

# UBS Compensation Survey 2024

Outlook Switzerland

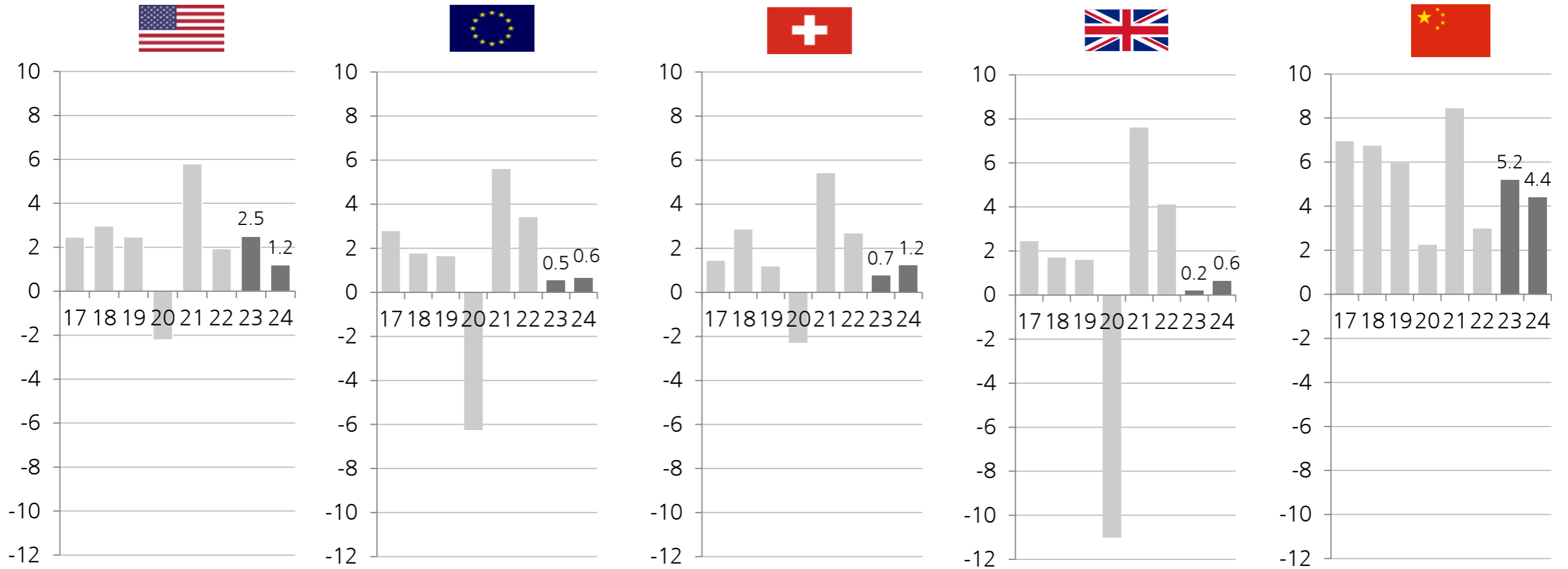
Dr. Daniel Kalt  
UBS Chief Economist & Chief Investment Officer Switzerland

November 2023



# Economic Outlook: base scenario

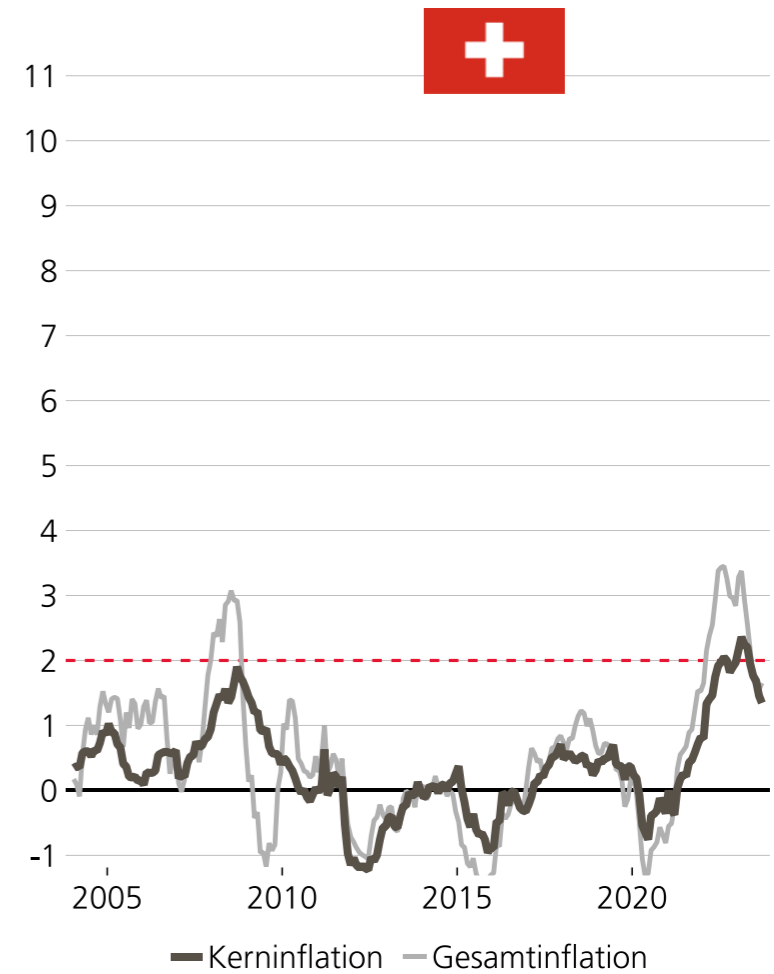
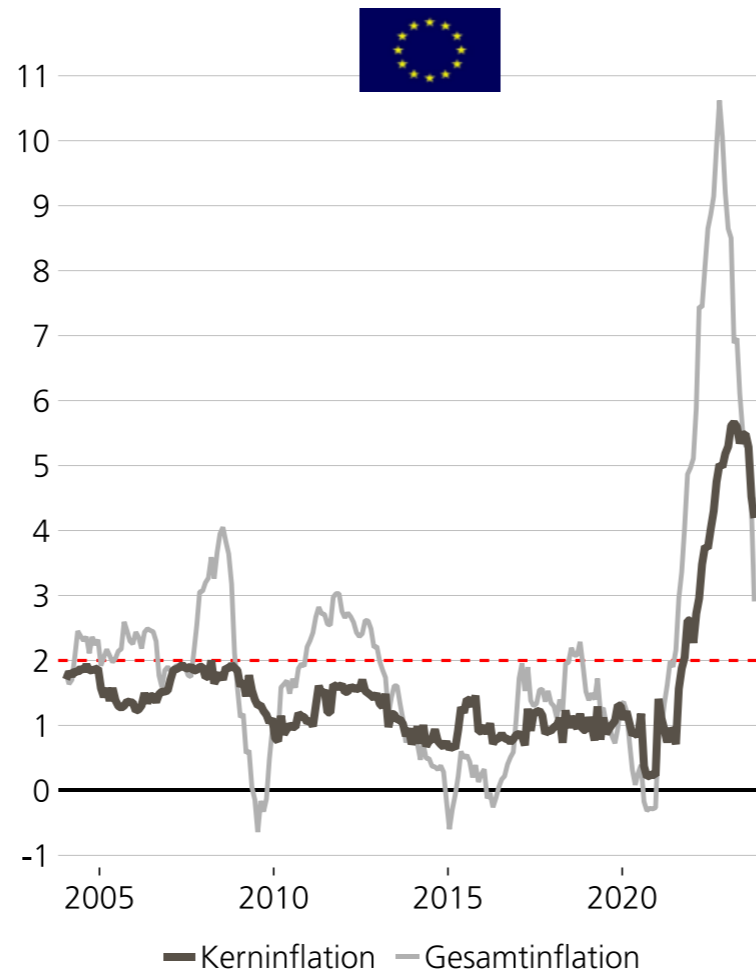
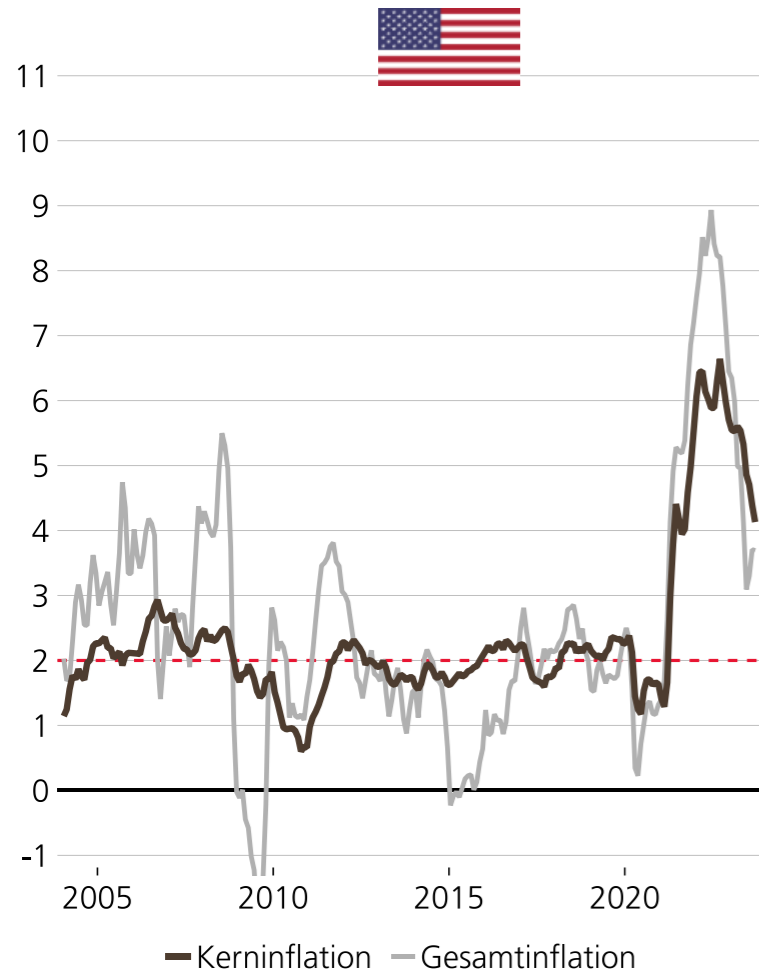
Real gross domestic product (% change to previous year)



