Informations Rapides
22 février 2018 - n° 41
Main indicators

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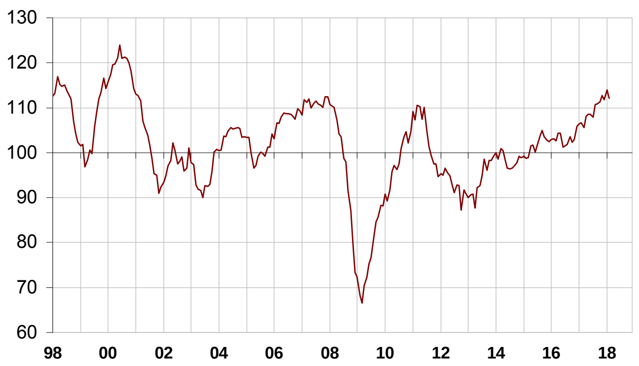
Conjoncture

■ Monthly business survey in industry – February 2018

In February 2018, the business climate in manufacturing slightly falters while remaining very favourable

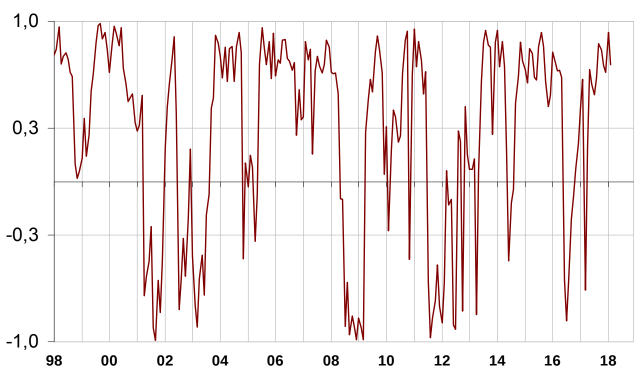
According to the business managers surveyed in February 2018, the business climate in industry remains very favourable, although the composite indicator has edged down by two points after hitting a seventeen-year high in January. At 112, it remains well above its long-term average (100).

Business climate in industry - Composite indicator



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

Turning-point indicator



How to read it: close to 1, the indicator points to a favourable short-term economic situation (-1 is unfavourable). The uncertainty area is between −0.3 and +0.3.

More moderate optimism on activity among industrialists

The balances of opinion of industrialists on past activity and personal production expectations have fallen back in February. However, the two balances remain well above their long-term average.

Manufacturers are also less optimistic than in January about the general production prospects for the sector. The corresponding balance has returned to its end-2017 level, after reaching last month its highest level since July 2000.

The balances on export and overall order books are stable at a very high level, the highest point since December 2007 for export order books and since March 2008 for overall order books.

Virtually as many industrialists as in January consider that their finished-goods inventories are above normal. The corresponding balance remains below its long-term mean.

Industrialists' opinion on manufacturing activity

Balance of opinion, in %

Manufacturing industry	Ave.*	Nov. 17	Dec. 17	Jan. 18	Feb. 18
Composite indicator	**100**	**113**	**112**	**114**	**112**
Past activity	5	26	20	23	18
Finished-goods inventory	13	7	4	3	4
Overall order books	–18	1	–2	2	2
Export order books	–14	0	2	3	3
Personal production expectations	5	15	16	20	16
General production expectations	–8	31	30	34	30

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

Revisions

The business climate in manufacturing in January 2018 has been raised from 113 to 114 since its first estimation published last month, mainly due to the inclusion of late responses from businesses.

Institut national de la statistique et des études économiques
Direction générale 18 bd A. Pinard 75675 Paris Cedex 14
Directeur de la publication : Jean-Luc Tavernier
http://www.insee.fr

In the food and beverage production industry, the business climate indicator has faltered

In the manufacture of food products and beverages, the business climate has weakened by three points in February. At 109, it remains well above its long-term average (100). This weakening mainly comes from a fall in the balances of opinion on past and future activity.

The business climate has inched down in the manufacture of machinery and equipment goods

In the overall manufacture of machinery and equipment goods, the business climate has lost two points in February after reaching a ten-year high last month. This decrease mainly comes from that in the balances on overall and export order books and on past activity.

The business climate has faltered in the computer, electronic and optical product industry and in machinery and equipment, while it is stable in electrical equipment.

The business climate remains at its highest since mid-2001 in the manufacture of transport equipment

In the manufacture of transport equipment, the business climate remains at its high level of last month (112), the highest level since June 2001. The improvement in the balances on export order books and past activity is partly offset by the slight decline of the others.

The business climate has picked up in the manufacture of motor vehicles, trailers and semi-trailers after a slight drop in January. In other transport equipment, it has decreased by one point while remaining well above its average.

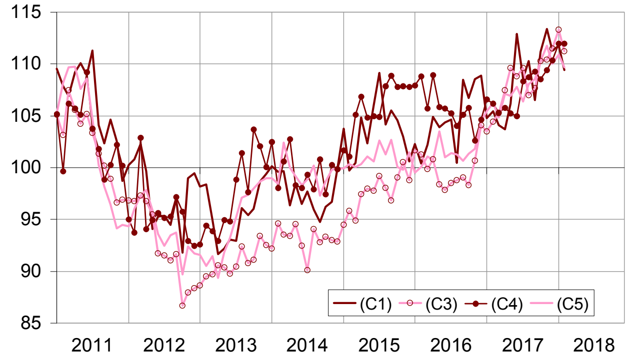
The business climate has slightly edged down in "other manufacturing industries"

In overall "other manufacturing", the business climate has dipped by one point. At 110, it remains at a very high level. This slight drop is mainly due to the decrease in the balances on export order books, on past and future activity.

By subsector, the business climate indicator has declined in chemicals, clothing-textiles and in "other manufacturing industries". It is stable in wood-paper and rubber and plastic products and has slightly brightened in basic metals.

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. 17	Jan. 18	Feb. 18
(C1) Man. of food products and beverages	**22**	**111**	**112**	**109**
(C3) Machinery and equipment goods	**11**	**111**	**113**	**111**
[CI] Computer, electronic and optical products	3	111	114	111
[CJ] Electrical equipment	3	113	111	111
[CK] Machinery and equipment	5	108	111	109
(C4) Man. of transport equipment	**15**	**110**	**112**	**112**
[CL1] Motor vehicles, trailers and semi-trailers	7	114	111	113
[CL2] Other transport equipment	8	103	107	106
(C5) Other manufacturing	**46**	**110**	**111**	**110**
[CB] Textiles, clothing industries, leather and footwear industry	2	110	117	116
[CC] Wood, paper, printing	5	117	115	115
[CE] Chemicals and chemical products	9	109	109	105
[CG] Rubber and plastic products	7	111	112	112
[CH] Basic metals and fabricated metal products	11	106	106	107
[CM] Other manufacturing industries	9	106	109	107

* 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=4
- Historical data are available on the BDM: https://www.insee.fr/en/statistiques/series/102393833
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