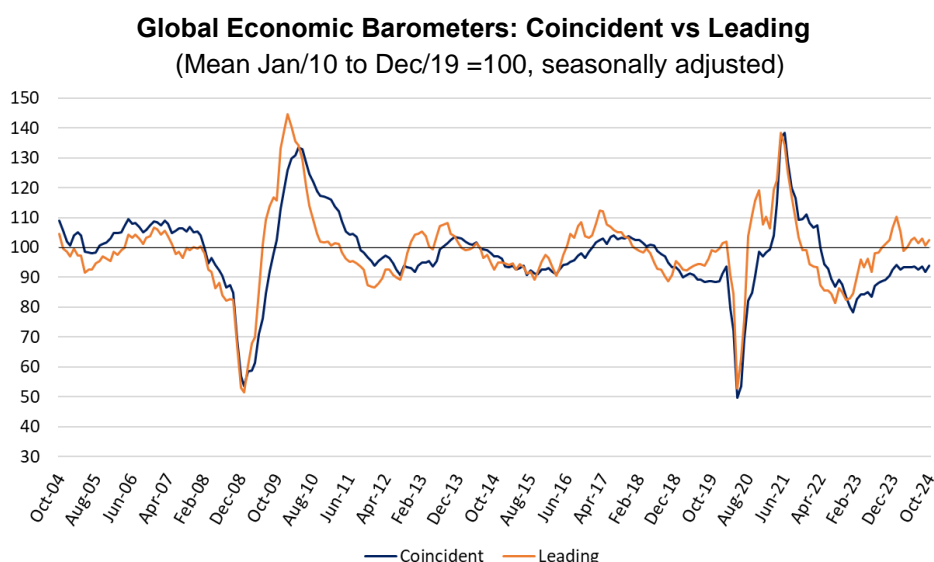


Press Release

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

Global Barometers signal continued moderate growth of the world economy

The Global Barometers record a small increase in October, largely offsetting the previous month's decline. The Coincident Barometer continues to signal economic development below the medium-term average, while the leading barometer continues to point to a normalisation of growth in the coming months.



Source: KOF, ETH Zurich and FGV IBRE

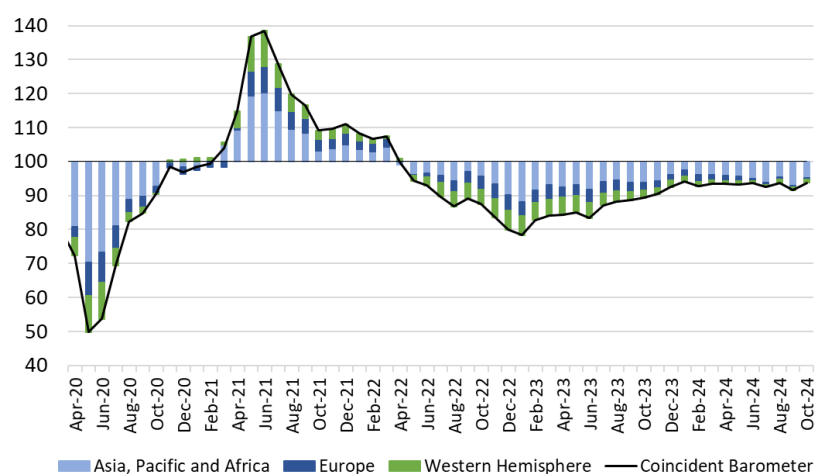
The Coincident Global Economic Barometer increases by 2.1 points in October, to reach 93.8 points, while the Leading Barometer gains 1.9 points, to 102.5 points. The rise in both indicators is mainly driven by the results of the *Asia, Pacific & Africa* region.

“The stabilization of the Global Barometers in narrow bands of variation since April reflects moderate growth of the world economy and is marked by strong heterogeneity in performance between countries. In the United States, monetary policy is in a phase of slowly loosening, with the economic slowdown possibly extending for longer than foreseen. In Europe, a slowdown is expected over the coming months, while the Asia-Pacific region should maintain growth above the global average, although China remains a factor of uncertainty. Among the visible risks, the possible expansion of the conflict in the Middle East to other countries in the region may put pressure on inflation at a time when rates are approaching pre-pandemic levels”, evaluates Aloisio Campelo Jr., researcher of FGV IBRE.

