

# THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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CENTRO DE ESTUDIOS Y SERVICIOS

## Negative second semester

With only one month remaining to measure 2015's net balance, the province's economic contraction registered since July has become more significant.

### ICASFe

NOVEMBER 2015

Level:

**160.0**

Monthly variation:

**-0.4%**

Inter-year variation: 1.6%

2015's partial result: 1.6%

### MAIN RESULTS

ICASFE's level was located in **160.0**, presenting a monthly variation of **-0.4%** in respect to October 2015.

Inter-year variation rates reached **1.6%** (comparing November 2015 vs. November 2014).

Cumulated expansion during the first eleven months of 2015 was measured in **1.6%**.

### What is ICASFE for?

ICASFE constitutes a monthly indicator used in order to monitor local economy's activity. To this regard, its main purpose is to capture cyclical movements, being able to determine the precise dates in which recessions/expansions begin and end; it also generates information about phase's duration, amplitude and diffusion.

Technically, the indicator is a composite coincident index developed by an agreement with the *Universidad Nacional de Tucumán* (UNT) which provides a reliable source of information appropriate to support decision makers of public and private institutions. Methodological information and related papers are available in <http://ces.bcsf.com.ar>

### Output data considerations

The last twelve monthly results exposed in this document are based on preliminary information and hence subject to further revisions. Calculated values gain consistency while primary sources publish consolidated data which provides an input to our indicator. Time series are handled in real terms and filtered by seasonality and outliers with the X-13ARIMA-SEATS software produced and distributed by the US Census Bureau.

### In order to download or get access to:

- Statistical database, methodological documents and related publications | <http://ces.bcsf.com.ar>
- An on-line graphical tool to access historical data (series) | <http://www.bolcomsf.com.ar/ces/icasfe.php>



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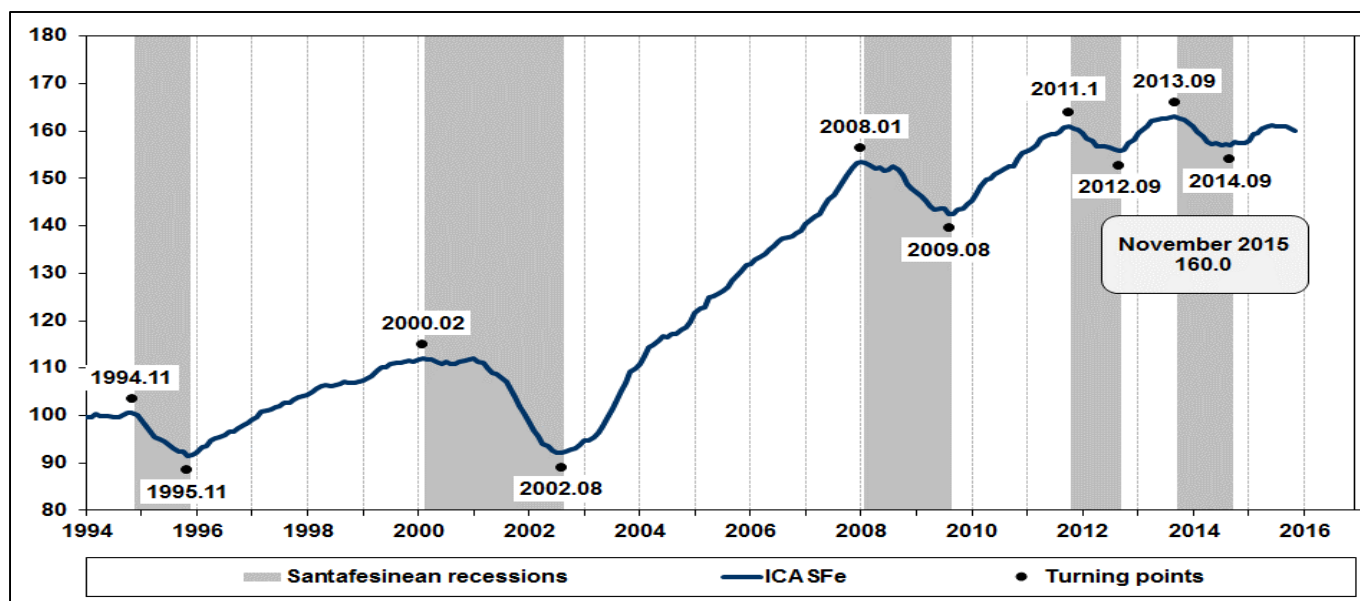
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### Province of Santa Fe's economic activity

In respect to October, the province's coincident index declined once again, this time **0.4%**. These results kept reducing 2015's economic growth, which reached 1.6% in November.

