



Bolsa de Comercio de Santa Fe



# ICASFe

## Monthly Composite Coincident Index for the province of Santa Fe

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### The economic downturn deepens.

Last available data from January 2014 signals a new monthly contraction in Santa Fe's economic activity, the fourth consecutive decline since October 2013.

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#### JANUARY 2014

**Monthly variation: -0.3%**  
(in respect to December 2013)

**Inter-year variation: 1.3%**  
(in respect to January 2013)

**2014's balance: -0.3%**

#### ICASFe

**Base 1994 = 100  
LEVEL = 158.6**

#### JANUARY 2014'S MAIN RESULTS

*ICASFe's level was measured in **158.6**, presenting a monthly variation of **-0.3%** in respect to December 2013.*

*Inter-year variation rates reached **1.3%** (comparing January 2014 vs. January 2013).*

*2014's cumulated growth matches with the only available published month: **-0.3%**.*

#### ¿What is ICASFe for?

The Composite Coincident Index for the province of Santa Fe (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.

As indicator, it provides a reliable source of information appropriate to support decision makers of public and private institutions. ICASFe was developed by a technical agreement with the *Universidad Nacional de Tucumán (UNT)*.

#### 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.

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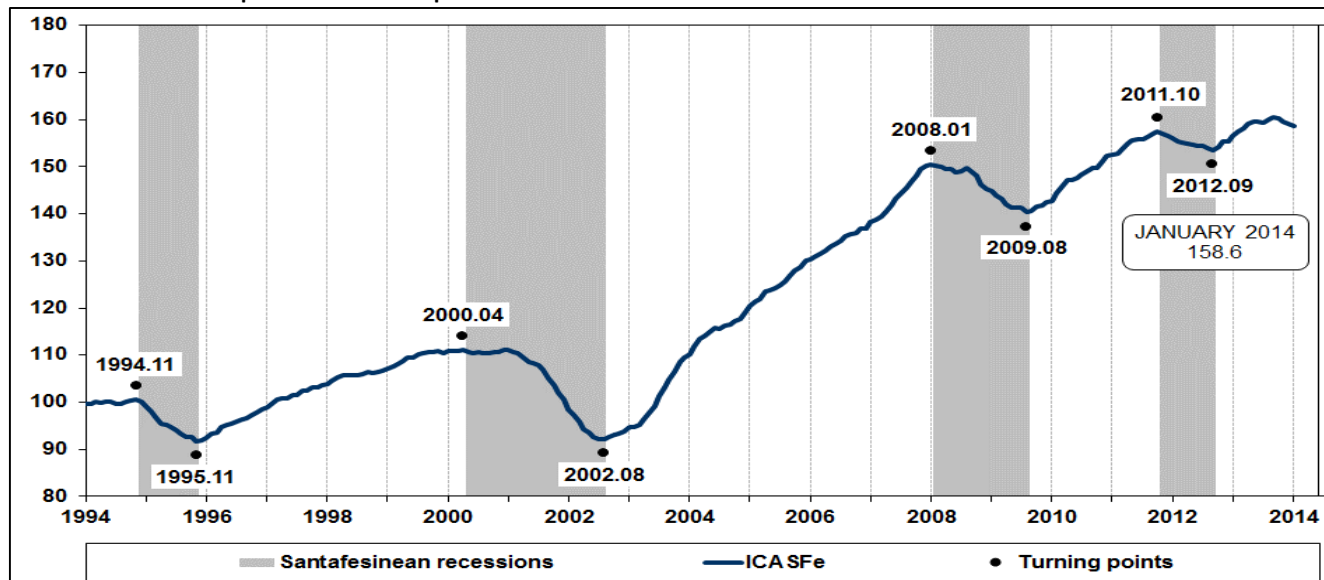
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### Province of Santa Fe's economic activity

Economic activity declined **-0.3%** in January 2014 which reaffirms the idea that Santa Fe's Economy may already be under recession since October 2013. The cumulated contraction registered during the last four months is measured in approximately **-0.9%**.

