

# THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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CENTRO DE ESTUDIOS Y SERVICIOS

## The economy improves rather slow

ICASFe's increment was almost null in April 2017, and only certain activities have plenty recovered from last recession.

### ICASFe

APRIL 2017

Level:

**153.7**

Monthly variation:

**0.02 %**

Inter-year variation: 1.6%

2017's partial result: 0.6%

### MAIN RESULTS

ICASFE's level was located in **153.7**, presenting a monthly variation of **0.02%** in respect to March 2017.

Inter-year variation rates reached **1.6%** (comparing April 2017 vs. April 2016).

Partial cumulated expansion during 2017's was measured in **0.6%**.

### 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 the coincident index. In addition, it is worth noting 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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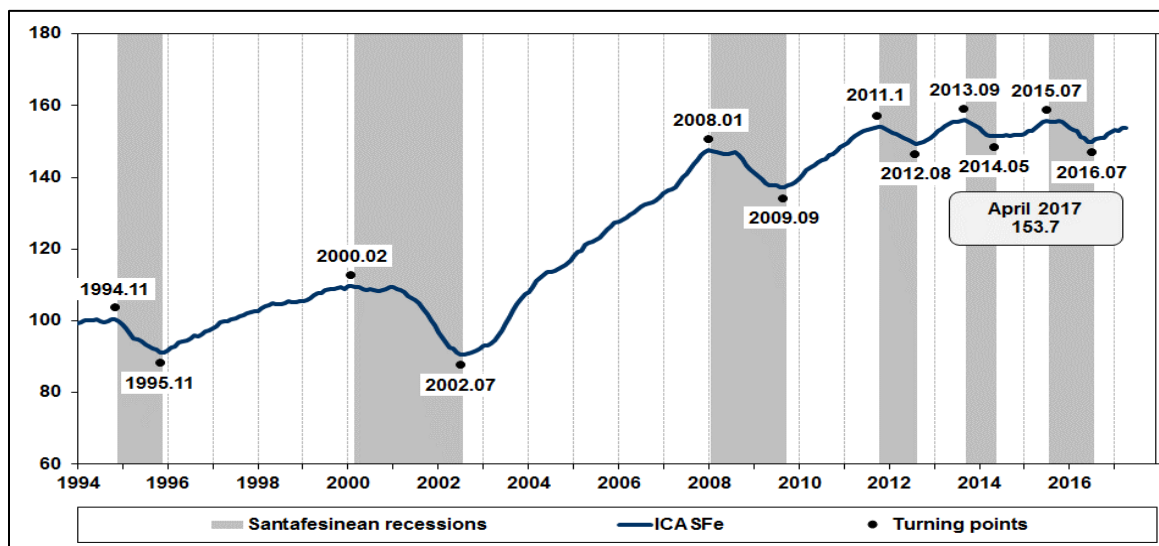
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### Province of Santa Fe's economic activity

Last measurement did not practically add any improvement to the present recovery process. The index's monthly variation rate was almost null (0.02%) and, therefore, cumulated growth between January and April was only 0.6%. In fact, since the beginning of the expansion phase in July 2016, economic activity recovered slowly and did not yet regain previous recession's level (last peak was dated in July 2015).

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



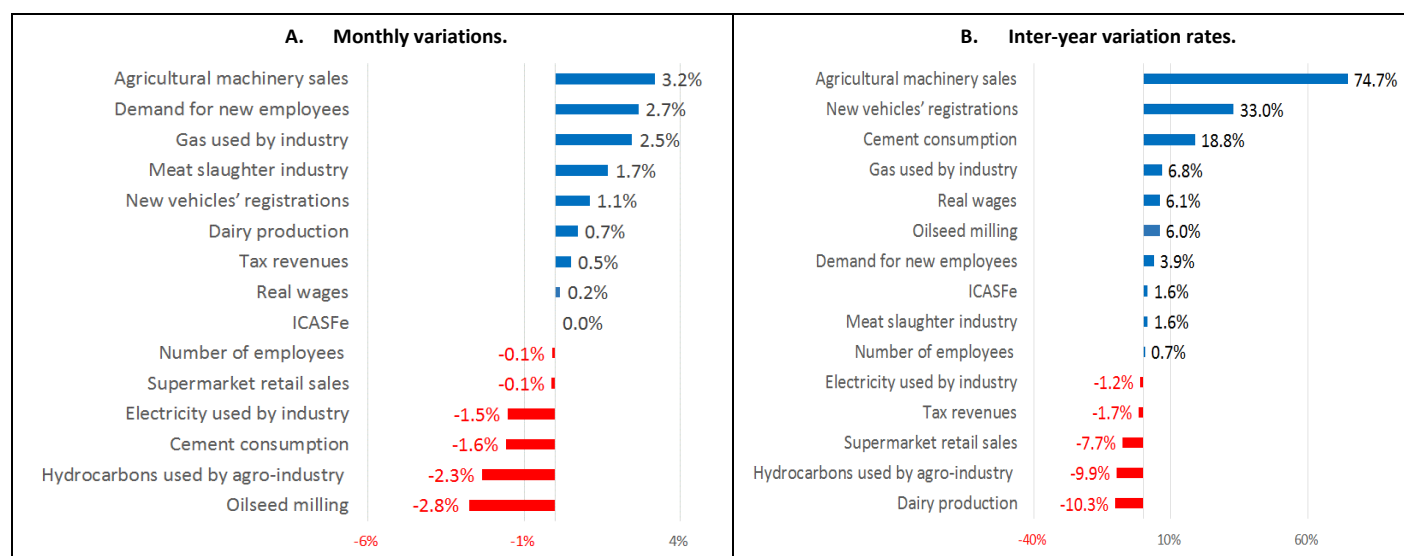
Source: Research and Services Center, Santa Fe's Chamber of Commerce.

