

Monthly Digest

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Bolsa de Comercio de Santa Fe



Monthly Composite Coincident Index for the province of Santa Fe (ICASFe)

Bolsa de Comercio de Santa Fe (Santa Fe's Chamber of Commerce)

President
Dr. Eduardo González Kees

Fundación Bolsa de Comercio de Santa Fe

President
Dr. Eduardo González Kees

Executive Director
Dr. Gustavo Vittori

Research and Services Center

Director
CPN Fabio Arredondo

Coordinator
Lic. María Lucrecia D'Jorge

Researchers
Lic. Pedro P. Cohan
Sra. Carolina E. Sagua

Email Contact Information
ces@bolcomsf.com.ar

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

The province's
economic activity
experiences a strong
deceleration.

ICASFe
Base 1994 = 100
158.6

November 2011

Monthly %: 0.1%
Inter-year %: 3.8%

In 2011's eleventh month economic growth rhythm is lower than during the beginning of the year. ICASFe's inter-year variation rates decreased from 6.4 to 3.8% between December 2010 and November 2011.

The Composite Coincident Index for the province of Santa Fe (ICASFe) constitutes a monthly indicator used to describe the global performance of the province's economy. It allows us to determine the precise dates in which recessions/expansions begin and end, as well as following the most important economic sectors' behavior. Finally, it provides a reliable source of information appropriate to support decision makers of public and private institutions.

According to the last obtained results, during the month of November 2011, the ICASFe was located at **158.6**, presenting a **0.1%** monthly variation with respect to October.

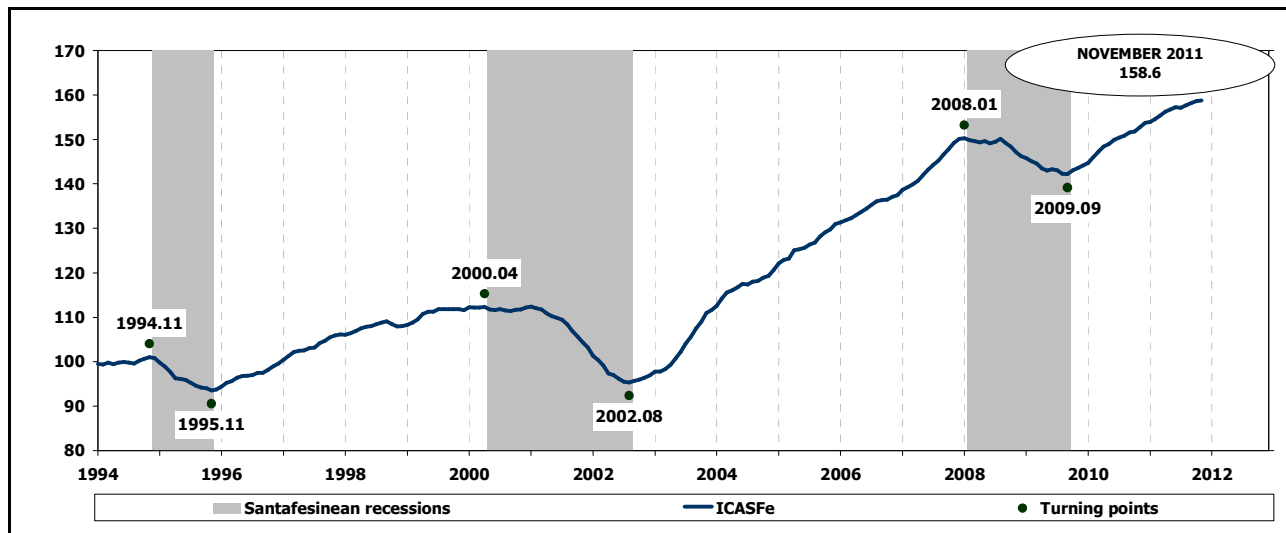
The last twelve monthly results exposed in this document are based on preliminary information and hence subject to further revisions. Calculated values gain consistency while primary sources publish consolidated data which provides an input to our indicator. Time series are handled in real terms and filtered by seasonality and outliers with the X12-ARIMA software.

