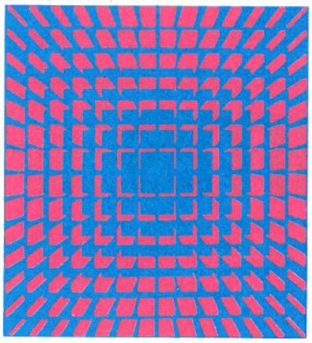

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DECEMBER 1992

LA CONJONCTURE IN FRANCE

A bi-annual short term economic report by INSEE

The 1992 provisional outturn

Completed on December 16 1992.

In 1992, average GDP growth in France is expected to come out at 2 %. This growth was already largely achieved in the first quarter, thanks to the vitality of exports, which then tended to lose momentum from the second quarter on, in line with the weakening world demand, reflecting the absence of the recovery that had been expected in 1992. The only economy that is apparently on a satisfactory growth path is the United States.

This slackness has affected all the productive sectors, but in varying degrees. In manufacturing industry, production has been falling since the second quarter. The situation in building and public works is getting worse. Only the traded services sector, especially services to households, seems more positively oriented.

Despite their generally sound financial situation, firms are still adopting a wait-and-see attitude to capital spending. The present under-utilization of production capacity, allied with expectations of unfavourable demand, offers them no encouragement to invest.

Employment continues its adjustment to the slowdown in activity. But the extent of the adjustment has been kept within bounds by the government's employment policies. Unemployment has continued to rise, although at a slower rate. By the end of 1992, it is expected that 10.3 % of the labour force will be affected.

French inflation is below the European average and will probably stand at 2.3 % at the end of 1992. This moderation on the price front has enabled household purchasing power to increase at the same pace as last year, despite the fall in employment and the slowdown in wages.

The overall result is that household consumption has been growing at the same rate as in 1991. With the economic climate uncertain, households have maintained their savings effort but without actually reducing their consumption levels. Their purchasing pattern has shifted in favour of cheaper products. Slack domestic demand has held back import volume. With exports moving in line with world demand, France has recorded a fob-fob trade surplus in 1992 (about FRF 30 billion) for the first time since 1978.

This recovery has brought the current account almost into equilibrium, despite a narrowing of the surplus on services.

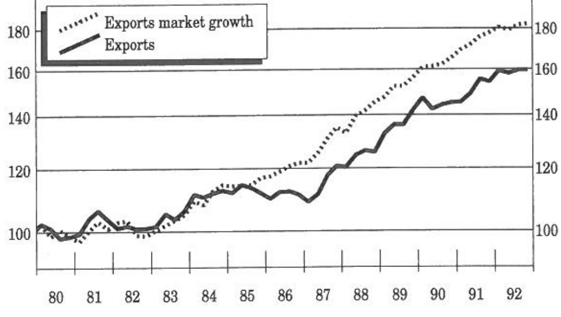
Equilibriums and Slackness

1992 has seen French external accounts in equilibrium and inflation firmly in hand, against a background of slower growth and higher unemployment.

> **"In the early part of 1992, French exports of manufactures benefited from favourable world demad and from market share gains."**

Exports and export market growth for manufactures

(Constant 1980 prices - 100 = 1980)



Strong exports of manufactures in the early part of 1992

World demand (up 4.3 %) was more vigorous in the first half of 1992 than in the second, but has nevertheless shown a clear slowdown compared with 1990 and 1991. This tendency roughly matches the growth-rate profile in most OECD countries. Growth in these countries was relatively firm at the beginning of the year, because of the technical rally following a poor end to 1991, combined with an additional working day due to leap year. But the second quarter saw the start of a further slowdown. The main exception to this general tendency was the United States, where recovery now seems to be under way.

French exporters gained market share in the first half of 1992, thanks to the price-competitiveness improvement achieved in 1991. But much of this improvement was lost again in 1992, under the influence of two factors : substantial falls in the export prices of our main competitors and the depreciation of the dollar between March and September, followed by that of several European currencies in September and November. In the second half of the year, French exporters' market share losses were equivalent to the gains made in the first half.

All in all, French exports of manufactures rose by 2.4 % in the first half-year and remained roughly stable in the second (a probable rise of 0.5 %).

Slowdown in French production from the second quarter on

Thanks to vigorous exports, French traded output rose appreciably in the first quarter of 1992. This contribution to growth disappeared in the second quarter. Domestic demand, which was especially weak in the early part of the year, was then not sufficiently lively to take up the running. Production therefore stagnated in the second quarter, before rising very slightly in the third.

Business leaders are very pessimistic about the last months of 1992. Order books, both in total and for export, are particularly thin and inventories of finished products are seen as being increasingly excessive. The prospects for both production and demand are bleak.

French manufacturing production has risen by 0.5 % in 1992, following a decline of 1.1 % in the previous year. Car production, boosted by the liveliness of exports in the first half and by firm household consumption throughout the year, has shown a good result (a rise of around 2 %, compared with a fall of 2.4 % in 1991). Output of consumption goods and intermediate goods both rose at the same moderate rate (of the order of 1 %), but with differing patterns as between the half-years. Production of capital goods has fallen in 1992 (by 0.8 %), under the impact of the fall in investment and despite the strength of aircraft construction.

Firms in the French building and public works sectors are also pessimistic, reporting a fall in their activity in 1992. In the building sector, housing starts were lower in 1992 than in 1991. The only branch to record an increase in activity has been repairs and maintenance. On the public works side, firms are expecting a further reduction in activity in the last part of the year.

