

Informations *Rapides*



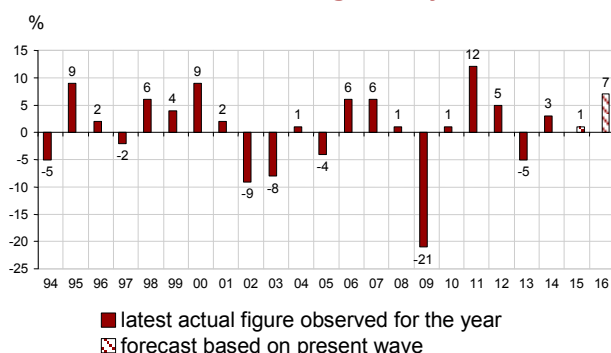
10 mai 2016 - n° 120
Principaux indicateurs

■ Survey of Industrial Investment – April 2016

In the manufacturing industry, business managers forecast a significant increase in their investment in 2016

Surveyed in April 2016, business managers stated that investment in manufacturing industry increased by 1% in nominal value in 2015, revising by 3 points upwards their previous expectations given in last January.

Annual nominal change in investment in the manufacturing industry



Source: Industrial investment survey - INSEE

For 2016, business managers have confirmed their investment forecast of an increase of 7%

For 2016, business managers in the manufacturing industry forecast that their investment will increase by 7%, confirming their previous expectations given in last January. Investment should increase in all main sectors. Business managers revised their expectations downwards in the industry of machine and equipment (-5 points at +13%). On the contrary, they revised their expectations upwards in the manufacture of food products and beverages (+2 points at +13%).

Real annual investment growth

NA* : (A17) et [A38]	In 2015		In 2016	
	estimate Jan.16	observed Apr.16	estimate Jan.16	estimate Apr.16
C : MANUFACTURING INDUSTRY	-2	1	7	7
(C1): Manufacture of food products and beverages	-7	-1	11	13
(C3): Electrical and electronic equipment; machine equipment	-3	-1	18	13
(C4): Manufacture of transport equipment	2	3	3	3
[CL1]: Motor vehicles	0	-1	3	1
(C5): Other manufacturing	-1	1	4	4
Total sectors (C3-C4-C5)	0	1	6	5

How to read this table: in manufacturing industry, business managers surveyed in April 2016 have announced a nominal investment increase of 1% in 2015 compared to 2014 and forecast a nominal investment increase of 7% in 2016 compared to 2015.

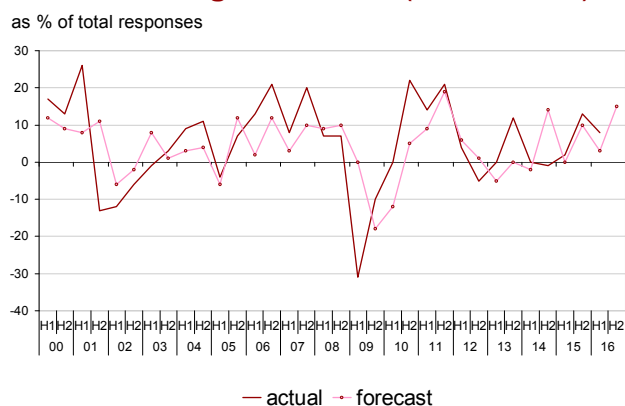
* The codes correspond to the level of aggregation (A17) and [A38] of the "NA" aggregated classification based on NAF rev.2

Source: Industrial investment survey - INSEE

Business leaders are more numerous to anticipate an increase than a decrease in their investment in H2 2016

Surveyed in April 2016, business managers are slightly more numerous to anticipate an increase rather than a decrease in their investment between H2 2015 and H1 2016. For H2 2016, this trend is gathering pace and clearly more business leaders anticipate an increase than a decrease of their investment. The corresponding balance of opinion (+15) has reached its highest level since 2011.

Six-month change in investment (first estimation)

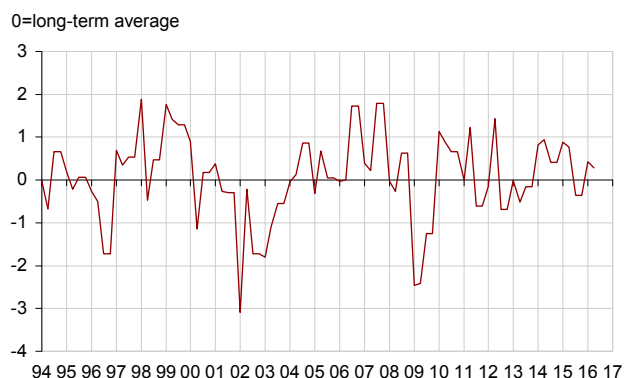


Source: Industrial investment survey - INSEE

In April, the investment revision indicator remains positive

The investment revision indicator remains positive in April because business managers are slightly more numerous to revise their investment forecast upwards rather than downwards. This indicator is based on investment amounts reported in at each survey by business leaders of the manufacturing industry except those of manufacture of food products and beverages and of coke and refined petroleum products.

Investment revision indicator



Source: Industrial investment survey - INSEE

Investment mainly supports the replacement and modernization of equipment

In 2016, the purposes of investment should be quite similar to those of 2015. The current distribution is close to the average distribution observed since 1991. The share of investment devoted to replacement stays the most important, slightly above its long-term

average. A quarter of investment would be used for the modernization of equipment, the share for energy savings remains slightly above its long-term average. On the contrary, the share of investment aimed to increase productive capacity or introduce to introduction of new products is likely to remain a little below its long-term average.

Share of purposes of investment

	Average 1991-2015	2015 actual	2016 forecast
Replacement	27	28	28
Modernization, streamlining	24	23	24
of which : automation	11	8	8
of which : new production methods	7	7	8
of which : energy savings	6	8	8
Increase in productive capacity	16	15	14
Introduction of new products	14	14	13
Other purposes (safety, environment, working conditions...)	20	20	21

Source: Industrial investment survey - INSEE

The balance of opinion about the change in productive capacity observed in 2015 (+23) confirms the forecast estimated last year (+21). For 2016, business leaders are more numerous than in 2015 to anticipate an increase of the productive capacity: the balance of opinion has grown to +28 but it remains above its long-term average (+31).

Productive capacity and equipment scrapping

* balance of opinion, as % of responses - ** %

	Observed in 2015		Forecast for 2015 and 2016		
	aver.	in 2015	aver.	for 2015	for 2016
Change in productive capacity*	29	22	31	21	28
Change in equipment scrapping*	18	15	-2	16	-7
Share of enterprises reporting equipment scrapping**	76	71	75	66	67
Breakdown of enterprises reporting equipment scrapping**					
Wear and tear, obsolescence	52	53	49	56	49
Installation of more efficient equipment	31	29	33	32	29
Shut-down of capacity for old products	12	10	12	9	13
Other scrapping	5	8	6	3	9
Total	100	100	100	100	100

Source: INSEE - Industrial investment survey

Learn more:

- The Survey results provide a picture of investment conditions in the industrial market sector. Investment in this sector, plays a key role as an engine of economic change, but accounts for only 25% of productive investment in France.

- Complementary data (long series) and metadata (methodology, linked internet page, etc.) are available on the web page of this index: <http://www.insee.fr/fr/themes/indicateur.asp?id=25&type=1>
- Historical-data are available on the BDM : [G1249](#), [G1250](#), [G1251](#), [G1252](#), [G1253](#), [G1254](#), [G1255](#)
- Press contact: bureau-de-presse@insee.fr

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