

# THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

Monthly publication Nº 11 / Year 10  
ISSN 2362-4884  
Date: 12/29/2016



CENTRO DE ESTUDIOS Y SERVICIOS

## Santa Fe's economy will end 2016 under recession

The coincident index registered an almost null monthly variation rate in October and therefore 2016's cumulated contraction remained around **-2.3%**.

### ICASFe

OCTOBER 2016

Level:

**152.9**

Monthly variation:

**-0.01%**

Inter-year variation: **-2.7%**

2016's partial result: **-2.3%**

### MAIN RESULTS

ICASFE's level was located in **152.9**, presenting a monthly variation of **-0.01%** in respect to September 2016.

Inter-year variation rates reached **-2.7%** (comparing October 2016 vs. October 2015).

Partial cumulated contraction during 2016's was measured in **-2.3%**.

### 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 the coincident index. In addition, it is worth noting that all series internalized by this project, 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 | Go to <http://ces.bcsf.com.ar>
- Handbook of sub-indicators | Go to <http://ces.bcsf.com.ar>
- An on-line graphical tool to access historical data | Go to <http://www.bolcomsf.com.ar/ces/icasfe.php>



### Bolsa de Comercio de Santa Fe

President

**Ing. Agr. Olegario Tejedor**

### Fundación Bolsa de Comercio

President

**Ing. Agr. Olegario Tejedor**

Executive Director

**Dr. Gustavo Vittori**

### Research and Services Center

Director

**Lic. María Lucrecia D'Jorge**

Coordinator

**Lic. Pedro P. Cohan**

Researchers

**Lic. Melisa B. Lazzaroni**

**Lic. Alfonso Cheri**

### E-mail and contact information

[ces@bolcomsf.com.ar](mailto:ces@bolcomsf.com.ar)

### Websites

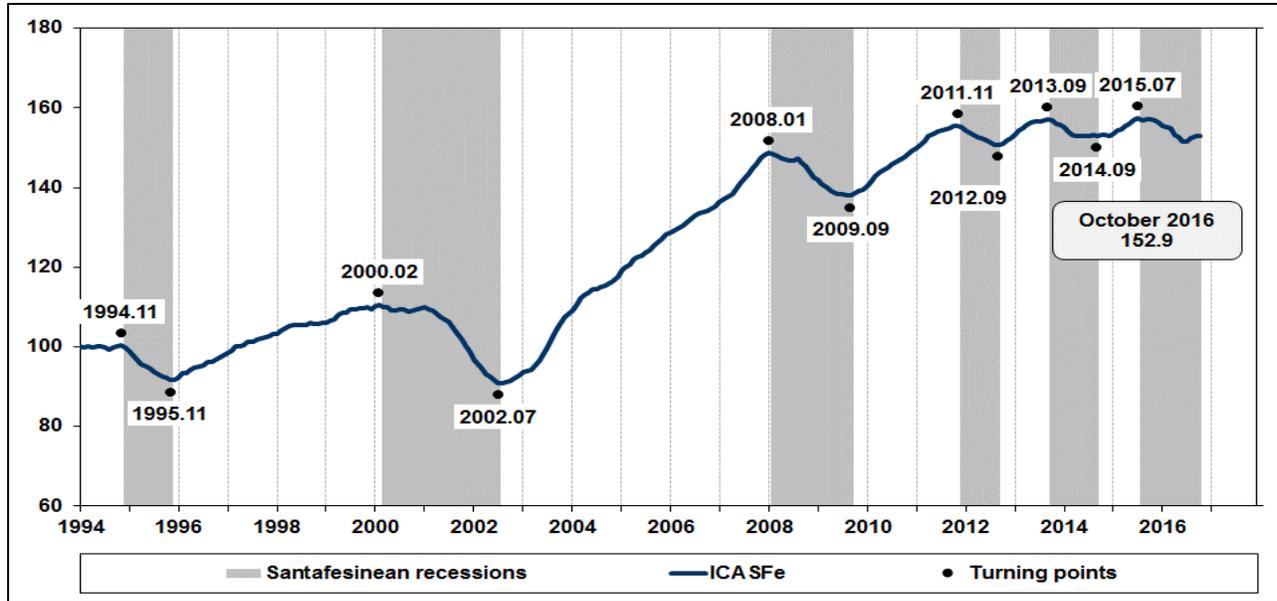
<http://ces.bcsf.com.ar> o

<http://www.bcsf.com.ar>

**Province of Santa Fe's economic activity**

Santa Fe's economic recession reached its 15<sup>th</sup> month, within an almost null variation rate in respect to September (-0.01%). To this regard, the coincident index's performance during October went against July and September's; but more favorable results are expected from November on.

