

# MONTHLY BUSINESS SURVEY

The mid-point of this survey (approximately 8,500 companies and establishments questioned between 25 February 2026 and 4 March 2026) was marked by the outbreak of war in the Middle East on 28 February: approximately one-third of responses were collected before this date and two-thirds after. According to the business leaders surveyed, economic activity in February continued to grow in line with expectations.

In industry, activity remained above its long-term average for the ninth consecutive month, driven by the technology sectors. Activity in the services sector remained at sustained levels, slightly higher than forecast by business leaders last month, while the construction sector continued to perform well despite an unfavourable environment.

Cash positions deteriorated slightly, with some companies reporting longer customer payment times. Supply difficulties increased marginally, but there are no signs of a lasting

deterioration. Selling prices rose moderately across the three main sectors. The temporary work sector remained buoyant.

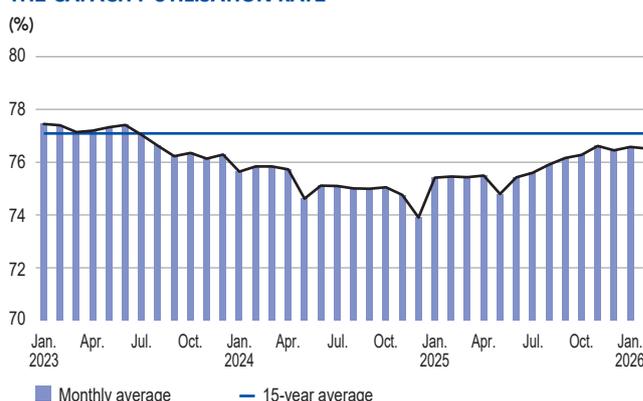
For March, companies anticipate continued strong activity in industry and services and more limited activity in construction. However, while uncertainty continued to abate in the responses received before 28 February, it rebounded sharply in subsequent responses, with businesses citing the risks of higher energy prices and disruption to supply chains.

Based on the survey results as well as other indicators, we confirm that GDP in the first quarter of 2026 should increase by between 0.2% and 0.3%. However, this technical forecast is subject to downside risk given the uncertainties surrounding the conflict in the Middle East and its impact on supply chains and energy prices, which could weigh on activity towards the end of the quarter.

## 1. In February, activity was up in industry, market services and construction

In February, **industrial production** generally continued to grow in line with business leaders' expectations, despite contrasting trends across different sectors. Some activities in which a more marked increase had been expected recorded a decline or limited growth. This was particularly the case in the automotive sector, which was penalised by the contraction of the domestic market and temporary supply difficulties, as well as in the pharmaceutical and metal and metal products sectors.

THE CAPACITY UTILISATION RATE

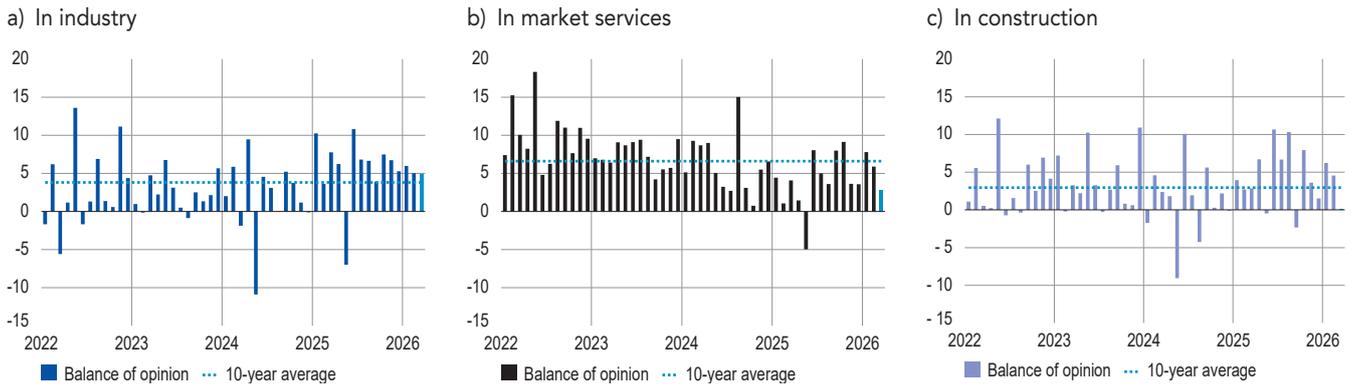


For further information, see the [methodology](#), the [calendar of statistical publications](#), the [contacts](#) and all the series published by the Banque de France are available at [WEBSTAT Banque de France](#)

[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 March)



Key: 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 5 percentage points for February in industry. For March (light blue bar), business leaders in industry expect activity to increase by 5 percentage points.