# Inflation

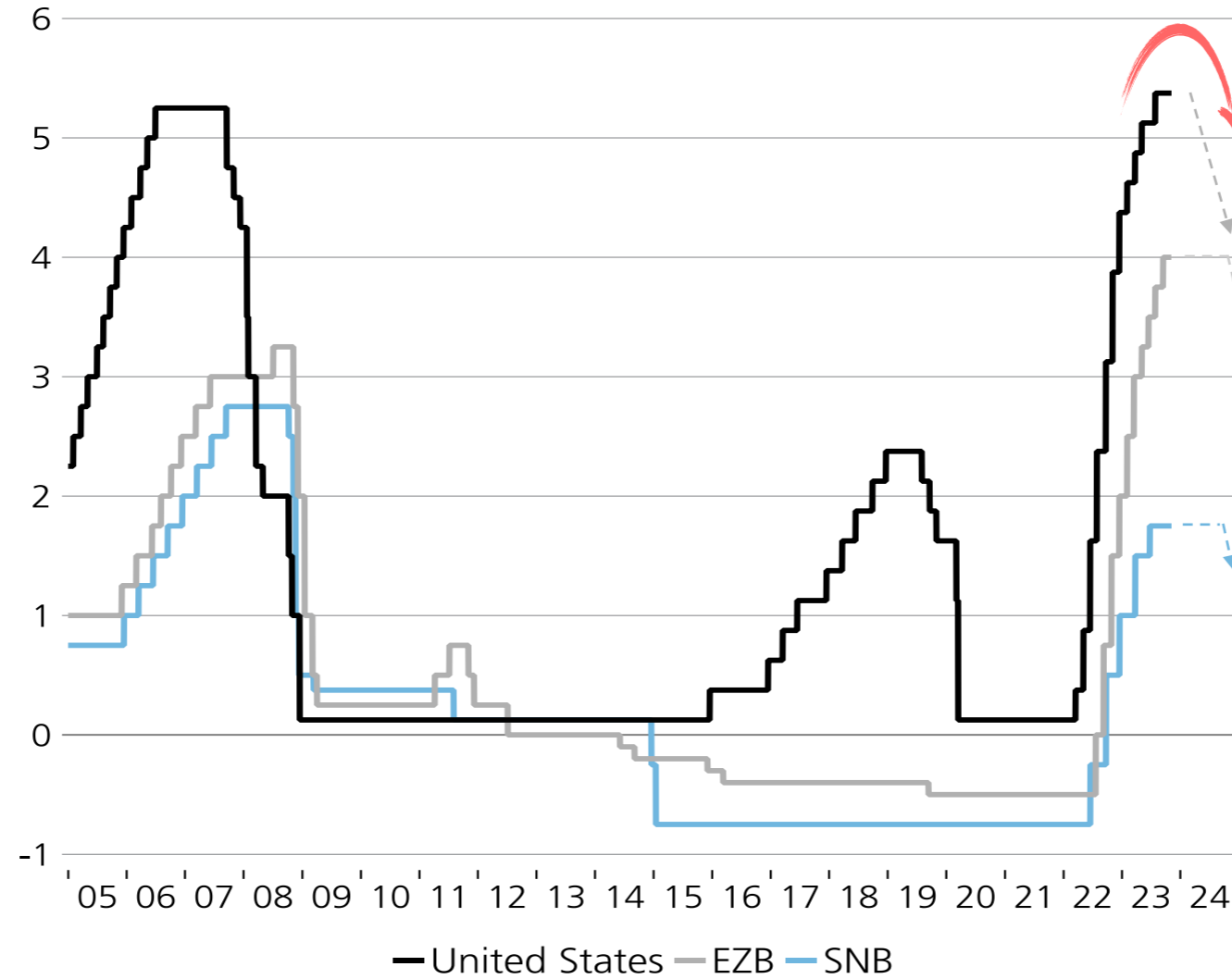
Inflation has peaked

Headline and core inflation, % change to previous year



# Policy rate: peak seems to be reached

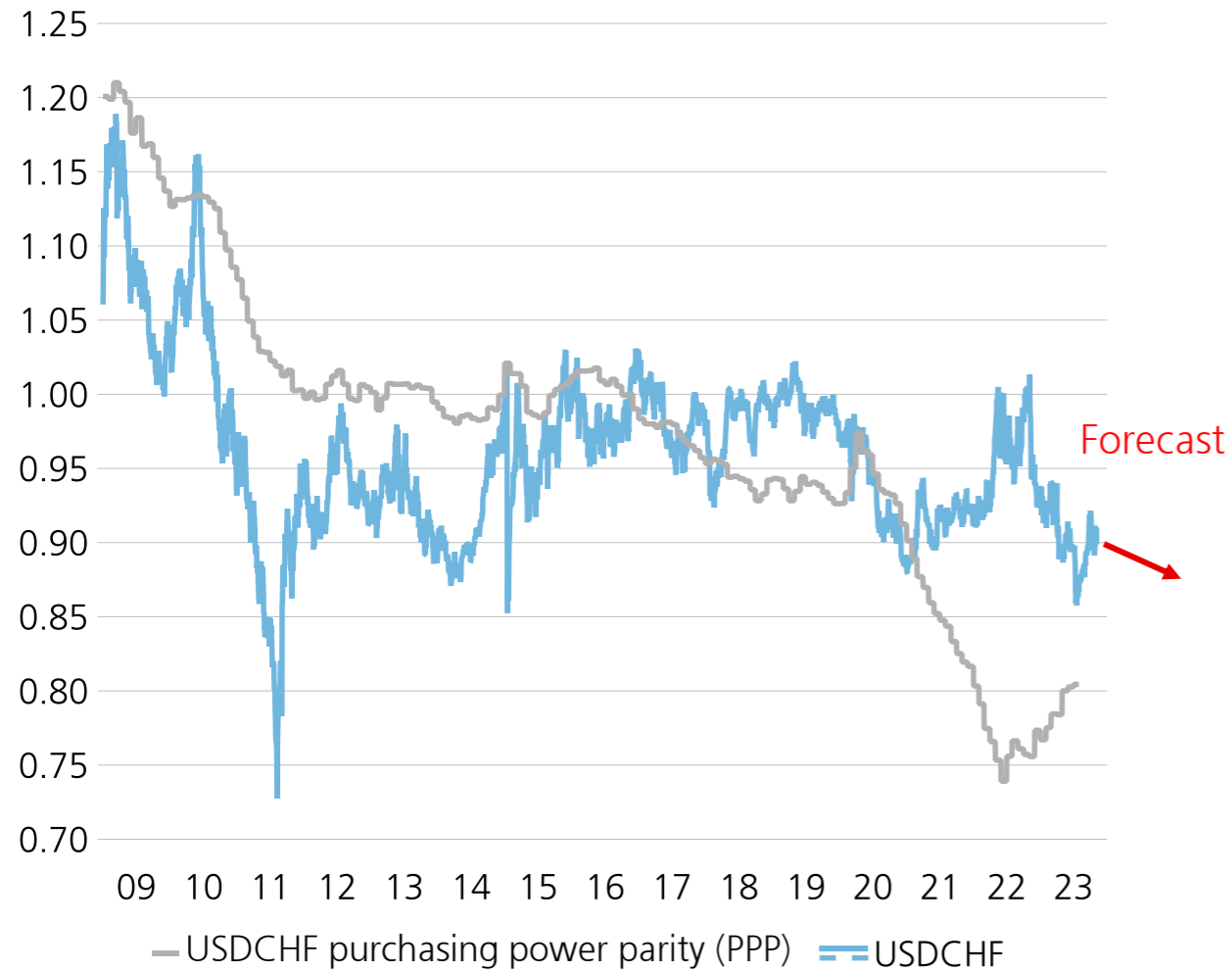
