By February, local recession had already deepened

ICASFe presented rates of -0.3% monthly and -3.0% inter-yearly during 2020's second measurement.

ICASFe
February 2020

Level:
154.3

Monthly variation:
-0.3%

Inter-year variation: -3.0%

MAIN RESULTS

ICASFE's level was located in **154.3**, presenting a monthly variation of **-0.3%** in respect to January 2020.

Inter-year variation rates descended to **-3.0%** (comparing February 2020 vs. February 2019).

BOLSA DE COMERCIO DE SANTA FE

BCSF

135 AÑOS

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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 at 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 nothing 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
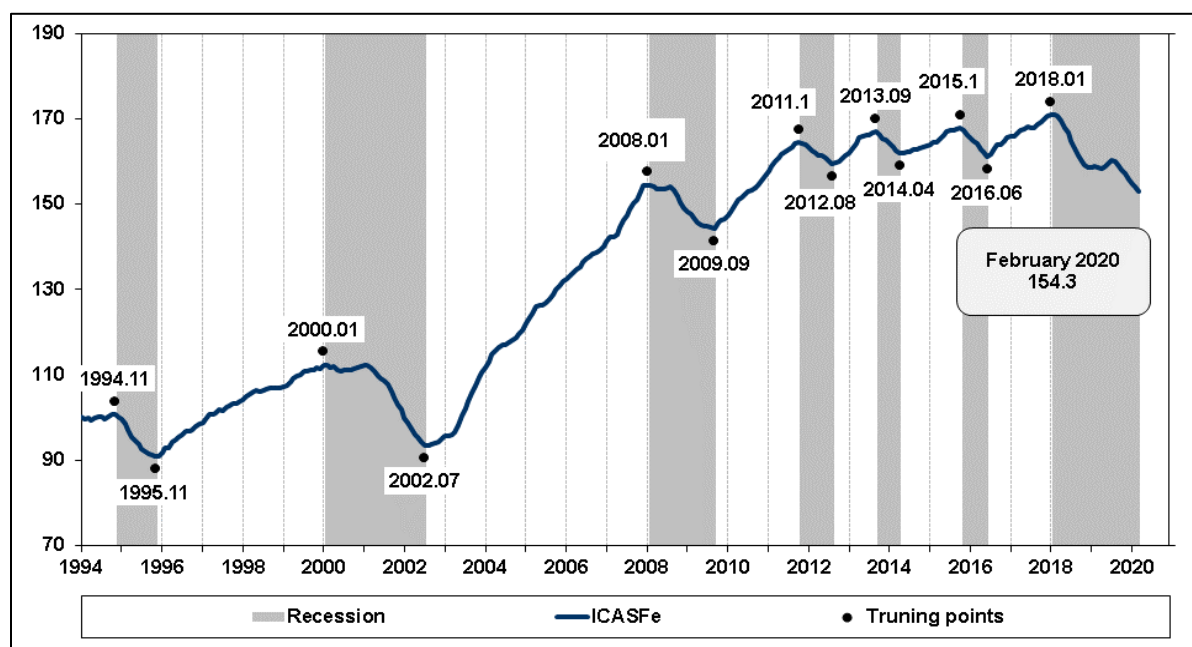• An on-line graphical tool to access historical data | Go to http://www.bolcomsf.com.ar/ces/icasfe.php

Province of Santa Fe's economic activity

In February 2020, the province's economic activity contracted again, registering a monthly variation rate of -0.3%. To this regard, the recession signaled by the coincident index reached 25 months of duration dated before the declaration of the pandemic by COVID-19.

