

# Informations *Rapides*

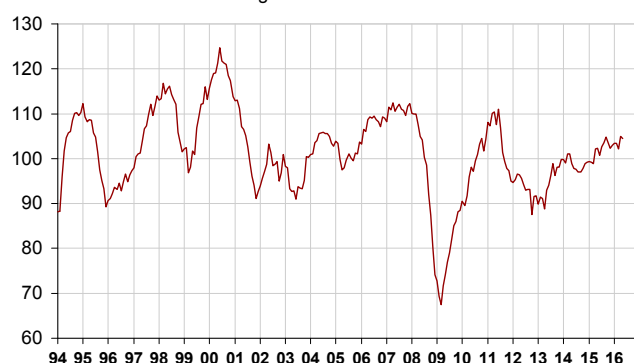
## ■ Monthly business survey in industry – Mai 2016

### **In May 2016, the business climate in manufacturing is virtually stable above its long-term average**

According to the business managers surveyed in May 2016, the business climate in industry is virtually stable. The composite indicator has lost one point but remains at a level (104) above its long-term average (100).

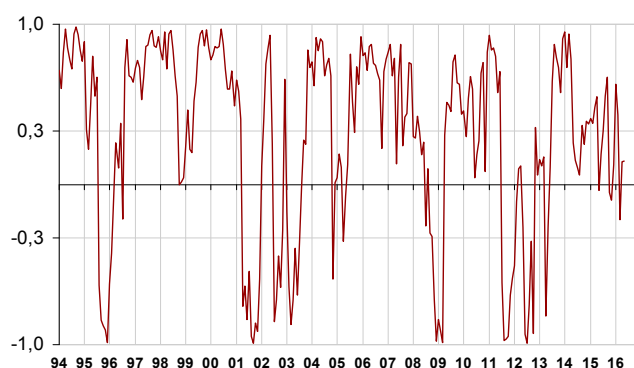
#### **Business climate in industry - Composite indicator**

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**



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

In May 2016, the balance of opinion on past activity, already above normal in April, has increased again (+18 points in two months). That on personal production prospects is virtually stable (-1 point) above its long-term average.

However, business managers in manufacturing are much more optimistic than in April on general production prospects in the sector (+7 points). The corresponding balance has been above its long-term average since February 2015.

In May, order books have deteriorated but remain above normal. Finally, as industrialists as in April consider that finished-goods inventories are above normal: the corresponding balance is stable below its long-term average.

#### **Industrialists' opinion on manufacturing activity**

Balance of opinion, in %

Manufacturing industry	Ave.*	Feb. 16	March 16	April 16	May 16
Composite indicator	100	103	102	105	104
Past activity	4	-3	-6	10	12
Finished-goods inventory	13	4	6	9	9
Global order books	-18	-14	-14	-10	-13
Export order books	-15	-7	-8	-5	-8
Personal production expectations	5	18	15	9	8
General production expectations	-9	-4	-2	-1	6

\* Long-term average since 1976.

Source: INSEE - Monthly business tendency survey

#### **Revisions**

The business climate in manufacturing in April 2016 has been raised by one point. This slight revision comes from late answers from businesses that have been taken into account.

## • Sector-based analysis

### MAN. OF FOOD PRODUCTS AND BEVERAGES

In the manufacture of food products and beverages, the balance on past activity has improved again and has become superior to its long-term average. That on production prospects is virtually stable, close to its long-term average. Order books have deteriorated slightly but the corresponding balances remain above normal. Finished-goods inventories are judged higher, the corresponding balance already standing above its mean in April.

### MACHINERY AND EQUIPMENT GOODS

In the manufacture of machinery and equipment goods, the balances on past activity and on production prospects have declined slightly but remain above their long-term average. The balance on inventories of finished products is stable slightly above its mean level. Order books have deteriorated and the corresponding balances have become inferior to their long-term mean.

### MAN. OF TRANSPORT EQUIPMENT

#### **Man. of motor vehicles, trailers and semi trailers**

In the manufacture of motor vehicles, trailers and semi trailers, the balances on past activity and on production prospects have fallen back albeit remaining significantly above normal. Global and export order books have plunged but remain significantly above their mean. The balance on finished-goods inventories remains below its long-term average.

