

Informations *Rapides*

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Main indicators



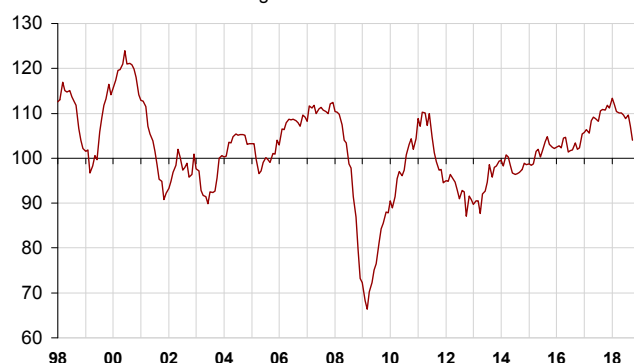
■ Monthly business survey in industry – October 2018

In October 2018, the business climate has further weakened in the manufacturing industry

According to the business managers surveyed in October 2018, the business climate in industry has further deteriorated compared to the previous month. The composite indicator has decreased again by three points. At 104, it remains however well above its long-term average (100).

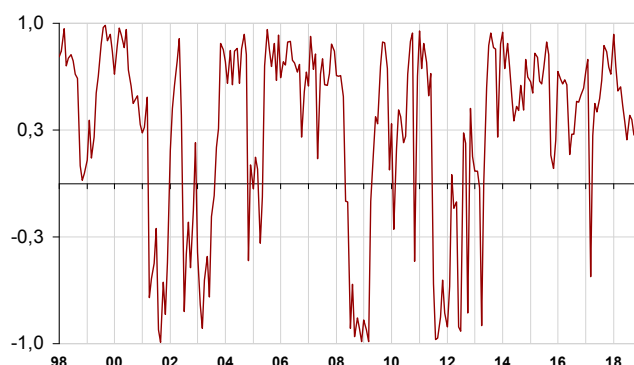
Business climate in industry - Composite indicator

Standardised indicator: average = 100 and standard deviation = 10



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

Turning-point indicator



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

Significant drop in the balance of manufacturers' opinion on their past activity

The balance of industrialists' opinion on their past activity has dropped again, more significantly in October than in September. That on their personal production expectations is virtually stable, after having sharply fallen in September. Both balances remain above their long-term average.

Optimism among manufacturers about the general production prospects for the sector persists. The corresponding balance, virtually stable, stands well above its average. However, industrialists report fewer orders: the balance of opinion on overall order books has dropped significantly, that on export order books has fallen more moderately. Both remain above their long-term average.

More industrialists than in September consider that their finished-goods inventories are above normal. The corresponding balance has slightly increased while remaining below its long-term mean.

As regards employment, the balances of opinion on past and expected workforce size have slightly decreased. They remain however well above their long-term average.

Industrialists' opinion on manufacturing activity

Balance of opinion, in %

Manufacturing industry	Ave.*	July 18	Aug. 18	Sept. 18	Oct. 18
Composite indicator	100	109	110	107	104
Past activity	5	10	18	15	6
Finished-goods inventory	13	10	11	7	9
Overall order books	-18	-4	-4	-5	-12
Export order books	-14	-2	-4	-4	-6
Past workforce size	-10	3	0	2	0
Expected workforce size	-12	1	2	2	0
Personal production expectations	5	23	20	9	10
General production expectations	-8	10	11	8	7

* Long-term average since 1976.

Source: INSEE - Monthly business tendency survey in industry

In the agrofood industry, the business climate has further deteriorated

In the manufacture of food products and beverages, the business climate indicator has declined again losing three points in October. At 104, it remains above its long-term average (100). This fall mainly comes from the decrease in the balance on overall order books.

The business climate remains stable in the manufacture of machinery and equipment goods

In the overall manufacture of machinery and equipment goods, the business climate is stable, at 108, well above its long-term average (100). The increase in the balance on personal production expectations is offset by the decrease in the balances on past activity and on overall order books.

The business climate has further improved in the computer, electronic and optical product industry. By contrast, it is less favourable than in September in the electrical equipment industry. It is stable and close to its average in machinery and equipment.

The business climate in the manufacture of transport equipment continues to deteriorate

In the manufacture of transport equipment, the business climate has decreased by three extra points. At 102, it has come closer to its long-term average (100). This deterioration mainly comes from the decline in the balance on overall order books, in particular in the motor industry.

The business climate indicator has sharply declined in the manufacture of motor vehicles, trailers and semi-trailers: it has fallen below its long term average and has reached its lowest level since 2014. It is stable in the manufacture of other transport equipment.

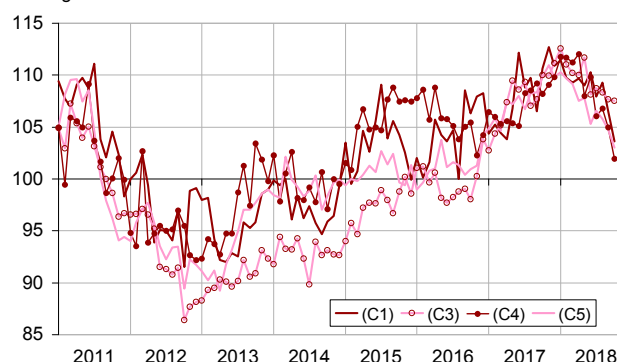
The business climate continues to decline in "other manufacturing industries"

In overall "other manufacturing", the business climate is once again less favourable than in the previous month the corresponding indicator has gone down by 2 points, to 103. This new dip mainly comes from the decrease in the balances on overall and export order books.

By subsector, the business climate indicator has fallen in wood-paper. To a lesser extent, it has decreased also in rubber and plastic products, in chemicals, in basic metals and in clothing-textiles. However, it has significantly picked up in the "other manufacturing industries".

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** (%)	Aug. 18	Sept. 18	Oct. 18
(C1) Man. of food products and beverages	21	109	107	104
(C3) Machinery and equipment goods	11	108	108	108
[CI] Computer, electronic and optical products	3	107	112	113
[CJ] Electrical equipment	3	114	113	111
[CK] Machinery and equipment	5	103	101	101
(C4) Man. of transport equipment	17	107	105	102
[CL1] Motor vehicles, trailers and semi-trailers	8	108	103	97
[CL2] Other transport equipment	9	104	105	105
(C5) Other manufacturing	46	106	105	103
[CB] Textiles, clothing industries, leather and footwear industry	2	113	114	113
[CC] Wood, paper, printing	5	108	108	99
[CE] Chemicals and chemical products	9	104	104	101
[CG] Rubber and plastic products	7	109	107	105
[CH] Basic metals and fabricated metal products	11	104	103	101
[CM] Other manufacturing industries	9	103	101	105

* 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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