

Informations *Rapides*

■ Monthly business survey in industry – April 2016

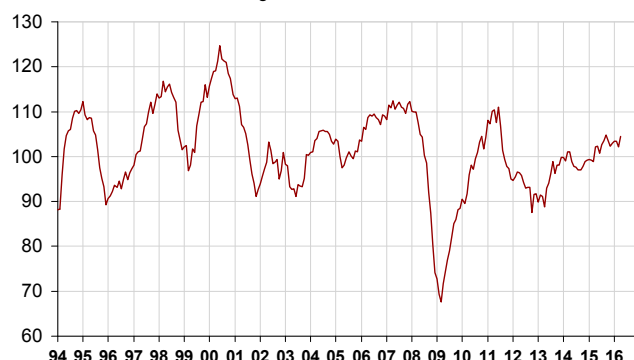
In April 2016, the business climate in manufacturing has recovered

Warning: in the publication of April 2016, weights used to aggregate business managers' answers to the questions related to exports have been updated in order to be consistent with those used for other variables. As a result, the value of all the balances of opinion related to exports published in this survey have been negligibly modified at the most aggregated level but more significantly in a sector-based approach (see the methodological note for more details).

According to the business managers surveyed in April 2016, the business climate in industry has recovered. The composite indicator, already above its long-term average (100), has increased by 2 points and has reached 104.

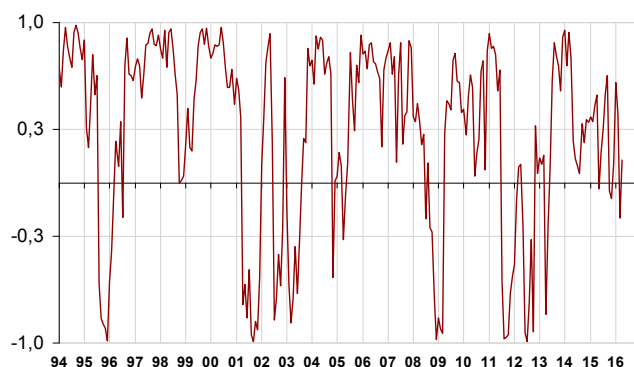
Business climate in industry - Composite indicator

Standardized indicator: average = 100 and standard deviation = 10



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

Turning-point indicator



Note: close to 1 (respectively -1), this indicator points to a favourable short-term economic situation (respectively unfavourable). Between -0.3 and +0.3: uncertainty area.

In April 2016, the balance of opinion on past activity has bounced back dramatically (+14 points) and has returned to a level above normal. However, that on personal production prospects has fallen again (-6 points); however, it remains slightly above its long-term average.

Industrialists are almost as optimistic as in March on general production prospects in the sector (+1 point). The corresponding balance is above its long-term average since February 2015.

In April, order books, already above normal in March, have improved further.

Finally, more industrialists than in March consider that finished-goods inventories are above normal: the corresponding balance has risen by 6 points but is still slightly inferior to its long-term average.

Industrialists' opinion on manufacturing activity

Balance of opinion, in %

Manufacturing industry	Ave.*	Jan. 16	Feb. 16	March 16	April 16
Composite indicator	100	103	103	102	104
Past activity	4	-1	-3	-6	8
Finished-goods inventory	13	6	4	6	12
Global order books	-18	-11	-14	-14	-10
Export order books	-15	-6	-7	-8	-6
Personal production expectations	5	11	18	15	9
General production expectations	-9	2	-4	-2	-1

* Long-term average since 1976.

Source: Monthly business survey - INSEE

• Sector-based analysis

MAN. OF FOOD PRODUCTS AND BEVERAGES

In the manufacture of food products and beverages, the balance on past activity is virtually stable below its long-term average. That on production prospects has slipped back and has returned below its mean. Order books are stable abroad and have continued to improve on the whole, the corresponding balances being already superior to their average level in March. Finished-goods inventories are judged slightly lower but the corresponding balance remains above its mean.

MACHINERY AND EQUIPMENT GOODS

In the manufacture of machinery and equipment goods, the balance on past activity has soared and has returned above its long-term average. That on production prospects has fallen slightly, virtually slipping back to its normal level. The balance on inventories of finished products remains virtually to its mean level. Order books have deteriorated on the whole but are practically stable abroad; the corresponding balances remain above normal.

MAN. OF TRANSPORT EQUIPMENT

Man. of motor vehicles, trailers and semi trailers

In the manufacture of motor vehicles, trailers and semi trailers, the balance on past activity remains very high. That on production prospects has increased again and is also significantly above normal. Global and export order books have improved dramatically and have virtually returned to their February's level, significantly above their mean. The balance on inventories of finished goods, already below its long-term average in March, has slightly decreased.

