

Informations Rapides

25 janvier 2017 - n° 18

Main indicators



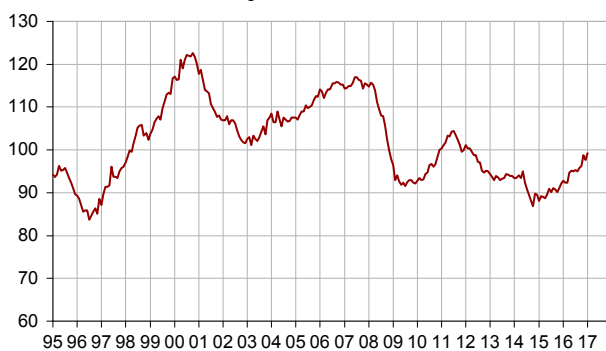
Monthly business survey in the building industry – Janvier 2017

In January 2017, the economic climate improves slightly in the building construction industry

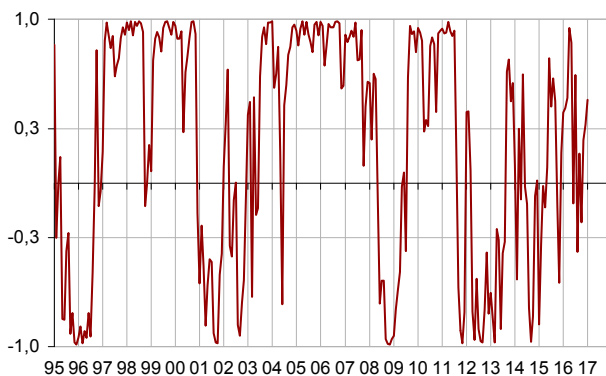
According to the business managers in the building construction industry surveyed in January 2017, the business climate has improved slightly. The composite indicator has increased by one point and has returned to its November 2016 level, a shade below its long term average (100). The turning point indicator remains in the favourable outlook zone.

Business climate composite indicator

Standardised indicator: average = 100 and standard deviation = 10



Turning-point indicator



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

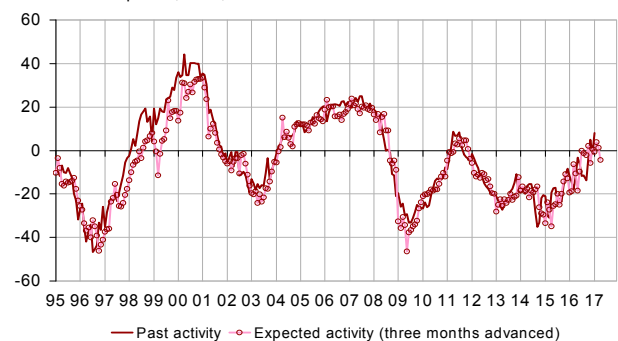
Business managers' opinion about their past activity has improved clearly

In January 2017, many more business managers than in December indicate an increase in their past activity.

The corresponding balance has bounced back and has reached its highest level since July 2011, far above its long-term average. Their opinion about the general outlook in the sector has also improved, the corresponding balance of opinion remains above its long term average. In contrast, the balance of opinion on expected activity has decreased again and has almost returned to its long-term average level.

Activity tendency in building construction

Balances of opinion, in %, SA



Building industry economic outlook

Balances of opinion, in %, SA

	Mean *	Oct. 16	Nov. 16	Dec. 16	Jan. 17
Composite indicator	100	96	99	98	99
Past activity	-4	-3	5	-2	8
Expected activity	-6	-1	4	1	-5
Gen. business outlook	-19	-5			0
Past employment	-6	-21	-17	-16	-14
Expected employment	-5	-9	-14	-8	-8
Opinion on order books	-24	-40	-34	-39	-31
Order books (in month)	5.4	6.9	6.8	6.8	6.7
Production capacity utilisation rate	88.5	86.7	87.2	86.9	86.8
Obstacles to production increase (in %)	32	24	25	25	24
- Because of workforce shortage (in %)	13.9	3.9	4.9	4.9	5.6
Recruiting problems (in %)	57	46			48
Expected prices	-15	-20	-20	-19	-14
Cash-flow position	-10	-13			-21
Repayment period	30	36			33

* Mean since September 1993.

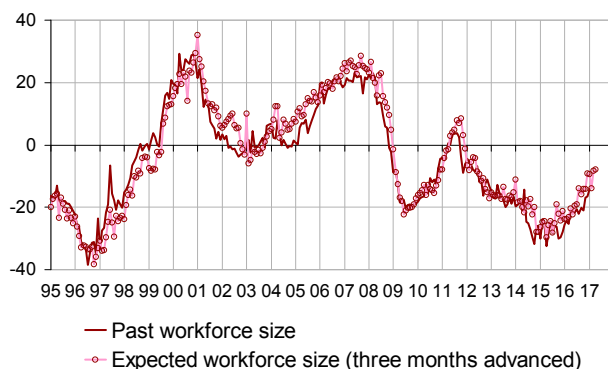
Source: INSEE, French business survey in the building industry

Slightly fewer business managers indicate a cut in past employment

In January 2017, slightly fewer business managers than in December have indicated a drop in their staff size over the last three months. However, the corresponding balance of opinion remains well below its long term-average. The balance of opinion on expected staff size is stable, below its long-term average.

Workforce size tendency in building construction

Balances of opinion, in %, SA

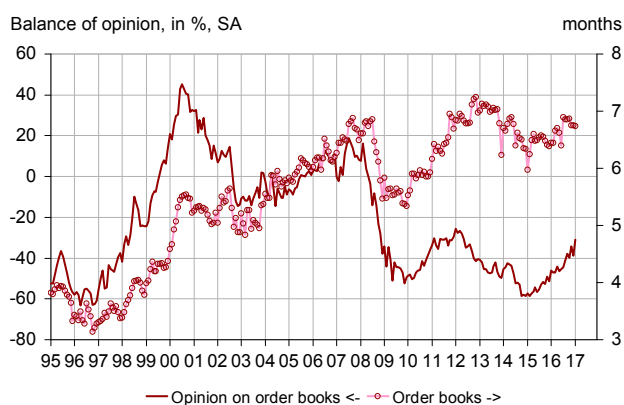


Order books have expanded

Far fewer business managers consider that their order books are poorly filled for the period. However, the corresponding balance remains below its long-term average. Considering their staff size, business managers consider that their order books provide 6.7 months of work, a level slightly lower than last month and above its long term average (5.4 months).

Order books

Balance of opinion, in %, SA



Production capacity remains weakly used

While recovering since early 2015, the production capacity utilisation rate has again decreased slightly in January (at 86.9%). It stands between its end-2015 level (84.6%) and its long-term average (88.5%). Only one business manager out of four has reported difficulties in increasing output, compared to one out of three in average since 1993. Moreover, 48% of business managers have experienced difficulties in recruiting labor force, that is to say slightly more than in December but well below long-term average (57%).

Production capacity utilisation rate




Fewer business managers forecast a drop in their prices

In January 2017, far fewer business managers than in December have announced that they were going to reduce their prices during the next three months. The corresponding balance has even exceeded its long-term average for the first time since August 2011. At the same time, many more business managers than in the previous quarter have indicated that their cash-flow position has deteriorated. The corresponding balance stands well below its long term average. However, more business managers have reported that the repayment periods were shorter.

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: <https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=10>
- Historical data is available on the BDM: [G1273](#), [G1276](#), [G1274](#).
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