

The consolidation of Swiss private banks in figures

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The number of private banks in Switzerland has roughly halved since 2010, while the assets they manage have reached a record. This article sets out the figures behind that consolidation, explains which count measures what, and shows why the mid-sized houses are under the most pressure.

1 Two counts with different perimeters

Two series are commonly quoted that are easily confused. The first concerns all banks present in Geneva. According to the Fondation Genève Place Financière, quoted by *Allnews* on 21 October 2024, their number fell from 121 in 2014 to 80 in 2024. Over the same period bank employment in Geneva declined from 19,415 to 17,639. Because the number of institutions fell far more sharply than employment, the figures point to activity concentrating in larger banks.

The second series covers Swiss private banks nationwide and comes from KPMG's annual study. The release of 26 June 2025 on *Clarity on Swiss Private Banks 2025* counted 83 private banks in 2024, expected fewer than 80 by the end of 2025 and put the number of institutions that have disappeared since 2010 at about 76. In an interview with *Allnews*, Christian Hintermann of KPMG gave 156 private banks in 2010 and 83 in mid-2025. He divided them into eight large institutions, each managing more than CHF 100 billion, 25 mid-sized banks and 50 small ones.

The Geneva figure counts the banks present in the canton, whatever their business model. The KPMG figure counts private banks throughout Switzerland. The two series move in the same direction, although they cannot be added together or compared line by line.

2 Record assets, weaker profitability

KPMG's release of June 2026, also reported by *Allnews*, covers 68 private banks for the 2025 financial year. Those banks managed CHF 3,500 billion, a record, and attracted CHF 96 billion in net new money, an increase of more than a third. Of that inflow, CHF 35 billion came from acquisitions and mergers. Operating income reached CHF 21.6 billion, up by CHF 321 million or 1.5 per cent, while the median cost-income ratio deteriorated from 75.6 to 78.2 per cent.

The previous edition gives a slightly different starting point. According to KPMG's release of 26 June 2025, the median cost-income ratio stood at 75.5 per cent in 2024, up from 74.3 per cent in 2023, and rose for two thirds of the institutions. The median return on equity fell from 7.4 to 6.3 per cent. In that edition 22 banks earned more than 10 per cent on equity, 9 were loss-making and cumulative net profit exceeded CHF 4 billion. The two editions thus report 75.5 and 75.6 per cent for the same year, which makes it advisable to take both ends of any comparison from a single edition.

3 Why the mid-sized banks suffer most

The breakdown of the 2025 decline by size runs against intuition. According to the June 2026 KPMG release, profits fell by about 46 per cent at mid-sized institutions, compared with 6 per cent at the large banks and 5 per cent at the small ones. Hintermann's explanation turns on an uncomfortable middle position. The mid-sized banks often maintain a presence in several foreign countries, with control functions sized for complex cross-border business, while remaining far from the eight largest houses in assets.

Chapter E6 of the book draws the economic logic. Fixed costs of compliance, technology and governance impose a minimum size below which a bank cannot earn an adequate return. Institutions below that size have three options, according to the chapter: to grow, to combine with others or to give up the banking licence and become an independent asset manager that deposits client assets with a custodian bank. Small houses focused on one market carry proportionate costs, whereas the large groups spread theirs over hundreds of billions. Hintermann also observes a revival of mergers and acquisitions after years of inactivity. Hintermann expects between 15 and 20 more private banks to disappear by the end of 2030, absorbed or transformed.

A final figure from the June 2026 release concerns technology. In 2025 only 18 per cent of Swiss private banks had invested more than CHF 500,000 in artificial intelligence, a share expected to reach 30 per cent in 2026. Among the institutions surveyed, 76 per cent expected savings of 2 per cent or less within twelve months.

4 What happened to the private banker status

In the Swiss tradition described in chapter D3, a private banker is a bank organised as a general or limited partnership in which at least one partner is personally and without limit liable for its debts. The Association of Swiss Private Bankers requires its members to hold that status. For that reason the houses which abandoned it had to leave the association, according to the French-language Wikipedia article on Banque Lombard Odier.

The *Tribune de Genève* reported on 6 February 2013 that Lombard Odier & Cie, founded in 1796, and Pictet & Cie, founded in 1805, would become companies limited by shares from 1 January 2014. Each would be held by a non-operating holding company organised as a partnership limited by shares. The Wikipedia article adds that Mirabaud adopted the same structure and that the change entailed the publication of half-yearly and annual accounts. It places the move in a period marked by the closure of Wegelin & Co, which pleaded guilty in New York on 3 January 2013, according to the United States Department of Justice.

The published accounts now allow the scale of the largest houses to be measured. *Le Temps* reported on 5 December 2023 that Pictet earned net profit of CHF 768 million in 2022 and CHF 1.008 billion in 2021, with assets of CHF 638 billion at 30 June 2023. The Lombard Odier group reports about CHF 349 billion of assets under management in 2025, according to the same Wikipedia article. A recent online source states that only a handful of private bankers in the strict sense remain in Switzerland.

5 What to take from it

Check the perimeter first. The Geneva series of 121 and 80 banks covers all banks in the canton, while the KPMG series of 156 and 83 covers Swiss private banks only.

Growth in assets has not restored margins. Record assets of CHF 3,500 billion in 2025 came with a median cost-income ratio of 78.2 per cent, according to KPMG.

The middle is exposed. Profits at mid-sized private banks fell by about 46 per cent in 2025. Hintermann of KPMG expects 15 to 20 further exits by the end of 2030.

6 Sources

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