking on risk positions from banks. Others are specialising in brokerage and consultancy activities, thereby helping to stabilise the market by boosting liquidity and creating trust.

STRESS TEST FOR BANKS

The survey drawn up by the US Federal Reserve (Fed) and published in April, «Senior Loan Officer Opinion Survey» (SLOOS), raised flickers of hope about improvements to lending conditions, even though these remain tight. However, this also highlighted the fact that banks may be facing new sources of problems. Over 70% of the surveyed banks stated that the quality of their loan portfolio was likely to deteriorate this year.

Furthermore, the outlook within the banking sector remains restrained. Individual reports of success in first quarter reports hit the headlines in recent weeks, although other banks reported disappointing figures. A new hierarchy appears to be materialising in the banking sector. Some banks are likely to come out of the crisis even stronger than before, while others will need to undergo a «healthy re-trenching» process. As a consequence, once there is a recovery they will miss important profit opportunities to their competitors in specialised segments.

Other news concern the «bad bank» concept from Germany. This will enable German banks to offload toxic assets into a specially-created special-purpose entity. In return for these securities, the banks will receive discounted state-guaranteed bonds. However, bank profits will remain liable for possible losses that may incur on the offloaded securities in the next 20 years. This is good for taxpayers, as they will only be required to take on losses if the banks fail to generate sufficient profits after their risk burden has been reduced. However, it is questionable whether this 20-year «delay» will actually help stabilise the situation on a lasting basis.

This means the problems have not been solved, but have simply been outsourced and deferred instead. Banks remain in a difficult situation. Volumes have been gradually declining in their operating fields, as the downturn in the real economy is increasingly having an impact. Experience has shown that this process is subject to a time-lag. It remains to be seen whether the economic and stimulus programmes put in place by governments can produce the desired effect, and whether the recent positive signs can gather momentum.

RECESSION DAMPENS HEALTH EXPENDITURE GROWTH

The KOF has published a six-monthly forecast on the development of spending within the health sector since 2005. The eighth update was issued in May 2009. The principal basis and explanatory variables for the forecast are demographic trends and macroeconomic parameters. The decisive factor is above all the development of high-longevity population groups, as these groups consume more health services per capita.

Amongst economic variables, wage developments are particularly significant. On the one hand, wages are an important explanatory criterion for the cost of services within the health sector. On the other, wage growth also boosts demand for services. A further key variable is the percentage of women in the labour market, which provides an effective indication of the level of substitution of domestic health care for institutionalised health care. While future demographic trends are based upon the population scenarios drawn up by the Swiss Federal Statistical Office («BFS»), forecasts for the other explanatory variables are taken from the quarterly economic analyses released by the KOF.

PREVIOUS FORECAST SUCCESS: INPATIENT FIELD RAISES CERTAIN PROBLEMS

The BFS has published five new annual statistics since its initial study. That means the quality of the KOF forecasts can be evaluated on the basis of five data points. Table 1 shows the respective final KOF forecasts prior to publication, together with the figures published by the BFS. While the spending growth for the years 2003 and 2004 was predicted very accurately, the forecasts for the years 2005 and 2006 overestimated the actual level of growth significantly. In 2005 the main reason for this discrepancy was a retrospective change in hospital statistics by the BFS.

For the year 2006, the KOF forecast in particular overestimated expenditure growth in the inpatient field, to be precise in the category «Institutions for the handicapped and other institutions». However, the decline of 5.5% in this category might be attributable to a statistical offsetting effect within these social medical institutions. For the year 2007 the KOF forecast then underestimated the growth in health spending, whereby this time the error was due to the underestimation of developments within the in-patient field. The development within the outpatient field, by contrast, was in line with expectations.

T 1: Growth in overall health expenditure					
	2003	2004	2005	2006	2007
KOF forecast	4.0%	3.6%	3.6%	3.0%	4.0%
BFS homepage	4.0%	3.5%	2.0%	1.4%	4.9%

FORECAST FOR 2010 IS BEING ADJUSTED DOWNWARDS IN LINE WITH THE ECONOMIC OUTLOOK

The current KOF forecast covers the years 2008 to 2010. A forecast needs to be made for 2008, as the BFS publishes the corresponding details only approx. 15 months after the end of a year. Since the last health expenditure forecast data for the year 2008 have been published which point to higher growth. For example, the overall population, including groups with high longevity, grew more strongly than had been assumed in the autumn, and the proportion of women in the workforce was higher than expected. On the basis of this data, the KOF is now expecting the overall expenditure to rise by 5.3% in 2008, instead of 4.2% as identified last autumn. The forecast for 2009 remains unchanged, as the changes – the deteriorating economic environment on the one hand, and the higher population growth on the other – offset each other. For 2010, by contrast, the forecast has been adjusted from 3.8% to 2.9%. This is primarily due to the expected lower wage rises (see table 2).

