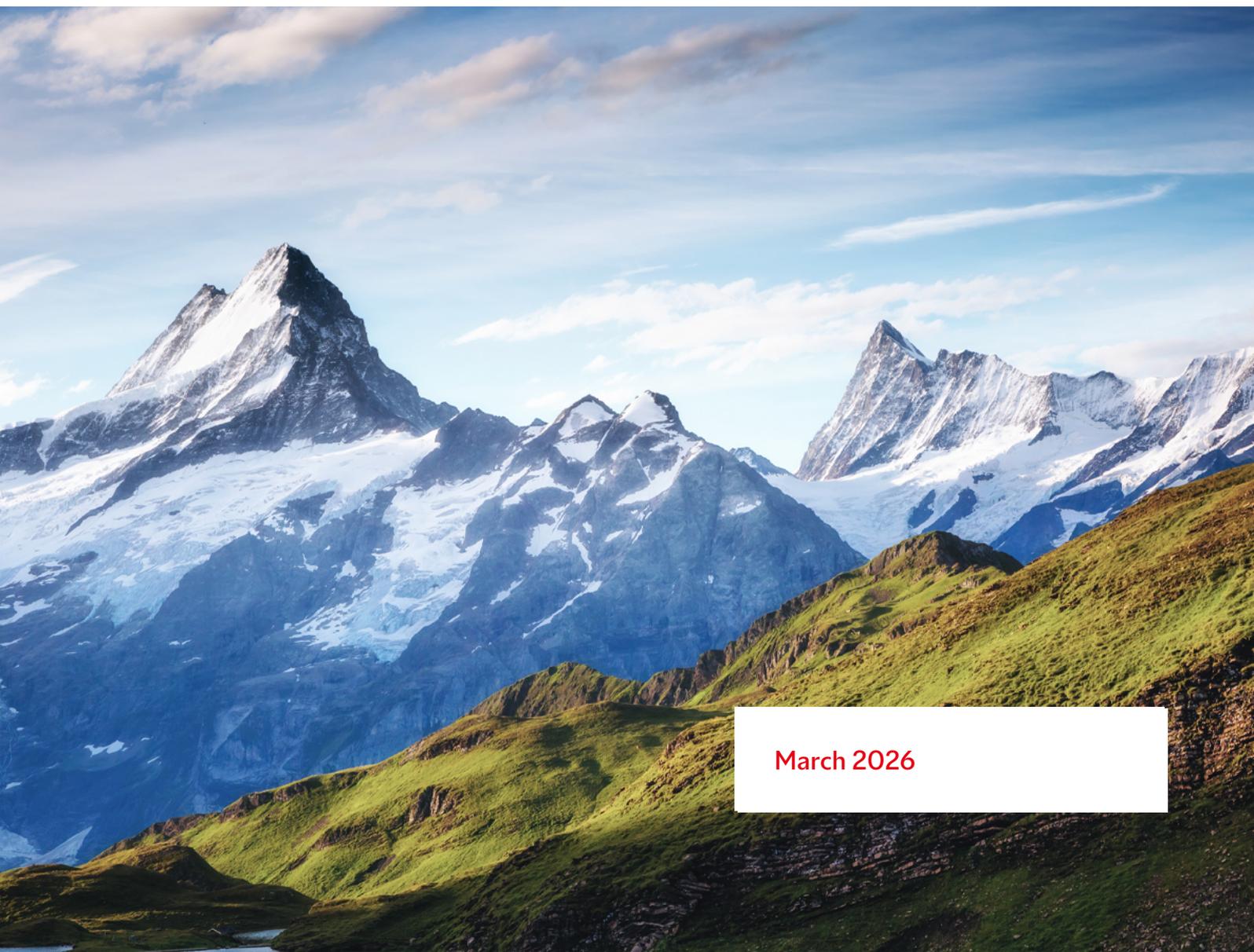


• Swiss Banking

# Swiss Banking Outlook 2026 Update

The SBA members' outlook for the financial markets and  
banking business



March 2026

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In its Swiss Banking Outlook Update, the Swiss Bankers Association (SBA) outlines the expected trends in selected macroeconomic and financial market indicators and discusses topics with relevance for Swiss banking. The consensus forecasts are based on a survey of experienced financial market experts from SBA member institutions.

