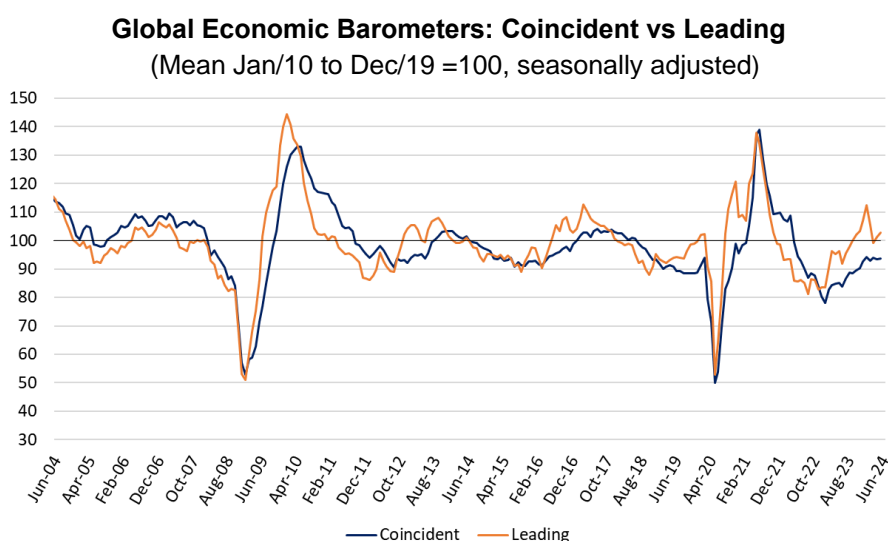


Press Release

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

Leading Global Barometer continues to recover

The **Leading Global Barometer** rises for the third consecutive month in June, but it has not yet fully recovered from the losses of February and March. The **Coincident Barometer** remains relatively stable for the fourth month in a row.



Source: KOF, ETH Zurich and FGV IBRE

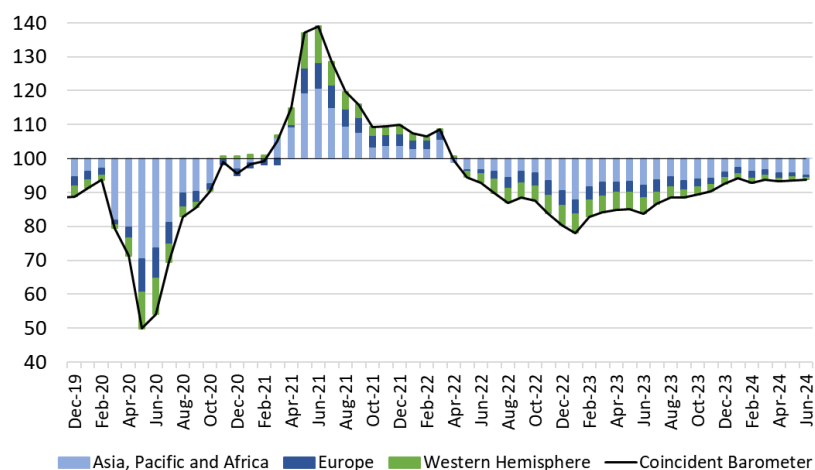
The Coincident Global Economic Barometer increases 0.2 points in June to 93.8 points, while the Leading Barometer gains 1.0 points, reaching 103.9 points. The slight rise in the Coincident Barometer is driven by improvements in *Europe* and the *Western Hemisphere*, while the *Asia, Pacific & Africa* region moves in the opposite direction. However, the increase in the Leading barometer is determined by rises in the *Asia, Pacific & Africa* region and *Europe*.

“In many parts of the world, inflation appears to be under control and central banks are gradually beginning to lower interest rates. This bodes well for the outlook for the period ahead. The global leading indicator has been above average since October last year, with the exception of March this year, and has risen for three months in a row this month. The coincident indicator is also improving, albeit at a relatively slow but steady pace, suggesting that economic developments are indeed normalising”, evaluates Jan-Egbert Sturm, Director of KOF Swiss Economic Institute.

