Informations Rapides
16 décembre 2016 - n° 324
Insee Conjoncture
Main indicators

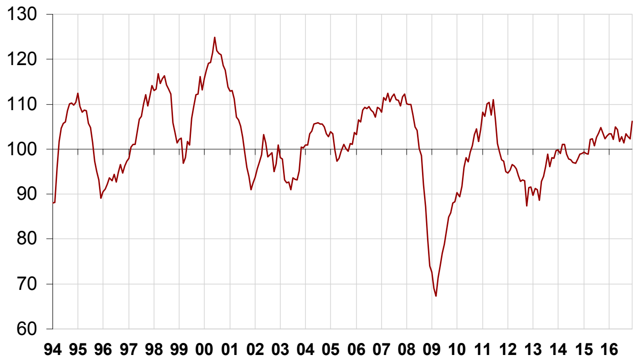
Monthly business survey in industry – December 2016

In December 2016, the business climate in manufacturing, already above normal, improves clearly

According to the business managers surveyed in December 2016, the business climate in industry has clearly improved. Already above its long-term average (100) since April 2015, it has increased by 4 points and has reached 106, its highest level since August 2011.

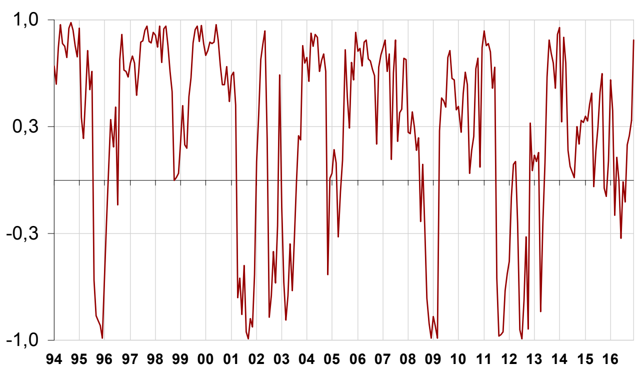
Business climate in industry - Composite indicator

Standardised indicator: average = 100 and standard deviation = 10



The turning-point indicator is in the zone indicating further favourable economic outlook.

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.

Business managers' opinion about their activity has improved in December

In December 2016, the balance of opinion on past activity, already above normal, has significantly increased and has reached its highest level since July 2011. That on personal production expectations has recovered and is now above its long-term average.

Business managers' opinion on general production prospects for the sector has improved further (+3 points). The corresponding balance has been above its long-term average since February 2015.

In December, the balances on global and export order books have increased, while they have been already above normal since mid-2015. The first one has reached its highest level since July 2011.

Finally, as many industrialists as in November 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.*	Sept. 16	Oct. 16	Nov. 16	Dec. 16
Composite indicator	**100**	**103**	**103**	**102**	**106**
Past activity	4	9	7	8	19
Finished-goods inventory	13	11	10	7	7
Global order books	–18	–14	–15	–16	–10
Export order books	–14	–11	–11	–11	–9
Personal production expectations	5	9	9	5	8
General production expectations	–9	6	1	3	6

* Long-term average since 1976.
Source: INSEE - Monthly business tendency survey in industry

Revisions

The business climate in manufacturing in November 2016 has been lowered by one point, at 102 instead of 103. This slight revision results from late answers from businesses that have been taken into account.

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http://www.insee.fr
©INSEE 2016 - ISSN 0151-1475

The business climate has improved in all manufacturing sub-sectors.

In the manufacture of food products and beverages, the business climate has even more exceeded normal level

In the manufacture of food products and beverages, the business climate has increased by two points in December. It has reached its highest level since July 2011, significantly above its long-term average. This improvement comes from a further rise in the balances of opinion on global order books and on expected activity, and from the decline of that on finished-goods inventory.

In the manufacture of machinery and equipment goods, the business climate has gone over its mean level

In the manufacture of machinery and equipment goods, the business climate has increased again by two points. Going over its mean, it has reached its highest level since August 2011. This improvement mainly stems from a further rise in the balances on past activity and on export order books.

On a sub-sector level, the composite indicator, already significantly above its mean level, has increased again in the computer, electronic and optical product industry where it has reached its highest level since August 2011. In electrical equipment and in machinery and equipment, the business climates have slightly improved and are close to normal.

The business climate has recovered in the manufacture of transport equipment

In the manufacture of transport equipment, the business climate has increased by two points and has returned to its October's level, significantly above normal. Specifically, the balances on past activity and on global order books have soared.

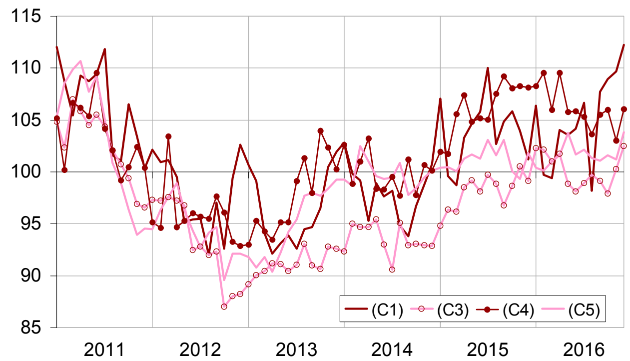
The business climate has gained three points in the manufacture of motor vehicles, trailers and semi-trailers and has returned to its October's level. It has slightly increased in that of other transport equipment. Both climates are above their long-term average.

The business climate has improved in "other manufacturing"

In overall "other manufacturing", the business climate has gained three points, reaching its highest level since August 2011, above normal. The balance of opinion on past activity has rebounded and those on order books have risen again.

In clothing-textiles, chemicals and in rubber and plastic products, the business climates, already above normal, have improved. In wood-paper, the climate has returned above normal. In basic metals, it is virtually stable, close to its mean level. In the "other manufacturing industries" it is unchanged, slightly below normal.

Business climates in a sector-based approach



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** (%)	Oct. 16	Nov. 16	Dec. 16
(C1) Man. of food products and beverages	**21**	**109**	**110**	**112**
(C3) Machinery and equipment goods	**11**	**98**	**100**	**102**
[CI] Computer, electronic and optical products	3	106	105	109
[CJ] Electrical equipment	3	97	98	99
[CK] Machinery and equipment	5	96	100	101
(C4) Man. of transport equipment	**15**	**106**	**103**	**106**
[CL1] Motor vehicles, trailers and semi-trailers	7	104	101	104
[CL2] Other transport equipment	8	105	104	105
(C5) Other manufacturing	**46**	**102**	**101**	**104**
[CB] Textiles, clothing industries, leather and footwear industry	2	106	110	113
[CC] Wood, paper, printing	5	100	99	102
[CE] Chemicals and chemical products	9	101	101	104
[CG] Rubber and plastic products	7	104	102	106
[CH] Basic metals and fabricated metal products	11	101	100	101
[CM] Other manufacturing industries	9	97	98	98

* 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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