

Supplementary Material (S1) for The World Uncertainty Index

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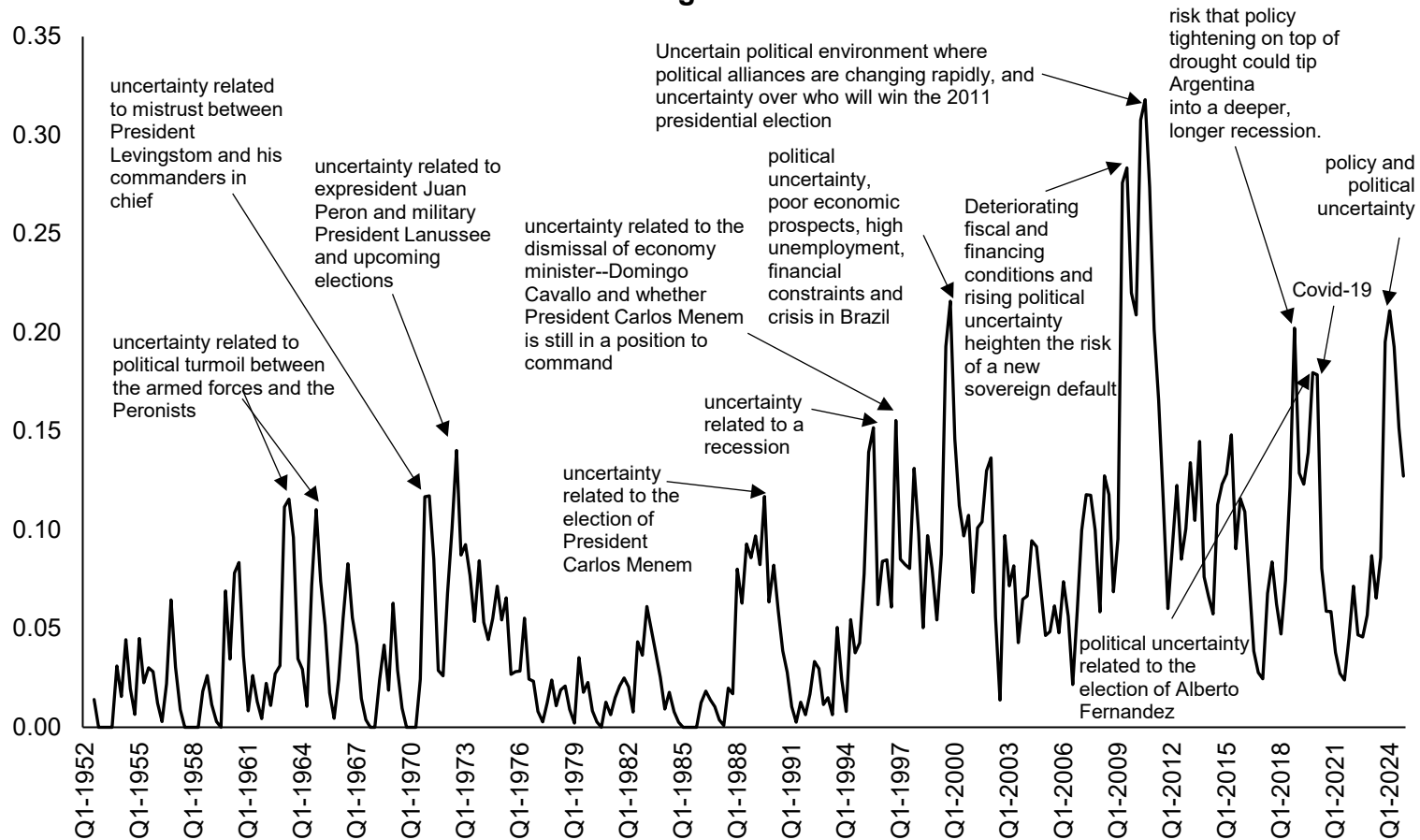
Description

The following pages present the World Uncertainty Index for 34 largest global economies over the period of 1952Q1 to 2024Q4. The index is computed by counting the frequency of the word “uncertainty” (or its variants) in the Economist Intelligence Unit’s (EIU) country reports. The index is then normalized by the total number of words and rescaled by multiplying by 1,000. The index is expressed as a weighted three-quarter moving average and also includes labels for selected spikes in the index.

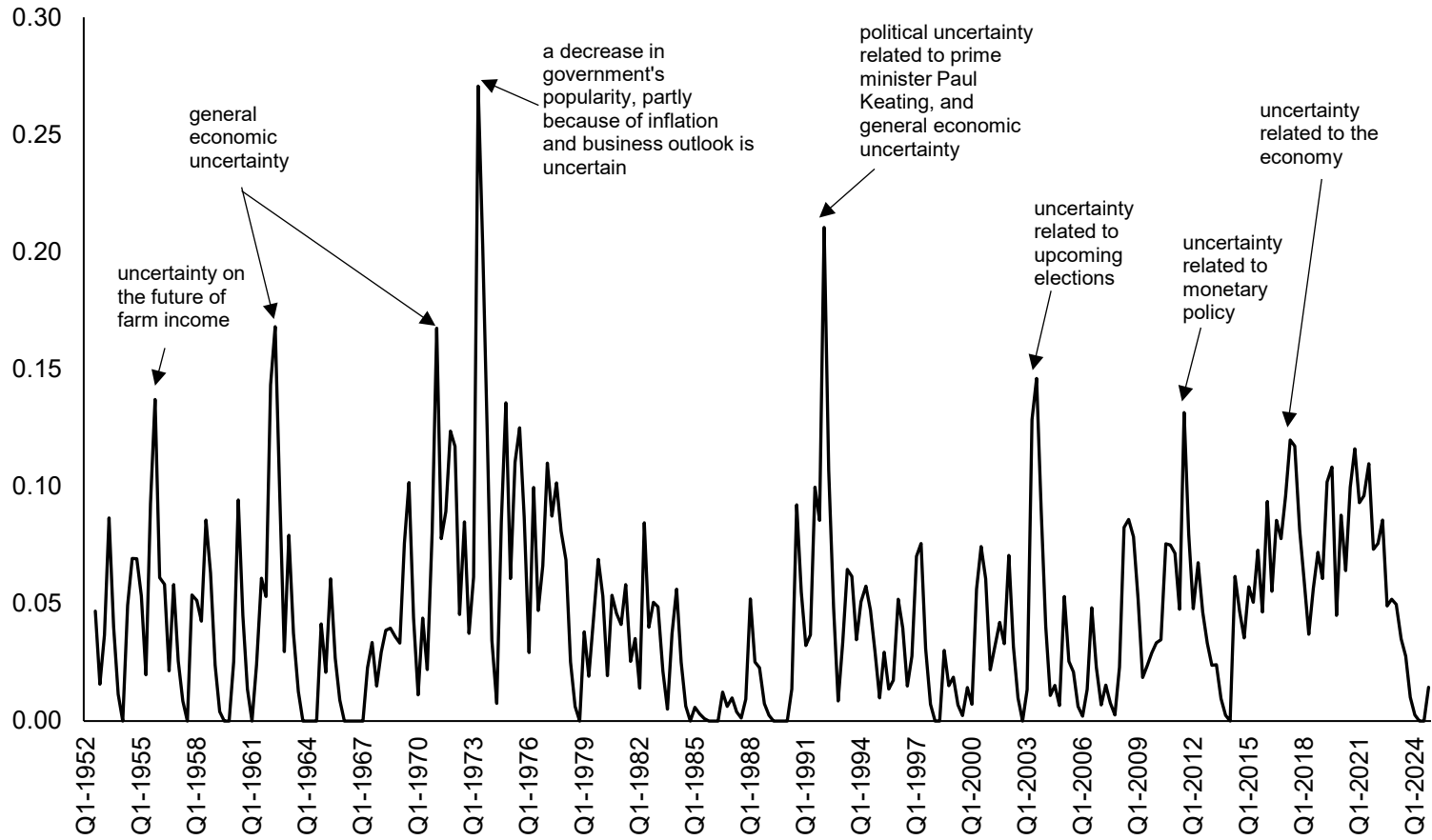
The countries included are: Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Denmark, Finland, France, Germany, Greece, Hungary, India, Ireland, Israel, Italy, Japan, Korea, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Russia, South Africa, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and the United States.

This is followed by a prompt to construct an AI based measure of uncertainty.