Coincident Barometer – regions and sectors

The slight increase in the Coincident Barometer in June is the result of positive contributions of 0.6 and 0.4 points, respectively, from *Europe* and the *Western Hemisphere*, whereas a negative contribution of 0.8 points is recorded from the *Asia, Pacific & Africa* region. Since the peak in January 2024, the indicator for the *Asia, Pacific & Africa* region has maintained a decreasing tendency. In contrast, the indicators for the *Western Hemisphere* and *Europe* reached their highest level of the last two years in June, with both accumulating gains of more than 15 points in the last 12 months. The graph below illustrates the contribution of each region to the deviation of the Coincident Barometer from the historical mean of 100 points.

Regional Contributions to the Coincident Global Economic Barometer

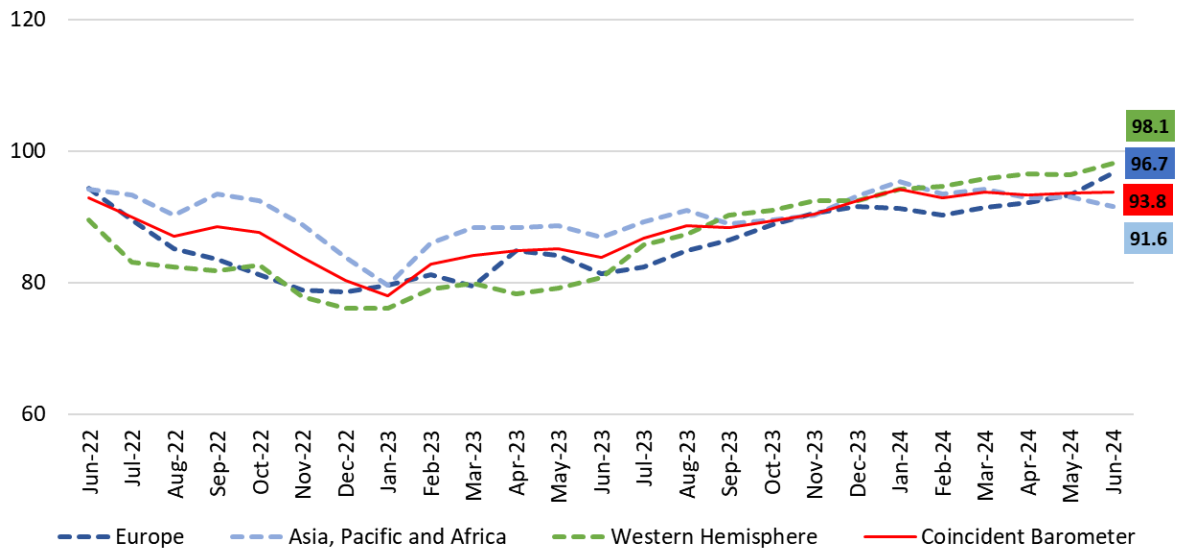


Source: KOF, ETH Zurich and FGV IBRE

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	-26.6	-7.9	-9.3	-43.9
Cum. Contrib. Jun/20-Jun/23	21.7	6.0	6.2	33.9
Jul-23	1.5	0.2	1.1	2.9
Aug-23	1.0	0.5	0.4	1.9
Sep-23	-1.2	0.4	0.7	-0.2
Oct-23	0.4	0.4	0.2	1.0
Nov-23	0.4	0.4	0.3	1.0
Dec-23	1.8	0.2	0.0	2.1
Jan-24	1.3	-0.1	0.4	1.7
Feb-24	-1.2	-0.2	0.1	-1.3
Mar-24	0.5	0.3	0.3	0.9
Apr-24	-0.8	0.1	0.1	-0.4
May-24	0.0	0.3	0.0	0.2
Jun-24	-0.8	0.6	0.4	0.2
Cum. Contrib. Last 12 months	2.9	3.1	4.0	10.0
Cum. Contrib. Mar/20-Jun/24	-2.0	1.2	0.9	0.0