T 2: Growth in overall health expenditure			
	2008	2009	2010
KOF spring forecast 2009	5.3%	4.3%	2.9%
KOF autumn forecast 2008	4.2%	4.3%	3.8%

According to the KOF forecast, the health expenditure ratio, that is to say the proportion of health spending to gross domestic product (GDP), is set to rise gradually over the forecast horizon. Following a figure of 10.8% in the year 2007, the KOF is expecting ratios of 11.1% (2008), 11.8% (2009) and 12.2% (2010). While the rise in the year 2008, above all, was brought about by higher health spending, in 2009 the main cause is the contraction of GDP. According to the KOF forecast, the two parameters are set to show disparate developments, whereby the effect of the continued negative nominal GDP will be the decisive factor.

The complete KOF health expenditure forecast report can be downloaded from the KOF homepage. The Swiss health expenditure forecast drawn up by the KOF on a six-monthly basis is supported by a research contribution from Merck Sharp & Dohme-Chibret AG (known in Switzerland as MSD).

WHAT CAN BE DONE TO FIGHT A RECESSION?

A recession is associated with the underutilisation of the production capacity of the economy as a whole. Production potential lies idle, and prosperity is lower than during periods of full capacity utilisation. From a socio-political perspective, unemployment resulting from the underutilisation of personnel capacities is a particular problem. The state takes economic policy measures, not just to counteract this underutilisation by boosting demand, but also to lessen the negative consequences of a recession, particularly for socially vulnerable individuals, by means of socio-political measures.

Faced with deteriorating or uncertain income prospects, both private as well as state protagonists tend to rein in their spending and endeavour to increase their savings. Even if this behaviour might be rational from an individual perspective, at the economic level it deepens the recession. This is because it reduces demand in the short-term. For this reason, the state may be called upon to take economic policy measures to offset the surplus savings, thereby helping to realise higher capacity utilisation within the economy as a whole.

AUTOMATIC STABILISERS AS SUPPORT?

The state influences the economy mainly via the twin instruments of monetary policy and fiscal policy. In recent decades, attention has focused on monetary policy. However, there are situations which limit the effectiveness of monetary policy. This is currently the case in industrialised nations, not least because credit markets are not functioning properly. This increases the importance of fiscal policy. So-called «automatic stabilisers» represent a passive element of fiscal policy. They are based on the fact that sinking incomes cut the level of taxes and social security contributions which need to be paid, while state and social security expenditure increase in line with rising unemployment.

In the current crisis, «automatic stabilisers» are helping to alleviate the difficult situation. If they are to continue having a positive impact, state and social security institutions need to accept the resulting deficits. It is important that they do not attempt to balance their budgets by cutting expenditure or boosting their revenues. Moreover, the same applies vice versa to economically prosperous times. In this sense, budgets which fluctuate over the course of the economic cycle do not represent

a problem. In fact, they are desirable. In those cantons which are obliged by law to present a balanced budget, however, this option does not exist. As a result, these areas will need to make adjustments in the current situation.

During an economic downturn, «automatic stabilisers» help to prevent an additional dampening of demand. From a purely economic perspective, the more progressive the tax system is, and the more generous the unemployment benefits are, the greater the impact of these stabilisers is. The propensity to consume is particularly high amongst low-income households. In the case of a powerful or lengthy recession, however, their dampening impact might not be considered sufficient. Additional stimulus measures which fall under the heading of «discretionary fiscal policy» will then be required.

ECONOMIC STIMULUS PACKAGES: PROS AND CONS

Stabilisation measures on the one hand may attempt to boost demand amongst private households and companies by cutting taxes or making transfer payments (subsidies). An attempt may be made either to increase spending in general by boosting disposable incomes, or to influence the timing of expenditure (for example, preventing the postponement of investments or the purchase of consumer durables). On the other hand, the state can generate extra demand directly by making additional expenditure itself. Additional demand can also be realised by generating additional income, and the resulting rise in production capacity utilisation can trigger investment.

