

THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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CENTRO DE ESTUDIOS Y SERVICIOS

Economic stagnation continues

During the month where national elections took place, ICASFE registered a monthly variation close to zero (-0.003%).

ICASFE

OCTOBER 2015

Level:

161.0

Monthly variation:

-0.003%

Inter-year variation: 2.2%

2015's partial result: 2.2%

MAIN RESULTS

ICASFE's level was located in **161.0**, presenting a monthly variation of **-0.003%** in respect to September 2015.

Inter-year variation rates reached **2.2%** (comparing October 2015 vs. October 2014).

Cumulated expansion during the first ten months of 2015 was measured in **2.2%**.

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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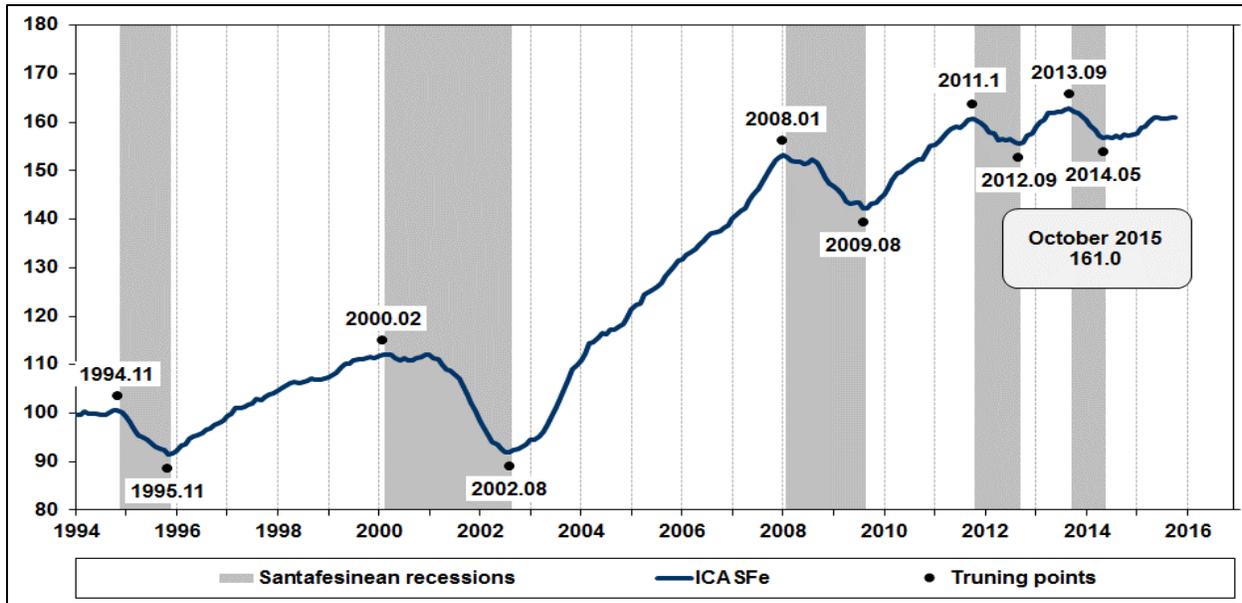
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Province of Santa Fe's economic activity

The economic deceleration registered in the province during 2015's third quarter became strongly within October's results, giving stagnation a more significant place across the second semester.

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



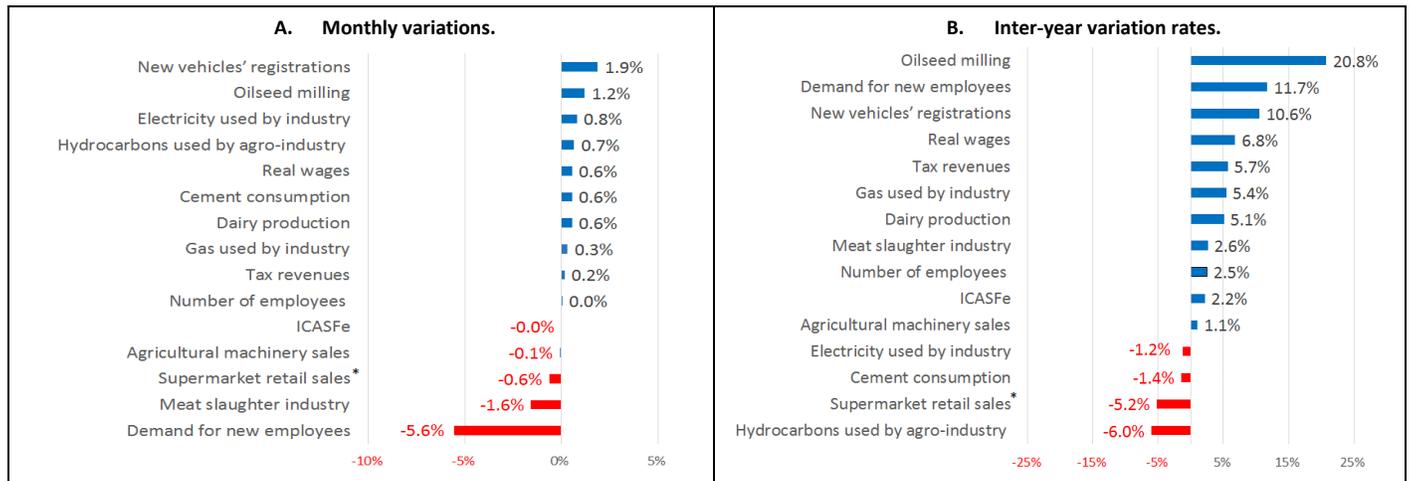
Source: Research and Services Center, Santa Fe's Chamber of Commerce.

