

Informations *Rapides*

21 juin 2018 - n° 161



Main indicators

French business climate and turning point indicators – June 2018

In June 2018, the French business climate is stable and the employment climate has improved

The French business climate is stable above its long-term mean

In June 2018, the business climate is stable and remains at a relatively high level. The composite indicator, compiled from the answers of business managers in the main sectors, stands at 106, above its long-term mean (100). The business climate is stable in manufacturing industry and in services. It has risen by one point in building construction and retail trade. It remains well above its long-term mean in all the sectors.

The employment climate has improved and has returned to its level of February

In June 2018, the employment climate has improved after a small decline in April. The associated composite indicator has gained two points: it stands at 110, moving back to its level of February, well above its long-term average. This increase mainly comes from the rebound in the balance of opinion on past workforce size in service sector excluding temporary employment.

Revisions

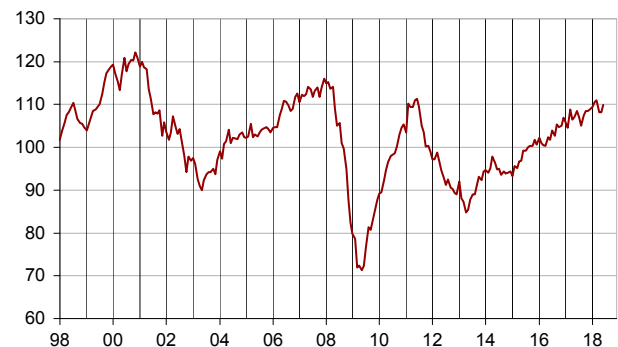
Compared to its first estimate in May 2018, the employment climate has been raised by one point. At the sector level, the composite indicators for the manufacturing industry, services and retail trade have also been raised by one point. These revisions result from the integration of late answers from businesses.

Standardised indicator: average = 100 and standard deviation = 10



French employment climate composite indicator

Standardised indicator: average = 100 and standard deviation = 10



Business and employment climates

	Feb. 18	March 18	April 18	May 18	June 18
Business climates					
France	109	109	108	106	106
Manufacturing	112	110	109	110	110
Building	106	107	108	108	109
Services	107	107	107	104	104
Retail trade	115	113	111	111	112
Wholesale trade	-	110	-	104	-
Employment climate					
Employment	110	111	108	108	110

Source: INSEE, Business tendency surveys

The turning point indicator points out a favourable short-term economic outlook

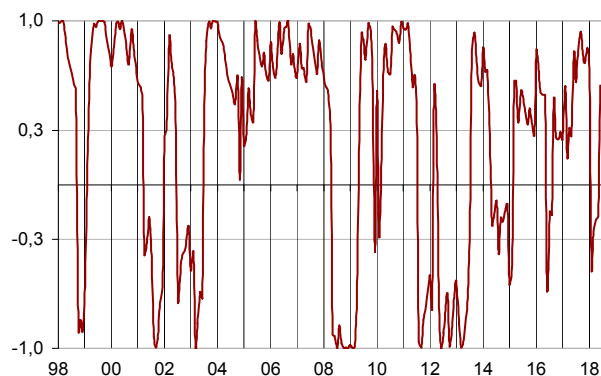
The turning point indicator for the French economy as a whole has moved back into the area indicating a favourable short-term economic outlook.

Turning point indicators

	Feb. 18	March 18	April 18	May 18	June 18
France	-0,5	-0,3	-0,2	-0,2	0,6
Manufacturing	0,7	-0,6	-0,5	-0,2	0,1
Building	-0,8	-0,3	0,1	0,1	0,4
Services	0,1	0,3	0,3	0,0	0,7
Wholesale trade	-	0,6	-	-0,8	-

Source: INSEE, Business tendency surveys


Turning point indicator



Close to +1 (resp. -1), the indicator shows a favourable business climate (resp. unfavourable). The uncertainty area is between -0.3 and +0.3.

For further information

The business climate and turning point indicators summarise the information provided by the surveys in manufacturing, services, trade (retail and wholesale), and construction. The business climate is built from 26 balances of opinion from these surveys while the turning point indicator is built from 14 balances of opinion from surveys in manufacturing, services and construction. The employment indicator is based on the 10 balances of employment, past and expected, from the surveys in manufacturing, services, retail trade and construction. The balances of opinion concerning employment in services that are used in the employment climate distinguish the services excluding temporary work employment sector from temporary work agencies. For the latter, the balances on past and expected workforce size are not weighted, unlike the other sectors.

- Additional information (historical data, methodology, links, etc.) are available on the web page of this indicator: <https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=23>
- Historical data are available on the BDM: <https://www.insee.fr/en/statistiques/series/103047029>
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