Gross Domestic Product by Type of Expenditure

Constant 1980 prices - Precentage change, except see (1), Annual rates

	Half-year averages						Year-on-year (H2/H2)			Annual averages		
	90.I	90.II	91.I	91.II	92.I	92.II	1990	1991	1992	1990	1991	1992
PIB	3.0	0.8	0.6	2.8	2.0	1.2	1.5	1.9	1.6	2.2	1.2	2.0
Imports	8.6	4.0	1.8	3.8	0.8	1.6	3.5	1.7	2.0	6.5	2.8	1.8
Available ressources	4.2	1.4	0.8	3.0	1.8	1.4	1.9	1.9	1.7	3.1	1.5	2.0
Households' final consumption	3.4	1.2	1.4	2.0	1.4	2.2	2.2	2.1	1.5	2.9	1.5	1.8
Gross fixed capital formation	4.0	0.4	- 2.4	- 0.2	- 1.4	- 3.8	0.8	- 1.4	-2.5	2.9	- 1.2	- 1.6
Of wich : *NFCU sector (2)*	*6.4*	*0.4*	*- 4.4*	*- 4.4*	*- 5.2*	*- 5.6*	*2.2*	*- 4.6*	*- 5.1*	*3.8*	*- 3.1*	*- 5.0*
Households	*- 3.0*	*- 3.6*	*- 3.2*	*5.0*	*4.4*	*- 2.0*	*- 5.4*	*1.3*	*0.8*	*- 0.6*	*- 1.3*	*3.0*
Exports	8.6	0.6	2.8	8.2	6.2	2.0	3.6	5.0	4.0	5.5	3.6	5.7
Change in stocks	- 0.2	0.6	- 0.6	0.0	- 0.4	0.0	- 0.5	- 0.3	0.2	- 0.1	- 0.1	- 0.1
Domestic demand except change in stocks	3.6	1.0	0.6	1.6	0.8	0.8	1.9	1.2	0.6	2.9	0.9	1.0
Domestic demand	3.2	1.6	- 0.2	1.6	0.4	0.8	1.3	0.8	0.8	2.7	0.7	0.8

(1) Change in stocks as % of previous period's GDP.
(2) Non financial corporate, quasi-corporate, and unincorporated enterprises.

The output of traded services has grown in 1992 at much the same rate as in 1991, largely because of the progress made in the first quarter. The output of non-financial traded services began to level off in the second quarter. Most branches are affected by this tendency, with services to households apparently the best-placed branch at the end of 1992. Growth in transport services would seem to be of the same order as last year, but decidedly slower than in the period before 1990.

At a time of slowdown in their activity, firms are making cost adjustments : investments are being cut back, work-forces reduced and wages slowing down.

Cost adjustments by firms

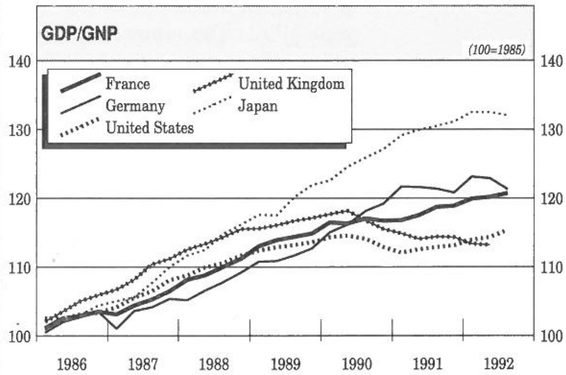
The combination of an improvement in productivity, concentrated on the early part of 1992, and a wage slowdown has produced a marked easing in the rise of wage costs in manufacturing industry (0.9 %, compared with 4.1 % in 1991). In conjunction with the fall in the prices of imported inputs, this has meant that operating costs in general have remained unchanged on 1991.

Producer prices in manufacturing rose in the first half of the year before stabilizing in the second, reflecting the special selling efforts made by firms at a time of weakening demand. The rise was faster than for operating costs in the first half, but slower in the second. Taking the average for the year as a whole, prices seem to have risen faster than costs.

For firms in general, income and wealth taxes fell sharply as a proportion of pre-tax disposable income, because of the 1991 profit decline. This easing of the tax burden permitted a rise in saving, with the self-financing ratio reaching around 100 % for corporations and quasi-corporations, especially as investment was simultaneously declining.

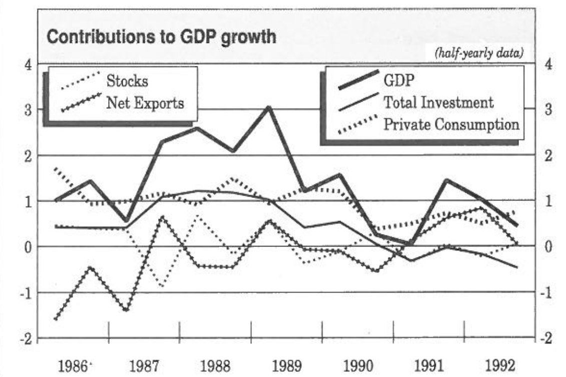
Investment in decline for the second consecutive year

The decline in investment that began in 1991 has continued in 1992. The main determinants of investment moved negatively in 1992, the most important factor, according to business leaders, being demand expectations, which were, and still are, unfavourable. Given these expectations, production



"French production loses momentum from the second quarter on."

"Domestic demand was not sufficiently lively to take up the running from exports in the last part of the year."



capacity was regarded as being amply sufficient, having in fact been considerably augmented by the investments made before 1991. The current low utilization rate suggests that there will be no immediate reaction of investment to an upturn in demand.

The sector most affected by the fall in investment in 1992 seems to be industry, with business leaders predicting a decline of the order of 11 % in 1992. Most of this decline would concern investment to increase capacity (the present utilization rate being only about 80 %), with productivity investment holding up rather better.