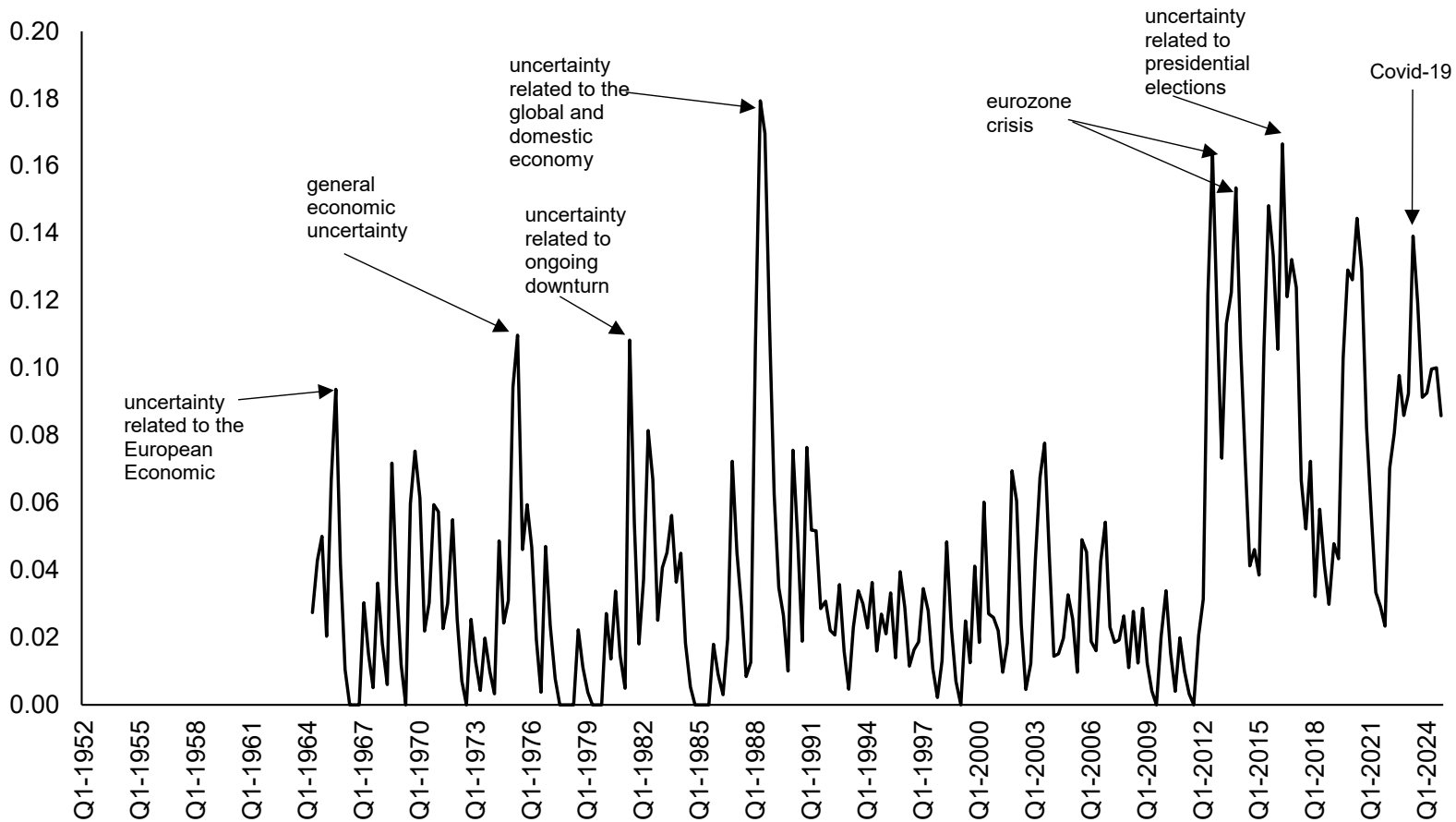
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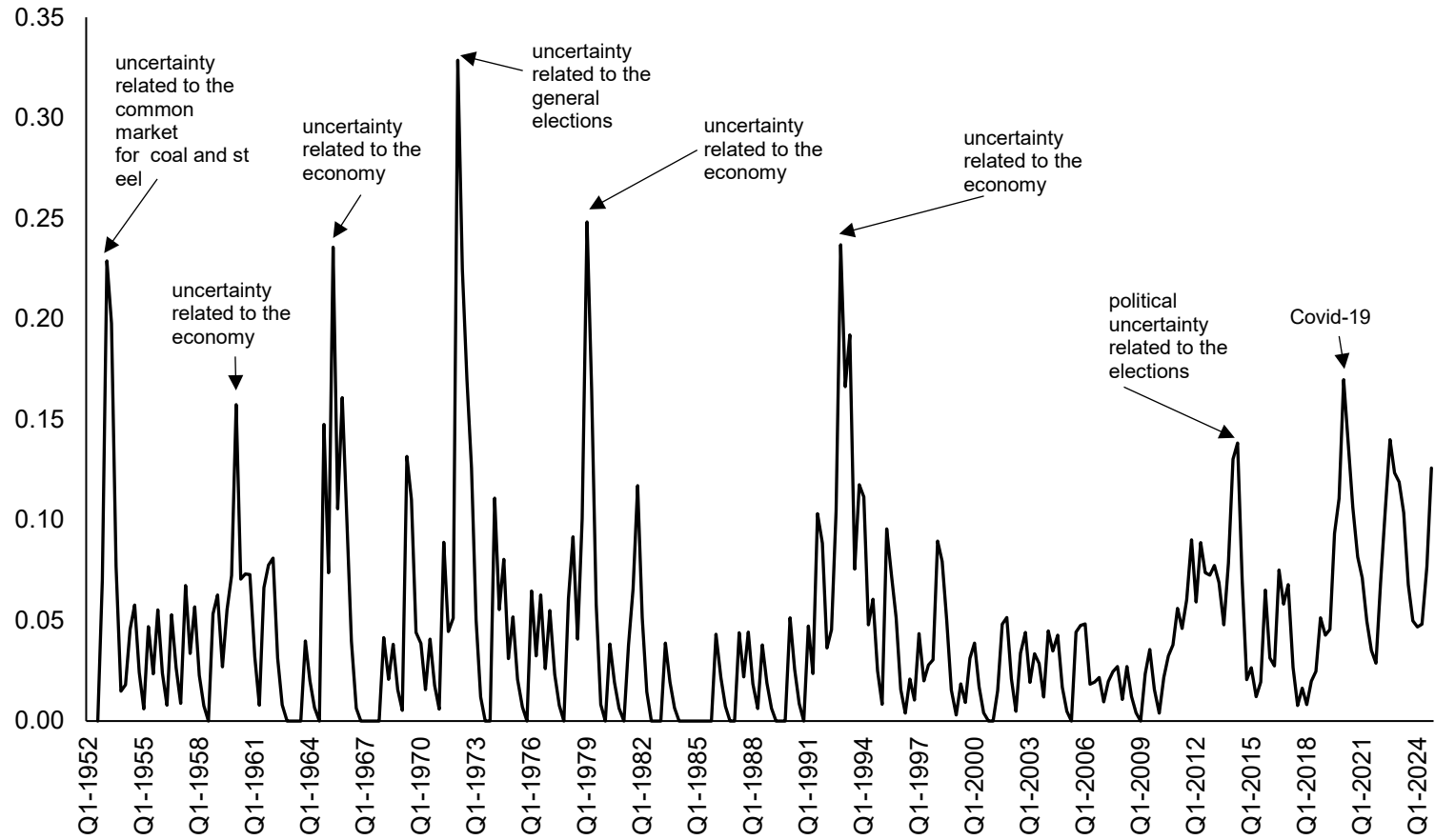
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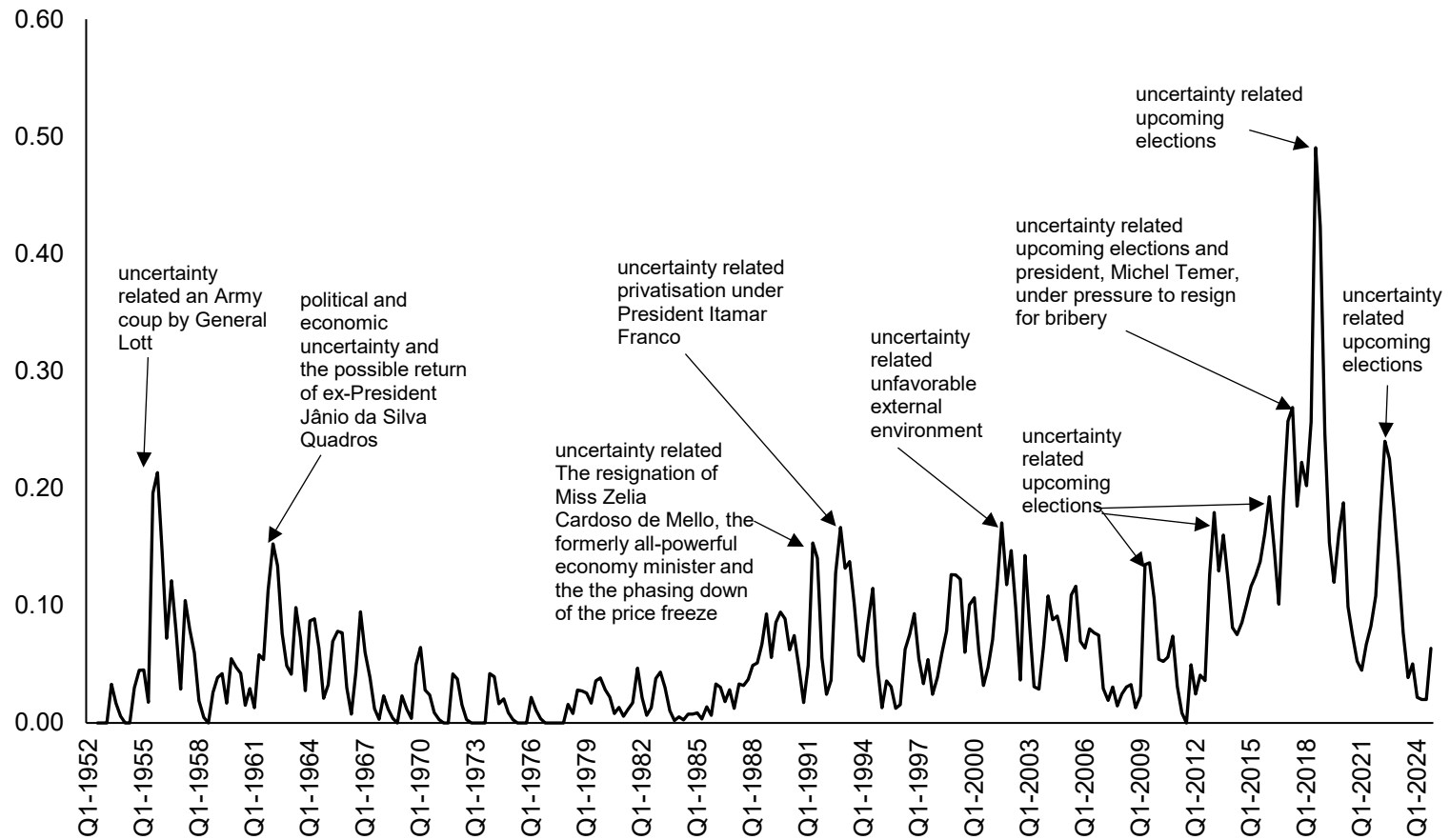
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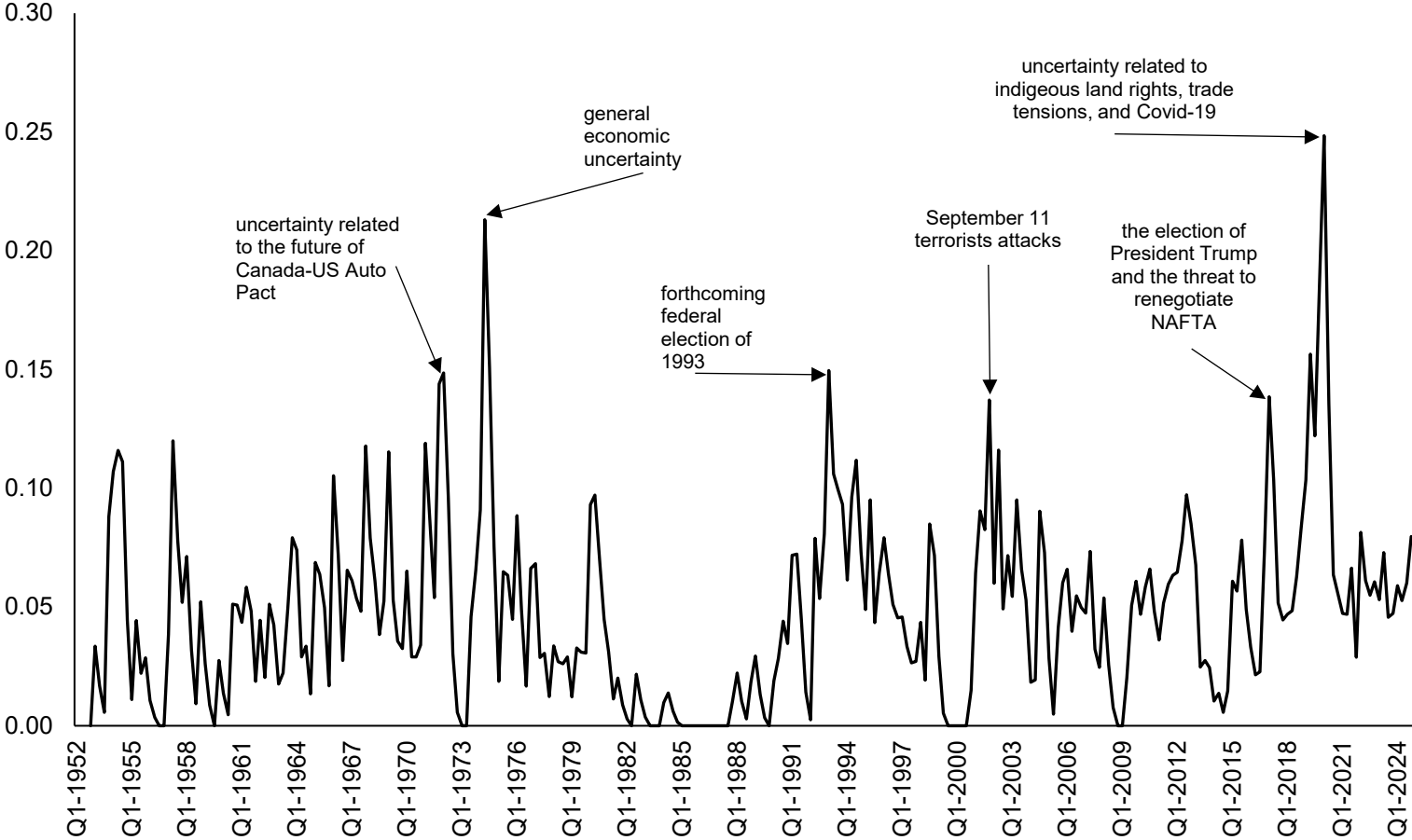
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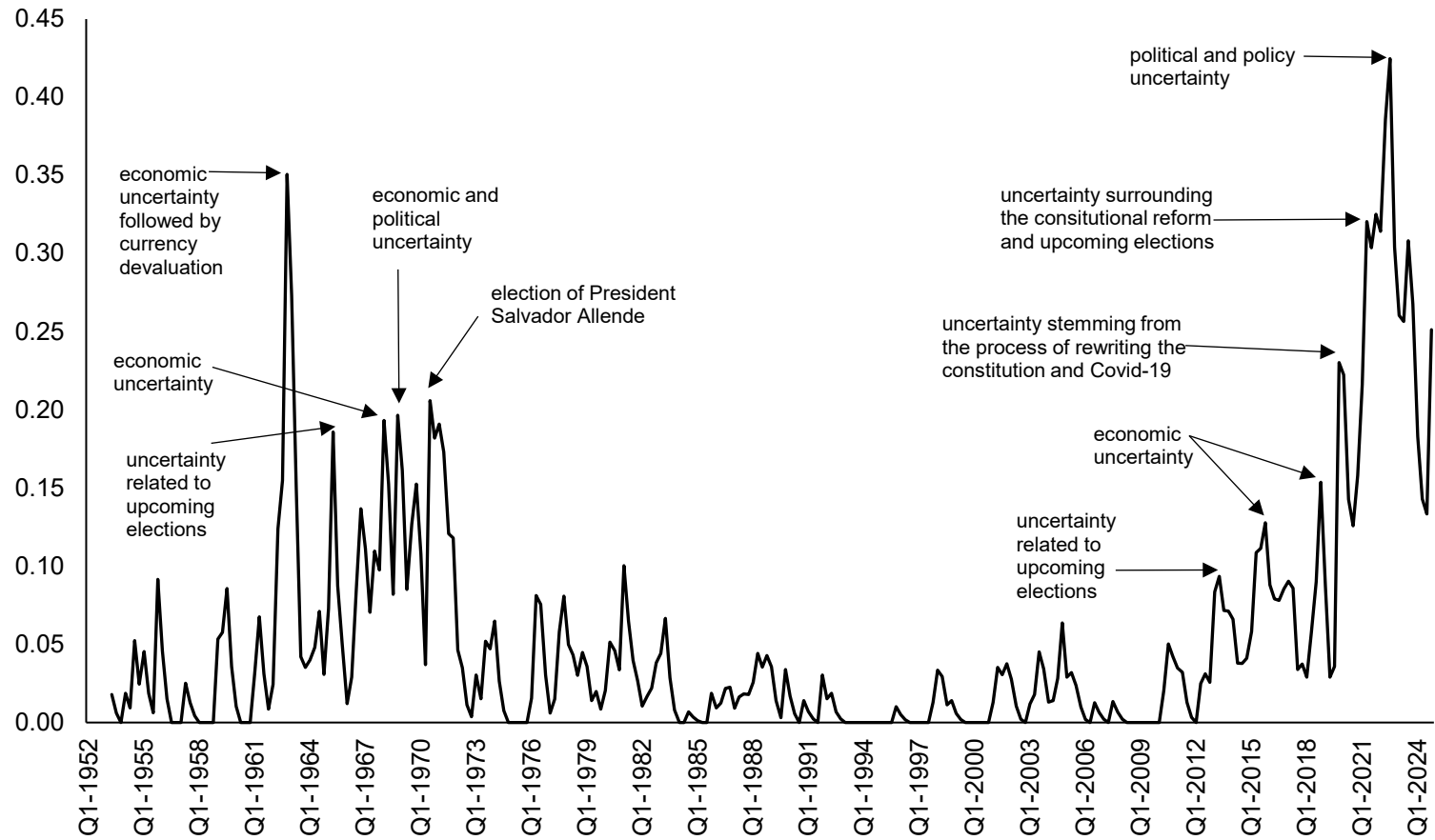