Source: KOF, ETH Zurich and FGV IBRE

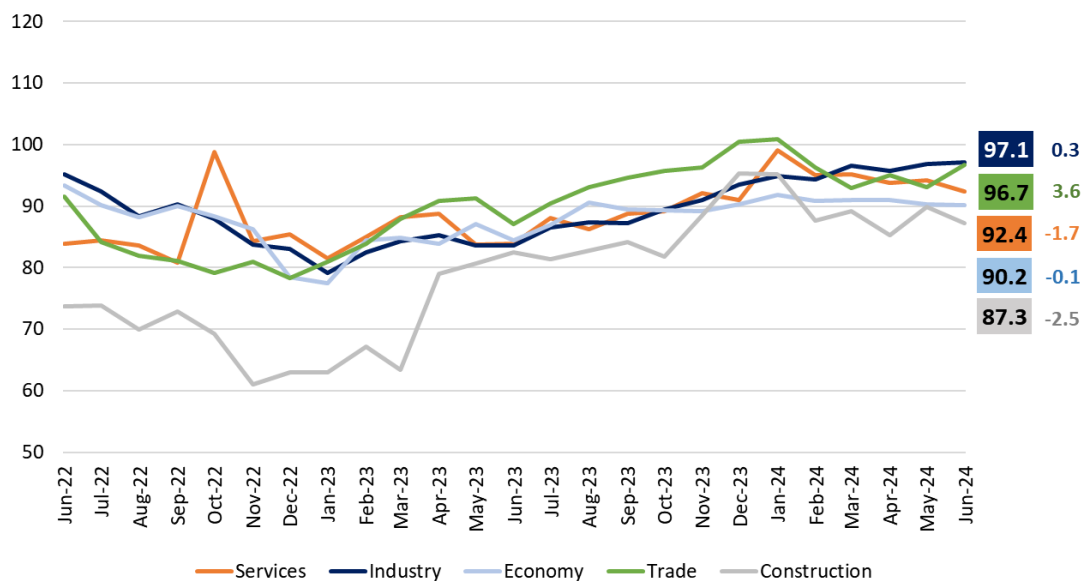
Coincident Global Barometers – Regions



Source: KOF, ETH Zurich and FGV IBRE

The performance of the Coincident sector indicators in June is heterogeneous, with an increase in *Trade*, a relative stable development in *Economy (aggregated business and consumer evaluations)* and *Industry*, and decreases in *Construction* and *Services*. *Industry* remains at the highest level among the sectors and *Construction* at the lowest.

Coincident Global Barometers – Sectors

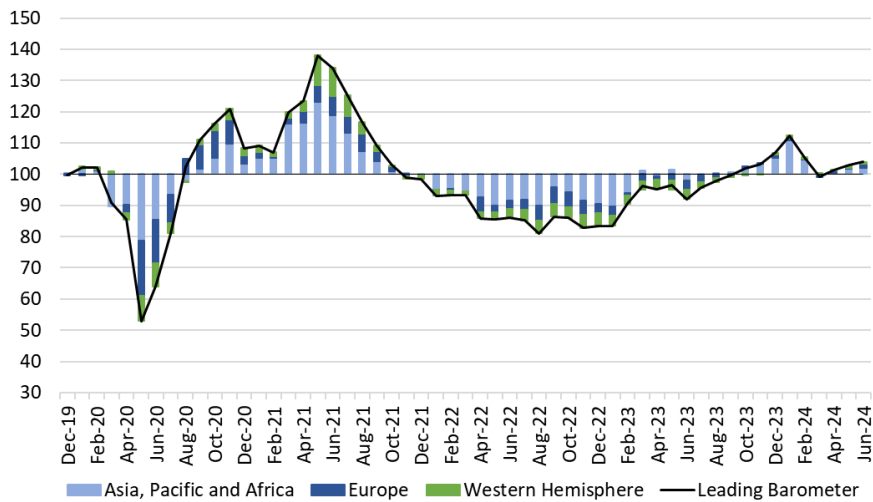


Source: KOF, ETH Zurich and FGV IBRE

Leading Barometer – regions and sectors

The Leading Global Barometer leads the world economic growth rate cycle by three to six months on average. In June, *Europe* and the *Asia, Pacific & Africa* region contribute 1.0 and 0.3 points, respectively, to the increase in the global indicator, while the *Western Hemisphere* records a negative contribution of -0.3 points. The indicator for *Europe* reaches its highest level since October 2021 (108.8 points). It is therefore the region with the most positive outlook.