## Cautiously optimistic expectations for Swiss financial centre

The experts surveyed anticipate moderate economic growth this year and next, along with low inflation and a slight rise in unemployment. The Swiss National Bank (SNB) policy rate is expected to remain at 0.00% throughout 2026. The aggregate net income of the banks in Switzerland will be at the same level as in 2025 or perhaps even higher. The main reasons cited for this are an increase in the result from commission business and services and a steadily rising forecast for mortgage loans and assets under management in Switzerland.

### Swiss Banking Outlook Update methodology

Seasoned financial market experts from SBA member institutions responded to the written survey on the short- and medium-term outlook for the banking industry in February 2026, which constitutes Swiss banking's most broadly based indicator. Participants include chief economists, chief investment officers and leading investment specialists.

The Swiss Banking Outlook Update includes a consensus forecast for each of the main macroeconomic and financial market indicators as well as expectations regarding opportunities and risks for the banking business in Switzerland. The experts' opinions refer in each case to the Swiss banking industry as a whole rather than the performance of their own institution.

## Swiss economy holding steady

Moderate economic growth of 1.2% is predicted for Switzerland this year. The figure for next year is expected to be slightly higher. The inflation forecast for 2026 is 0.3%, while the experts estimate that unemployment will rise from 2.8% in 2025 to 3.1% in 2026. There are increasing signs of falling employment in the banking industry too, especially since UBS officially announced job cuts once its integration of Credit Suisse was completed.

An overwhelming majority believe that the SNB policy rate will hold firm at 0.00%. According to the experts, the Swiss franc will continue to strengthen relative to other currencies, especially the US dollar.

Figure 1

### Consensus forecast for various economic indicators

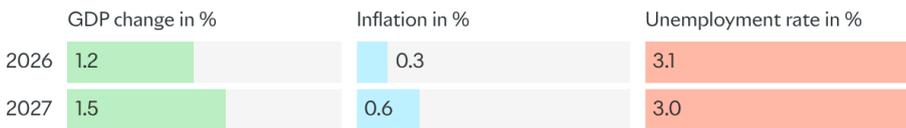
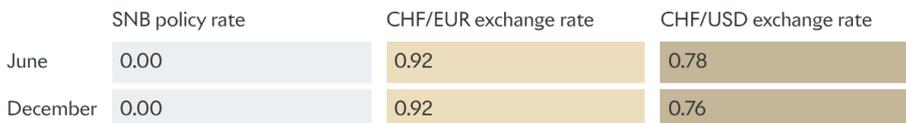


Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update

Figure 2

### Consensus forecast for various financial market indicators



Note: The forecasts given for the SNB policy rate correspond to the most frequently quoted values

Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update

The banking experts see the Swiss economy growing moderately. They expect real gross domestic product (GDP) to increase by 1.2% in 2026 and 1.5% in 2027. The low variance in estimates shows that this forecast is robust.

