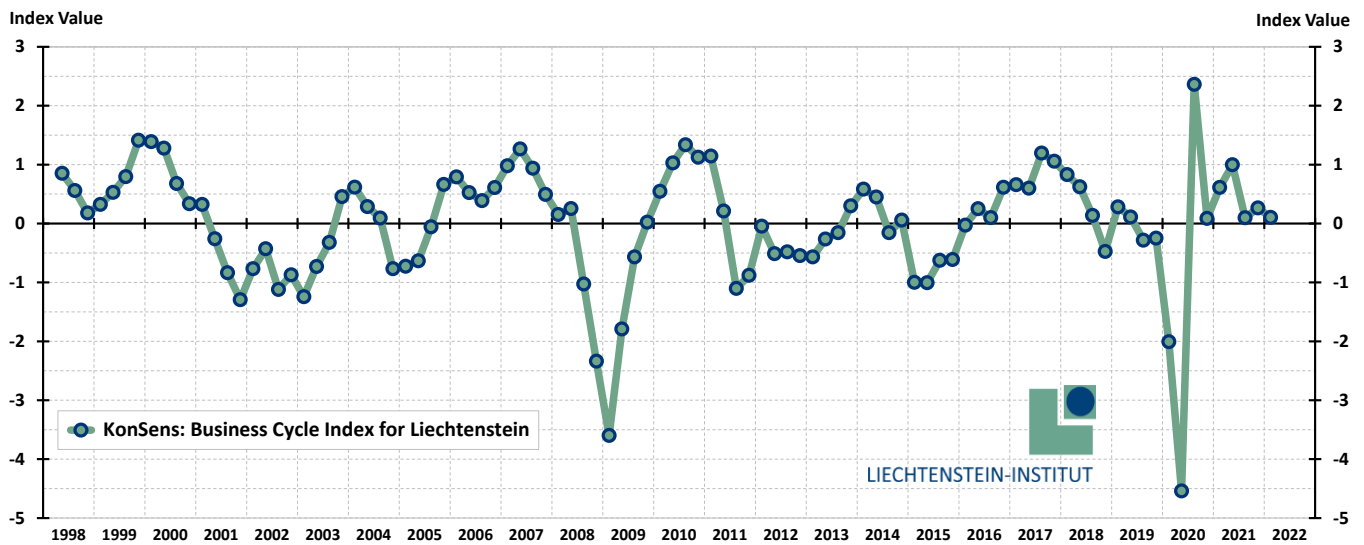


1st Quarter 2022: Business Cycle Still Stable



Business Cycle Index KonSens (Issue 2/2022, May 18th, 2022): After a strong recovery, Liechtenstein's business cycle has cooled down and has stabilized around the long-run trend. The KonSens slightly decreased from +0.3 to +0.1 in the 1st quarter of 2022. The positive KonSens values of the past seven quarters after the trough in the first half of 2020 imply consecutive growth above historical average, but most recently only slightly above average. The international business cycle indicators have worsened and the economic performance in the current 2nd quarter will heavily depend on the further international developments in connection with the war in the Ukraine.

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>