Investment in services and distribution is also likely to show a further decline for the year 1992. The situation seems to be worse still in the building and public works sector, where firms expect an 8 % decline in the volume of investment. The only group expected to show an unchanged volume of investment in 1992 is that of the "major national enterprises"(1).

A further deterioration in employment

In 1992, the government's employment policy made it possible to keep the decline in total numbers employed down to 40,000, compared with 50,000 the previous year. A sharp rise in the number of "contrats emploi-solidarité"(2), the main weapon of this policy, is thought to have mainly benefited the non-traded tertiary sector. In parallel with the decline in employment, part-time working has been introduced on an increasing scale in all sectors.

Given the lags in the adjustment of employment levels to production, the non-farm traded sectors have seen their numbers employed fall again this year, especially in the first half. Throughout 1992, the capital goods and construction industries seem to have been the sectors most affected. The adjustment appears to have been less substantial for the consumer goods industries, following the major shake-out in 1991, and to a lesser extent for the intermediate goods industries. The traded tertiary sector stood out from the rest during the first half of 1992 for the unwonted extent of the adjustments : downward in services to firms and in banking, upward in hotels and catering and services to individuals (partly due to the opening of the Euro-Disney resort). Numbers seem to have remained stable in distribution in 1992.

Independent employment is thought to have continued to decline, especially because of the decline in the number of farmers.

Unemployment still rising

For the year 1992 as a whole, unemployment has risen at a slightly lower rate than in 1991, under the impact of the government's employment policy. The end of 1992 should see the unemployment rate levelling out at 10.3 %.

The employment policy operates along two main lines. The main instrument remains the "contrats emploi-solidarité", with the range of potential employers now extended to include certain "major national enterprises". The number of contracts has increased, notably in schools and hospitals. At the same time, the arrangements in favour of training and reinsertion into working life have been considerably reinforced, especially for the long-term unemployed. A special plan in favour of this category involved individual interviews with each one of them. The many who failed to respond to the convocation for interview were eliminated from the lists of job-seekers registered with the national employment agency.

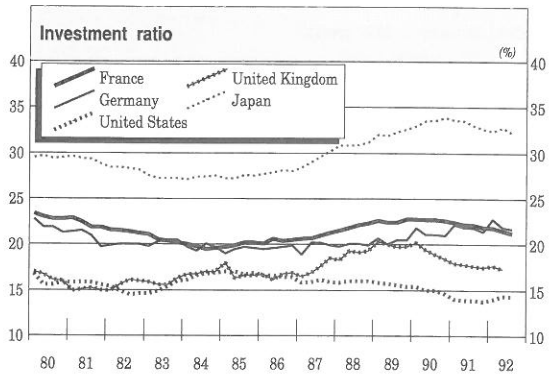
Men in all age groups are victims of the growth of unemployment. This was especially true in the first half of 1992, a fact that may be explained by the suppression of a large number of posts in manufacturing and by the addition of 30,000 newcomers to the employment market as the result of the shortening of national service to ten months. Female unemployment has been falling, thanks to better performance in the tertiary sector and, perhaps more than for the men, to the specific measures in favour of employment.

A lagged decline in private-sector wage growth

Wages and salaries in the private sector have been responding to the growth slowdown more slowly than employment. The 1990 slowdown was not in fact reflected in wages until 1991. In 1992, the nominal hourly rate for wage-earners in the private sector as a whole has continued to rise by 3.8%, year on year (as against 4.1% in 1991 and 5.1% in 1990).

But this indicator is confined to the basic wage. Total remuneration includes overtime and bonuses, elements which are probably more flexible than the

"Investment declines for the second consecutive year."



(1) These are eight major firms characterized by their monopoly position and their dependence on the State in matters of pricing policy, investment and funding.
(2) These are fixed-term part-time contracts designed to encourage the insertion or reinsertion into working life of certain categories of job-seeker, with remuneration based on statutory minimum wage.

basic wage and are bound to have adjusted faster to changes in production levels.

Under the existing legislation, the statutory minimum wage moves approximately in line with the average hourly wage. But its year-on-year change seems to have been slightly faster (at 4.3 %). There were two increases in 1992 : in March and July. The first was to compensate for the rise in consumer prices (excluding tobacco) and seems to have had a greater impact than the July rise, which was mainly intended to catch up with the movement in the hourly wage rate.

In the civil service, the agreement reached in November 1991 laid down the main lines of the adjustments for the period up to February 1993. In 1992, basic wages and salaries accelerated slightly (to 3.3 % from 2.6 %). However, bonuses and other supplementary earnings seem to be playing an increasing role in the overall movements in civil servants' total earnings. Such information as is available indicates a convergence between earnings growth in the public and private sectors.

French inflation below the European average

This year's price rise is the lowest seen in France for almost thirty years, with the exception of the reverse-oil-shock year of 1986. In December, the year-on-year rise should be 2.3 %, compared with 3.1 % at the end of 1991. This will mean a continued inflation differential vis-à-vis Germany of 1.3 of a point in France's favour.

Most of the slowdown in prices occurred in second half of the year, with growth of 0.9 % compared with 1.4 % in the first. In the early part of the year, the removal of many items from the top rate of value-added tax (VAT), the fall in energy prices and the slowdown in the price of manufactures all tended to restrain the overall price increase. In the other direction, the sharp increase in the prices of private services, the substantial rise in tobacco prices and the acceleration in rents and health care prices partly offset these favourable factors. In the second half of the year, the drop in prices of fresh fruits and vegetables, the moderation shown by administered prices and the further slowdown in manufacturing prices produced an appreciable slowdown in the overall index.

