

Informations *Rapides*

25 octobre 2016 - n° 272

Main indicators



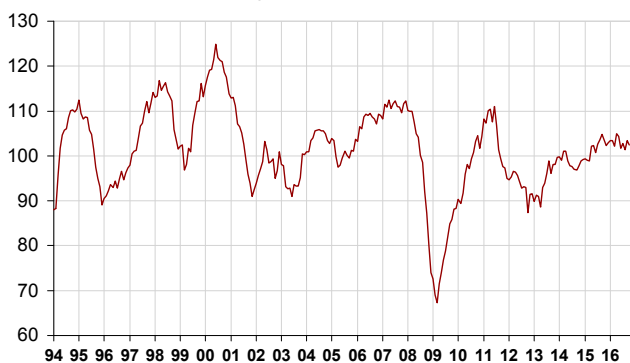
■ Monthly business survey in industry – October 2016

In October 2016, the business climate in manufacturing decreases slightly but remains above normal

According to the business managers surveyed in October 2016, the business climate in industry has decreased slightly (-1 point). At 102, it nevertheless remains above its long-term average (100).

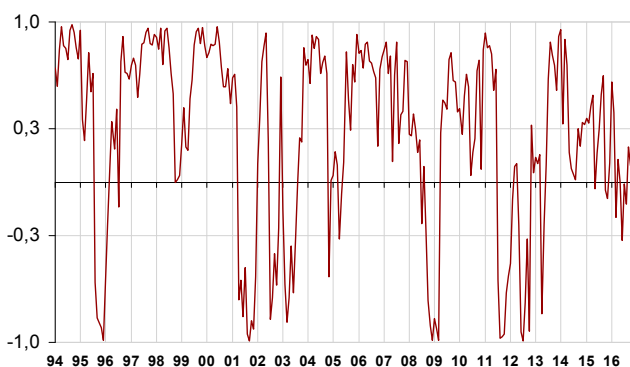
Business climate in industry - Composite indicator

Standardised indicator: average = 100 and standard deviation = 10



The turning-point indicator remains in the zone indicating 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.

Flagging opinion on past activity

In October 2016, the balance of opinion on past activity has faltered and has returned to its August's level, still above normal. That on personal production is stable above its long-term average.

Business managers in manufacturing are less upbeat than in September on general production prospects in the sector (-4 points). The corresponding balance has been above its long-term average since February 2015.

In October, global and export order books are virtually stable. The corresponding balances of opinion are above their mean.

Finally, as many industrialists as in September consider that finished-goods inventories are below normal: the corresponding balance is stable below its long-term average.

Industrialists' opinion on manufacturing activity

Balance of opinion, in %

Manufacturing industry	Ave.*	July 16	Aug. 16	Sept. 16	Oct. 16
Composite indicator	100	103	101	103	102
Past activity	4	10	6	9	6
Finished-goods inventory	13	16	9	11	11
Global order books	-18	-12	-16	-14	-15
Export order books	-14	-9	-9	-11	-12
Personal production expectations	5	2	2	9	9
General production expectations	-9	2	1	6	2

* Long-term average since 1976.

Source: INSEE - Monthly business tendency survey in industry

In the manufacture of food products and beverages, the business climate is significantly above normal

In the manufacture of food products and beverages, the business climate has increased by one point in October. It has reached its highest level since August 2015, significantly above its long-term average. This slight increase mainly comes from a further rise in the balance of opinion on past activity.

In the manufacture of machinery and equipment goods, the business climate remains close to its mean level

In the manufacture of machinery and equipment goods, the business climate is stable, just below its mean level. The balance on expected activity has increased but those on order books have decreased.

On a sub-sector level, the composite indicator has bounced back in electrical equipment, reaching a level close to normal. In the computer, electronic and optical product industry, the business climate, already above its mean level, has improved again. However, in the machinery and equipment sector, the business climate has fallen back below normal.

The business climate remains above normal in the manufacture of transport equipment

In the manufacture of transport equipment, the business climate has lost one point albeit remaining above normal. Specifically, the balances on past and expected activity have declined.

The business climate has lost one point in the manufacture of motor vehicles, trailers and semi-trailers and it is stable in that of other transport equipment. Both climates are above their long-term average.

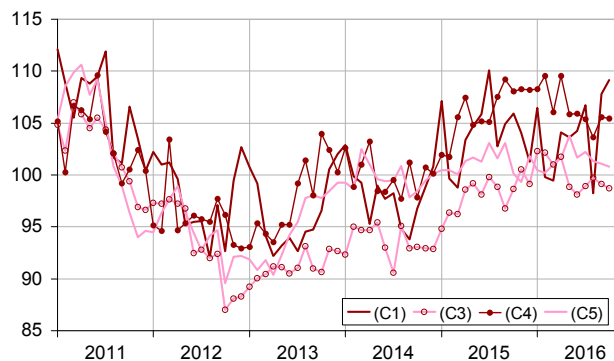
The business climate remains just above normal in "other manufacturing"

In overall "other manufacturing", the business climate is stable just above normal. The balances of opinion on past activity and that on personal production expectations have advanced but those on order books have deteriorated.

In chemicals, wood-paper, rubber and plastic industries, the business climates have improved. In basic metals, the climate has remained at its mean level since August 2016. However, the climate has deteriorated in textiles and has fallen below its mean level in "other manufacturing industries".

Business climates in a sector-based approach

Average = 100 and standard deviation = 10 since 1990



Legend: (C1): Manufacture of food products and beverages - (C3): Machinery and equipment goods - (C4): Manufacture of transport equipment - (C5): Other manufacturing

Business climates in a sector-based approach

Average = 100 and standard deviation = 10 since 1990


NA* : (A17) et [A38 et A64]	Weights** (%)	Aug. 16	Sept. 16	Oct. 16
(C1) Man. of food products and beverages	21	98	108	109
(C3) Machinery and equipment goods	11	100	99	99
[CI] Computer, electronic and optical products	3	103	104	107
[CJ] Electrical equipment	3	96	93	99
[CK] Machinery and equipment	5	99	100	95
(C4) Man. of transport equipment	15	104	106	105
[CL1] Motor vehicles, trailers and semi-trailers	7	104	105	104
[CL2] Other transport equipment	8	103	104	104
(C5) Other manufacturing	46	101	101	101
[CB] Textiles, clothing industries, leather and footwear industry	2	112	111	107
[CC] Wood, paper, printing	5	100	98	99
[CE] Chemicals and chemical products	9	101	97	98
[CG] Rubber and plastic products	7	100	100	104
[CH] Basic metals and fabricated metal products	11	100	100	100
[CM] Other manufacturing industries	9	100	103	97

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

** Weights used to aggregate sub-sector's balances of opinion.

Source: INSEE - Monthly business tendency survey in industry

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>
- Historical data are available on the BDM: [G1262](#), [G1263](#), [G1264](#), [G1265](#)
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