Coincident Barometer – regions and sectors

The gain in the Coincident Barometer in October is the result of a 2.2-point positive contribution of the coincident indicator for the *Asia, Pacific & Africa* region, while *Europe* remains stable, and the *Western Hemisphere* contributes slightly negatively with -0.1 points. After losing ground between February and July of this year, the indicator for the *Asia, Pacific & Africa* region has stopped falling, and now fluctuates between 88 and 92 points, signalling the difficulty of the region to regain the increasing tendency observed in 2023.

Regional Contributions to the Coincident Global Economic Barometer

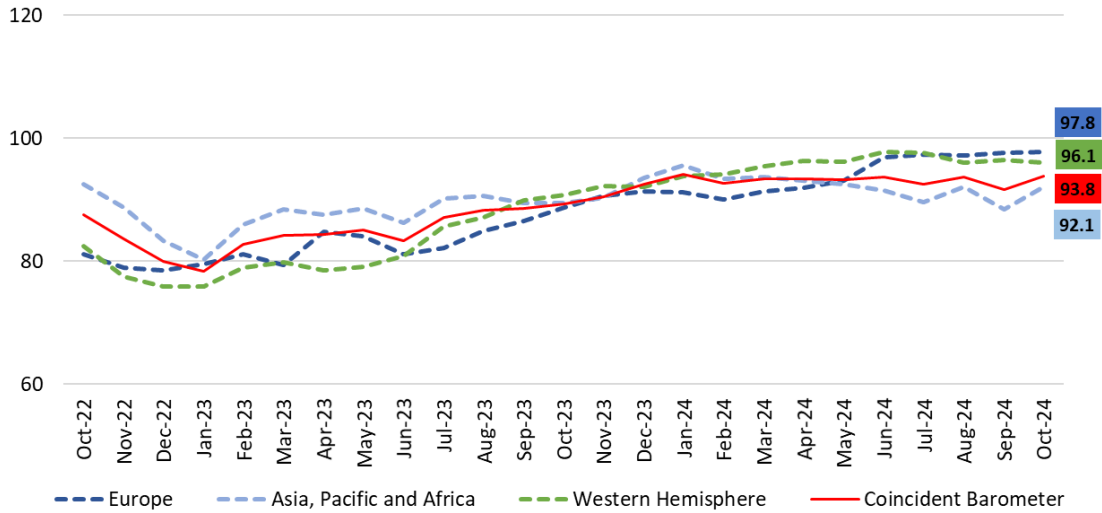


Source: KOF, ETH Zurich and FGV IBRE

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	-43.9
Cum. Contrib. Jun/20-Oct/23	23.6	7.5	8.5	39.5
Nov-23	0.4	0.4	0.3	1.2
Dec-23	2.0	0.1	0.0	2.1
Jan-24	1.2	0.0	0.4	1.6
Feb-24	-1.3	-0.2	0.1	-1.5
Mar-24	0.1	0.3	0.3	0.7
Apr-24	-0.3	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	-0.4	1.1
Sep-24	-2.3	0.1	0.1	-2.0
Oct-24	2.2	0.0	-0.1	2.1
Cum. Contrib. Last 12 months	1.4	1.8	1.2	4.5
Cum. Contrib. Mar/20-Oct/24	-1.8	1.4	0.4	0.1

