

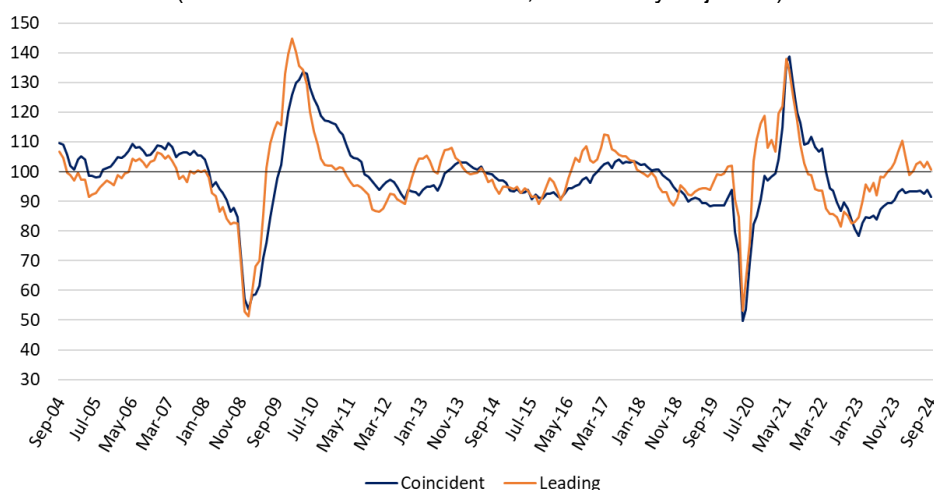
Press Release

Rio de Janeiro and Zurich, September 10, 2024, 9 am (local time) – 1 pm (UTC)

Global Barometers declining this month

The **Global Barometers** record a decline, but overall, they are still in line with the tendency towards relative stability observed over the course of this year. The decline brings the **Leading Barometer** closer to the neutral level of 100 points, while the **Coincident Barometer** is moving away from this band.

Global Economic Barometers: Coincident vs Leading
(Mean Jan/10 to Dec/19 =100, seasonally adjusted)



Source: KOF, ETH Zurich and FGV IBRE

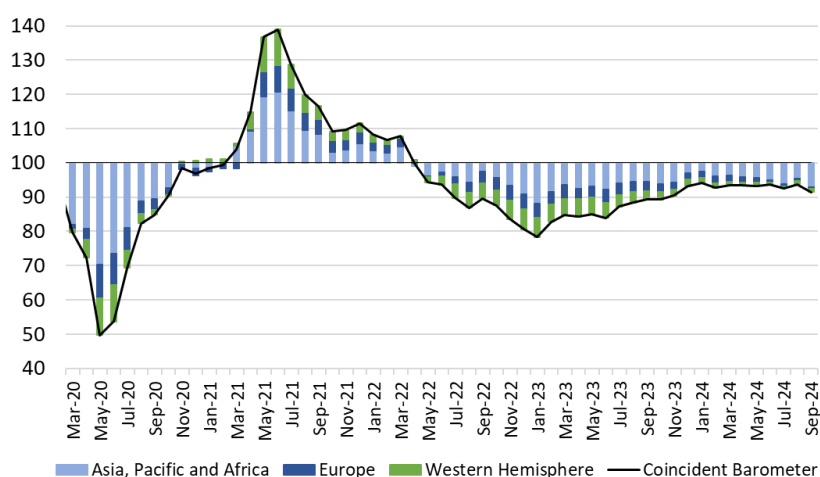
The Coincident Global Economic Barometer decreases 2.3 points in September, to 91.5 points, its lowest level since November 2023 (90.5 pts), while the Leading Barometer loses 2.6 points, to reach 100.6 points. The fall in the Coincident Barometer was entirely driven by the result of the *Asia, Pacific & Africa* region, whereas the result of the Leading Barometer was driven by the three surveyed regions.