**Graph 1: Composite Coincident Index for the Province of Santa Fe (ICASFe). Base 1994 = 100.**

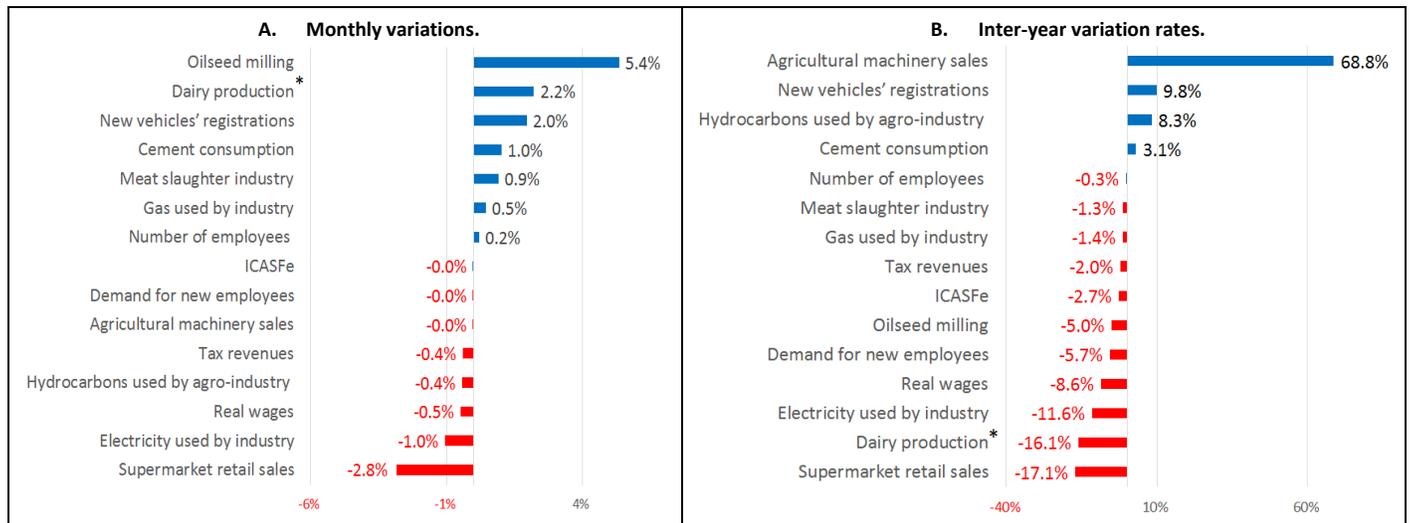


Source: Research and Services Center, Santa Fe's Chamber of Commerce.

**Indicator by indicator**

In October 2016 seven of the fourteen series considered by ICASFe registered positive monthly variation rates, two of them maintained their previous level, and the other five presented an unfavorable outcome (see Graph 2).

**Graph 2: Economic activity's indicators for the Province of Santa Fe - October 2016 -**



Last available data: (\*) October 2016 was estimated.

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

**Oil-seed milling** was in top of the ranking within a monthly variation rate of 5.4% although its inter-year comparison was measured in **-5.0%**. **Dairy production** increased once again in monthly terms but has a long way to go over before its partial recovery becomes

genuine growth; inter-yearly the series signals a total contraction of **-16.1%**. Similarly, **meat slaughter industry** obtained rates of 0.9 and **-1.3%**, respectively. In regard to **agricultural machinery sales**, the series improved 68.8% during the last year.

