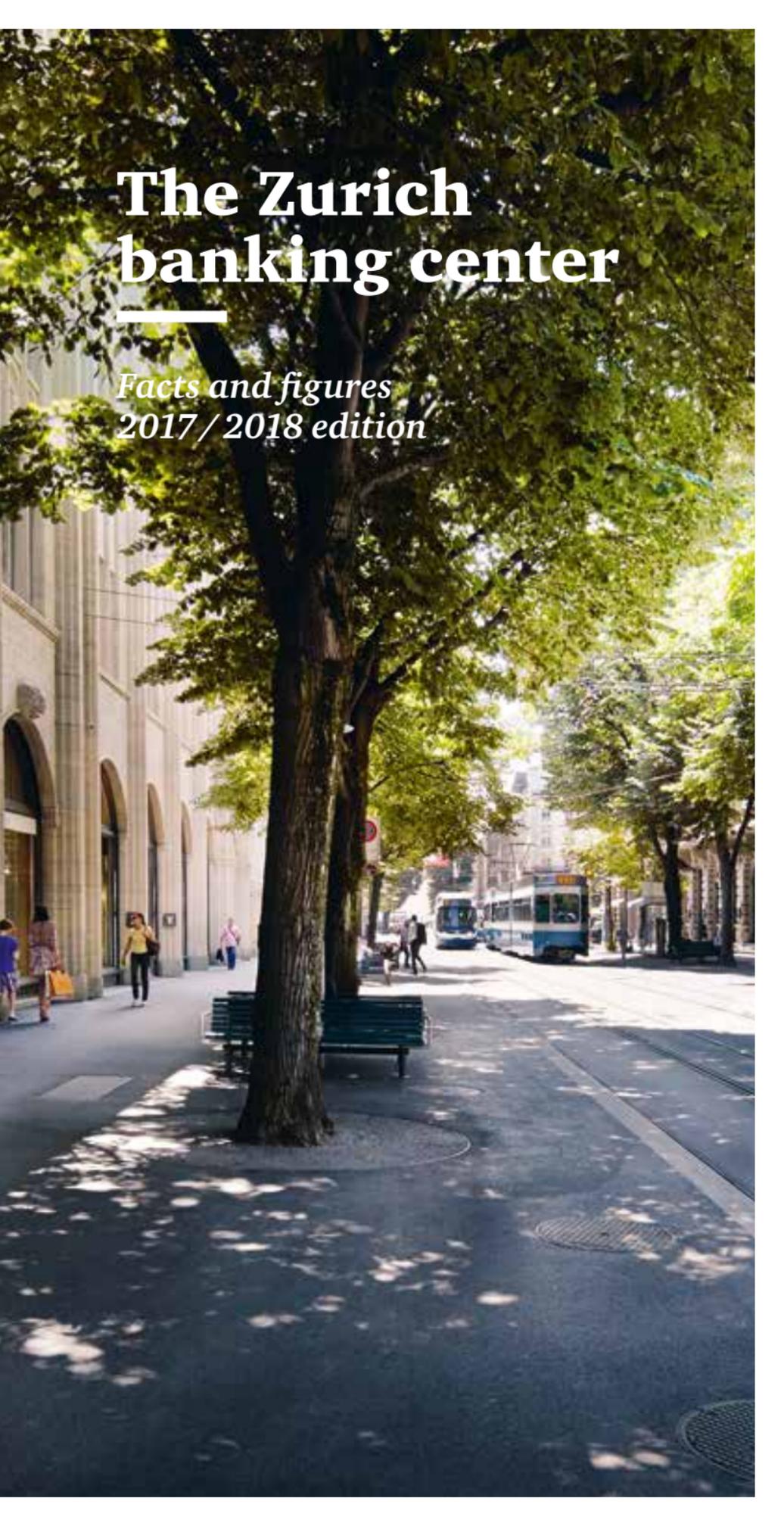


# The Zurich banking center

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*Facts and figures  
2017/2018 edition*



# Foreword

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Our banking center is a mainstay of Zurich's economy and a significant contributor to its economic value creation. It also plays a key role as an employer, educator, lender, customer, taxpayer, and promoter of cultural institutions.