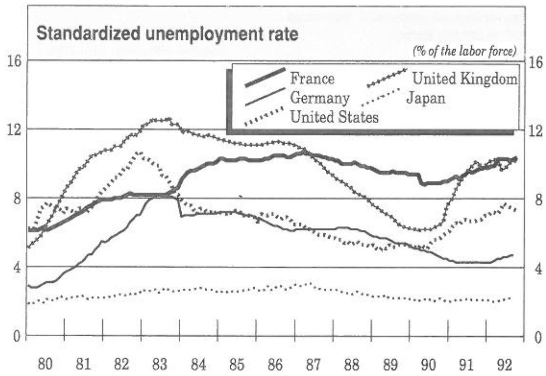
Household purchasing power growing at the same rate as in 1991

With the help of the slowdown in inflation, the purchasing power of household incomes again rose in 1992 (by 1.9 %), despite the slowdown in total gross wages, the growth in the total wage-bill in the civil service being insufficient to compensate entirely for the movement in the private sector. This tendency seems to reflect the deterioration in employment and the slower wage growth.

This slowdown in the total gross wages received by households was, however, accompanied by a continued strong increase in the household sector's gross operating surplus, partly due to the sharp rise in total rents. Tax payments slowed down because of the slower rise in household incomes in 1991. But social contributions rose sharply because of the increase in the rate of unemployment insurance contributions that came into effect on 1 August. Lastly, social benefits, although still growing rapidly, tended to slow down.

Consumption curbed by household savings behaviour

The uncertainties over the economic situation and the unemployment menace are prompting households to be cautious. Their first concern has been to reduce their debts, borrowing less and even in some cases making early repayments. The overall savings effort has been maintained, with a gross ratio of 12.6 % in 1992, compared with 12.5 % in 1991.

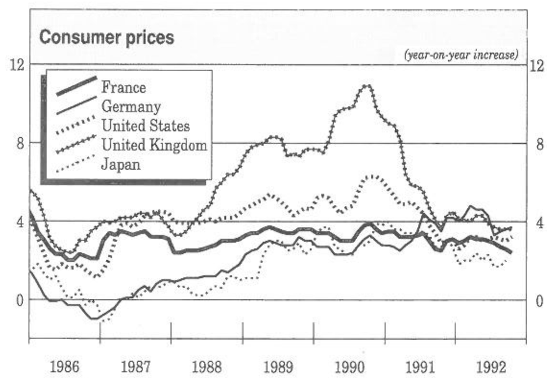


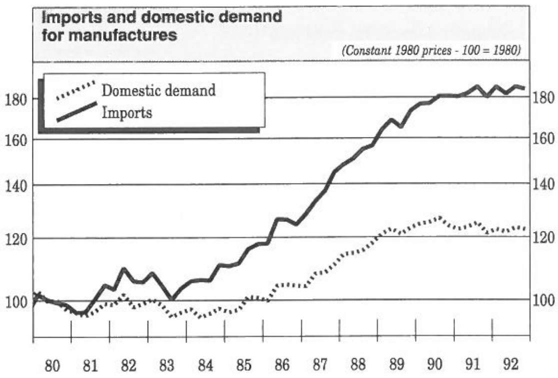
"The end of 1992 should see the unemployment rate levelling out at 10.3 %."

The financial savings ratio was 3.8 % in 1992. Deposits on official small-savers' accounts continued to decline. The outstanding volume of collective investment in short-term securities levelled off at the beginning of the third quarter, before falling in September. Investment in insurance products now seems to be favoured.

Household consumption accordingly grew in 1992 at much the same rate as in 1991 (1.8 %, compared with 1.5 %) and has shown a similar pattern over time to that of the purchasing power of disposable income: stagnation in the first half of the year, acceleration in the second. Expenditures that were held back in the second quarter seem to have been made in the third, benefiting from the substantial clearance sales in July. Households have in fact been taking

"French inflation is below that of most major Western countries."





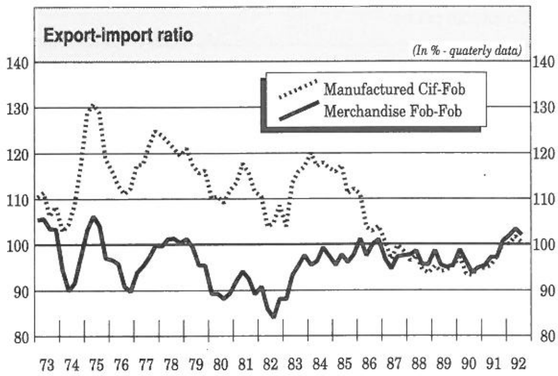
greater advantage of special sales and discounts, and have been turning from costly items to cheaper substitutes.

This change in behaviour is noticeable in the case of foodstuffs. Energy consumption levelled off in 1992, after its strong rise in the previous year. Growth in the consumption of services has remained steady. Consumption of manufactures more than offsets the fall in 1991, but is still slack. 1992 was notable for a recovery in purchases of durable goods.

A surplus on foreign trade, partly thanks to moderate import growth

Because of the investment decline, the growth of consumption was insufficient in 1992 to revitalize total demand for manufactures, which fell for the second consecutive year. This fall placed a further curb on French imports of manufactures (up 1.3 % in 1992, compared with 1.8 % in 1991 and 6.5 % in 1990). But import penetration continued to increase (to a rate of 38.9 % from 38.2 %), in line with the loss of price-competitiveness on the domestic market.

"Manufactures helped the French trade balance to show a Fob-Fob annual surplus in 1992 for the first time since 1978."



"The fall of total demand placed a further curb on French imports of manufactures."

This moderation in import growth has produced a French surplus on trade in manufactures in 1992, for the first time since 1986. The actual amount is expected to be close to FRF 10 billion (Cif-Fob). The slower growth of imports is the main factor in the reduction in the deficit on non-durable manufactured consumer goods.

