

THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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CENTRO DE ESTUDIOS Y SERVICIOS

Fifteen months under recession

Although the contraction's intensity keeps moderating, Santa Fe's economic activity experienced a new decline in April 2019.

ICASFe

April 2019

Level:

154.8

Monthly variation:

-0.1%

Inter-year variation: -6.8%

2019's partial result: -0.4%

MAIN RESULTS

ICASFE's level was located in **154.8**, presenting a monthly variation of **-0.1%** respect to March 2019.

Inter-year variation rates descended to **-6.8%** (comparing April 2019 vs. April 2018).

Cumulated results during 2019's were measured in **-0.4%**.

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>



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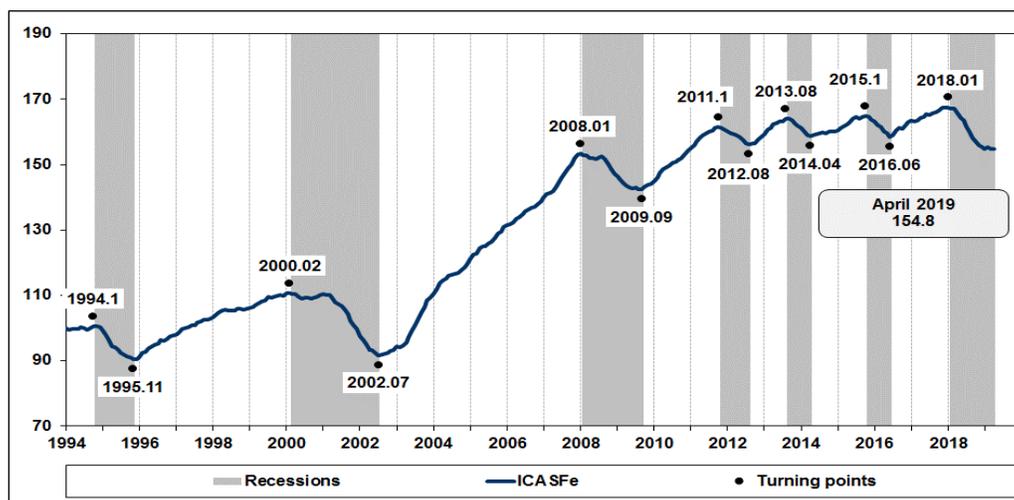
<http://ces.bcsf.com.ar> or

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Province of Santa Fe's economic activity

In April 2019 Santa Fe's economic activity went down again. To this regard, the coincident index registered a monthly variation of **-0.1%** which, in addition to the first quarter's behavior, implies a total fall of **0.4%** during the first four months of 2019.

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

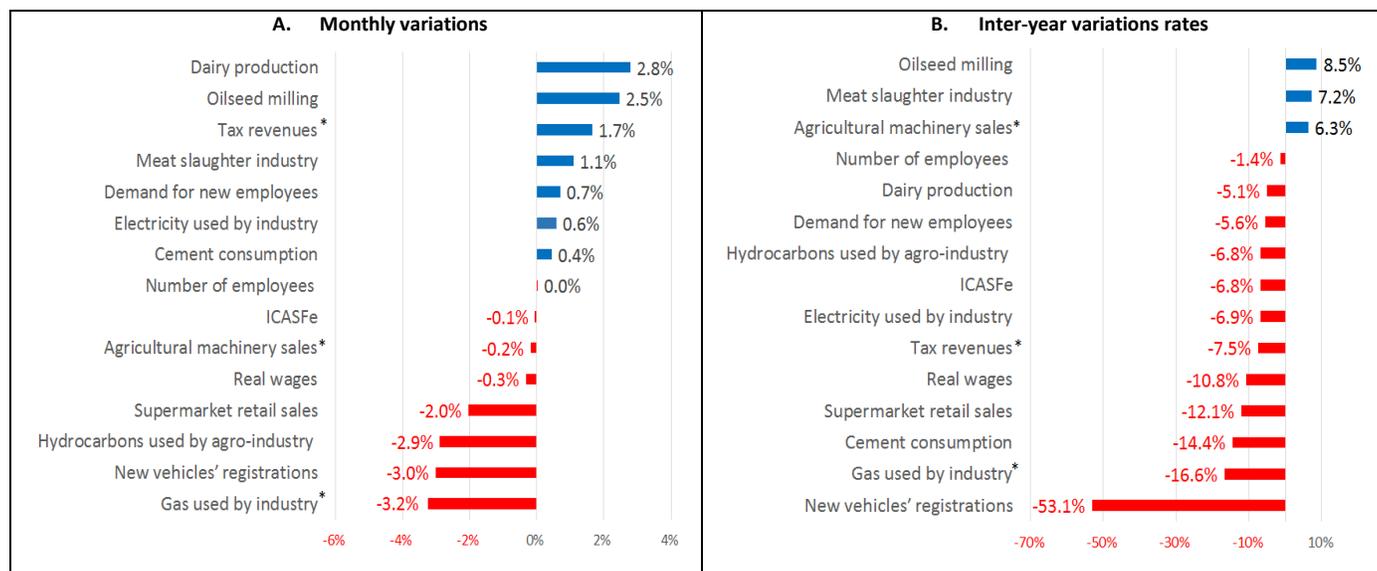


Source: Research and Services Center, Santa Fe's Chamber of Commerce.