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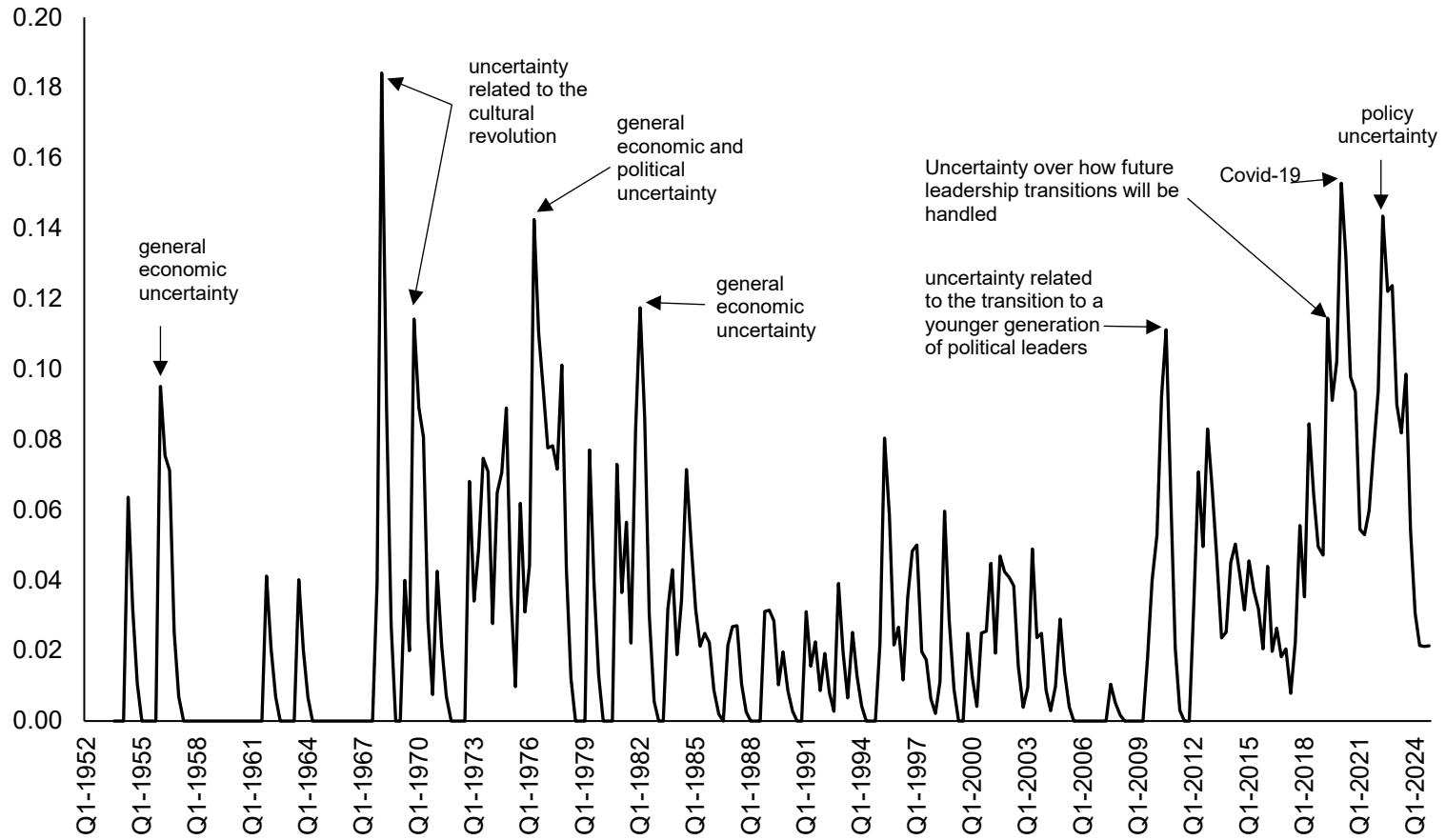
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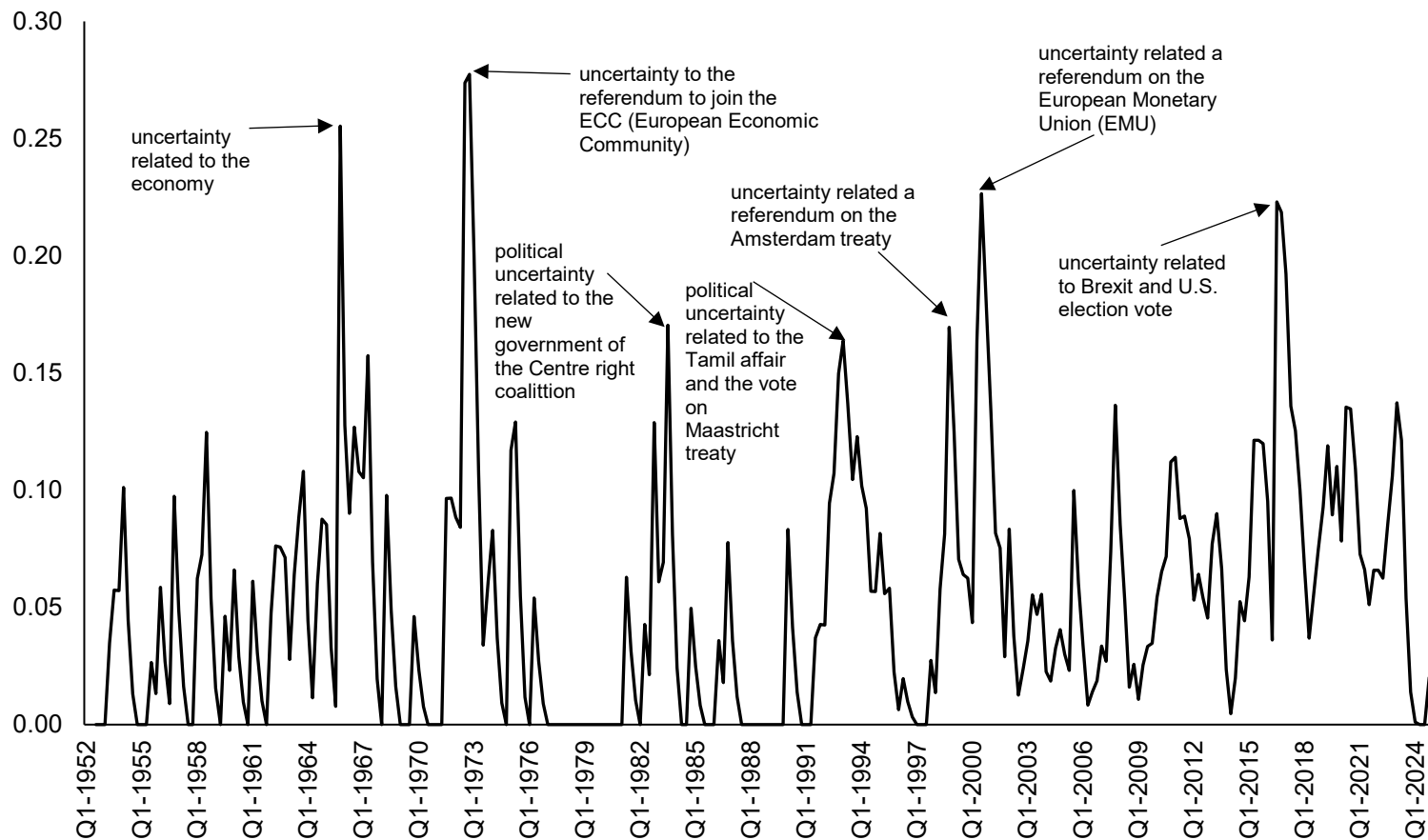
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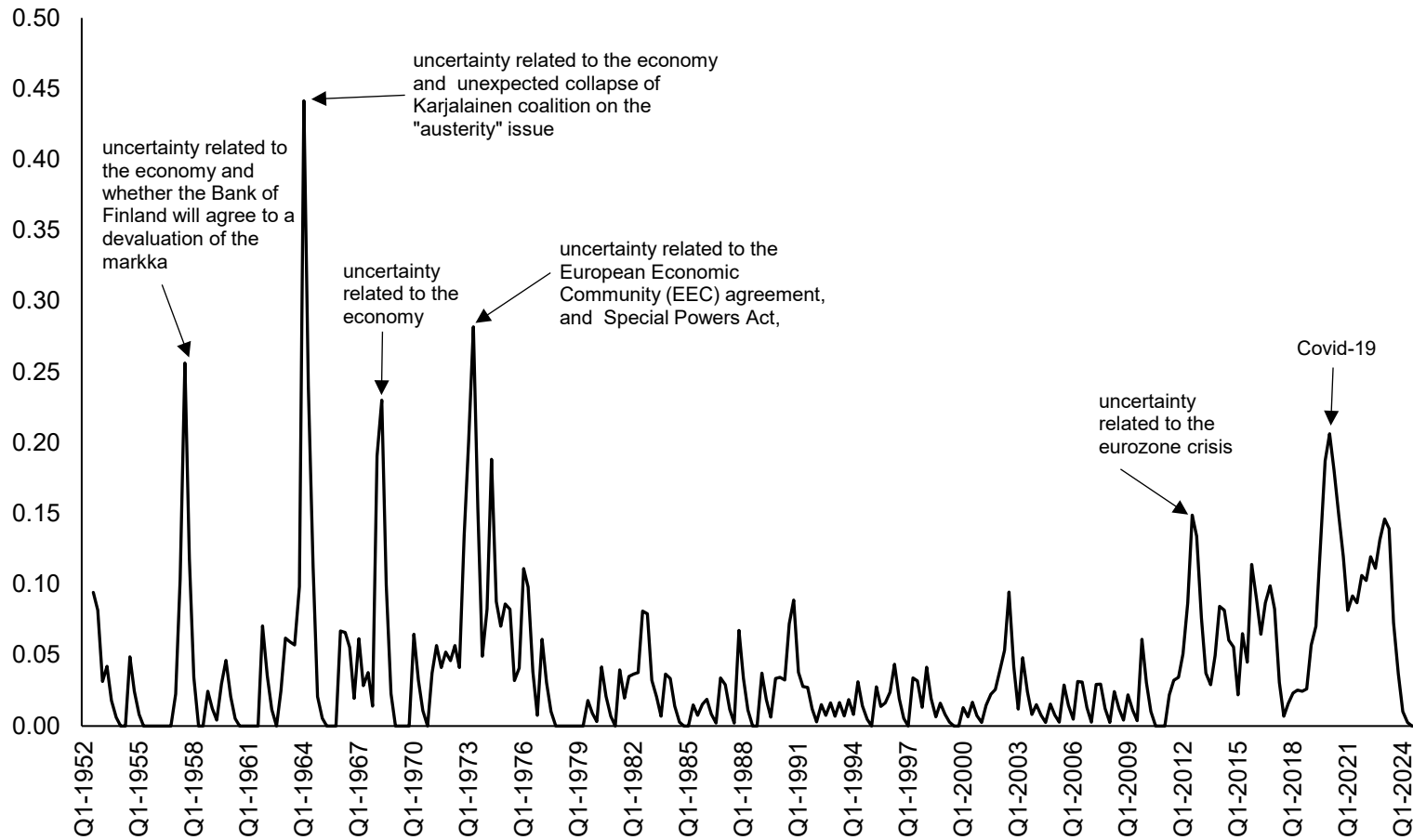
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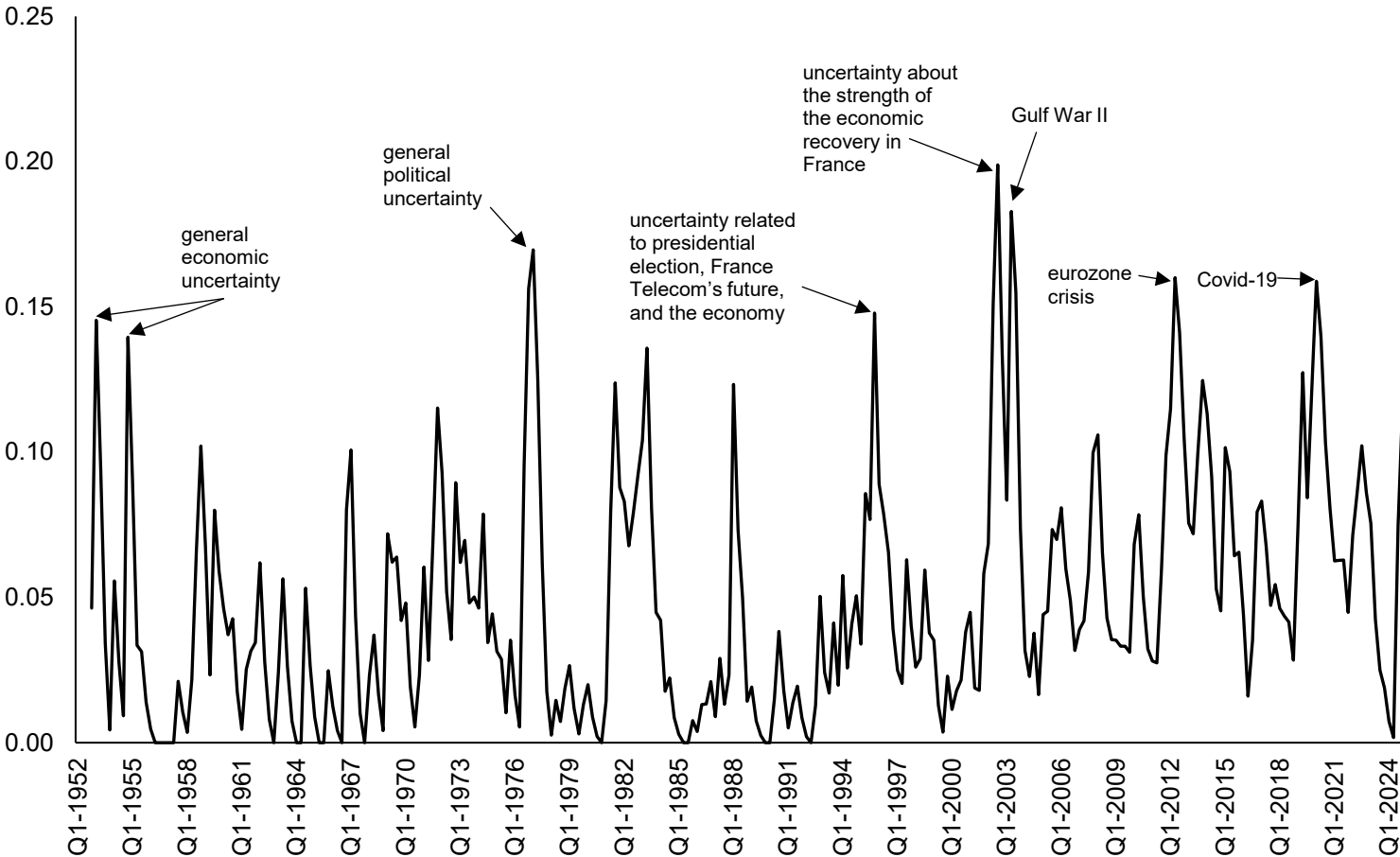