Trade in food and agricultural products is expected to result in a Cif-Fob surplus of FRF 52 billion for France in 1992, after one of FRF 44 billion in 1991. Food and agricultural exports in fact rose in 1992. The reduction in imports has also affected agricultural products, but those of processed foodstuffs continued to rise.

The energy bill for the year is estimated to have declined by FRF 13 billion, to FRF 81 billion (Cif-Fob), mainly as a result of the steady decline in the oil price throughout the year, coupled in the second and third quarters with the fall in the dollar.

In total, the French trade balance will show a fob-fob surplus in 1992 (about FRF 30 billion) for the first time since 1978. Several factors have combined to produce this result. First, the energy bill remains far smaller than it was in 1980-1985. Second, the surplus on food and agricultural products has risen strongly since the beginning of the 1980s. Lastly, the balance on manufactures has emerged from the trough reached in 1989 and 1990.

The current account close to equilibrium

The recovery in the trade account has enabled the current account as a whole to show another marked improvement. However, the surplus on services fell in 1992 for the third year in a row (to a probable FRF 10 billion from FRF 17.7 billion in 1991). This overall result conceals two contradictory tendencies : a sharp fall in factor income, partially offset by a further increase in the surplus on services, narrowly defined.

The factor-income deficit has been growing spectacularly in the past three years and could well exceed FRF 50 billion in 1992 (compared with deficits of 33 billion in 1991, 21 billion in 1990 and 3 billion in 1989). This deterioration stems entirely from investment income. The volume of French securities, especially government securities, held by non-residents has again risen sharply in the first eight months of 1992, after slowing down in 1991.

The surplus on services, narrowly defined, is likely to amount to about FRF 40 billion for 1992 as a whole (down from FRF 50 billion in 1991), thanks to yet another record tourism surplus (roughly FRF 57 billion, compared with 51 billion in 1991). The good level of price-competitiveness achieved by France and the quality of what it has to offer to tourists seem to be the main factors behind this tendency, which has now lasted for several years and was intensified in 1992 by two special factors: the Winter Olympics in Albertville and the opening of the Euro-Disney resort.

The deficit on unrequited transfers has widened sharply in 1992 and is expected to reach FRF 58 billion. The corresponding figure for 1991 was 42 billion, but this was after netting out over FRF 10 billion in the form of exceptional contributions to the cost of the Gulf War.

STATISTICAL SECTION

TABLE 1 : GROSS DOMESTIC PRODUCT BY TYPE OF EXPENDITURE

Period	Gross domestic product	Imports of goods and services	Households' final consumption	Government final consumption	Gross fixed capital formation Total	Gross fixed capital formation NFCU sector (1)	Exports of goods and services	Change in stocks
			(Billions of francs - current prices, s.a.)					
1982...........	3,626.01	859.53	2,190.33	711.78	774.28	404.89	790.35	18.81
1983...........	4,006.49	907.39	2,424.14	793.54	809.60	421.21	900.66	- 14.05
1984...........	4,361.90	1,024.97	2,639.17	866.43	840.36	436.61	1,053.33	- 12.42
1985...........	4,700.13	1,092.62	2,858.39	923.02	905.29	477.42	1,123.93	- 17.87
1986...........	5,069.28	1,021.79	3,049.51	972.80	977.52	525.49	1,074.09	17.15
1987...........	5,336.63	1,094.35	3,235.58	1,018.59	1,054.77	571.08	1,101.38	20.67
1988...........	5,735.07	1,217.63	3,429.50	1,073.30	1,188.31	641.27	1,221.30	40.30
1989...........	6,159.05	1,403.16	3,664.46	1,124.55	1,305.26	712.51	1,411.15	56.80
1990...........	6,491.95	1,470.33	3,882.55	1,178.97	1,379.00	756.34	1,468.47	53.30
1991...........	6,741.68	1,508.93	4,064.95	1,253.12	1,392.17	745.95	1,529.56	10.83
1991 : 1......	1,652.87	373.46	996.01	306.79	345.13	187.04	367.15	11.24
1991 : 2......	1,674.04	371.27	1,010.10	310.40	347.34	187.11	378.32	- 0.84
1991 : 3......	1,697.83	385.26	1,020.29	314.22	350.73	186.36	391.69	6.17
1991 : 4......	1,716.95	378.93	1,038.55	321.70	348.97	183.44	392.40	- 5.74
1992 : 1......	1,744.58	380.31	1,047.78	324.45	351.96	183.34	398.95	1.76
1992 : 2......	1,758.97	373.72	1,055.09	328.55	349.43	179.86	402.65	- 3.02
1992 : 3......	1,773.60	374.72	1,070.72	332.21	347.77	178.35	399.88	- 2.26

(1) Non financial corporate, quasi-corporate, and unincorporated enterprises.

