A mild relief for economic activity

The coincident index increased 0.2% in February although it is hard to tell if the recession already hit the bottom.

ICASFe
February 2019

Level:
155.4

Monthly variation:
0.2%

Inter-year variation: -7.4%
2019's partial result: -0.2%

MAIN RESULTS

*ICASFE's level was located in **155.4**, presenting a monthly variation of **0.2%** respect to January 2019.*

*Inter-year variation rates descended to **-7.4%** (comparing January 2019 vs. January 2018).*

*Cumulated results during 2019's were measured in **-0.2%**.*

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 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

BCSF
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President
Mr. Ulises Mendoza

Research and Services Center

Executive Director
Dr. Gustavo Vittori

Director
Lic. María Lucrecia D´Jorge

Coordinator
Mg. Pedro P. Cohan

Researchers
Lic. Lautaro Zanini
María Florencia Camusso
Ignacio Francisco Falco
Ramiro Jorge
Franco Riottini

E-mail and contact information
ces@bolcomsf.com.ar
Websites
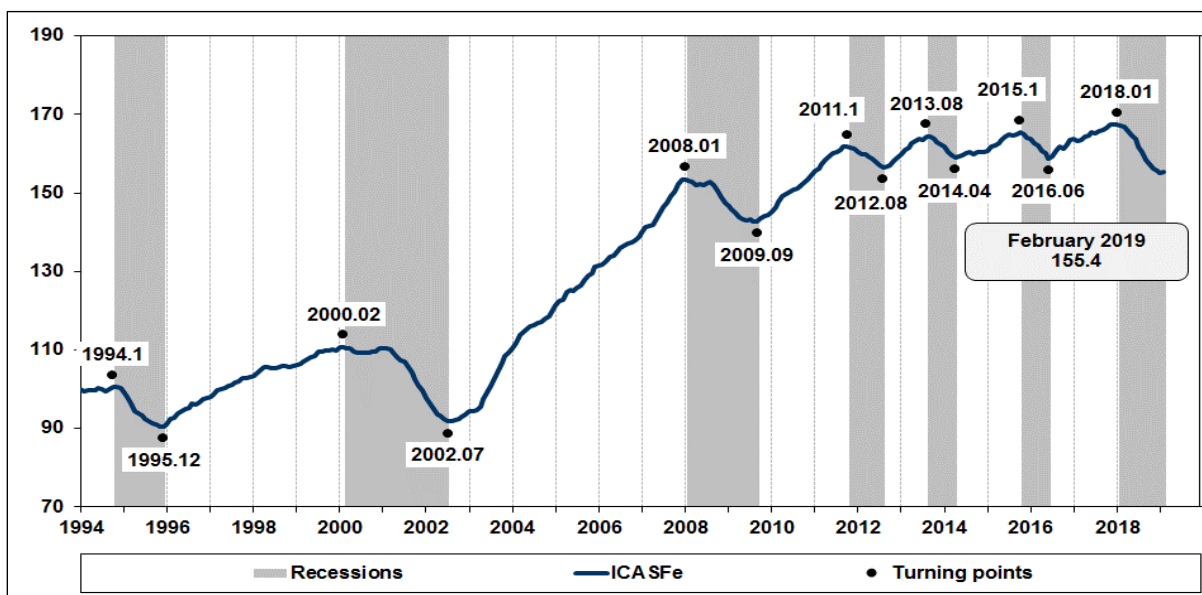http://ces.bcsf.com.ar or
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Province of Santa Fe's economic activity

In February 2019 Santa Fe's economic activity grew up 0.2% in respect to January. However 2019's partial balance is still negative and the recession is going through its thirteenth month within an aggregate net contraction of more than 7%.

