

Informations *Rapides*

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Main Indicators

French business climate and turning point indicators – september 2018

In September 2018, the French business climate and the employment climate have slightly improved

After weakening since the beginning of 2018, the French business climate has stopped declining

In September 2018, the business climate has gained one point 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). At a very high level at the end of 2017, it had almost continuously declined since the beginning of the year. Compared to August, the business climate has lost three points in manufacturing industry and two points in retail trade. It is stable in building construction. It has gained one point in services and two in wholesale trade. The business climate remains above its long-term mean in all the sectors.

The employment climate has slightly improved and remains at a high level

In September 2018, the employment climate has improved. The associated composite indicator stands at 108, well above its long-term average. This rise comes mainly from the bounce in the balance of opinion on past employment in the services sector excluding temporary employment, which has been moderated by the decline in the balances on past employment in retail trade and in temporary work agencies, and in that on expected employment in the services sector excluding temporary employment.

Revisions

Compared to its first estimate in July 2018, the composite indicator for wholesale trade has been raised by one point. Compared to its first estimate in August 2018, the employment climate has been lowered by one point. These revisions result from the integration of late answers from businesses. The other climate indicators are unchanged.

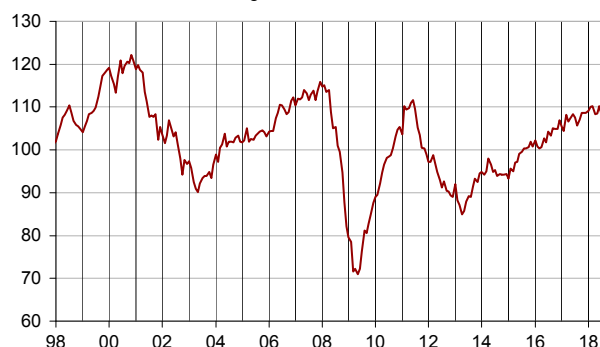
French business climate composite indicator

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

	May 18	June 18	July 18	Aug. 18	Sept. 18
Business climates					
France	107	107	106	105	106
Manufacturing	110	110	109	110	107
Building	108	108	109	108	108
Services	104	105	105	104	105
Retail trade	112	112	114	111	109
Wholesale trade	104	-	102	-	104
Employment climate					
Employment	108	110	108	107	108

Source: INSEE, Business tendency surveys

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

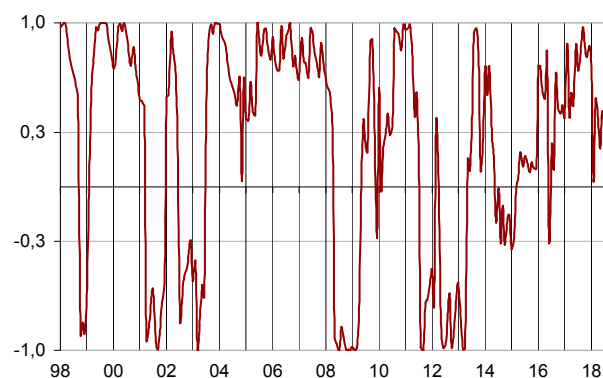
The turning point indicator for the French economy as a whole remains in the area indicating a favorable short-term economic outlook.

Turning point indicators

	May 18	June 18	July 18	Aug. 18	Sept. 18
France	0.2	0.5	0.3	0.3	0.7
Manufacturing	0.5	0.4	0.3	0.4	0.4
Building	0.4	0.4	0.1	0.0	0.5
Services	-0.4	0.6	0.4	-0.3	0.6
Wholesale trade	-0.8	-	0.1	-	-0.2

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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