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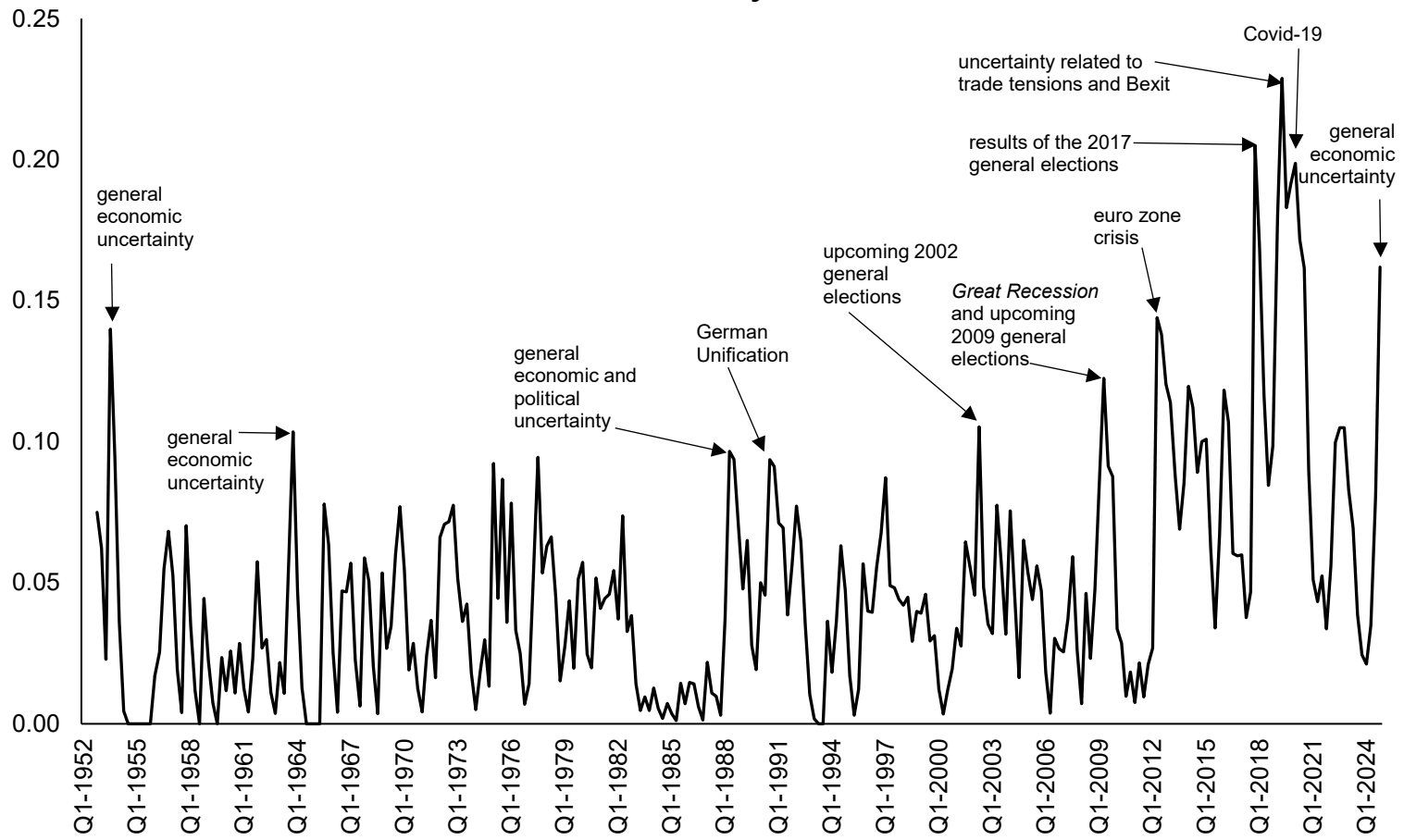
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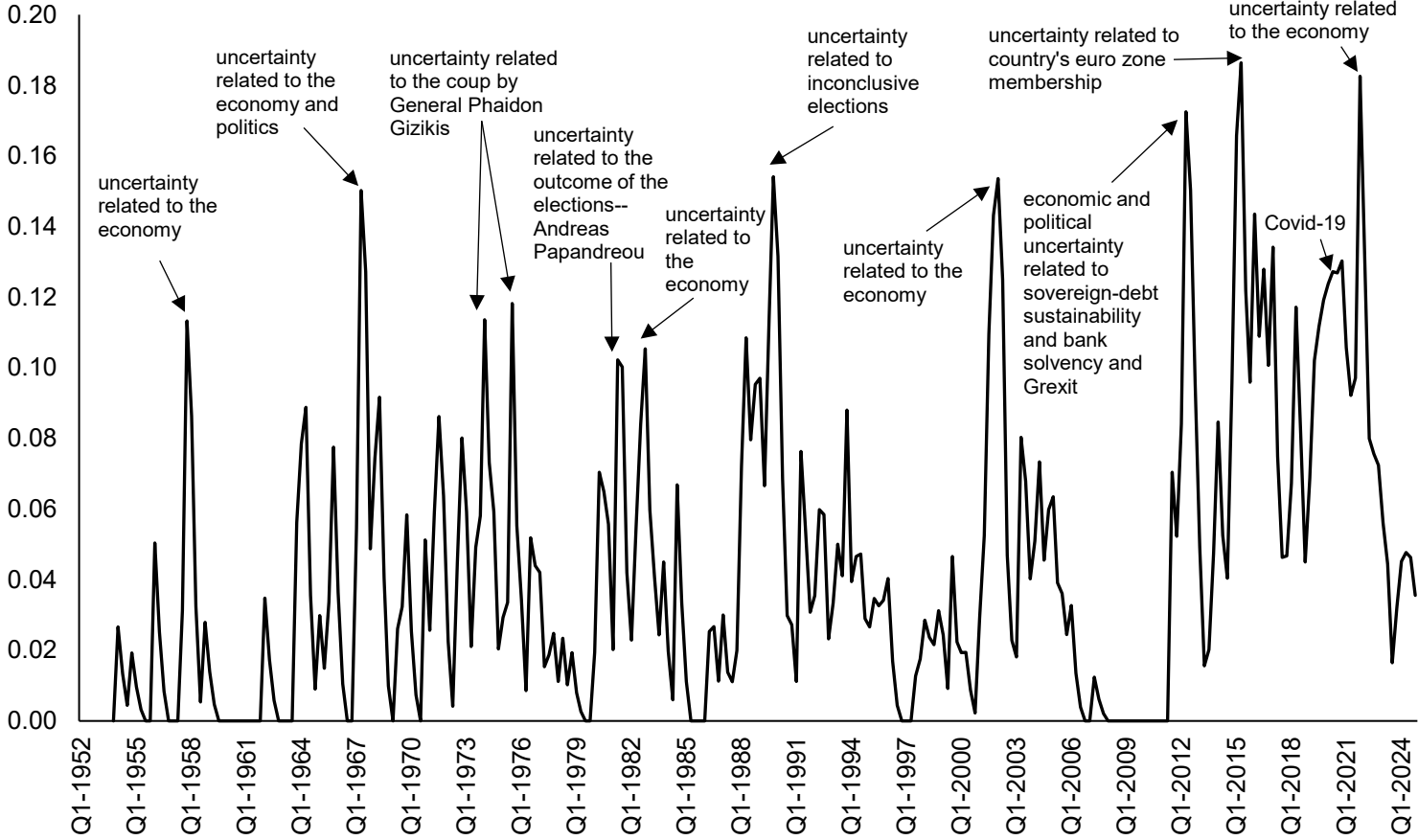
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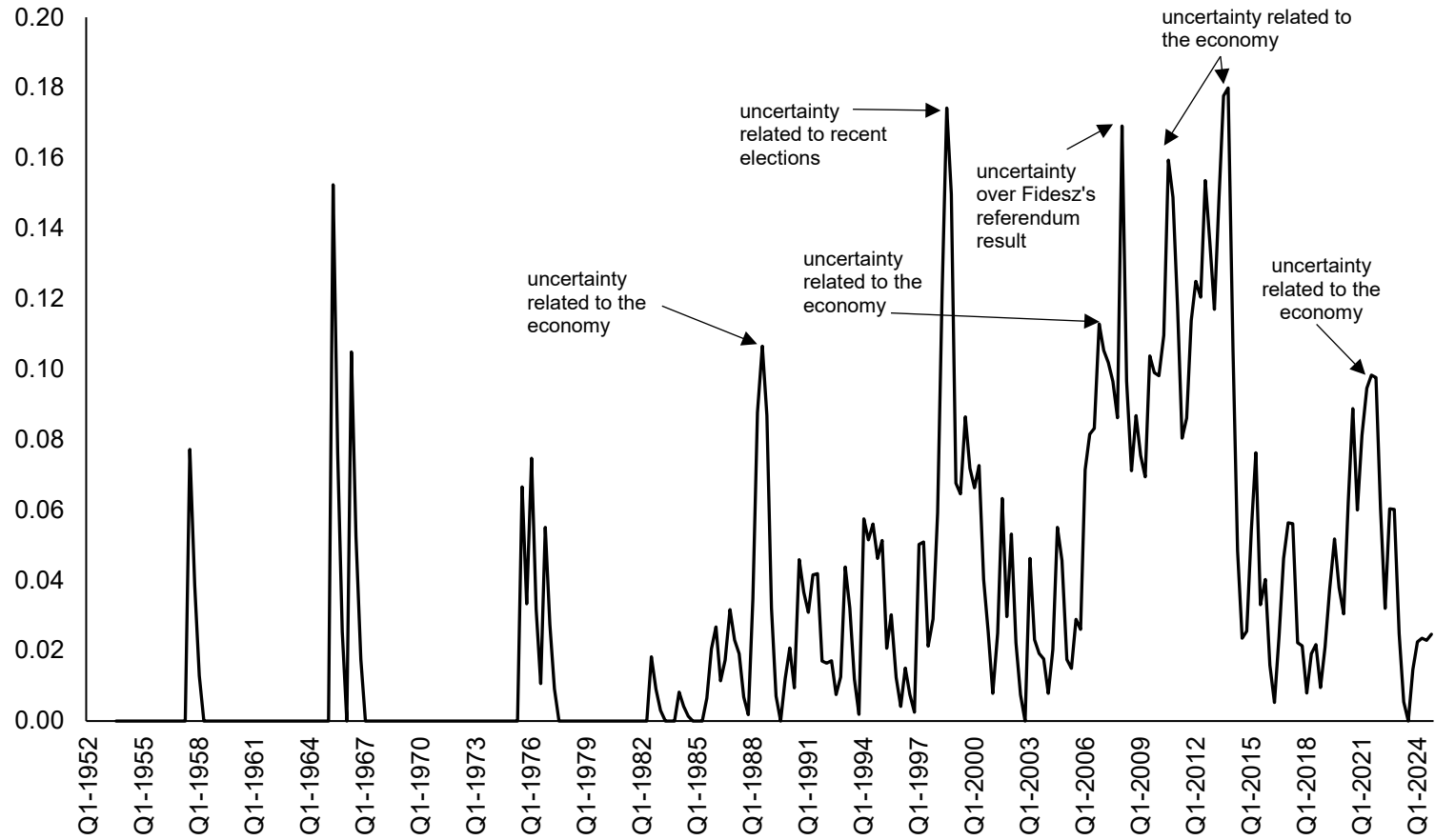
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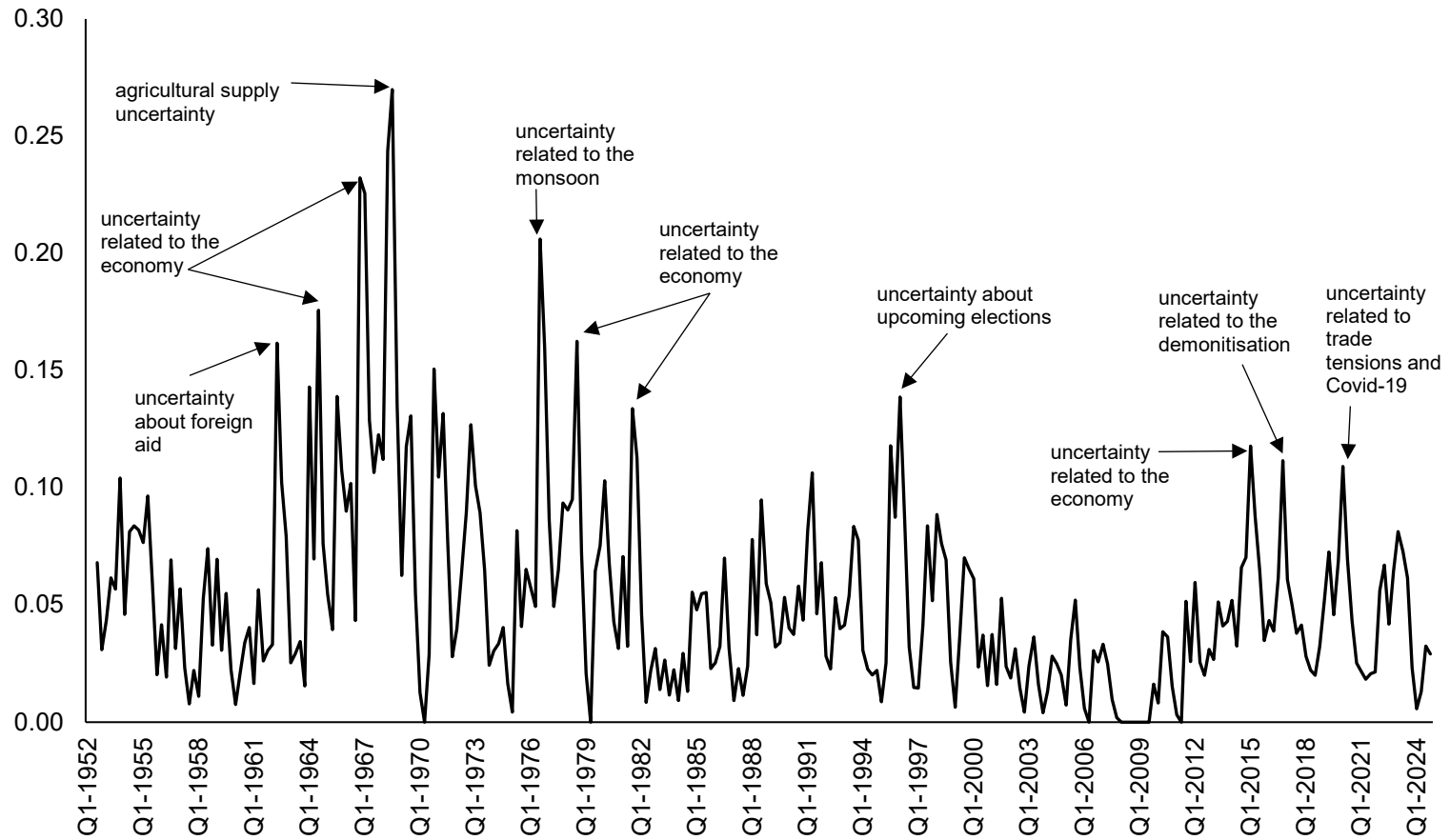
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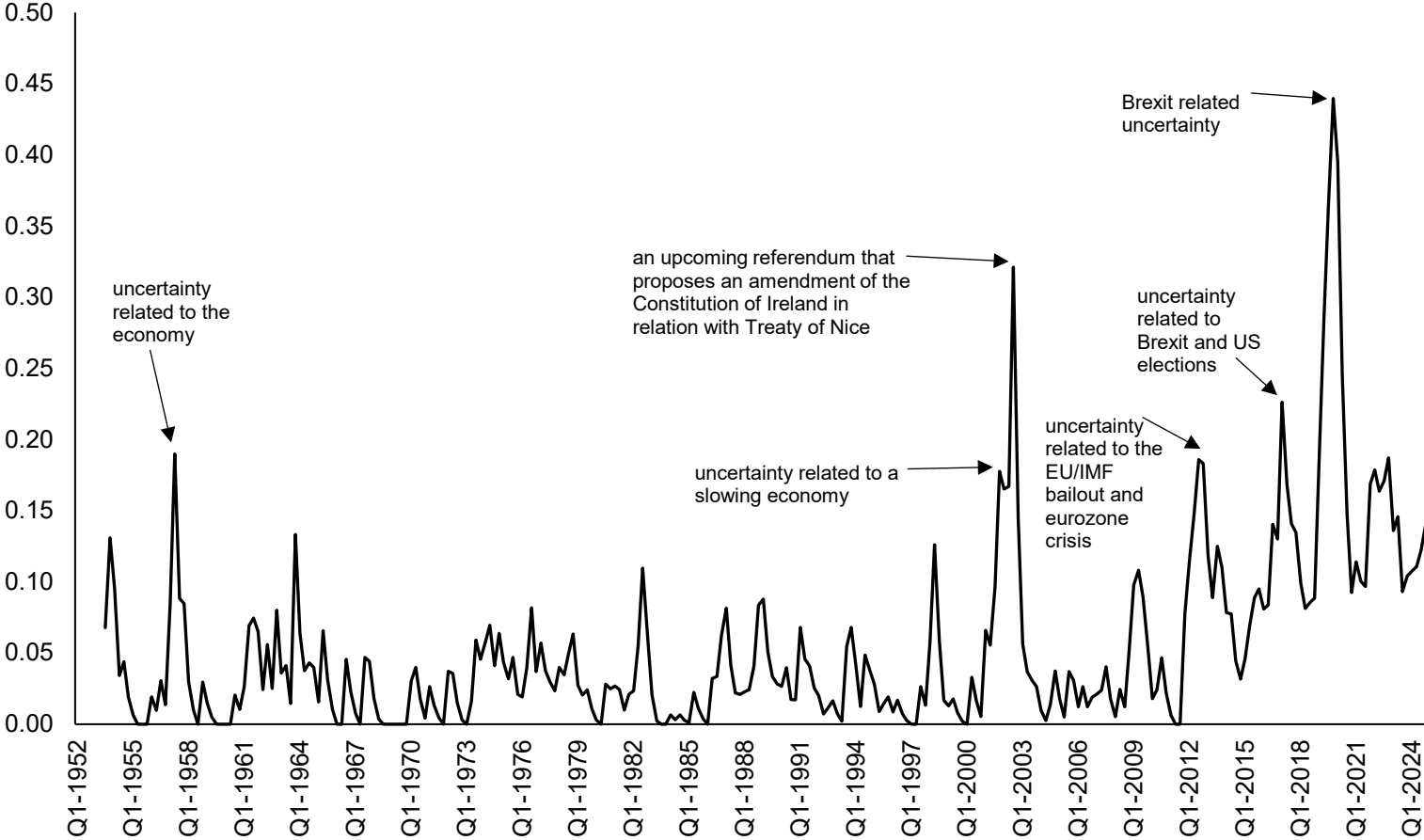
