

# THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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## The economic activity experienced a mild contraction in November

As a result of verified negative variations upon 50.0% of the coincident index's sub-indicators.

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**ICASFe**  
**November 2014**

**Level: 155.3**  
**Monthly variation**  
**-0.03%**

**Inter-year variation: -2.4%**  
**2014's contraction: -1.8%**

### Main results

*ICASFe's level was located in 155.3, presenting a monthly variation of **-0.03%** in respect to October 2014.*

*Inter-year variation rates reached **-2.4%** (comparing November 2014 vs. November 2013).*

*Cumulated contraction between January and November 2014 was measured in **-1.8%**.*

### **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>

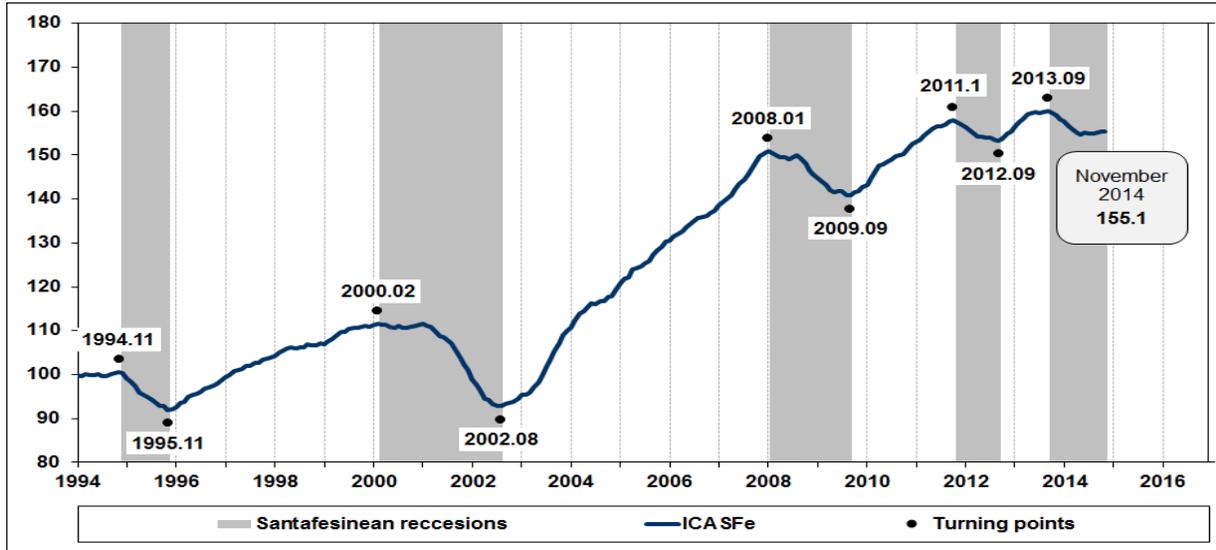
### **Output data considerations**

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.

**Province of Santa Fe's economic activity**

In November 2014 the coincident index registered almost a null monthly variation rate (-0.03%), continuing with a slowing down process initiated during the third quarter of the year. In this context, total cumulated contraction between January and November was measured in -1.8%.

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



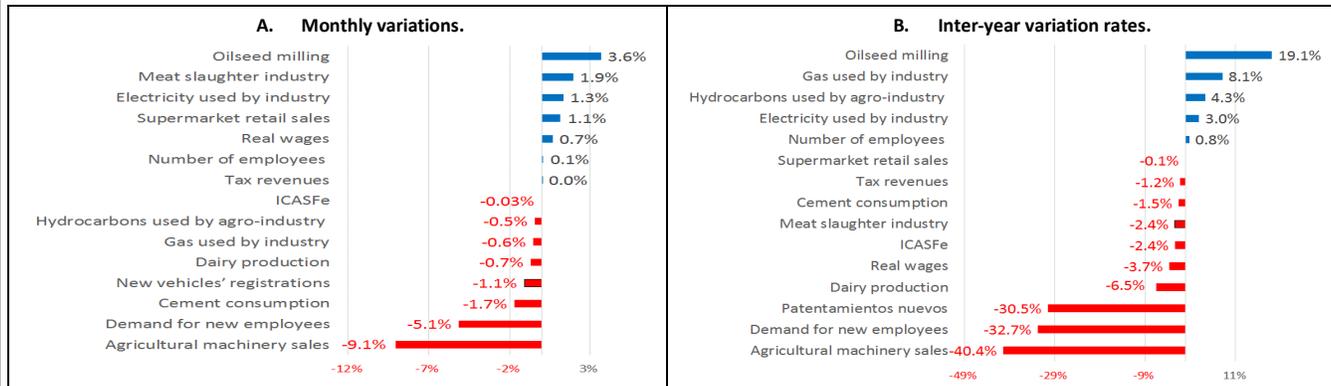
Source: Research and Services Center, Santa Fe's Chamber of Commerce.

**Indicator by indicator**

In November 2014 half of the fourteen economic sub-indicators considered by the coincident index experienced positive monthly variation rates, but only five of them grew inter-yearly (see Graph 2).