Graph 1: Composite Coincident Index for the Province of Santa Fe (ICASFe). Base 1994 = 100. February 2020.
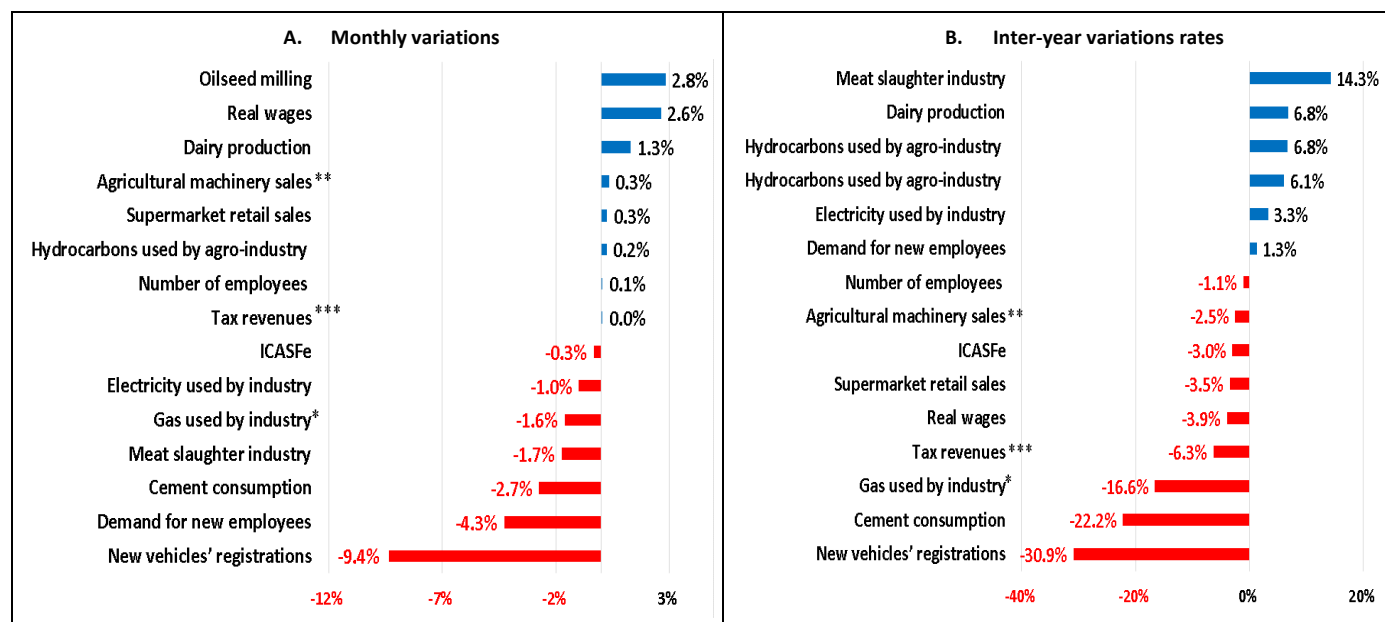

Source: Research and Services Center, Santa Fe's Chamber of Commerce.

Indicator by indicator

Taking into account the fourteen series considered in the analysis, seven presented positive monthly variations in February 2020, one remained constant, while the remaining six were on negative ground. On the other hand, the year-over-year comparison was rather unfavorable, with only six sub-indicators showing positive results.

Graph 2: Economic activity's indicators for the Province of Santa Fe. February 2020.

Last available data from: (*) January 2020, (**) December 2019, (***) Provincial tax collection data correspond to November 2019. Unavailable data was estimated.
Source: Research and Services Center, Santa Fe's Chamber of Commerce.

Oilseed milling registered a monthly increase of 2.8%, recovering - in the last two months - a small part of the drop verified during the second half of 2019. Over the year-on-year comparison, the series increased 6.1%. Similarly, **dairy production** presented rates of 1.3 and 6.8%, respectively. Moreover, **meat slaughter industry** decreased by 1.7% in respect to January, although it also leads the inter-year ranking within a rate of 14.3%.

Agricultural machinery sales experienced a slight monthly increase of 0.3%, and a decrease of 2.5% in terms of February 2019. **Hydrocarbons used by agro-industry**, registered rates of 0.2 and 6.8%, respectively.

