

Business survey July 2018

Manufacturing industry, market services and construction

8 August 2018

- In July, industrial production grew**, particularly in the transport equipment manufacturing and pharmaceutical sectors. It slowed down in the electrical equipment, chemical and wood sectors. Overall, industrial production was less dynamic than in June.

Order books remained strong.

Business leaders expect industrial activity to increase more rapidly in August.

- Service sector activity slowed down**, in particular in the transport, hotel and catering and temporary work sectors. It nevertheless remained buoyant in the consulting sector.

Demand remained sustained.

Business leaders expect activity to accelerate in the service sector in August.

- Construction sector activity firmed**, particularly for finishing works.

Staff levels inched down.

Activity is expected to slowdown in the construction sector in August.

The business sentiment indicator in manufacturing industry* stood at 101 in July, like in June.

The business sentiment indicator in services* stood at 102 in July, after 103 in June.

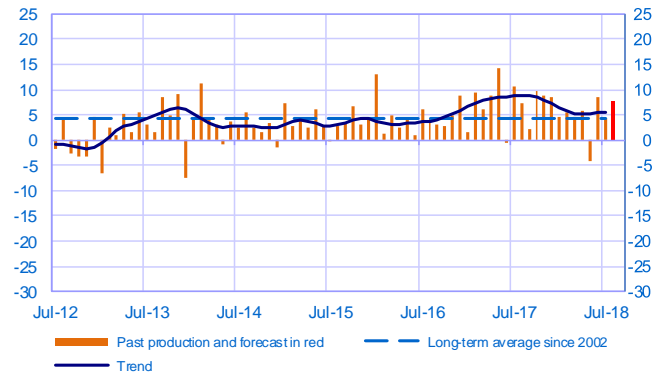
The business sentiment indicator in construction* stood at 104 in July, after 105 in June.

According to the monthly index of business activity (MIBA), **GDP is expected to increase by 0.4% in the third quarter of 2018** (first estimate).

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

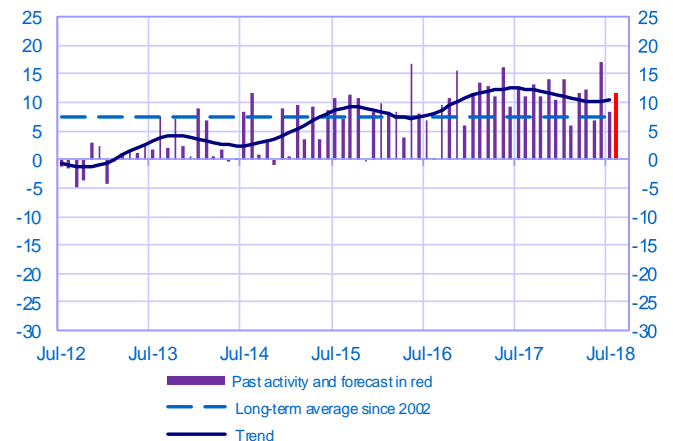
Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



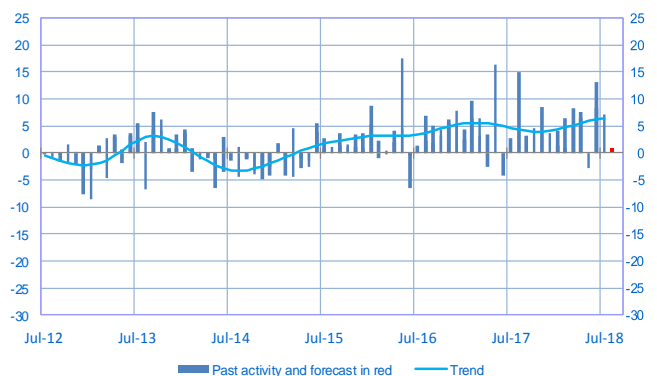
Opinion on the outlook for services activity*

