

MONTHLY BUSINESS SURVEY

According to the business leaders who take part in our monthly survey (approximately 8,500 companies and establishments questioned between 27 August and 3 September), activity continued to grow in August.

There were contrasting performances in industrial production, but it continued to rise overall, driven by aeronautics and equipment goods. In market services, activity rose moderately, especially in services linked to the summer holidays (accommodation and food services, etc.) compared with August in previous years. Construction activity grew more than anticipated by business leaders in the previous month's survey.

With the end of August marked by announcements of a vote of confidence and possible days of industrial action, business leaders highlighted a sharp rise in uncertainty, particularly in construction which is highly sensitive to public policy.

Their expectations for September reflect a greater degree of caution, but activity is not expected to contract and is even seen improving in market services.

In August, selling prices were deemed stable in all sectors due to competition in domestic and international markets. Most industrial sectors were affected by the rise in US trade tariffs, but there was no significant deterioration over the month. Winemaking remained the worst-affected sector, but fewer and fewer firms say they are feeling any indirect effects, especially in market services. Supply difficulties eased, particularly in aeronautics, while recruitment difficulties remained stable, affecting 19% of firms.

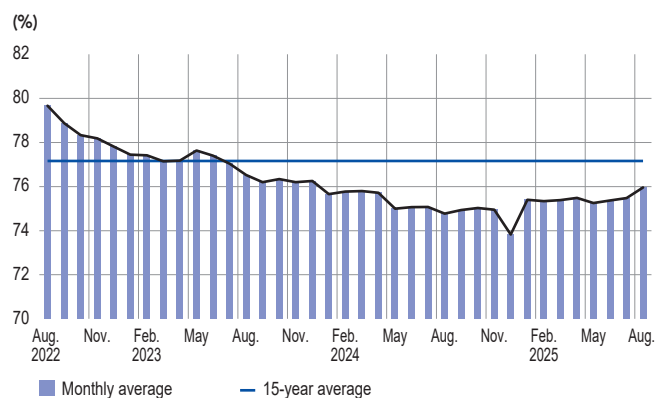
Based on the survey results as well as other indicators, we estimate that activity will continue to grow at a similar pace to the previous quarter, rising by around 0.3% in the third quarter.

1. In August, activity rose overall despite contrasting trends across sectors

In August, **industrial** production rose at a fairly sustained pace, in line with expectations the previous month. The positive performance mainly reflects a marked pick-up in equipment goods and robust activity in aeronautics and pharmaceuticals. In all three of these sectors, business leaders pointed to resilient external demand and a positive impact from the reorganisation of trade flows. However, certain sectors reported a decline in activity, notably the automotive sector, rubber and plastic products and textiles. Overall, despite contrasting performances, industrial production remains on a positive trend.

The capacity utilisation rate (CUR) for the overall industrial sector rose slightly in August, to 76.0% from 75.5% in July. The increase confirms the acceleration in monthly production in equipment

CAPACITY UTILISATION RATE



goods, aeronautics and pharmaceuticals. However, the CUR contracted slightly in those sectors reporting lower production for August, such as the automotive sector and textiles.



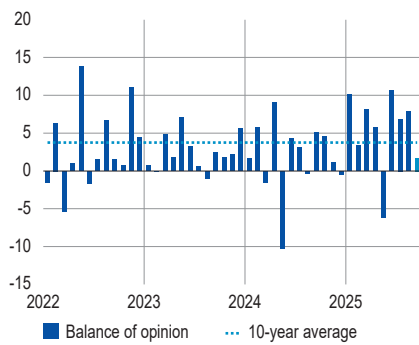
For further information, see the [methodology](#), the [calendar of statistical publications](#), the [contacts](#) and all the series published by the Banque de France are available at [WEBSTAT Banque de France](#)

[Monthly business survey Banque de France: industry, services and construction – video](#)

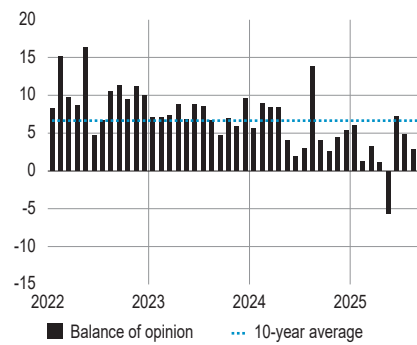
BALANCE OF OPINION ON THE OUTLOOK FOR ACTIVITY

