

Informations *Rapides*

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Main indicators

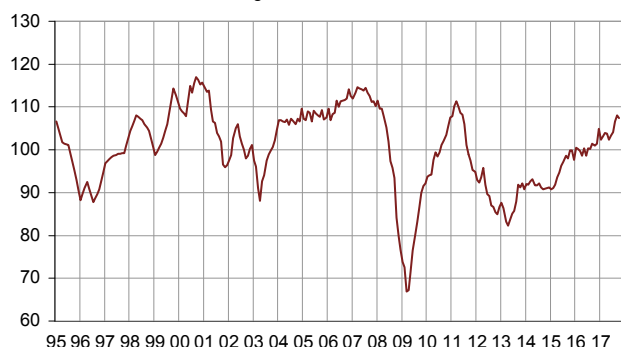
Monthly business survey in services – October 2017

In October 2017, the business climate weakens slightly in services

According to business managers surveyed in October 2017, the business climate in services has declined slightly. The composite indicator which measures it has lost one point (107). However, it stands clearly above its long-term average (100).

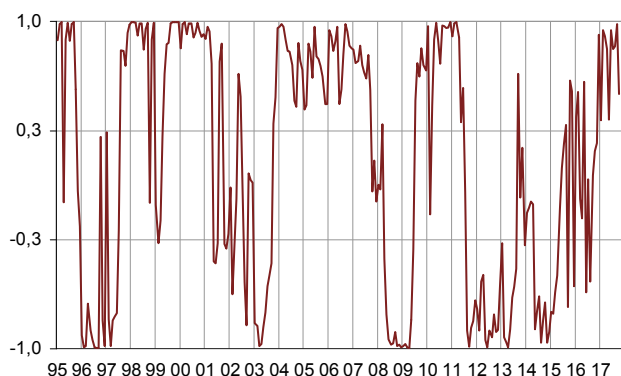
Business climate composite indicator

Standardized indicator : average = 100 and standard deviation = 10



The turning point indicator remains in the area indicating a favourable short-term economic situation.

Turning point indicator



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

Business prospects have faltered slightly but employment balances have improved

The balances on past and expected activity, general outlook and expected demand have declined a little in October. However, all of these balances of opinion stand significantly above their long-term average .

The balances on employment, also well above their long-term average, have gone up in October, mainly because of services excluding temporary employment. Meanwhile, the balance on difficulties in recruitment has reached its highest level since October 2008.

The balance on the past operating result has climbed and stands clearly above its long-term average whereas the one on the expected operating result has moved just below its average.

The balances on selling prices (past and expected) have decreased and moved also below their average.

Economic outlook in the services sector

Balances of opinion, in %, seasonally adjusted

	Average *	July 17	Aug. 17	Sept. 17	Oct. 17
Composite indicator	100	104	107	108	107
General outlook	-8	2	3	3	2
Past activity	2	3	7	9	8
Expected activity	2	4	7	8	7
Expected demand	-1	0	5	6	5
Past selling prices	-4	-10	-9	-4	-5
Expected selling prices	-3	-7	-6	-1	-4
Past employment except temporary work agencies	3	12	7	8	10
Expected employment except temporary work agencies	1	5	3	2	4
Expected employment except temporary work agencies	2	6	6	8	9
Expected employment except temporary work agencies	-1	2	1	4	6
Investments					
Past investments	2	4	5	4	6
Expected investments	1	4	6	6	4
Operating balance result					
Past result	-2	0			4
Expected result	-2	-2			-3
Cash position	-11	-9			-8
Difficulties of supply and demand					
difficulties of supply and demand	10	8			9
difficulties of supply only	22	29			30
difficulties of demand only	32	26			26
Difficulties in recruitment	28	31			35

* Average since 1989 for the composite indicator and since 1988 for the balances of opinion

Source: Insee, monthly business survey in services

The business climate indicator exceeds above its long-term average in all sub-sectors except in real estate activities. It is particularly favourable in road transport, accommodation and food services, administrative and support services and in professional, scientific and technical activities. In information and communication, the business climate has declined slightly.

