

Business survey July 2017

Manufacturing industry, market services and construction

09 August 2017



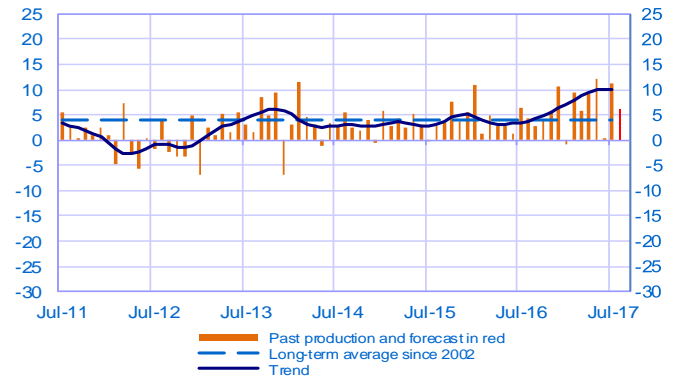
- **In July, industrial production rebounded**, following a sluggish June. This rebound was particularly marked in the automobile, plastics-rubber and metalworking sectors.

The level of order books is high, and inventories of finished goods fell to their 2010 low.

Business leaders expect industrial production to continue to expand in August.

Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



- **Service sector activity remained buoyant.**

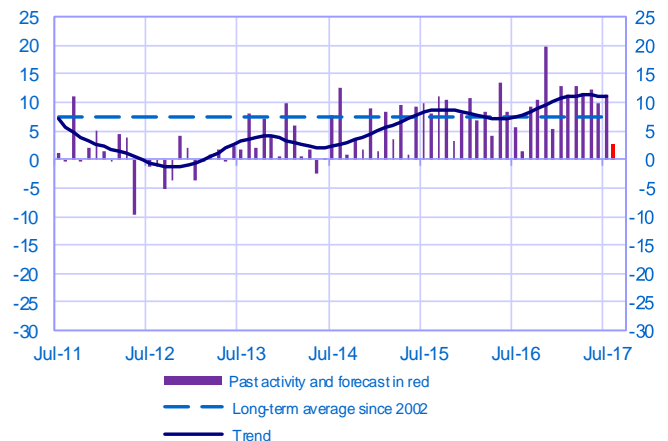
Staff levels continued to improve but at a slower pace.

Cash positions remained at very comfortable levels.

Business leaders expect service sector activity to grow moderately in August.

Opinion on the outlook for services activity*

Balance of opinions, SA-WDA



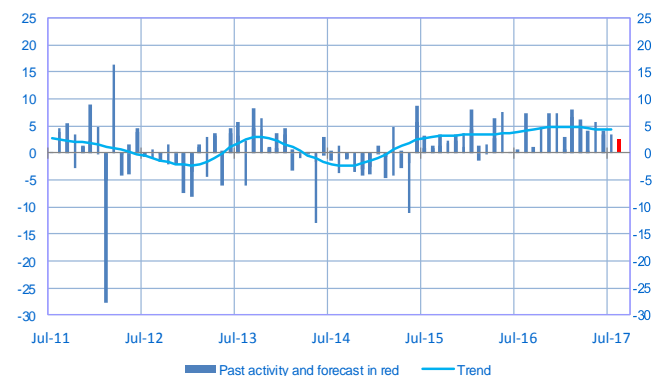
- **Construction sector activity continued to strengthen**, both in structural and finishing works.

Staff levels continued to rise but at a slower pace.

Business leaders expect construction sector to firm slightly in August.

Opinion on the outlook for construction activity*

Balance of opinions, SA-WDA



The business sentiment indicator in manufacturing industry* stood at 105 in July, after 103 in June.

The business sentiment indicator in services* stood at 99 in July, after 100 in June.

The business sentiment indicator in construction* stood at 102 in July, after 103 in June.

According to the monthly index of business activity (MIBA), **GDP is expected to increase by 0.5% in the third quarter of 2017 (first estimate).**

* Calculations are based on survey data, SA-WDA and smoothed over five months

* A positive (negative) balance of opinions corresponds to a rise (fall) in the evolution of activity

