THE PROVINCE OF SANTA FE´S ECONOMIC DIGEST

CENTRO DE ESTUDIOS Y SERVICIOS

BOLSA DE COMERCIO DE SANTA FE

ICA-SFE

Base 1994=100

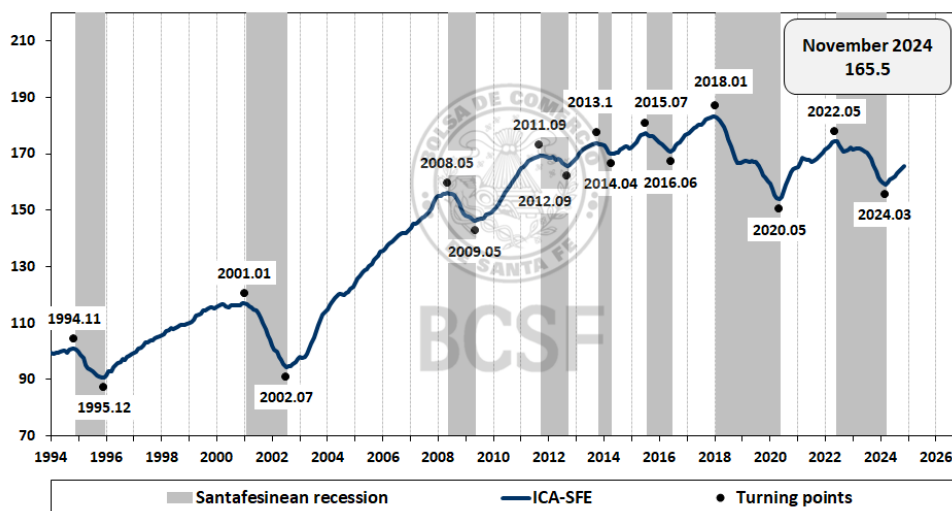NOVEMBER 2024

Level: **165.5**

Monthly variation: 0.5%
Inter-year variation: 1.1%
CUMULATIVE JAN-NOV: 2,4%

A new expansion phase is confirmed for Santa Fe's economic activity

With data up to November 2024, the coincident index signaled a turning point in March 2023, implying Santa Fe's economic activity began a new expansion phase last April.

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 (Digital Graph | Go to website).

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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. The last twelve-monthly results exposed in this document are based on preliminary information and hence subject to further revisions.
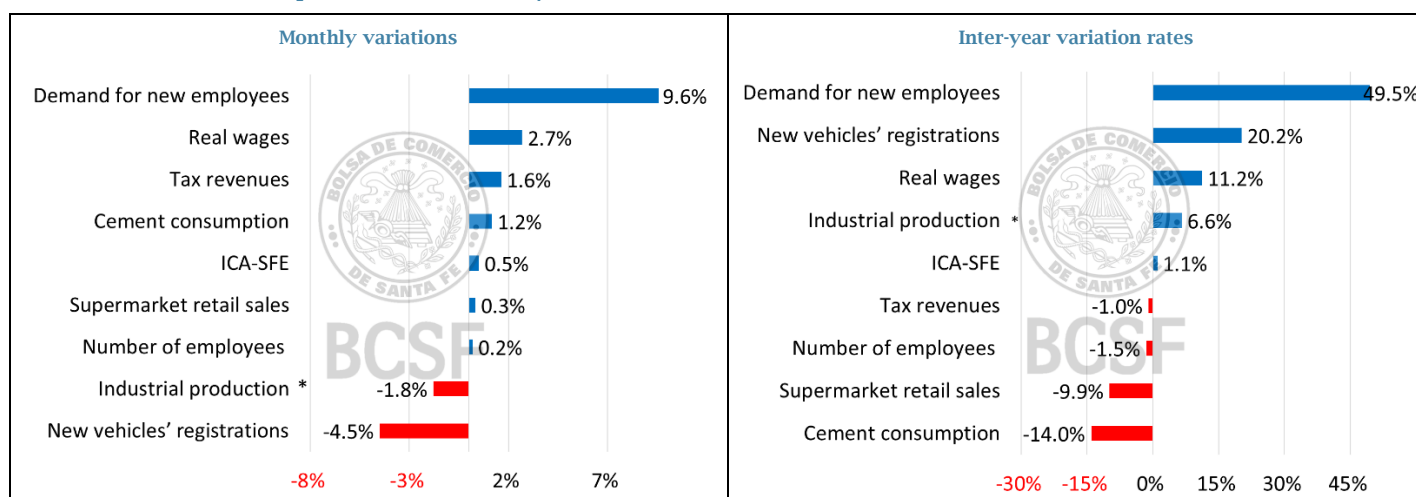
Santa Fe's business cycle indicators

In November 2024, six of eight representative sub-indicators of provincial economic activity obtained favorable results. In addition, four of them registered year-on-year increases.

Demand for new employes, a series which measures business expectations to increase personnel in Santa Fe, improved its performance during the year and, in November, it registered variations of 9.6% monthly and 49.5% interannually. Although this is a series with a wide range of fluctuations, an economic trough has been dated in December 2023. In Moreover, **registered jobs (new registrations)** in the province of Santa Fe obtained another positive monthly rate of 0.2%. On a year-on-year comparison, it continues to reduce its fall, within a net balance of -1.5%. **Real wages**, related to employees' purchasing power, signaled their ninth positive monthly rate in November (+2.7%), reaching an increase of 11.2% compared to November 2023. This gauge also confirmed an economic valley in February 2024.

Retail consumption **(supermarket sales)** achieved a modest monthly increase of 0.3%. Nevertheless, the series stayed almost 10.0% below the previous year's benchmark. It is worth noting that this indicator is constructed whit official data from large stores' sales in the province of Santa Fe.

