THE PROVINCE OF SANTA FE´S ECONOMIC DIGEST

CES
CENTRO DE ESTUDIOS Y SERVICIOS

BOLSA DE COMERCIO DE SANTA FE
140 años
Desde 1884

ICA-SFE

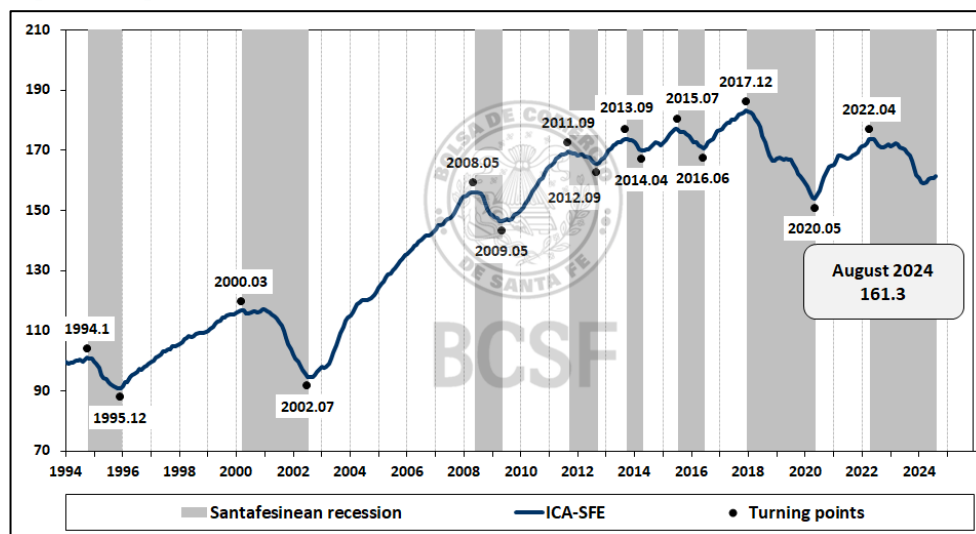**Base 1994=100**

AUGUST 2024

Level: **161.3**

Monthly variation: 0.4%
Inter-year variation: -4.7%

CUMULATIVE JAN-AUG: -0.2%

Signs of recovery kept taking shape

August's data showed new favorable results for Santa Fe's economic activity, identifying the fifth consecutive month of positive figures. In addition, suggestions of continuity are also observed, though stability in economic policy remains as a fundamental requirement.

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).

ces@bolcomsf.com.ar
ces.bcsf.com.ar
www.bcsf.com.ar

/BCSFOficial
@bcsfoficial
@BCSFOficial
Bolsa de Comercio de Santa Fe

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
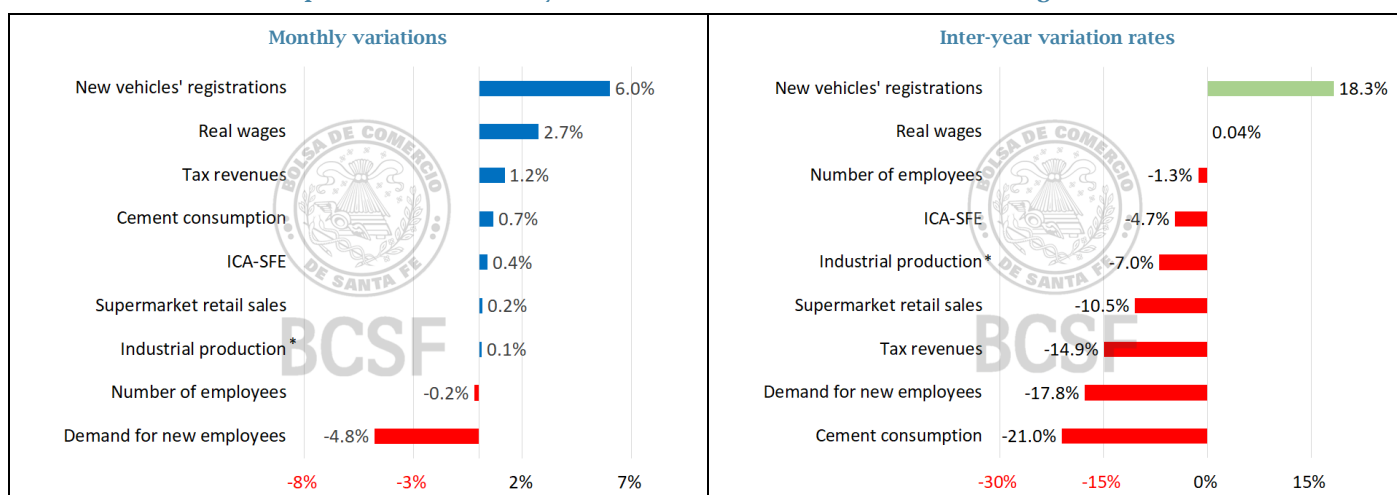
Santa Fe's business cycle indicators

