Informations Rapides
21 juillet 2016 - n° 189
Main indicators

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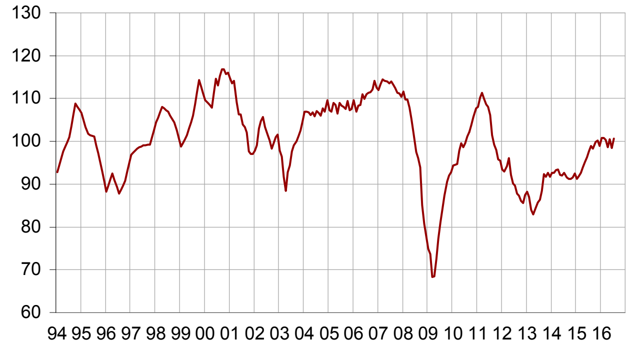
Monthly business survey in services – July 2016

In July 2016, the business climate has improved in services

According to business managers surveyed in July 2016, the business climate in services has improved. The composite indicator which measures it has increased by three points (101) after a decrease in June and has returned above its long-term average (100).

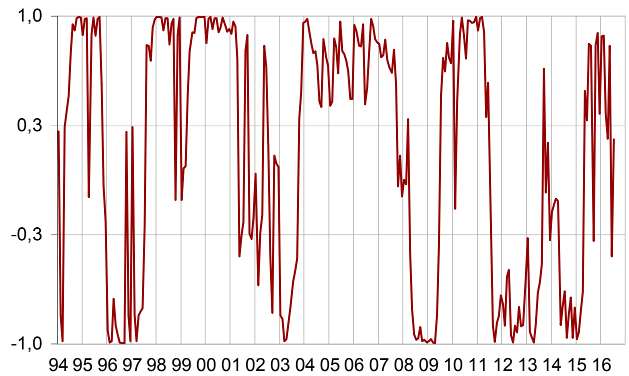
Business climate composite indicator

Standardized indicator : average = 100 and standard deviation = 10



The turning point indicator has come back to the uncertainty area.

Turning point indicator



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

The business prospects have improved

The balance of opinion on the general outlook, which relates the assessment of business leaders over their whole sector, has gone up slightly and stands above its long-term average. The balance on past activity has decreased slightly and stays below its long-term average. However, more business leaders than in June expect an increase in activity and in demand for the next few months.

The balance of opinion on the past operating balance has increased compared with April and come closer to its long-term average. The balance on expected operating balance is stable, at its long-term average.

The balance on past employment is virtually stable, whereas that on expected employment has gone up significantly. Both balances stand clearly above their long-term average, particularly in temporary work agencies.

Economic outlook in the services sector

Balances of opinion, in %, seasonally adjusted

	Average *	April 16	May 16	June 16	July 16
Composite indicator	**100**	**99**	**101**	**98**	**101**
General outlook	–8	–8	–7	–8	–6
Past activity	2	1	2	0	–2
Expected activity	2	–2	–1	–3	0
Expected demand	–1	–5	0	–2	–1
Past selling prices	–4	–13	–9	–9	–8
Expected selling prices	–3	–4	–7	–7	–5
Past employment	3	10	11	8	9
except temporary work agencies	*1*	*2*	*5*	*2*	*2*
Expected employment	2	6	7	4	10
except temporary work agencies	*–1*	*–3*	*–1*	*–1*	*5*
Investments					
Past investments	*1*	*7*	*3*	*4*	*2*
Expected investments	*1*	*1*	*5*	*7*	*7*
Operating balance result					
Past result	*–2*	*–6*			*–3*
Expected result	*–2*	*–2*			*–2*
Cash position	–11	–10			–8
Difficulties of supply and demand					
difficulties of supply and demand	*10*	*11*			*10*
difficulties of supply only	*22*	*22*			*22*
difficulties of demand only	*32*	*34*			*35*
Difficulties in recruitment	28	20			24

* Average of the balances of opinion since 1988
Source: INSEE, business survey in services

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The business climate has increased markedly in road transport

In road freight, the business climate has gone up sharply in July and has come back to its level of May (105), above its long-term average. The balances on past and expected activity and on expected demand have rebounded after their decrease in June.

