

# THE PROVINCE OF SANTA FE'S ECONOMIC DIGEST

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CENTRO DE ESTUDIOS Y SERVICIOS



140 años

Desde 1884

## ICA-SFE

Base 1994=100

JULY 2024

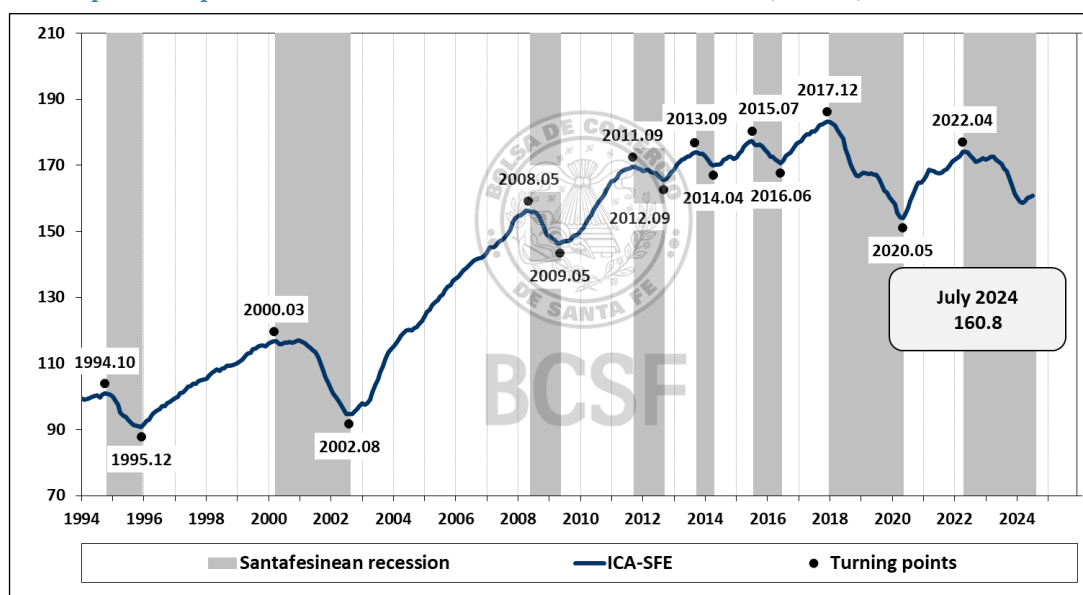
Level: 160.8

Monthly variation: 0.2%  
Inter-year variation: -5.8%

### Santa Fe's economic activity continues to improve, but slowly

During July 2024, ICA-SFE index continued to show an incipient recovery. However, a group of relevant indicators do not yet accompany a clear growth dynamic.

Graph 1: Composite Coincident Index for the Province of Santa Fe (ICA-SFE). Base 1994=100.



Source: Research and Services Center, Santa Fe's Chamber of Commerce (Digital Graph | [Go to website](#)).

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#### What is ICA-SFE for?

ICA-SFE 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 <https://www.bcsf.com.ar/ces/icasfe.php>

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

As of publication No 3, Year 17, improvements in data's structure were incorporated in order to gain precision over the industrial production component (see academic document at [https://www.bcsf.com.ar/ces/pdf/2022\\_Cohan-Zanini.pdf](https://www.bcsf.com.ar/ces/pdf/2022_Cohan-Zanini.pdf))