Period	Gross domestic product	Imports of goods and services	Households' final consumption	Government final consumption	Gross fixed capital formation Total	Gross fixed capital formation NFCU sector	Exports of goods and services	Change in stocks
			(Constant 1980 prices s.a., percentage change from previous period, except last column, see (2))					
1982...........	2.5	2.6	3.5	3.7	- 1.4	- 0.1	- 1.7	1.0
1983...........	0.7	- 2.7	0.9	2.1	- 3.6	- 4.4	3.7	- 0.9
1984...........	1.3	2.7	1.1	1.1	- 2.6	- 2.8	7.0	0.0
1985...........	1.9	4.5	2.4	2.3	3.2	4.3	1.9	- 0.1
1986...........	2.5	7.1	3.9	1.7	4.5	6.3	- 1.4	0.9
1987...........	2.3	7.7	2.9	2.8	4.8	5.9	3.1	0.1
1988...........	4.5	8.6	3.3	3.4	9.6	9.5	8.1	0.1
1989...........	4.1	8.2	3.3	0.3	7.0	8.2	10.2	0.2
1990...........	2.2	6.5	2.9	1.9	2.9	3.8	5.5	- 0.1
1991...........	1.2	2.8	1.5	2.9	- 1.2	- 3.1	3.6	- 0.1
1991 : 1......	0.1	1.1	0.2	0.8	- 0.8	- 1.2	- 0.4	0.4
1991 : 2......	0.7	- 1.1	0.8	0.7	- 0.1	- 0.6	2.2	- 0.8
1991 : 3......	1.0	3.1	0.1	0.9	0.5	- 1.0	2.8	0.8
1991 : 4......	0.2	- 1.4	1.1	0.4	- 1.0	- 1.9	0.4	- 0.8
1992 : 1......	0.8	2.2	0.3	0.5	0.5	- 0.3	2.7	0.3
1992 : 2......	0.2	- 2.1	- 0.2	0.9	- 1.3	- 2.6	0.4	- 0.3
1992 : 3	0.5	1.9	0.9	0.8	- 0.8	- 0.8	0.7	0.3

TABLE 2 : IMPLICIT GDP PRICE DEFLATORS

Period	Gross domestic product	Imports of goods and services	Households' final consumption	(pro.mem.) consumer price index (1)	Gross fixed capital formation NFCU sector (2)	Exports of goods and services
	(s.a., except column 4, change from previous period)					
1982	11.8	12.6	11.6	11.8	12.2	12.6
1983	9.7	8.5	9.7	9.6	8.8	9.8
1984	7.5	9.9	7.7	7.4	6.6	9.4
1985	5.8	2.0	5.7	5.8	4.8	4.7
1986	5.2	- 12.7	2.7	2.7	3.6	- 3.0
1987	3.0	- 0.6	3.2	3.1	2.6	- 0.5
1988	2.8	2.5	2.6	2.7	2.5	2.6
1989	3.2	6.5	3.5	3.6	2.7	4.8
1990	3.1	- 1.6	3.0	3.4	2.3	- 1.4
1991	2.6	- 0.2	3.1	3.2	1.6	0.5
1991 : 1	1.1	- 2.4	0.6	0.5	0.4	- 0.3
1991 : 2	0.6	0.5	0.6	0.7	0.6	0.8
1991 : 3	0.4	0.6	0.9	0.8	0.6	0.7
1991 : 4	1.0	- 0.2	0.7	0.8	0.4	- 0.2
1992 : 1	0.8	- 1.8	0.6	0.7	0.3	- 1.0
1992 : 2	0.6	0.4	0.9	0.7	0.7	0.5
1992 : 3	0.4	- 1.6	0.5	0.5	0.0	- 1.4

(1) Consumer price index for urban households of headed by either a wage - or a salary-earner (Chain index).
(2) Non financial corporate, quasi-corporate and unincorporated enterprises.

TABLE 3 : PRICES, COSTS AND PRODUCTIVITY, BUSINESS SECTOR (3)

Period	Producer prices	Total unit costs	Intermediate consumption costs	Unit labour costs	Compensation per employee	Labour productivity
	(s.a., percentage change from previous period)					
1982	11.6	11.4	11.1	12.0	13.4	1.3
1983	9.2	8.6	7.7	9.7	10.5	0.7
1984	7.8	7.5	8.6	5.1	8.4	3.2
1985	5.3	4.6	4.4	4.4	7.6	3.1
1986	1.2	- 0.8	- 2.6	1.7	4.6	2.9
1987	1.9	1.8	1.9	1.5	4.3	2.8
1988	2.9	1.9	2.5	0.8	4.9	4.1
1989	3.9	3.4	4.8	1.6	4.5	2.9
1990	2.4	2.2	1.1	4.2	5.4	1.1
1991	2.0	1.8	0.8	3.5	4.5	1.0
1991 : 1	0.5	0.2	- 0.4	1.0	1.0	0.0
1991 : 2	0.4	0.1	0.1	0.2	1.1	0.9
1991 : 3	0.2	0.0	0.2	- 0.1	1.2	1.4
1991 : 4	0.5	0.5	0.1	0.9	1.1	0.2
1992 : 1	0.2	- 0.4	- 0.4	0.0	1.1	1.2
1992 : 2	0.5	0.4	0.0	1.0	1.1	0.1
1992 : 3	0.7	0.9	0.4	1.1	1.3	0.2

(3) Non financial corporate, quasi-corporate and unincorporated enterprises.

