

Informations *Rapides*

24 mars 2016 - n° 75

Principaux Indicateurs



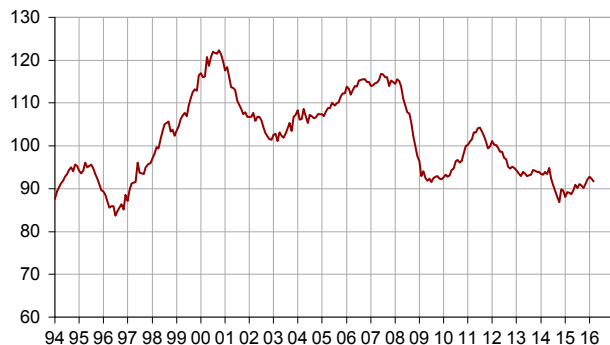
Monthly business survey in the building industry – March 2016

In March 2016, the economic climate remains bleak in the building construction industry

According to the business managers surveyed in March 2016, the business climate remains deteriorated in the building construction industry. The composite indicator is unchanged and is significantly below (92) its long-term average (100).

Business climate composite indicator

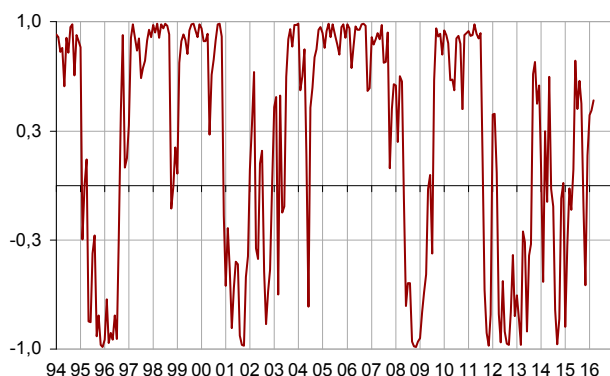
Standardized with mean equal to 100 and a standard deviation equal to 10



Source: INSEE, French business survey in the building industry

The turning point indicator remains in the favourable zone.

Turning-point indicator



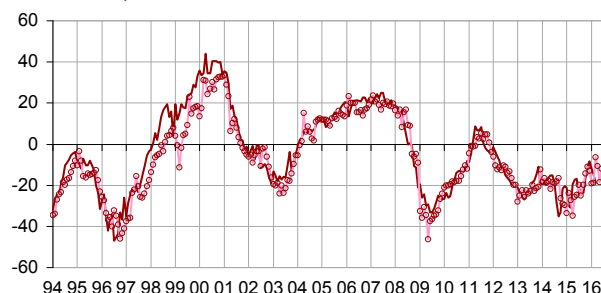
Note: close to 1 (respectively -1), it indicates a favourable short-term business climate (respectively unfavourable).

Business prospects are estimated slightly less grim

In March 2016, fewer business managers than in February forecast a fall of their activity for the next few months. However, the balance of opinion on past activity has slightly decreased. Both balances are stand below their long-term average.

Activity tendency in building construction

Balances of opinion, in %, SA



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

Source: INSEE, French business survey in the building industry

Building industry economic outlook

Balances of opinion, in %, SA

	Mean *	Dec. 15	Jan. 16	Feb. 16	March 16
Composite indicator	100	92	93	92	92
Past activity	-4	-8	-12	-15	-19
Expected activity	-7	-6	-10	-19	-12
Gen. business outlook	-19		-21		
Past employment	-5	-28	-25	-24	-26
Expected employment	-4	-23	-20	-22	-20
Opinion on order books	-23	-51	-46	-47	-49
Order books (in month)	5,4	6,4	6,4	6,5	6,5
Production capacity utilisation rate	88,5	84,6	85,1	85,3	85,0
Obstacles to production increase (in %)	32	20	19	20	21
- Because of workforce shortage (in %)	14,3	3,1	2,9	2,8	3,0
Recruiting problems (in %)	58		43		
Expected prices	-15	-30	-28	-30	-27
Cash-flow position	-10		-21		
Repayment period	29		40		

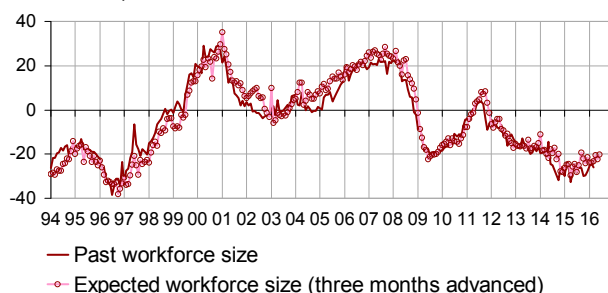
* Mean since September 1993.

Business managers remain pessimistic about employment

In March 2016, slightly more business managers than in February indicate a fall in their staff size during the last three months. By contrast, the balance of opinion on expected employment has recovered slightly. The two balances of opinion of employment stand at a level far below its long-term average.

Workforce size tendency in building construction

Balances of opinion, in %, SA



Order books remain much lower than normal

Business managers continue to consider that their order books are much lower than normal. The corresponding balance has decreased slightly again in March. It had improved gradually during 2015. With their staff size, business managers consider that their order books provide 6.5 months of work, a level stable and above its long term average (5.4 months).

Order books

Balance of opinion, in %, SA



Production capacity stays underused

Since 2008, the production capacity utilisation rate has stood below its long-term average. In March 2016, it has faltered at 85.0 % after 85.3 %. Almost one business manager out of five has reported difficulties in increasing output, against one out of three in average since 1993.

Production capacity utilisation rate




Prices are still considered very low

In March 2016, slightly fewer business managers than in February forecast price falls. However, the corresponding balance remains substantially below its long-term average.

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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