Figure 3

## Real gross domestic product

% change year-on-year

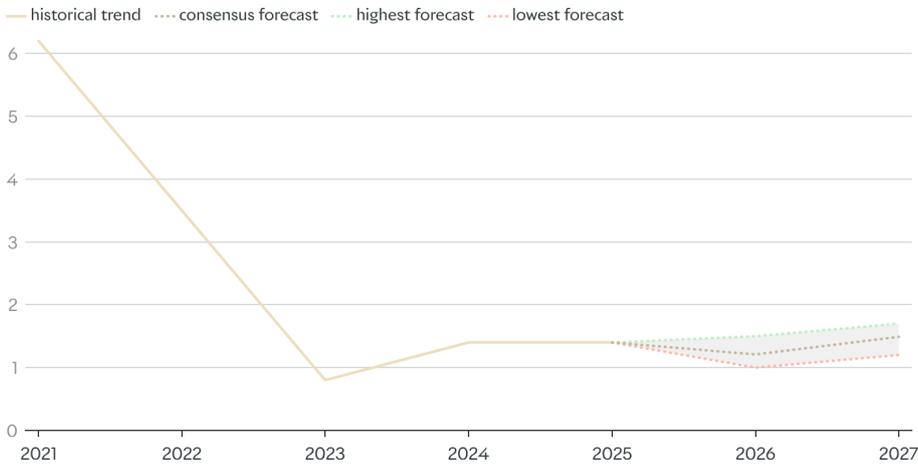


Chart: Swiss Bankers Association · Source: SECO, Swiss Banking Outlook – Update

Inflation is expected to stabilise this year. The consensus forecast for the inflation rate in 2026 is 0.3%, clearly within the SNB’s target range. The broad variance among estimates from –0.5% to 0.6% reflects uncertainty regarding the trend and the strength of the franc. A slightly higher inflation rate of 0.6% is forecast for 2027. However, Swiss inflation is still very low by international standards – particularly when compared with other economies in the Organisation for Economic Co-operation and Development (OECD).

Figure 4

## Inflation

Inflation rate in % compared to the previous year

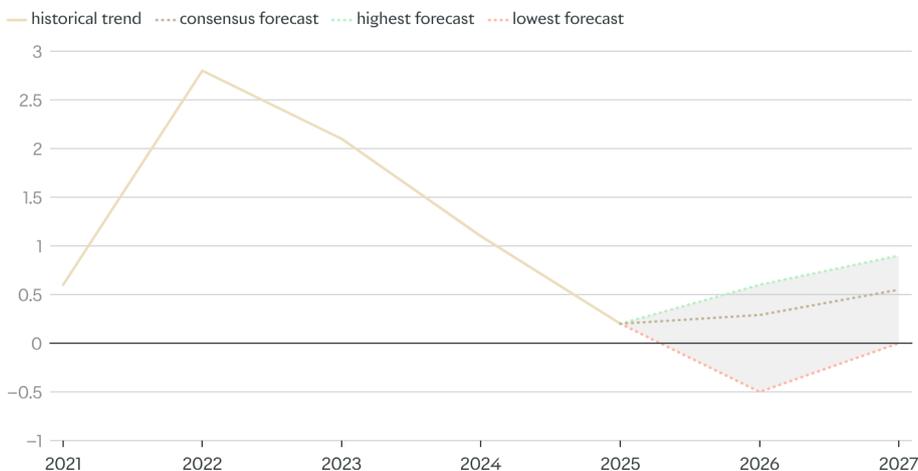


Chart: Swiss Bankers Association · Source: Consumer Price Index, Swiss Banking Outlook – Update

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A majority of the experts surveyed expect the SNB to keep its policy rate at 0.00% in the first half of the year, with only three anticipating a return to negative interest rates. Most also expect the rate to remain unchanged until the end of 2026. These expectations match the view expressed by the SNB in December 2025 that current monetary conditions are sufficiently expansionary in spite of the economic down-turn. The SNB stated that the bar for introducing negative rates is high and that this would only be considered if price stability were at risk.

