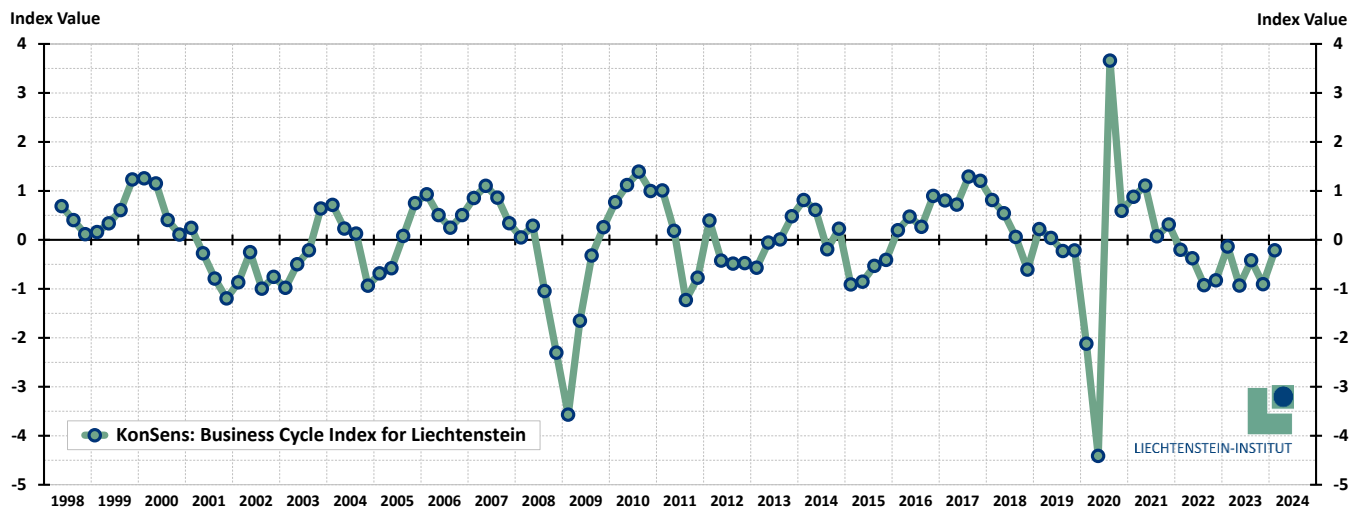


1st Quarter 2024: Business Cycle Weakness Eased Slightly



Business Cycle Index KonSens (Issue 2/2024, May 28th, 2024): The weak performance of Liechtenstein's economy has eased slightly. The value of the KonSens business cycle index rose in the first quarter of 2024 compared to the previous quarter, from -0.9 to -0.2. While employment and foreign trade in goods developed positively, the business survey data remains below its long-term average despite the recent improvement. The KonSens has now been in negative territory for nine quarters, signaling below-average quarterly growth in historical comparison. This is the longest period of negative index values since the negative phase of 2001–2003 (ten quarters).

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.

Contact:

Dr. Andreas Brunhart
andreas.brunhart@liechtenstein-institut.li

Method, Data, Publication Archive:

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