“After the increase of the previous month, the worsening of the Global Barometers in this edition reinforces the perception of weak growth for the year, mainly driven by a worsening of the current and future evaluations in the *Asia, Pacific & Africa* region. In parallel, the North American economy is sending dubious signals in relation to activity for the coming months, with uncertainties surrounding monetary policy given the data on inflation and the labour market. Among the sectors, while the corporate sector remains relatively resilient, consumer perception indicates a certain despondency during the year”, evaluates Anna Carolina Gouveia, researcher of FGV IBRE.

Coincident Barometer – regions and sectors

The fall in the Coincident Barometer in September is the result of the 2.5-point negative contribution of the *Asia, Pacific & Africa* region, while the contributions from *Europe* and the *Western Hemisphere* were barely noticeably positive with 0.1 points each. With this result, the indicator for the *Asia, Pacific & Africa* region moves further away from the other regions and reinforces the slowdown in the region in 2024. While the *Asia, Pacific & Africa* region records accumulated losses of 6.0 points for the year, *Europe* and the *Western Hemisphere* accumulate gains of 6.4 and 4.5 points, respectively.

Regional Contributions to the Coincident Global Economic Barometer

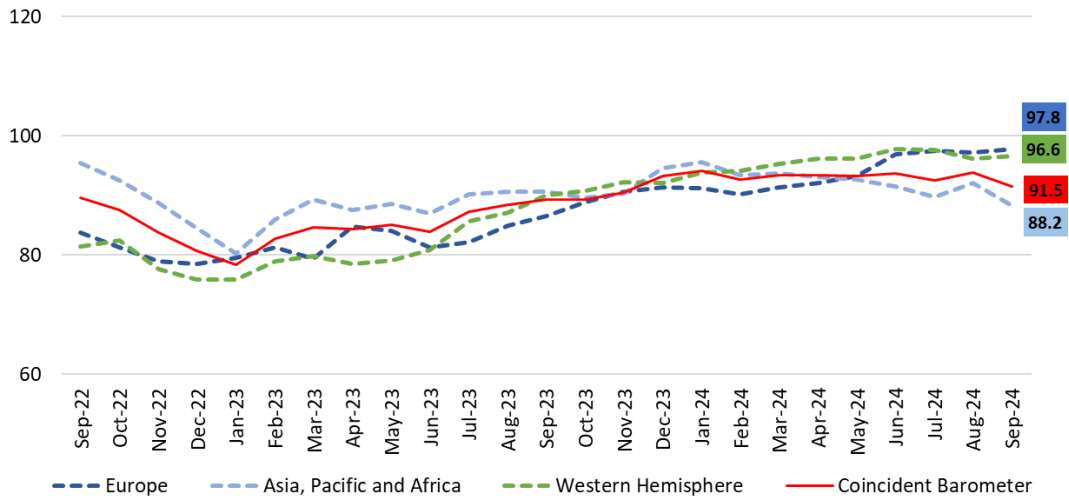


Source: KOF, ETH Zurich and FGV IBRE

Regional Contributions to Changes in the Coincident Barometer				
Period	Contributions per Regions			Monthly Variation
	Asia, Pacific and Africa	Europe	Western Hemisphere	Coincident Barometer
Worst pandemic moment: Cum. Contrib. Mar/20-May/20	-26.8	-7.9	-9.3	-44.1
Cum. Contrib. Jun/20-Sep/23	24.2	7.1	8.3	39.6
Oct-23	-0.6	0.4	0.2	0.0
Nov-23	0.4	0.4	0.3	1.2
Dec-23	2.7	0.1	0.0	2.7
Jan-24	0.5	0.0	0.4	1.0
Feb-24	-1.3	-0.2	0.1	-1.5
Mar-24	0.2	0.3	0.3	0.7
Apr-24	-0.4	0.1	0.2	0.0
May-24	-0.3	0.2	0.0	-0.1
Jun-24	-0.7	0.7	0.3	0.4
Jul-24	-1.1	0.1	0.0	-1.1
Aug-24	1.5	0.0	-0.3	1.2
Sep-24	-2.5	0.1	0.1	-2.3
Cum. Contrib. Last 12 months	-1.6	2.2	1.6	2.2
Cum. Contrib. Mar/20-Sep/24	-4.2	1.4	0.6	-2.3