Source: KOF, ETH Zurich and FGV IBRE

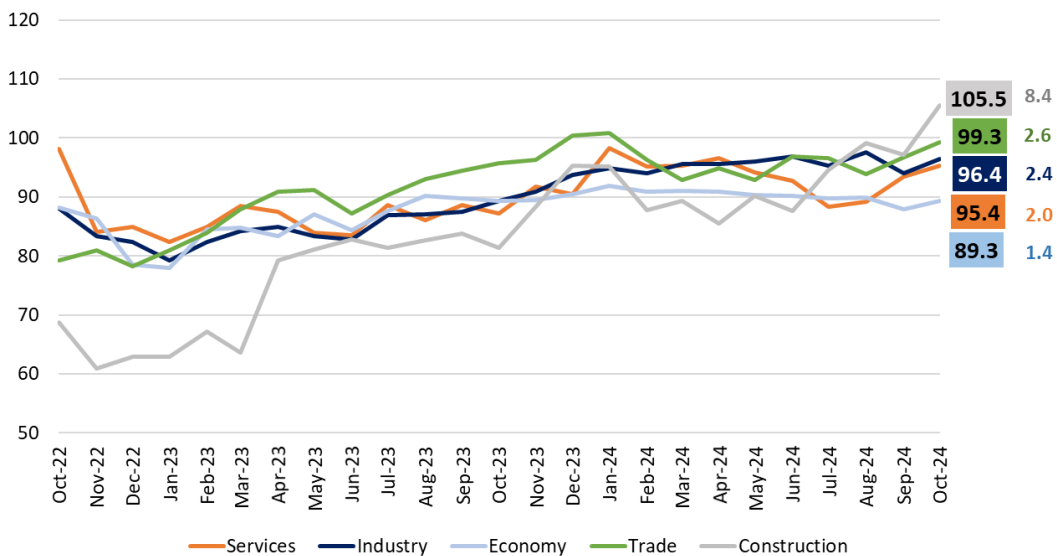
Coincident Global Barometers – Regions



Source: KOF, ETH Zurich and FGV IBRE

All the Coincident sector indicators increase in October, with *Construction* standing out. *Economy* (aggregated business and consumer evaluations) remains at the lowest level among the sector indicators.

Coincident Global Barometers – Sectors

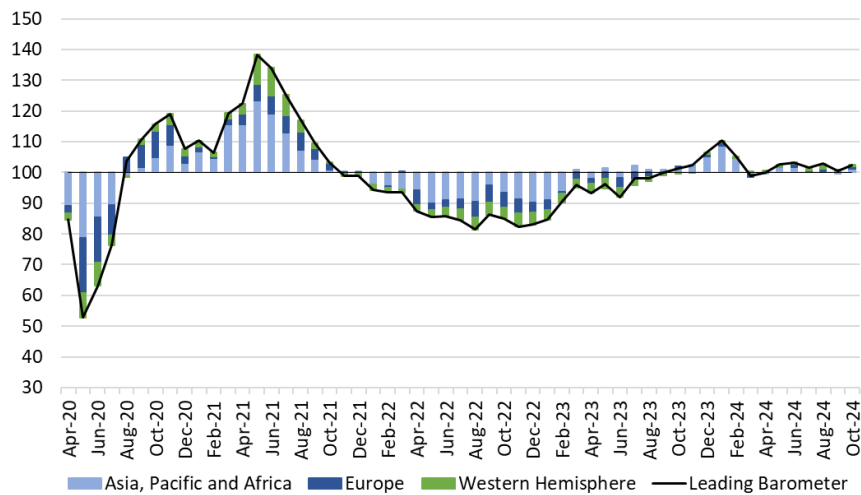


Source: KOF, ETH Zurich and FGV IBRE

Leading Barometer – regions and sectors

The Leading Global Barometer leads the world economic growth rate cycle by three to six months on average. In October, the *Asia, Pacific & Africa* region and the *Western Hemisphere* contribute positively to the aggregate result with 1.7 and 0.4 points, respectively, while *Europe* contributes in the opposite direction with -0.2 points.