Province of Santa Fe's economic activity

In November 2011 the province's economic activity increased 0.1%; a numerical variation which is measured below 2011's average monthly rate (0.3%). According to these results, Santa Fe's economic cumulated growth between January and November 2011 reaches 3.2%.

Graph 1 - ICASFe - Monthly Composite Coincident Index for the Province of Santa Fe -

Base 1994=100. Data: from January 1994 to November 2011.



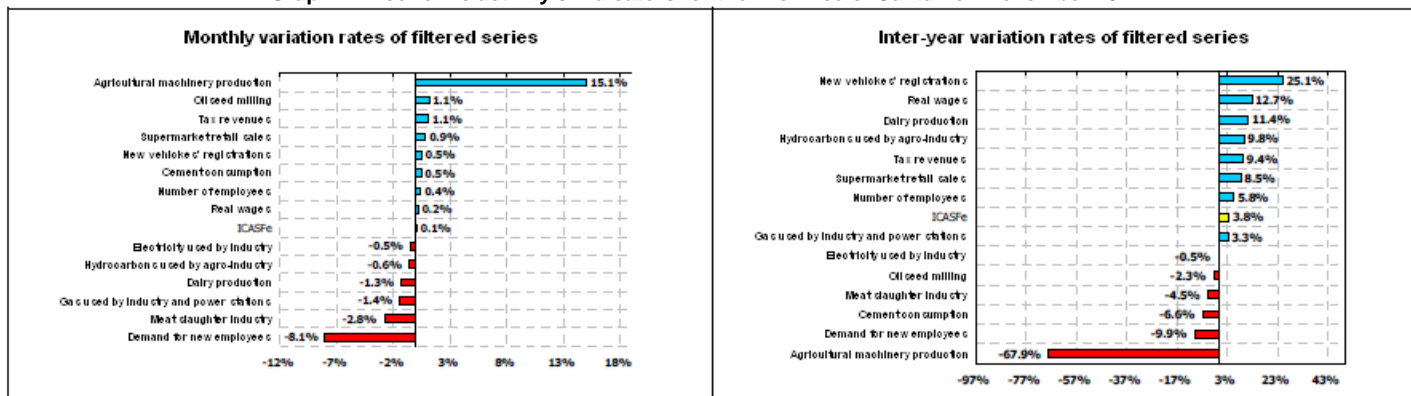
Source: Research and Services Center, Santa Fe's Chamber of Commerce.

Indicator by indicator

After a deep contraction suffered during the first eight month of the year agricultural machinery production was able to catch up part of its losses along the following periods. Nevertheless, the series kept showing its particular volatility and grew 15.1% in November whereas its inter-year variation rate was measured in **-67.9%**.

In the province of Santa Fe, oilseed milling (soy and sunflower) increased 1.1% in November; however, its inter-year comparison is still negative (**-2.3%**). On the other hand, one of the most representative agro-industrial indicators, dairy production, declined **-1.3%** in monthly terms in spite of showing a positive inter-year variation of 11.4%. Meat industry did as well and registered a monthly variation of **-2.8%**; which reinforces its negative trend along these last years. Only 142.713 bovines and 57.092 porcines were slaughtered in the period while 2009's average monthly activity was located in 223.638 and 60.962, respectively.

Graph 2 - Economic activity's indicators for the Province of Santa Fe - November 2011 -



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

Hydrocarbons' consumption used by agro-industry, mainly represented by gas-oil, was reduced **-0.6%** although the series' level is 9.8% above November 2010's. In fact, this same direction was followed by all industrial energetic inputs. Electricity consumption fell down **-0.5%** and gas used by the secondary sector declined **-1.4%**. Concerning about both series' performance during 2011, it's important to highlight a common flattening out which was actually first seen in 2010's last quarter.

