Informations Rapides
23 février 2017 - n° 46
Main indicators
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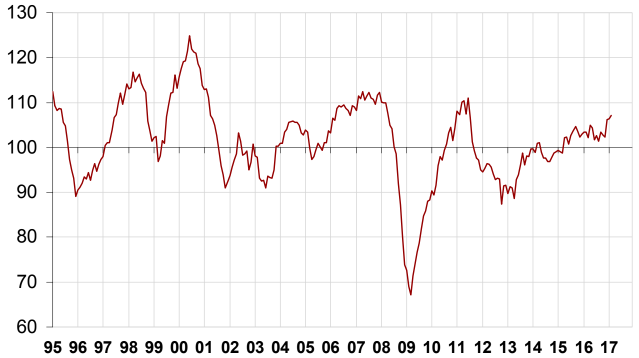
Monthly business survey in industry – February 2017

In February 2017, the business climate in manufacturing remains well above normal

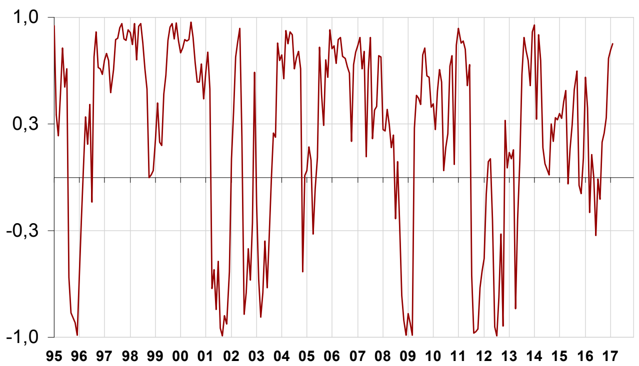
According to the business managers surveyed in February 2017, the business climate in industry has gained one point. At 107, it stands at its highest level since June 2011, significantly above its long-term average (100).

Business climate in industry - Composite indicator



The turning-point indicator remains in the zone indicating a 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.

Industrialists' optimism about personal production expectations keeps growing

In February 2017, the balance of opinion on past activity has fallen back again albeit remaining slightly above normal. However, business managers are more upbeat on their personal production expectations: the balance has increased for the third month in a row and has reached its highest level since January 2008, significantly above its mean.

Business managers are a little less upbeat on general production prospects for the sector. The corresponding balance has slightly decreased but remains significantly above its long-term average, that it has exceeded since February 2015.

In February, the balances on global and export order books have slightly increased and stand at their highest level since June 2011, significantly above normal.

Finally, slightly more industrialists than in January consider that finished-goods inventories are below normal: the corresponding balance, already below its long-term average, has deviated a little more.

Industrialists' opinion on manufacturing activity

Balance of opinion, in %

Manufacturing industry	Ave.*	Nov. 16	Dec. 16	Jan. 17	Feb. 17
Composite indicator	**100**	**102**	**106**	**106**	**107**
Past activity	4	8	19	12	6
Finished-goods inventory	13	7	8	6	5
Global order books	–18	–16	–10	–10	–8
Export order books	–14	–11	–9	–4	–3
Personal production expectations	5	5	8	13	20
General production expectations	–9	3	6	7	5

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

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The slight increase of the business climate in industry mainly comes from an improvement in the machinery and equipment industry, partly offset by a decrease in the manufacture of food products and beverages.

In the manufacture of food products and beverages, the business climate is less favourable

In the manufacture of food products and beverages, the business climate has decreased by two points in February but remains above its long-term average. This downturn mainly comes from a decrease in the balance of opinion on past activity.

In the manufacture of machinery and equipment goods, the business climate has gained one point

In the manufacture of machinery and equipment goods, the business climate, already at its highest level since June 2011 and significantly above normal, has increased by one point. This improvement mainly stems from the balance on global order books.

In machinery and equipment, the business climate has bounced back hitting 104, its highest level since July 2011. In electrical equipment, it is virtually stable at its highest level since August 2011. However, in the computer, electronic and optical product industry, the climate has slightlydeteriorated. Those three sub-sectors climates are above normal in February.

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

In the manufacture of transport equipment, the business climate is stable significantly above normal. A decrease in the balance on past activity is offset by an increase in that on personal production expectations.

In the manufacture of motor vehicles, trailers and semi-trailers as in other transport equipment, the business climate is stable above normal.

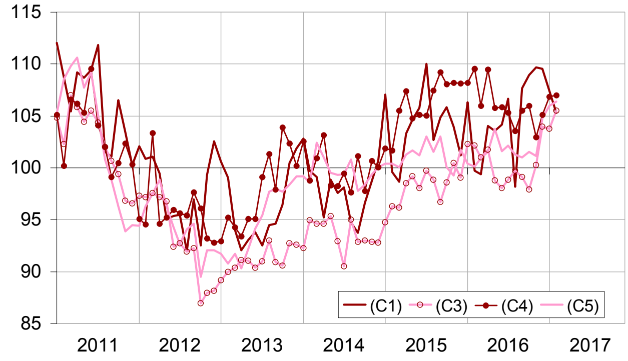
The business climate stands at its highest level since June 2011 in "other manufacturing"

In overall "other manufacturing", the business climate is stable. It had reached in January its highest level since June 2011, significantly above normal. In February, a decrease in the balance on past activity is offset by a further increase in those on order books.

In chemicals, the business climate has brightened again, hitting its highest level since May 2006, significantly above normal. In wood-paper it has slightly improved again. It is virtually stable, significantly above normal in clothing-textiles and in rubber and plastic products, and closed to normal in "other manufacturing industries". However, in basic metals the business climate has edged down, albeit remaining significantly above normal.

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** (%)	Dec. 16	Jan. 17	Feb. 17
(C1) Man. of food products and beverages	**21**	**110**	**107**	**105**
(C3) Machinery and equipment goods	**11**	**104**	**104**	**105**
[CI] Computer, electronic and optical products	3	111	110	108
[CJ] Electrical equipment	3	100	102	103
[CK] Machinery and equipment	5	103	100	104
(C4) Man. of transport equipment	**15**	**105**	**107**	**107**
[CL1] Motor vehicles, trailers and semi-trailers	7	104	108	108
[CL2] Other transport equipment	8	104	104	104
(C5) Other manufacturing	**46**	**105**	**106**	**106**
[CB] Textiles, clothing industries, leather and footwear industry	2	112	108	109
[CC] Wood, paper, printing	5	103	106	107
[CE] Chemicals and chemical products	9	103	106	110
[CG] Rubber and plastic products	7	106	106	106
[CH] Basic metals and fabricated metal products	11	104	105	103
[CM] Other manufacturing industries	9	99	100	99

* 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: https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=44
- Historical data is available on the BDM: G1262, G1263, G1264, G1265
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