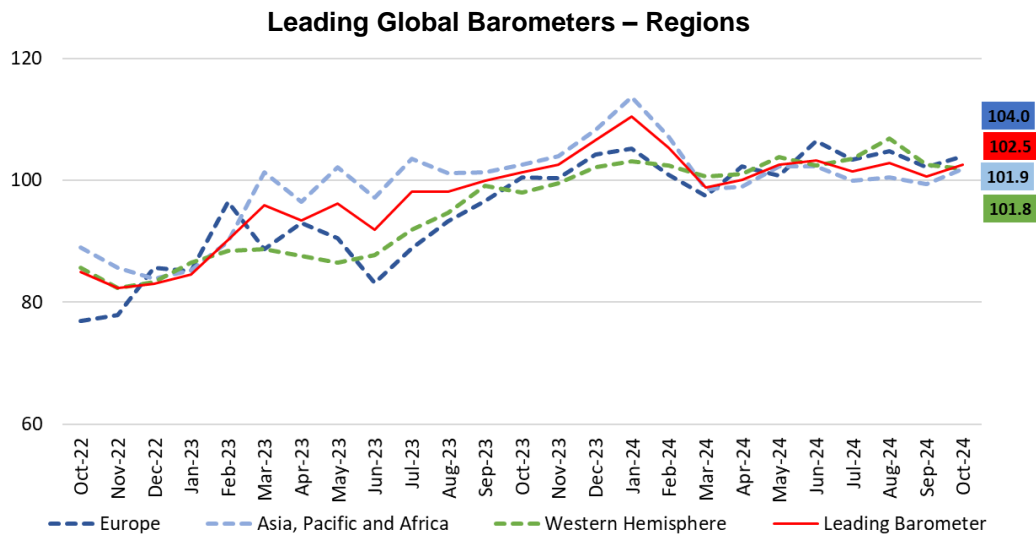
Regional Contributions to the Leading Global Economic Barometer



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	-22.5	-18.0	-8.7	-49.1
Cum. Contrib. Jun/20-Oct/23	23.1	17.9	7.5	48.4
Nov-23	0.9	-0.1	0.4	1.2
Dec-23	2.6	0.8	0.6	4.1
Jan-24	3.5	0.2	0.2	3.8
Feb-24	-4.1	-0.9	-0.1	-5.1
Mar-24	-5.4	-0.7	-0.5	-6.5
Apr-24	0.3	1.0	0.1	1.3
May-24	2.1	-0.3	0.7	2.5
Jun-24	0.0	1.1	-0.4	0.7
Jul-24	-1.5	-0.6	0.3	-1.8
Aug-24	0.3	0.3	0.8	1.4
Sep-24	-0.7	-0.5	-1.0	-2.3
Oct-24	1.7	0.4	-0.2	1.9
Cum. Contrib. Last 12 months	-0.3	0.7	0.9	1.2
Cum. Contrib. Mar/20-Oct/24	0.3	0.6	-0.3	0.5

Source: KOF, ETH Zurich and FGV IBRE



Source: KOF, ETH Zurich and FGV IBRE

In October, all the Leading sector indicators increase, with *Construction* standing out for a gain of over 10 points, reaching a level that reflects a positive outlook.

