

# Informations *Rapides*



23 octobre 2014 - n° 240

CONJONCTURE

Principaux indicateurs

## ■ Quarterly business survey in industry – October 2014

### In the third quarter 2014, demand in the manufacturing industry declined

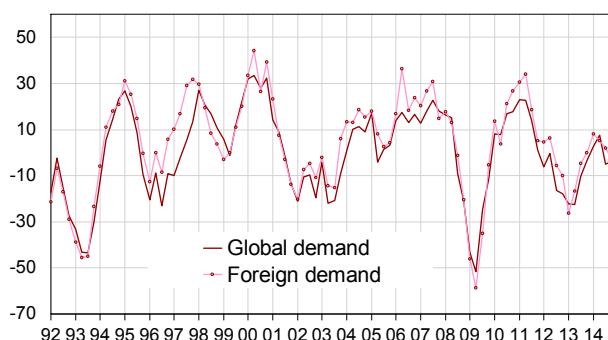
#### • Demand

##### **Deterioration of demand**

In the third quarter 2014, global demand in the manufacturing industry, like foreign demand, declined. The corresponding balances stand now below their long-term average. Over the next three months, the industrialists have anticipated a stability of global demand and a new decrease of foreign demand.

##### **Balance of opinion of past change in demand**

Balance of opinion, in %

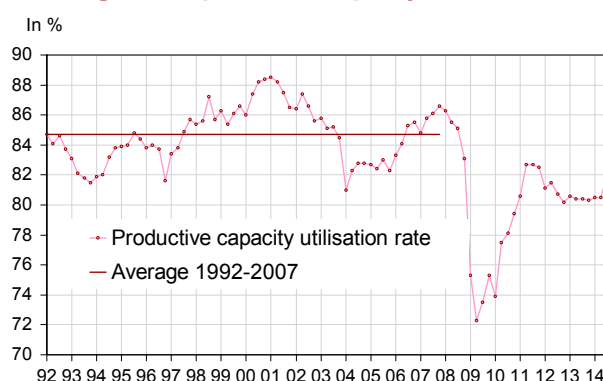


#### • Production factors

##### **Decreased pressure on production capacity**

In October 2014, the industrialists have announced less tight production capacity. The productive capacity utilization rate (TUC) decreased by 1.2 points compared to the previous quarter. Since the third quarter 2008, it has remained below its average level: there are still more underused capacities in the manufacturing industry than there were on average between 1992 and 2007. The balance on production bottlenecks is nearly stable, at its long-term average.

##### **Change in the productive capacity utilisation rate**



##### **Industrialists' opinion: demand and production factors**

Balance of opinion, in %

| Manufacturing industry                      | Aver.* | Jan. 14 | Avril 14 | Juil. 14 | Oct. 14 |
|---------------------------------------------|--------|---------|----------|----------|---------|
| <b>Global demand</b>                        |        |         |          |          |         |
| Past change                                 | 0      | 3       | 7        | -5       | -4      |
| Future change                               | 1      | 4       | 5        | 3        | 3       |
| <b>Foreign demand</b>                       |        |         |          |          |         |
| Past change                                 | 3      | 8       | 5        | 2        | -3      |
| Future change                               | 4      | 12      | 7        | 9        | 1       |
| <b>Production factors</b>                   |        |         |          |          |         |
| Production bottlenecks (in %)               | 22     | 23      | 26       | 23       | 22      |
| Assessment of productive capacity           | 14     | 10      | 12       | 16       | 16      |
| Productive capacity utilisation rate (in %) | 84,6   | 80,5    | 80,5     | 82,1     | 80,9    |
| <b>Difficulties of supply and demand</b>    |        |         |          |          |         |
| Difficulties of supply and demand           | 8      | 11      | 12       | 11       | 11      |
| Difficulties of supply                      | 20     | 17      | 14       | 16       | 16      |
| Difficulties of demand                      | 44     | 49      | 47       | 40       | 47      |

\* : Long-term average since 1976.

The results of the last survey are preliminary.

Source : Quarterly business survey - Insee

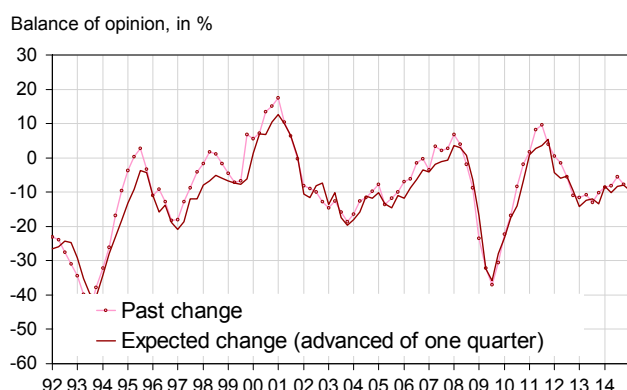
## • Workforce

### **Slight decrease in the balances of opinion on workforce size**

According to business managers, the rate of job losses in the industry is slightly higher compared to the previous quarter. However, the balance of opinion remains above its long-term average. Over the next few months, industrialists consider that the change in workforce size is unfavourable but the corresponding balance remains above its long-term average.

