

Business survey December 2017

Manufacturing industry, market services and construction

11 January 2018



- **Industrial production accelerated sharply in December**; all sectors of activity were dynamic, while growth in the automobile, electric and pharmaceutical products industries was particularly strong.

Deliveries and orders rose sharply, including in exports.

Business leaders expect industrial production to register lower growth in January.

- **Service sector activity continued to progress.** Temporary work, transport and IT activities increased at a robust pace.

Staff levels increased again.

The cash position picked up and reached its highest level since September 2007.

Business leaders expect a new rise in activity in January.

- **Construction sector activity slowed somewhat.** Structural work continued to increase sharply while finishing work increased only slightly.

Order books are large.

Business leaders expect a slight growth in January.

The business sentiment indicator in manufacturing industry* stood at 110 in December, after 106 in November. This is the highest level seen since February 2011.

The business sentiment indicator in services* stood at 103 in December, after 102 in November. This is the highest level seen since May 2011.

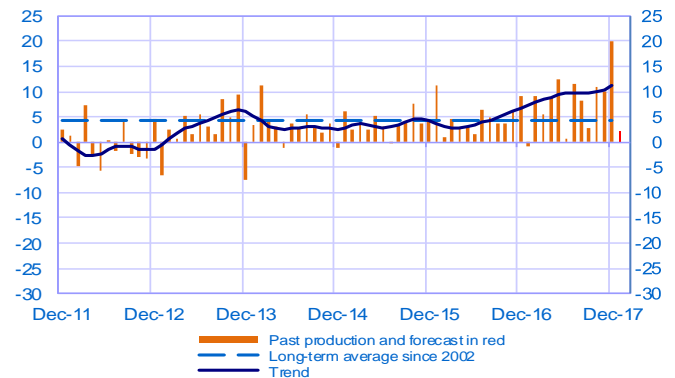
The business sentiment indicator in construction* stood at 104 in December like in November.

According to the monthly index of business activity (MIBA), **GDP is expected to increase by 0.6% in the fourth quarter of 2017** (third estimate, revised upwards by 0.1 percentage point).

* Calculations are based on survey data, SA-WDA and smoothed over five months

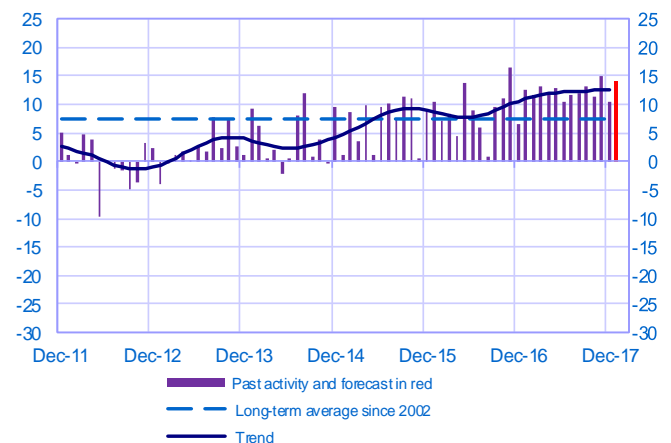
Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



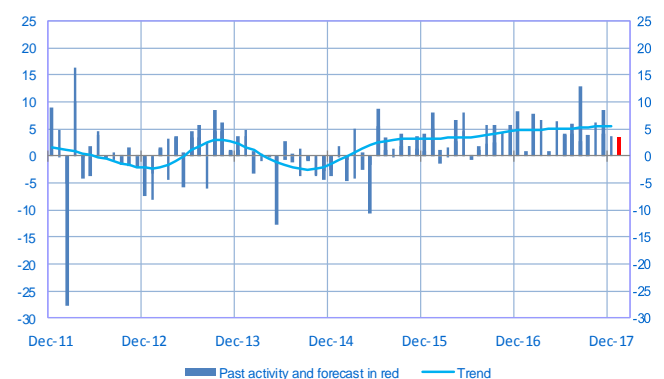
Opinion on the outlook for services activity*

Balance of opinions, SA-WDA



Opinion on the outlook for construction activity*

Balance of opinions, SA-WDA



* A positive (negative) balance of opinions corresponds to a rise (fall) in the evolution of activity