Source: KOF, ETH Zurich and FGV IBRE

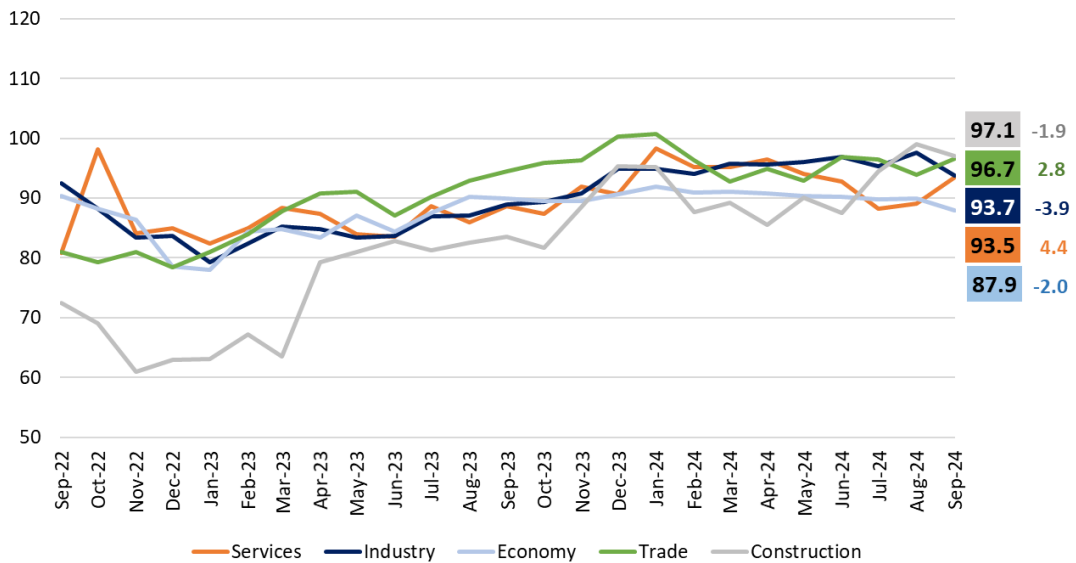
Coincident Global Barometers – Regions



Source: KOF, ETH Zurich and FGV IBRE

The development of the Coincident sector indicators in September is varied, with some sectors showing positive results and others negative tendencies. *Industry, Economy (aggregated business and consumer evaluations), and Construction* decrease this month, while *Services and Trade* move in the opposite direction.

