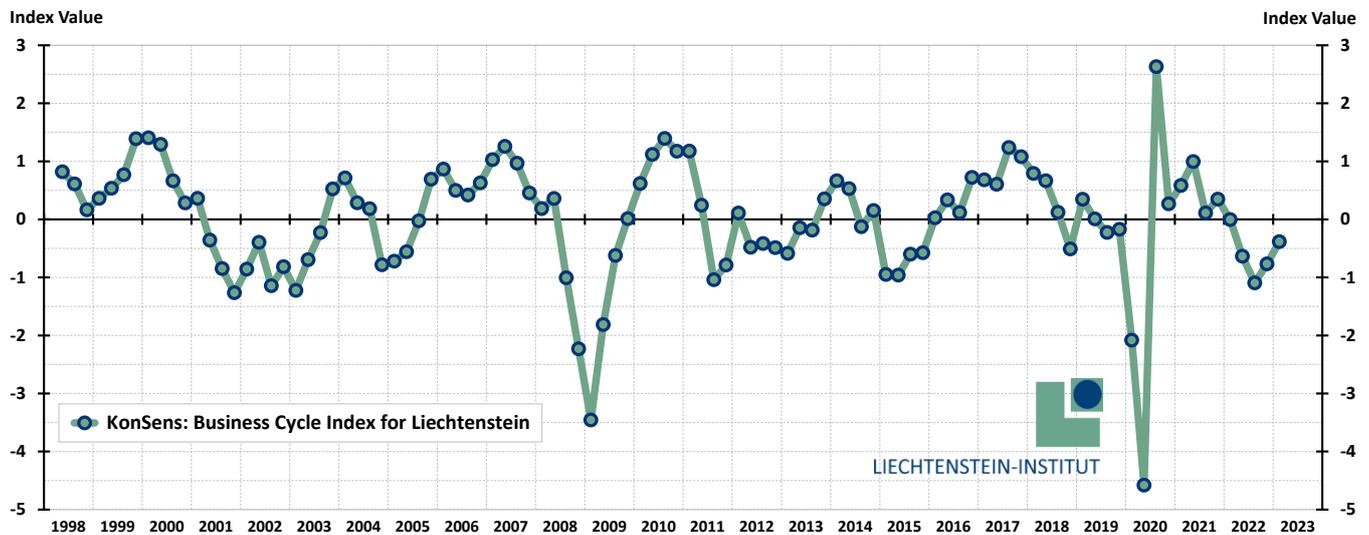


1st Quarter 2023: Economic Situation Further Improves



Business Cycle Index KonSens (Issue 2/2023, May 16th, 2023): After a prolonged downturn phase beginning in mid-2021, Liechtenstein's economy has surpassed a temporary trough with the 3rd quarter 2022 as the business cycle turning point. The KonSens rose once again – to -0.4 in the 1st quarter of 2023 – and is thus now only slightly in negative territory, which signals growth below the historical average. The international economic signals point to a further easing of the situation in the current 2nd quarter, although the uncertainty with respect to inflation as well as the monetary and financial policy environment remains high.

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>