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

Period under review: July 2018

Manufacturing industry

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
Change												Forecast
Production	2	10	9	9	5	6	5	6	-4	9	4	7
Deliveries	6	11	9	10	6	6	4	4	-1	8	4	
Total orders	10	12	11	19	3	9	5	6	3	7	5	
Staff	5	4	5	3	4	4	3	3	0	2	1	
Final goods prices	3	4	4	3	5	4	3	3	3	3	3	
Commodity prices	6	7	6	6	6	6	5	4	6	7	7	
Level												
Order books	22	24	24	24	23	24	19	22	20	19	22	
Inventories of finished goods	0	0	1	1	2	0	2	3	2	2	2	
Capacity utilisation rate	80.2	80.6	80.8	81.5	80.5	80.5	80.4	80.4	79.1	80.2	80.5	
Cash positions	13	13	13	13	13	12	11	12	11	10	10	

Services

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
Change												Forecast
Activity	13	11	14	11	14	6	12	12	7	17	8	12
Aggregate demand	13	11	14	12	15	8	12	14	9	16	10	
Prices	0	1	0	1	2	2	2	1	1	2	1	
Staff	8	9	8	8	9	7	8	9	7	10	7	
Level												
Cash positions	18	18	19	23	18	17	16	17	17	17	17	

Construction

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
Change												Forecast
Activity	3	5	9	4	1	1	5	8	-3	8	7	1
Estimates prices	2	3	3	1	3	3	3	3	3	3	3	
Staff	3	1	2	2	3	2	3	3	3	1	1	
Level												
Order books	22	22	25	24	21	24	23	24	25	23	22	

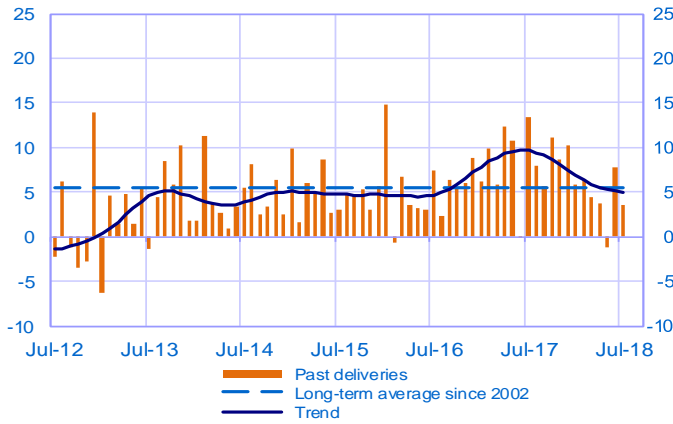
Notes:

- 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

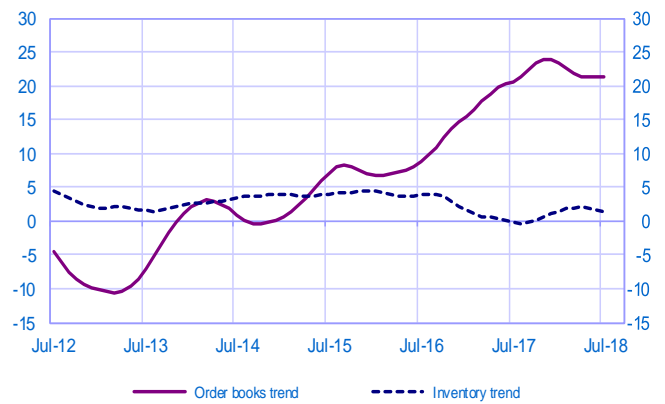
Changes in deliveries

Balance of opinions, SA-WDA



Inventories and order book level

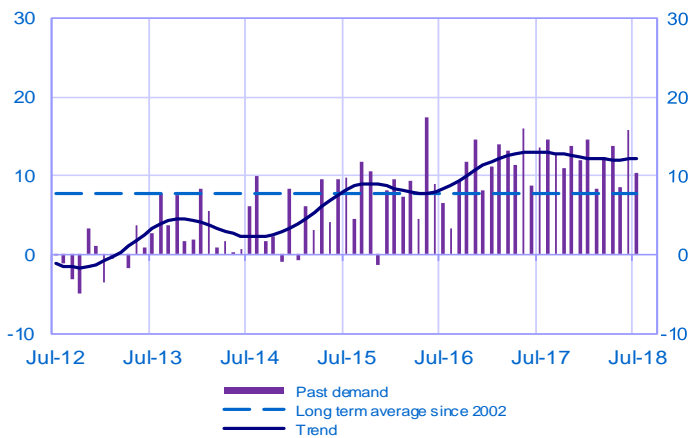
Balance of opinions, SA-WDA



Services

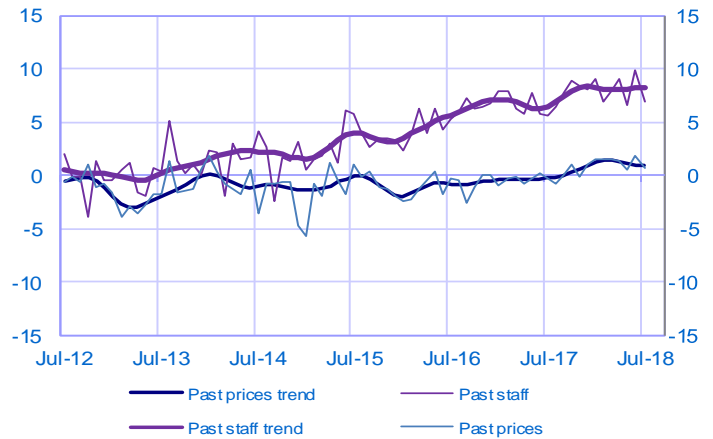
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

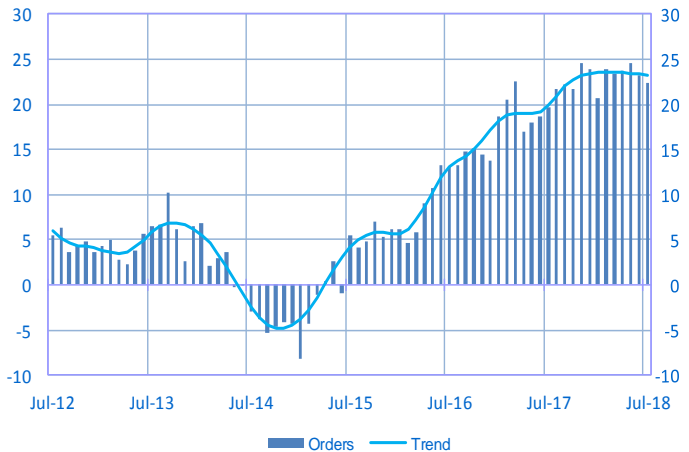
Balance of opinions, SA-WDA



Construction

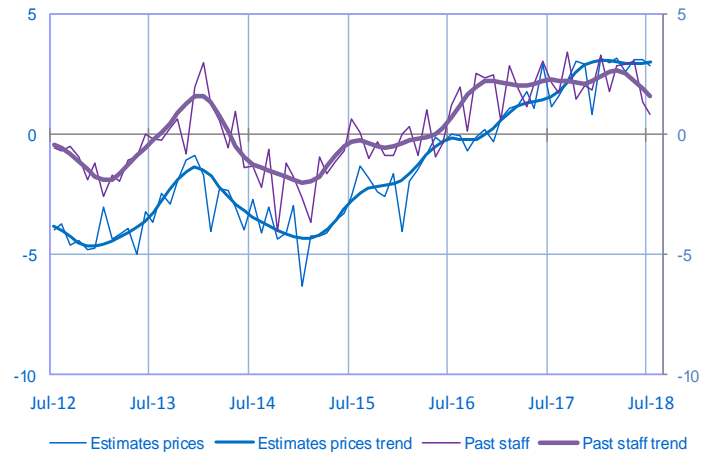
Order book level

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](#)