However, the overall impact of such measures on domestic production and on gross domestic product (i.e. the level of the «multipliers»), respectively, is uncertain. Empirical estimates vary substantially. In general terms, the impact is lower the more open an economy is and the higher its government debt is.

A variety of restrictions need to be considered when drawing up economic stimulus measures. Discretionary fiscal policy has very little effect on the export sector. As a small, open economy, Switzerland is particularly dependent upon demand from abroad. The shortfalls caused by sinking demand from abroad are not easy to offset.

Within an environment in which corporate sales and income expectations are pessimistic, encouraging private investment activity is also difficult. There might possibly be a certain level of scope for investment incentives, for example through the favourable tax treatment of amortisation and depreciation. Construction investment cannot be expanded indefinitely (particularly not in the short-term). What remains is private consumption – as the largest demand component – and public-sector consumption.

There are also a number of other points which need to be taken into account when drawing up economic stimulus programmes. Firstly, the timing of such programmes is critical. Secondly, they lead to higher state spending, and consequently to debts – on which interest will need to be paid. Therefore, thirdly, the option of «Ricardian Equivalence» also needs to be considered. This theorem states that economic subjects are, at least partially, able to recognise that a tax cut today will lead to higher taxes in future, and will consequently not have an effect on their lifetime income and assets.

As a consequence they save the additional income generated by fiscal-policy measures, instead of spending it on additional consumption. Fourthly, the measures should be temporary; however, even temporary measures can sometimes be difficult to reverse once they have become established. Fifthly, there is also the question of the extent to which economic stimulus packages serve or hinder

planned longer-term structural reforms. Sixthly, economic downturns sometimes lead to a degree of «creative destruction» which need not always be undesirable.

THIRD ECONOMIC STIMULUS PACKAGE?

In the event of a possible third Swiss economic stimulus programme being approved, which is due to be decided by the Federal Council on 16 June, the aforementioned points need to be taken into consideration. The extent of the crisis also needs to be evaluated. It is clear that the current crisis is going beyond mere «creative destruction». In view of the relatively low level of Swiss government debt (by international standards), additional debt could certainly be absorbed at the present time. The most effective approach would appear to be to bring forward public-sector investment and procurement. Indeed, there is still scope for this following the first two economic stimulus packages. This should be coupled with the targeted encouragement of private consumption as well as an expansion of public-sector consumption.

One-off income transfers to low-income households (or the temporary waiving of additional burdens, such as health insurance premiums and a value added tax hike) promise not merely to have relatively sizeable impact, but also to serve the second goal of providing social safeguards which was mentioned in the introduction. The same is likely to apply to a temporary expansion of state involvement in fields such as further education. Public-sector investment can be used not just to boost the economy, but also to make a contribution towards the long-term conditions for growth.

The goal of the measures which are to be taken should be to counteract any further deterioration in the economic situation determinately, while at the same time reducing additional burdens on private households. In the longer term, the path taken in recent years in the field of tax reform should continue to be pursued.

MORE ECONOMIC NEWS AND GLOSSARY

What do the ECB President's current statements imply for the development of prime rates in the Euro area? Precise information can be found in the KOF Monetary Policy Communicator:

www.kof.ethz.ch/communicator >>

Are you looking for a specific economic indicator? Search here:

www.kof.ethz.ch/publications/bulletin/pdf/kof_bulletin_tables_news_2009_06_en.pdf >>

Have you come across a specialist term and are interested in our technical definitions? You will find these in the glossary:

www.kof.ethz.ch/publications/bulletin/glossary/en >>

Precise details relating to the current KOF forecast can be found in the tables:

www.kof.ethz.ch/publications/bulletin/pdf/kof_bulletin_tables_2009_06_en.pdf >>

KOF data service is able to provide you with time series from our extensive database (in German):

www.kof.ethz.ch/services/data >>

COMPOSITE INDICATORS AND SURVEY RESULTS



COMPOSITE INDICATORS SIGNAL A SUBSTANTIAL CONTRACTION IN GDP – ALTHOUGH THE NEGATIVE MOMENTUM HAS BEEN BROKEN

Current trends: The KOF Business Situation Indicator has deteriorated sharply since the autumn of 2008. There was no let-up in this negative momentum at the start of the year 2009, although the latest figures are pointing to a stabilising trend at a low level. This suggests that the gross domestic product (GDP) growth rate is likely to be substantially negative relative to the previous quarter, not just in the 1st quarter of 2009 but also in the 2nd quarter. Both the industry sub-indicator as well as the sub-indicator for the retail sector came in below the levels recorded in recent months. However, both indicators point to a slowing in the downward trend. At the same time, the level of the industry sub-indicator remains significantly below that of the retail sector.