Policy rates, in %



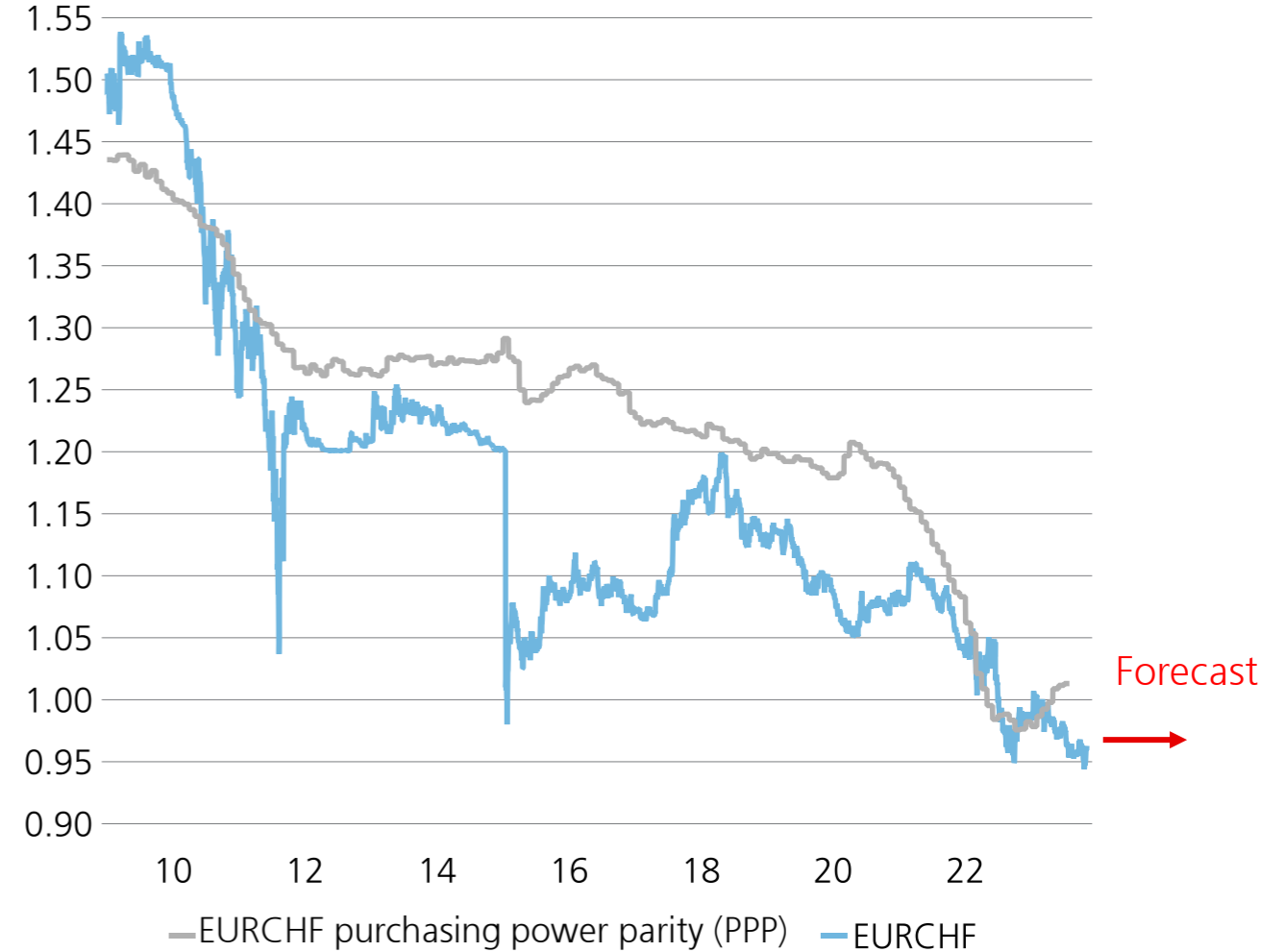
# Swiss Franc: Sideways trend

The Swiss franc has only slight appreciation potential against the USD; EURCHF sideways