### Indicator by indicator

Eight of the fourteen series considered by the coincident index presented positive monthly variation rates; however, their improvement was only strong enough to compensate the other six sub-indicators' contraction.

**Agricultural machinery sales** increased 3.2% in April and 74.7% during the last 12 months. This boost in investments began at the end of 2015 and the process intensified since then on. Similarly, **new vehicles' registrations** improved 1.1 and 33.0%, respectively. On the other hand, **cement consumption** dropped 1.6% in respect to March although the series registers an inter-year growth of 18.8%.

**Graph 2: Economic activity's indicators for the Province of Santa Fe - April 2017 -**



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

In regard to industrial activities, **gas consumption** increased 2.5% in April, which implies an inter-year recovery of 6.8%. **Electricity used by industry** went on the opposite direction. The series declined 1.5% in respect to March and 1.2% in terms of April 2016.

**Oilseed milling** stayed above April 2016's level (6.0%), although the series showed a monthly negative variation of **-2.8%**. Moreover, **hydrocarbons used by agro-industry** declined both in respect to March (**2.3%**) and inter-yearly **9.9%**.

**Registered jobs** experienced a mild contraction of **0.1%** in April but maintained a favorable inter-year result of 0.7%. **Demand for new employees** kept recovering within rates of 2.7 and 3.9%, respectively. So did **real wages**, the sub-indicator grew other 0.2%, achieving a total recovery of 6.8% across the last year. Contrarily, **supermarket retail sales** dropped **0.1%** and stayed **-7.7%** behind its inter-year benchmark.

Finally, **tax revenues** recovered 0.2% but compared to April 2016 the series declined **1.7%**.

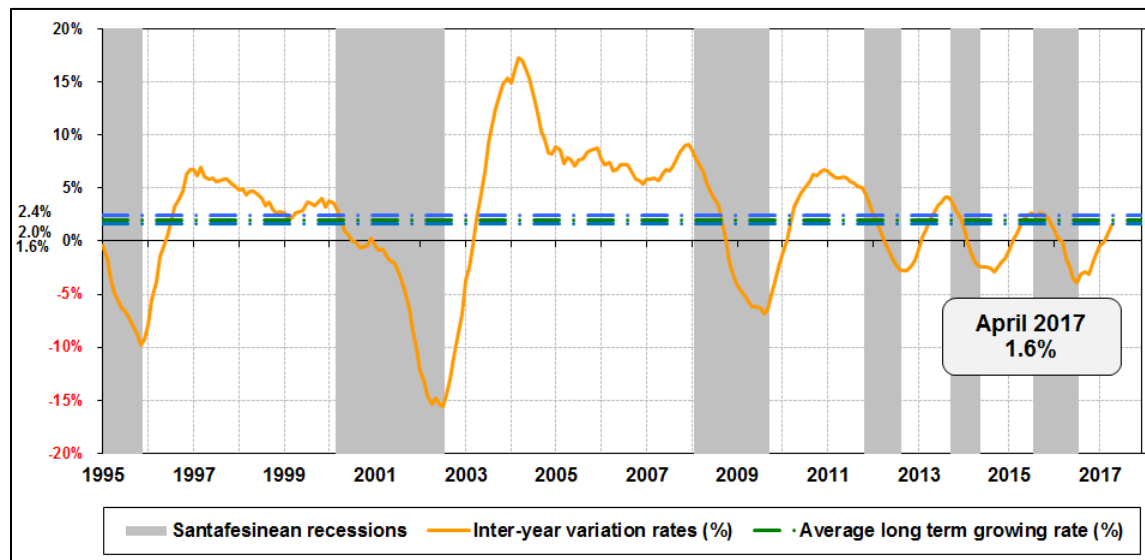
## Summary and perspectives

After nine consecutive monthly increases, ICASFe's inter-year variation rates are located in 1.6% (see Graph 3). Within this results, the gauge reached the inferior long term growth statistical band (1.5%).

In respect to considered sub-indicators, only two series could plenty recover from last recession (2015-2016), both related to investment in durable goods: agricultural machinery sales and new vehicles' registrations. The need of new technology was somehow helped by financial credit and a stable currency exchange rate. Measured by cement consumption, the construction sector is also showing a proper recovery and is almost reaching pre-recession levels.

All said, what worries the most is expansion's speed. At this rhythm is going to take quite some time to recover and finally getting beyond the stagnation phenomenon that prevails since 2011.

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



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