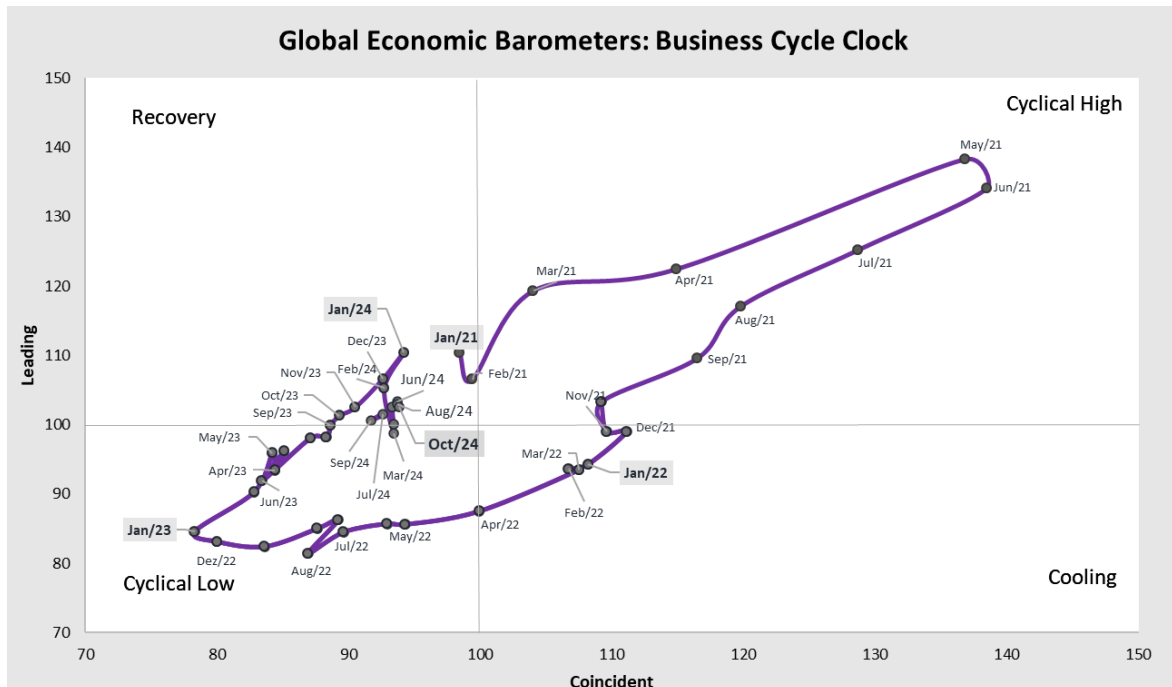
Sectoral Leading Indicators					
Period	Construction	Economy	Industry	Trade	Services
Feb-20	98.1	103.9	100.5	103.6	106.3
Mar-20	104.5	79.5	93.5	103.1	95.5
Apr-20	91.3	81.2	90.5	72.1	71.9
May-20	58.5	62.8	51.5	54.4	47.2
Worst pandemic moment: Cum. Variation. Mar/20-May/20					
	-39.6	-41.1	-48.9	-49.2	-59.1
Cum. Variation Jun/20-Oct/23					
	31.2	40.6	48.4	49.6	64.8
Nov-23	98.5	104.9	99.3	106.6	114.0
Dec-23	107.2	105.9	104.3	110.6	116.1
Jan-24	116.4	107.6	108.9	120.0	107.2
Feb-24	112.8	98.1	105.8	114.1	109.7
Mar-24	109.2	89.3	100.6	104.8	107.6
Apr-24	101.6	89.7	103.6	108.9	107.8
May-24	103.2	98.0	103.5	103.7	111.5
Jun-24	92.5	98.8	105.8	104.1	114.6
Jul-24	98.0	96.1	104.3	105.1	102.6
Aug-24	105.0	96.3	105.9	103.5	104.0
Sep-24	103.2	94.6	102.7	107.7	100.2
Oct-24	113.5	95.2	103.2	112.0	103.1
Cum. Variation Last 12 months					
	-16.1	29.8	6.9	-4.3	-4.8
Cum. Variation Mar/20-Oct/24					
	15.4	-8.7	2.7	8.4	-3.2

Source: KOF, ETH Zurich and FGV IBRE

Period	<i>Global Coincident Barometer</i> Vintages		<i>Global Leading Barometer</i> Vintages	
	October 2024	September 2024	October 2024	September 2024
	Oct-23	89.3	89.3	101.3
Nov-23	90.5	90.5	102.5	103.0
Dec-23	92.6	93.2	106.6	106.9
Jan-24	94.2	94.2	110.4	110.4
Feb-24	92.7	92.7	105.3	105.1
Mar-24	93.4	93.4	98.8	98.8
Apr-24	93.4	93.4	100.1	100.2
May-24	93.3	93.3	102.6	102.5
Jun-24	93.7	93.7	103.3	103.4
Jul-24	92.6	92.6	101.5	101.5
Aug-24	93.7	93.8	102.9	103.2
Sep-24	91.7	91.5	100.6	100.6
Oct-24	93.8		102.5	

*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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