Manufacturing industry

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Change												Forecast
Production	9	5	9	12	1	11	8	3	11	10	20	2
Deliveries	10	5	12	10	1	14	8	6	12	10	22	
Total orders	11	8	12	10	6	13	9	10	13	12	19	
Staff	2	3	3	4	5	4	2	5	4	5	3	
Final goods prices	3	4	4	3	3	1	2	3	4	4	3	
Commodity prices	9	8	5	4	3	4	4	6	6	6	6	
Level												
Order books	15	18	17	20	20	21	21	22	24	24	24	
Inventories of finished goods	0	1	1	4	0	-1	-1	-1	0	0	1	
Capacity utilisation rate	78.7	79.1	79.0	80.0	79.8	80.1	80.9	80.2	80.7	81.0	81.7	
Cash positions	14	15	13	15	15	14	13	13	13	14	14	

Services

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Change												Forecast
Activity	12	13	12	13	10	12	12	13	11	15	10	14
Aggregate demand	12	14	13	12	11	13	15	13	11	14	12	
Prices	0	0	-1	-1	1	-1	-1	0	1	0	1	
Staff	8	6	6	7	7	4	6	8	9	9	8	
Level												
Cash positions	16	15	15	16	17	22	19	19	19	20	22	

Construction

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Change												Forecast
Activity	8	7	1	6	4	4	13	4	6	9	4	3
Estimates prices	1	1	2	1	2	1	1	2	3	3	1	
Staff	3	2	2	3	3	2	2	3	1	2	2	
Level												
Order books	22	22	17	18	18	19	21	22	22	25	25	

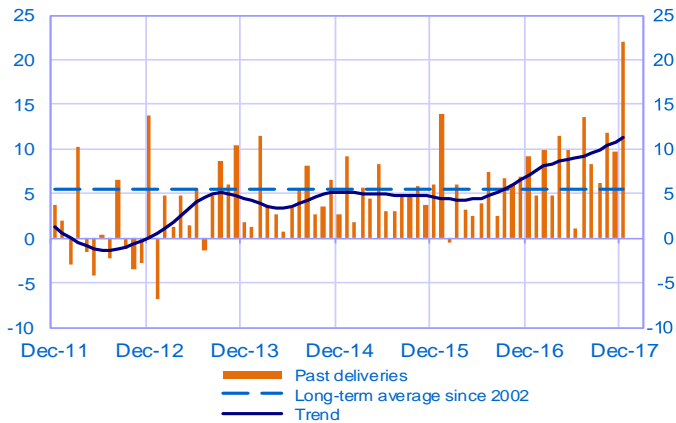
Notes:

- A positive (negative) balance of opinions corresponds to a rise (fall) in the evolution of activity.
- The last point corresponds to the business leaders' forecasts of future activity.
- The series are revised on a monthly basis. These revisions take into account additional gross data and the evolution of the seasonal and working-day adjustment depending on the latest available data. The business sentiment indicators of the previous months are revised accordingly.

