

Business survey July 2016

Manufacturing industry, market services and construction

August 8, 2016



- **In July, industrial production picked up.** This rebound occurred in most sectors. However, the car industry lost ground.

Both deliveries and orders were buoyant.

Business leaders expect industrial production to be stable in August.

- **Service sector activity firmed in July albeit at a more moderate pace.** Consulting and IT activities slowed down, while transport services rebounded.

Staff levels and demand continued to improve, but at a slower rate.

Business leaders expect a contained rise in service sector activity in August.

- **Construction sector activity declined very slightly in July,** for both structural works and finishing works.

Order books were stable at a fairly high level.

Business leaders expect construction sector activity to decrease very slightly in August.

The business sentiment indicator in manufacturing industry* stood at 98 in July, after 97 in June.

The business sentiment indicator in services* stood at 96 in July, after 97 in June.

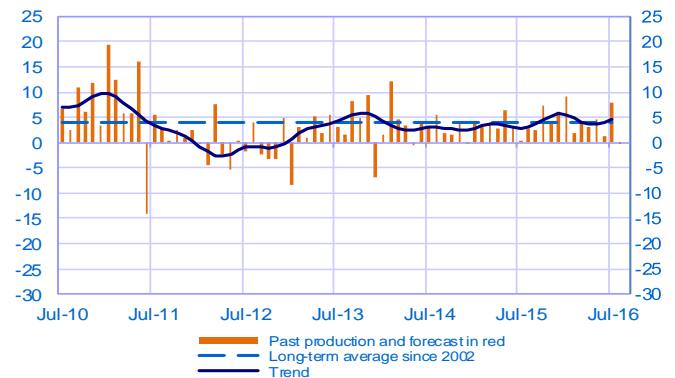
The business sentiment indicator in construction* stood at 97 in July, like in June.

According to the monthly index of business activity (MIBA), **GDP is expected to increase by 0.3% in the third quarter of 2016 (first estimate).**

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

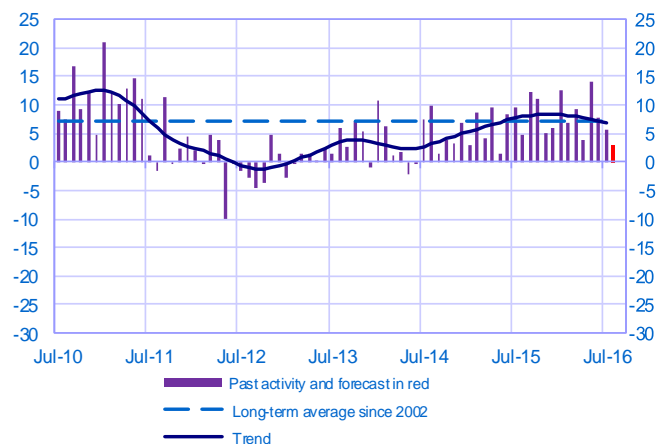
Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



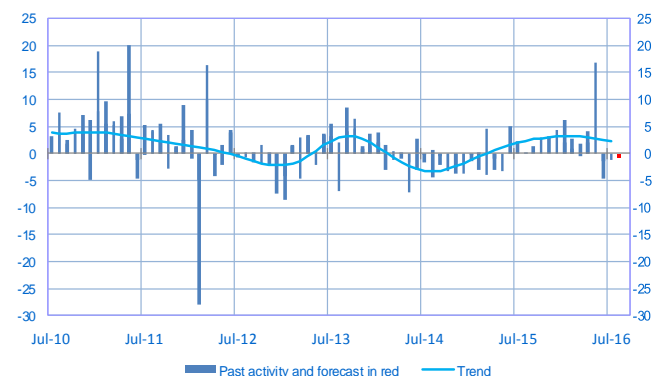
Opinion on the outlook for services activity*