Graph 1 - ICASFe - Composite Coincident Index for the Province of Santa Fe - Base 1994 = 100 -



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

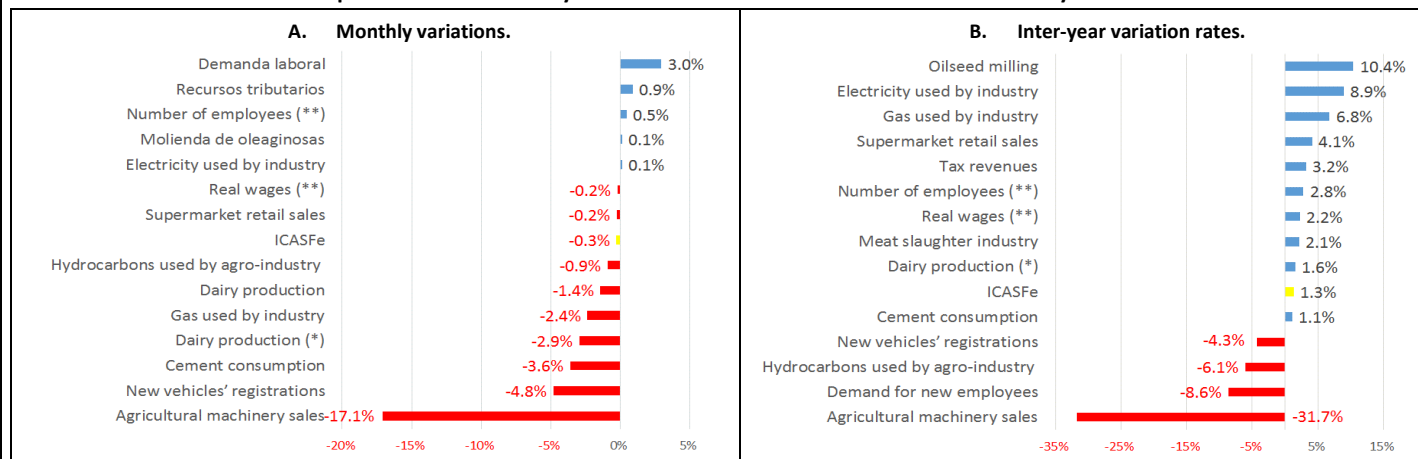
### Indicator by indicator

2014 began with only five economic sub-indicators, over fourteen, showing positive monthly rates. In addition, two of them registered almost null variations (see Graph 2, left side).

**Electricity used by industry** presented a 0.1% monthly increment, locating the series' level 8.9% over January 2013's. **Gas consumption** showed a similar behavior with a **-2.4%** monthly decline and a 6.8% inter-year expansion. On the other hand, **hydrocarbons used by agro-industry and transportation** was listed on the group of indicators which are going down, presenting negative results of **-0.9** and **-6.1%**, respectively.

Within a 10.4% inter-year growth, **oilseed milling** leads Graph 2's ranking. However, the series presented a significant deceleration over the last few months and only increased 0.1% in January. All remaining sub-indicators particularly related to the secondary sector are signaling declines. **Meat slaughter industry** went down **-1.4%** in January (although the series is still 2.3% over January 2013's level) and **dairy production** ended 2013's last quarter with a cumulated contraction of **-3.8%**.

Graph 2 - Economic activity's indicators for the Province of Santa Fe - January 2014 -



(\*) Last available data from December 2013; (\*\*) January 2014 was estimated.

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

**Agricultural machinery sales** experienced a strong deterioration in both monthly (-17.1%) and inter-year gauges' (-31.7%); which is actually an expected performance for the series considering its usual cyclical volatility.

Measured by **cement consumption**, the construction sector revealed a new downturn in October 2013. Moreover, the series drop -3.6% this January and ended up on a similar level to that of January 2012.