Real public incomes, taking into account the province's own tax revenues and federal funds, increased 1.1% in November; this implies a 9.4% inter-year growth. But if only the first component was considered, November's results would be **-0.6%**.

Supermarket retail sales went up 0.9% in respect to October, reaching an 8.5% inter-year expansion. That means Consumption still was one of the main pillars of economic activity growth during 2011. For its part, new vehicles' registrations grew 0.5%, leading inter-year variations' ranking with a rate of 25.1%.

After two consecutive monthly declines during September and October, cement consumption showed a mildly recover of 0.5% in November.

Registered Employment did also present a positive monthly variation of 0.4% whereas expectations measured by the demand for new jobs did not accompany it and declined **-8.1%**. Their inter-year variation rates increased 5.8% in the first series and presented a negative result of **-9.9%** in the latter. In the case of real wages both gauges improved, 0.2% monthly and 12.7% inter-yearly.

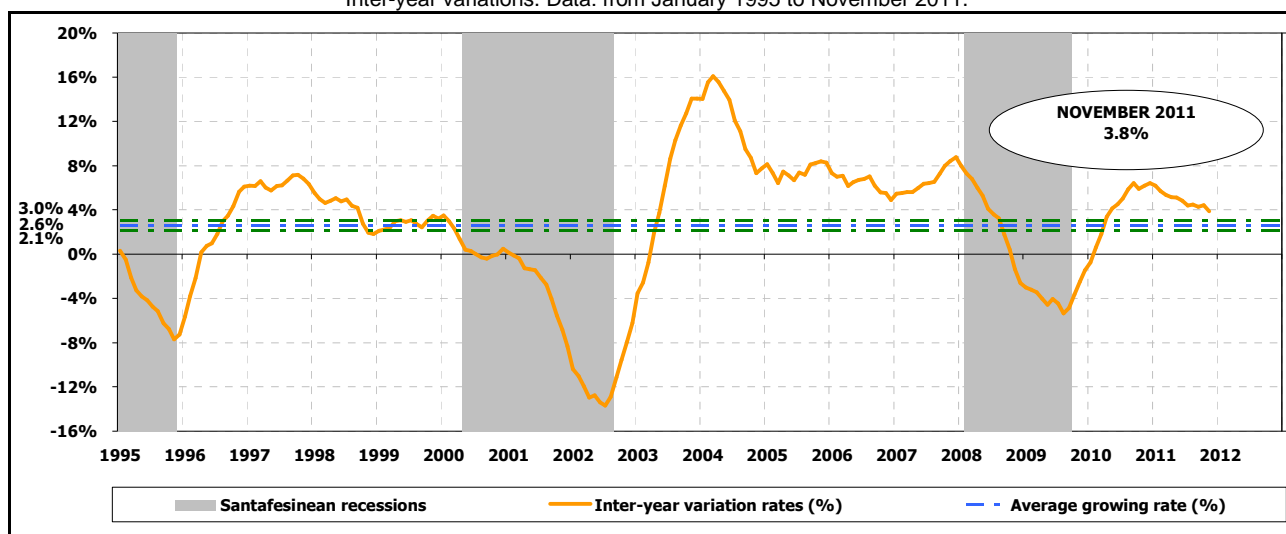
Summary and perspectives

ICASFe's inter-year variation rates for November 2011 were measured in 3.8%; indicating a deceleration upon economic growth in the province of Santa Fe. Their highest levels were registered closed to December 2010, reaching 6.4% and starting to mildly diminish all along 2011.

Most indicators related to the productive sector are signaling an unfavorable scenario. Apart from oilseed milling, in November 2011 all the other series which belong to the agro-industrial sector declined; so did construction and industrial energy consumption.

The labor market presented a constant pattern during the entire year: low increments in registered jobs (public and private sector) and strong volatility over enterprises' expectations.

Graph 3 - Monthly Composite Index of the province of Santa Fe -
Inter-year variations. Data: from January 1995 to November 2011.



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

In order to download our statistical database as well as methodological documents and other related publications, please visit our website in: <http://ces.bcsf.com.ar>