

THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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ICES
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BCSF

ICASFe

Base 1994=100

DECEMBER 2021

Level: **157.0**

Monthly variation: **0.2%**

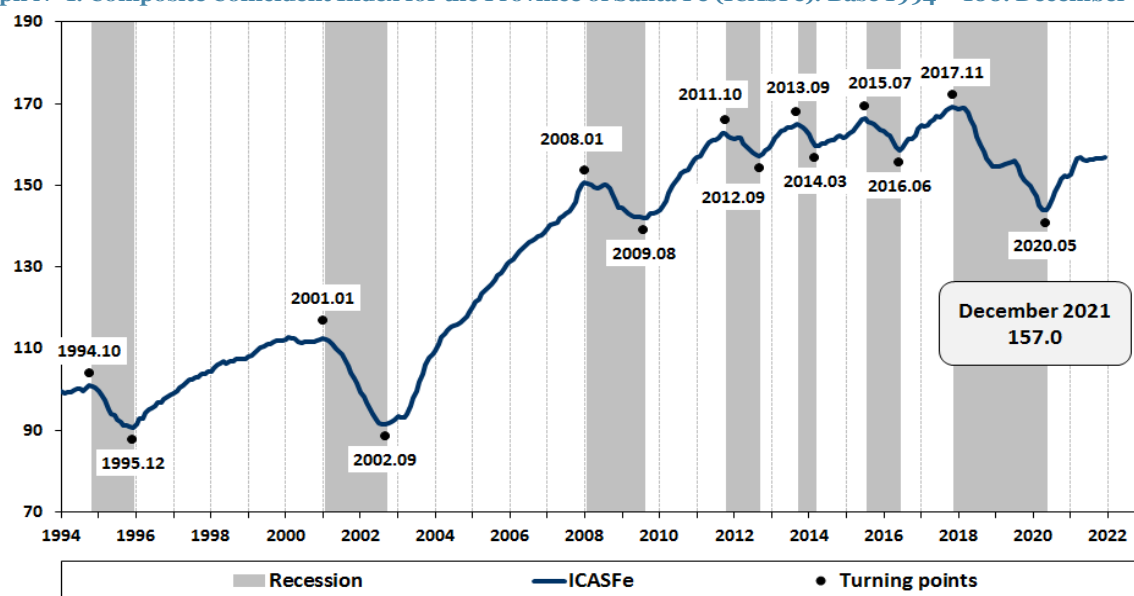
Inter-year variation: **3.2%**

2021's accumulated result: 3.2%

Positive results for Santa Fe's economic activity in 2021

In December 2021, Santa Fe's economic activity registered an increase of 0.2%, accumulating 3.2% during 2021.

Graph N° 1: Composite Coincident Index for the Province of Santa Fe (ICASFe). Base 1994 = 100. December 2021.



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

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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 *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>

All series are filtered by seasonality and extreme values, using the X-13 ARIMA-SEATS program of the United States Census Bureau. In addition, information is always presented free of inflationary effects.

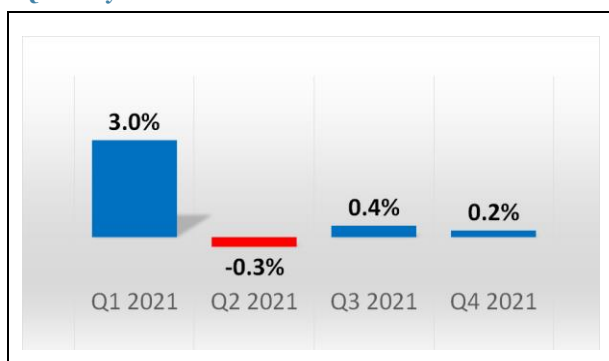
Output data considerations

The last twelve-monthly results exposed in this document are based on preliminary information and hence subject to further revisions.

Quarterly results

Graph N° 2: Santa Fe's economic activity.

Quarterly accumulated variations.