In August 2024, six of eight provincial economic activity representative indicators showed favorable results. Furthermore, in the year-over-year comparison, only one series managed to improve its situation relative to August 2023. The remaining series continued reducing their accumulated declines.

Among indicators that contributed positively, **new vehicles' registrations** stood out once again, showing a monthly growth of 6.0% and an annual one of 18.3%. It's worth noting that this series began to recover in February 2024, though it remains far below the levels reached before the 2018-2020 recession. Continuing with indicators related to durable goods' investment, **cement consumption** showed a slight increase of 0.7%. But the recovery remains rather moderate, and the series stood below August 2023's level (-21.0%).

Another indicator within a highlighted monthly improvement was **real wages**, which reflects registered employees' purchasing power. Specifically, in August, this indicator increased by 2.7% compared to July 2024, placing it almost at the same level recorded in August 2023.

Moreover, the **total number of employees** (new registrations) in the province of Santa Fe continues to show negative rates. Compared to July, the series experienced a monthly decrease of -0.2%, a rate repeated over the last three measurements. In terms of the previous year, it has accumulated a decline of 1.3%. Additionally, business expectations to increase personnel (**demand for new employees**) also contracted, within a monthly decrease of 4.8% and an annual cumulative drop of 17.8%.

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

Source: Research and Services Center, Santa Fe's Chamber of Commerce.
(*) Latest data available: July 2024. Missing figures were estimated.
Further information: visit the database and interactive charts.

Regarding retail consumption, **supermarket sales** in Santa Fe's province (large commercial areas), showed a slight monthly increase in August (0.2%) but remained 10.5% below its inter-year benchmark. **Provincial tax resources**, measured in real terms, obtained a monthly improvement of 1.2%, due to increases in both own taxes collection as well as federal funds (national resources sent to Santa Fe). However, the gauge remains 14.9% below August 2023's level.

Meanwhile, **industrial production** experienced a slight monthly increase of 0.1%, but in year-on-year terms the series experienced twenty consecutive monthly declines. The following section details the behavior of main manufacturing indicators, with additional information related to September 2024 included where available.

Industrial sector's complementary indicators

In August 2024, **consumption of liquid hydrocarbons** in the province of Santa Fe (excluding naphtha and fuel oil) recorded its fifth consecutive monthly decline, this time by 2.0%, placing its interannual rate at -10.5%. Regarding **industrial electricity consumption**, the series showed a slightly positive monthly variation of 0.6%. Nevertheless, it should be noted that it remains 11.3% below the last registered peak from May 2022. Also, in the year-on-year comparison, obtained results were negative since

January 2023, reaching -2.6% in August 2024. **Industrial gas consumption** signaled a monthly variation of -2.3% in August, contrasting with the previous four months. In an interannual comparison, the rate remained positive, within a variation of 11.1% (August 2024 / August 2023).

As of September 2024, representative series of **diary production** in the province (indicative of 11 representative companies) continued to remain at relatively low values compared to its medium-term performance. However, its latest monthly rate (+0.8%) implied six consecutive positive monthly variations. From a year-on-year perspective, the contraction stands at 7.6%.

Regarding **bovine and pig slaughters**, the **bovine** segment experienced its fourth consecutive improvement (0.5% in September 2024) and the first positive year-over-year rate (2.7%). In the **pig** segment, rates were -0.8 and -4.6%, respectively.

