

Informations *Rapides*

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Principaux Indicateurs



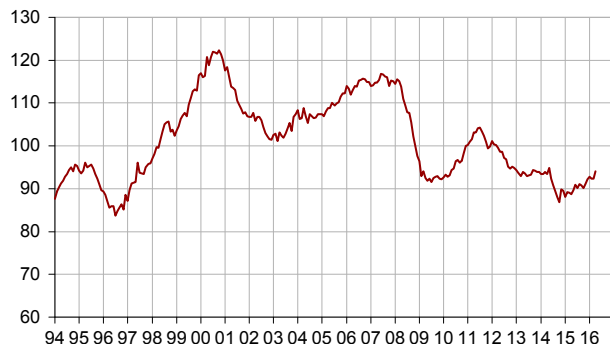
Monthly business survey in the building industry – April 2016

In April 2016, the economic climate has improved in the building construction industry

According to the business managers surveyed in April 2016, the business climate has improved in the building construction industry. The composite indicator has increased by two points and stands at 94, a level not seen since May 2014. However, it remains below its long-term average (100).

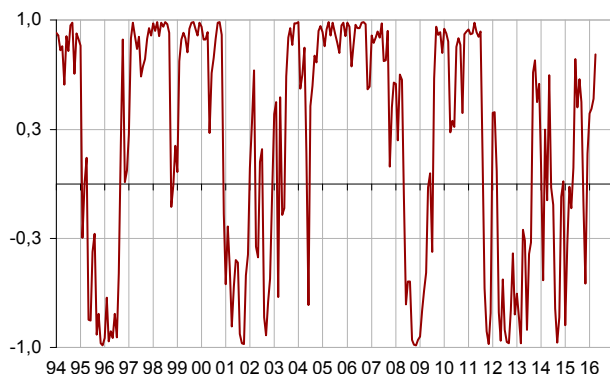
Business climate composite indicator

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



The turning point indicator remains in the zone indicating a favourable short-term economic climate.

Turning-point indicator



Note: close to 1 (respectively -1), it indicates a favourable climate (respectively unfavourable).

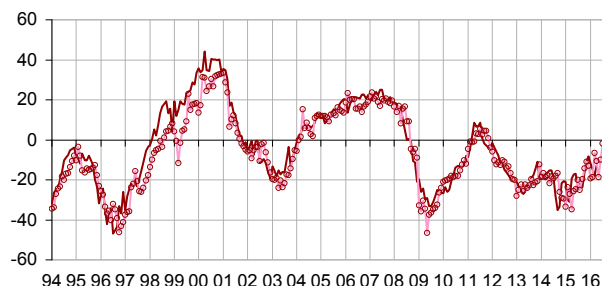
Business prospects have improved

In April 2016, sharply fewer business managers than in March indicate a fall in their past and expected activity.

The balance of opinion on expected activity has increased significantly. It has reached its highest level since August 2011, returning above its long-term average. In the same way, the business managers' opinion about the general outlook in the sector has improved clearly: the corresponding balance has become higher than its long-term average for the first time since 2011.

Activity tendency in building construction

Balances of opinion, in %, SA



— Past activity - - Expected activity (three months advanced)

Building industry economic outlook

Balances of opinion, in %, SA

	Mean *	Jan. 16	Feb. 16	Marc h 16	April 16
Composite indicator	100	93	92	92	94
Past activity	-4	-12	-15	-18	-13
Expected activity	-7	-10	-19	-10	-2
Gen. business outlook	-19	-21			-14
Past employment	-5	-25	-24	-25	-23
Expected employment	-5	-20	-22	-20	-20
Opinion on order books	-23	-46	-47	-47	-44
Order books (in month)	5.4	6.4	6.5	6.7	6.7
Production capacity utilisation rate	88.5	85.1	85.3	85.3	85.4
Obstacles to production increase (in %)	32	19	20	21	21
- Because of workforce shortage (in %)	14.3	2.9	2.8	2.9	2.9
Recruiting problems (in %)	57	41			40
Expected prices	-15	-28	-30	-27	-26
Cash-flow position	-10	-21			-11
Repayment period	29	39			30

* Mean since September 1993.

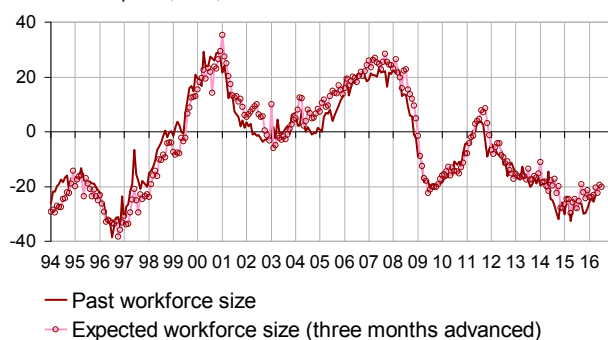
Source : INSEE. French business survey in the building industry

Persistent pessimism about employment prospects

In April 2016, slightly fewer business managers than in March indicate a fall in their staff size during the last three months. However, they remain as pessimistic as March about employment expected for the next few months. The two balances of opinion on past and expected employment stand far below their long-term average.

Workforce size tendency in building construction

Balances of opinion, in %, SA



Order books are considered lower than normal

Business managers continue to consider that their order books are much lower than normal. However, the corresponding balance has recovered a little in April. With their staff size, business managers consider that their order books provide 6.7 months of work, a level stable and above its long term average (5.4 months).

Order books

Balance of opinion, in %, SA



Underused production capacity

Since 2008, the production capacity utilisation rate has stood below its long-term average. In April 2016, it is virtually stable at 85.4 %. Almost one business manager out of five has reported difficulties in increasing output, against one out of three in average since 1993. Only 40 % of construction firms have experienced difficulties in recruiting labor force, against 57 % in average.

Production capacity utilisation rate

in %



Improvement in cash-flow position

In April 2016, almost as many business managers as in March forecast price falls. The corresponding balance remains substantially below its long-term average. However, more business leaders than in the previous quarter indicate that their cash-flow position is less deteriorated and that the repayment periods tend to get shorter.

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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