Indicator by indicator

Focusing on April's results, seven of the fourteen indicators considered by ICASFe showed positive monthly variation rates (see Graph 2, left side). However, inter-year comparisons highlighted that only three series managed to achieve an overcoming situation in terms of April 2018.

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



Last available data from: (*) March 2019. Unavailable data was estimated.

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

Sub-indicators related to agro-industrial activities were listed among the group within favorable variations. **Dairy production** grew up 2.8% in April, but remains 5.1% below its interannual benchmark. **Oilseed milling** presented rates of 2.5 and 8.5% which are both significant rises. **Meat slaughter industry** improved 1.1% in respect to March and 7.2% inter-yearly.

Moreover, **agricultural machinery sales** obtained a monthly rate of **-0.2%**; but is one of three series that achieved a proper performance during the last 12 months (+6.3%). Regarding to **hydrocarbons used by agro-industry**, the series contracted **2.9%** in respect to March and a **6.8%** in terms of April 2018.

Electricity used by industries increased 0.6% but continues within a negative net balance considering its inter-year parameter (**-0.6%**). In addition, **gas consumption** declined **-3.2** and **-16.6%**, respectively.

Related to investment in durable goods, **cement consumption** experienced a mild positive variation (0.4%), reducing its inter-year contraction to **-14.4%**. In regard to **new vehicles' registrations**, which is fallen since the beginning of the recession, the gauge achieved rates of **-3.0** and **-53.1%**, respectively.

Furthermore, total **number of registered jobs** remained stable during the fourth month of the year within an inter-year decline of **-1.4%**. Similarly, **demand for new employees** grew slightly (0.7%), whereas its inter-annual variation rate was **-5.6%**. Finally, **real wages** fell down other **0.3%**, accumulating a total loss of **10.8%** over purchase power since April 2018.

In line with the recession, **supermarket retail sales** contracted **0.2%** compared to March's levels and **12.1%** inter-yearly.

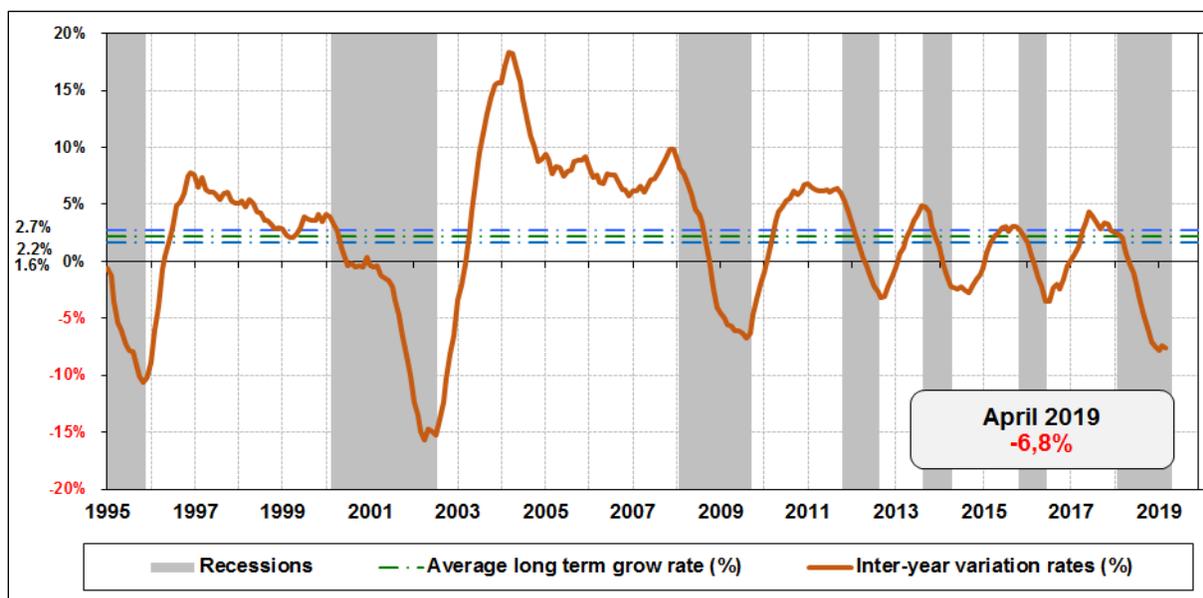
To conclude, **tax revenues** grew up 1.7% in April although the series is **7.5%** below its inter-year benchmark.

Summary and perspectives

Within fifteen months under recession, Santa Fe's economic activity reached a year-to-year decline of **6.8%** in April 2019.

Considering individual performances of most sub-indicators, agribusiness could be the sector that leads a recovery. In contrast, investment and consumption remain lagged, in line with the loss of purchasing power.

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



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