### USDCHF



### EURCHF



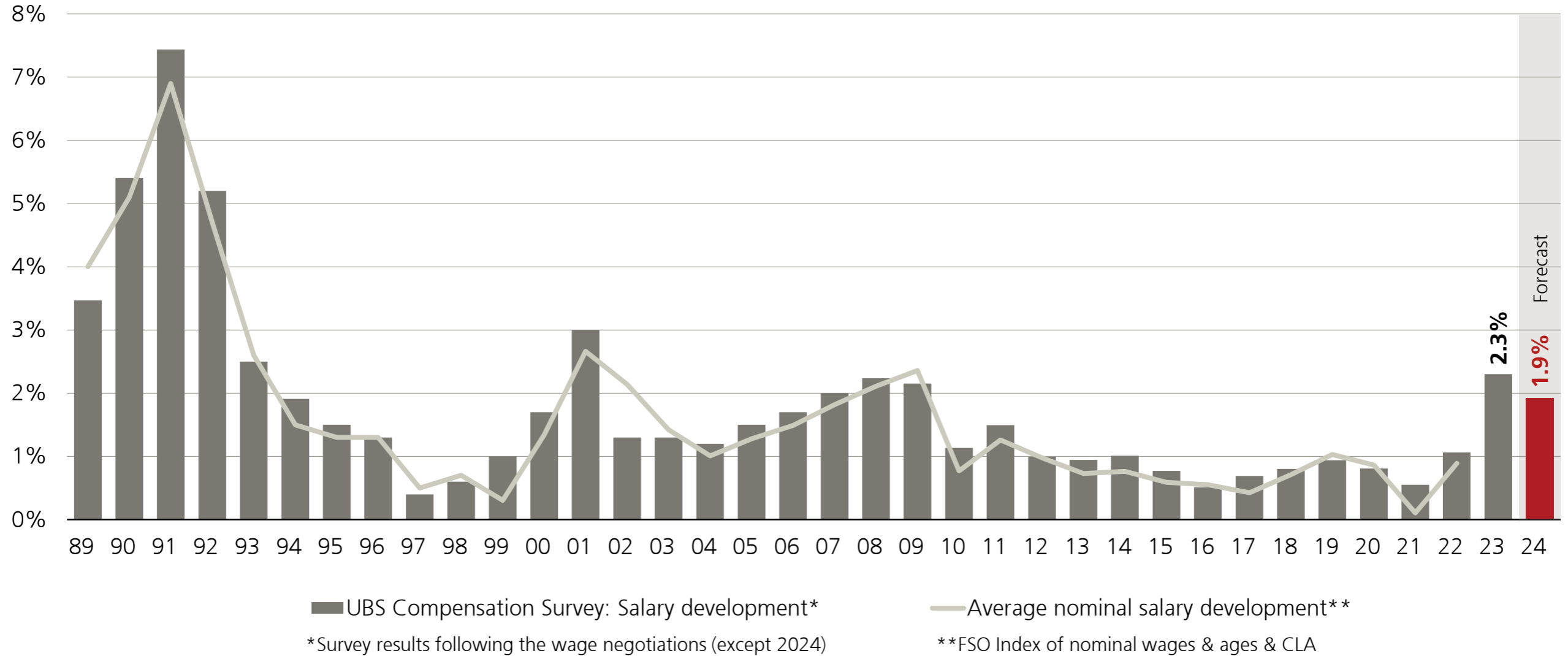
# About the UBS Compensation Survey 2024

Annual survey conducted since 1989

- Held from 11 September to 4 October 2023
- Conducted for the 35th time
- 32 telephone interviews and 357 online interviews
- 389 companies, employer and employee representation associations
- 22 sectors represented
- Firms represented in these sectors employ more than 90 percent of Switzerland's working population