TABLE 4 : INCOME OF NON FINANCIAL ENTERPRISES

	CORPORATE AND UNINCORPORATED SECTOR				CORPORATE SECTOR ONLY					
Period	Gross value added	Compensation of employees	Taxes linked to production (1)	Gross operating surplus	Current taxes on income and wealth	Gross disposable income	Compen-sation of employees as % of Gross value added	Gross operating surplus as % of Gross value added	Gross fixed capital formation as % of Gross value added	Saving as % of gross capital formation
	(s.a., percentage change from previous period)									
1982........	13.7	13.2	14.3	13.9	4.1	15.2	68.8	25.6	18.4	57.6
1983........	10.2	9.4	13.4	10.7	4.3	16.0	68.1	26.1	17.3	64.1
1984........	8.1	6.5	13.6	10.1	10.6	21.2	66.6	27.5	16.6	74.4
1985........	7.9	6.1	11.3	9.5	17.7	12.0	65.2	28.4	16.9	75.7
1986........	8.5	4.4	8.4	14.0	16.9	35.8	62.6	31.0	16.9	94.0
1987........	4.9	4.7	5.9	5.8	14.0	11.3	62.0	31.9	17.6	94.5
1988........	8.4	6.1	7.1	9.9	10.9	24.8	60.2	33.2	18.2	104.2
1989........	8.1	6.8	5.2	9.6	12.2	2.0	59.8	33.4	18.8	96.0
1990........	6.0	7.3	6.9	4.0	0.9	- 0.1	60.4	32.6	18.8	90.1
1991........	3.1	4.5	5.4	1.1	- 8.2	- 1.2	61.0	31.9	17.8	90.8
1991 : 1...	1.2	1.0	3.4	1.0	- 12.5	4.5	61.3	31.5	18.3	84.7
1991 : 2...	1.3	0.9	- 0.1	2.0	- 10.3	7.0	61.0	32.0	18.0	90.5
1991 : 3...	1.1	1.0	- 0.2	1.5	0.2	3.5	60.7	32.3	17.7	94.1
1991 : 4...	0.8	0.8	2.9	0.2	3.7	- 2.9	60.8	31.9	17.3	93.0
1992 : 1...	1.8	0.9	- 0.8	3.3	- 11.1	10.7	60.1	32.7	16.9	102.9
1992 : 2...	0.6	0.8	1.1	0.2	- 8.7	0.5	60.2	32.5	16.5	105.6

TABLE 5 : APPROPRIATION ACCOUNT FOR HOUSEHOLDS (2)

Period	Gross operating surplus	Net wages and salaries (3)	Other current transfers (4) received	Other current transfers (4) paid	Current taxes on inc. and wealth	Gross disposable income	Real disposable income (5)	Savings ratio (6)	Financial savings ratio (7)
	(s.a., percentage change from previous period)								
1982..........	15.2	14.6	19.5	17.9	16.5	14.4	2.7	17.3	6.4
1983..........	10.2	9.9	12.1	13.3	15.9	9.0	- 0.6	16.0	5.6
1984..........	7.8	7.3	10.1	10.5	13.1	6.9	- 0.7	14.5	4.9
1985..........	7.8	6.4	9.3	8.0	3.9	7.6	1.8	14.0	4.8
1986..........	8.1	5.0	7.1	6.1	6.5	5.3	2.6	12.9	3.5
1987..........	4.1	4.3	3.7	6.5	4.6	3.7	0.5	10.8	1.6
1988..........	6.1	5.5	6.8	6.3	0.4	6.2	3.4	11.0	2.0
1989..........	11.0	6.5	5.8	8.2	5.7	7.7	4.1	11.7	2.1
1990..........	5.6	6.6	6.3	6.2	6.1	6.6	3.5	12.2	2.9
1991..........	3.6	4.9	6.9	4.3	18.0	5.1	1.9	12.5	3.6
1991 : 1.....	0.9	1.3	1.3	0.4	4.3	1.6	1.0	12.8	3.8
1991 : 2.....	1.4	0.9	0.9	0.6	3.5	1.4	0.8	12.8	3.9
1991 : 3.....	0.5	1.1	1.1	2.6	5.4	0.4	- 0.5	12.2	3.1
1991 : 4.....	1.9	1.3	1.3	1.2	- 1.8	2.0	1.2	12.4	3.4
1992 : 1.....	1.4	0.8	1.2	1.5	3.1	0.6	0.0	12.1	3.0
1992 : 2.....	1.5	1.1	1.1	0.7	- 0.4	1.6	0.7	12.9	3.9
1992 : 3.....	0.9	1.0	1.5	1.8	- 3.3	1.3	0.8	12.7	3.9

(2) Unincorporated enterprises included.
(3) Gross wages and salaries less social contributions.
(4) Received : social benefits; paid : actual and imputed social contributions.
(5) Gross disposable income deflated by households' final consumption deflator.
(6) Gross saving as % of gross disposable income.
(7) Net lending as % of gross disposable income.

TABLE 6 : INCOME OF GENERAL GOVERNEMENT

Period	Current resources: Total	Of which: Direct taxes (1)	Of which: Indirect taxes (2)	Of which: Social security contributions	Current uses, of which: Current transfers to households	Current transfers to enterprises	Final consumption	Fixed capital formation	Net borrowing requirement	as % of GDP
	(Billions of francs - current prices, s.a.)									
1982........	1,726.63	319.97	531.08	732.08	769.88	79.52	711.78	114.86	- 100.40	- 2.8
1983........	1,931.16	355.45	586.92	829.45	862.26	87.42	793.54	119.35	- 126.36	- 3.2
1984........	2,147.11	406.43	653.82	918.17	949.56	107.25	866.43	126.13	- 120.17	- 2.8
1985........	2,319.26	429.32	705.10	992.93	1,037.38	109.85	923.02	144.28	- 134.67	- 2.9
1986........	2,467.36	469.77	736.49	1,051.10	1,110.88	118.62	972.80	152.44	- 138.40	- 2.7
1987........	2,617.90	499.11	781.95	1,118.00	1,151.22	117.68	1,018.59	161.76	- 100.40	- 1.9
1988........	2,773.86	514.22	829.42	1,190.47	1,228.43	101.99	1,073.30	188.56	- 94.89	- 1.7
1989........	2,953.82	554.30	872.84	1,285.87	1,300.08	101.97	1,124.55	200.83	- 69.05	- 1.1
1990........	3,127.59	579.14	915.26	1,364.59	1,383.18	94.90	1,178.97	213.81	- 90.38	- 1.4
1991........	3,259.80	626.58	925.87	1,423.27	1,479.69	96.51	1,253.12	224.02	- 129.85	- 1.9

(1) Current taxes on income and wealth.
(2) Taxes linked to production and imports, including V.A.T.

