

How the figures were derived

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The ranges in Table 2 rest on simple and transparent calculations. For bank employment the starting point is the 5,584 persons employed in 2023, of whom about 43 per cent are over fifty. On the assumption that the age group between fifty and sixty-five is evenly distributed, about 1,200 employees will reach retirement age between 2026 and 2035. In the niche excellence scenario the banks replace about half of these departures and reduce other positions through automation by a further 5 to 10 per cent, which leads to the range of 4,600 to 5,000 full-time equivalents. In the erosion scenario the closure of banks and the transfer of functions to Zurich add a structural loss of about 800 to 1,000 positions. In the renewal scenario new entries and the growth of existing firms more than offset the retirements, although automation still limits the increase in the number of positions.

The ranges for the number of banks follow the trend of the last decade, in which Ticino lost six banks between 2016 and 2024, or less than one a year.¹ The niche excellence scenario extrapolates this trend with a slight acceleration due to the rising fixed costs of regulation. The erosion scenario assumes that the trend doubles, while the renewal scenario assumes that it stops. The ranges for the share of the financial sector in cantonal GDP combine the employment figures with the assumption that productivity per employee continues to rise at the moderate pace observed by BAK Economics between 2013 and 2023.² None of these calculations is a forecast in the statistical sense. Each translates a narrative into numbers so that the narrative can be tested against the data published in the coming years.

1 Triggers and early indicators

The value of scenarios lies in the possibility of recognizing early which path is materializing. Several observable events would indicate a move towards the erosion scenario. They include the closure of two or more foreign-

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owned banks in Lugano within two years, a decision by UBS to move functions from Ticino to Zurich or abroad, a rejection of the package of agreements with the European Union in a popular vote, a new Italian incentive for the repatriation of assets, an increase of cantonal or communal taxes for wealthy residents and a decline in the number of licensed asset managers in Ticino that exceeds the national trend.

Events that would indicate a move towards the renewal scenario include the ratification of the package of agreements with the Union, the opening of negotiations between Switzerland and Italy on cross-border financial services, the licensing of several payment instrument institutions or crypto institutions in Lugano under the new federal rules, the arrival of new banks or the relocation of family offices from Milan to Lugano, a further increase of the Italian lump-sum tax for new residents that makes Milan less attractive, and the creation of a joint strategy body for the financial centre. The niche excellence scenario is the default path in the absence of strong signals in either direction.

Common misconception. Debates on the future of Lugano often assume that one decisive event, such as an agreement with the European Union or a new crisis in Italy, will determine the outcome. The scenarios show that the slow trends of demography, succession and technology determine most of the range, and that political events shift the probabilities between scenarios. A financial centre that responds well to the slow trends can reach niche excellence even without a breakthrough in market access, while one that fails to respond risks erosion even if market access improves.

2 Wild cards

Some events lie outside the scenarios because their probability is low but their effect would be large. A severe financial crisis in Italy, with capital controls or a forced conversion of deposits, would lead to a sudden demand for Swiss custody and would change the political relationship between the two countries. A major money laundering or sanctions scandal involving a Lugano institution would damage the reputation of the whole financial centre, as the BSI case did in 2016. A crisis of a major stablecoin issuer associated with Lugano's Plan B would affect the city's reputation in Kryptowerte und Digital Assets. A natural disaster in the Alpine passes, interrupting the rail connections to the north for a long period, would isolate Ticino from the rest of the Swiss economy. These wild cards remind the reader that the scenarios describe a range of plausible outcomes and do not exhaust the possibilities.

3 Notes

1. USTAT, 12 Denaro e banche (above). ↩
2. BAK Economics (May 2025, above). The assumption on productivity is the author's. ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

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