The advance of digitization, growing regulation as well as the rapid emergence of new client needs and requirements, present huge opportunities for the Zurich banking center – and big challenges. In this period of historic change, it is crucial to give the financial center a favorable economic framework and to protect and improve the advantages offered by the Zurich region.

The common goal for all those involved must be to position the financial center as stable and forward-looking, thus enabling it to maintain its appeal both internationally and locally and continue to play an important economic role in the Zurich region and throughout Switzerland.

The Canton of Zurich and the Zurich Banking Association work to create the conditions in which the banking center can flourish. They also endeavor to promote a reasoned debate on its future with publications such as this, which we hope you enjoy reading.

Zurich, January 2017



Thomas Ulrich  
President of the Zurich  
Banking Association

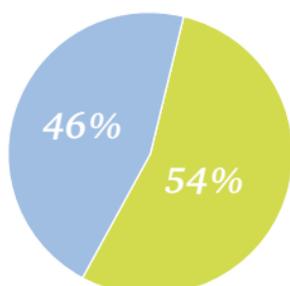


Markus Assfalg  
Head of the Business and  
Economic Development  
Division of the Office for  
Economy and Labor of the  
Canton of Zurich

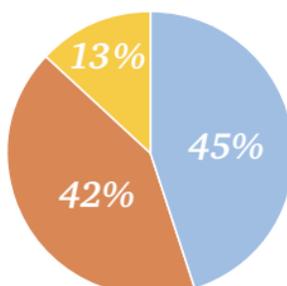
# Key Player in Zurich's Economy

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Nominal gross value creation in the banking sector in Switzerland: CHF 25.9 bn (2015)



Nominal gross value creation in Zurich financial center: CHF 26.5 bn (2015)



■ Zurich region ■ Rest of Switzerland

■ Banks ■ Insurance companies  
■ Other financial service providers

Source: BAKBASEL

The Zurich financial center, which covers the cantons of Zurich, Schwyz and Zug, is an economic mainstay of the region, with around **one in every six Swiss francs of economic value created** here linked directly to its activities. If the products and services of suppliers are also taken into account, it is estimated that one in every three francs of economic value is indirectly generated by the financial center. If one also takes the **services of suppliers** into account – for example, from the areas of IT, real estate management or gastronomy – the Zurich financial center generates **via indirect effects** a considerably **higher value creation**.

In 2015, banks alone contributed nearly CHF 12 billion to the local economy (45% of the contribution of the Zurich financial center as a whole), which translates into around **eight percent of the aggregate gross economic value creation added in the region**.

The financial sector has proven to be a source of stability for the region amid the recent economic challenges, too.

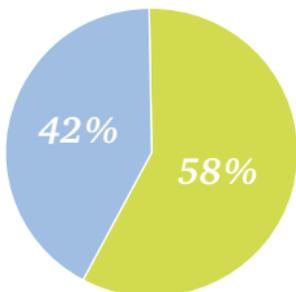
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*The banking center generates around eight percent of the Zurich region's economic output*

# Important Employer

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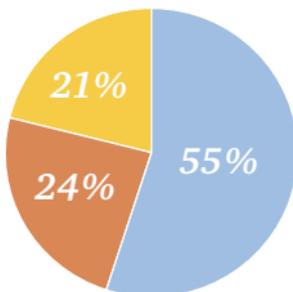
Employees in the banking sector in Switzerland: 117,726 (2015)



■ Zurich region ■ Rest of Switzerland

Source: BAKBASEL

Employees in the Zurich financial center: 90,403 (2015)



■ Banks ■ Insurance companies ■ Other financial service providers

Banks are a **key pillar** of the local labor market. As one of the Zurich region's most important industries, banks directly employ around **50,000 people** (measured in full-time equivalents). This corresponds to five percent of all jobs in the area. **Taking indirect effects** into account, it is estimated that as many as **one in ten jobs** in the Zurich region are dependent on the banking sector.