**Graph 1: Composite Coincident Index for the Province of Santa Fe (ICASFe).**

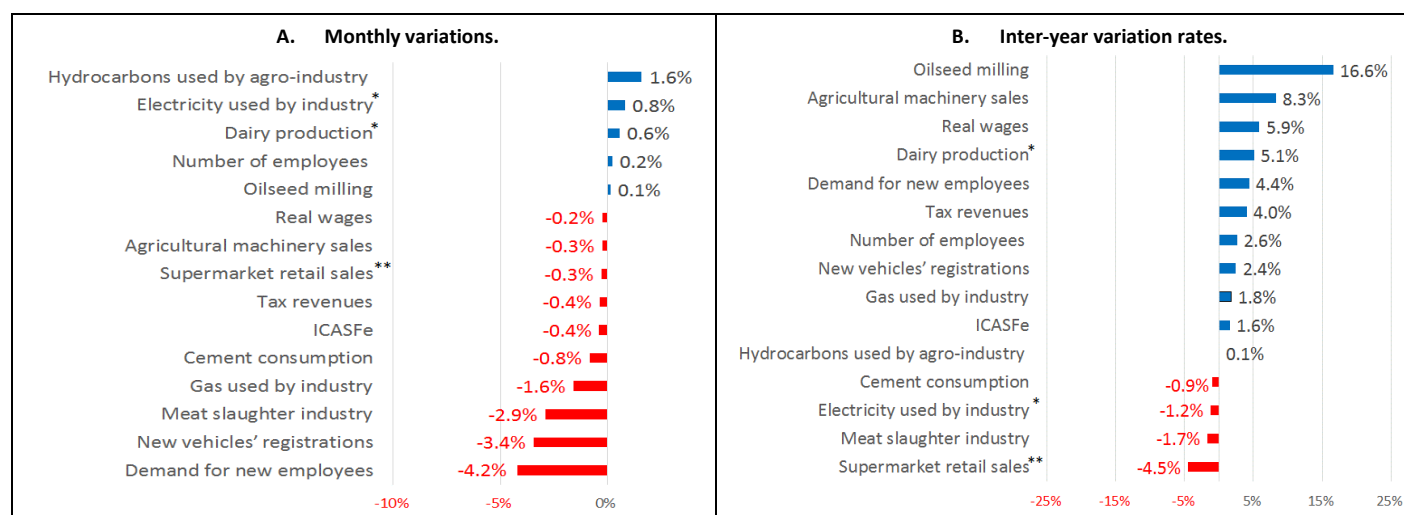


Source: Research and Services Center, Santa Fe's Chamber of Commerce.

### Indicator by indicator

In this opportunity only five of the fourteen economic sub-indicators presented positive monthly variation rates. **Hydrocarbons used by agro-industry** was on top the list within an increment of 1.6% in respect to October and an inter-year rate of 0.1%. **Oil seed milling** also presented a mild monthly expansion of 0.1%, but grew 16.6% in terms of November 2014.

**Graph 2: Economic activity's indicators for the Province of Santa Fe - November 2015 -**



(\*) Last available data refers to October; (\*\*) November's variation rates were estimated.

Source: Research and Services Center, Santa Fe's Chamber of Commerce.

**Industrial gas consumption** decreased **1.6%** within the last measure but stayed above its inter-year benchmark (1.8%). Moreover, **meat slaughter industry** declined both monthly (**-2.9%**) and inter-yearly (**-1.7%**). Particularly in the bovine sector, it is worth noting that an increased number of animals are being retained from slaughter in order to enrich total supply on a midterm horizon.