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

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

Among indicators related to durable goods' investment, **new vehicles' registrations** fell again in November, presenting a monthly decrease of 4.5%, but maintaining their year-on-year recovery, in this case of 20.2%. For its part, **cement consumption** seems to be recovering solidly, within a monthly increase of 1.2% for November, cutting its year-on-year variation to -14.0%.

Provincial tax resources, measured in real terms, improved by 1.6% in monthly basis. It is worth noting that both collection of own taxes and federal funds (national resources sent to Santa Fe) registered four consecutive monthly increases. However, in year-on-year terms, this series is 1.0% below November 2023's level.

On the other hand, a decline of 1.8% was estimated for **industrial production**, although the series maintains a recovery of 6.6% on interannual terms. The following section details the behavior of main manufacturing indicators, with additional information related to December 2024 included where available.

Industrial sector's complementary indicators

In November 2024, **industrial gas consumption** showed a slight positive monthly variation of 0.1%, whereas on an interannual basis, the rate remains in a positive ground (+8.9% compared to November 2023). These results imply their tenth positive variation. With data up to December 2024, representative series of **consumption of liquid hydrocarbons** recorded its fourth positive monthly variation, in this case of 1.1%. This recovery reduced its interannual decline to -0.7%.

Soybean and sunflower seeds milling finished 2024 with an interannual variation of 81.1%, leading industrial activity recovery, compared to last year's situation. Particularly in December, a positive variation of 1.7% was observed. In the province of Santa Fe, about 3.310.00 tons of soybean seeds were sent to milling, a figure above last 6 years' average (leaving aside atypical years due to extreme drought). On the other hand, about 42.900 tons of sunflower seeds were sent to milling, a value consistent within December's records.

Bovine and pig slaughters improved their performance across the second half of the year. In December 2024, they increased by 2.3%, giving a year-on-year balance of 4.6%. **Diary production**, a series based on information from eleven companies in the province, showed a variation of 1.9% in December.

Finally, the representative series of **agricultural machinery production** in the province of Santa Fe registered a new positive monthly variation (0.8%). Meanwhile, compared to December 2023, its net balance reached 43.4%.
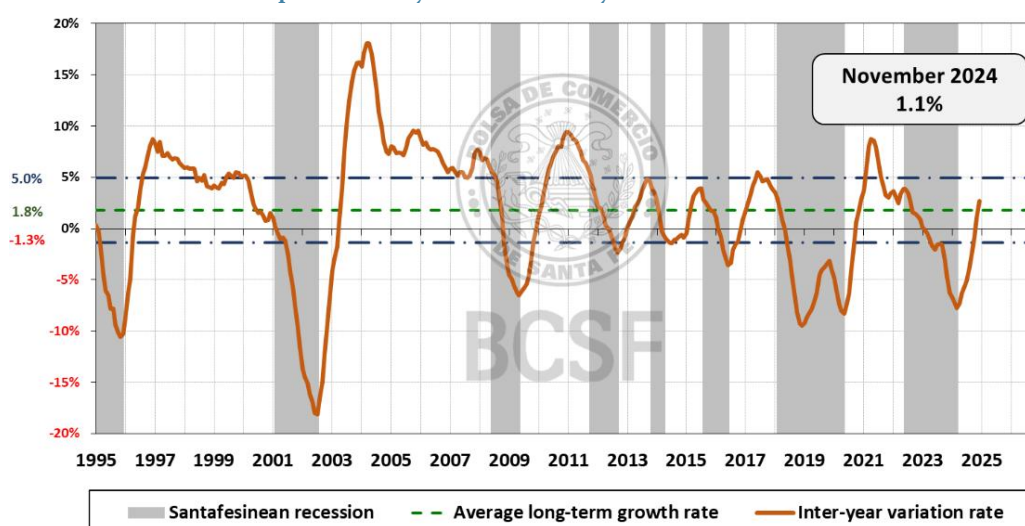
Summary and perspectives

ICA-SFE's interannual variations finished November in positive ground (+1.1%), after twenty-one consecutive months of declines. Moreover, Santa Fe's economic activity dated a new expansion phase that began last April. In this context, the gauge crossed –upwards– both the lower and the middle band of the statistical confidence interval built around the indicator's long-term growth rate (see **Graph 3**).

March 2024's turning point, means the end of the recessionary phase dated between 2022 and 2024, within a duration of 22 months and an accumulated fall of 8.7%. Compared to seven previous recessions, this last one was longer, since average duration had been 14 months, but in terms of amplitude it presented a smaller annualized variation (4.8 versus 6.5%). However, it should be noted that during the twenty-two months of total duration, two very different periods occurred, among which the deepest fall was recorded between April 2023 and March 2024.

Currently, Santa Fe's economic activity expansion phase has lasted 8 months. Since the previous peak has not been reached yet, the recovery process technically continues, with an accumulated balance of 4.0%, until November 2024. Analyzing the set of indicators considered on ICA-SFE index, it can be seen that practically all of them are at low levels in medium terms. Whereas, between April and November 2024, only two of them accumulated negative variations: registered jobs in the province and retail consumption (measured by large supermarkets sales). By the contrary, recovery on formal employment's real wages is highlighted.

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 three 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**

Diffusion index

- **IDSC-SFE**

Probabilities of changing from one phase to another

- **Markov switching model**

2. **System's economic series**

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

3. **Panels with variations of all system's series**

This section presents two panels showing monthly and interannual variations of all system's indicators. Information is updated on the last business day of each week.

- **Monthly variations panel**
- **Interannual variations panel**