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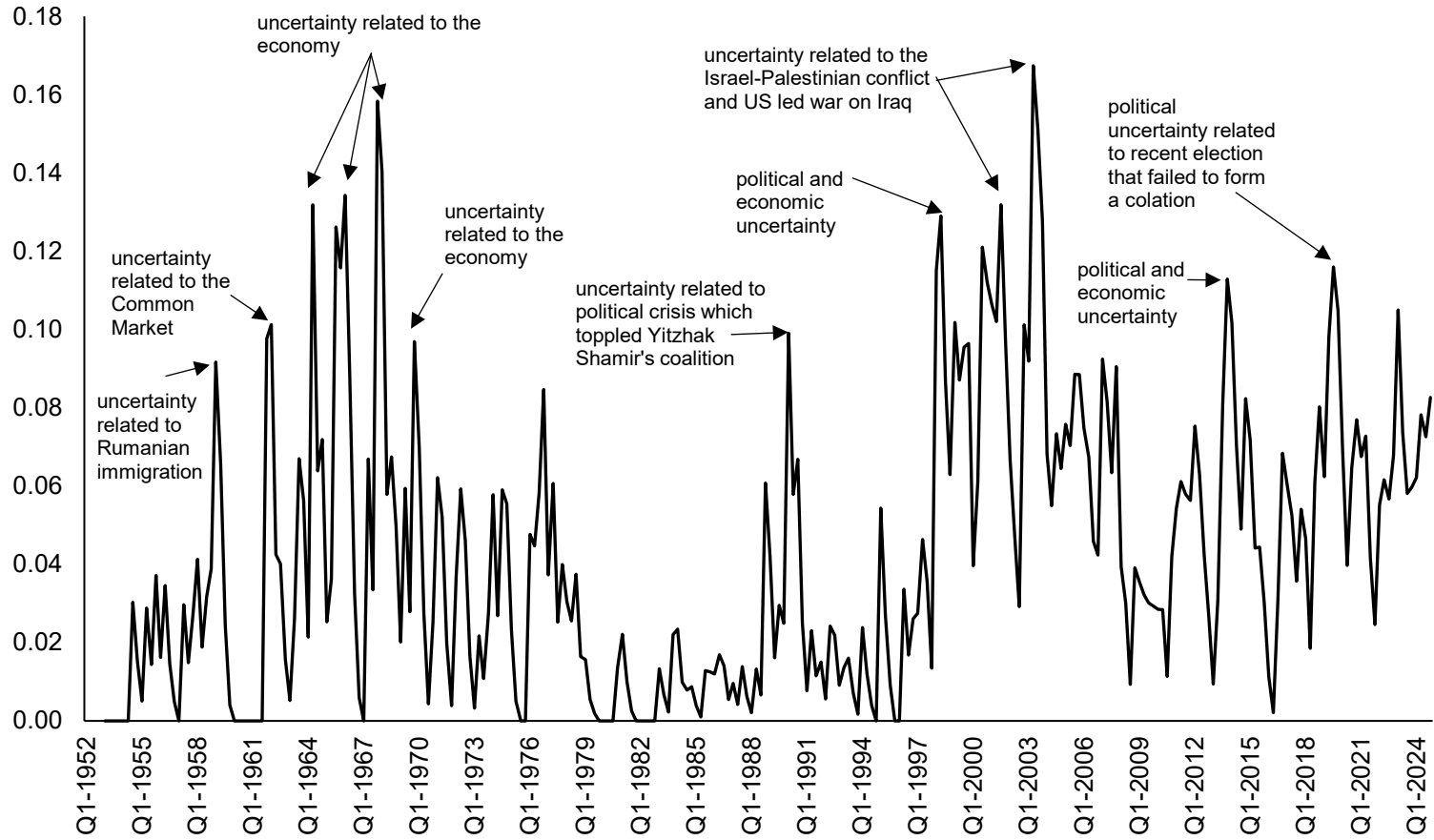
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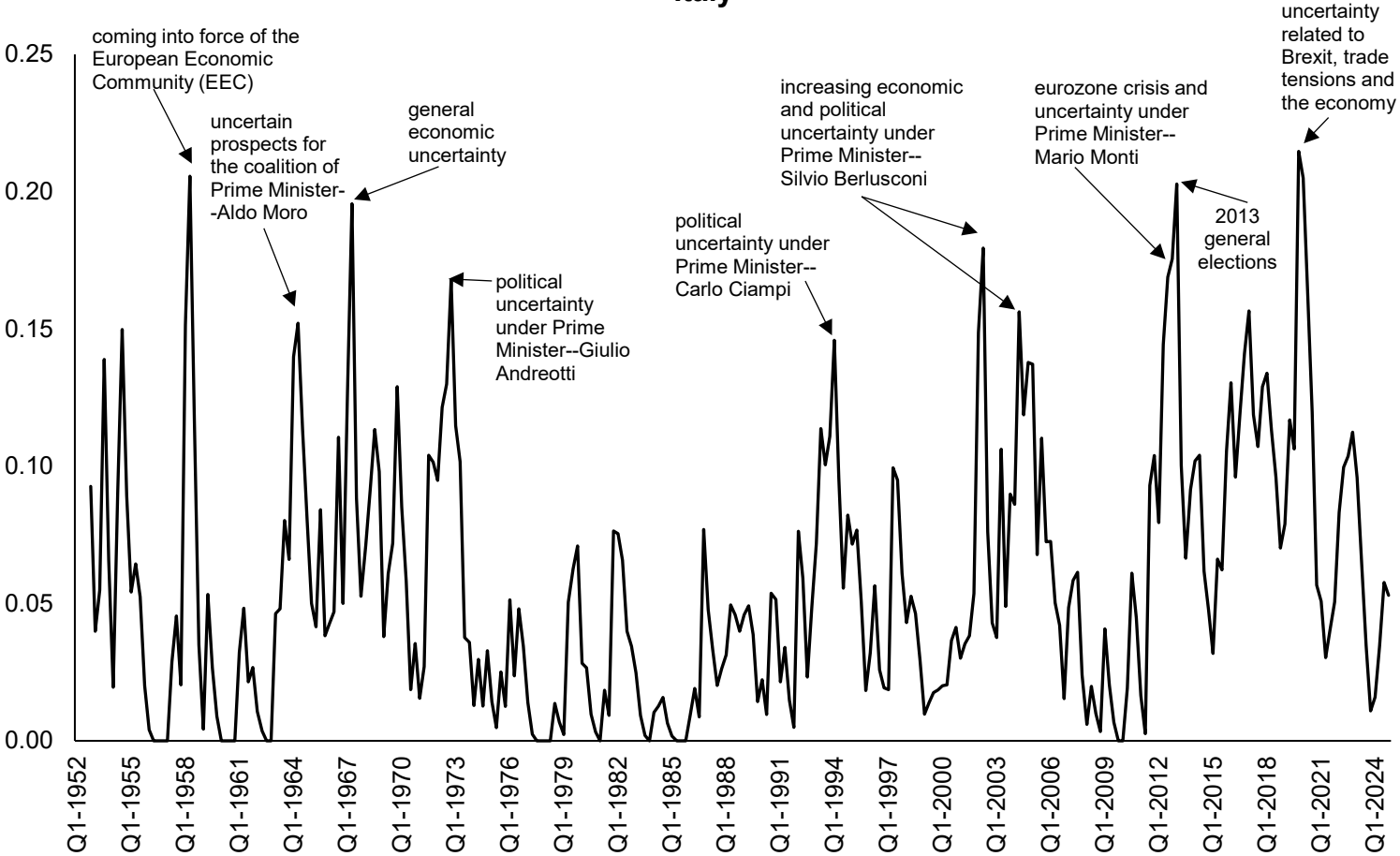
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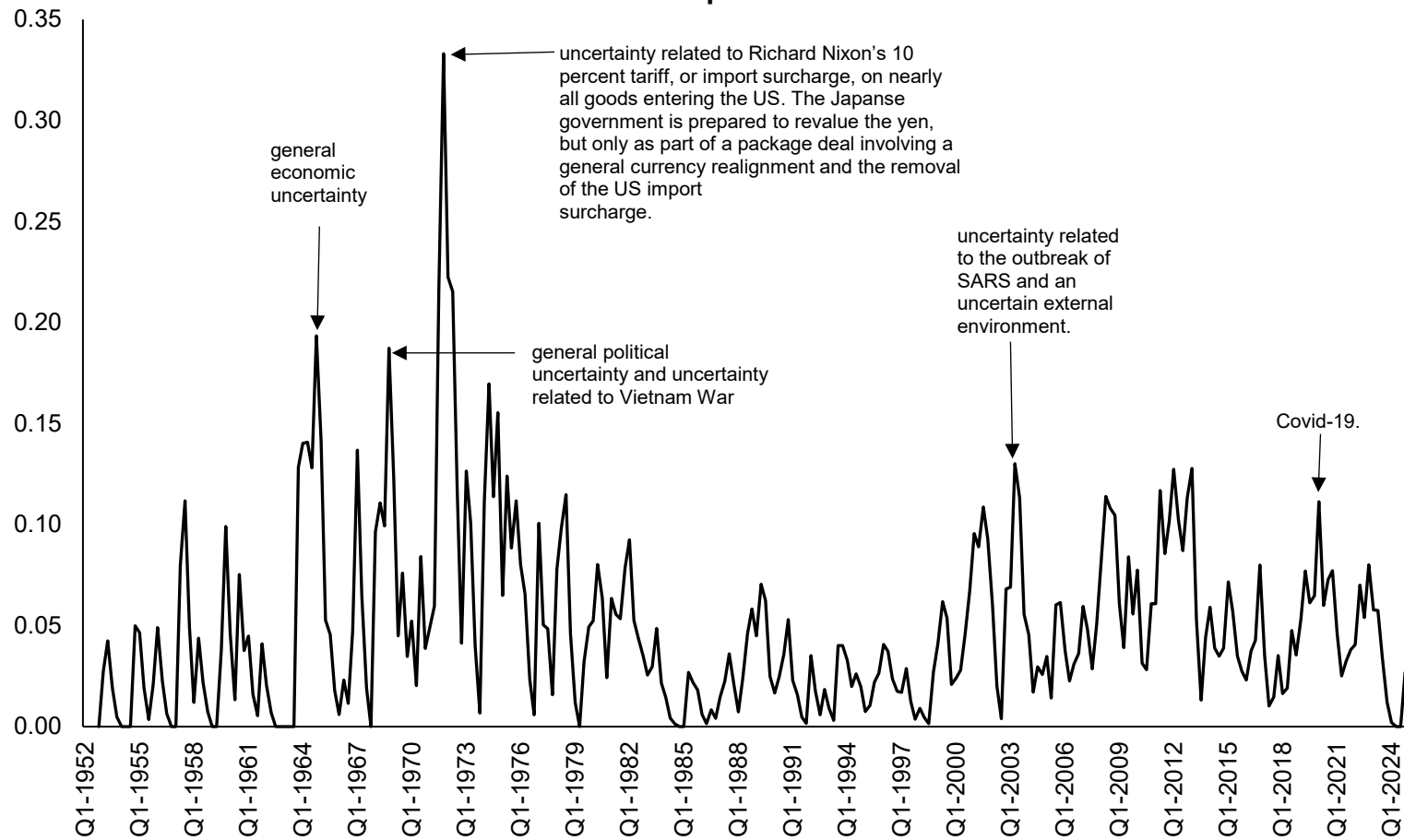
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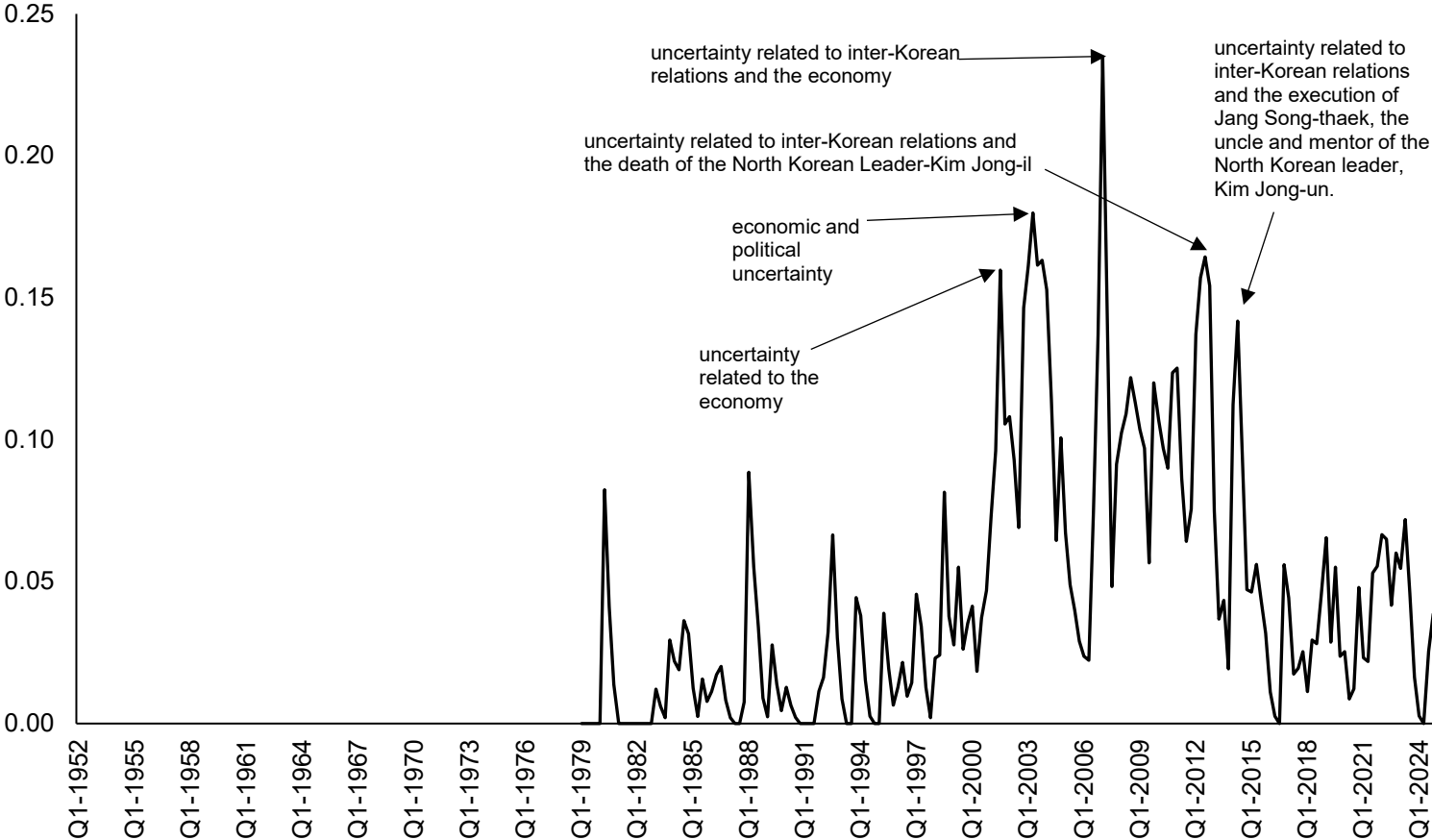
Italy