**Gas consumption** increased 0.5% in respect to September, which implies a net balance of **-1.4%** in terms of October 2015. Moreover, **hydrocarbons used by agro-industry** lost **0.4%** although it represents one of the few sub-indicators within positive inter-year variation rates (8.3%); **electricity used by industry** declined **1.0%** monthly and **11.6%** inter-yearly.

**Cement consumption** showed favorable results for the eighth month in a row (1.0%), reaching an inter-year recovery of 3.1%. In addition, **new vehicles' registrations**, also related to durable goods, registered rates of 2.0 and 9.8%, respectively.

**Registered jobs** achieved a slight increment of 0.2% in October and remains only **-0.3%** behind its inter-year benchmark. **Demand for new employees** did not show improvements in terms of September, within an inter-year contraction of **-5.7%**. **Real wages** declined **0.5%**, cumulating a total loss of **8.6%** over purchasing power across the last twelve months. To this regard, **supermarket retail sales** are also facing an unfavorable context, registering rates of **-2.4** and **-17.1%**, respectively.

Moved by lower flows of federal and local resources, **tax revenues'** dropped **0.4%** in October, which means an inter-year decline of **2.0%**.

### Summary and perspectives

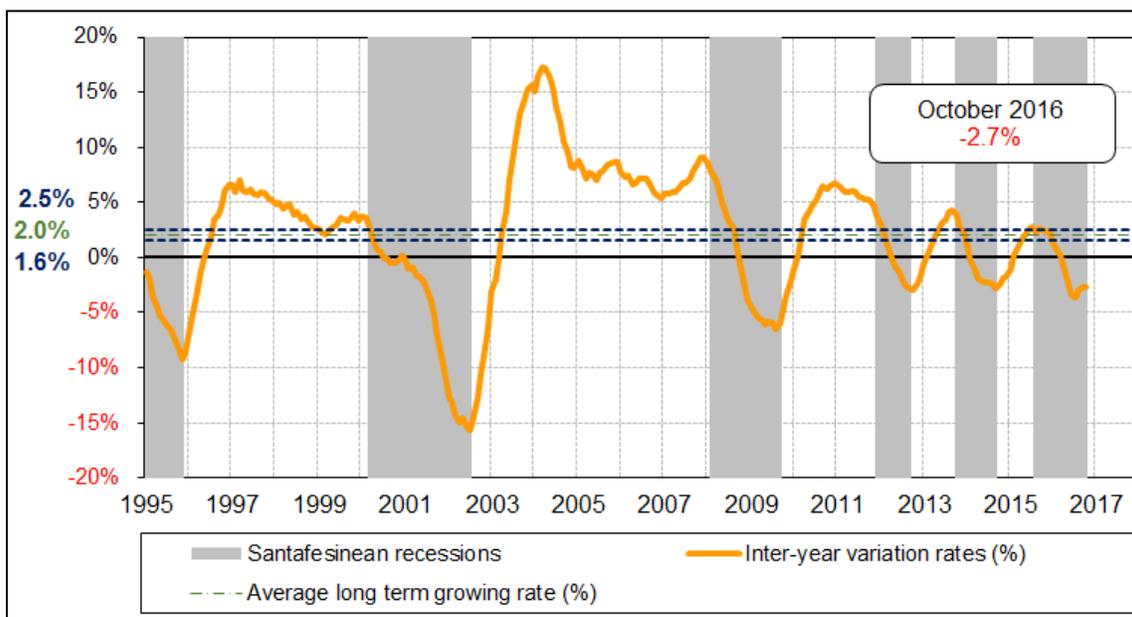
ICASFe's inter-year variation rates stayed on negative terrain (**-2.7%**) but seem to be recovering in line with a better economic scenario.

Series related to agro-industrial activities and durable goods are leading the economy to what it may soon become a new expansion phase. Especially if these improvements join up together with 2017's projects on public infrastructure.

In respect to October, its negative variation rate was based on monetary series which internalized the inflation's effects. General prices grew around 2% during the last month whereas a lower rate was expected considering July and September's results.

All taken into account, Santa Fe's economic activity is going to finish the year under recession but within optimistic perspectives for 2017.

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



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