(balance of opinion, adjusted for seasonal and working-day variations; forecast for September)

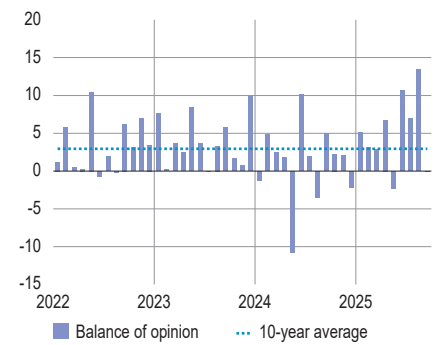
a) In industry



b) In market services



c) In construction



Guide: The balance of opinion on the change in activity (which measures the difference between the proportion of businesses reporting an increase in activity and the proportion reporting a fall over the past month) stood at +8 percentage points for August in industry. For September (light blue bar), business leaders in industry expect activity to increase by 1.7 percentage points compared with August. In construction, entrepreneurs do not expect any further rise in activity.

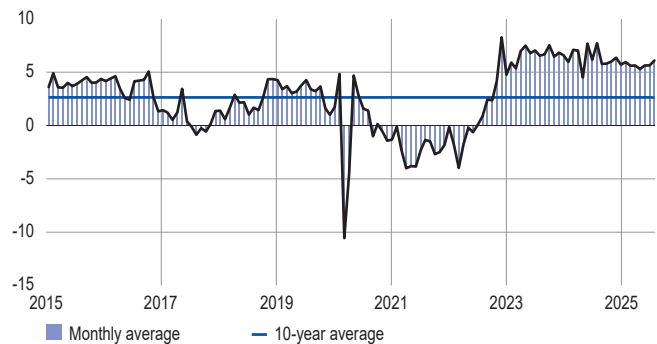
Inventories of finished goods remained high and well above normal, with aeronautics reporting particularly marked growth. The simultaneous rise in both production and inventories in aeronautics mainly reflects the complexity of production chains and the lags between manufacture and deliveries.

In **market services**, activity grew moderately, in line with expectations. However, performances vary markedly across sectors, despite the overall rise. Some sectors are proving more dynamic, such as business services, publishing, and the repair and renting of motor vehicles, while others saw a contraction in August, including computer services, advertising and temporary work. In accommodation and food services in particular, activity grew more slowly than in July, and more slowly than in August last year when the Olympic Games provided a boost. The slowdown reflects a moderation of demand which had already been partially anticipated by business leaders in the sector.

In **construction**, despite summer building site stoppages, activity continued to rise in August, and at a faster pace than expected by business leaders last month, both in structural and finishing works. The rise was fuelled by a slight pick-up in the construction of single-family homes, as well as by the installation of solar panels and work linked to climate installations.

INVENTORIES OF FINISHED GOODS IN INDUSTRY

(balance of opinion, adjusted for seasonal and working-day variations)



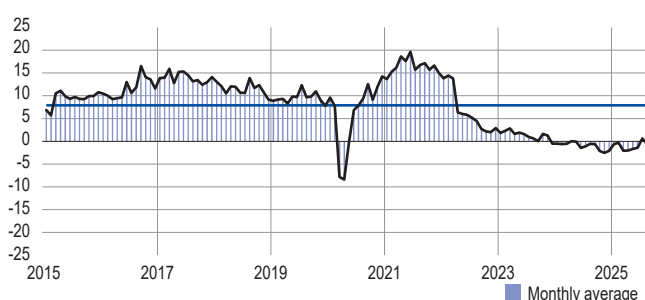
In August, balances of opinion on **cash positions** remained broadly stable. In industry, cash levels continued to improve in some sectors (computer and electronic products, chemicals, pharmaceuticals, aeronautics), but deteriorated in textiles, wearing apparel and agri-food. In certain sectors, cash positions have been deteriorating for several months: wood, paper and printing, automotive sector, rubber and plastic products.

In general, business leaders deem their cash positions to be "normal", albeit well below pre-Covid-19 levels.