Manufacturing industry

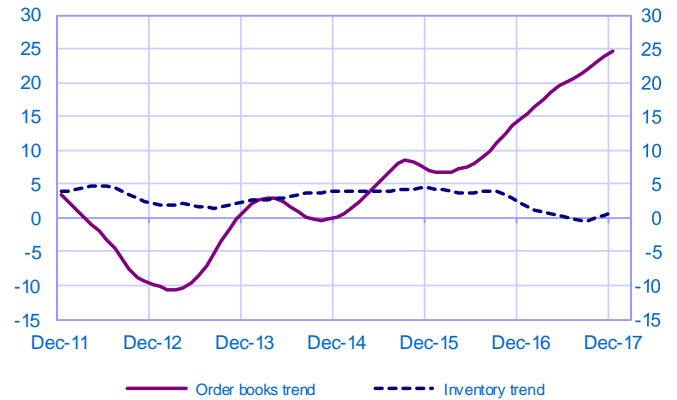
Changes in deliveries

Balance of opinions, SA-WDA



Inventories and order book level

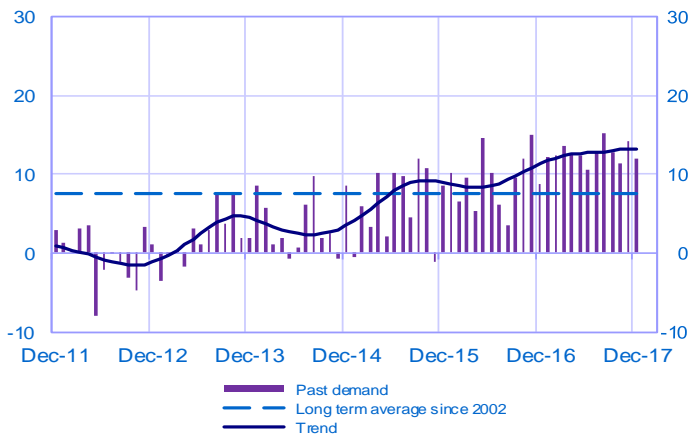
Balance of opinions, SA-WDA



Services

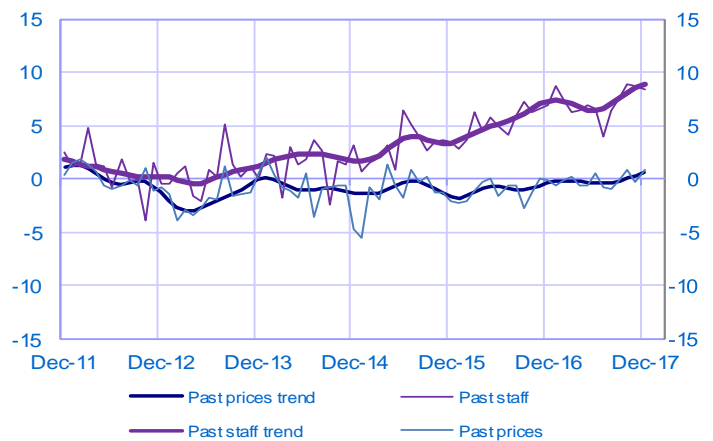
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

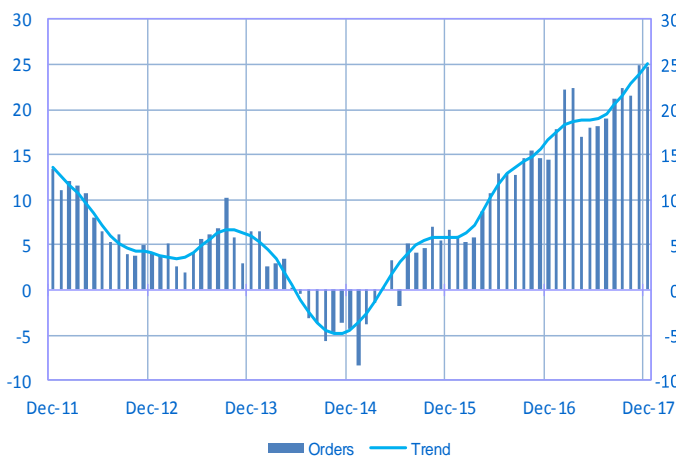
Balance of opinions, SA-WDA



Construction

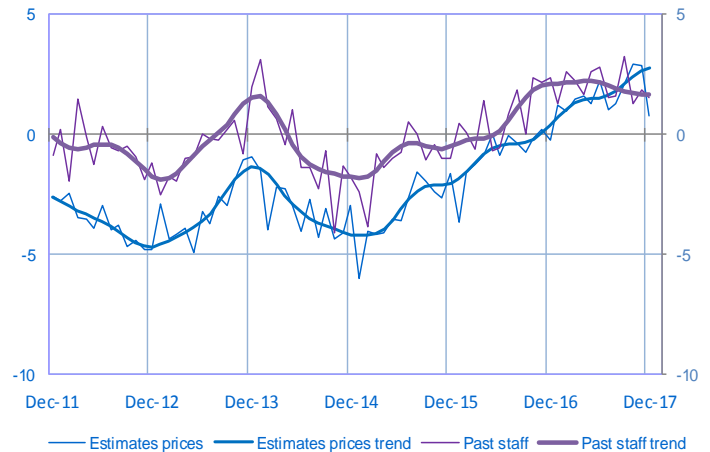
Order book level

Balance of opinions, SA-WDA



Changes in estimates prices and staff

Balance of opinions, SA-WDA



For further details, see [sectoral level information](#), the [methodology](#), the [publications calendar](#), the [contacts](#) and all statistical time series published by the Banque de France can be accessed [WEBSTAT Banque de France](#)