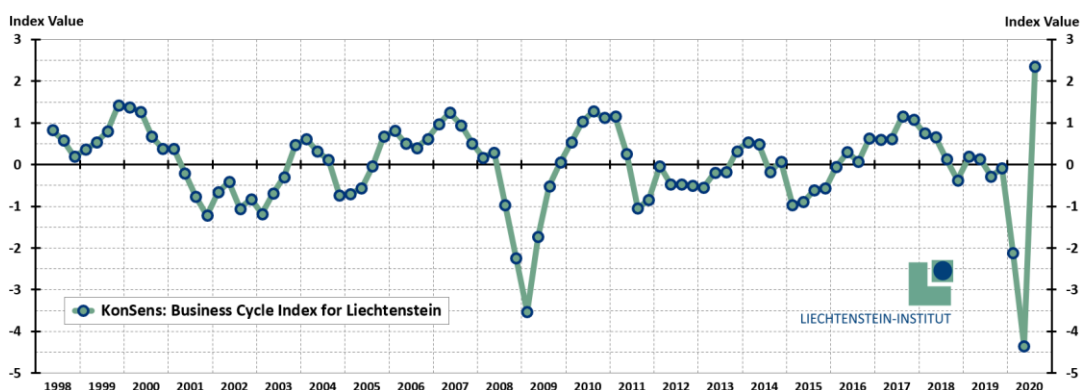


3rd Quarter 2020: Strong Growth Compared to Previous Quarters

After two sharp declines in the first half of 2020, Liechtenstein's economic situation has improved so far: The KonSens jumped to +2.4 in the third quarter.



The strong increase shows a very high growth compared to the previous quarter (catch-up effects). Summing the first three quarters of 2020, Liechtenstein still shows a weak business cycle pattern in comparison to 2019, so far. The further business cycle dynamics in the fourth quarter are currently highly uncertain and will depend on the development of the pandemic.

The KonSens by the Liechtenstein Institute is a business cycle index, which consists of 16 individual economic indicators and 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 – removed from seasonal effects and the long-run trend – and shows whether 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 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.