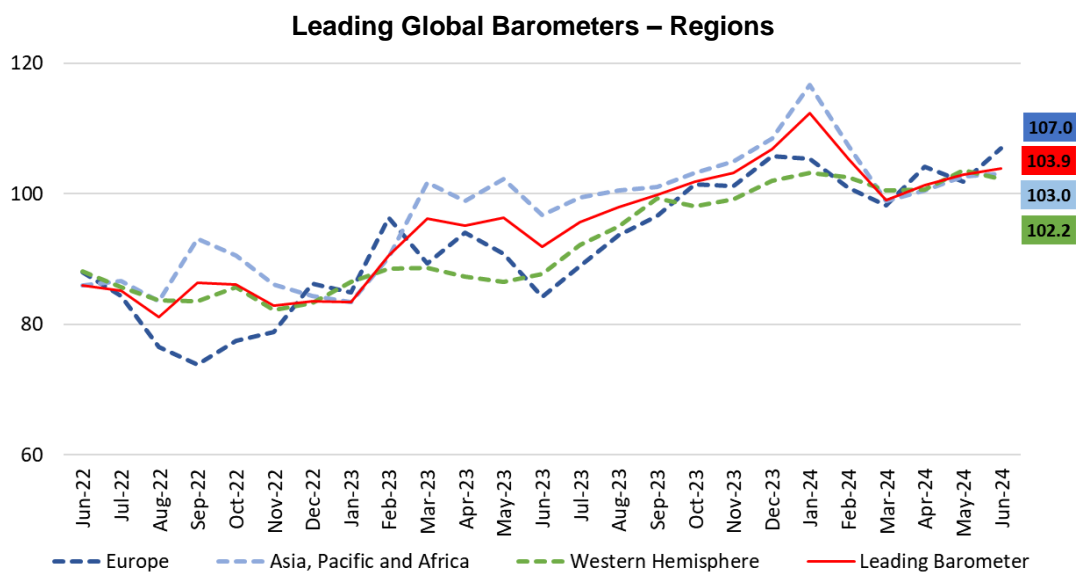
Regional Contributions to the Leading Global Economic Barometer



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	-18.3	-8.7	-49.3
Cum. Contrib. Jun/20-Jun/23	19.3	14.7	5.1	39.0
Jul-23	1.6	0.9	1.0	3.7
Aug-23	0.7	1.0	0.7	2.3
Sep-23	0.3	0.6	1.0	1.9
Oct-23	1.4	1.0	-0.3	2.1
Nov-23	1.1	-0.1	0.3	1.3
Dec-23	2.1	0.9	0.7	3.7
Jan-24	5.4	-0.1	0.2	5.5
Feb-24	-6.0	-0.9	-0.1	-7.0
Mar-24	-5.3	-0.5	-0.5	-6.3
Apr-24	1.0	1.2	0.0	2.2
May-24	1.3	-0.5	0.7	1.6
Jun-24	0.3	1.0	-0.3	1.0
Cum. Contrib. Last 12 months	3.9	4.5	3.4	12.0
Cum. Contrib. Mar/20-Jun/24	0.9	0.9	-0.2	1.7

Source: KOF, ETH Zurich and FGV IBRE



Source: KOF, ETH Zurich and FGV IBRE

In June, the Leading sector indicators of *Economy* (aggregated business and consumer evaluations), *Services*, *Trade*, and *Industry* increase. The only indicator that is decreasing this month, and noticeably so, is *Construction*.