Further trends: The KOF Economic Barometer lies clearly in negative territory, signalling a continued deterioration in the state of the economy for the coming months. However, as the latest figures did not actually sink any further, the quarterly growth rate is no longer likely to worsen in the coming months in year-on-year terms. This means that while the sharp contraction in the Swiss economy will continue, it will no longer be accelerating.

The KOF currently publishes two composite indicators: the Economic Barometer with a lead relative to the GDP growth rate in comparison to the previous year, and the Business Situation Indicator, which tracks the GDP trend. The Barometer has a complex structure, while the Business Situation Indicator has a simpler structure. The Barometer, for example, bundles 20 individual indicators together in several steps; by contrast, two single indicators flow into the Business Situation Indicator in a single step. Discover more about the similarities and differences between the two composite indicators.

Discover more about the similarities and differences between the two composite indicators:

www.kof.ethz.ch/publications/bulletin/pdf/kof_bulletin_indicator_comparison_en.pdf >>

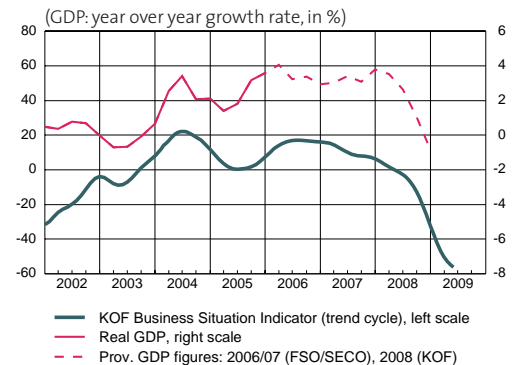
The latest press release and technical information (in German) relating to the KOF Economic Barometer is available here:

www.kof.ethz.ch/economic_barometer >>

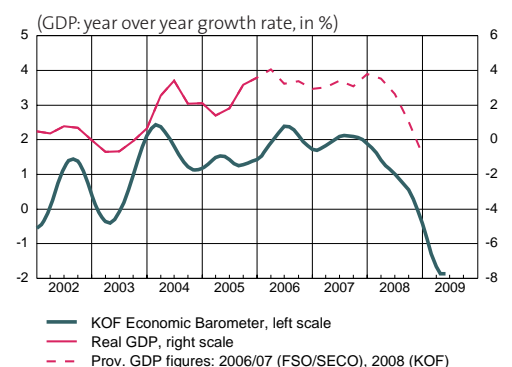
Further information about the KOF Business Situation Indicator is available here:

www.kof.ethz.ch/publications/bulletin/business_situation/en >>

G 5: Business Situation: Slowed Decline



G 6: Stabilisation on a Low Level



BUSINESS SITUATION WITHIN THE INDUSTRIAL SECTOR HAS ONCE AGAIN DETERIORATED SHARPLY – SURVEY RESULTS

New survey results are available for the industrial and retail sectors. In overall terms, the business situation assessment of the industrial sector in May is clearly in negative territory, signalling a very unsatisfactory situation. By contrast, the business situation within the retail sector can still be described as satisfactory, as in overall terms it is located around the zero figure. The other economic sectors – with the exception of banks – continued to view their situation in April as satisfactory. This is shown by the fact that the overall values are to be found in one of two upper fields of the business situation overview (see Chart 7), i.e. between 0 and 100 on the vertical axis. Only the assessment of the banking sector is unfavourable, and has settled in the lower field of the chart. The survey questions enterprises in manufacturing, retail trade, wholesale trade, and construction along with banks and insurances, architects and engineers as well as selected service industry branches.