Graph 1: **Composite Coincident Index for the Province of Santa Fe (ICASFe). Base 1994 = 100. February 2019.**
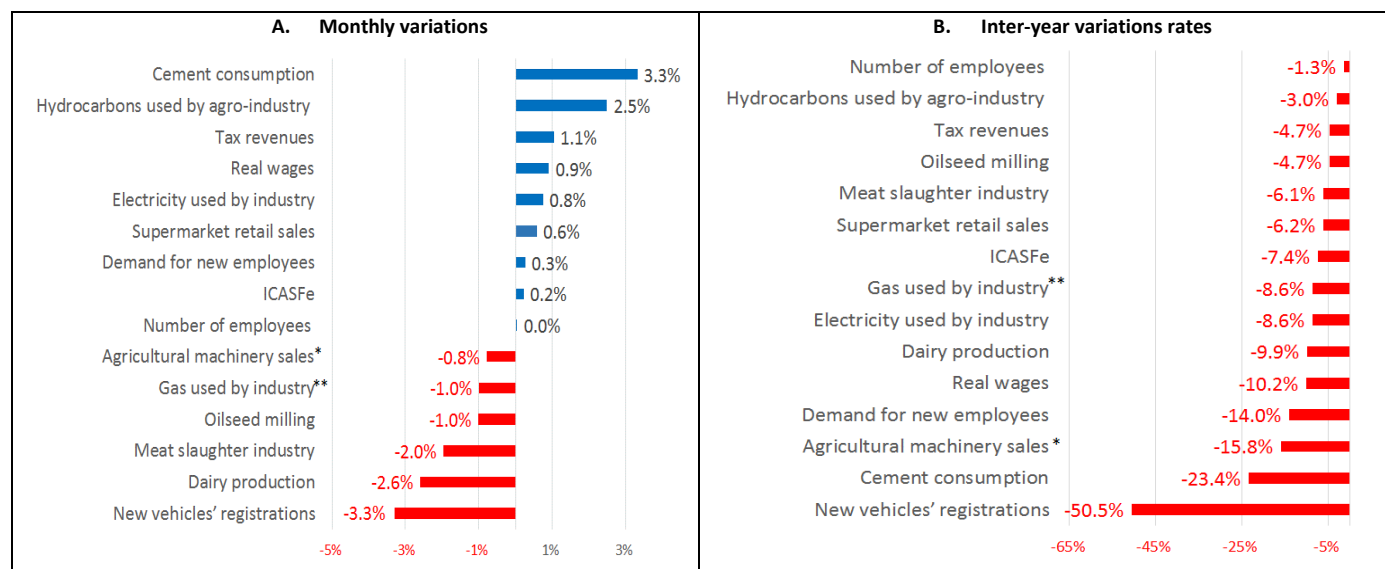

Source: Research and Services Center, Santa Fe's Chamber of Commerce.

Indicator by indicator

Last measurement shows that eight of the fourteen indicators considered by ICASFe reported positive monthly variations in February. In contrast, inter-year rates continued to be unfavorable (see Graph 2, right side).

Graph 2: **Economic activity's indicators for the Province of Santa Fe. February 2019.**

A. Monthly variations

Indicator	Value
Cement consumption	3.3%
Hydrocarbons used by agro-industry	2.5%
Tax revenues	1.1%
Real wages	0.9%
Electricity used by industry	0.8%
Supermarket retail sales	0.6%
Demand for new employees	0.3%
ICASFe	0.2%
Number of employees	0.0%
Agricultural machinery sales*	-0.8%
Gas used by industry**	-1.0%
Oilseed milling	-1.0%
Meat slaughter industry	-2.0%
Dairy production	-2.6%
New vehicles' registrations	-3.3%

B. Inter-year variations rates

Indicator	Value
Number of employees	-1.3%
Hydrocarbons used by agro-industry	-3.0%
Tax revenues	-4.7%
Oilseed milling	-4.7%
Meat slaughter industry	-6.1%
Supermarket retail sales	-6.2%
ICASFe	-7.4%
Gas used by industry**	-8.6%
Electricity used by industry	-8.6%
Dairy production	-9.9%
Real wages	-10.2%
Demand for new employees	-14.0%
Agricultural machinery sales*	-15.8%
Cement consumption	-23.4%
New vehicles' registrations	-50.5%

Last available data from: (*) December 2018, (**) January 2019. Unavailable data was estimated.
Source: Research and Services Center, Santa Fe's Chamber of Commerce.

The *ranking* for monthly variations was led by **cement consumption**. The indicator recorded an increase of 3.3% respect to January, partially cutting the last twelve months' accumulated contraction (-23.4%). The second place was occupied by **hydrocarbons used by agro-industry** within a monthly improvement of 2.5%. **Tax revenues** was listed in third place, presenting a decimal digit figure of 1.1%.

