

Informations *Rapides*

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Principaux Indicateurs

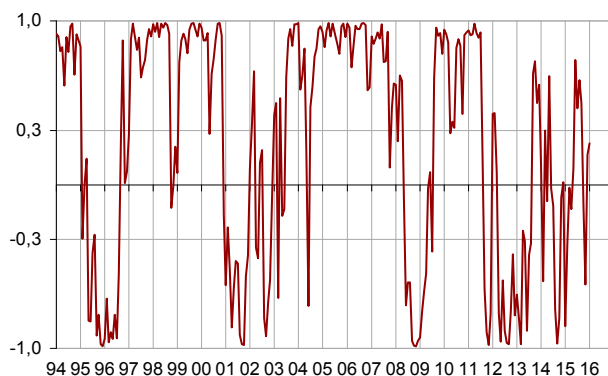


■ Monthly business survey in the building industry – January 2016

In January 2016, the economic climate continues to improve slightly in the building construction industry

According to the business managers surveyed in January 2016, the business climate has improved slightly in the building construction industry. The composite indicator which measures it has increased by one point again but remains significantly below (93) its long-term average (100). The turning point indicator remains in the zone indicating a short-term economic uncertainty.

Turning-point indicator



Note: close to 1 (respectively -1), it indicates a favourable climate (respectively unfavourable), between +0.3 and -0.3: uncertainty area..

Building industry economic outlook

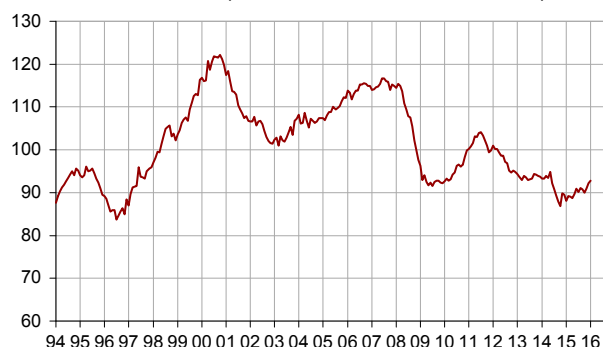
Balances of opinion, in %, SA

	Mean *	Oct. 15	Nov. 15	Dec. 15	Jan. 16
Composite indicator	100	90	91	92	93
Past activity	-4	-16	-11	-8	-10
Expected activity	-7	-19	-19	-6	-12
Gen. business outlook	-19	-24			-21
Past employment	-5	-30	-30	-28	-25
Expected employment	-4	-24	-24	-23	-23
Opinion on order books	-23	-53	-49	-51	-46
Order books (in month)	5.4	6.5	6.4	6.4	6.4
Production capacity utilisation rate	88.5	84.6	84.9	84.6	84.7
Obstacles to production increase (in %)	32	19	20	20	20
- Because of workforce shortage (in %)	14.4	2.7	2.8	3.1	3.0
Recruiting problems (in %)	58	40			43
Expected prices	-15	-32	-30	-30	-27
Cash-flow position	-10	-13			-21
Repayment period	29	38			40

* Mean since September 1993.

Business climate composite indicator

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

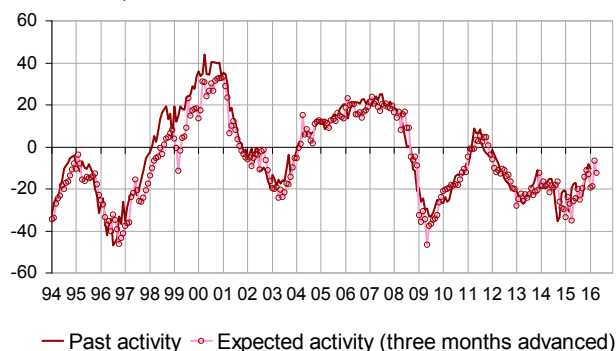


Business managers are a little less pessimistic about the general outlook in the construction sector

In January 2016, the balances of opinion on past and expected activity have fallen back after having recovered. The balance corresponding on expected activity has returned below its long-term average. However, with regard to the general outlook in the sector for the next few months, the business managers' opinion has improved slightly: the corresponding balance has got closer to its long-term average.

Activity tendency in building construction

Balances of opinion, in %, SA



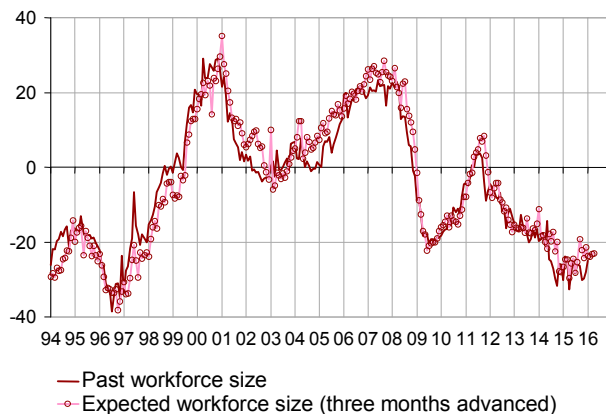
Source: INSEE, French business survey in the building industry

A little less pessimism about employment

In January 2016, slightly fewer business managers than in December have indicated a fall in their staff size during the three last months. Concerning expected employment, the balance of opinion is stable at a level substantially below its long-term average.

Workforce size tendency in building construction

Balances of opinion, in %, SA



Order books have been considered as very low again

Business managers continue to consider that their order books are much lower than normal, even if fewer business managers than in December have declared a fall in their order books. The corresponding balance has improved gradually for one year. With their staff size, business managers consider that their order books provide 6.4 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 December 2015, it is virtually stable at 84.7 %. Almost one business manager out of five has reported difficulties in increasing output, against one out of three in average since 1993. Only 43 % of construction firms have experienced difficulties in recruiting labor force, against 58 % in average. However, this share has increased by three percentage points compared to October 2015 and has reached its highest level since July 2014.

Production capacity utilisation rate

in %




Deteriorating cash position

In January 2016, slightly fewer business managers than in December have forecasted price falls. The corresponding balance remains substantially below its long-term average. More business leaders indicate that their cash-flow position is more deteriorated than in the previous quarter and that the repayment periods tend to lengthen.

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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