TABLE 7 : FOREIGN TRADE CURRENT ACCOUNT

Period	Exports (FOB)	Imports (CIF)	Trade balance: Agricultural and agro-industry products (FOB-CIF)	Trade balance: Energy (FOB CIF)	Trade balance: Manufactured products (FOB CIF)	Trade balance: Total (FOB-FOB)	Net trade (B.O.P. basis)	Net exports of services	Balance on current account	as % of GDP
	(Customs basis - billions of francs, s.a.)						(Billions of francs, n.s.a.)			
1982.......	632.8	764.3	14.5	- 178.4	32.3	- 93.6	- 102.1	29.7	- 80.4	- 2.2
1983.......	722.5	805.9	20.9	- 168.2	63.9	- 49.1	- 62.6	29.5	- 36.6	- 0.9
1984.......	850.0	909.1	24.6	- 186.9	103.1	- 24.8	- 35.9	20.0	- 10.2	- 0.2
1985.......	906.2	967.6	30.0	- 180.4	89.1	- 30.5	- 48.2	35.6	- 3.0	- 0.1
1986.......	863.7	891.8	26.0	- 89.5	35.4	- 0.6	- 19.1	31.0	12.7	0.3
1987.......	889.0	949.8	29.2	- 82.1	- 8.0	- 31.5	- 55.5	25.2	- 30.0	- 0.5
1988.......	997.6	1,063.0	39.3	- 66.5	- 38.2	- 32.7	- 50.4	27.4	- 28.8	- 0.5
1989.......	1,142.3	1,230.3	48.3	- 83.3	- 51.3	- 45.9	- 64.3	45.5	- 29.8	- 0.5
1990.......	1,177.2	1,273.7	51.2	- 94.0	- 54.1	- 49.6	-70.3	23.1	-52.7	-0.8
1991.......	1,221.5	1,303.0	44.5	- 94.2	- 31.8	- 30.0	- 49.8	17.6	- 33.4	- 0.5
1991 : 1..	295.0	322.1	9.8	- 23.6	- 13.4	- 14.3	- 23.4	- 2.6	- 27.3	- 1.7
1991 : 2..	301.4	323.1	11.9	- 21.7	- 11.9	- 8.9	- 11.6	3.8	- 5.3	- 0.3
1991 : 3..	312.0	334.2	10.6	- 25.7	- 7.1	- 8.9	- 13.2	8.9	- 1.2	- 0.1
1991 : 4..	313.1	323.5	12.1	- 23.1	0.6	2.5	- 1.5	7.4	0.5	0.0
1992 : 1..	315.4	322.3	11.8	- 19.1	0.3	6.0	- 1.5	- 6.9	- 11.4	- 0.7
1992 : 2..	319.6	321.9	15.4	- 22.0	4.3	10.5	5.2	7.9	10.3	0.6
1992 : 3..	310.0	316.3	13.4	- 20.7	0.9	6.3				

TABLE 8 : MONEY, INTEREST RATES, EXCHANGE RATES

Period	Money supply				Interest rates			Exchange rate		
	M2	M3	M4	Debt of domestic non financial sectors	Interbank rates Call rate	Interbank rates 3-month Pibor	Long term public sector bonds	$/FF	DM/FF	Effective (Decembre 1979 =100)
	(Billions of francs, last day of period)				(average value for each period, n.s.a.)					
1982	1,887.2	2,464.5	2,464.5	2,427.5	14.87	14.62	16.03	6.572	2.705	78.6
1983	2,138.5	2,788.1	2,788.1	3,933.8	12.54	12.47	14.41	7.622	2.982	71.5
1984	2,335.9	3,093.6	3,093.6	4,427.1	11.74	11.70	13.45	8.740	3.071	67.2
1985	2,473.4	3,322.1	3,325.2	4,926.1	9.94	9.95	11.91	8.985	3.052	67.2
1986	2,587.7	3,547.4	3,570.2	5,329.5	7.74	7.71	9.17	6.926	3.195	70.2
1987	2,699.1	3,894.7	3,934.3	5,905.0	7.98	8.27	10.22	6.011	3.345	71.5
1988	2,798.9	4,223.3	4,263.8	6,604.1	7.52	7.96	9.27	5.955	3.392	69.4
1989	2,930.5	4,627.6	4,690.3	7,375.6	9.07	9.40	9.11	6.380	3.393	68.3
1990	2,956.3	5,037.5	5,087.1	8,162.9	9.96	10.32	9.92	5.449	3.370	74.1
1991	2,858.0	5,163.4	5,212.5	8,657.8	9.49	9.62	9.05	5.641	3.401	71.8
1991 : 1 ...	2,770.0	4,995.1	5,049.7	8,319.3	9.57	9.83	9.34	5.209	3.401	73.9
1991 : 2 ...	2,800.2	5,045.6	5,099.0	8,453.5	9.55	9.43	8.98	5.878	3.388	70.9
1991 : 3 ...	2,756.2	5,070.1	5,124.2	8,593.1	9.28	9.54	9.06	5.927	3.399	70.5
1991 : 4 ...	2,858.0	5,163.4	5,212.5	8,657.8	9.56	9.66	8.80	5.551	3.414	71.7
1992 : 1 ...	2,716.0	5,201.9	5,250.3	8,833.6	9.97	10.05	8.52	5.511	3.403	72.1
1992 : 1 ...	2,736.5	5,307.9	5,355.4	8,983.2	9.90	10.04	8.69	5.473	3.370	72.9
1992 : 1 ...	2,715.4	5,347.2	5,399.2	9065.8	11.16	10.55	8.87	4.960	3.370	75.4

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