Real wages recovered 0.9% even though purchasing power is still -10.2% behind its inter-year benchmark. **Supermarket retail sales** behaved in the same direction with rates of 0.6 and -6.2%, respectively.

Electricity used by industries presented rates of 0.8% in terms of January and -8.6% inter-yearly. Moreover, **gas consumption** obtained negative results in both instances: -1.0 and -8.6%, respectively. To this regard, most indicators related to agro-industry also experienced an unfavorable effect. **Oilseed milling** signaled a monthly fall of 1.1% and an interannual one of 4.7%; in the case of **meat slaughter industry** rates were -2.0 and -6.1%. Finally, **dairy production** decreased -2.6 and -9.9%, respectively.

Investment in durable goods remained on negative ground. **New vehicles' registration** and **agricultural machinery sales** declined -3.3 and -0.8% in terms of January. Considering February 2018's level the series lost -50.5 and -15.8%, respectively.
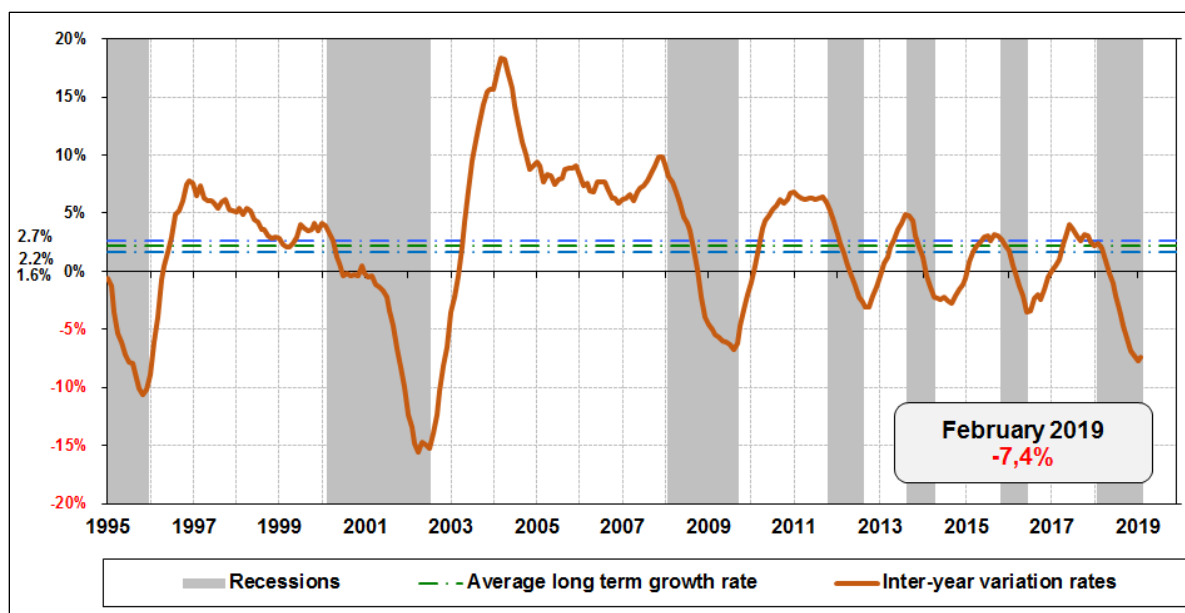
In relationship to the labor market **registered jobs** remained stable in February, slightly reducing its annual fall to -1.3%. Furthermore, **demand for new employees** continued 14.0% below its inter-year parameter, although its monthly variation was 0.3%.

Summary and perspectives

Economic activity's contraction decelerated to an inter-year rate of -7.4%. Nevertheless, present recession has already exposed a stronger intensity than 2009's, affecting all sub-indicators considered by ICASFe. To this regard, most key economic sectors remain at relatively low levels in respect to February 2018. Even more, some of them are still declining.

On the other hand, from an optimistic point of view, in February 2019 seven indicators presented a mild recovery although it is hard to tell if the recession already hit the bottom.

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

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