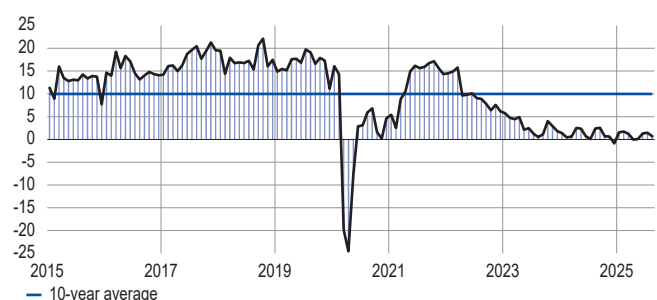
CASH POSITION

(balance of opinion, adjusted for seasonal and working-day variations)

a) In industry



b) In market services



They may have raised the cash position they deem satisfactory for carrying out their activities, as highlighted in a recent study by Banque de France economists¹.

In **market services**, as expected, cash positions deteriorated in accommodation and food services, reflecting the weak month of August. However, they remain close to normal levels. They are deemed very satisfactory in vehicle renting, management consultancy and publishing. However, they deteriorated in August in advertising, computer and consultancy services and vehicle repair.

2. Expectations are mixed, reflecting increased uncertainty

Business leaders' expectations for September are marked by strong uncertainty about the domestic situation. The survey was conducted during a busy news cycle (announcement by the Prime Minister on 25 August that he would seek a vote of confidence on 8 September, and calls for nationwide protests in September), and this may have increased risk perceptions and explain the sharp rise in our monthly **uncertainty** indicator – similar in scale to that observed during the last parliamentary elections.

As a result, expectations for September show contrasting trends. In **industry**, business leaders anticipate a marked slowdown in production growth compared with August, although they still expect it to rise slightly overall. The slowdown is expected to be felt in most industrial sectors, with some notable exceptions. Agri-food and transportation (both the aeronautics and automotive sectors) even expect a pick-up after August, which is generally a slower month for production. In equipment goods, production is seen falling very slightly in September.

In **market services**, business leaders are more optimistic about future activity and expect September to be better than August. In rental, accommodation, research and publishing services, business leaders anticipate an acceleration in activity in September. Conversely, food and beverage services, as well as certain business services (management consultancy and advertising) are predicting a possible contraction.

In **construction**, as in industry, entrepreneurs expect activity to slow and even decline in September, notably in structural works.

Regarding **order books**, the picture is mixed in **industry**. At the end of August, they were deemed to have scarcely improved compared with July, after remaining weak since the start of the year. They are essentially being supported by the aeronautics sector, where orders are continuing to rise. Meanwhile, all other industrial sectors have seen orders decline since the start of the year, with the biggest falls observed in rubber and plastic products, chemicals, textiles and the automotive sector. However, in August, pharmaceuticals, wood, paper and printing, and equipment goods in general all reported a slight improvement in orders.

In **construction**, order books declined again in August, with the fall attributable mainly to finishing works.

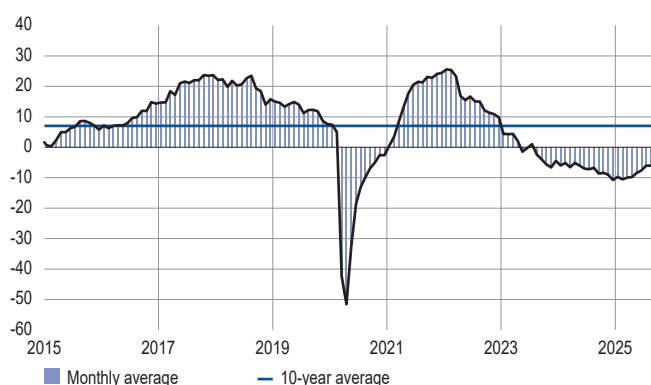
3. Finished goods prices were stable in August

In August, **supply difficulties** eased and were cited by just 7% of firms – the lowest percentage since the Covid-19 crisis. The improvement was particularly noticeable in the aeronautics sector, where constraints had remained very high in previous months. In August, only 7% of aeronautics firms cited supply

LEVEL OF ORDER BOOKS

(balance of opinion, adjusted for seasonal and working-day variations)

a) In industry



b) In construction



1 See [Eco Notepad blog post No. 375](#), "Companies' cash position: understanding the gap between aggregated data and perceptions", November 2024.