The business climate is at its highest level since August 2007 in road transport

In road transport, the business climate has gained four points (114). Already well above its average, it has reached its highest level since August 2007, in particular due to a strong increase in the balances on expected demand, activity and employment.

The business climate is stable in accommodation and food service activities

In accommodation and food service activities, the business climate is steady (110), clearly above its long-term average. The rise in the balances of opinion on past activity and expected employment has offset the decrease in expected demand and general outlook. However, all balances remain above their average level.

In information and communication, the business climate has weakened slightly

In information and communication, the climate has lost one point (104) due to a decline in the balances on expected activity, employment and demand. However, the balance on past employment has increased.

The real estate business climate has worsened markedly

In real estate activities, the business climate has lost six points (99) and moved below its long-term average (100), due to a fall in the balance of opinion on general outlook, at its lowest level since July 2013.

The business climate is stable in professional, scientific and technical activities

In professional, scientific and technical activities, the business climate remains steady at 108. The balances on expected demand and past activity have decreased. In contrast, the balances on expected activity, general outlook and employment have increased and stand well above their average.

In administrative and support service activities, the business climate has improved again

In administrative and support service activities, the business climate has gained three points (110) and peaked at its highest level since May 2011. The balance on expected activity has accelerated markedly and reached a level unseen since June 2007.

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*	July 17	Aug. 17	Sept. 17	Oct. 17
Road transport (8%)					
Composite indicator	100	108	110	110	114
Past activity	-7	13	7	7	8
Expected activity	-8	0	2	6	9
Expected demand	-11	1	6	4	15
Past employment	-6	11	9	5	9
Expected employment	-9	3	3	6	14
General outlook	-22	4	5	1	4
Accommodation and food service activities (11%)					
Composite indicator	100	100	107	110	110
Past activity	-7	-14	-1	1	6
Expected activity	-7	-2	2	-1	1
Expected demand	-10	-11	-6	4	1
Past employment	-4	-9	0	-5	-3
Expected employment	-6	-8	-8	-9	-4
General outlook	-14	-13	-5	-2	-4
Information and communication (24%)					
Composite indicator	100	100	105	105	104
Past activity	8	-8	12	18	16
Expected activity	9	9	16	15	9
Expected demand	10	-1	17	8	2
Past employment	6	15	15	5	9
Expected employment	11	13	17	20	18
General outlook	0	4	4	3	3
Real estate activities (13%)					
Composite indicator	100	109	103	105	99
Past activity	7	18	9	11	7
Expected activity	8	13	9	13	7
Expected demand	1	6	6	4	7
Past employment	3	10	4	-3	4
Expected employment	2	0	1	6	7
General outlook	-2	8	2	5	-12
Professional, scientific and technical activities (24%)					
Composite indicator	100	106	106	108	108
Past activity	-1	5	4	5	0
Expected activity	-2	2	6	3	5
Expected demand	-6	-1	0	3	1
Past employment	1	6	-1	2	3
Expected employment	0	5	9	11	12
General outlook	-9	-2	-3	0	2
Administrative and support service activities (18%)					
Composite indicator	100	103	105	107	110
Past activity	6	10	12	11	9
Expected activity	5	1	4	8	17
Expected demand	3	2	4	10	13
Past employment	9	26	13	19	20
Expected employment	8	11	9	14	11
General outlook	-4	6	10	9	12

The figures in parentheses indicate the weights used to aggregate the sub-sector balances of opinion.

*Composite indicators: average since 1989 (February 2006 for road transport); balances of opinion : average since 1988 (February 2006 for road transport)

Source: INSEE, monthly business survey in services.

For further information:

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, etc.) is available on the web page of this indicator: <https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=16>
- Historical data are available on the BDM: <https://www.insee.fr/en/statistiques/series/102391902>
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