Economic summary

<table>
<thead>
<tr>
<th></th>
<th>2004 (estimate)</th>
<th>2005 (forecast)</th>
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</thead>
<tbody>
<tr>
<td><strong>Total GDP ($bn)</strong></td>
<td>355.9</td>
<td>395.4</td>
</tr>
<tr>
<td><strong>Real GDP growth (annual % change)</strong></td>
<td>1.6</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>GDP per head ($)</strong></td>
<td>48,400</td>
<td>53,680</td>
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<tr>
<td><strong>Inflation (annual % change in CPI)</strong></td>
<td>0.1</td>
<td>0.5</td>
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<tr>
<td><strong>Industrial production (annual % change)</strong></td>
<td>4.5</td>
<td>4.8</td>
</tr>
<tr>
<td><strong>Unemployment rate (% of workforce)</strong></td>
<td>3.9</td>
<td>3.7</td>
</tr>
<tr>
<td><strong>Money supply, M2 (% end period)</strong></td>
<td>9.7</td>
<td>6.6</td>
</tr>
<tr>
<td><strong>Government expenditure (% of GDP)</strong></td>
<td>39.6</td>
<td>39.1</td>
</tr>
<tr>
<td><strong>Current account balance ($bn)</strong></td>
<td>37.2</td>
<td>39.0</td>
</tr>
<tr>
<td><strong>Merchandise exports ($bn)</strong></td>
<td>131.1</td>
<td>141.1</td>
</tr>
<tr>
<td><strong>Merchandise imports ($bn)</strong></td>
<td>124.5</td>
<td>134.6</td>
</tr>
<tr>
<td><strong>Trade balance ($bn)</strong></td>
<td>6.9</td>
<td>6.5</td>
</tr>
</tbody>
</table>

Sources: Economist Intelligence Unit; Thomson Datastream

Constitution

Official name
Swiss Confederation

Form of state
Federal republic

Legal system
Based on the constitution of 1848, with total revisions in 1874 and 2000

Electoral system
Universal direct suffrage over age 18

National elections
Last federal election was held on October 19 2003; next federal election due on October 21 2007

Head of state
The head of state is the federal president (currently Joseph Deiss). The post is purely ceremonial and rotates annually among the members of the Federal Council

National Legislature
Bicameral Federal Assembly (parliament), compromising the National Council and the Council of States. Both chambers are directly elected, but while the number of seats per canton in the National Council are apportioned according to the size of the population, each canton elects two representatives into the Council of States and each half-canton elects one representative, irrespective of the size of the population. Any law passed by both houses that modifies the constitution must be submitted to a referendum. Laws must also be submitted to a referendum if this is demanded by eight cantons or 50,000 citizens. Citizens may initiate changes to the constitution by gathering 100,000 signatures to petition for a referendum.

State legislatures
Each of the 26 cantons and half-cantons has a parliament elected by universal suffrage, and a government the organisation of which varies from canton to canton. In two cantons the principle of universal sovereignty is exercised directly through assemblies of all voters. The cantons are sovereign in all areas that are not specifically entrusted to the federal government.

Languages: German, French, Italian, Romansch and others

Population: 7.4m (Dec 31 2003 est.)

Currency: Swiss franc (SFr)

Exchange rate:
2003 av $1 = SFr1.3447
Sep 2 2002 $1=SFr1.2544

Main towns & population (end 2001)

Berne (capital) 122,500
Zürich 337,900
Geneva 175,000
Basle 166,000
Lausanne 114,900

Sovereign credit rating
Moody’s  Aaa
Standard and Poor’s  AAA
Fitch IBCA  AAA

Council and the Council of States. Both chambers are directly elected, but while the number of seats per canton in the National Council are apportioned according to the size of the population, each canton elects two representatives into the Council of States and each half-canton elects one representative, irrespective of the size of the population. Any law passed by both houses that modifies the constitution must be submitted to a referendum. Laws must also be submitted to a referendum if this is demanded by eight cantons or 50,000 citizens. Citizens may initiate changes to the constitution by gathering 100,000 signatures to petition for a referendum.