## Santa Fe's business cycle indicators

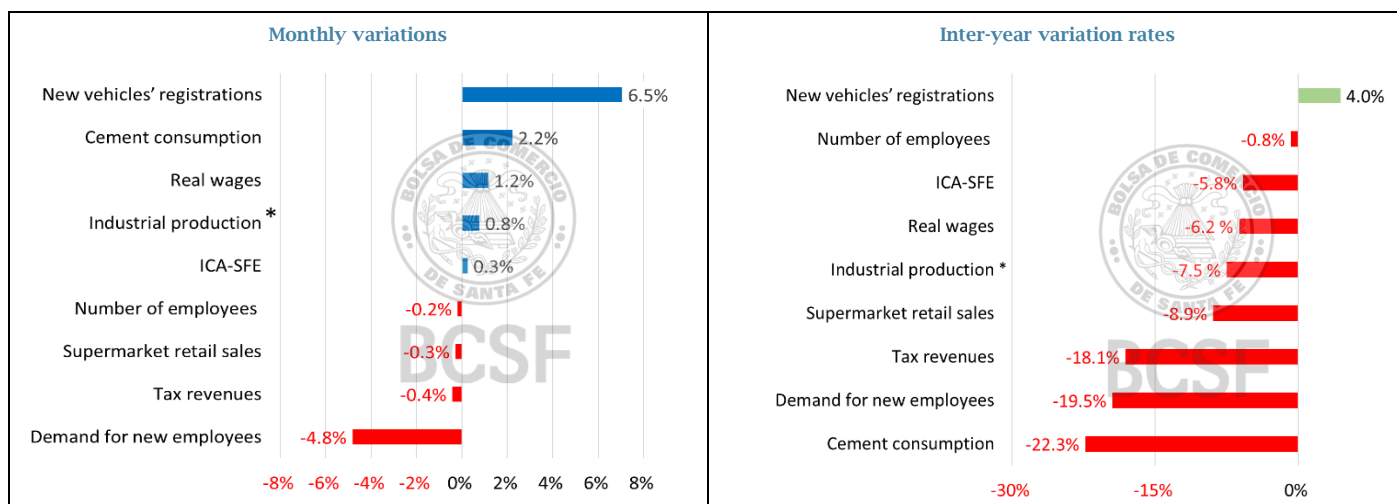
In July 2024, only four of eight provincial economic activity representative indicators obtained positive results compared to June. Furthermore, in the year-over-year comparison, only one series managed to improve its situation relative to July 2023.

Among indicators that contributed positively, those related to investment in durable goods stood out. **New vehicles' registrations** experienced its fifth consecutive monthly increase, within July's figure being 6.5%. In addition, after fourteen negative interannual variations, in July, the gauge turned positive to 4.0% (compared to the same month of previous year). In the case of **cement consumption**, its monthly rate was 2.2%; but it is still **22.3%** below July 2023's level.

For its part, **formal employment** (new registrations) in the province of Santa Fe signaled its ninth negative monthly rate (-0.2% in July). This fall is mainly recorded over the private sector, although there is also a decrease in employees related to the national public sector (there is no available data corresponding to local public employment). Related to previous year, this series showed a decrease of **0.8%**. Despite of registered jobs' fall, series related to purchasing power continued to show favorable economic figures and, between June and July 2024, increased by 1.2%. In any case, its interannual decline continues to exceed **6.0%**.

Finally, in respect to labor market's outlook, a new decline in business expectations was observed in **demand for further new employees**, this time by **4.8%**; and in year-on-year terms, by **19.5%**.

Graph 2: Economic activity's indicators for the Province of Santa Fe. July 2024.



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

(\*) Latest data available: June 2024. Missing figures were estimated.

Further information: visit the [database](#) and [interactive charts](#).

Regarding to retail consumption, **supermarket sales** in Santa Fe's province (large commercial areas), indicated downward movements again, **-0.3%** compared to June, and **-8.9%** compared to July 2023. In the same direction, provincial tax resources, measured in real terms, contracted by **0.4%** monthly, showing its eleventh consecutive negative monthly rate; and accumulating a total fall of **-18.1%** during last year. These results are inline with both own taxes collection as well as federal funds (national resources sent to Santa Fe).

**Industrial production** obtained a slight monthly increase of 0.8%, but in year-on-year terms the series experienced nineteen months of interrupted declines (**-7.5%** for July 2024). The following [section](#) details the behavior of main manufacturing indicators, adding information related to August/September 2024.

## Industrial sector's complementary indicators

**Consumption of liquid hydrocarbons** in the province of Santa Fe (excluding naphtha and fuel oil) registered a new monthly decline in July 2024, in this case of **3.1%**, placing its interannual rate at **-6.4%**. Meanwhile, **industrial gas consumption** registered its third consecutive positive monthly rate (3.1%), reaching an annual recovery of 17.9%.

As for August 2024, representative series of **diary production** in the province (indicative of 11 representative companies) presented a monthly rate of **-1.0%**, whereas its interannual variation was **-15.5%**.

On the other hand, **bovine and pig slaughter** (in aggregate terms) in the province continues to recover, signaling a joint increase of 0.6%, mainly driven by cattle segment. However, on an interannual basis, it remains in a negative territory (-0.9%), although its fall is slowing down.