Coincident Global Barometers – Sectors

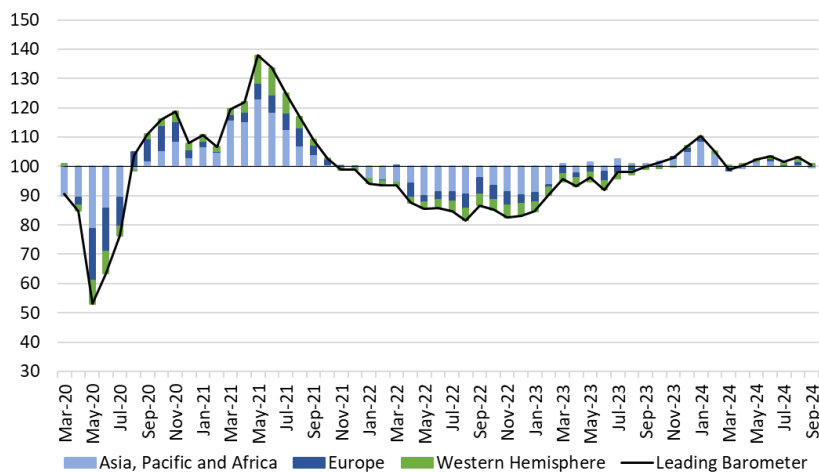


Source: KOF, ETH Zurich and FGV IBRE

Leading Barometer – regions and sectors

The Leading Global Barometer leads the world economic growth rate cycle by three to six months on average. In September, all the regions contribute negatively to the aggregate result with -1.0, -0.9, and -0.7 points for the *Western Hemisphere*, the *Asia, Pacific & Africa* region, and *Europe*, respectively. The lukewarm result since the second quarter of the year is spread across the three regions, and its continuity also signals weak growth in world economic activity for the second semester of 2024.

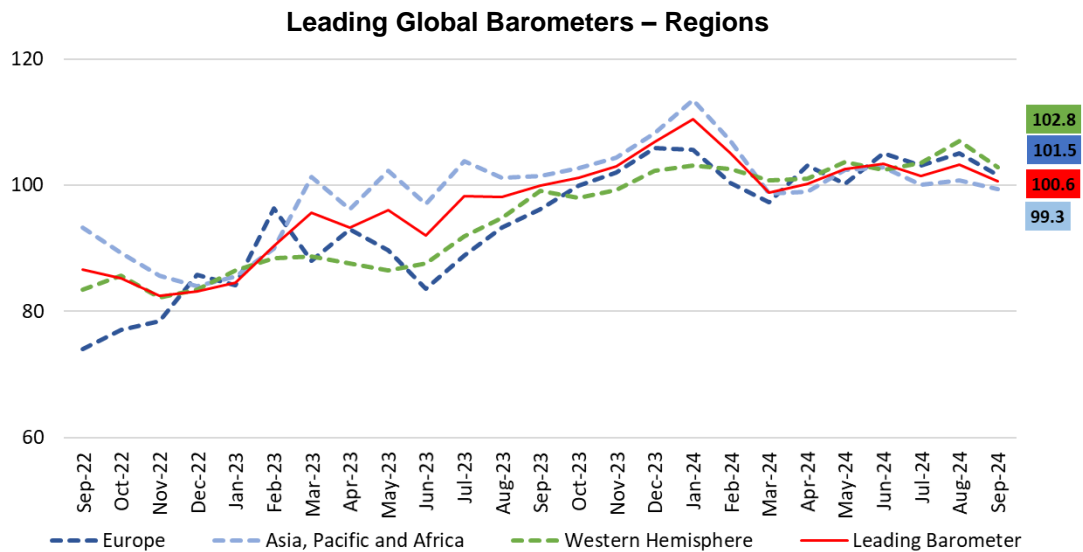
Regional Contributions to the Leading Global Economic Barometer



Source: KOF, ETH Zurich and FGV IBRE

Regional Contributions to Changes in the Leading Barometer				
Period	Contributions per Regions			Monthly Variation
	Asia, Pacific and Africa	Europe	Western Hemisphere	Leading Barometer
Worst pandemic moment: Cum. Contrib. Mar/20-May/20	-22.3	-18.0	-8.7	-48.8
Cum. Contrib. Jun/20-Sep/23	22.1	16.9	7.8	46.7
Oct-23	0.8	0.7	-0.3	1.3
Nov-23	1.1	0.5	0.3	1.8
Dec-23	2.5	0.8	0.7	3.9
Jan-24	3.3	-0.1	0.2	3.5
Feb-24	-4.1	-1.1	-0.1	-5.3
Mar-24	-5.3	-0.6	-0.4	-6.3
Apr-24	0.2	1.2	0.0	1.4
May-24	2.2	-0.6	0.7	2.3
Jun-24	0.3	1.0	-0.3	0.9
Jul-24	-1.8	-0.4	0.2	-1.9
Aug-24	0.5	0.4	0.8	1.7
Sep-24	-0.9	-0.7	-1.0	-2.6
Cum. Contrib. Last 12 months	-1.2	1.1	0.8	0.7
Cum. Contrib. Mar/20-Sep/24	-1.4	0.0	-0.1	-1.4

Source: KOF, ETH Zurich and FGV IBRE



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In September, all the Leading sector indicators decrease, with the exception of *Trade*, which gains 2.9 points and remains at the highest level among the sectors.

