

Business survey May 2017

Manufacturing industry, market services and construction

12 June 2017



- **In May, industrial production rose more sharply.** Activity was strong in all sectors. Use of production capacities increased.

Order books improved. However, inventories increased, in particular in the transport equipment and pharmaceutical sectors.

The cash position picked up.

According to business leaders, industrial production should grow at a slower pace in June.

- **Service sector activity continued to grow at a healthy pace.** Temporary work recovered, whereas IT activities broke off their rise momentarily.

Staff levels firmed further.

According to business leaders, service sector activity should continue to improve in June.

- **Activity rebounded in the construction sector, both for structural and finishing works.**

Order books remained strong.

According to business leaders, construction activity should grow in June.

The business sentiment indicator in manufacturing industry* stood at 105 in May, like in April.

The business sentiment indicator in services* stood at 101 in May, like in April.

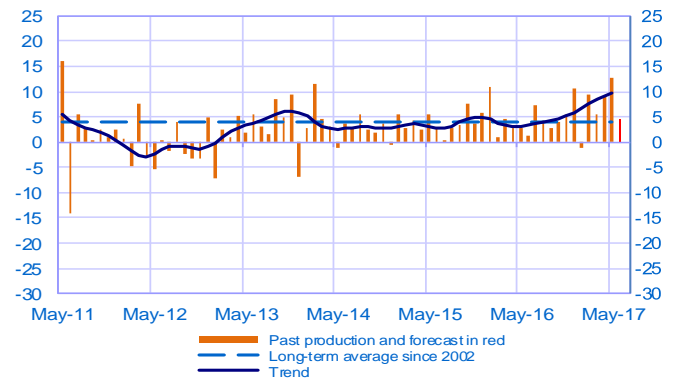
The business sentiment indicator in construction* stood at 102 in May, after 101 in April.

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

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

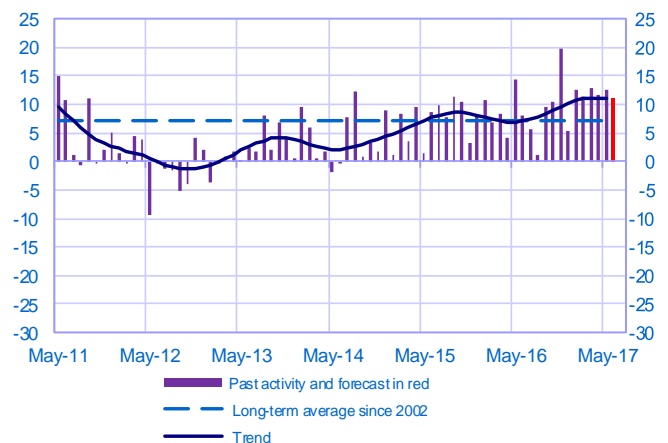
Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



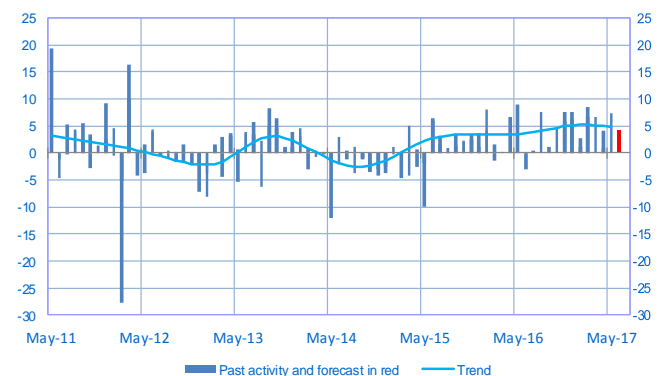
Opinion on the outlook for services activity*

