

Corporate investment

Investment by non-financial enterprises (NFE) accelerated sharply in Q3 2022 (+3.1% after +0.9%, ► **Figure 1**), 8.0% above its pre-health crisis level (► **Figure 2**). Investment in manufactured products rebounded strongly (+4.9% after +0.4%) sustained mainly by investment in transport equipment. Automobile production has risen again since the spring, and the supply chain difficulties experienced by the sector have eased a little, allowing a relative catch-up in deliveries. Conversely, investment in construction fell back for the second consecutive quarter (-0.6% after -1.1%). Lastly, investment in services gained more momentum (+3.7%) and exceeded its pre-health crisis level by 18.5%. This increase was mainly driven by investment in information and communication services.

In Q4 2022, NFE investment is expected to come to a standstill (+0.1%), in line with the decline forecast in activity. Investment in manufactured products is likely to decline, after the major rebound in Q3, while investment in services should remain buoyant. At the same time, investment in construction is expected to pick up very slightly, with more building starts on non-residential buildings. As an annual average, NFE investment is likely to increase by 3.2% overall in 2022, after its sharp rise of 11.4% in 2021.

In H1 2023, investment is likely to be fairly sluggish (+0.1% in Q1 and +0.4% in Q2), in line with the very moderate improvement in activity and in a context of energy price rises for businesses and a tightening of monetary policy. Investment in services looks set to retain its momentum while investment in manufactured products is expected to continue to decline. Investment in construction also looks likely to fall back, with a slowdown in housing starts. In this very uncertain climate, the mid-year growth overhang in NFE investment is expected to be 2.2%. ●

► 1. Investment by non-financial enterprises (NFE)

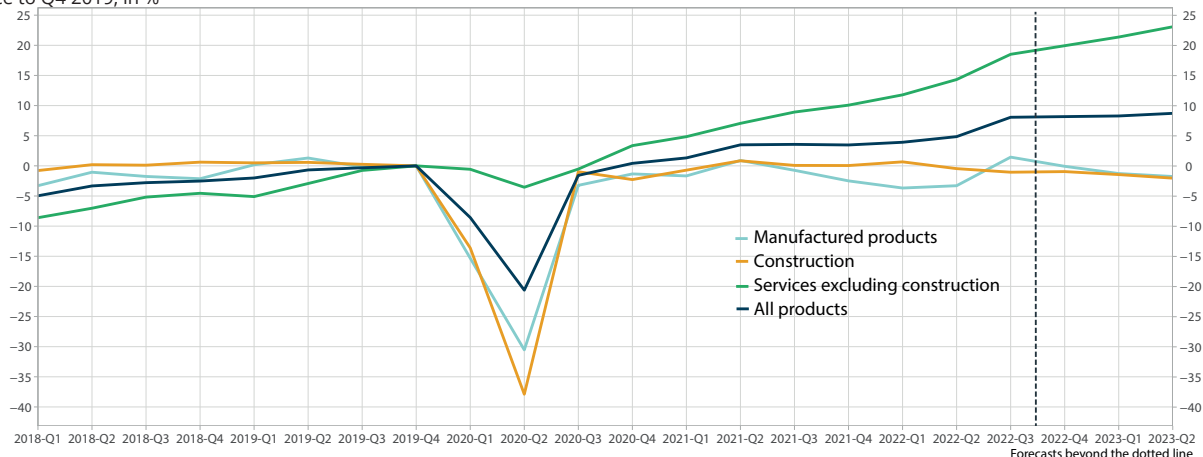
of previous year's chained prices, seasonally and working day adjusted, in %

	Quarterly changes											Annual changes		
	2021				2022				2023			2021	2022	2023 ovhg
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
Manufactured product (32%)	-0.3	2.6	-1.6	-1.8	-1.2	0.4	4.9	-1.5	-1.2	-0.5	13.3	-0.4	-0.2	
Construction (23%)	1.6	1.6	-0.8	0.0	0.6	-1.1	-0.6	0.1	-0.5	-0.6	15.9	-0.5	-1.4	
Services (45%)	1.4	2.1	1.7	1.1	1.6	2.3	3.7	1.2	1.2	1.4	8.1	7.8	5.6	
All (100%)	0.9	2.1	0.1	-0.1	0.4	0.9	3.1	0.1	0.1	0.4	11.4	3.2	2.2	

■ Forecast
Source: INSEE

► 2. Investment of non-financial enterprises by product

difference to Q4 2019, in %



How to read it: in Q4 2022, investment by NFE should be 19.9% higher than its Q4 2019 level..

Source: INSEE