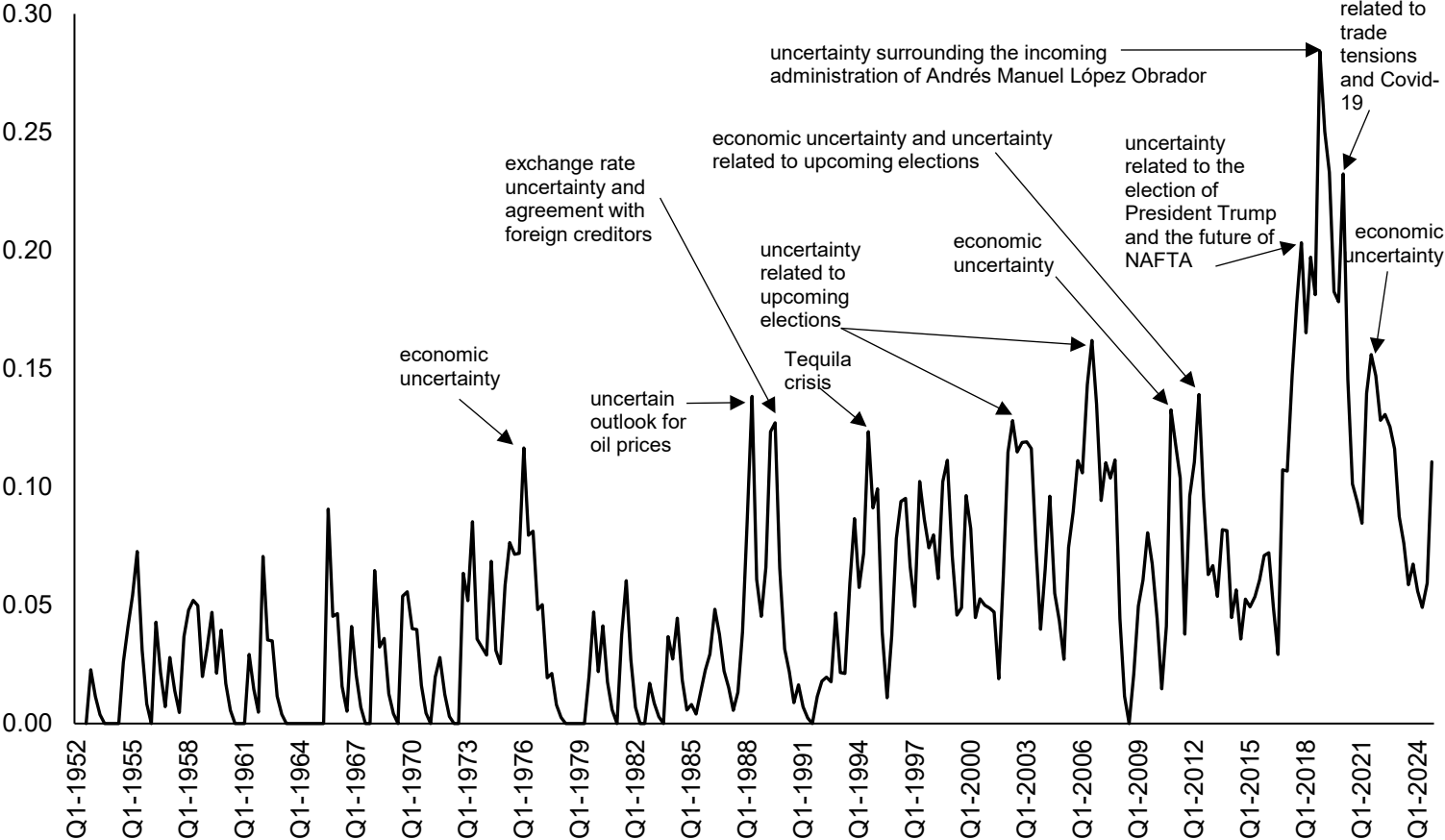
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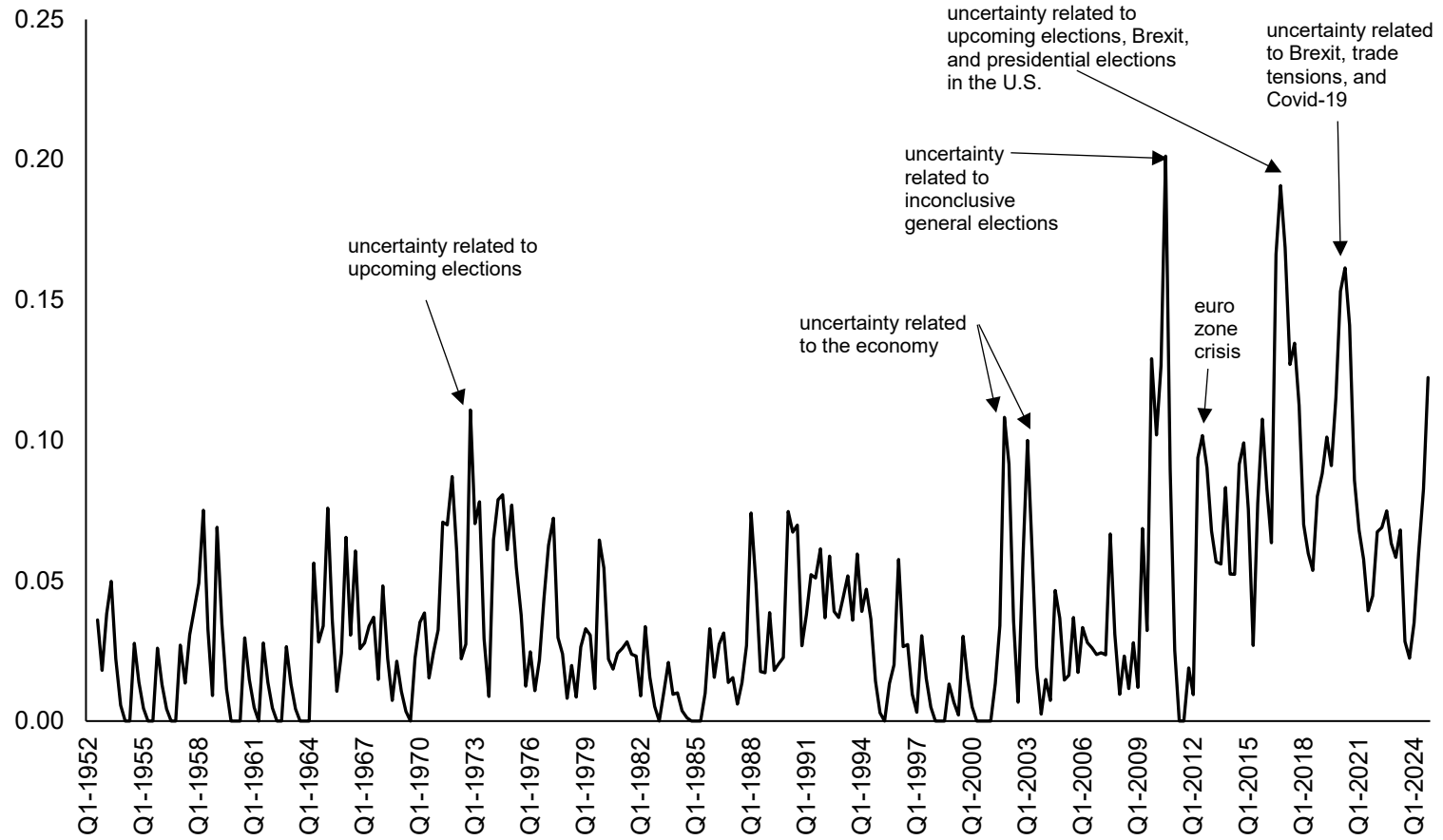
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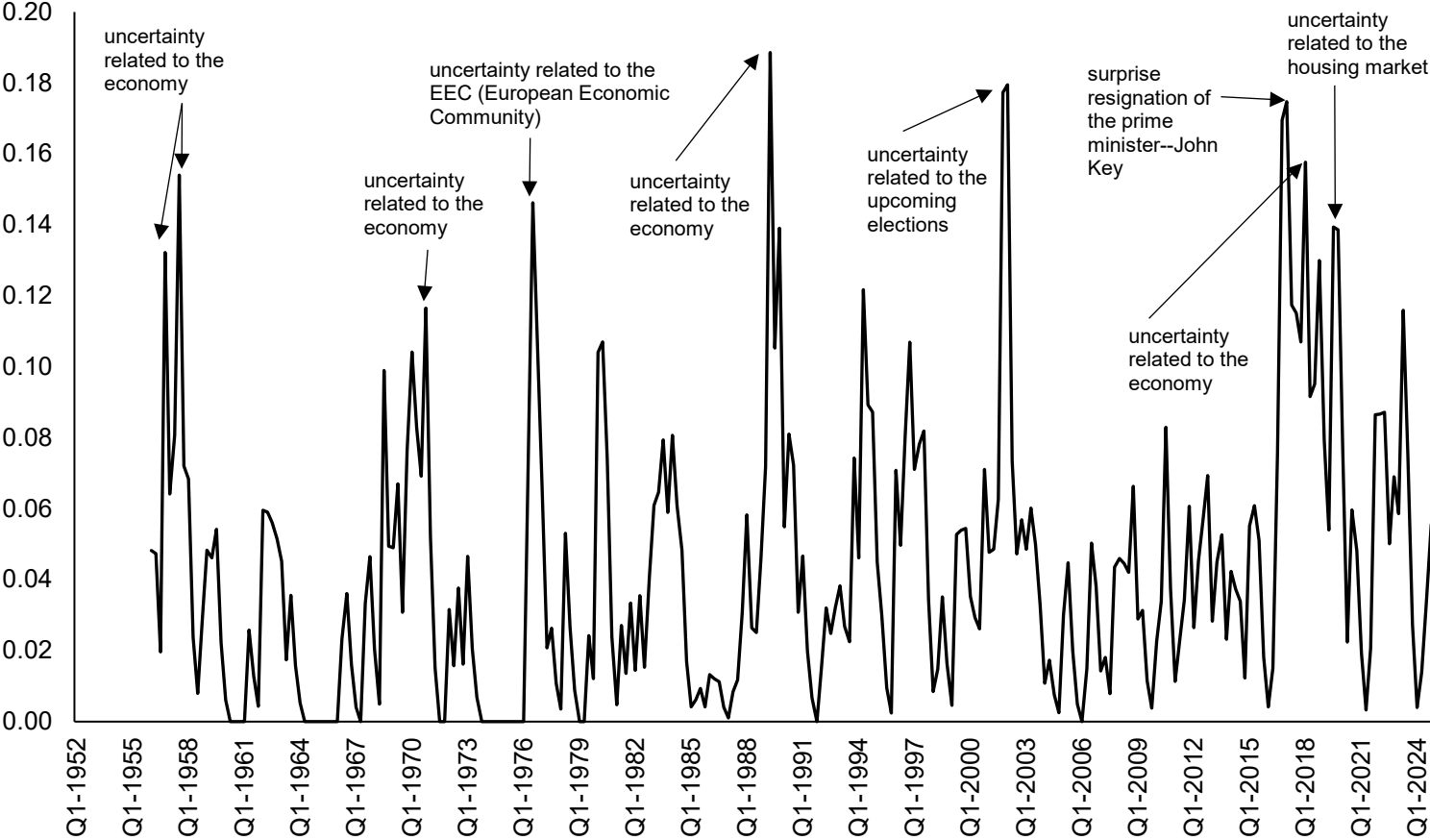
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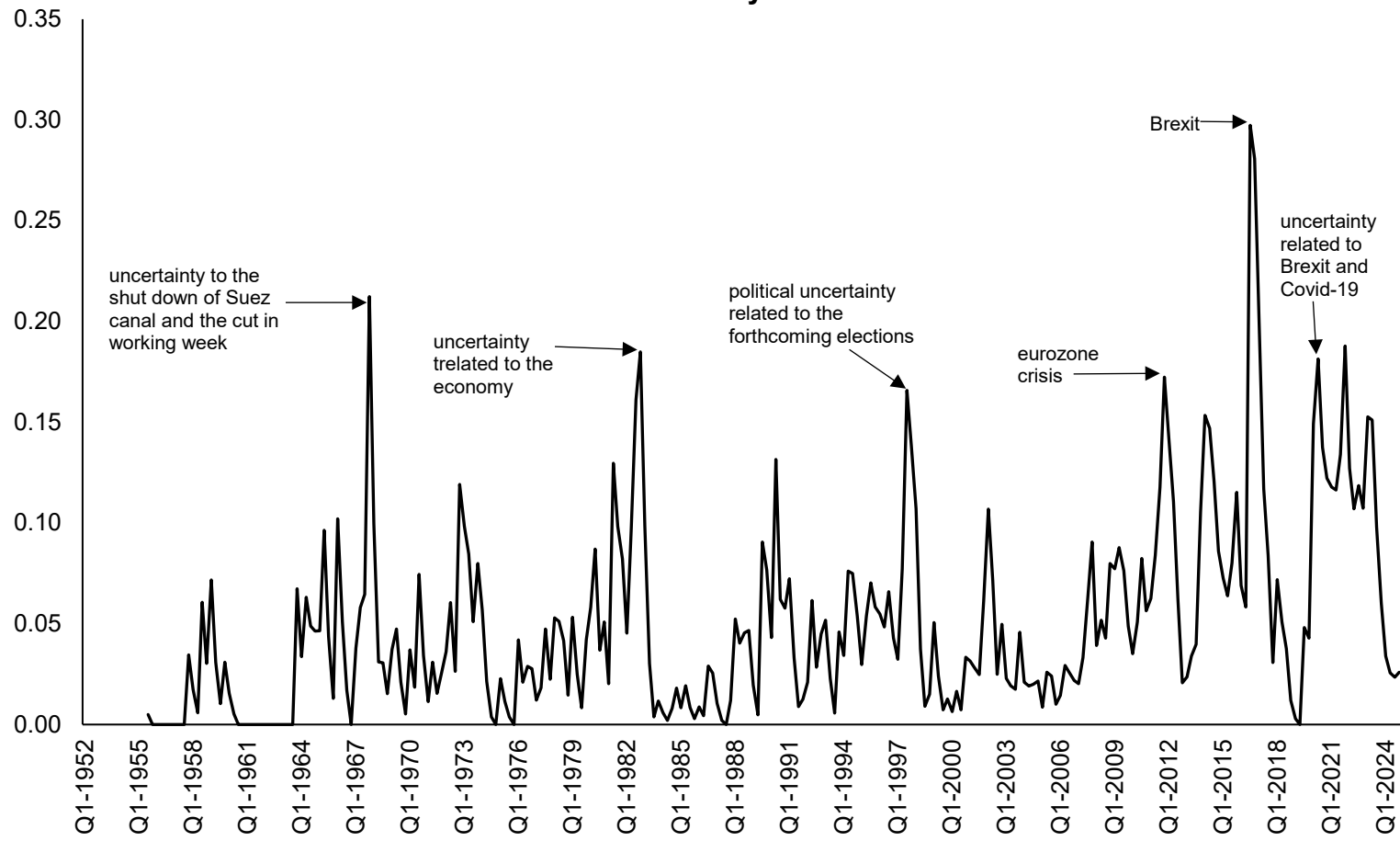
Netherlands