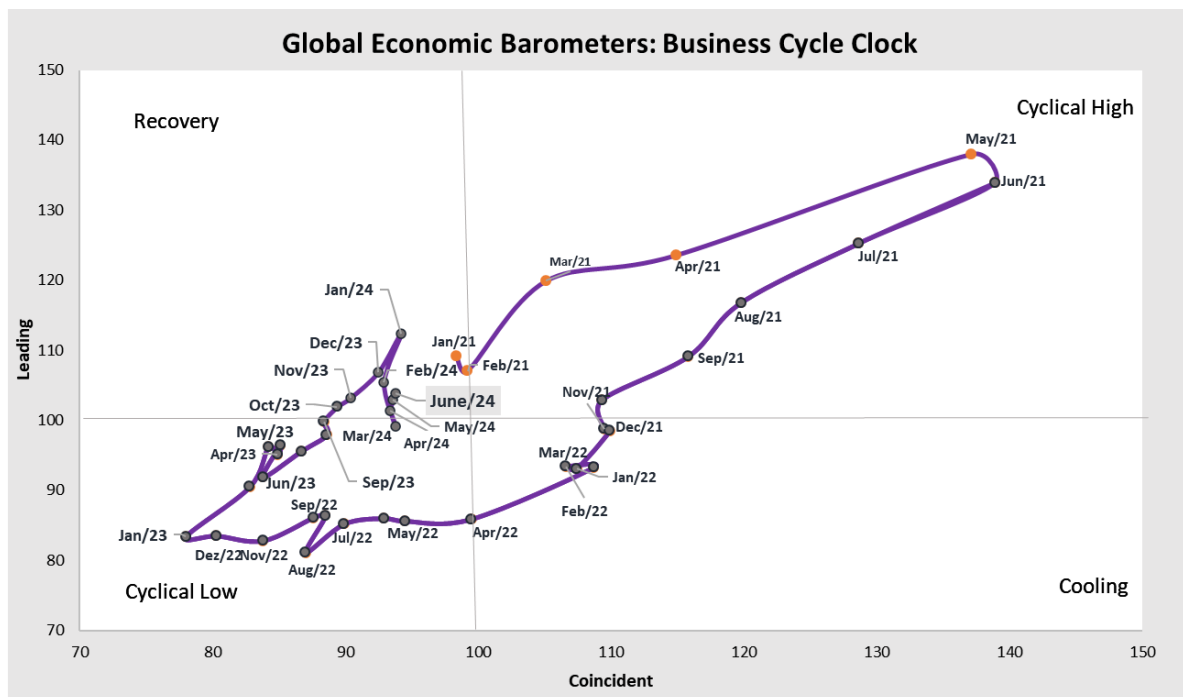
Sectoral Leading Indicators					
Period	Construction	Economy	Industry	Trade	Services
Feb-20	97.7	104.1	100.9	104.1	107.0
Mar-20	104.4	78.1	93.3	105.7	98.6
Apr-20	91.2	82.4	91.3	73.1	65.4
May-20	60.6	62.5	51.7	55.8	45.0
Worst pandemic moment: Cum. Variation. Mar/20-May/20	-37.1	-41.6	-49.3	-48.4	-62.1
Cum. Variation Jun/20-Jun/23	31.0	35.7	38.2	34.4	44.2
Jul-23	99.2	98.4	92.1	103.4	103.5
Aug-23	95.7	99.9	96.3	96.9	108.7
Sep-23	102.3	101.4	97.7	102.0	105.6
Oct-23	89.9	105.3	100.4	105.7	111.2
Nov-23	98.8	105.4	100.1	110.7	115.4
Dec-23	107.7	105.9	104.9	112.2	118.0
Jan-24	117.2	111.3	109.4	121.6	115.9
Feb-24	113.2	96.9	106.2	115.7	110.7
Mar-24	109.5	88.3	100.9	106.5	110.4
Apr-24	101.8	91.6	104.1	110.6	109.5
May-24	103.6	97.5	103.8	104.9	114.5
Jun-24	92.4	98.6	106.0	108.5	117.7
Cum. Variation Last 12 months	-16.9	31.8	7.1	-4.2	-9.0
Cum. Variation Mar/20-Jun/24	-5.3	-5.5	5.1	4.3	10.7

Source: KOF, ETH Zurich and FGV IBRE

Period	<i>Global Coincident Barometer</i>		<i>Global Leading Barometer</i>	
	<i>Vintages</i>		<i>Vintages</i>	
	<i>June 2024</i>	<i>May 2024</i>	<i>June 2024</i>	<i>May 2024</i>
Jun-23	83.8	83.4	91.9	92.0
Jul-23	86.7	86.7	95.6	95.5
Aug-23	88.6	88.6	97.9	97.9
Sep-23	88.4	88.8	99.8	99.7
Oct-23	89.4	89.4	101.9	101.7
Nov-23	90.4	90.5	103.2	103.3
Dec-23	92.5	91.9	106.9	106.9
Jan-24	94.2	94.1	112.4	112.4
Feb-24	92.9	92.8	105.4	105.4
Mar-24	93.8	93.2	99.1	99.0
Apr-24	93.4	93.2	101.3	101.2
May-24	93.6	93.5	102.9	102.8
Jun-24	93.8		103.9	

*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 IBR



Source: KOF, ETH Zurich and FGV IBR

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

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

<https://kof.ethz.ch/prognosen-indikatoren/indikatoren/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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