Manufacturing industry

| | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------|
| Change | | | | | | | | | | | | Forecast |
| Production | 3 | 4 | 6 | 11 | -1 | 10 | 6 | 9 | 12 | 0 | 11 | 6 |
| Deliveries | 5 | 7 | 6 | 10 | 5 | 11 | 5 | 12 | 10 | 1 | 13 | |
| Total orders | 7 | 6 | 10 | 9 | 9 | 12 | 8 | 13 | 10 | 6 | 12 | |
| Staff | 3 | 1 | 2 | 3 | 2 | 2 | 3 | 3 | 4 | 4 | 4 | |
| Final goods prices | 1 | 1 | 1 | 1 | 3 | 2 | 4 | 4 | 2 | 2 | 1 | |
| Commodity prices | 3 | 4 | 5 | 7 | 10 | 9 | 9 | 5 | 4 | 3 | 3 | |
| Level | | | | | | | | | | | | |
| Order books | 12 | 12 | 16 | 16 | 16 | 16 | 18 | 17 | 20 | 20 | 20 | |
| Inventories of finished goods | 4 | 5 | 3 | 2 | 2 | 0 | 1 | 1 | 4 | 0 | -1 | |
| Capacity utilisation rate | 77.8 | 77.6 | 78.1 | 79.1 | 78.6 | 78.7 | 79.1 | 79.0 | 79.9 | 79.7 | 80.1 | |
| Cash positions | 16 | 14 | 14 | 12 | 14 | 14 | 15 | 13 | 15 | 15 | 14 | |

Services

| | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------|
| Change | | | | | | | | | | | | Forecast |
| Activity | 9 | 11 | 20 | 5 | 13 | 11 | 13 | 12 | 12 | 10 | 11 | 3 |
| Aggregate demand | 9 | 11 | 21 | 7 | 12 | 12 | 13 | 12 | 11 | 10 | 12 | |
| Prices | -3 | -1 | 0 | 0 | 0 | 0 | 0 | -1 | -1 | 1 | -1 | |
| Staff | 8 | 7 | 7 | 7 | 9 | 8 | 6 | 6 | 6 | 6 | 4 | |
| Level | | | | | | | | | | | | |
| Cash positions | 13 | 15 | 16 | 14 | 12 | 17 | 15 | 15 | 16 | 17 | 21 | |

Construction

| | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------|
| Change | | | | | | | | | | | | Forecast |
| Activity | 1 | 5 | 7 | 7 | 1 | 8 | 6 | 0 | 6 | 4 | 3 | 2 |
| Estimates prices | -1 | 0 | 0 | -1 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | |
| Staff | 1 | 2 | 2 | 2 | 1 | 3 | 2 | 2 | 3 | 3 | 1 | |
| Level | | | | | | | | | | | | |
| Order books | 15 | 15 | 15 | 14 | 18 | 22 | 22 | 17 | 18 | 18 | 18 | |

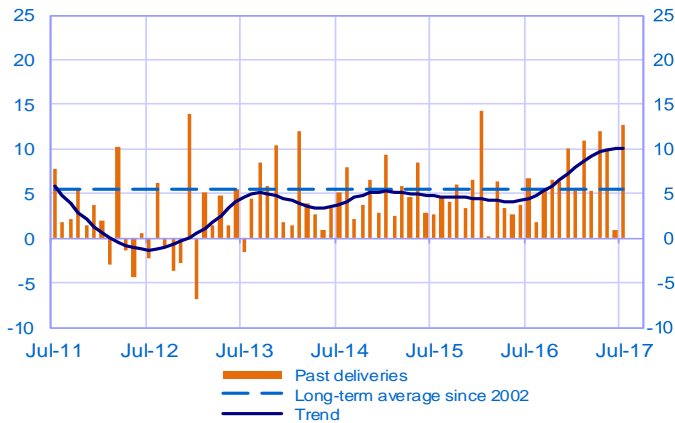
Notes:

- A positive (negative) balance of opinions corresponds to a rise (fall) in the evolution of activity.
- The last point corresponds to the business leaders' forecasts of future activity.
- The series are revised on a monthly basis. These revisions take into account additional gross data and the evolution of the seasonal and working-day adjustment depending on the latest available data. The business sentiment indicators of the previous months are revised accordingly.