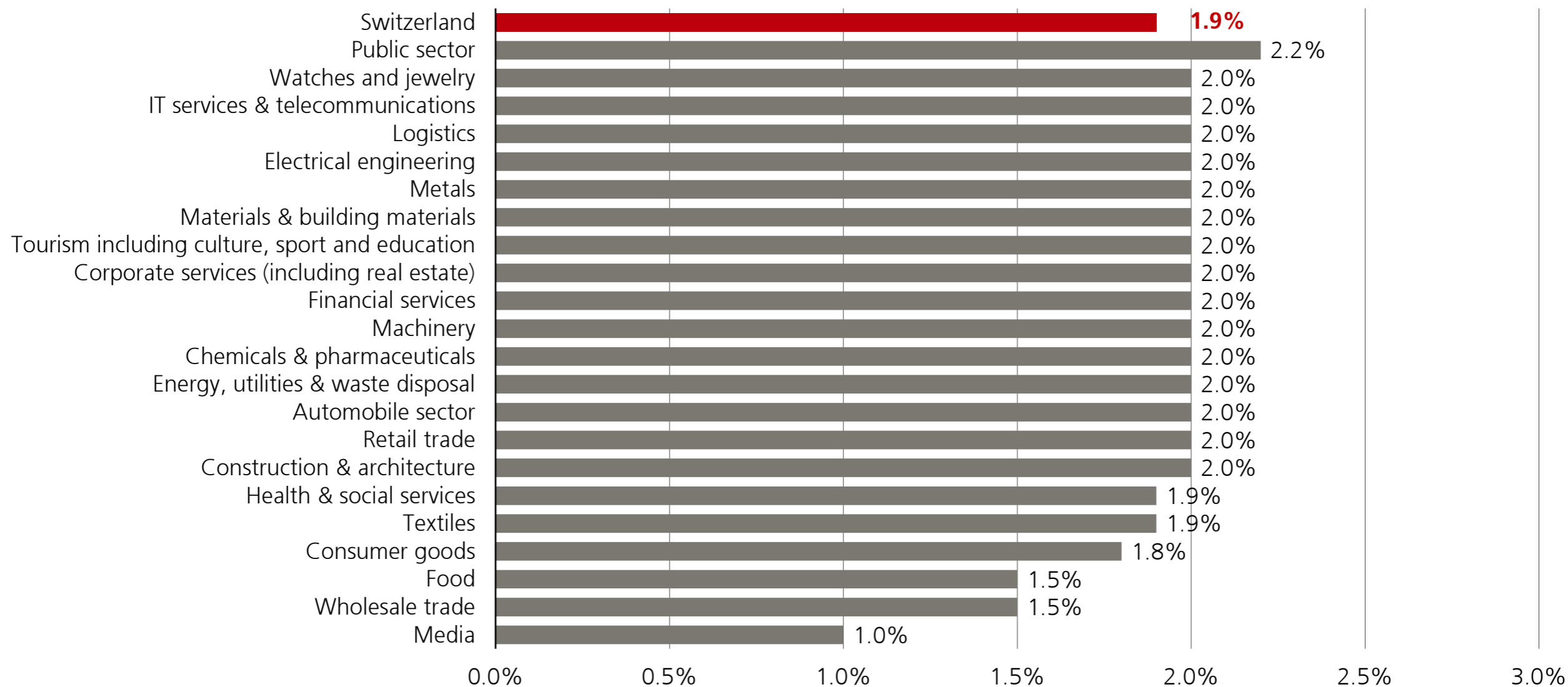
# Slight decline in wage growth

Nominal wage development since 1989



# Wage growth 2024 with little deviation between the sectors

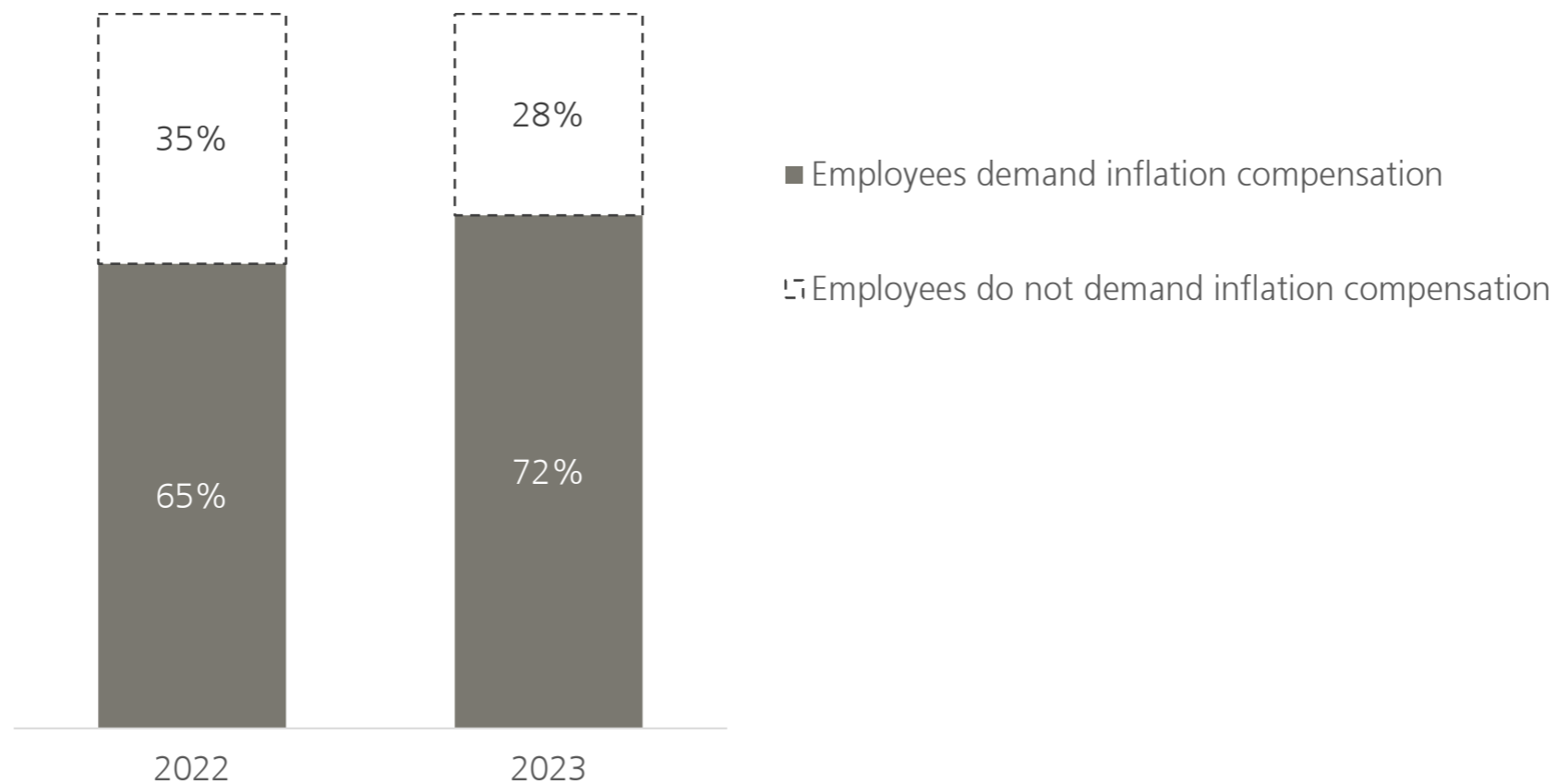
Expected increase in nominal wages in 2024, by sector





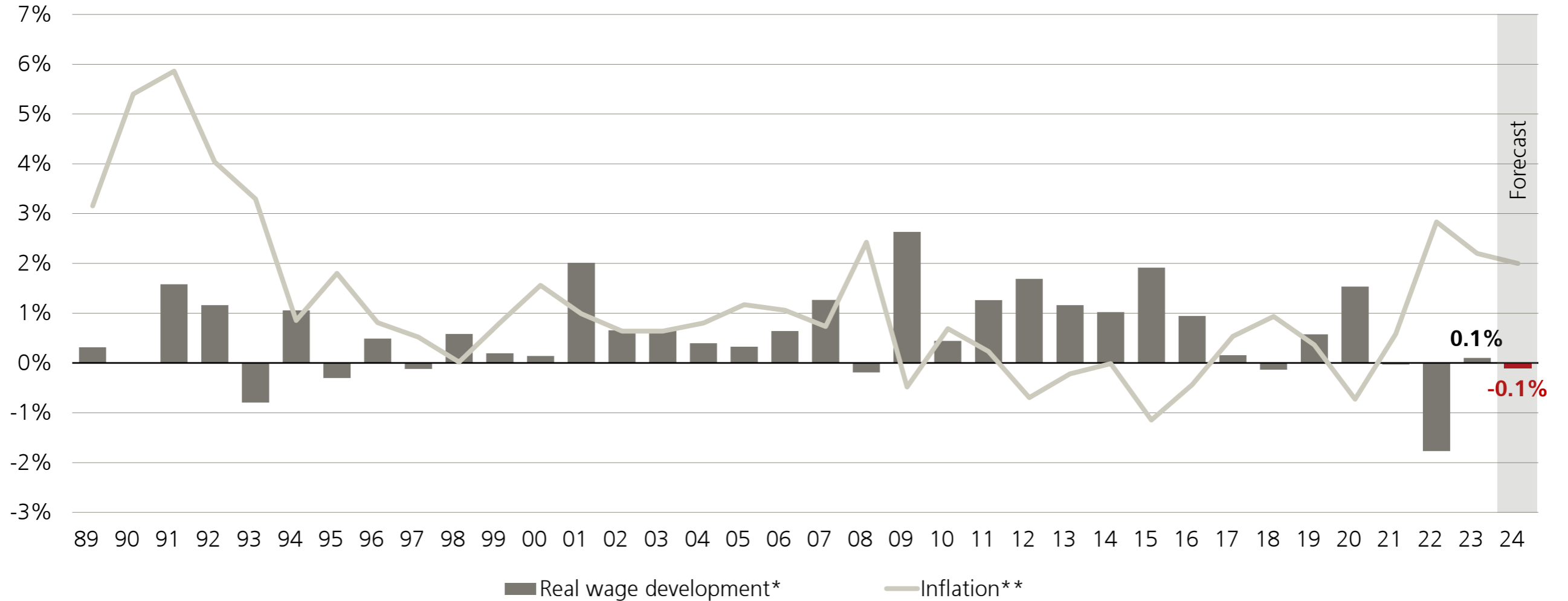
# Demand for inflation compensation increases