**Soybean and sunflower seeds milling**, with an interannual variation of around 58.1%, leads industrial activity recovery (although it should be noted that its interannual benchmark is rather low). Particularly, in August 2024, the series showed a practically null seasonally adjusted variation (-0.05%).

For its part, **agricultural machinery production**, towards September 2024, kept up within the recovery, obtaining a monthly exchange rate of 3.7%. As for interannual rates, they have been favorable for last three months (July- August- September), after 22 months of negative rates.

## Summary and perspectives

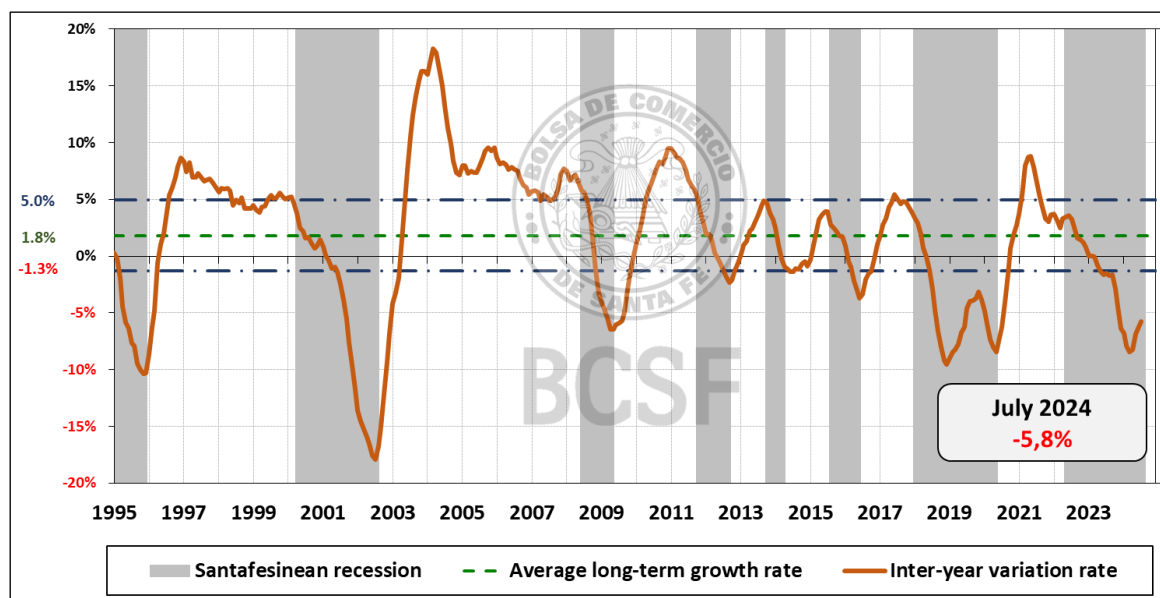
ICA-SFE interannual variation rates stood at -5.8% in July 2024 (see [Graph 3](#)), implying that the coincident index's is still approaching to the lower confidence band. Although, even within 4 months of recovery recorded, Santa Fe's economy remains technically in recession, lasting 26 months and accumulating a total fall of -7.6%.

However, it should be noted that some relevant indicators are not yet align within growth dynamics. From the set of considered series, those which contributed positively during the last six months, called *Diffusion Index*, has been gradually improving, going from 22.9% in April to 45.8% in July 2024. This situation implies a favorable performance, but also indicates that more than half of them is not yet directly pointing out a switch to an expansion phase.

Industrial activity shows the greatest heterogeneity. Whereas agro-industrial activities are collaborating positively, other manufacturing branches are greatly affected by new economic scenario. In relation to the construction sector, a boost is observed mainly on private segment (which is supported by available credit lines). But public works, which are crucial for provincial economic development, have yet to take off. In addition, the commercial sector is specially affected by consumption's fall.

Mentioned details explain the issues that raise negative signals regarding to recovery's pace, although we expect it to continue upon the upcoming measurements.

Graph 3: Monthly ICA-SFE's inter-year variation rates.



Source: Research and Services Center, Santa Fe's Chamber of Commerce (Digital Graph | [Go to website](#)).

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Escribano Martín Vigo Lamas

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