Indicator by indicator

In October 2015 ten of the fourteen economic sub-indicators presented positive monthly variation rates, but eight of them were lower than 1.0%.

New vehicles' registrations was on top the ranking based on a monthly increment of 1.9% and an inter-year expansion of 10.6%. In the case of **cement consumption**, another series related to investment in durable goods, the indicator gained 0.6% in terms of September but stayed 1.4% behind October 2014's level.

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



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

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

Oilseed milling improved 1.2% in October, achieving the highest inter-year variation rate of all sub-indicators (20.8%). By the contrary, **meat slaughter industry** declined 1.6% in respect to September although the series also presented a positive inter-year result. **Dairy production** increased 0.6% in monthly terms and 5.1% considering October 2014's level. It is worth noting that this gauge refers to the secondary sector's activity, while primary producers are facing a difficult situation.

Electricity used by industry grew 0.8% during this last measure but stood 1.2% behind its inter-year benchmark. In regard to **gas consumption**, the series signaled positive variation rates in both, monthly (0.7%) and inter-yearly (5.4%), terms. Finally, the last sub-indicator related to energy inputs, **hydrocarbons used by agro-industry**, recovered 0.7% in October but could not revert its inter-year contraction (-6.0%).

Demand for new employees went down 5.6% in respect to September even though the series recovered 11.7% in terms of October 2014. On the other hand, **total registered jobs** presented an almost null monthly variation rate but increased 2.5% inter-yearly. So did **real wages** with rates of 0.6 and 6.8% respectively. However, **supermarket retail sales** experienced a strong contraction during this last few months.

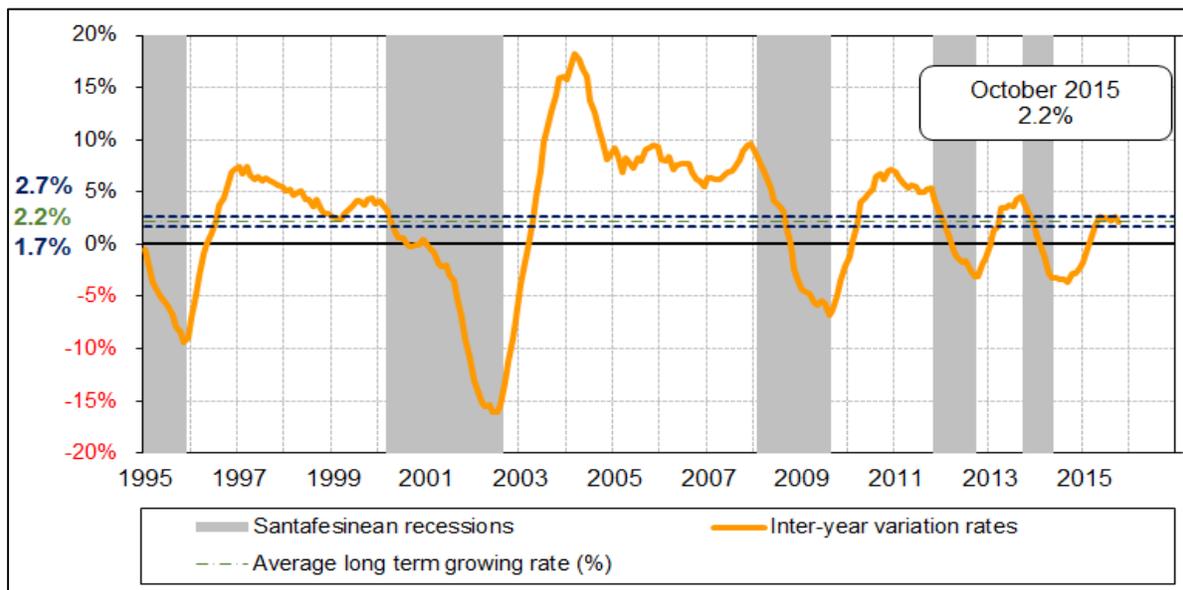
Lastly, tax revenues showed a mild expansion in October (0.2%) based on increased Federal resources, which actually compensated local incomes' contraction. On an inter-year comparison the series gained 5.7%.

Summary and perspectives

The coincident index's inter-year gauge reached 2.2%, staying between the higher and lower statistical benchmarks (see average long term growing rates in Graph 3).

Nevertheless, last available data confirms a poor performance of most key economic variables during 2015's third quarter. In addition, economic deceleration became more significant showing a clear deterioration in terms of the first semester. To this regard, November and December are also expected to present negative results, which means 2015's net growth could keep going down before the end of the year moving backwards from last registered peak in September 2013.

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



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