**Oil-seed milling** increased 3.6% in respect to October and 19.1% on an inter-year comparison. **Meat slaughter industry** also improved (1.9%), although the series is still showing low historical levels and a negative inter-year variation rate of -2.4%. On the other direction, **dairy production** decreased 0.6% in November and presents an inter-year contraction of 6.5%. **Agricultural machinery sales** also fell down (9.1%) and reached a 40.1% inter-year contraction.

**Graph 2: Economic activity's indicators for the Province of Santa Fe - November 2014 -**



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

**Hydrocarbons used by agro-industry** decreased 0.5% in November, although the series' inter-year variation rates signal an expansion of 4.3%. In regard to the aggregated secondary sector, **industrial electricity consumption** shows a recovery along 2014's second semester. Particularly on this last measure the series grew 1.3%, which implies a cumulated recovery of 3.0% in terms of November 2013. **Gas consumption** presented a positive inter-year result as well (8.1%) although it is worth noting that the segment of small and medium companies moved on the other direction and decreased 5.1% in respect to October.

**Cement consumption** registered its highest monthly decline across 2014 (-1.7%) which implies a negative performance not verified during the second and third semester. In terms of November 2013 the series went down 1.5%.

**Tax revenues** are experiencing mild movements within a monthly variation of 0.02% and an inter-year rate of **-1.2%**. Nevertheless, both local and federal resources are behind 2013's benchmarks whereas *Sellos* and *Ingresos Brutos* registered inter-year contractions of **-10.9** and **-2.2%**, respectively.

**Registered jobs** kept growing slowly and presented a 0.1% monthly variation rate which implies an inter-year expansion of only 0.8%. On the other hand, **demand for new workers** dropped again presenting rates of **-5.1** and **-32.7%**. **Real wages** experienced a monthly recovery of 0.7% but salaries keep losing purchasing power because of inflation and inter-year variation rates were measured in **-3.7%**.

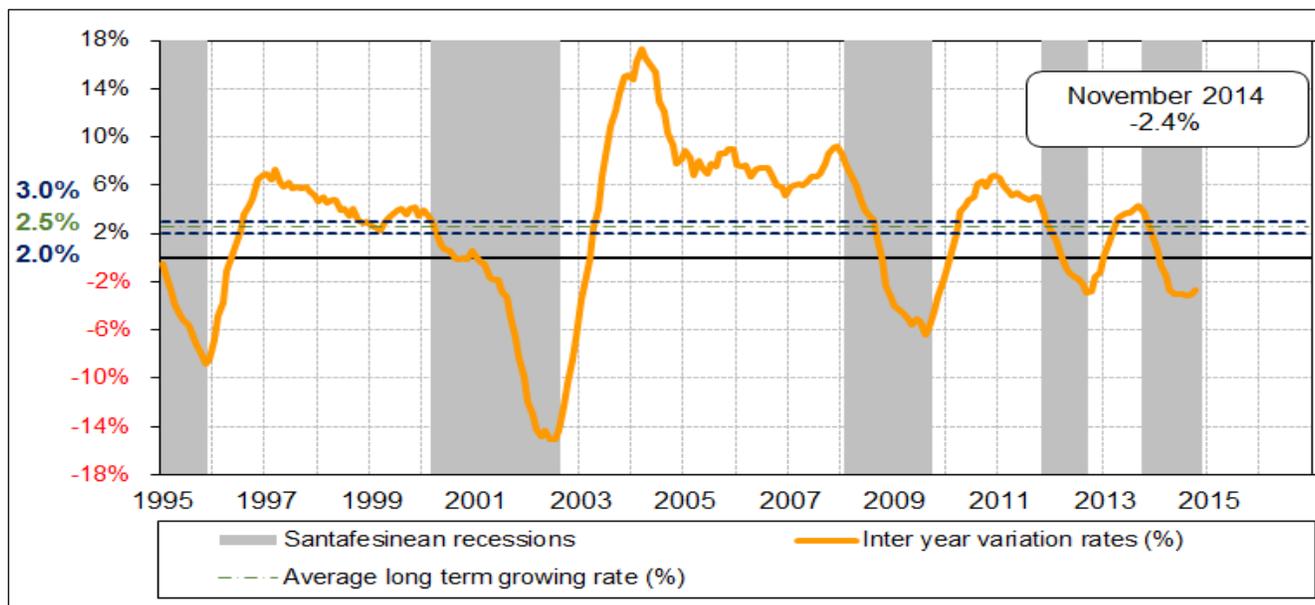
During the second semester **supermarket sales** partially improved and grew 1.1% in November reducing their inter-year contraction to only **-0.1%**. Finally, **new vehicles' registrations** reached their worst level in the last five years within a monthly variation of **-1.1%**. The series' inter-year gauge was measured in **-30.5%**.

**Summary and perspectives**

The mild expansion experienced by economic activity during these last months have certainly implied a standby to the contractive process that faces the province of Santa Fe. However, this particular recession's main problematics are not over yet: in fact, some key issues are emphasizing: as present shortage on money disposals and low levels of durable goods' investments. Additionally, most productive sectors are not being able to sustain positive variations for more than three or four consecutive months, which means that recovering historical levels is not possible.

In this context, ICASFe's inter-year variation rates stepped back again reaching **-2.4%**; but since no structural changes are noticed, expectations for further measures are still rather negative.

**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>