In comparison to the survey undertaken three months ago, the business situation (in May) has continued to deteriorate sharply. The indicator has also eased slightly in the retail sector. The business situations of banks, wholesalers, insurers, the construction sector, selected service providers as well as architects and engineering firms all worsened relative to the previous quarter. This consequently means no sector was able to report an upturn in their business situation. For this reason, the overall figures lie on the left-hand side between –45 and 0 on the horizontal axis.

Further information on the business situation overview is available in the explanations:

www.kof.ethz.ch/publications/bulletin/business_overview/en >>

The business situations shown above are only a very small part of the available survey results. As a respondent to the survey, you will receive a complete and detailed report on your economic sector and your branch. As an SGK member, you will receive comprehensive information about all sectors of the economy and the branches belonging to them.

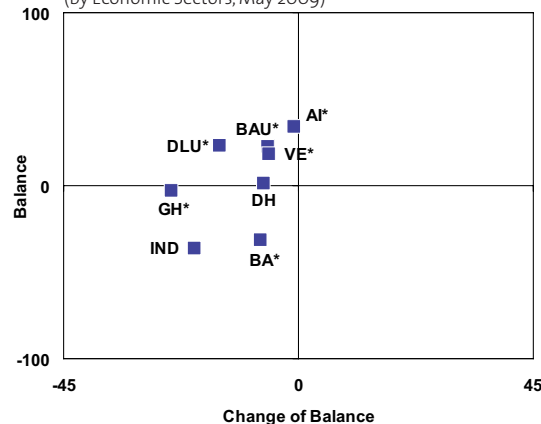
Join the SGK (in German): www.kof.ethz.ch/services/sgk >>

Take Part in Survey: www.kof.ethz.ch/publications/bulletin/business_surveys/en >>

KOF Business Surveys: www.kof.ethz.ch/surveys/bts/en >>

G 7: Business Situation Overview

(by Economic Sectors, May 2009)



Monthly surveys: **IND** Manufacturing, **DH** Retail Trade
 Quarterly surveys*: **GH** Wholesale Trade, **BAU** Construction,
BA Banks, **VE** Insurances, **AI** Architects and Engineers,
DLU Service Industries / *Most recent results: April 2009

RESEARCH

**CAN LABOUR MARKET TRENDS BE PREDICTED?**

Economic trend forecasts first of all require an assessment of the current economic situation. Official data are published with a delay, and are often subject to substantial retrospective adjustments. But which is the best way to analyse the current economic situation? In his study, Boriss Siliverstovs assesses the information content of the newly-presented KOF employment indicator. This indicator reflects the development of the Swiss labour market, and is based upon surveys conducted within the Swiss corporate sector, which covers some 85% of private employment. The results of the study show that employment can be estimated rather precisely for the current quarter. The indicator appears after the end of the first month of a quarter, and consequently makes it possible to assess the state of the labour market. As the Swiss Federal Statistical Office releases the official employment data only approx. two months after the end of a quarter, the use of the KOF indicator provides a lead of around four months. An indicator becomes even more interesting for economic research if it not only improves the estimate for the current quarter, but is also able to predict developments in the long term. Here too, the author finds that the new KOF indicator performs well with a lead of around one quarter. The result is an overall information lead of about seven months relative to the official statistics, which has the effect of closing a substantial information gap.

Siliverstovs, Boriss (2009): Evaluating Short-Run Forecasting Properties of the KOF Employment Indicator for Switzerland in Real Time, KOF Working Papers, No. 226, May.

www.kof.ethz.ch/workingpapers >>

NOT MISSING THE BOAT: HOW COMPANIES PROFIT FROM UNIVERSITY KNOWLEDGE TRANSFERS

A company's technological specialisation is an essential prerequisite for its innovative success. But despite – or perhaps precisely because of – their specialisation, many companies fail to seize the opportunity to upgrade their outdated technological base. As a consequence, they are forced to leave the field open to the competition, which brings innovative products to market by using more modern technologies. But how can a company make use of the efficiency benefits of technological specialisation and at the same time also prevent themselves from missing out on new technological developments? On the basis of a comprehensive dataset, comprising patent data from Swiss companies and KOF survey data on the transfer of knowledge between the private sector and the university field, Martin Woerter, in his study, shows that access to university research can be a sort of insurance against «missing out on» new technologies. While the technological specialisation of a company already has a strong positive correlation with the sales ratio of new products, this link is further strengthened if a company simultaneously pursues an exchange with universities. This underscores the importance of Swiss universities for a large part of the private sector, not least because small and medium sized enterprises in particular are able to benefit disproportionately strongly from knowledge transfers in terms of their innovative performance.