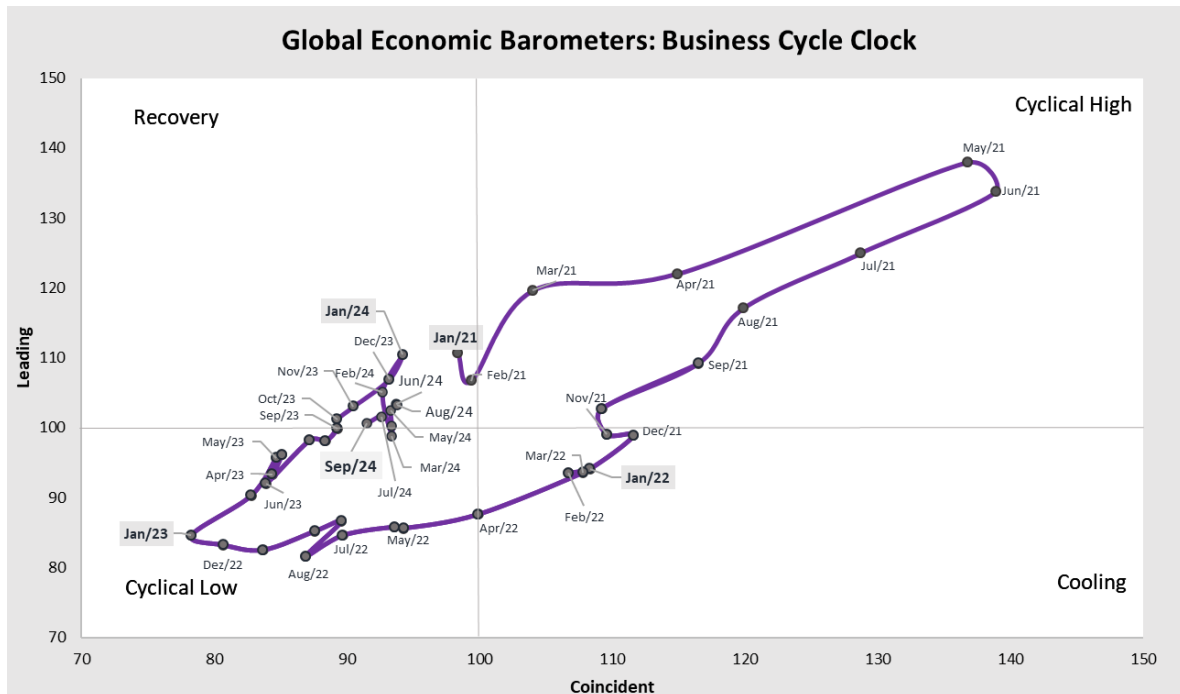
Sectoral Leading Indicators					
Period	Construction	Economy	Industry	Trade	Services
Feb-20	98.1	103.8	100.6	104.2	106.3
Mar-20	104.5	79.3	93.4	105.7	95.3
Apr-20	91.2	81.1	90.4	73.4	71.7
May-20	58.7	62.7	51.9	55.1	47.1
Worst pandemic moment: Cum. Variation. Mar/20-May/20					
	-39.3	-41.1	-48.7	-49.2	-59.2
Cum. Variation Jun/20-Sep/23					
	43.3	39.3	45.6	46.1	58.5
Oct-23	90.1	103.4	99.6	105.1	112.3
Nov-23	98.8	105.0	99.8	109.8	114.5
Dec-23	107.5	106.0	104.9	111.3	116.4
Jan-24	116.6	107.6	109.1	120.4	107.0
Feb-24	112.8	98.0	105.7	114.8	109.7
Mar-24	109.2	89.4	100.5	106.3	107.8
Apr-24	101.5	89.7	103.8	110.7	107.8
May-24	103.1	97.9	103.3	104.8	111.6
Jun-24	92.3	98.9	105.4	108.0	114.6
Jul-24	98.0	95.9	104.4	106.7	102.5
Aug-24	105.0	96.0	106.2	106.3	104.0
Sep-24	103.2	94.4	102.6	109.2	100.2
Cum. Variation Last 12 months					
	-16.3	30.0	6.6	-6.0	-4.7
Cum. Variation Mar/20-Sep/24					
	5.2	-9.5	2.0	5.0	-6.1

