

Business survey October 2017

Manufacturing industry, market services and construction

9 November 2017



- **Industrial production accelerated in October**, proving particularly dynamic in the metallurgy, chemicals and automobile industries. Only the aeronautics and pharmaceuticals industries registered a slight slowdown.

Order books expanded to their highest level since the start of 2008.

Raw materials and final goods prices rose.

Business leaders expect industrial production to grow at a similar pace in November.

- **Activity levels increased throughout the services sector**, except in accommodation and food services.

Staff levels continued to rise.

Business leaders expect activity to accelerate slightly in November.

- **Activity in the construction sector proved more dynamic, both in structural and finishing works.**

However, staff levels increased only marginally.

Business leaders expect activity to grow at a slightly slower pace in November.

The business sentiment indicator in manufacturing industry* stood at 106 in October, after 105 in September. This is the highest level seen since April 2011.

The business sentiment indicator in services* stood at 102 in October, after 101 in September. This is the highest level seen since June 2011.

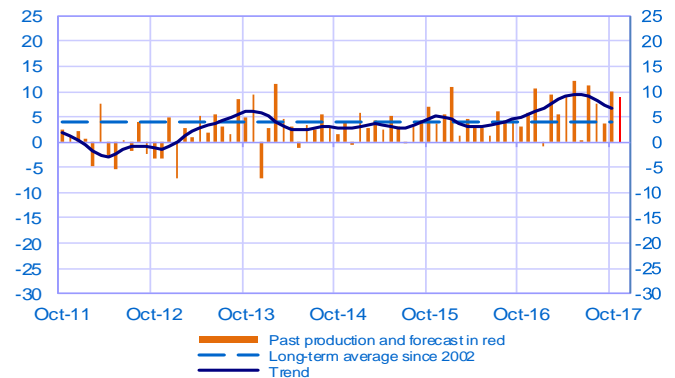
The business sentiment indicator in construction* stood at 103 in October, like in September.

According to the monthly index of business activity (MIBA), **GDP is expected to increase by 0.5% in the fourth quarter of 2017** (first estimate).

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

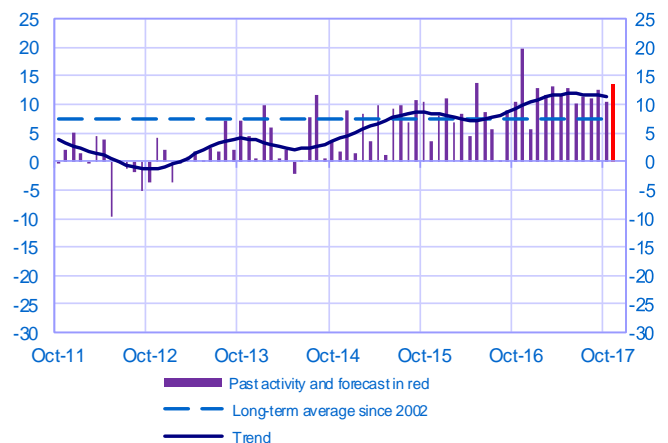
Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



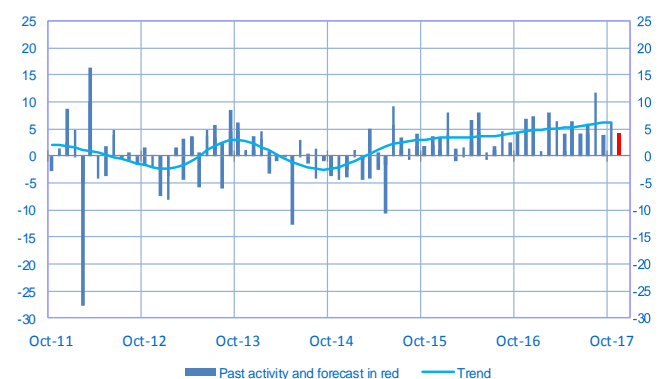
Opinion on the outlook for services activity*

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

Manufacturing industry

	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Change												Forecast
Production	11	-1	9	5	9	12	0	11	8	4	10	9
Deliveries	10	5	11	5	12	10	1	13	8	6	11	
Total orders	9	9	11	7	12	10	7	12	8	10	12	
Staff	3	2	2	3	3	4	5	4	2	5	5	
Final goods prices	1	3	2	4	4	3	3	1	2	3	4	
Commodity prices	7	10	9	8	5	4	3	4	4	6	7	
Level												
Order books	15	15	15	18	17	20	20	21	21	22	25	
Inventories of finished goods	2	2	0	1	1	4	0	-1	-1	-1	0	
Capacity utilisation rate	79.1	78.6	78.7	79.1	79.0	79.9	79.8	80.1	80.8	80.2	80.6	
Cash positions	12	14	14	15	13	15	15	14	13	13	13	

Services

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

Construction

	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Change												Forecast
Activity	7	1	8	6	1	7	4	4	12	4	6	4
Estimates prices	-1	1	1	1	2	1	2	1	1	2	3	
Staff	2	1	3	2	2	3	3	2	2	3	1	
Level												
Order books	15	18	22	22	17	18	18	19	21	22	21	