The banking center is one of Zurich's biggest employers. Large banks account for roughly half of all employees in the banking sector.

The Zurich financial center as a whole – comprising banks, insurance companies and other financial service providers – supports around **90,000 jobs**, thus **directly employing ten percent of the entire labor force** in the region.

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***Banks provide around 50,000 jobs in the Zurich region***

# High-Quality Education and Training

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The availability of highly qualified staff is one of the most important competitive factors for any economic location.

Zurich's banks therefore invest heavily in **attractive training opportunities** for young employees. They range from commercial and IT apprenticeships to introductions to banking for high-school graduates, internships for students, and training programs for university graduates. All in all, the banking sector in the Zurich region provides **vocational training to over 2,500 young people**, with around 900 commercial apprentices and over 300 bank IT apprentices in the Canton of Zurich alone.

Along with practical research and top-level academic education, **professional training and development** is another significant factor in the success of the financial sector. Thanks to the high quality of training available in and around Zurich, bank employees are able to constantly broaden their skills and keep up to date with the latest developments.

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*The Zurich banking sector provides more than 2,500 young people with vocational training*

# Reliable Partner for all Industries

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Zurich is a highly attractive location for businesses. One reason is that – thanks to the large number of banks – companies both large and small can benefit from a **comprehensive range of funding options** at attractive conditions, as well as a wide range of financial services. The total volume of loans granted in the Zurich region is estimated at **around CHF 100 billion**.

Local banks can cater to all the needs of businesses in the region, from simple current accounts, payment services and export financing through to advice and support for mergers and acquisitions.

Every year, **young businesses** in the Zurich area are supported by **venture capital**, helping the region remain a center for innovation and a job creator in important sectors of the future.

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*SMEs in the region depend on  
solid lending institutions  
with expert banking knowledge*

# Dense Network and Solid Infrastructure

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Number of branches (cantons of Zurich, Zug, Schwyz, 2015)

Cantonal banks	23.3%	125
Large banks	22.4%	120
Regional and savings banks	9.7%	52
Raiffeisen banks	13.4%	72
Other banks	31.2%	167
Total:		536

Source: SNB

There are some 260 banks in Switzerland. Around a third have their headquarters in the Zurich region, with **total assets** of around **CHF 2.3 trillion** as of 2015. Large banks account for more than half this figure.

The Swiss financial center is underpinned by a **solid, reliable and ultra-modern financial infrastructure**, including aspects such as the operation of electronic exchanges, settlement and custody of securities, the provision of reference and market data, processing of credit and debit cards, and interbank payment transactions in Swiss francs and euros.

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*In total, the Zurich region is home to around 500 offices of various banking institutions*

# Zurich and the World

Global Financial Centers Index 20 (published in September 2016)



2016	Center	Rating	Changes Rating since GFCI 19
1.	London	795	-5
2.	New York	794	+2
3.	Singapore	752	-3
4.	Hong Kong	748	-5
5.	Tokyo	734	+6
6.	San Francisco	720	+9
7.	Boston	719	+10
8.	Chicago	718	+12
9.	Zurich	716	+2
10.	Washington DC	713	+1

Zurich is one of the **world's leading financial centers**. The Global Financial Centers Index lists it among the top ten worldwide and in first place in mainland Europe.

Across Switzerland, the financial services provided to clients abroad comprise assets of around **20 billion Swiss francs annually**.

Wealth management is one of the main pillars of the Swiss banking sector and continues to enjoy an outstanding reputation: At the end of 2015, **assets under management in Switzerland** totaled **CHF 6.57 trillion**, which corresponds to an increase of around 20 percent compared to 2013. Roughly half of the assets come from domestic clients. Switzerland remains the **largest financial center for international clients** in cross-border wealth management.

