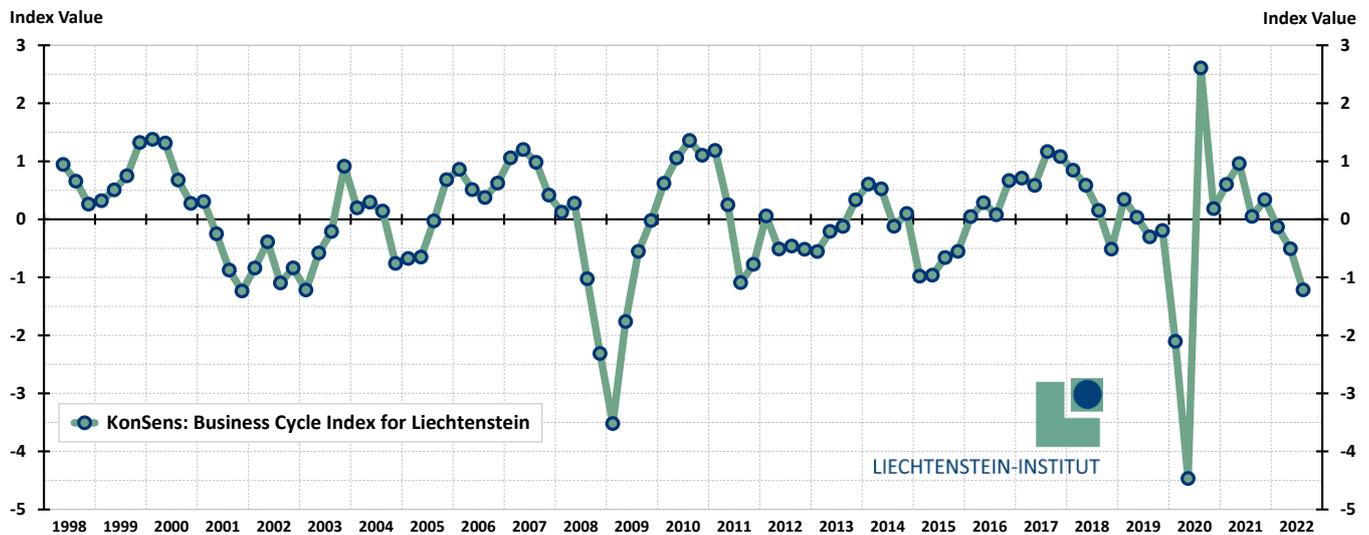# 3rd Quarter 2022: Economic Cool-Down Continues

Business Cycle Index KonSens (Issue 4/2022, November 21st, 2022): Liechtenstein's economic dynamic weakened noticeably in the course of the year. The KonSens fell by about 0.7 index points to −1.2 in the 3rd quarter 2022. Although the KonSens value is still significantly higher than during the Financial Crisis 2008/09 and the COVID-19 recession 2020, it is now in the range of the recessionary episodes such as the strong Swiss Franc appreciation in 2011 or the CHF minimum exchange rate target's end in 2015. The index value has been negative for three quarters now, indicating economic growth below historical average. The development in the current 4th quarter remains fragile and dependent on the energy markets.

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.