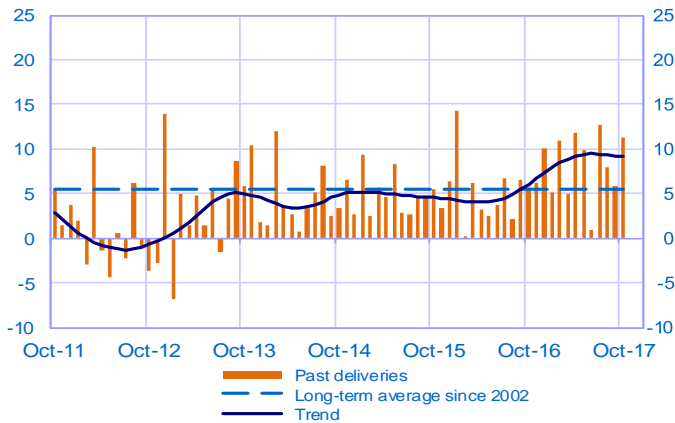
Notes:

- 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

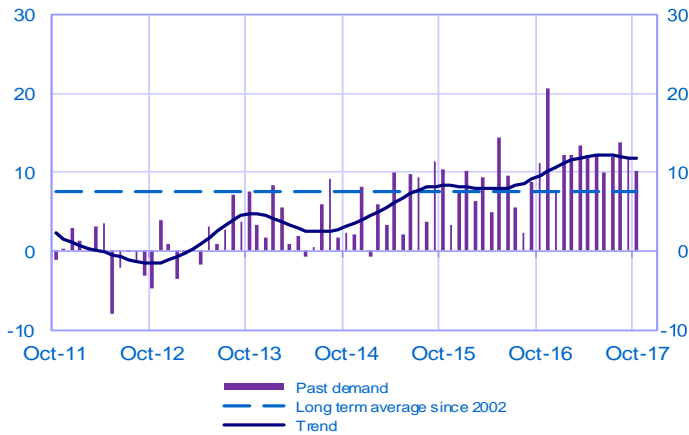
Balance of opinions, SA-WDA



Services

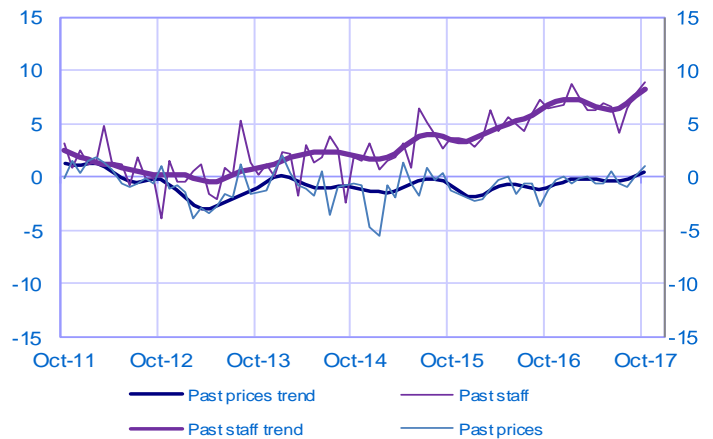
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

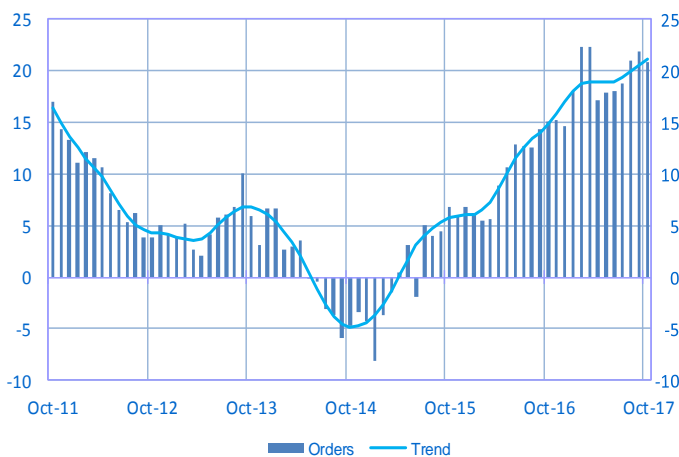
Balance of opinions, SA-WDA



Construction

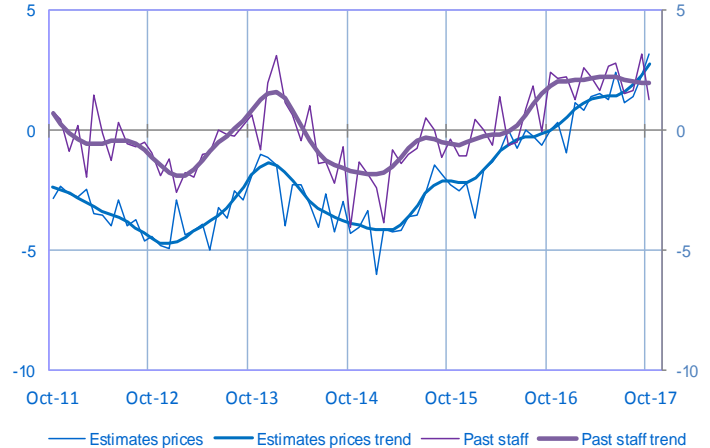
Order book level

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](#)