Figure 5

## SNB policy rate

Number of mentions

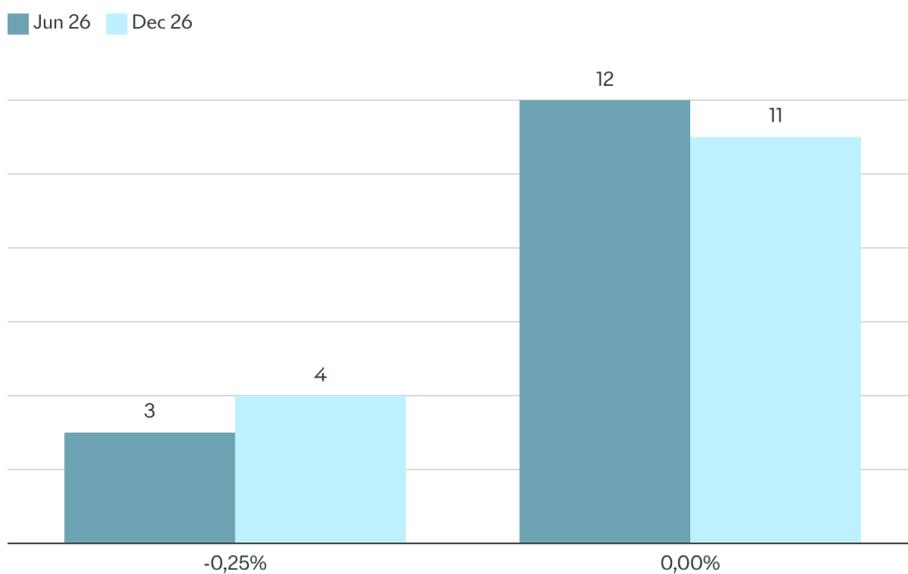


Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update

Exchange rates are expected to fall slightly in the coming year, i.e. the Swiss franc will gain a small amount of value relative to other currencies. This should further strengthen its role as a safe haven against a backdrop of global uncertainty. Since banks hold a large share of their investments in US dollars and euros, exchange rate movements have a direct impact on their balance sheets. The SNB might yet intervene on the currency markets if the upside pressure on the franc becomes too strong.

Figure 6

## Exchange rates

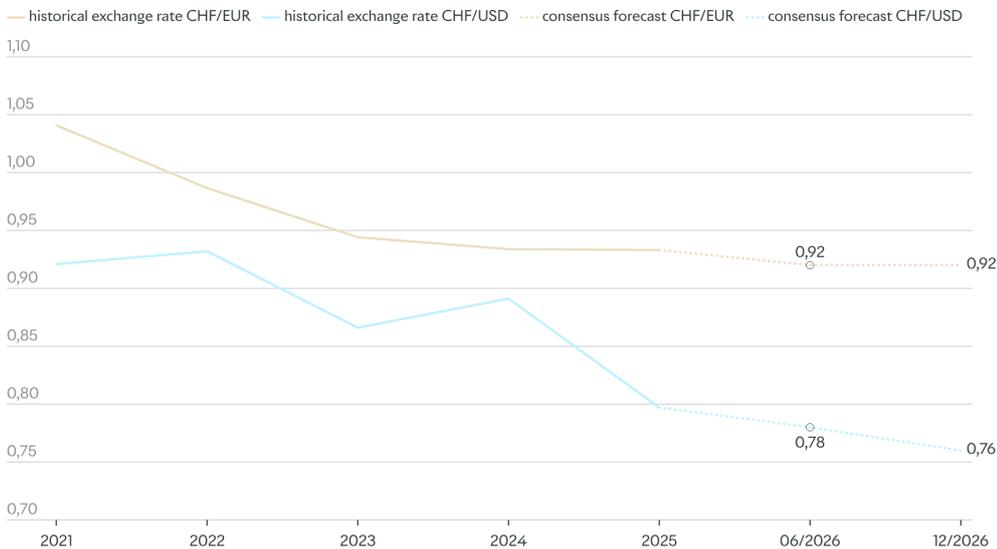


Chart: Swiss Bankers Association · Source: Swiss National Bank, Swiss Banking Outlook – Update

## Cautiously optimistic outlook for banks in expected macroeconomic environment

The experts surveyed have a somewhat more positive attitude towards the future after expressing rather moderate expectations a year ago. Only 14% expect aggregate net income to fall in 2026, whereas 79% think it will either remain unchanged or rise. Doggedly low interest rates are a reason for negative expectations, but buoyant trading and investment activities, higher lending volumes and an improved outlook for commission business and services are driving optimism.