Share of companies whose employees demand inflation compensation



# Real wages continue to stagnate in 2024

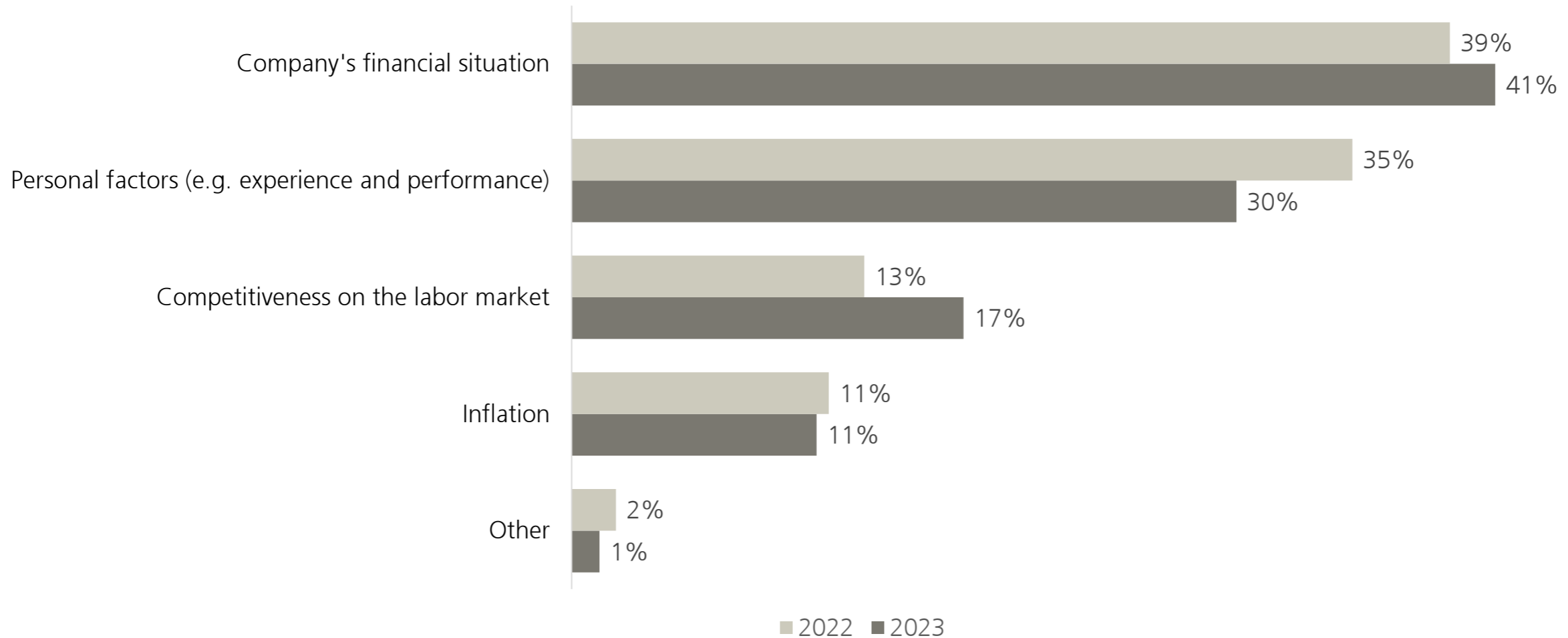
Real wage development and inflation since 1989



\*Survey results following the wage negotiations (except 2024) \*\*2023 & 2024 UBS forecasts

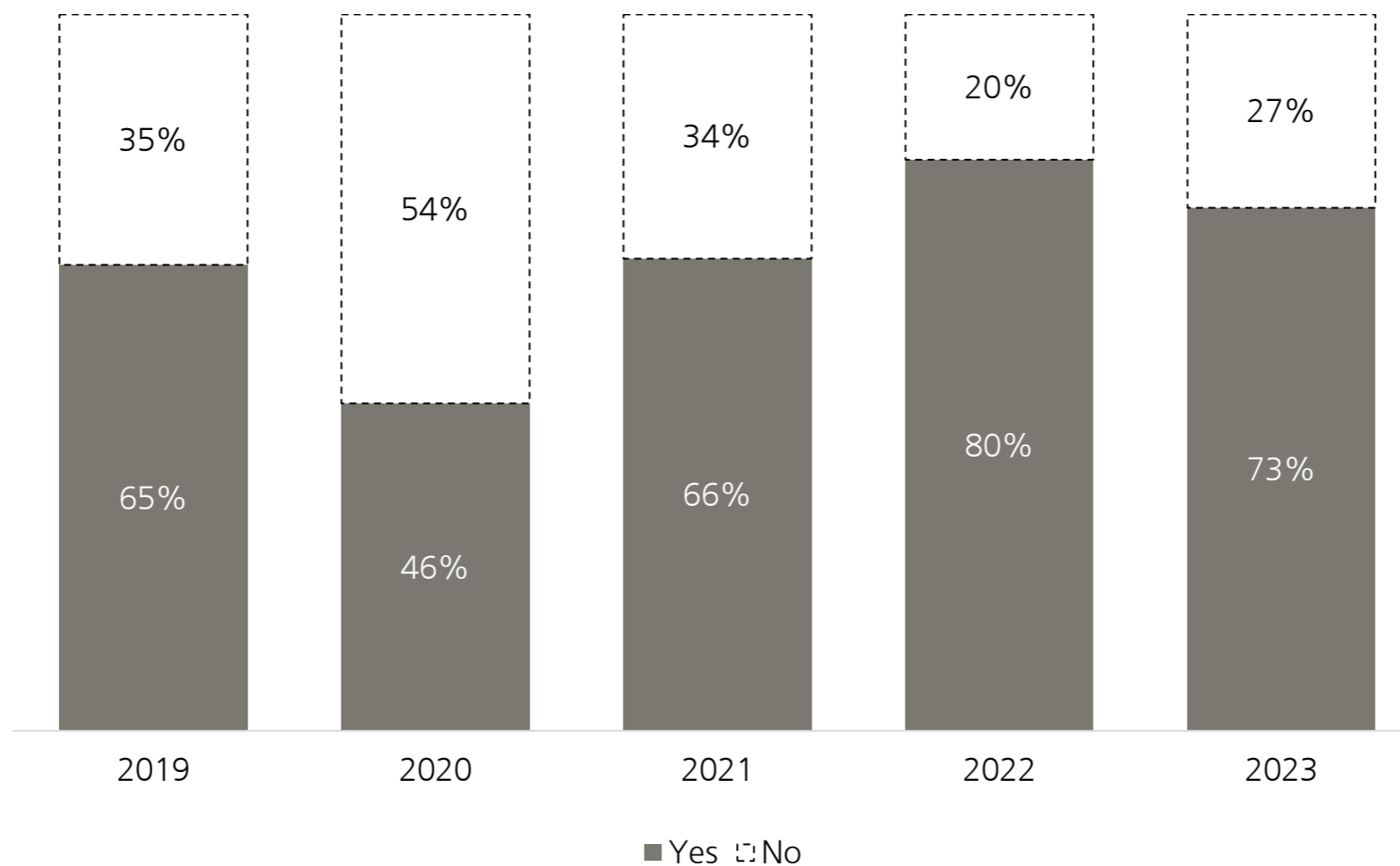
# Company's financial situation decisive for wage agreements