Woerter, Martin (2009): Technology Diversification, Product Innovations and Technology Transfer, KOF Working Papers, No. 221, March.

www.kof.ethz.ch/workingpapers >>

AGENDA

**KOF EVENTS****KOF Wirtschaftsforum:**

Die wirtschaftliche Entwicklung bis 2010 – die Sommerprognose der KOF

Prof. Dr. Jan-Egbert Sturm, KOF, ETH Zürich (Switzerland)

Konjunkturmassnahmen: Braucht es eine dritte Stufe?

Andres Frick, KOF, ETH Zürich (Switzerland)

KOF, ETH Zürich, 9. Juni 2009: www.kof.ethz.ch/events/erfa/ >>

Research Seminars:

Exchange Rate Regimes in the Modern Era

Michael W. Klein, Tufts University (United States of America)

KOF, ETH Zurich, 17 June 2009: www.kof.ethz.ch/events/research_seminar/index_en >>

Politics, Stock Markets, and Model Uncertainty

Peren Arin, Massey University (New Zealand)

KOF, ETH Zurich, 8 July 2009: www.kof.ethz.ch/events/research_seminar/index_en >>

Globalisation in the 21st Century: Measuring Regional Changes in Multiple Domains

Pim Martens, Maastricht University (Netherlands)

KOF, ETH Zurich, 15 July 2009: www.kof.ethz.ch/events/research_seminar/index_en >>

KOF Media Agenda (in German): www.kof.ethz.ch/agenda >>

CAREERS

There are no open positions at the moment.

OTHER EVENTS

67th Euroconstruct Conference

Warsaw (Poland), 4–5 June 2009:

www.euroconstruct.org/conference/conference.php >>

CEUS Workshop 2009 «Ten Years of European Monetary Union»

Vallendar/Koblenz (Germany), 4–5 June 2009:

www.whu.edu/cms/fileadmin/redaktion/Z-CEUS/Workshop__2009/CfP.pdf >>

Causes and Consequences of the Current Financial Crisis: What Lessons for European Union Countries?

London (England), 12 June 2009:

www.euroframe.org/fileadmin/user_upload/euroframe/docs/2009/Call_EUROF_june09.pdf >>

Annual Meeting 2009 of the Swiss Society of Economics and Statistics

Geneva (Switzerland), 26–27 June 2009:

www.sgvs.ch/congress09/ >>

AIB 2009 Annual Meeting: Is the World Flat or Spiky? Implications for International Business

San Diego (USA), 27–30 June 2009:

www.aib.msu.edu/events/2009/ >>

20th Annual Meetings of the Society for Economic Dynamics

Istanbul (Turkey), 2–4 July 2009:

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TABLES – KOF Spring Forecast 2009

SWITZERLAND

Real Gross Domestic Product by Type of Expenditure																
Percentage change against																
	2001- 2007	previous quarter (annualized, trend cycle component)												previous year		
		2008				2009				2010				2008	2009	2010
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Private consumption	1.5	1.7	0.9	0.3	0.0	-0.1	-0.2	-0.3	-0.3	0.0	0.4	0.7	1.0	1.7	0.0	0.1
Public consumption	1.1	0.8	2.6	2.8	2.3	2.1	2.4	2.6	1.6	1.1	1.8	2.2	2.1	0.4	2.2	1.8
Gross fixed capital formation	1.8	-1.2	-3.4	-5.0	-4.9	-6.5	-8.1	-7.3	-5.1	-2.4	0.3	0.5	0.0	-1.6	-6.2	-2.9
– Construction	0.6	1.4	0.4	0.3	0.5	1.9	2.6	1.3	0.6	1.2	1.2	-0.3	-1.8	-0.4	1.4	0.8
– Machinery and equipment	2.7	-0.8	-4.9	-8.1	-10.1	-13.2	-15.4	-13.7	-10.9	-6.1	0.0	1.6	1.4	-2.5	-11.8	-6.2
Exports of goods (1) and services	5.1	5.1	2.3	-7.6	-16.2	-16.9	-10.1	-2.8	1.9	3.5	2.2	2.0	3.6	2.2	-10.8	1.2
– Goods	5.3	6.9	3.7	-9.4	-19.0	-19.7	-10.5	0.0	5.4	6.4	4.2	3.9	5.4	2.0	-12.0	3.6
– Services	4.4	1.0	-0.4	-3.9	-9.9	-9.7	-8.4	-9.2	-6.0	-3.4	-3.0	-2.5	-0.7	2.5	-7.9	-4.6
Imports of goods (1) and services	4.2	0.4	-2.1	-5.6	-12.4	-13.7	-6.5	-2.1	0.9	4.9	5.9	4.8	6.6	-0.5	-8.3	3.0
– Goods (1)	3.8	2.5	-1.8	-8.1	-16.1	-16.0	-6.6	-1.3	1.5	4.8	5.8	6.2	7.8	-0.8	-9.8	3.3
– Services	6.1	-7.2	-7.3	6.0	6.3	-1.1	-6.1	-3.7	0.3	4.4	4.2	0.4	2.7	0.8	-1.2	1.5
Change in stocks (2)	0.0	-0.3	-1.2	-0.6	0.2	0.6	0.8	0.8	-0.4	-0.8	0.0	0.5	0.8	0.2	0.0	0.1
Gross domestic product (GDP)	1.9	2.5	0.3	-2.2	-3.8	-3.4	-2.1	-1.0	-0.3	-0.2	-0.1	0.1	0.5	1.6	-2.4	-0.3