Balance of opinions, SA-WDA



Opinion on the outlook for construction activity*

Balance of opinions, SA-WDA



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

Manufacturing industry

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Change												Forecast
Production	7	4	3	4	6	11	-1	9	6	9	13	5
Deliveries	8	2	5	7	6	10	5	11	5	12	10	
Total orders	8	7	7	6	10	9	9	12	8	13	10	
Staff	-1	1	3	1	2	3	2	1	3	3	3	
Final goods prices	-1	0	1	1	1	1	3	3	4	4	3	
Commodity prices	0	2	3	4	5	7	11	9	9	5	4	
Level												
Order books	8	9	12	12	16	16	16	16	18	17	20	
Inventories of finished goods	3	4	4	5	3	2	2	0	1	1	4	
Capacity utilisation rate	77.7	78.9	77.8	77.6	78.1	79.1	78.6	78.7	79.1	79.0	79.9	
Cash positions	10	12	16	14	14	12	14	15	16	13	16	

Services

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Change												Forecast
Activity	6	1	10	10	20	5	13	11	13	12	12	11
Aggregate demand	5	6	9	11	21	7	12	12	13	12	12	
Prices	-1	-1	-3	-1	0	0	0	0	0	-1	-1	
Staff	2	6	7	7	7	7	9	8	7	7	7	
Level												
Cash positions	15	9	14	15	16	14	12	16	15	15	16	

Construction

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Change												Forecast
Activity	1	7	1	5	8	8	1	8	7	1	7	4
Estimates prices	0	-1	-1	0	0	-1	1	1	1	2	1	
Staff	0	2	1	2	2	2	1	3	2	2	3	
Level												
Order books	12	13	15	15	15	14	18	23	22	17	18	

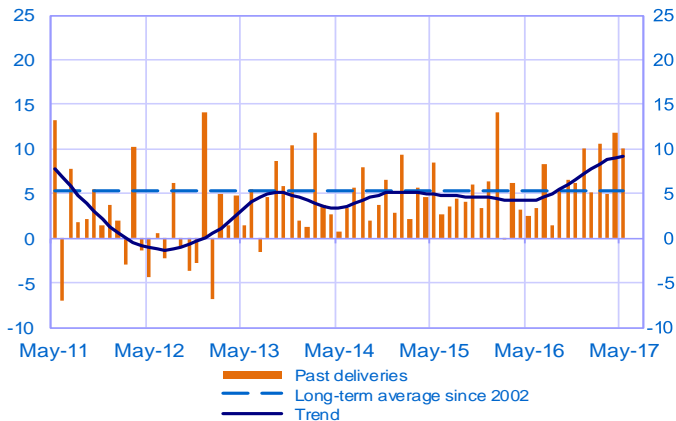
Notes:

- 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

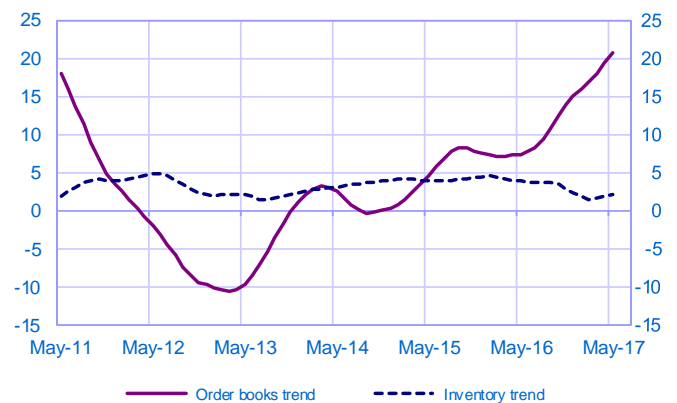
Changes in deliveries

Balance of opinions, SA-WDA



Inventories and order book level

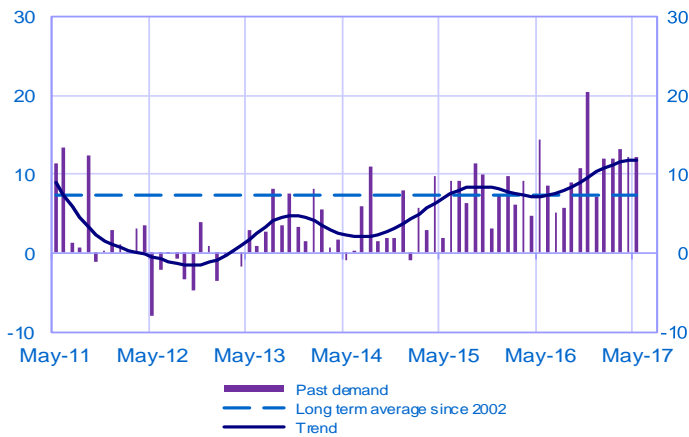
Balance of opinions, SA-WDA



Services

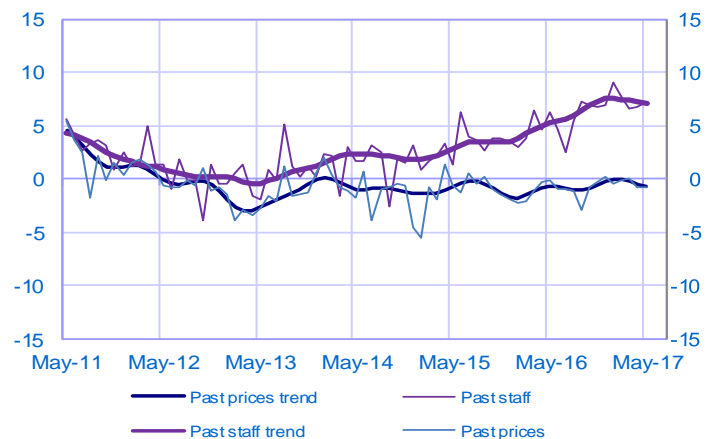
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

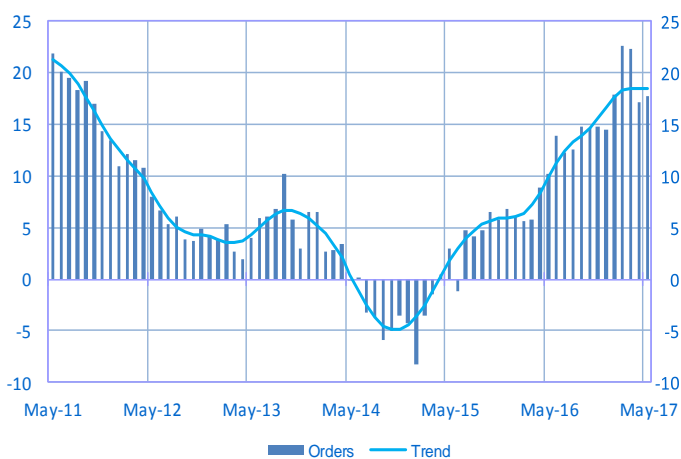
Balance of opinions, SA-WDA



Construction

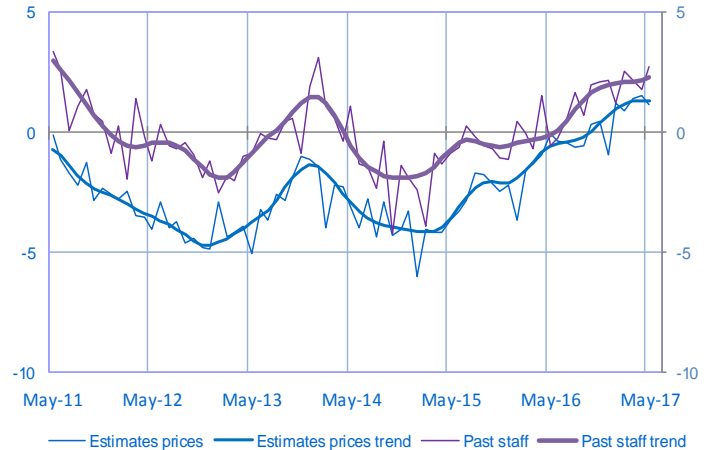
Order book level

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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