Globalization and Economic Statistics

Challenges and Opportunities in turning point detection

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Main points

• Challenges
  – Evergreen
  – Newly emerged (includ. COVID)

• Opportunities
CHALLENGES
Leading indicators selection: criteria

- Similar cyclical patterns
- ANTICIPATE turning points and fluctuations
- Practical considerations
  - Timely
  - Monthly
  - Long series
  - Small revisions
Technology & strategies

• Just in case (JIC) -> Just in Time (JIT)
• International supply chains/Load Sharing (ILS)
• Faster production cycle;
Domestic vertical integration vs. fragmentation of global production chains across borders
International production network
Worldwide final assembly lines
Components crossing the borders several times
Trade in services

Need for granular & timely data
“The stock market has predicted nine of the past five recessions”
Paul Samuelson
Climate change

Circular economy
COVID-19

- High frequency
  - Monthly/Weekly GDP
- Timeliness
- Granularity
OPPORTUNITIES
Enhance the use of new data source and methods
Global maritime transport
Global databases (Outreach to non-G20)
Cement: production and consumption
Opportunities: let’s be ambitious?

• Explore new source and techniques
• Increase international cooperation
  – Go beyond borders and boundaries
    • Global databases
    • Outreach to non-G20
  – Avoid duplication!
• Cross fertilisation (across domains)
• High frequency, Timeliness, Granularity
• Prioritisation of data needs for policy
Thank you for your attention

For more information, visit:
https://www.oecd.org/sdd/leading-indicators/

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