Swiss Banking

Press release

Banking Barometer and Swiss Banking Outlook

Banks: upbeat employment outlook despite weak interest operations

Zurich, 28 August 2025 – **The annual Banking Barometer published by the Swiss Bankers Association (SBA) shows a mixed picture for 2024: a contracting interest margin weighed on the aggregate net income of the banks in Switzerland, but assets under management reached a record level. The industry's employment outlook for the second half of 2025 is optimistic. According to the Swiss Banking Outlook, prospects for cross-border wealth management remain positive despite significant geopolitical tensions, as Switzerland reaffirms its position as a safe haven.**

Banking Barometer:

Net income depressed by reduced result from interest operations

The banks in Switzerland achieved modest results overall in 2024. Aggregate net income was down 3.5% year-on-year at CHF 69.8 bn. This was due primarily to a lower result from interest operations: while the volume of mortgages increased, falling interest rates put pressure on the interest margin. Low interest on mortgages and bank loans, combined with higher refinancing costs, depressed the result. This was only partly offset by a marked rise of 38.4% in the result from trading activities, which stemmed first and foremost from the volatile performance of financial markets. Commission business and services showed a slight increase.

Long-term trend towards fewer banking institutions

Whereas stock exchange banks and cantonal banks were able to increase their share of overall net income, the big banks saw their share fall as they recorded the biggest drop in aggregate net income of all the bank categories. The shifts among the categories that had already been observed in prior years thus continued in 2024. The long-term international downtrend in the number of banks also remained in place.

Record-high assets under management

The volume of assets managed by the banks in Switzerland rose sharply in 2024 to CHF 9,284.0 bn (up 10.6%). Foreign-domiciled customers accounted for CHF 4,225.3 bn of this, Swiss-domiciled customers CHF 5,058.7 bn. Switzerland was still the world leader in cross-border wealth management for private clients, with holdings up 10.0% year-on-year at CHF 2,427.0 bn. Its strong position as a safe haven bolsters trust among bank customers, especially in times of geopolitical uncertainty.

Banks' employment outlook at ten-year high

The employment situation at the 230 banks in Switzerland was stable in 2024, with the number of staff rising slightly. Out of approximately 159,500 full-time equivalents (FTEs) working in banking services, a total of 94,347 were employed by banking institutions at the end of 2024. This equates to an increase of 1,048 FTEs or 1.1% year-on-year.

The SBA survey reveals that the banks' headcount fell by 1.7% in the first half of 2025, a drop entirely due to lower numbers abroad, as Swiss headcount remained stable. According to SECO, the unemployment rate in the financial sector dropped minimally to 2.9% compared with the end of 2024. The Swiss banking sector proved robust once again in terms of employment. Looking ahead, the picture remains optimistic, with 96.0% of SBA member institutions expect headcount to remain stable or increase. This is the highest figure seen in ten years.

Swiss Banking Outlook:

Modest trend in net income

The experts surveyed for the Swiss Banking Outlook expect the trend in the aggregate net income of the banks in Switzerland will remain modest in 2025. Some 59% anticipate a lower result and 29% an unchanged one. The weak interest margin remains the principal negative factor. The vast majority of those surveyed expect the Swiss National Bank to keep its policy rate at zero. While trading activities are likely to be flat, and commission business and services have potential for a slight increase, there is little confidence that this will compensate for the drop in interest operations.

Steady credit growth expected

The survey respondents forecast credit growth in 2025 to be at or above the five-year average, with 44% expecting higher growth in mortgage loans. The main reason for this is low interest rates, which are boosting demand for property. Growth in other types of loans is likely to remain close to the multi-year average of around 1.6%.

Switzerland remains a safe haven for cross-border assets

Growth in cross-border wealth management is continuing in 2025. A majority of experts expect a moderate increase, driven by geopolitically motivated capital inflows as investors seek the security offered by Switzerland: Its political stability, legal certainty and stable currency were the advantages most commonly cited by those surveyed in early July.

The annual **SBA Banking Barometer** details the key figures and trends in the Swiss banking sector based on data supplied by the Swiss National Bank (SNB) as well as the results of surveys conducted among the SBA's member organisations. The semi-annual **SBA Swiss Banking Outlook**, meanwhile, provides an overview of expected trends in macroeconomic and financial market indicators as well as the Swiss banking industry's future prospects. It is based on a survey of chief economists and chief investment officers at SBA member organisations and thus offers a broadly supported snapshot of the Swiss banking sector.

For more information, please consult the Banking Barometer and the Swiss Banking Outlook.

About the SBA

The SBA is the umbrella organisation of the Swiss banks. It represents the sector nationally and internationally vis-à-vis the private sector, policymakers, the authorities and the general public. The SBA advocates for open markets, scope for entrepreneurial freedom and a level playing field. As a centre of competence, it propagates banking expertise and actively engages in future topics. The SBA was founded in Basel in 1912, and its membership today comprises around 265 organisations and some 12,000 individuals.

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