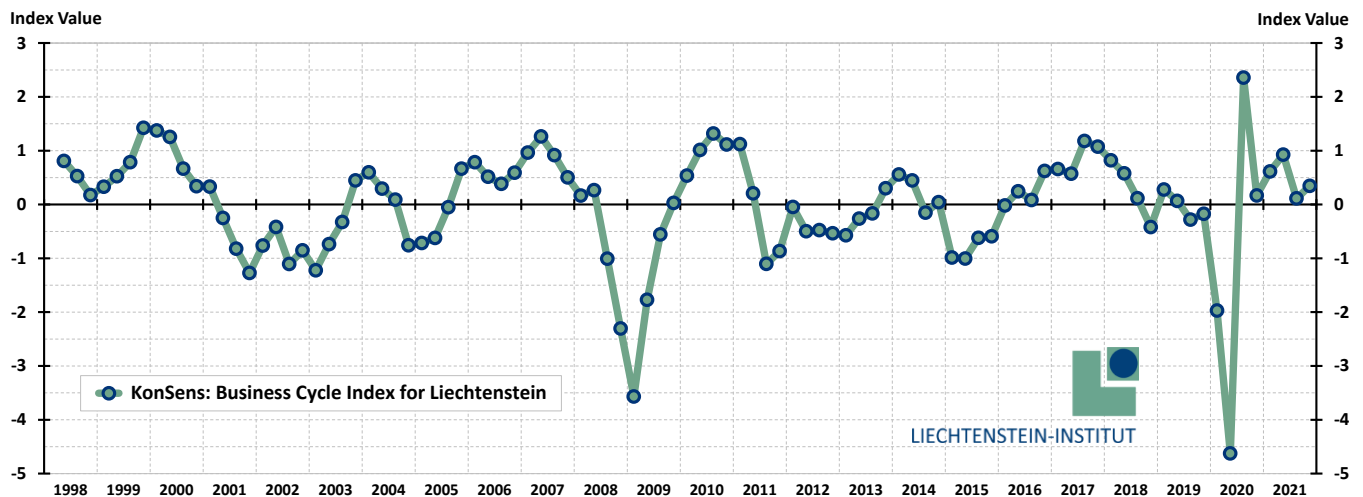


4th Quarter 2021: Business Cycle Recovery Still Continues



Business Cycle Index KonSens (Issue 1/2022, February 11th, 2022): After a temporary slowdown in the 3rd quarter, the recovery of Liechtenstein's business cycle also proceeded in the last quarter of 2021. The KonSens has improved from slightly above 0 to +0.3. The positive KonSens values of the past six quarters after the trough in the first half of 2020 imply consecutive growth above historical average. While international business cycle indicators remain favorable, the economic development in the current 1st quarter is still dependent on the pandemic's development and will also be determined by the further duration of the international supply shortages.

The business cycle index KonSens by the Liechtenstein Institute is a quarterly, coincident composite indicator for Liechtenstein's business cycle and consists of 16 individual economic indicators. It offers a timely aggregation of various – sometimes contradicting – business cycle signals to a consistent picture. Applying various statistical methods, the KonSens generates for each quarter an indexed data point – adjusted for seasonal effects and with removal of the long-run growth trend – and shows whether real economic growth is above (boom) or below (recession) average since 1998. The Name KonSens originates from the conception of the business cycle as a «consensus» of various individual economic impulses. But it is also the simple abbreviation of «Konjunktur-Sensor» (sensor of Liechtenstein's business cycle situation). The KonSens focuses on the measurement of the state of Liechtenstein's business cycle, rather than on its determinants or influences. It represents a conceptual supplement to the ordinary focus on the Gross Domestic Product and is accessible on a timelier and more frequent basis than Liechtenstein's annually published GDP.

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Method, Data, Publication Archive:

<https://www.liechtenstein-institut.li/konsens>