Informations *Rapides*

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Main indicators

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■ **Monthly business survey in services – March 2018**

In March 2018, the business climate is stable in services

According to business managers surveyed in March 2018, the business climate in services is stable at 107 after a decline of two points last month. The business climate composite indicator remains well above its long-term average (100).

Otherwise, the indicator in February 2018 has been revised upward by one point because of late businesses' answers that have been taken into account.

Business climate composite indicator

Standardized indicator: average = 100 and standard deviation = 10
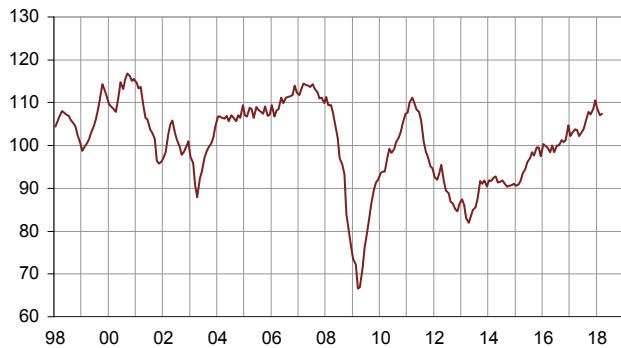
The turning point indicator stands into the area indicating an uncertain short-term economic situation.

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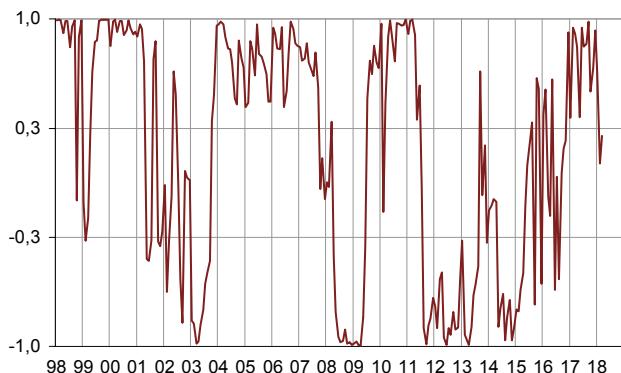
Note: close to 1 (respectively –1), this indicator indicates a favourable short-term economic situation (respectively unfavourable). The uncertainty area is between –0.3 and +0.3.

Slight rebound in the balances on expected activity and on expected demand

The balance of opinion on past activity has declined again in March whereas that on expected activity and on expected demand have bounced back slightly. The balance on general outlook has decreased slightly. All these balances remain above their long-term average.

The balance on past employment has fallen sharply while that on expected employment has grown markedly. Each of these balances is above its average. The balances of opinion on investments have fallen back while remaining above their long-term average.

Economic outlook in the services sector

Balances of opinion, in %, seasonally adjusted

	Average*	Dec. 17	Jan. 18	Feb. 18	March 18
Composite indicator	**100**	**110**	**109**	**107**	**107**
General outlook	–7	4	5	4	3
Past activity	2	15	14	9	6
Expected activity	2	10	4	3	4
Expected demand	–1	8	8	6	7
Past selling prices	–4	–1	0	–2	–2
Expected selling prices	–3	–3	–2	–4	–3
Past employment	3	13	10	13	8
except temporary work agencies	*1*	*4*	*4*	*5*	*3*
Expected employment	2	12	9	10	15
except temporary work agencies	*0*	*3*	*5*	*5*	*7*
Investments *Past investments*	*2*	*3*	*4*	*7*	*4*
Expected investments	*1*	*1*	*1*	*6*	*5*

* 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 composite indicator has weakened slightly in information-communication and more markedly in accommodation and food service activities. It has improved again in professional, scientific and technical activities, in administrative and support service activities and has recovered a little in real estate activities. It is above its long-term average in all sub-sectors except in real estate activities where it remains below its average.

In road transport, the business climate is stable

In road transport, the climate indicator is stable. At 115, it is markedly above its average level. The decrease in the balances on expected demand and on general outlook has been offset by the buoyant increase in that on employment and past activity. All balances are sharply above their average.

In accommodation and food services, the business climate has slipped back markedly but remains high

The climate in accommodation and food services has lost six points. Nevertheless, at 110, it remains clearly above its long-term average. This decline is due to the marked decline in the balances on general outlook, on past activity and on past employement.

The business climate has weakened again in information and communication

In information and communication, the business climate has faltered slightly for the third month in a row. It has lost one point in March 2018 (102). The balances on past activity and on employement have decreased whereas the balances on expected activity and on expected demand are on the rise again.

The business climate has recovered a little in real estate activities

In real estate activities, the climate has picked up (89) while remaining well below its long-term average, for the sixth month in a row. The balances on past activity and on past employment have gone down sharply. In contrast, the business leaders are more optimistic for the future: the balances on expected demand, expected employment and expected activity have grown. The balance on general outlook stands nevertheless clearly below its average.

In professional activities, the business climate has improved slightly

The business climate in professional, scientific and technical activities has gained one point (109). The balances of opinion on past activity and general outlook have climbed and have offset the decrease in those on expected activity and on expected demand.

The business climate remains high in administrative and support service activities

The climate has gained one point, at 112, markedly above its long-term average. The balance on expected employment has increased strongly whereas that on past employment has dipped significantly. All balances are well above their average.

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*	Dec. 17	Jan. 18	Feb. 18	March 18
Road transport (8%)					
Composite indicator	**100**	**113**	**111**	**115**	**115**
Past activity	–7	13	13	15	17
Expected activity	–8	11	3	12	12
Expected demand	–10	12	11	23	16
Past employment	–6	15	11	13	19
Expected employment	–8	5	7	5	8
General outlook	–21	8	11	13	11
Accommodation and food service activities (11%)					
Composite indicator	**100**	**112**	**113**	**116**	**110**
Past activity	–7	13	8	2	–11
Expected activity	–7	0	–1	7	4
Expected demand	–9	1	–1	3	3
Past employment	–4	–4	0	5	–7
Expected employment	–6	–2	–6	–2	–3
General outlook	–14	–1	9	9	–2
Information and communication (24%)					
Composite indicator	**100**	**107**	**105**	**103**	**102**
Past activity	8	21	22	11	4
Expected activity	9	21	9	–3	1
Expected demand	10	11	6	–1	7
Past employment	6	13	18	18	16
Expected employment	11	14	15	18	15
General outlook	0	8	3	5	4
Real estate activities (13%)					
Composite indicator	**100**	**92**	**85**	**86**	**89**
Past activity	7	10	13	10	2
Expected activity	7	–8	–18	–8	–4
Expected demand	2	6	4	2	6
Past employment	3	6	5	1	–5
Expected employment	2	5	–2	–3	5
General outlook	–2	–13	–13	–17	–15
Professional, scientific and technical activities (24%)					
Composite indicator	**100**	**111**	**111**	**108**	**109**
Past activity	–1	10	7	1	5
Expected activity	–2	6	6	5	3
Expected demand	–5	3	5	3	1
Past employment	1	10	12	9	8
Expected employment	0	12	11	11	11
General outlook	–9	3	4	1	3
Administrative and support service activities (18%)					
Composite indicator	**100**	**112**	**113**	**111**	**112**
Past activity	6	16	23	23	25
Expected activity	5	14	14	15	15
Expected demand	3	18	22	16	15
Past employment	10	26	17	23	13
Expected employment	8	23	14	17	31
General outlook	–4	13	13	10	11

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

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

Source: INSEE, monthly business survey in services.