(1) Without valuables (i.e. precious metals, precious stones and gems as well as objects of art and antiquities)

(2) Percentage contribution to GDP-growth

Other Macroeconomic Indicators																
Percentage change against																
	2001- 2007	same quarter of previous year												previous year		
		2008				2009				2010				2008	2009	2010
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Real effective exchange rate of Swiss Franc	-0.3	18.6	4.3	-6.8	12.9	4.6	1.5	-3.8	2.7	-1.8	2.2	-2.7	4.4	5.3	2.8	0.0
Short term interest rate (Euro-Fr. 3 month) (1)	1.3	2.6	2.7	2.5	1.3	0.2	0.1	0.1	0.1	0.1	0.2	0.4	0.7	2.3	0.1	0.4
Yield of 10 years federal bonds (1)	2.8	3.0	3.3	2.9	2.4	2.1	1.9	1.9	2.0	2.2	2.4	2.6	2.8	2.9	2.0	2.5
Consumer prices	0.9	2.5	2.7	3.0	1.6	-0.1	-1.0	-1.3	-0.3	1.0	1.2	1.0	0.8	2.4	-0.6	1.0
Full-time equivalent employment (2)	0.8	3.3	2.6	1.8	0.6	-1.5	-3.9	-5.7	-6.1	-5.0	-3.2	-2.0	-1.5	2.8	-1.7	-4.4
Unemployment rate (1,3)	3.1	2.5	2.5	2.6	2.7	3.0	3.2	3.6	4.0	4.5	4.8	4.9	5.0	2.6	3.5	4.8

(1) Level

(2) Percentage change against previous quarter (annualized, trend cycle component)

(3) Unemployed as percentage of labour force according to census of 2000

GLOBAL ECONOMY

Percentage change against																
	2001- 2007	previous quarter (annualized, seasonal adjusted)												previous year		
		2008				2009				2010				2008	2009	2010
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Real gross domestic product (GDP)																
– OECD total	2.3	1.9	0.5	-0.5	-4.9	-2.7	0.2	-0.4	-2.7	-1.4	0.0	0.9	1.3	1.1	-1.8	-0.7
– European Union (EU-25)	2.2	2.1	-0.4	-1.1	-5.8	-4.8	-2.2	-1.0	-0.4	0.4	0.9	1.3	1.9	0.9	-3.0	0.2
– USA	2.3	0.9	2.8	-0.5	-6.2	-4.1	-1.4	0.0	0.4	1.3	1.5	1.8	1.9	1.1	-2.4	0.9
– Japan	1.6	0.6	-3.6	-2.3	-12.7	-6.1	-0.9	1.0	0.6	1.0	1.5	1.9	2.0	-0.7	-4.5	1.1
Oil price (\$ per barrel) (1)	44.2	96.7	122.5	115.6	58.1	42.5	45.0	50.0	55.0	60.0	60.0	60.0	60.0	98.2	48.1	60.0

(1) Level