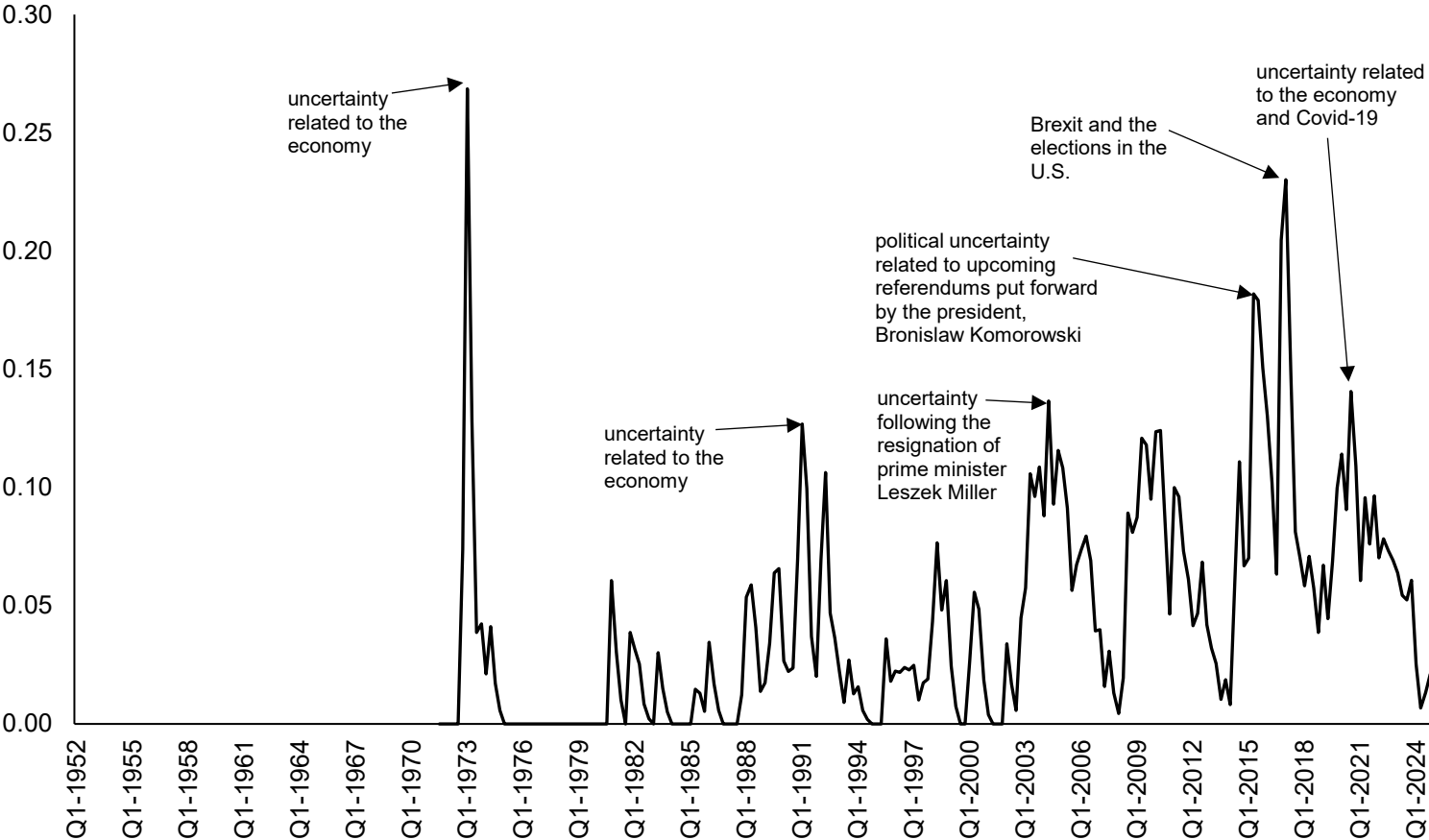
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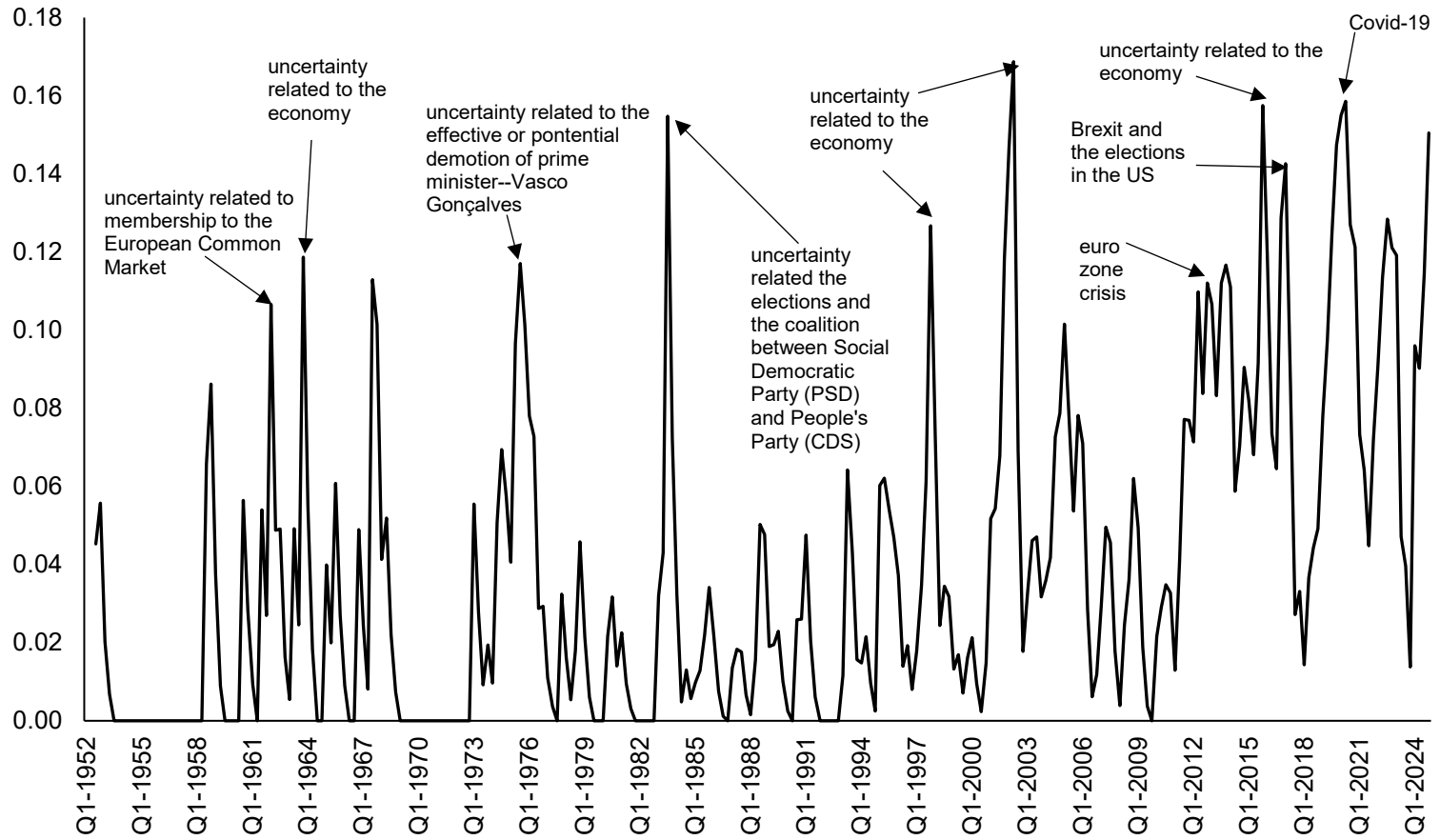
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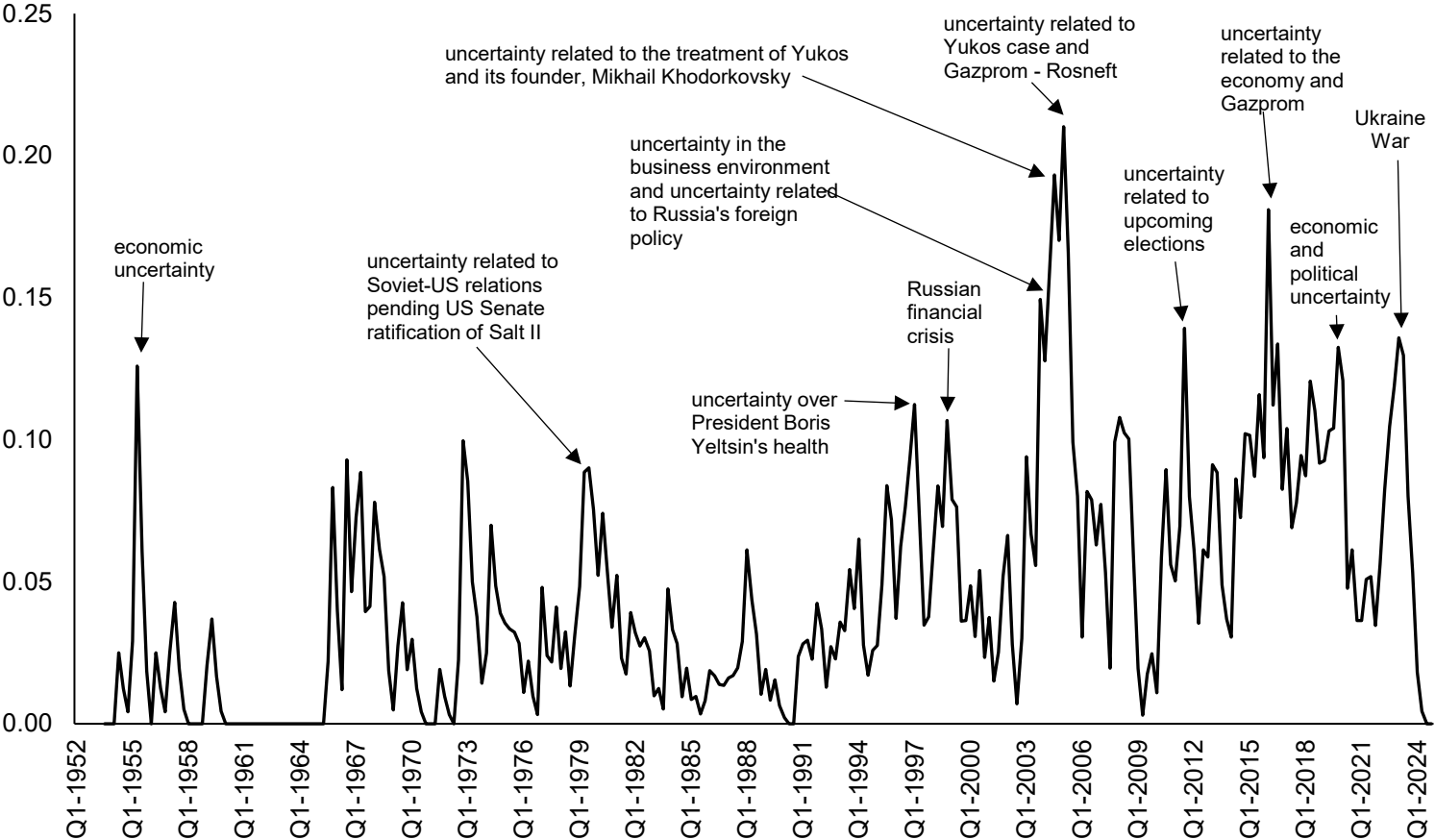
Poland