Rebound of the business climate in accommodation and food service activities

In accommodation and food service activities, the business climate has rebounded after a sharp decrease in June. The indicator has increased by six points and stands at 98, getting closer to its long-term average. The anticipations on activity, demand and employment have improved markedly.

Stability of the business climate in information and communication

In information and communication, the business climate is stable, slightly below (98) its long-term average. Whereas the balance on past activity has fallen, the balances on expected activity and demand have increased sharply.

The real estate business climate has recovered

In real estate, the business climate has improved significantly after a fall in June and has returned above (102) its long-term average. The balances on past and expected activity are well oriented, above their long-term average.

Stability of the business climate in professional, scientific and technical activities

In professional, scientific and technical activities, the business climate is stable (99), close to its long-term average. The balance on past activity has improved and stands above its long-term average. However, the balances on expected activity and demand stand below their long-term average.

In administrative and support service activities, the business climate is steady, slightly above its long-term average

In administrative and support service activities, the business climate is stable (102), slightly above its long-term average. The balance on past activity has decreased but remain above its long-term average. The balances on past and expected employment have gone up significantly. They stand well above their long-term average, particularly because of temporary work agencies.

Business climate composite indicator and balances of opinion by sub-sector in services

Balances of opinion, in %, seasonally adjusted

Aggregated classification (NA 2008) at level A21	Mean *	April 16	May 16	June 16	July 16
Road transport (8%)					
Composite indicator	100	103	105	101	105
Past activity	–8	–9	–6	–13	–9
Expected activity	–9	–5	–2	–9	–1
Expected demand	–13	–10	–3	–9	0
Past employment	–8	3	0	4	–3
Expected employment	–10	–2	–6	–7	–10
General outlook	–24	–12	–13	–17	–13
Accommodation and food service activities (11%)					
Composite indicator	100	89	97	92	98
Past activity	–7	–12	–4	–12	–11
Expected activity	–8	–25	–14	–16	–8
Expected demand	–10	–21	–12	–17	–12
Past employment	–4	–4	5	–2	1
Expected employment	–6	–11	–3	–3	4
General outlook	–14	–22	–23	–25	–19
Information and communication (24%)					
Composite indicator	100	97	97	98	98
Past activity	8	7	–7	0	–19
Expected activity	10	–4	–7	–5	4
Expected demand	10	–2	5	3	9
Past employment	6	6	5	6	4
Expected employment	10	7	8	8	10
General outlook	0	–6	–3	–1	0
Real estate activities (13%)					
Composite indicator	100	101	101	96	102
Past activity	7	1	6	4	14
Expected activity	7	15	12	10	9
Expected demand	1	4	2	–3	2
Past employment	3	1	6	2	2
Expected employment	2	6	0	–2	3
General outlook	–2	0	–1	–3	–1
Professional, scientific and technical activities (24%)					
Composite indicator	100	96	100	99	99
Past activity	–1	–7	–3	–1	3
Expected activity	–2	–5	–3	–6	–4
Expected demand	–6	–11	–4	–5	–8
Past employment	1	0	–2	2	1
Expected employment	0	–2	2	0	3
General outlook	–9	–10	–8	–8	–9
Administrative and support service activities (18%)					
Composite indicator	100	103	105	102	102
Past activity	6	17	17	15	9
Expected activity	5	9	9	4	1
Expected demand	3	3	9	6	2
Past employment	9	31	30	20	26
Expected employment	7	22	18	14	22
General outlook	–5	–4	–1	–4	0

The figures in parentheses indicate the weights used to aggregate the sub-sector balances of opinion.
*Average of the balances of opinion since 1988 (2006 for road transport)
Source: INSEE, business survey in services

For further information:

The results of this survey take into account answers until 19 July inclusive. The large majority of responses were registered before the attack of 14 July.
A balance of opinion is calculated as the difference between the percentage of "increase" responses and the percentage of "decrease" responses.

- Additional information (long series, methodology, links…) is available on the web page of this indicator: http://www.insee.fr/fr/themes/indicateur.asp?id=62
- Historical data are available on the BDM: G1244, G1245, G1246.
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Next publication: 25 August 2016 at 08:45 AM