The percentage of companies experiencing hiring difficulties in the manufacturing industry is nearly stable and is slightly below its long-term average.

#### **Workforce size in the manufacturing industry**



## • Wages and working time

According to the business managers in the manufacturing industry, wages increased by 0.3 % over the third quarter 2014.

The balance on the weekly working time slightly declined. Industrialists anticipate a similar reduction of this working time over the next few months.

## • Cash-flow and selling prices

In the third quarter 2014, the proportion of industrialists experiencing cash-flow problems was nearly stable compared to the previous quarter and the balance of opinion remained below its average level.

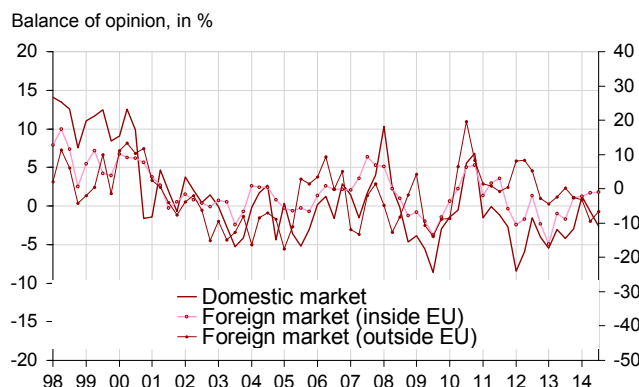
According to business managers, the selling prices in the manufacturing industry slightly went down in the third quarter 2014. They forecast a decrease in selling prices for the next quarter.

## • Competitive position

Industrialists considered that in the third quarter 2014, their competitive position deteriorated on domestic and European market but improved on foreign markets outside the EU. Each of the corresponding balances stands below its average level.

The general exportation expectations have sharply gone up: the corresponding balance increased by 9 points and is closer to its long-term average.

#### **Competitive position**



#### **Industrialists'opinion: employment, competitive position, cash-flow, wags and selling prices**

Balance of opinion, in %

|                                  | Aver.* | Jan. 14 | Avril 14 | Juil. 14 | Oct. 14 |
|----------------------------------|--------|---------|----------|----------|---------|
| <b>Manufacturing industry</b>    |        |         |          |          |         |
| <b>Workforce size</b>            |        |         |          |          |         |
| Past change                      | -11    | -9      | -8       | -6       | -8      |
| Expected change                  | -13    | -10     | -8       | -8       | -9      |
| Difficulties hiring              | 28     | 26      | 27       | 27       | 26      |
| <b>Working time</b>              |        |         |          |          |         |
| Past change                      | -3     | 1       | -1       | -1       | -2      |
| Expected change                  | -5     | -2      | -1       | -3       | -2      |
| <b>Cash-flow and wages</b>       |        |         |          |          |         |
| Cash-flow problems               | 15     | 13      | 13       | 14       | 13      |
| Past wages                       | 0.5    | 0.3     | 0.3      | 0.4      | 0.3     |
| <b>Selling prices</b>            |        |         |          |          |         |
| Past change                      | 0.1    | -0.5    | 0.0      | -0.2     | -0.7    |
| Expected change                  | 0.2    | 0.2     | -0.2     | -0.1     | -0.5    |
| <b>Competitive position</b>      |        |         |          |          |         |
| On domestic market               | 1      | 1       | -1       | -3       | -7      |
| On foreign markets inside EU     | -1     | -2      | -1       | -1       | -8      |
| On foreign markets outside EU    | -1     | -3      | -9       | -7       | -4      |
| General exportation expectations | -11    | -14     | -10      | -23      | -14     |

\* : Long-term average since 1976.

The results of the last survey are preliminary.

A quantitative question is asked about selling prices and past wage.

Source : Quaterly business survey - Insee

### **For more information :**

The quarterly survey completes the monthly survey published in the version dated October 23 2014, notably on demand and production factors.

- Complementary data (long series) and metadata (methodology . linked internet pages, etc.) are available on the web page of this index: <http://www.insee.fr/fr/themes/indicateur.asp?id=12>
- Press contact: [bureau-de-presse@insee.fr](mailto:bureau-de-presse@insee.fr)
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- Historical data are available on the BDM: [G1267](http://www.insee.fr/fr/bdm)

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