Man. of other transport equipment

In the manufacture of other transport equipment, the balance on past activity has continued to increase and has become superior to normal. Conversely, that on production prospects has fallen back to its long-term average.

Order books have deteriorated albeit remaining above their long-term average. The level of inventories of finished products is still considered above its long-term average.

OTHER MANUFACTURING

In "other manufacturing", while the balance of opinion on past activity has recovered, that on production prospects has weakened again in April. Both are below their long-term average. On a sub-sector level, the balance on past activity has soared once more in pharmaceuticals, has slightly risen in basic metals and has declined a little in chemicals and in plastics products. That on expected activity has fallen back in the manufacture of pharmaceuticals, is virtually stable in plastic products and has increased in chemicals and in basic metals. In "other manufacturing", order books have improved on the whole. They have filled up in chemicals and in basic metals while they are stable in pharmaceuticals. In plastic products, they have slightly worsened on the whole but have increased again abroad. Inventories of finished goods are considered higher overall, mainly due to pharmaceuticals. However, they are judged lower in chemicals.

Revisions

The business climate in manufacturing in March 2016 has been raised by one point. This slight revision comes from late answers from businesses that have been taken into account and, more marginally, from the change of some weights (see *warning*).

Industrialists' opinion in a sector-based approach

Balance of opinion, in %

NA* : (A17) et [A 38 et A 64]	Aver.**	Feb. 16	March 16	April 16
(C1) Man. of goods products and beverages				
Past activity	6	7	-2	-1
Finished-goods inventory	12	14	17	15
Global order books	-18	-19	-16	-10
Export order books	-15	-13	-10	-11
Personal production expectations	7	6	8	5
(C3) Machinery and equipment goods				
Past activity	4	-6	-5	9
Finished-goods inventory	17	13	17	18
Global order books	-24	-16	-18	-21
Export order books	-22	-18	-21	-20
Personal production expectations	2	11	5	3
(C4) Man. of transport equipment				
Past activity	8	16	26	34
Finished-goods inventory	14	21	22	20
Global order books	-13	18	5	17
Export order books	-10	19	6	15
Personal production expectations	9	54	39	32
Man. of motor vehicles, trailers and semi-trailers [CL1]				
Past activity	4	29	44	39
Finished-goods inventory	10	0	0	-3
Global order books	-19	20	-4	24
Export order books	-13	21	-4	22
Personal production expectations	4	68	45	55
Man. of other transport equipment [CL2]				
Past activity	15	6	10	27
Finished-goods inventory	21	43	45	44
Global order books	-4	17	14	9
Export order books	-7	17	14	9
Personal production expectations	15	37	39	15
(C5) Other manufacturing				
Past activity	1	0	-5	-1
Finished-goods inventory	10	7	5	10
Global order books	-20	-23	-20	-17
Export order books	-16	-15	-10	-9
Personal production expectations	4	6	5	2
Man. of chemicals and chemical products [CE]				
Past activity	6	17	11	9
Finished-goods inventory	6	9	14	7
Global order books	-13	-19	-16	-10
Export order books	-9	-11	-4	-2
Personal production expectations	13	-3	-6	1
Man. of basic pharmaceutical products [CF]				
Past activity	16	-57	-28	-3
Finished-goods inventory	9	4	-38	2
Global order books	3	-2	-2	-2
Export order books	5	-2	2	-1
Personal production expectations	15	35	51	2
Man. of rubber and plastic products [CG]				
Past activity	-3	10	-1	-4
Finished-goods inventory	11	5	9	13
Global order books	-26	-31	-21	-24
Export order books	-22	-16	-14	-11
Personal production expectations	-1	1	9	7
Man. of basic metals and fabricated metal products [CH]				
Past activity	-1	-4	-5	-2
Finished-goods inventory	7	7	7	13
Global order books	-20	-23	-26	-22
Export order books	-20	-26	-23	-19
Personal production expectations	1	10	-1	2

* NA: aggregated classification, based on the NAF rév.2.

** Long-term average since 1976.

Source: Monthly business survey - INSEE

For more information:

- Complementary data (long series) and metadata (methodology, weblinks, classification, etc.) are available on the web page of this index: <http://www.insee.fr/en/themes/indicateur.asp?id=11&type=1>
- Historical data are available on the BDM: [G1262](#), [G1263](#), [G1264](#), [G1265](#)
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