Question: "What factors are decisive for wage increases in your company? Please rank the factors in order of importance."  
Factors that the companies consider most important for wage increases (rank 1)



# Recruitment difficulties ease only slightly

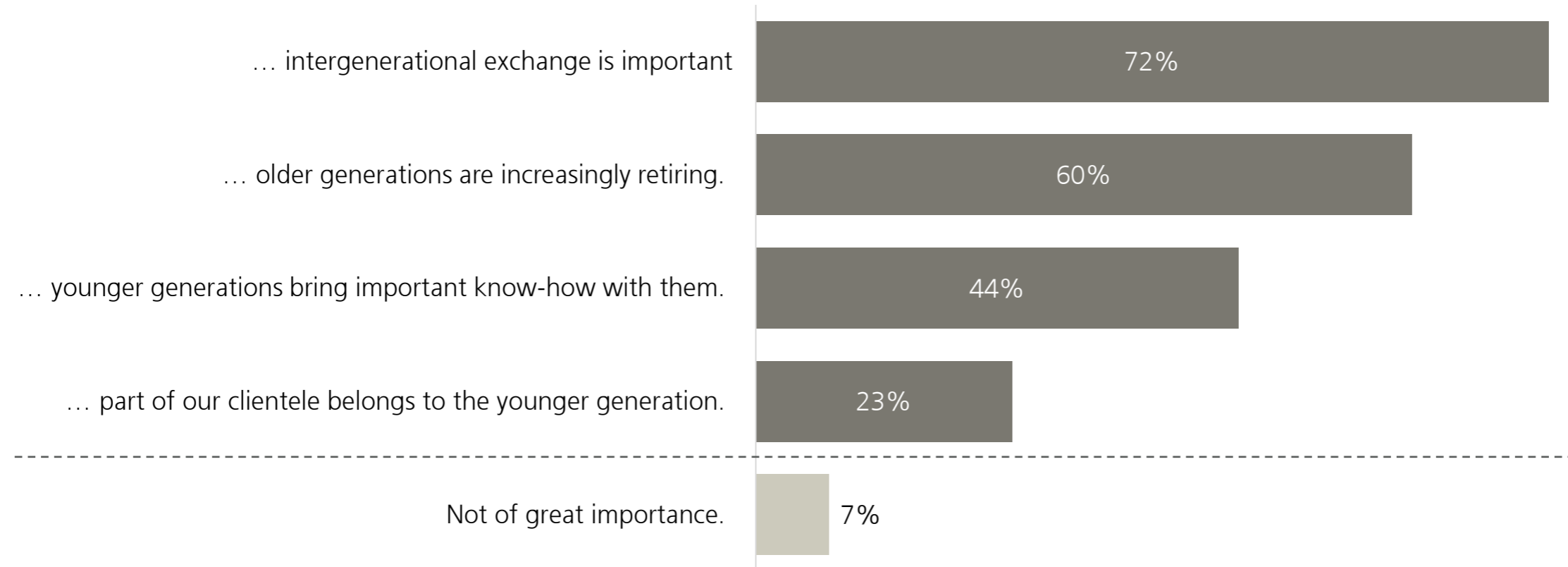
Question: "Is your company experiencing problems filling vacancies?"



# Generation Z is in demand

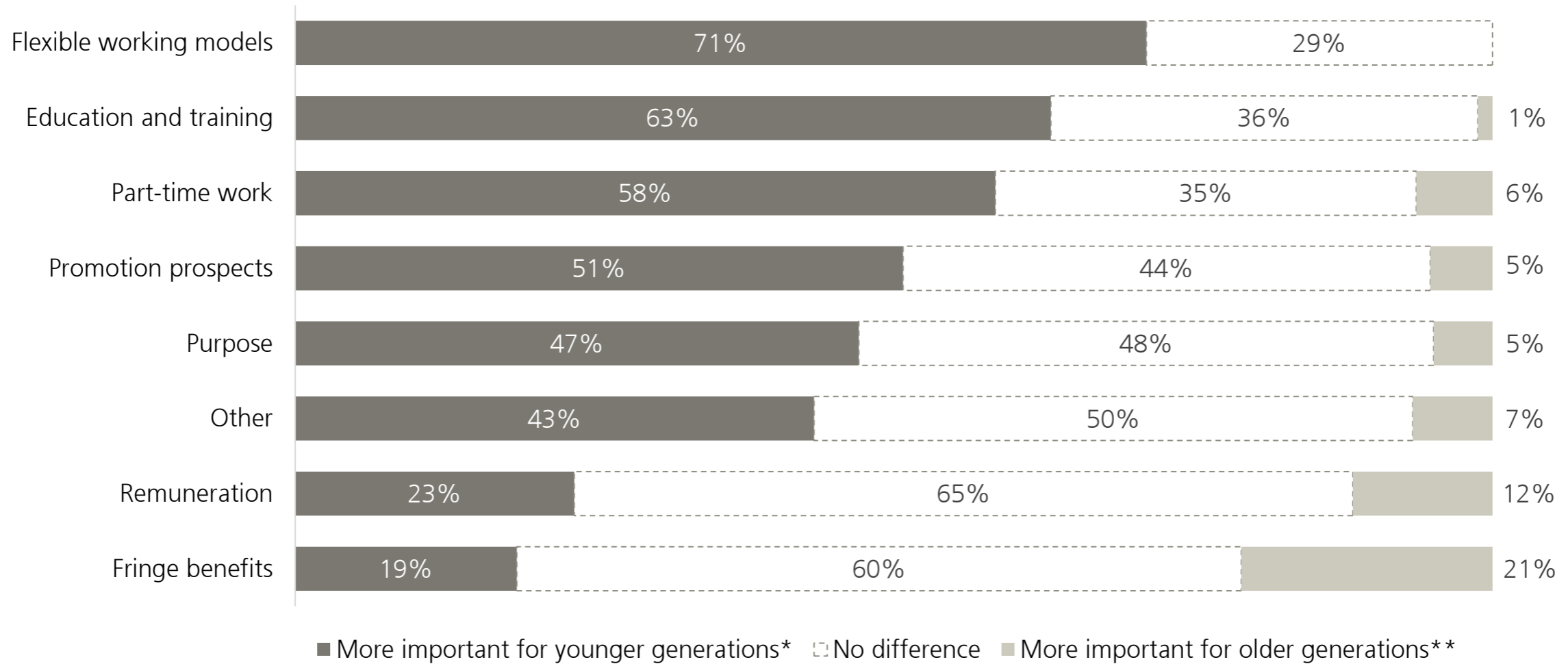
Question: "How important are younger generations in your company? (Multiple answers possible)"

Great importance, because ...



# Generation Z is more demanding

Question: "Do you recognize different demands of the generations on your company and, if so, in which areas?"



\* Younger generation: refers to people born in 1996 or later (Generation Z)

\*\* Older generations: refers to people born before 1979 (Generation X and baby boomers)

# Contact information

**Dr. Daniel Kalt**

Chief Economist & Chief Investment Officer Switzerland  
UBS Chief Investment Office Global Wealth Management

[daniel.kalt@ubs.com](mailto:daniel.kalt@ubs.com)

Follow me on LinkedIn:



[www.ubs.com/investmentviews](http://www.ubs.com/investmentviews)

# Risk information

UBS Chief Investment Office's ("CIO") investment views are prepared and published by the Global Wealth Management business of UBS Switzerland AG (regulated by FINMA in Switzerland) or its affiliates ("UBS"), part of UBS Group AG ("UBS Group"). UBS Group includes Credit Suisse AG, its subsidiaries, branches and affiliates. Additional disclaimer relevant to Credit Suisse Wealth Management follows at the end of this section. The investment views have been prepared in accordance with legal requirements designed to promote the **independence of investment research**.

