



Source: UBS

Reciprocal tariffs significantly impact Switzerland as well

09 April 2025, 10:22 am CEST, written by Daniel Kalt

Based on a calculation that is difficult to comprehend, the US is imposing tariffs of 31% on a substantial portion of imports from Switzerland.

What US President Donald Trump announced on 2 April in terms of additional tariffs was indeed substantial. It is too early to precisely estimate the consequences for the Swiss economy or the Swiss equity market. These impacts depend on various factors. First, we need to wait and see how countries affected by reciprocal tariffs will respond and whether the US will further escalate the situation. The timing and extent of tariff reversals by the US will also be crucial once targeted concessions from trading partners have been achieved. In our base scenario, we anticipate that a portion of these tariffs will be partially reversed within three to six months.

Based purely on a comparison of mutual tariffs, the US had little justification for imposing substantial "reciprocal" tariffs on Switzerland. However, US government advisors have apparently included "currency manipulation" and non-tariff trade barriers in their calculation—an approach we find difficult to understand—and have accused Switzerland of imposing a "tariff-equivalent" of 61% on US products. Against this backdrop, the 31% tariff rate now imposed by the US on Swiss imports appears somewhat arbitrary.

Nevertheless, these tariffs will significantly impact Swiss companies exporting directly to the US. Smaller Swiss suppliers, for example those serving the German automotive industry, could also be severely impacted by declining production in Europe, which is already shrinking for structural reasons. Larger, globally positioned Swiss exporters could similarly face challenges, particularly those supplying the US market from production sites in Mexico, either with intermediate or finished products. Additionally, the administrative burden associated with accurately calculating and processing these tariffs should

not be underestimated, as it could slow production processes. More broadly, Switzerland will also feel the impact if the US and global economies lose momentum over the next two to three quarters.

Even though markets may experience increased volatility in the coming days or weeks, we highlight the positive medium- to longer-term outlook. Structural drivers, such as productivity growth and rising corporate earnings, remain intact. Over time, these factors—driven by increasing productivity growth and higher corporate profits—will support markets. We recommend investors use market downturns as opportunities to build long-term positions in these growth themes. Additionally, structured strategies, high-quality bonds, gold, and alternative investments can help diversify portfolios and better manage risks.

Please read the legal [disclaimer](#) applicable to this publication.

Disclaimer

This document is prepared and published by the Global Wealth Management business of UBS Switzerland AG (regulated by FINMA in Switzerland), its subsidiaries or its affiliates ("UBS"), part of UBS Group AG ("UBS Group"). UBS Group includes former Credit Suisse AG, its subsidiaries, branches and affiliates. In the USA, UBS Financial Services Inc. is a subsidiary of UBS AG and a member of FINRA/SIPC. Additional Disclaimer relevant to Credit Suisse Wealth Management follows at the end of this section.

This document and the information contained herein are provided solely for your information and UBS marketing purposes. Nothing in this document constitutes investment research, investment advice, a sales prospectus, or an offer or solicitation to engage in any investment activities. This document is not a recommendation to buy or sell any security, investment instrument, or product, and does not recommend any specific investment program or service.

Information contained in this document has not been tailored to the specific investment objectives, personal and financial circumstances, or particular needs of any individual client. Certain investments referred to in this document may not be suitable or appropriate for all investors. In addition, certain services and products referred to in the document may be subject to legal restrictions and/or license or permission requirements and cannot therefore be offered worldwide on an unrestricted basis. No offer of any product will be made in any jurisdiction in which the offer, solicitation, or sale is not permitted, or to any person to whom it is unlawful to make such offer, solicitation, or sale.

Although all information and opinions expressed in this document were obtained in good faith from sources believed to be reliable, no representation or warranty, express or implied, is made as to the document's accuracy, sufficiency, completeness or reliability. All information and opinions expressed in this document are subject to change without notice and may differ from opinions expressed by other business areas or divisions of UBS Group. UBS is under no obligation to update or keep current the information contained herein. **The views and opinions expressed in this material by third parties are not those of UBS.** Accordingly, UBS does not accept any liability over the content shared by third parties or any claims, losses or damages arising from the use or reliance of all or any part thereof.

All pictures or images ("images") herein are for illustrative, informative or documentary purposes only and may depict objects or elements which are protected by third party copyright, trademarks and other intellectual property rights. Unless expressly stated, no relationship, association, sponsorship or endorsement is suggested or implied between UBS and these third parties.

Any charts and scenarios contained in the document are for illustrative purposes only. Some charts and/or performance figures may not be based on complete 12-month periods which may reduce their comparability and significance. Historical performance is no guarantee for, and is not an indication of future performance.

Nothing in this document constitutes legal or tax advice. UBS and its employees do not provide legal or tax advice. This document may not be redistributed or reproduced in whole or in part without the prior written permission of UBS. To the extent permitted by the law, neither UBS, nor any of its directors, officers, employees or agents accepts or assumes any liability, responsibility or duty of care for any consequences, including any loss or damage, of you or anyone else acting, or refraining to act, in reliance on the information contained in this document or for any decision based on it.

Additional Disclaimer relevant to Credit Suisse Wealth Management: Except as otherwise specified herein and/or depending on the local entity from which you are receiving this document, this document is distributed by UBS Switzerland AG, authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). 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.

Please visit <https://www.ubs.com/global/en/wealth-management/insights/chief-investment-office/marketing-material-disclaimer.html> to read the full legal disclaimer applicable to this document.



For UBS marketing purposes

© UBS 2025. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.