*Zurich is the leading  
financial center  
in mainland Europe*

# Public Commitment

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The Zurich banking center makes a significant contribution to the **high quality of life in the Zurich region**. A host of local institutions and events receive significant support from banks, such as:

KUNSTHAUS ZÜRICH

OPERNHAUS  
ZÜRICH



Schauspielhaus  
Zürich



ZÜRICH  
FILM FESTIVAL



BALLETT  
ZÜRICH

ZÜRCHER  
THEATER  
SPEKTAKEL

Kunstmuseum Winterthur

*moods*

jazzn jazz

ZOOH!  
ZÜRICH



As well as traditional sponsorship activities, banks are committed to enhancing Zurich as a location in many other ways, for example, via **foundations, cultural and educational funds** and **support for social institutions and innovation platforms**. Many employees in the banking center also work pro bono for administrative bodies and associations and volunteer for the good of their communities.

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*Zurich banks provide  
invaluable support to Zurich's  
rich cultural life*

# Success Factors of the Banking Center

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The **attractive operating environment** is a significant factor in the success of Zurich's banking center. It offers political and economic stability, legal certainty, healthy public finances coupled with comparatively moderate taxes and the stable Swiss currency, as well as premier services backed by a strong service culture.

The Zurich region also boasts top-flight educational institutions and a flexible job market with highly qualified workers. The high quality of life and well developed infrastructure – with excellent links to the airport and first-rate public transportation – make the region one of the **most attractive business locations in the world**.

It is poised for even more growth in the future by integrating capabilities in **finance and information technology** and collaborating with leading **education institutions in Zurich**.

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*Zurich's outstanding advantages as a location must be maintained*

# History

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In the nineteenth century, Zurich grew to become the biggest city in Switzerland, transforming itself into a leading **center of finance** and research. To meet the rising demand for investment capital generated by the building and maintenance of railway lines, **Alfred Escher** formed the Schweizerische Kreditanstalt (Swiss Credit Institution) in 1856.

Zurich's rise to become one of the most important international financial centers began after the Second World War, thanks to the **comprehensive wealth management services** provided to affluent clients from Switzerland and abroad. From the mid-1950s, the internationalization of the financial system helped bolster the growth of the banking center yet further.

The financial crisis, **key changes** in **client advisory services** and growing **digitization** in processing and client interactions have ushered in a period of profound change for the banking center.

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*Zurich's roots as a banking center stretch back more than 250 years*

# Future

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The **advance of digitization** is changing many industries. Banking is no exception. Personal service is important, but digital communication and distribution channels are gaining ground. The story is much the same for the **automation of administrative processes, digital support for advisory services** and the **creation of new products**.

The future success of individual banks and the Zurich financial center will largely hinge on the **availability and effective use of forward-looking solutions** such as blockchain technology. It will require, however, substantial, far-sighted investments and **bold action**.

The financial center has risen to this challenge: The Zurich region is evolving into a **dynamic center** for innovative companies in the **financial technology industry (FinTech)**. The Canton of Zurich and the member banks of the Zurich Banking Association support this development through a host of joint and individual commitments.

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*The Zurich financial center  
is ready for the future*

## **Business and Economic Development Division**

The Business and Economic Development Division of the Office for Economy and Labor (AWA) of the Canton of Zurich is a point of contact for businesses that are located in the canton or looking to move there, and supports those branches of the economy in the Zurich area that are resolutely focused on future development.

We provide information and support as well as facilitating and networking, acting as a conduit between finance, research and public administration.

### **Contact**

For general questions and concerns:

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[www.standort.zh.ch](http://www.standort.zh.ch)

For questions on the financial service cluster:

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[www.standort.zh.ch/finance](http://www.standort.zh.ch/finance)

[www.finanzplatz-zuerich.ch](http://www.finanzplatz-zuerich.ch)

## **Zurich Banking Association**

The Zurich Banking Association represents the interests of the region's financial center vis-à-vis the authorities, politicians and the general public. It seeks to maintain and create jobs in the sector, and also supports the education and training of employees within the Zurich financial center.

Around 50 banks and insurance companies are members of the Zurich Banking Association, representing over 70,000 employees.

### **Contact**

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ZÜRICH  
BANKING ASSOCIATION



**Canton of Zurich**  
**Department for Economic Affairs**  
**Office for Economy and Labour**