Electricity used by agro-industry contracted 1.0% in February, although it grew 3.3% during the last 12 months. Regarding to **gas used by industry**, the rates were -1.6 and -16.6%, respectively.

Cement consumption and **new vehicle's registrations** continued to decline, reaching the lowest positions in both tables. The first obtained variations of -2.7 and -22.2%, monthly and year-on-year, respectively. Whereas the second -9.4 and -30.9%.
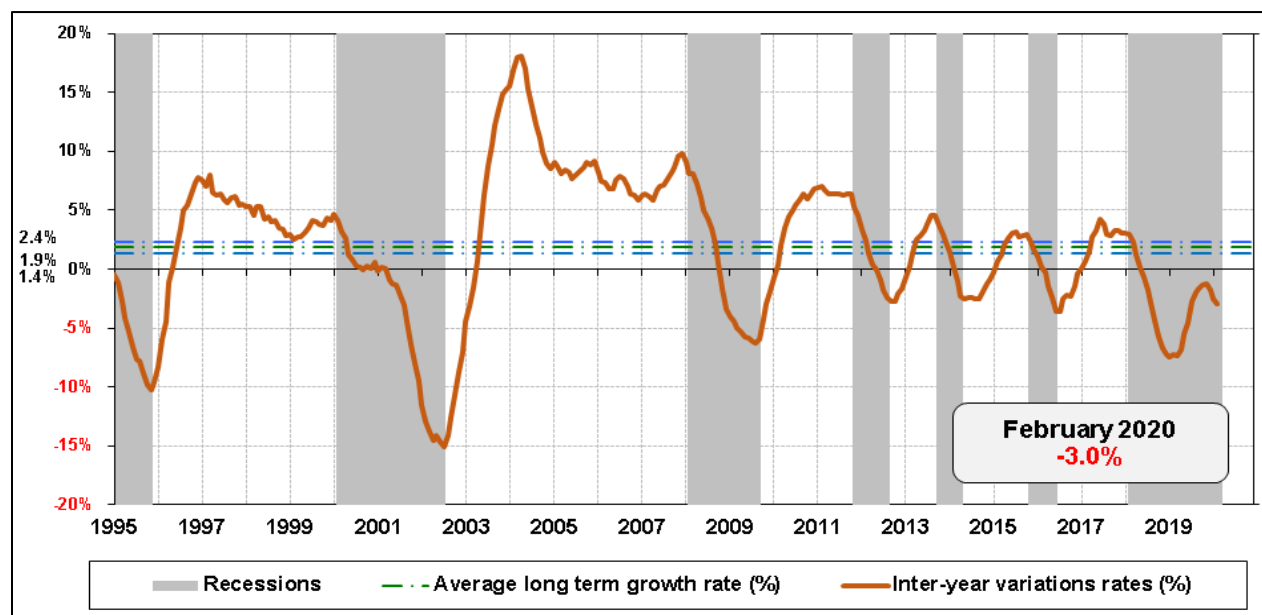
Number of employees showed a slight monthly increase of 0.1%, but in inter-year terms the gauge registered an accumulated fall of -1.1%. By the contrary, **demand for new employees** decreased -4.3% in February, but recovered 1.3% across the year. **Real wages** showed a monthly improvement of 2.6%, although purchasing power dropped again compared to February 2019 (-3.9%). Regarding retail consumption, **supermarket sales** registered an increase of 0.3% in February, but still cumulates a contraction of -3.5% inter-yearly. For **tax revenues**, a certain stability was estimated for February's behavior, registering a year-on-year decrease of -3.5%.

Summary and perspectives

ICASFe's inter-year variation rates reached -3.0% in February 2020. This implies an acceleration over economic activity's contraction (See Graph 3).

Analyzing available data, Santa Fe's recession is characterized by a wide diffusion towards all most representative economic sectors. In addition, it is expected that the recession will get even stronger during next months, given to the national and international macroeconomic context linked to COVDID-19.

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

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