In September 2024, **soybean and sunflower milling** consolidated the recovery that began exactly one year ago. During its most recent measurement, the series increased by 5.7%, reaching an annual improvement of 86.3%.
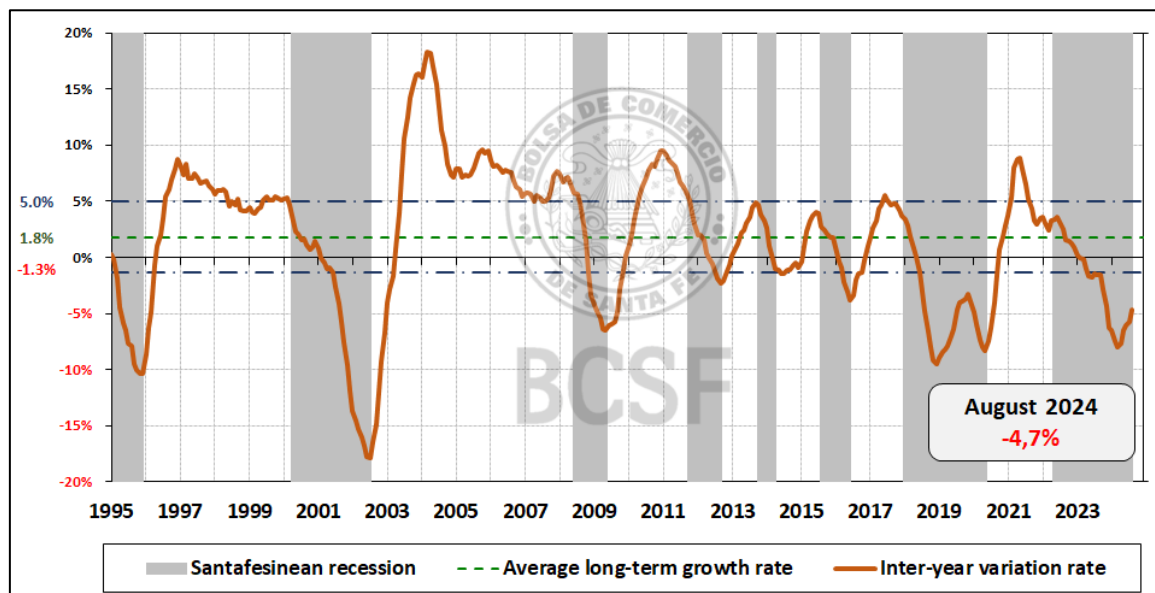
Summary and perspectives

ICA-SFE's interannual variation rates reached -4.7% in August 2024 (see **Graph 3**). Although this result is still indicating a decline compared to August 2023's level, it is noteworthy that the gauge has been recovering consistently: at the beginning of the year, inter-yearly rates were located around -8.0%.

Meanwhile, the *diffusion Index*, which measures the percentage of series that have contributed positively over the last six months, still remains at 48.0% in August 2024. In the current context, with favorable expectations for dating a positive turn over economic activity, it is worth noting that **Santa Fe's economy has indeed improved over the last five measurements, though the recovery is still not being uniformly supported across all sectors**.

From a medium-term perspective, ICA-SFE is still well below the last peak's level (dated in April 2022), and even further below the previous maximum, reached in December 2017. This implies that the current level is relatively low, which is evident across most sectors. In other words, although the recovery is expected to continue in upcoming measurements, reaching a stage of genuine growth will require a long path forward. To this regard, we emphasize the importance of maintaining a stable economic policy framework at both the national and provincial scales.

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**).

ANNEX: INTERACTIVE GRAPHICS

To complement the digest, we invite you to explore further **interactive graphics**. This package will allow you to visualize real-time data for most indicators that contribute to Santa Fe's economic activity. By visiting our website, you will find information organized into two main sections:

1. **ICA-SFE complementary indicators**

This section summarizes the provincial economic cycle evolution and presents projections for the next 12 months.

Phases and turns chronologies

- **Classical approach** | Expansions and recessions
- **Growth approach** | Accelerations and decelerations
- **Growth rate approach**

Projections for the next 12 months

- **Forecasts and confidence bands**

Phase change probabilities

- **Markov switching model**

2. **Economic series of the system**

This **section** presents complementary information related to Santa Fe's economic cycle project. It includes indicators categorized by thematic axis.