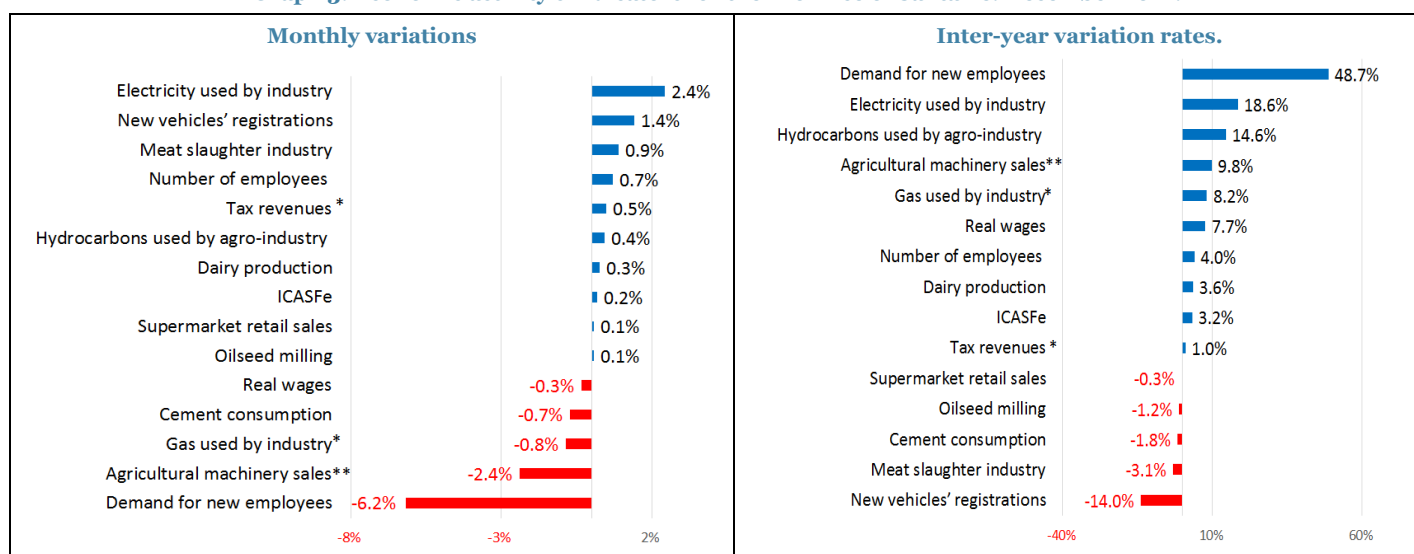
The sharp recovery observed in 2020's second semester lasted until 2021's first quarter, a period in which ICASFe accumulated a net variation of 3.0%. Afterwards began a process of deceleration that continued until 2021's last quarter, whereas the accumulated rate for this period was measured in only 0.2%.

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

Indicator by indicator

In December 2021, nine of the fourteen representative series of Santa Fe's economic activity achieved positive monthly variations. The remaining five of them presented a negative monthly performance. Moreover, a similar behavior was registered in terms of their inter-year variations (see Graph 3).

Graph 3: Economic activity's indicators for the Province of Santa Fe. December 2021.



Last available data from: (*) November 2021; (**) September 2021. Unavailable data was estimated.

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

Electricity used by industry presented a monthly rate of 2.4%, showing a real boost in its recovery towards the fourth quarter of the year. The series closed 2021 within an inter-year increase of 18.6%. **Hydrocarbons used by agroindustry** improved 0.4% in terms of November, and 14.6% inter-yearly. In the case of **gas used by industry**, rates were -0.8 and 8.2%, respectively.

Oilseed milling experienced a slight monthly increase of 0.1%, but lost 1.2% compared to December 2020. **Dairy production** continued to grow, within rates of 0.3 and 3.6%, respectively. **Meat slaughter industry** presented a low monthly increase of 0.9%, although the gauge remained in negative territory considering its inter-year benchmark (-3.1%). **Agricultural machinery sales** computed rates of -2.4 and 9.8%, respectively.