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

	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
Change												Forecast
Production	2	7	4	6	9	2	4	3	4	1	8	0
Deliveries	3	6	3	7	13	2	5	5	3	3	8	
Total orders	5	8	5	5	12	2	7	3	4	6	8	
Staff	2	3	1	1	2	-1	1	0	1	0	-1	
Final goods prices	-2	-1	-1	-2	-3	-3	-2	-1	-1	-1	-1	
Commodity prices	-3	-1	-1	-2	-4	-4	-3	-1	0	0	-1	
Level												
Order books	9	8	8	8	7	7	7	7	7	8	7	
Inventories of finished goods	5	4	4	5	4	4	4	4	3	2	3	
Capacity utilisation rate	77.4	77.8	77.8	78.1	78.1	78.1	78.1	77.9	78.3	77.8	77.7	
Cash positions	10	11	11	11	11	10	9	9	10	13	10	

Services

	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
Change												Forecast
Activity	12	11	5	6	13	7	9	4	14	8	6	3
Aggregate demand	13	11	5	6	11	7	11	5	15	9	5	
Prices	-1	-1	-1	-1	-2	-2	-1	-1	0	-1	-1	
Staff	4	4	4	3	4	4	6	4	7	4	2	
Level												
Cash positions	12	14	14	8	12	12	17	12	13	15	15	

Construction

	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
Change												Forecast
Activity	1	3	3	4	6	3	-1	4	17	-5	-1	-1
Estimates prices	-2	-2	-3	-2	-2	-2	-1	-1	0	0	-1	
Staff	-1	0	-1	-1	0	1	-1	1	-1	-1	0	
Level												
Order books	5	7	5	6	7	6	6	8	10	14	12	

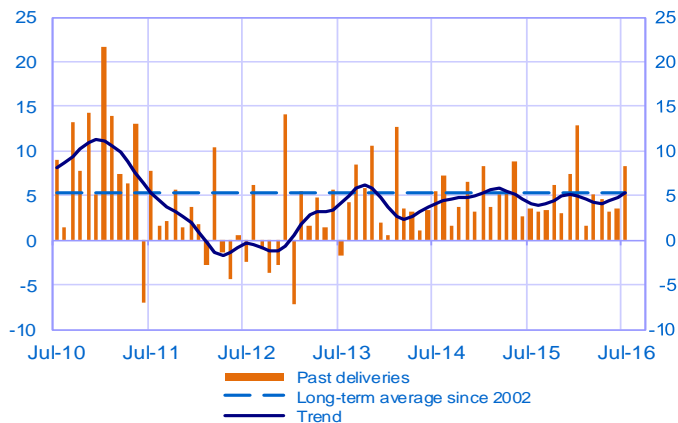
Notes:

- 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

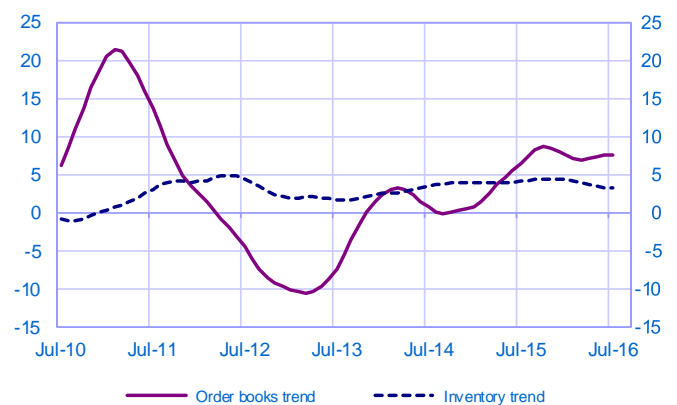
Changes in deliveries

Balance of opinions, SA-WDA



Inventories and order book level

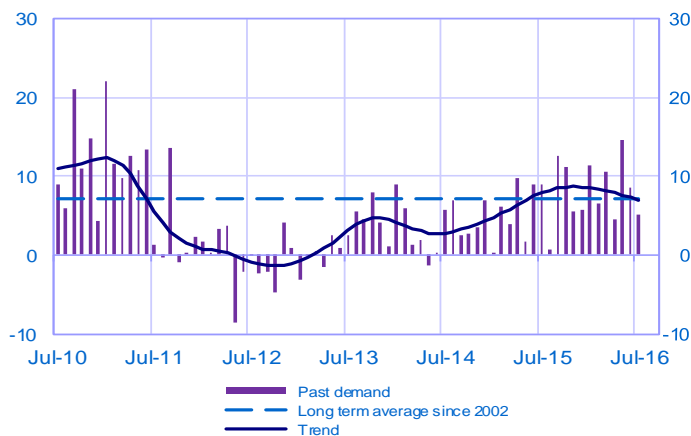
Balance of opinions, SA-WDA



Services

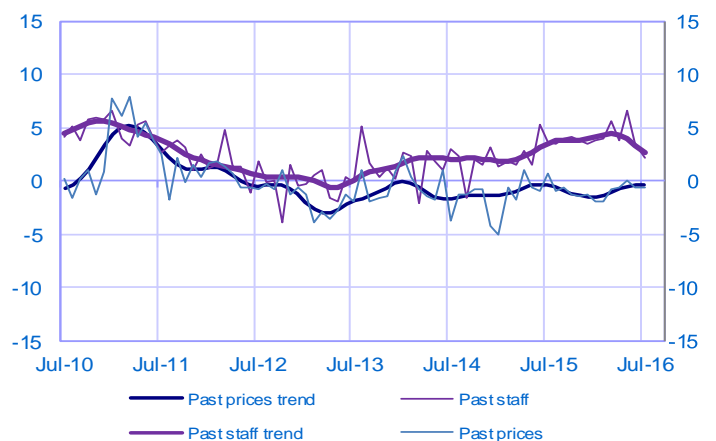
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

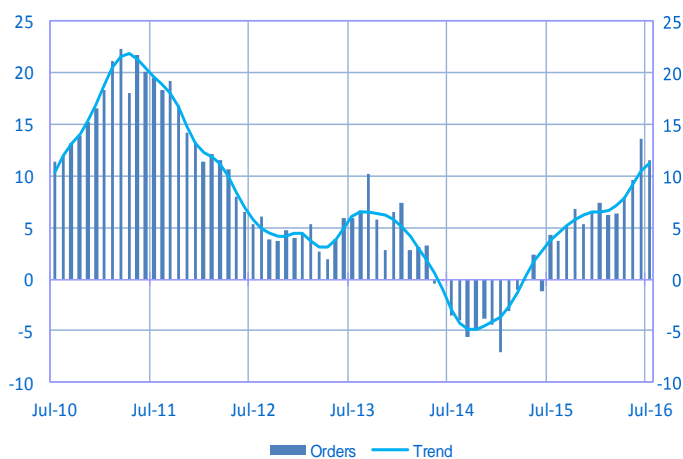
Balance of opinions, SA-WDA



Construction

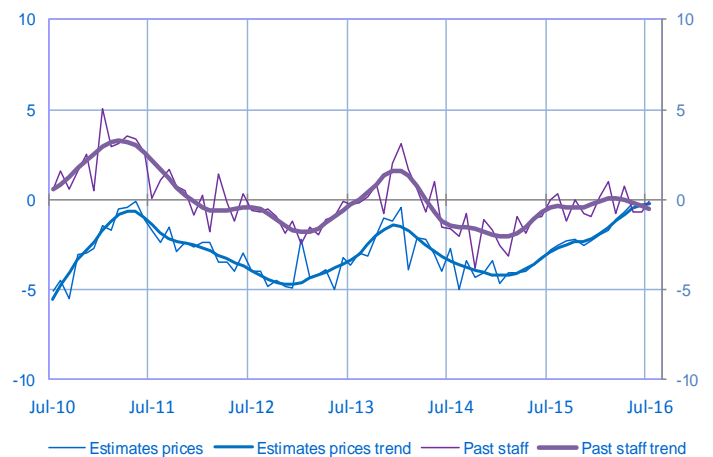
Order book level

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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