**Demand for new employees** went down again (**-4.2%**) even though the series recovered 4.4% in terms of November 2014. However, showing certain stability **total registered jobs** improved 0.2%, which means a net inter-year balance of 2.6%. **Real wages** also maintained a positive result in terms of November 2014 (5.9%), but already presented a negative monthly variation rate of **0.2%**. Furthermore, **supermarket retail sales** signaled an important contraction during the last quarter (by using an estimation since official data is not yet available).

In relationship to durable goods' investment, **cement consumption** presented drops in both indicators, with rates of **-0.8%** (monthly) and **-0.9%** (inter-yearly). Similarly, **new vehicles' registrations** decreased 3.4% in respect to October; although the series recovered 2.4% across the last twelve months.

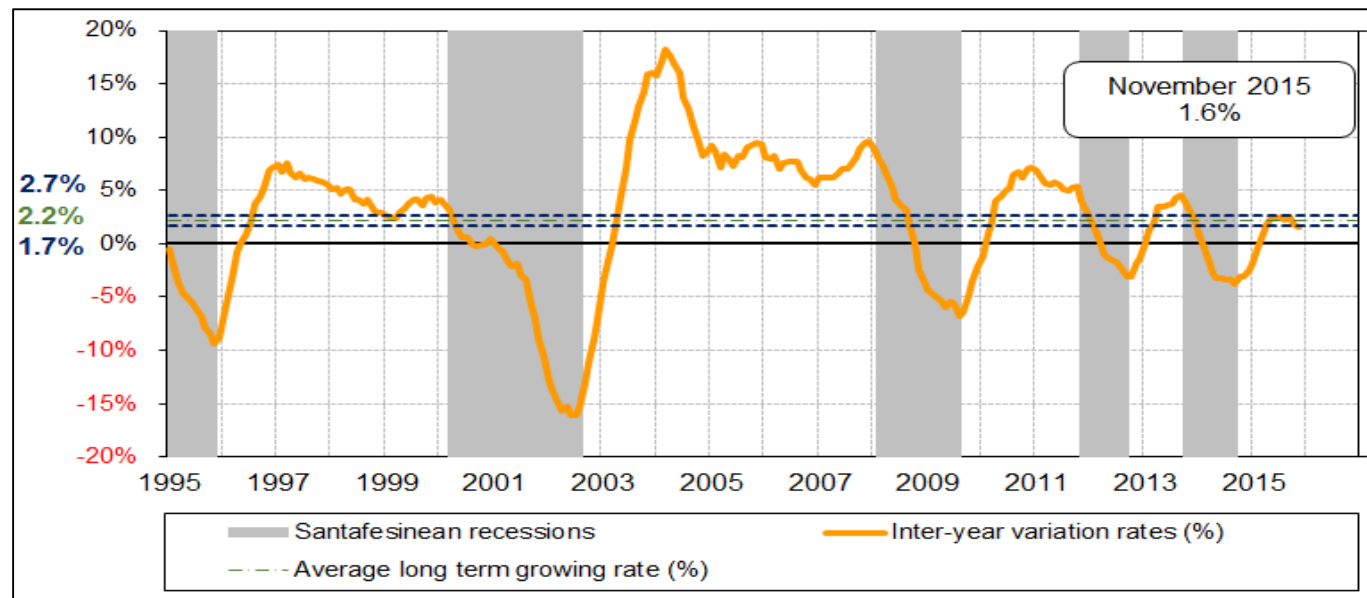
Lastly, **tax revenues** went down **0.4%** in November, whereas the sub-indicator increased 4.0% considering its inter-year benchmark.

### Summary and perspectives

The coincident index's inter-year gauge declined to 1.6% in November 2015, crossing down all three growth's long term statistical bands (see Graph 3). It is worth noting that this indicator was located in 2.5% this past July and, therefore, went backwards almost an entire perceptual point in only four months.

To this regard, these negative results upon Santa Fe's economic activity follow a relationship within an unfavorable national context driven by the elections and macroeconomic uncertainty. In fact, from this perspective, it is legitimate to assume that stagnation is going to remain palpable at least until 2016's second half.

**Graph 3: Monthly Composite Index's inter-year variation rates.**



Source: Research and Services Center, Santa Fe's Chamber of Commerce.