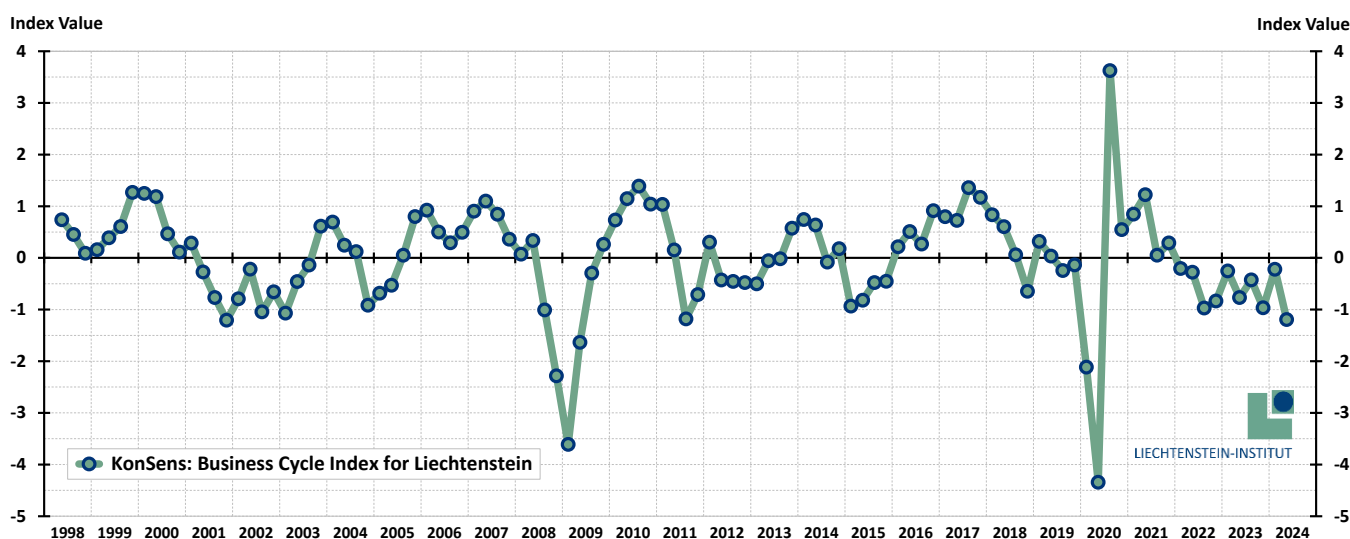


2nd Quarter 2024: Business Cycle Downturn After Brief Easing



Business Cycle Index KonSens (Issue 3/2024, August 16th, 2024): In the context of the uncertain global economic development and renewed fears of recession, Liechtenstein's economy has weakened again after a gradual easing. The value of the KonSens business cycle index deteriorated noticeably again in the second quarter of 2024, from -0.2 to -1.2. While employment and foreign goods trade showed a rather weak – but still fairly stable – development, the business survey data further deteriorated. The KonSens has now been in negative territory for ten quarters, which signals below-average quarterly growth in historical comparison.

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>