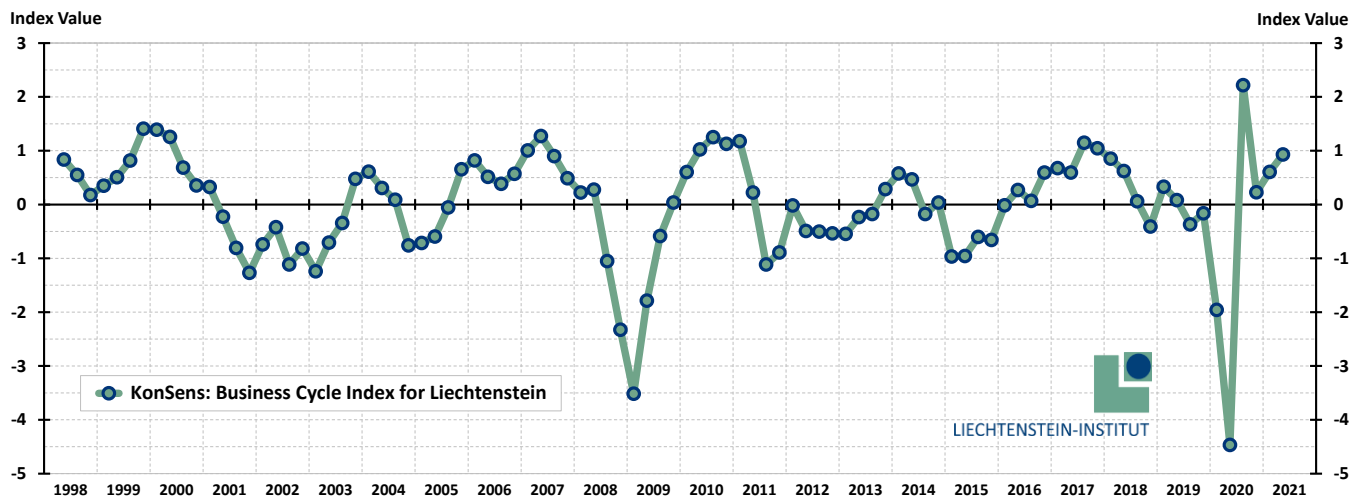


2nd Quarter 2021: Business Cycle Recovery Strengthens



Business Cycle Index KonSens (Issue 3/2021, August 18th, 2021): Liechtenstein's economy has continued to recover from the Corona shock in the first half of 2020. In the 2nd Quarter of 2021, the KonSens increased by 0.3 index points to +0.9. The recent four positive KonSens values indicate that the economy in Liechtenstein grew in four consecutive quarters and that growth was above the long-term average. The international business cycle signals continue to be encouraging. Yet, the global business cycle development and therefore also Liechtenstein's economic performance in the current 3rd quarter will still depend on the pandemic's development.

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>