Manufacturing industry

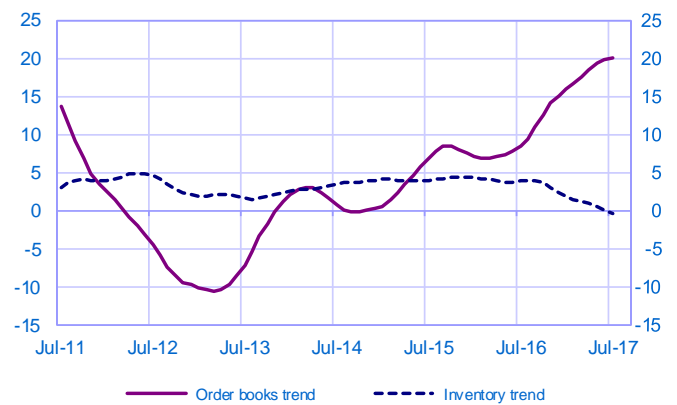
Changes in deliveries

Balance of opinions, SA-WDA



Inventories and order book level

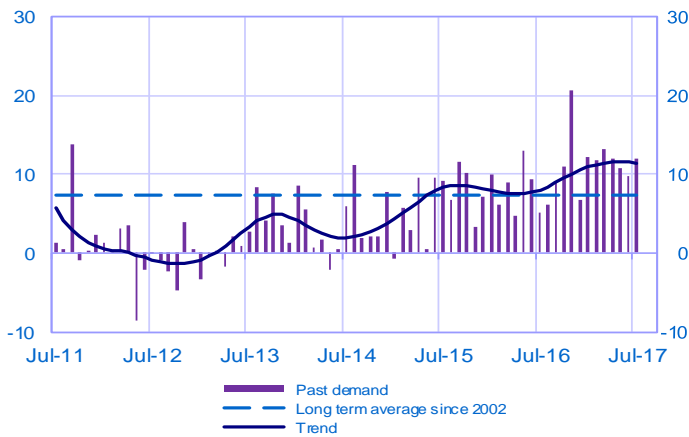
Balance of opinions, SA-WDA



Services

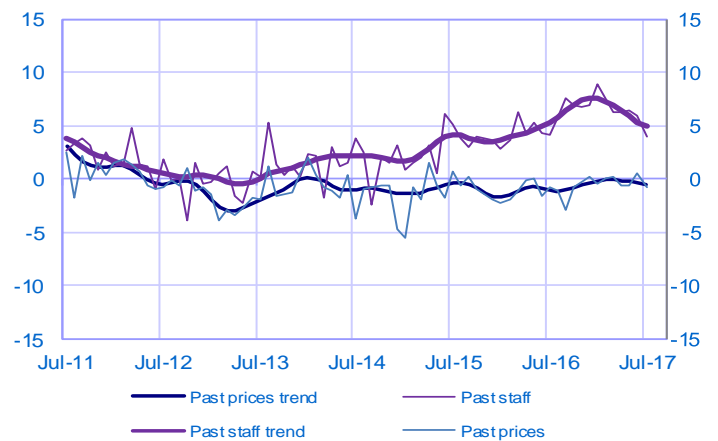
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

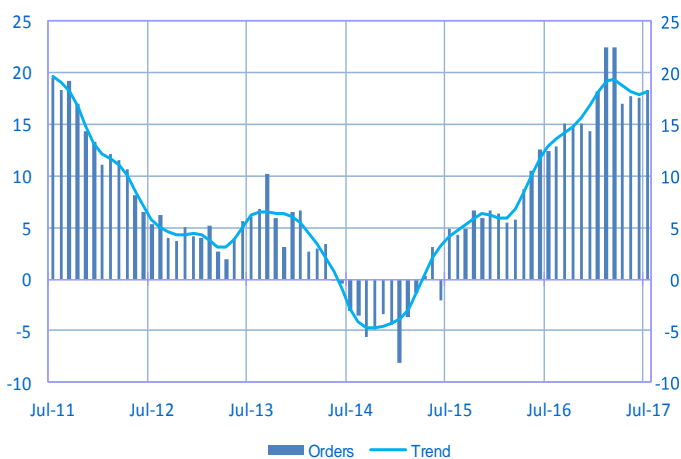
Balance of opinions, SA-WDA



Construction

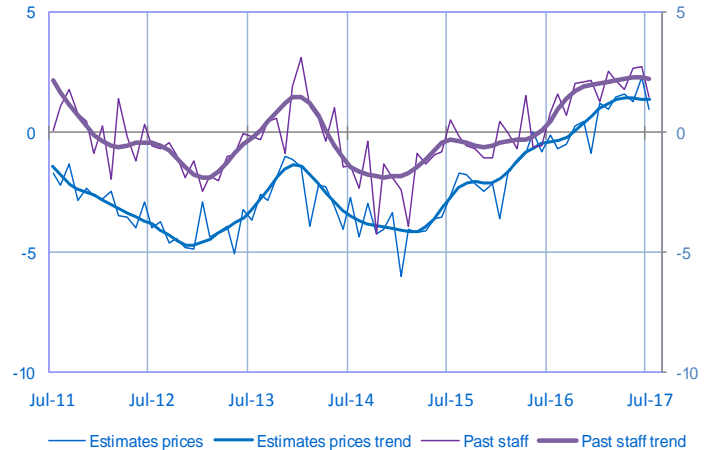
Order book level

Balance of opinions, SA-WDA



Changes in estimates prices and staff

Balance of opinions, SA-WDA



For further details, see [sectoral level information](#), the [methodology](#), the [publications calendar](#), the [contacts](#) and all statistical time series published by the Banque de France can be accessed [WEBSTAT Banque de France](#)

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