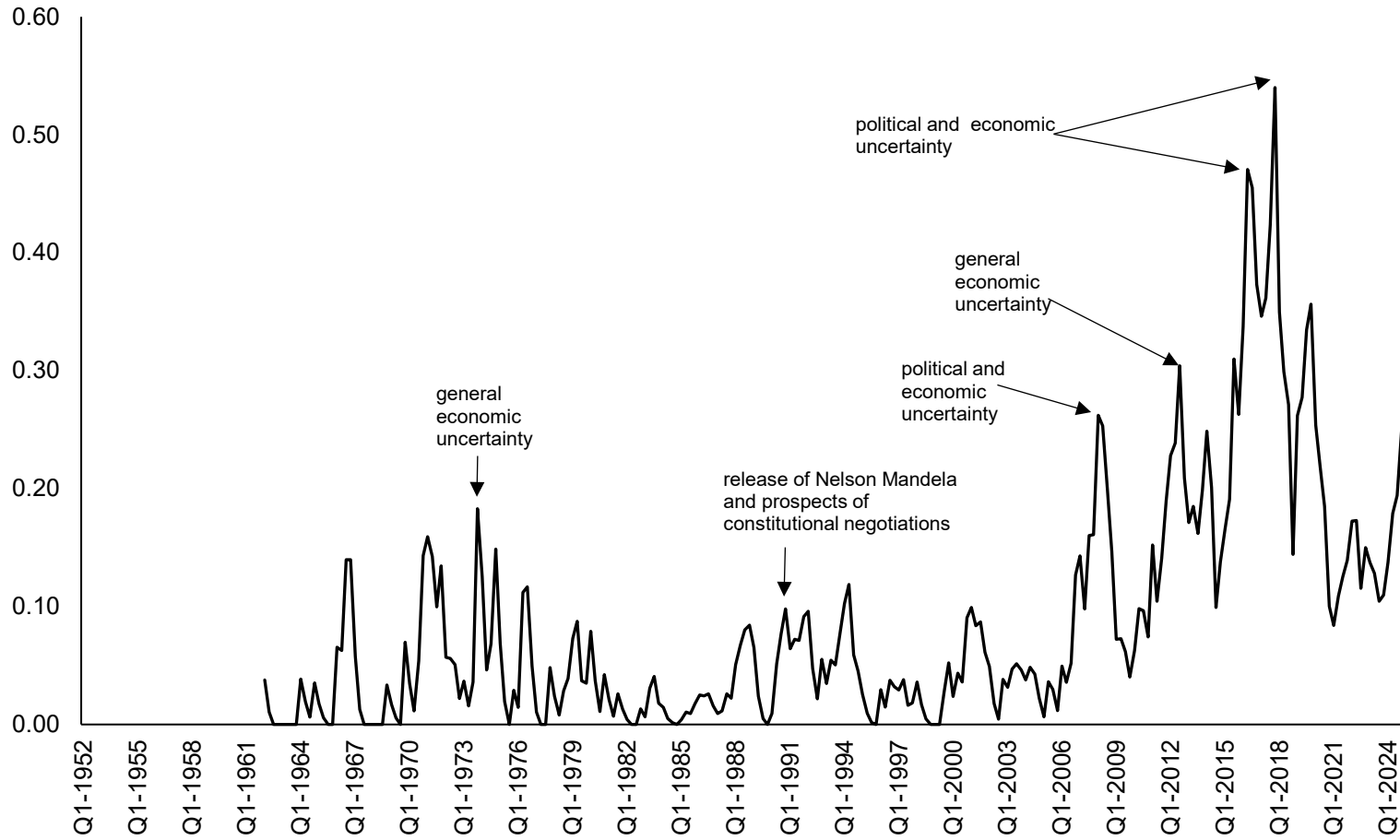
Portugal



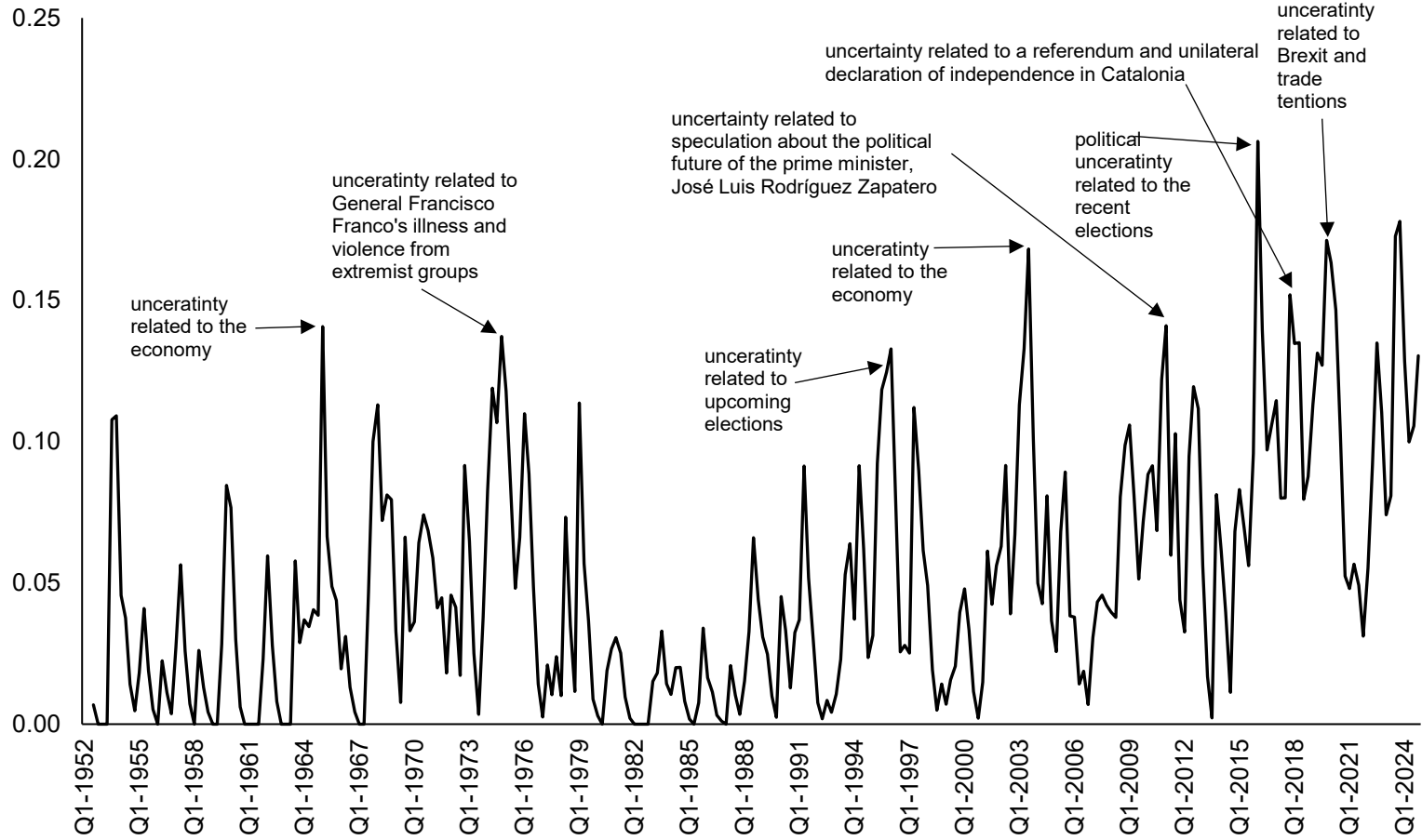
Russia



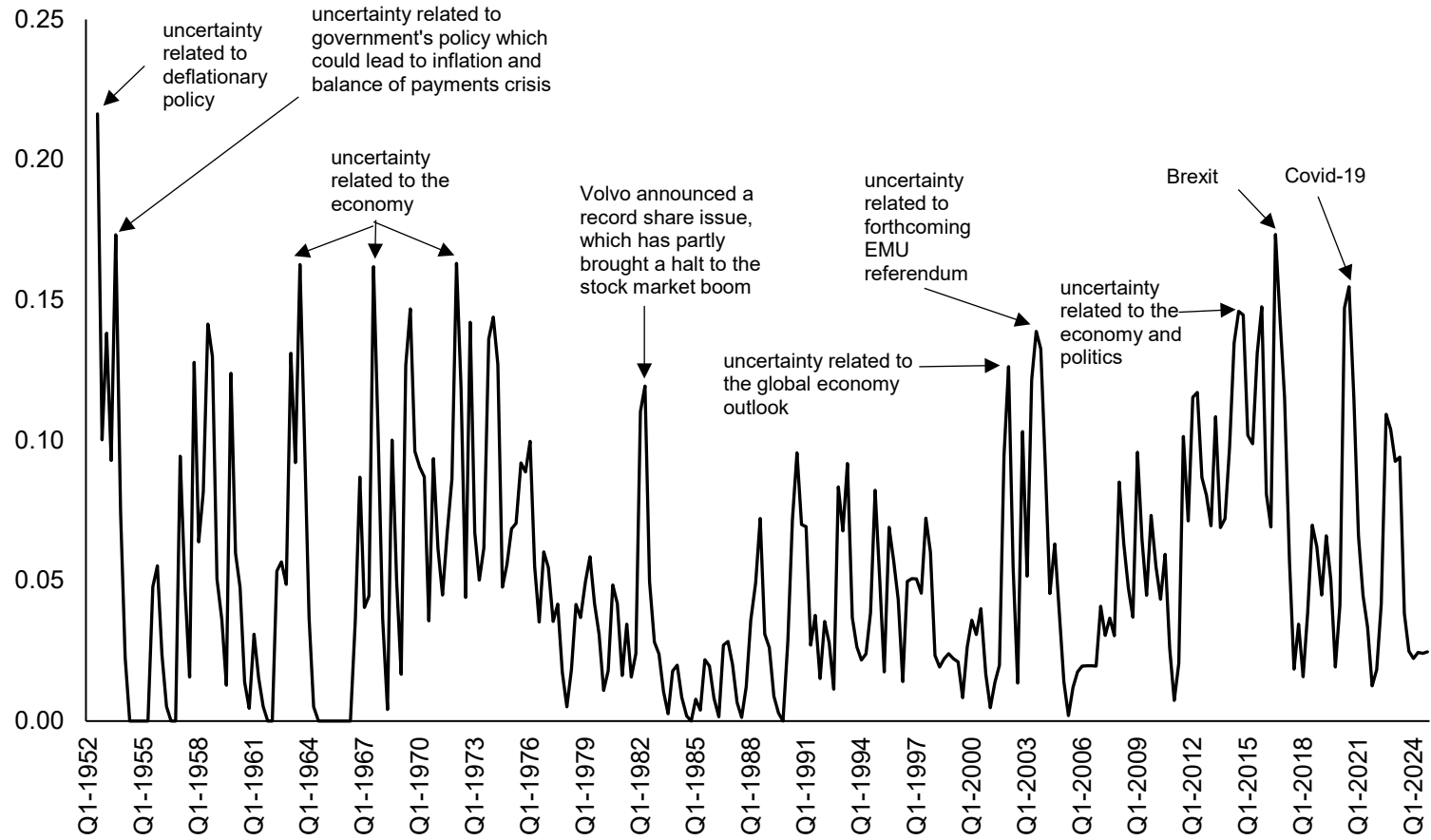
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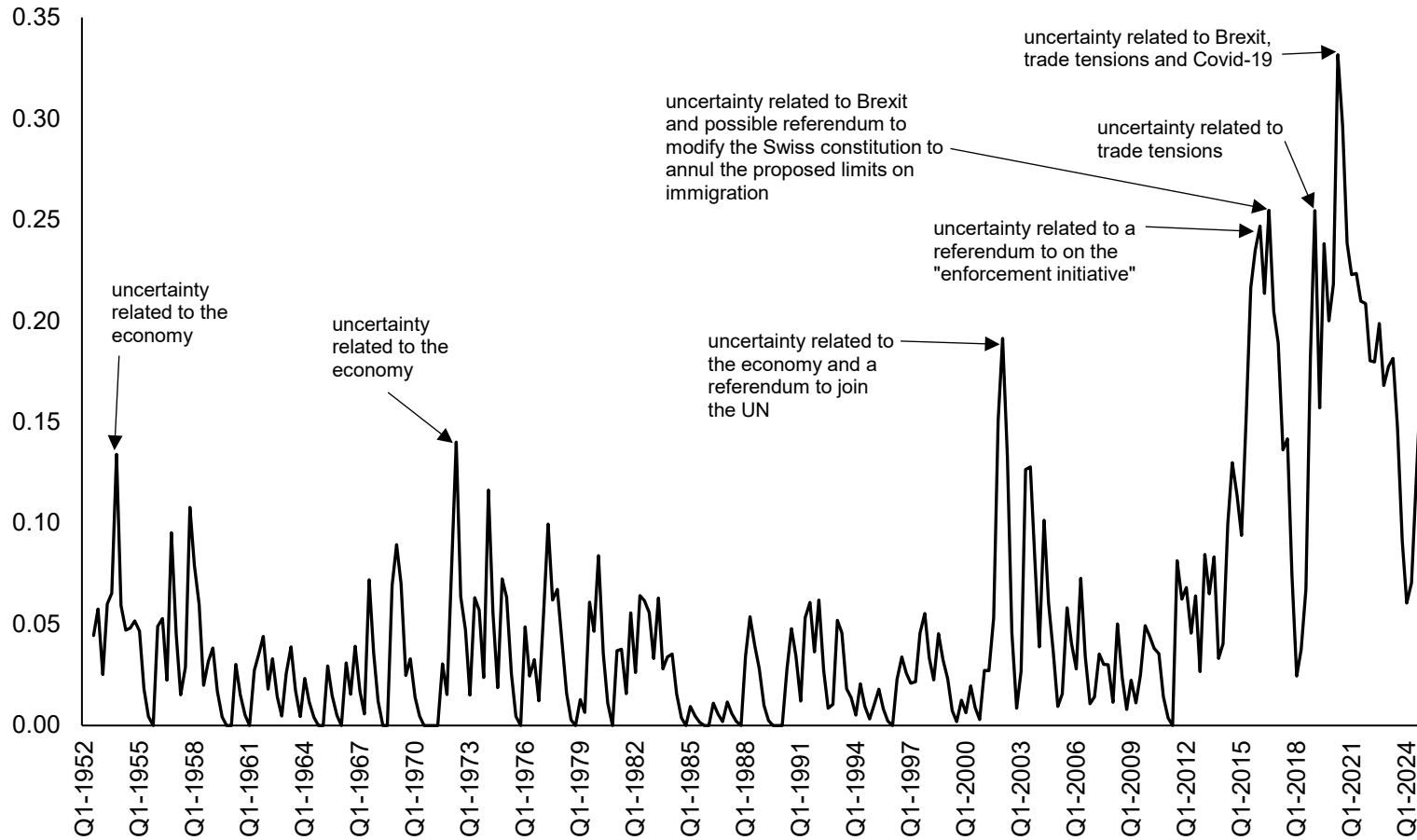
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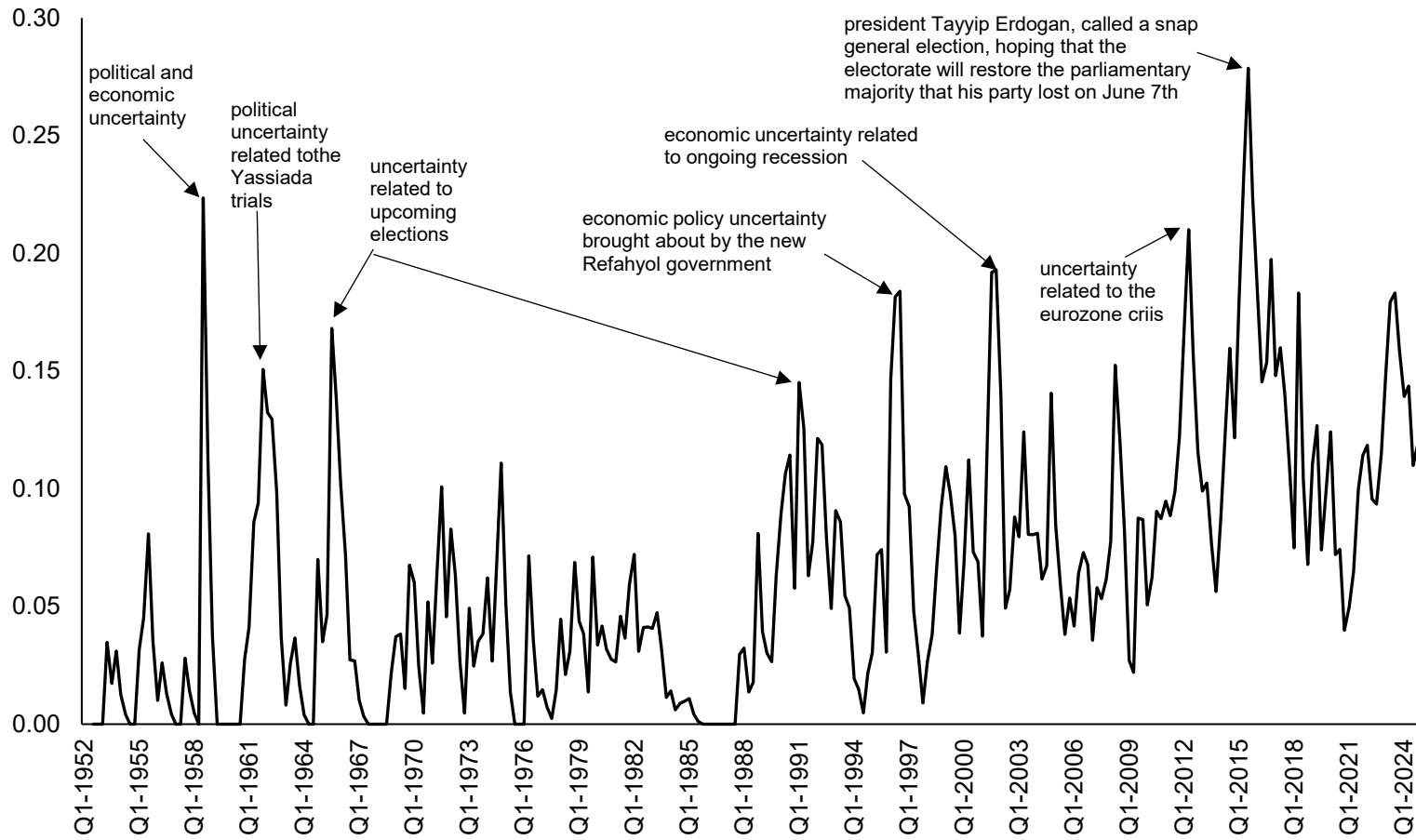
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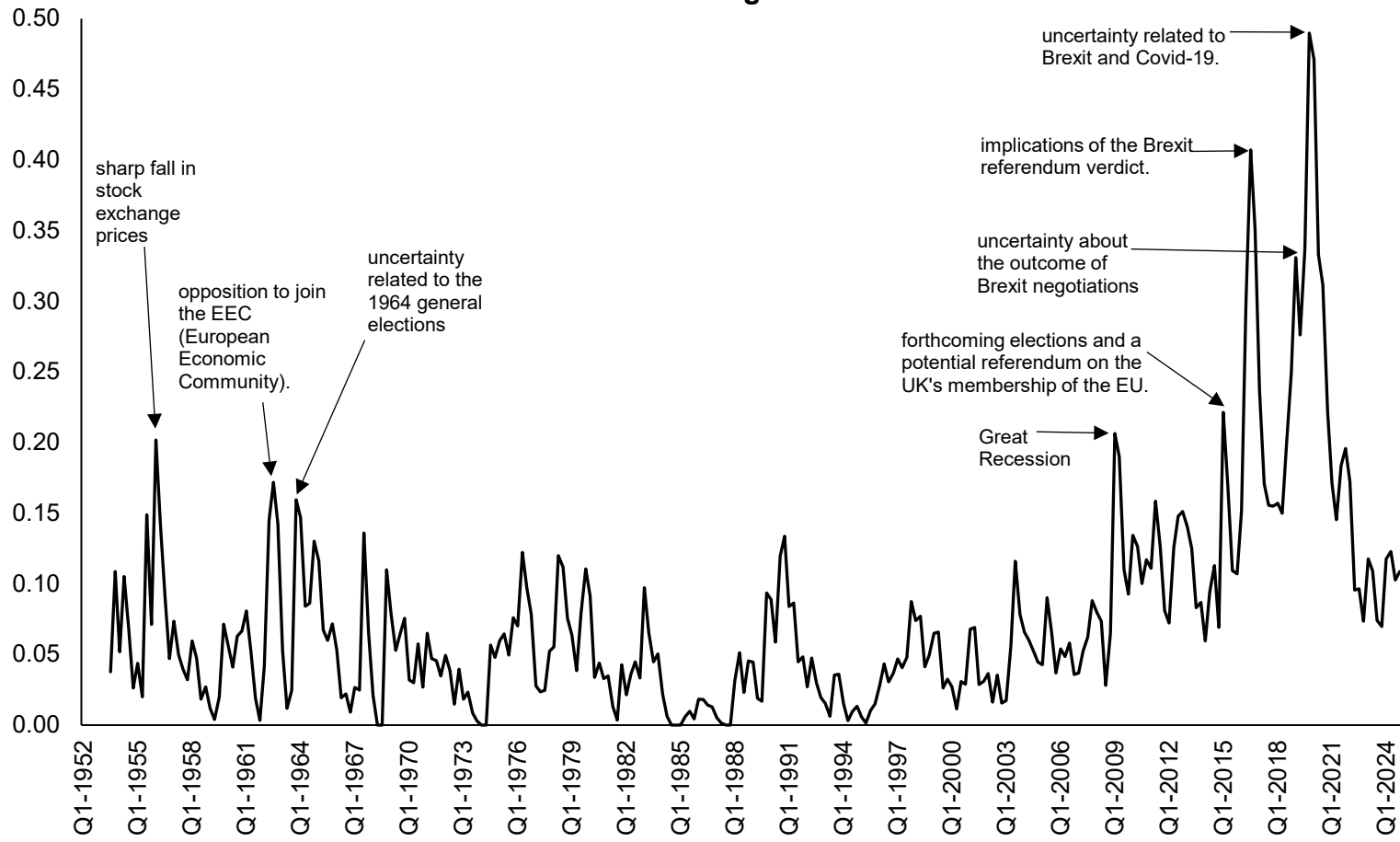
Switzerland



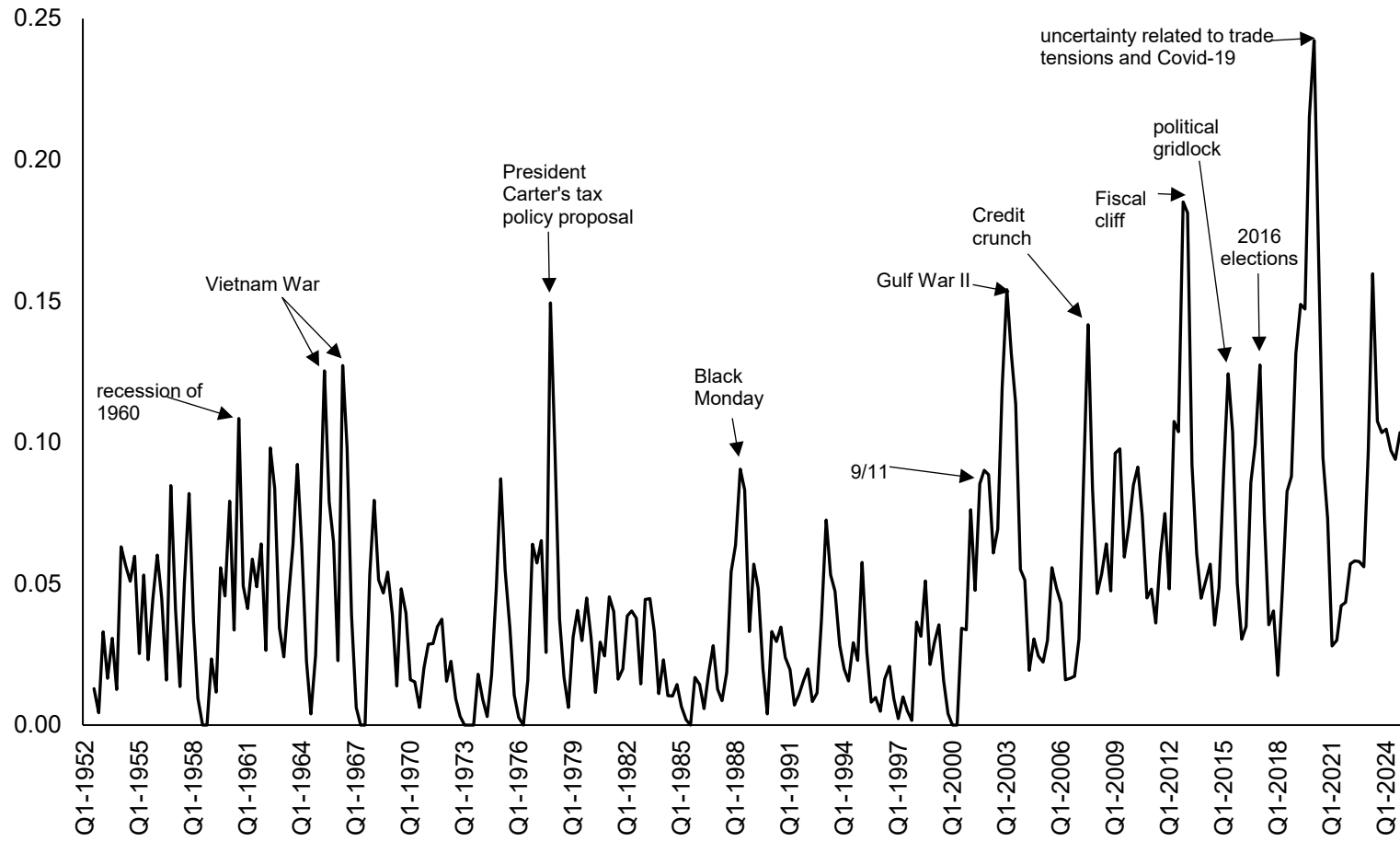
Turkey



United Kingdom



United States



Prompt for AI-based Uncertainty

You are an economist analyzing Economist Intelligence Unit (EIU) country reports.

Your task is to process EACH report INDEPENDENTLY and produce one full set of results (Q0–Q1) per report.

SEARCH INSTRUCTIONS

Step 1 — Keyword searches (run separately)

Search the report case-insensitively for each keyword as separate searches:

- "uncertain"
- "uncertainty"
- "uncertainties"

Step 2 — Matching rules

- Match is case-insensitive
- Match even if followed by punctuation (e.g., "uncertain," "uncertainty.")
- Extract the FULL SENTENCE containing the keyword.
- If sentence boundaries are ambiguous due to formatting, extract the entire line or clause containing the keyword.
- Include ALL sentences/clauses containing ANY of the three keywords.
- Maintain the original document order.
- Do NOT summarize or paraphrase. Extract exact text only.

Step 3 — If no matches

If no sentences contain any of the keywords, return:

- "No relevant quotes found."

CLASSIFICATION INSTRUCTIONS

After extracting ALL keyword-containing sentences, classify each extracted sentence into one of two buckets using only the content of that sentence:

Bucket A — Economic & Political Uncertainty (EPU)

A sentence belongs in EPU if the uncertainty is about:

- macroeconomy (growth, inflation, employment, investment, consumption)
- monetary/fiscal policy, budgets/deficits, interest rates, exchange rate policy
- elections, government stability, legislation, geopolitics, war/security policy
- trade policy, trade negotiations, international relations with direct policy/economic implications
- financial markets or systemic risk when framed as an economic/political uncertainty

Bucket B — Other uncertainty (Non-EPU)

A sentence belongs in Non-EPU if the uncertainty is primarily:

- technical/measurement/accounting assumptions
- sector-specific operational uncertainty (e.g., consumer enthusiasm for a technology) without clear macro/policy framing
- legal/administrative uncertainty not tied to economic/political outcomes
- other non-macro, non-policy uncertainties

Important: You must not use any text outside the extracted sentence(s) when assigning buckets.

CODING INSTRUCTIONS (per report)

Q0 — REPORT ID

- Report ONLY the file/report label exactly as provided by the user (e.g., 2005_12, 2006_03).

Q1 — ECONOMIC & POLITICAL UNCERTAINTY (EPU)

Q1a — Intensity of Economic & Political Uncertainty (0–10)

- Score based EXCLUSIVELY on the EPU-bucket sentences (Bucket A).

- 0 = no EPU keyword sentences exist (even if Non-EPU exists)
- 10 = uncertainty is central and strongly emphasized in the EPU quotes.

Q1a Scoring Anchors (use ONLY EPU quotes)

Assign Q1a using only what is explicitly present in the EPU quotes (Bucket A), evaluating centrality + emphasis, not the rest of the report.

- 0 — No EPU keyword sentences exist.
- 1–2 (Very low EPU) — EPU quote(s) are present but uncertainty is a minor caveat; narrow/technical or lightly stated.
- 3–4 (Low EPU) — 1–2 EPU quotes clearly about macro/policy/politics/markets, but uncertainty is not portrayed as a dominant theme.
- 5–6 (Moderate EPU) — Multiple EPU quotes and/or at least one quote links uncertainty to major outcomes (growth path, policy direction, election outcomes, markets) with noticeable emphasis; uncertainty appears material.
- 7–8 (High EPU) — Several EPU quotes across multiple EPU domains (e.g., macro + politics + markets) and/or strong uncertainty phrasing indicating significant impact; uncertainty clearly shaping decisions/outlook.
- 9–10 (Very high / central EPU) — EPU quotes repeatedly frame uncertainty as core/defining; strong emphasis and broad scope; uncertainty dominates the extracted EPU narrative.

Q1a Quick Consistency Checklist (quote-only)

When choosing the score, use only features visible in the EPU quotes:

1. Frequency (within EPU quotes only): How many EPU keyword sentences?
2. Breadth: Are they across macro/policy/politics/markets or just one narrow theme?
3. Strength of phrasing: Is the uncertainty framed as minor vs. heightened/material/critical?
4. Centrality: Do the quotes read like background caveats or like drivers of the outlook?

Q1b — Rationale: Quotes

- Provide ONLY the EPU-bucket extracted sentences (Bucket A), in document order.
- If no EPU sentences exist, write: “No relevant quotes found.”

FALLBACK RULES

If NO keyword occurrences exist:

- Q1a = 0
- Q1b = "No relevant quotes found."

If keyword occurrences exist but NONE are EPU:

- Q1a = 0
 - Q1b = "No relevant quotes found."
-

PROCESSING RULES

- Process EACH report separately.
 - NEVER combine results across reports.
 - Do NOT reference one report when evaluating another.
 - Use ONLY explicit keyword occurrences. Never infer uncertainty.
 - Do not rely on report summaries or general tone outside the extracted sentences.
 - Always output Q0–Q1 even when no matches exist.
-

OUTPUT FORMAT (per report)

Q0: <report label exactly as provided>

Q1a: <0–10 score>

Q1b:

- <EPU sentence 1>

- <EPU sentence 2>

...

Ensure clean, consistent formatting.