## Generic investment research – Risk information:

This publication is **for your information only** and is not intended as an offer, or a solicitation of an offer, to buy or sell any investment or other specific product. The analysis contained herein does not constitute a personal recommendation or take into account the particular investment objectives, investment strategies, financial situation and needs of any specific recipient. It is based on numerous assumptions. Different assumptions could result in materially different results. Certain services and products are subject to legal restrictions and cannot be offered worldwide on an unrestricted basis and/or may not be eligible for sale to all investors. All information and opinions expressed in this document were obtained from sources believed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to its accuracy or completeness (other than disclosures relating to UBS). All information and opinions as well as any forecasts, estimates and market prices indicated are current as of the date of this report, and are subject to change without notice. Opinions expressed herein may differ or be contrary to those expressed by other business areas or divisions of UBS as a result of using different assumptions and/or criteria.

In no circumstances may this document or any of the information (including any forecast, value, index or other calculated amount ("Values")) be used for any of the following purposes (i) valuation or accounting purposes; (ii) to determine the amounts due or payable, the price or the value of any financial instrument or financial contract; or (iii) to measure the performance of any financial instrument including, without limitation, for the purpose of tracking the return or performance of any Value or of defining the asset allocation of portfolio or of computing performance fees. By receiving this document and the information you will be deemed to represent and warrant to UBS that you will not use this document or otherwise rely on any of the information for any of the above purposes. UBS and any of its directors or employees may be entitled at any time to hold long or short positions in investment instruments referred to herein, carry out transactions involving relevant investment instruments in the capacity of principal or agent, or provide any other services or have officers, who serve as directors, either to/for the issuer, the investment instrument itself or to/for any company commercially or financially affiliated to such issuers. At any time, investment decisions (including whether to buy, sell or hold securities) made by UBS and its employees may differ from or be contrary to the opinions expressed in UBS research publications. Some investments may not be readily realizable since the market in the securities is illiquid and therefore valuing the investment and identifying the risk to which you are exposed may be difficult to quantify. UBS relies on information barriers to control the flow of information contained in one or more areas within UBS, into other areas, units, divisions or affiliates of UBS. Futures and options trading is not suitable for every investor as there is a substantial risk of loss, and losses in excess of an initial investment may occur. Past performance of an investment is no guarantee for its future performance. Additional information will be made available upon request. Some investments may be subject to sudden and large falls in value and on realization you may receive back less than you invested or may be required to pay more. Changes in foreign exchange rates may have an adverse effect on the price, value or income of an investment. The analyst(s) responsible for the preparation of this report may interact with trading desk personnel, sales personnel and other constituencies for the purpose of gathering, synthesizing and interpreting market information.

Different areas, groups, and personnel within UBS Group may produce and distribute separate research products **independently of each other**. For example, research publications from **CIO** are produced by UBS Global Wealth Management. **UBS Global Research** is produced by UBS Investment Bank. **Credit Suisse Global CIO Office Research** is produced by Credit Suisse Wealth Management. **Credit Suisse Securities Research** is produced by Credit Suisse operating under its Securities Research function within the Investment Banking Division. **Research methodologies and rating systems of each separate research organization may differ**, for example, in terms of investment recommendations, investment horizon, model assumptions, and valuation methods. As a consequence, except for certain economic forecasts (for which UBS CIO and UBS Global Research may collaborate), investment recommendations, ratings, price targets, and valuations provided by each of the separate research organizations may be different, or inconsistent. You should refer to each relevant research product for the details as to their methodologies and rating system. Not all clients may have access to all products from every organization. Each research product is subject to the policies and procedures of the organization that produces it.

The compensation of the analyst(s) who prepared this report is determined exclusively by research management and senior management ([not including investment banking](#)). Analyst compensation is not based on investment banking, sales and trading or principal trading revenues, however, compensation may relate to the revenues of UBS Group as a whole, of which investment banking, sales and trading and principal trading are a part.

Tax treatment depends on the individual circumstances and may be subject to change in the future. UBS does not provide legal or tax advice and makes no representations as to the tax treatment of assets or the investment returns thereon both in general or with reference to specific client's circumstances and needs. We are of necessity unable to take into account the particular investment objectives, financial situation and needs of our individual clients and we would recommend that you take financial and/or tax advice as to the implications (including tax) of investing in any of the products mentioned herein.

This material may not be reproduced or copies circulated without prior authority of UBS. Unless otherwise agreed in writing UBS expressly prohibits the distribution and transfer of this material to third parties for any reason. UBS accepts no liability whatsoever for any claims or lawsuits from any third parties arising from the use or distribution of this material. This report is for distribution only under such circumstances as may be permitted by applicable law. For information on the ways in which CIO manages conflicts and maintains independence of its investment views and publication offering, and research and rating methodologies, please visit [www.ubs.com/research-methodology](http://www.ubs.com/research-methodology). Additional information on the relevant authors of this publication and other CIO publication(s) referenced in this report; and copies of any past reports on this topic; are available upon request from your client advisor.



# Risk information

**Important Information About Sustainable Investing Strategies:** Sustainable investing strategies aim to consider and incorporate environmental, social and governance (ESG) factors into investment process and portfolio construction. Strategies across geographies approach ESG analysis and incorporate the findings in a variety of ways. Incorporating ESG factors or Sustainable Investing considerations may inhibit UBS's ability to participate in or to advise on certain investment opportunities that otherwise would be consistent with the Client's investment objectives. The returns on a portfolio incorporating ESG factors or Sustainable Investing considerations may be lower or higher than portfolios where ESG factors, exclusions, or other sustainability issues are not considered by UBS, and the investment opportunities available to such portfolios may differ.

**External Asset Managers / External Financial Consultants:** In case this research or publication is provided to an External Asset Manager or an External Financial Consultant, UBS expressly prohibits that it is redistributed by the External Asset Manager or the External Financial Consultant and is made available to their clients and/or third parties.

**USA:** This document is not intended for distribution into the US and / or to US persons.

For country information, please visit [ubs.com/cio-country-disclaimer-gr](https://ubs.com/cio-country-disclaimer-gr) or ask your client advisor for the full disclaimer.

## **Additional Disclaimer relevant to Credit Suisse Wealth Management**

You receive this document in your capacity as a client of Credit Suisse Wealth Management. Your personal data will be processed in accordance with the Credit Suisse privacy statement accessible at your domicile through the official Credit Suisse website <https://www.credit-suisse.com>. In order to provide you with marketing materials concerning our products and services, UBS Group AG and its subsidiaries may process your basic personal data (i.e. contact details such as name, e-mail address) until you notify us that you no longer wish to receive them. You can optout from receiving these materials at any time by informing your Relationship Manager.

Except as otherwise specified herein and/or depending on the local Credit Suisse entity from which you are receiving this report, this report is distributed by Credit Suisse AG, authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). Credit Suisse AG is a UBS Group company.

Version C/2023. CIO82652744

© UBS 2023. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.