Is Switzerland facing the threat of stagflation?

The Deloitte CFO Survey

Second half-year 2022 | Results of the Swiss CFO Survey | Summary
Economic outlook: Prospects for Switzerland hold up comparatively well

Net balance of CFOs rating as positive/negative the economic prospects for Switzerland and its major trading partners over the next 12 months
Corporate indicators deteriorate across the board since H1

Net balance of CFOs who expect their company’s performance on the following indicators to improve/worsen over the next 12 months

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Net balance H2 2022</th>
<th>Change from H1 2022 in pp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>46%</td>
<td>-2</td>
</tr>
<tr>
<td>Operating margins</td>
<td>-12%</td>
<td>-13</td>
</tr>
<tr>
<td>Discretionary spending</td>
<td>2%</td>
<td>-34</td>
</tr>
<tr>
<td>Number of employees</td>
<td>29%</td>
<td>-19</td>
</tr>
<tr>
<td>Investment</td>
<td>12%</td>
<td>-21</td>
</tr>
</tbody>
</table>
Corporate risks: Shortages and rising prices
CFOs’ perceptions of the largest internal and/or external risks to their company over the next 12 months. The triangles show the direction of change from the H2 Survey, the figure inside each triangle shows the change in ranking.
## Inflation: Companies’ responses

To what extent is your company taking the following measures to counter the impact of higher inflation?

<table>
<thead>
<tr>
<th>Measure</th>
<th>To a large extent</th>
<th>To a medium extent</th>
<th>To a small extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving efficiency gains/digital capabilities for increased use of automation</td>
<td>33%</td>
<td>43%</td>
<td>22%</td>
<td>2%</td>
</tr>
<tr>
<td>Passing on costs to customers by raising prices</td>
<td>32%</td>
<td>27%</td>
<td>27%</td>
<td>14%</td>
</tr>
<tr>
<td>Increasing energy efficiency or reducing energy use</td>
<td>20%</td>
<td>39%</td>
<td>29%</td>
<td>12%</td>
</tr>
<tr>
<td>Increasing product or service differentiation relative to competitors</td>
<td>16%</td>
<td>37%</td>
<td>27%</td>
<td>20%</td>
</tr>
<tr>
<td>Focusing on higher margin markets, products or services</td>
<td>15%</td>
<td>43%</td>
<td>24%</td>
<td>18%</td>
</tr>
<tr>
<td>Improving cash flow management</td>
<td>13%</td>
<td>39%</td>
<td>29%</td>
<td>19%</td>
</tr>
<tr>
<td>Increasing investment to reduce costs (for example, labour-saving or energy-saving investments)</td>
<td>12%</td>
<td>32%</td>
<td>30%</td>
<td>27%</td>
</tr>
<tr>
<td>Reducing other more discretionary spending such as training, marketing or travel</td>
<td>11%</td>
<td>20%</td>
<td>45%</td>
<td>24%</td>
</tr>
<tr>
<td>Reducing staff costs, including hours or headcount</td>
<td>11%</td>
<td>18%</td>
<td>32%</td>
<td>39%</td>
</tr>
<tr>
<td>Absorbing higher inflation through a reduction in margins</td>
<td>2%</td>
<td>37%</td>
<td>43%</td>
<td>18%</td>
</tr>
</tbody>
</table>
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The Deloitte CFO Survey is supported by the CFO Forum Schweiz, the independent association of Chief Financial Officers in Switzerland.

Participating in our Survey and accessing previous surveys

If you would like to take part in our Survey or would like to receive further copies of this report, please contact us at cfosurvey@deloitte.ch.

You can find all the survey results since Q3 2009 on our website at www.deloitte.com/ch/cfosurvey

Thank you to Damian Rohr for his invaluable input to this report.

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About the Deloitte CFO Survey

The 44th Swiss CFO Survey was conducted online between 6 and 28 September 2022. A total of 127 CFOs participated, representing listed companies as well as privately owned firms from every major sector of the Swiss economy. We would like to thank all participating CFOs for their support in completing the Survey.

The European CFO survey is conducted in 17 countries, including Switzerland. The full aggregated results should be available from November at [www.deloitte.com/europeancfosurvey](http://www.deloitte.com/europeancfosurvey).

A note on the methodology

Some of the charts in the Survey show results as an index value (net balance). This is calculated by subtracting the percentage of respondents giving a negative response from the percentage giving a positive response; responses that are neither negative nor positive are deemed to be neutral.

Because of rounding, percentages may not add up to 100. To improve readability, only questions related to the current financial and economic situation have been included in the published Survey. If you would like to receive information about unreported questions, please contact us.

Where to find the complete set of results

This is a summary of the results. You can find all results on our internet page: [www.deloitte.com/ch/cfosurvey](http://www.deloitte.com/ch/cfosurvey)

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