Formal employment signaled a monthly increase of 0.7%, closing last year with an interannual growth of 4.1%. As has been reiterated in successive reports, this recovery is due to the behavior in private sector's formal employment. **Demand for new employees**, measured by the business expectations index, fell again in relation to previous month (-6.2%), even though it recovered 48.7% in respect to December 2020. **Real wages** also experienced a monthly decrease of 0.3 %, despite an annual recovery of 7.7%. Additionally, **supermarket retail sales** grew slightly in December (0.3%), showing an inter-year variation of

-0.3%.

New vehicles' registrations continued recovering, gaining 1.4% in December. Nevertheless, the series stayed at the bottom of inter-year variations' table (-14.0%). **Cement consumption** dropped -0.7% compared to November; accumulating a total fall of -1.8% during the last twelve months.

Tax revenues increased by 0.5% monthly and 1.0% interannually.

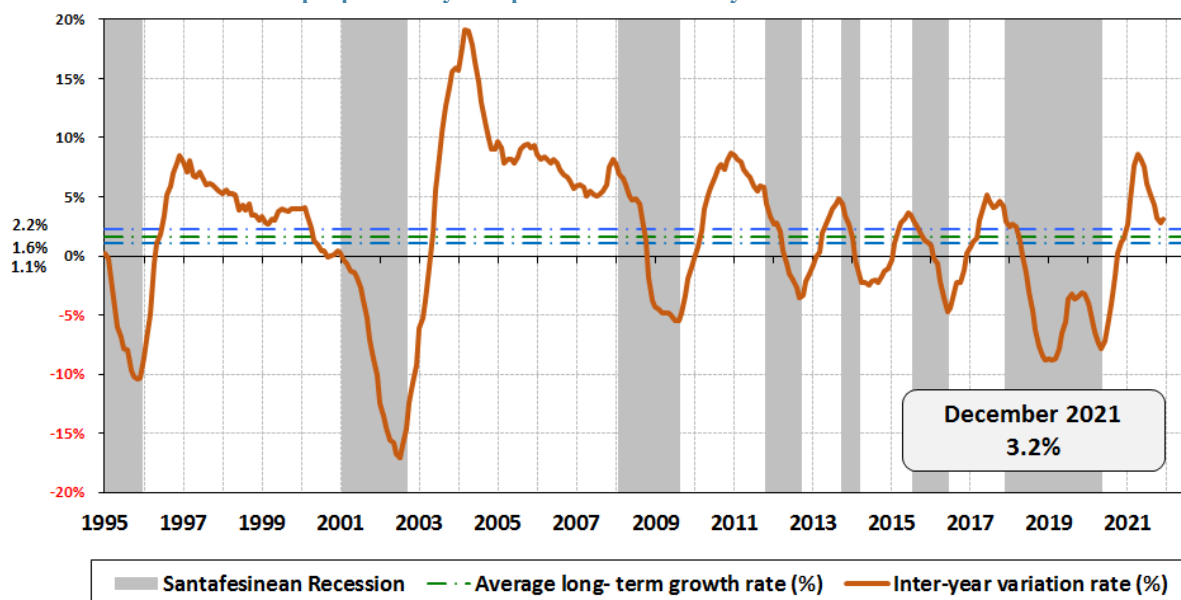
Summary and perspectives

Coincident index's interannual variations reached 3.2% in December 2021, closing the period with a slight acceleration of 0.4 percentage points in relation to the value registered in November.

2021 was a year characterized by uncertainty in relation to local macroeconomic policies and, along with it, the performance of other main variables (in addition to the continuity of the COVID-19 pandemic). In this context, the province of Santa Fe achieved a positive net result in economic activity's level, measured by the ICASFe. This outcome was driven by a significant recovery in the industrial sector in general, particularly observed during the second part of the year, despite the slowdown in activities linked to agribusiness.

Nevertheless, the recovery phase, which began in mid-June 2020, is still not enough to offset the falling registered during 2018-2020 regional recession. Therefore, national and international macroeconomic scenario will be key to Santa Fe's economic sustainability during 2022.

Graph 4: Monthly Composite Index's inter-year variation rates.



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

Santa Fe's Chamber of Commerce

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