#### **Man. of other transport equipment**

In the manufacture of other transport equipment, the balance on past activity, already above normal in April, has continued to increase. Conversely, that on production prospects has fallen again and has become slightly inferior to its long-term average. Order books are virtually stable above their long-term average. The level of inventories of finished products is still considered below normal.

### OTHER MANUFACTURING

In "other manufacturing", the balances of opinion on past activity and on production prospects have improved in May. The first one has returned above its long-term average while the second one remains slightly inferior to it. On a sub-sector level, the balance on past activity has increased once more in pharmaceuticals, has recovered in plastic products and in basic metals but has declined again in chemicals. That on expected activity has improved in chemicals and in pharmaceuticals while it has decreased slightly in plastic products and in basic metals. In "other manufacturing" as a whole, order books are stable. Overall they have filled up a little abroad. They have improved in chemicals, in plastic products and in basic metals while they have deteriorated in pharmaceuticals. Inventories of finished-goods are considered lower overall, mainly due to chemicals and basic metals.

## Industrialists' opinion in a sector-based approach

Balance of opinion, in %


NA* : (A17) et [A38 et A64]	Aver.**	March 16	April 16	May 16
<b>(C1) Man. of goods products and beverages</b>				
Past activity	6	-2	4	13
Finished-goods inventory	12	17	13	17
Global order books	-18	-16	-10	-13
Export order books	-15	-10	-6	-10
Personal production expectations	7	8	5	6
<b>(C3) Machinery and equipment goods</b>				
Past activity	4	-5	11	8
Finished-goods inventory	17	17	20	20
Global order books	-24	-18	-20	-25
Export order books	-22	-21	-19	-28
Personal production expectations	2	5	4	3
<b>(C4) Man. of transport equipment</b>				
Past activity	8	26	35	27
Finished-goods inventory	14	22	3	5
Global order books	-13	5	18	4
Export order books	-10	6	15	5
Personal production expectations	9	39	33	24
<b>Man. of motor vehicles, trailers and semi-trailers [CL1]</b>				
Past activity	4	44	42	34
Finished-goods inventory	10	0	-2	2
Global order books	-19	-4	26	2
Export order books	-13	-4	23	2
Personal production expectations	4	45	57	40
<b>Man. of other transport equipment [CL2]</b>				
Past activity	15	10	27	32
Finished-goods inventory	21	45	9	7
Global order books	-4	14	9	7
Export order books	-7	14	9	7
Personal production expectations	15	39	15	12
<b>(C5) Other manufacturing</b>				
Past activity	1	-5	0	6
Finished-goods inventory	10	5	9	6
Global order books	-20	-20	-17	-17
Export order books	-16	-10	-10	-7
Personal production expectations	4	5	1	3
<b>Man. of chemicals and chemical products [CE]</b>				
Past activity	6	11	6	-4
Finished-goods inventory	6	14	7	3
Global order books	-13	-16	-12	-9
Export order books	-9	-4	-4	4
Personal production expectations	13	-6	1	8
<b>Man. of basic pharmaceutical products [CF]</b>				
Past activity	16	-28	-3	60
Finished-goods inventory	9	-38	3	4
Global order books	3	-2	-2	-4
Export order books	5	2	-1	-5
Personal production expectations	15	51	2	12
<b>Man. of rubber and plastic products [CG]</b>				
Past activity	-3	-1	-1	15
Finished-goods inventory	11	9	10	10
Global order books	-26	-21	-24	-22
Export order books	-22	-14	-11	-5
Personal production expectations	-1	9	5	3
<b>Man. of basic metals and fabricated metal products [CH]</b>				
Past activity	0	-5	3	10
Finished-goods inventory	7	7	15	10
Global order books	-20	-26	-19	-17
Export order books	-20	-23	-19	-19
Personal production expectations	1	-1	2	-1

\* NA: aggregated classification, based on the French classification of activities NAF rév.2.

\*\* Long-term average since 1976.

Source: INSEE - Monthly business tendency survey

### 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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