

Value added and the share of cantonal GDP

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

The value added estimate for 2024 allows a first official answer to the question of the cluster's economic weight. Ticino's commodity trading firms generated CHF 685 million of value added in 2024, 3.6 per cent of the Swiss total.¹ If the gross domestic product of the canton is taken at about CHF 35 billion, a figure that can be derived from the estimate that the financial sector's value added of CHF 2.8 billion equalled 7.9 per cent of cantonal GDP in 2023, commodity trading accounts for roughly 2 per cent of Ticino's economy.² This is close to the association's estimate of 2022 that steel trading alone represented about 2 per cent of cantonal GDP.³ Nationally the sector's share is 2.3 per cent, so the weight of trading in Ticino's economy is similar to its weight in the Swiss economy as a whole. In Geneva and Zug, where the sector produces CHF 11.2 billion and CHF 5.2 billion of value added, its share of the cantonal economy is far higher.

Value added per employee shows the difference in scale. Dividing the 2024 value added by the 2023 employment gives roughly CHF 0.8 million per employee in Ticino, against roughly CHF 1.8 million nationally and CHF 2.3 million in Geneva. The calculation combines figures of two different years and serves only as an indication. It suggests that Ticino traders earn lower margins per employee than the large oil, metals and agricultural houses of Geneva and Zug, which is consistent with a cluster of smaller firms specialized in steel and other products with lower unit values. It also suggests that the Ticino figures depend heavily on a few larger firms, so that the departure or restructuring of one group, such as a change of ownership at DITH, can move the cantonal totals.

1 Tax revenue

Tax revenue is the measure that matters most to the city and the canton, although it is also the least documented. The association's estimates of CHF 70 to 80 million a year in 2022 presumably refer to the cantonal and

communal taxes paid by trading companies and may also include the taxes of their employees.⁴ The sponsored GTR article of about 2016 stated that trading and shipping accounted for 20 per cent of the tax revenue from legal entities in Lugano in the last tax year mentioned.⁵ In March 2023, after the exceptional profits of 2022, the mayor of Lugano, Michele Foletti, said that the tax revenue from the trading sector was equivalent to that of the banks, each representing about 15 per cent of the city's revenue. In his view the sector had helped the city to diversify its economy and recover at least part of the revenue it had lost.⁶ The lost revenue was that of the banking sector after the end of banking secrecy described in Chapter E.II.

For comparison, the Federal Council's report of 2018 stated that the sector provided about 20 per cent of the tax revenue of the Canton of Geneva and about 10 per cent of that of the Canton of Zug, and that Ticino, Vaud and Zurich also received significant revenue from it.⁷ Corporate tax revenue from trading is volatile because trading profits follow commodity prices and volatility. The record year of 2022 was followed by lower margins in 2023 and 2024. The operating loss reported by DITH for 2024 shows that even the largest Lugano trader can move from profit to loss within two years.⁸ For public finances the lesson is the same as for the banking sector a decade earlier: a concentrated source of corporate tax revenue can disappear quickly.

In figures. Ticino counted 114 commodity trading enterprises with 873 employees (812.8 full-time equivalents) in 2023, 11.7 per cent of Swiss trading firms and 8.1 per cent of their employees.⁹ The cluster produced CHF 685 million of value added in 2024, 3.6 per cent of the national total of CHF 19.2 billion.¹⁰ In March 2023 the mayor of Lugano put the trading sector's share of the city's tax revenue at about 15 per cent, equal to that of the banks.¹¹ Only 52 employees worked in dedicated support activities for commodity trading in Ticino in 2022.¹²

Common misconception. The figure of "1,600 jobs" often quoted for Lugano's commodity trading sector is not an official statistic. The Federal Statistical Office counted 873 employees in Ticino's core trading firms in 2023. The higher figure is an industry estimate that includes employees of banks, shipping firms, inspection companies, insurers, auditors and fiduciaries who work for the traders. Both figures are useful, but they measure different things and should not be compared with official figures for Geneva or Zug without saying so.

2 Notes

1. BFS press release of 18 November 2025 (above). ↩

2. The cantonal GDP is derived from the BAK Economics estimate cited in Chapter E.I (financial sector value added CHF 2.8 billion, 7.9 per cent of cantonal GDP in 2023). ↩
3. Franchini, Swissinfo, German version, 2022 (above). ↩
4. Tio.ch, 25 February 2022 (above) (CHF 80 million); RSI, 24 June 2022 (above) (CHF 70 million). Neither source explains what the figure includes. ↩
5. GTR, "Success story, focus on Switzerland" (above) ("trading/shipping accounts for 20% of revenue (legal entities) in Lugano"). ↩
6. RSI, "Materie prime, utili record per le società", 11 March 2023 (above) ("sia il settore bancario sia quello del trading, rappresentano entrambi più o meno il 15% del gettito"). ↩
7. Federal Council, Rohstoffsektor Schweiz (30 November 2018, above) (Geneva about 20 per cent and Zug about 10 per cent of tax revenue; revenue from the sector also in Ticino, Vaud and Zurich). ↩
8. La Regione, 22 October 2025 (above). ↩
9. USTAT, 12 Denaro e banche (March 2026, above), T. 12.6. ↩
10. BFS press release of 18 November 2025 (above). ↩
11. RSI, 11 March 2023 (above). ↩
12. BFS, Statistik der Rohstoffhändler (NMP) (above). ↩

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.

Online version: helveticaregister.com/lugano-value-added-and-the-share-of-cantonal-gdp