

Informations *Rapides*

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Principaux Indicateurs



■ Monthly business survey in the building industry – July 2015

In July 2015, the economic climate remains deteriorated in the building construction industry

According to the business managers surveyed in July 2015, the business climate stays deteriorated in the building construction industry. The composite indicator has lost one point and is below (90) its long-term average (100). The turning point indicator has decreased albeit remaining in the favorable zone.

General business outlook is less grim than in the last quarter

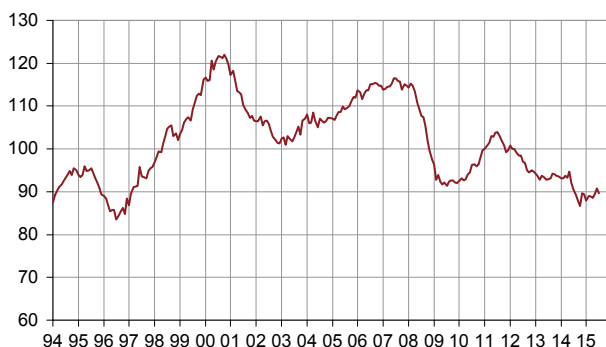
In July 2015, fewer business managers than in the previous month forecast a fall in their activity for the next three months again. On the contrary, more business managers than in June declared a fall in their activity over the past three months. The corresponding balances of opinion remain far below their long-term average. The balance of opinion on general business outlook has continued to pick up strongly compared to past quarters, but it stays below its long-term average.

More business manager are pessimistic about employment

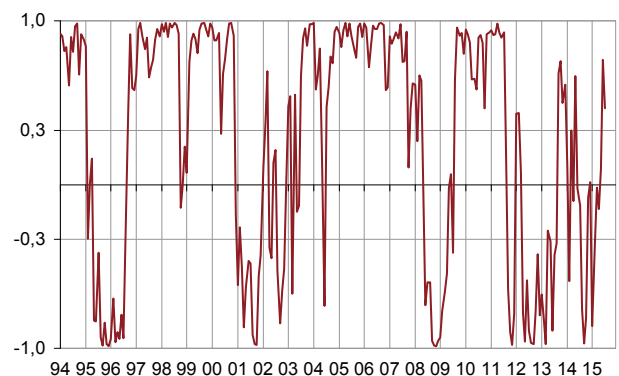
In July 2015, more business managers than in June indicate a fall in their staff size in the recent period and for the next few months. The corresponding balances remain substantially below their long-term average.

Business climate composite indicator

Standardized with mean equal to 100 and a standard deviation equal to 10



Turning-point indicator



Lecture: close to 1 (respectively -1), it indicates a favorable climate (respectively unfavorable).

Building industry economic outlook

Balances of opinion, in %, SA

	Mean*	April 15	May 15	June 15	July 15
Composite indicator	100	89	89	91	90
Past activity	-4	-19	-17	-17	-26
Expected activity	-6	-20	-25	-20	-15
Gen. business outlook	-19	-36			-27
Past employment	-4	-33	-28	-24	-28
Expected employment	-4	-28	-25	-19	-24
Opinion on order books	-23	-56	-54	-56	-56
Order books (in month)	5.4	6.6	6.5	6.5	6.5
Production capacity utilisation rate	88.6	83.9	83.9	84.5	85.1
Obstacles to production increase (in %)	32	20	17	22	23
- Because of workforce shortage (in %)	14.7	2.8	2.6	2.7	3.5
Recruiting problems (in %)	58	38			41
Expected prices	-14	-35	-34	-32	-33
Cash-flow position	-10	-23			-21
Repayment period	29	43			43

* Mean since September 1993.

Source: French business survey in the building industry - INSEE

Order books are still considered lower than normal

Business managers' opinion about their order books remains deteriorated. The corresponding balance has remained at a very low level since October 2014. However, the number of months covered by these order books is practically stable (6.5 months), above its long term average (5.4 months).

Production capacity is slightly more used

In July 2015, the production capacity utilisation rate has improved slightly to 85.1% (+0.6 point compared to the last month) but stays below its long-term average. At the same time, almost one business manager out of four has reported difficulties to increase its output, against one out of three in average since 1993. Only 41% of construction firms have difficulties in recruiting labor force, against 58% in average.

Many business managers indicate price falls again

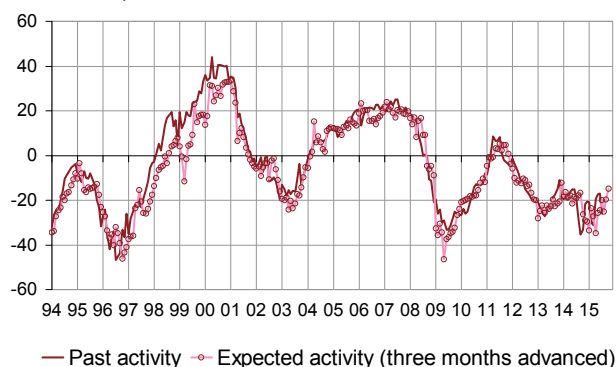
In July, almost as many business managers as in June indicate price falls. The corresponding balance remains substantially below its long-term average. However, according to business managers, the cash-flow position is a little less deteriorated than in the previous quarter and the repayment period is stable.

Production capacity utilisation rate



Activity tendency in building construction

Balances of opinion, in %, SA



Workforce size tendency in building construction

Balances of opinion, in %, SA



Order books

Balance of opinion, in %, SA



For further information:

The balance of opinion is calculated as the difference between the percentage of responses "increase" and the percentage of responses "decrease".

- Additional information (long series, methodology, links, etc.) is available on the web page of this indicator: <http://www.insee.fr/en/themes/info-rapide.asp?id=56>
- Historical data are available on the BDM: [G1273](#), [G1276](#), [G1274](#).
- Press contact: bureau-de-presse@insee.fr
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