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Figure 7

## Aggregate net income

Expected net income 2026 compared to the previous year

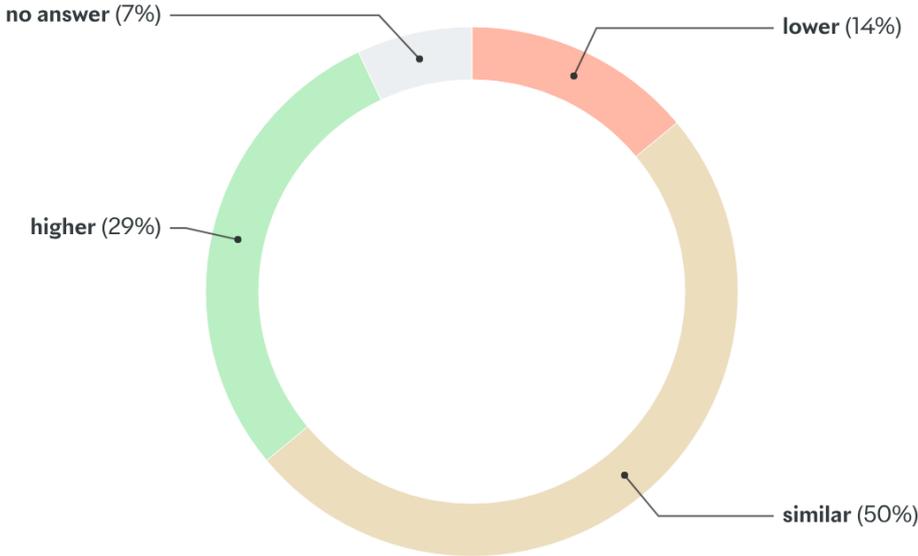


Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update

The experts are unanimous that interest rates will remain stable at zero in 2026. However, the conclusions they draw from this differ. While no negative time lags between credit and debit interest rates are expected following the rate cut, some fear a drop in interest operations as a result of further margin compression and lower mortgage rates.

Given this challenging backdrop, it is all the more important for banks to take a closer look at trends in other fields of business. With regard to commission business and services, the experts all agree that increased customer activity, growth in assets under management thanks to strong demand for “Swissness”, positive price trends in most asset classes and bullish equity markets with more initial public offerings will boost the result in 2026. This appears to be the reason for the cautiously optimistic overall view. The consensus on the result from trading activities is that it will remain constant at a high level.

Figure 8

## Net income by field of business

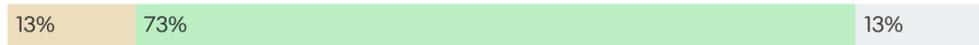
Expected net income 2026 compared to the previous year

lower similar higher no answer

Interest operations



Commission business and services



Trading activities



Due to rounding errors, the total may not always add up to exactly 100%.

Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update

The Swiss banks' lending volume has been growing steadily since 2014. Mortgage loans make up more than 80%. Just under half of the experts surveyed expect the growth rate to remain constant at 3% in 2026, while a third see it increasing. A number of reasons are cited for these positive assessments. For example, the experts assume that high demand for mortgages will persist despite the abolition of imputed rental value, one reason being attractive interest rates. On top of this, property prices are rising, and this alone automatically causes the mortgage volume to increase even if demand stays the same.

Domestic non-mortgage lending, meanwhile, is expected to show moderate growth, mainly due to anticipated macroeconomic developments and the fact that geoeconomic uncertainties are making forecasts of corporate capital spending volatile..

Figure 9

## Growth rate in the lending business

Expected growth for 2026 compared to the average of the last five years according to the SNB banking statistics (3% p. a. domestic mortgage loans; 0.4% p.a. domestic non-mortgage loans)

lower similar higher no answer

Domestic mortgage loans



Domestic non-mortgage loans



Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update

These geoeconomic uncertainties make it difficult to work out forecasts regarding corporate capital spending, but the experts predict that foreign assets under management will grow further. They had already reached record levels in 2024, and the upward trend appears to be unbroken. The main reason cited is investors' need for security, which is met by the Swiss financial centre. The Swiss franc's strength adds to the financial centre's appeal, and positive market developments in general serve to reinforce the trend.

Figure 10

## Expected change in foreign assets under management in Switzerland



Note: The areas shown above represent all responses in the possible response range from -10 to +10%; Due to rounding errors, the total does not add up to exactly 100%.

Chart: Swiss Bankers Association · Source: Swiss Banking Outlook – Update