The labor market regularly reacts with certain delay to cyclical movements. In this context **registered jobs** grew 0.5% whereas **real wages** declined -0.2%. To these regards both series present positive net balances on an inter-year comparison. Nevertheless, it is worth noting that private employment went down in January 2013 although the contraction was compensated by public hires. **Demand for new jobs** improved 3.0% but it still located in a low historical level with a negative inter-year performance of -8.6%.

In reference to retail consumption, **supermarket sales** fell down -0.2% in January. In the same direction, **new vehicles' registrations** kept intensifying their negative results and declined -4.8%, forcing the series to register its first negative inter-year variation rate since many years ago (-4.3%).

Finally, **tax revenues** are still signaling a positive inter-year expansion (3.2%) in spite of having decelerated across the last few months.

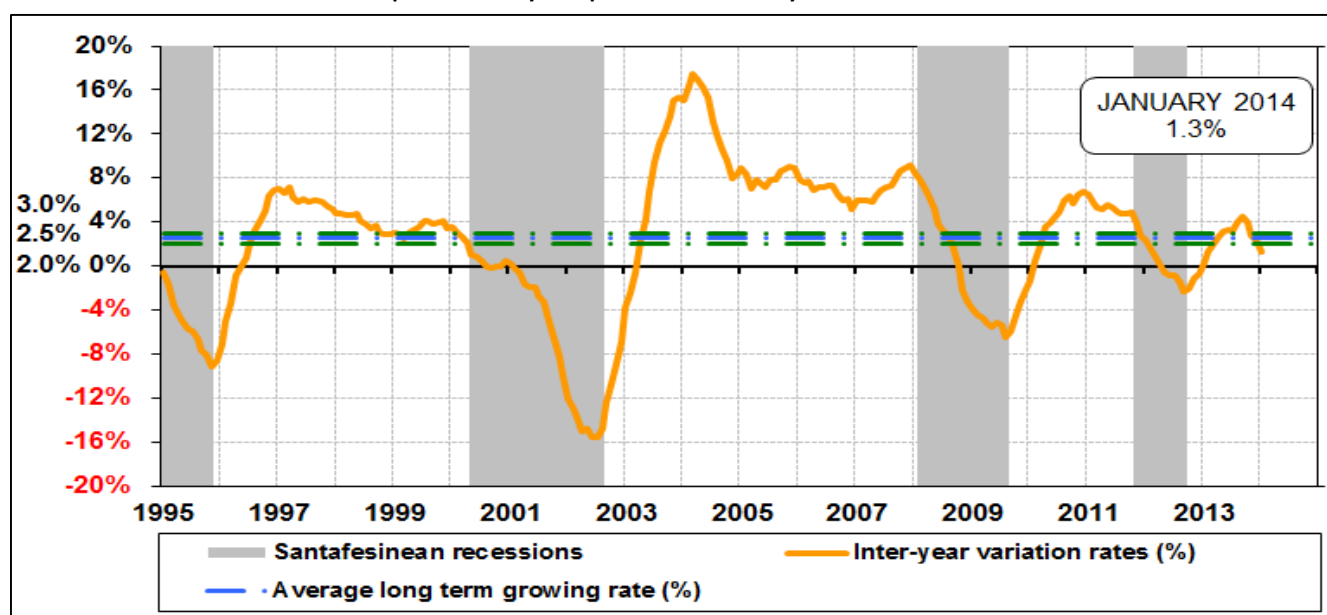
### Summary and perspectives

Santa Fe's economic activity registered its fourth consecutive monthly decline since October 2013, which implies a net cumulated contraction of -0.9%. In this context ICASFe's inter-year variation rates kept decreasing and reached 1.3% in January 2014; below the gauge's long term inferior confidence statistical band (see Graph N° 3).

Cumulated contractions signaled by most main economic sectors during 2013's second semester continued in January 2014 and, in addition, private registered jobs declined within their last measure.

All results taken into account and considering Argentinean macroeconomic difficulties, the chances of being already under recession keep gaining terrain for Santa Fe's economy (technically this statement will be confirmed once April's data is available).

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



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

#### 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>