Source: KOF, ETH Zurich and FGV IBRE

Period	<i>Global Coincident Barometer</i> Vintages		<i>Global Leading Barometer</i> Vintages	
	September 2024	August 2024	September 2024	August 2024
	Sep-23	89.3	89.0	99.9
Oct-23	89.3	89.3	101.2	101.8
Nov-23	90.5	90.4	103.0	102.8
Dec-23	93.2	92.9	106.9	106.3
Jan-24	94.2	94.1	110.4	112.0
Feb-24	92.7	92.7	105.1	105.1
Mar-24	93.4	93.7	98.8	98.9
Apr-24	93.4	93.4	100.2	101.0
May-24	93.3	93.4	102.5	102.4
Jun-24	93.7	93.8	103.4	103.3
Jul-24	92.6	92.8	101.5	102.1
Aug-24	93.8	94.0	103.2	103.1
Sep-24	91.5		100.6	

*The Global Barometer series are revised monthly to reflect updates in the component series and revision of the seasonal adjustment

Source: KOF, ETH Zurich and FGV IBRE



Source: KOF, ETH Zurich and FGV IBRE

The Global Economic Barometers

The Global Economic Barometers are a system of indicators enabling timely analysis of global economic development. They represent a collaboration between the KOF Swiss Economic Institute of the ETH Zurich in Switzerland and Fundação Getulio Vargas (FGV), based in Rio de Janeiro, Brazil. The system consists of two composite indicators, the Coincident Barometer and the Leading Barometer. The Coincident Barometer reflects the current state of economic activity, while the Leading Barometer provides a cyclical signal roughly six months ahead of current economic developments.

The two Barometers comprise the results of economic tendency surveys conducted in more than 50 countries with the aim of achieving the broadest possible global coverage. The advantages of economic tendency surveys are that their results are usually readily available and are not substantially revised after first publication.

The Coincident Barometer includes more than 1,000 different time series, while the Leading Barometer consists of over 600 time series. Cross-correlation analysis is used to decide which individual time series are included in the barometers. This involves correlating the individual time series with a reference series. The reference series used is the year-on-year growth rate of global gross domestic product (GDP), in which individual national GDPs are aggregated at purchasing power parity to form global GDP. A time series is only included in a Barometer if it shows a sufficiently high correlation and a suitable synchronization or lead with the reference series.

The series of the two Barometers are revised each month at publication and are standardized to have a mean of 100 and a standard deviation of 10 for the 10-year period previous to the most recent observations. The coefficients of the component series of the Global Barometers have remained stable since the April 2020 edition.

More information on the Global Economic Barometers is available on the KOF site:

<https://kof.ethz.ch/prognosen-indikatoren/indikatore/kof-globalbaro.html> →

The Global Barometers methodology is described in Klaus Abberger, Michael Graff, Aloisio Campelo Jr, Anna Carolina Lemos Gouveia, Oliver Müller and Jan-Egbert Sturm (2020), *The Global Economic Barometers: Composite indicators for the world economy*. KOF Working Papers, vol. 471, Zurich: KOF Swiss Economic Institute, ETH Zurich, 2020.

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