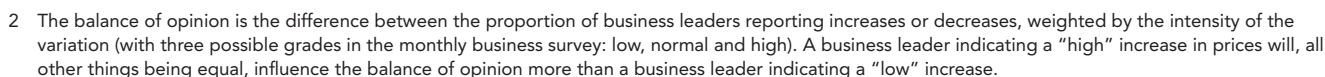
(unadjusted data)



The balance of opinion on the selling prices of finished goods² was close to zero and very slightly better than in July. The improvement stems mainly from the agri-food industry, which partially passed through higher input costs, as well as from the electrical equipment sector. Finished goods prices continued to fall in wood, paper and printing, reflecting declines in the price of cellulose and paper pulp. The pharmaceuticals sector also reported a sharp drop in finished goods prices in August.

In **market services**, the balance of opinion remained stable at close to zero. As in the rest of the survey, the proportion of firms saying they had raised their prices was historically low in August, at just 3%, while 4% reported having lowered prices.

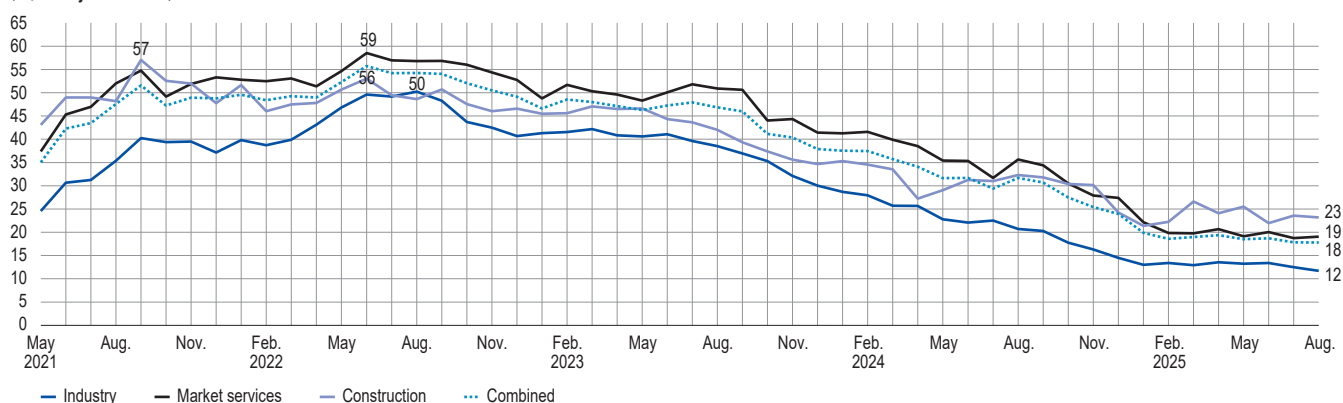
(balanced opinion, adjusted for seasonal and working-day variations)



4 | Monthly Business Survey | 9 September 2025

SHARE OF BUSINESSES REPORTING RECRUITMENT DIFFICULTIES

(%, unadjusted data)



4. Our estimates suggest GDP will rise by around 0.3% in the third quarter

The detailed results of the quarterly accounts published by INSEE at the end of August confirmed that GDP grew by 0.3% in the second quarter of 2025. Activity was mainly buoyed by strong value added in market services, notably in accommodation and food services, financial services and business services. Activity slowed in the manufacturing industry and contracted again in energy. In construction, value added was down slightly.

Based on the results of the Banque de France Monthly Business Survey (MBS), supplemented by other available data (INSEE production indices and surveys and high-frequency data), we estimate that GDP should increase by around 0.3% in the third quarter. As suggested by the MBS, value added should be buoyed by the manufacturing industry. Value added is also expected to rise in market and non-market services, but should fall in construction and energy.

QUARTERLY CHANGES IN GDP AND VALUE ADDED IN FRANCE

(%)

Activity sector	VA share	Q1 2025 (QoQ)	Q2 2025 (QoQ)
Agriculture	2	3.5	2.1
Manufacturing industry	10	0.2	1.1
Energy, water, waste	2	-4.1	-0.8
Construction	5	-0.1	-1.0
Market services	59	0.5	0.2
Non-market services	22	0.0	0.3
Total VA	100	0.3	0.3
GDP		0.3	0.3

Sources: INSEE data for the second quarter of 2025, Banque de France forecast for the third quarter of 2025.
Note: QoQ = quarterly change.