Overall, however, industrial activity remained on an upward trajectory. The balance of opinion declined slightly compared with the previous month, but once again remained above its long-term average. Growth was mainly driven by chemicals, machinery and equipment, and the manufacture of computer, electronic and optical products. Demand for components remained strong, particularly in the healthcare, telecommunications and defence sectors. In the aeronautics sector, production continued to ramp up to absorb delays accumulated in 2025. The wood, paper and printing sector also rebounded, driven mainly by packaging and certain segments of the printing industry that are sensitive to the electoral situation.

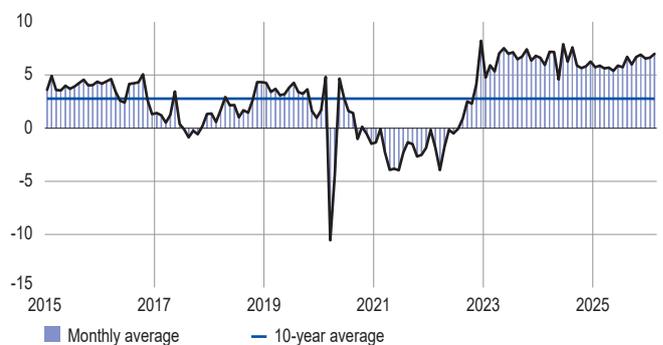
The capacity utilisation rate (CUR) stood at 76.5%, down slightly month on month and still slightly below its long-term average (77.1%). Naturally, the decrease was more pronounced in sectors that recorded a decline in activity, particularly the automotive sector (down 1.9 percentage points) and the pharmaceutical sector (down 1.2 percentage points).

According to business leaders, **inventories** of finished products were still high at the end of the month, especially in equipment sectors, where production remained at high levels while deliveries were spread out over time.

In **market services**, activity remained buoyant, slightly ahead of last month's expectations. Growth was particularly strong in publishing, management consulting and advertising, underpinned by the resumption of projects that had previously been postponed and the ongoing digital transformation of businesses. Conversely, information services recorded a decline in activity, particularly in physical server data hosting, against a backdrop of continued migration to outsourced infrastructure solutions. Food and beverage services also witnessed a decline in February, due to rainy weather and the month of Ramadan. Temporary work continued to enjoy good momentum.

## INVENTORIES OF FINISHED GOODS IN INDUSTRY

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



In **construction**, activity grew in February at a rate above its long-term average, mainly due to a catch-up in new housing starts. Activity also strengthened in finishing works, driven by renovation and insulation work, as well as by repairs following the bad weather experienced during the month.

At end-February, the balance of opinion on cash positions remained close to a level deemed normal, despite a marginal deterioration. The situation is becoming more strained in most industrial sectors, particularly in the automotive sector and in non-metallic mineral products (rubber, plastic and glass), where cash positions were already under pressure.

In **market services**, cash positions were generally considered normal, although there were disparities between different subsectors. They improved markedly in management consulting, as well as in legal and accounting services. They were deemed comfortable in vehicle renting, information services and publishing. However, they deteriorated in advertising, despite the upturn recorded in this sector. Companies also reported longer customer payment times.

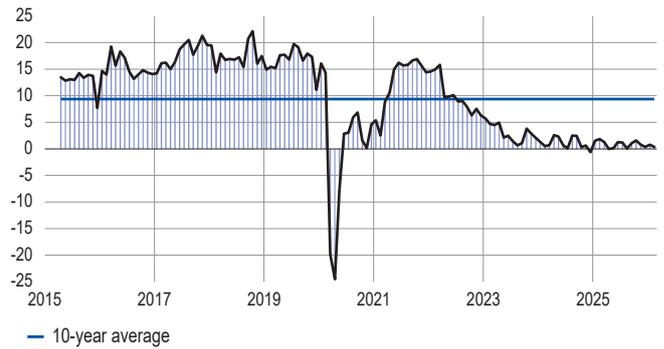
## CASH POSITION

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

a) In industry



b) In market services



## 2. In March, industry and services are expected to remain buoyant, while construction activity is expected to slow down

In March, business leaders expect **industrial production** to remain buoyant in general, in line with its long-term trend. No sector is forecasting a contraction in activity. Automotive manufacturers in particular are anticipating a recovery after a disappointing February. Growth is also expected to be sustained by machinery and equipment, electrical equipment, and computer, electronic and optical products. Conversely, the aeronautics sector could witness a slight slowdown in production rates.

In the market services sector, activity is expected to continue to grow in March, but at a more moderate pace than in February. An upturn in activity is forecast in accommodation and food services, and temporary employment activity should remain buoyant, above its long-term average. Publishing and business services are also expected to continue to perform well. However, a decline is expected in programming-consulting and in rental services.

In **construction**, contractors forecast a sharp slowdown in activity, with a slight decline in structural works. Finishing works are expected to continue to record slightly better performances, sustained mainly by renovation work.

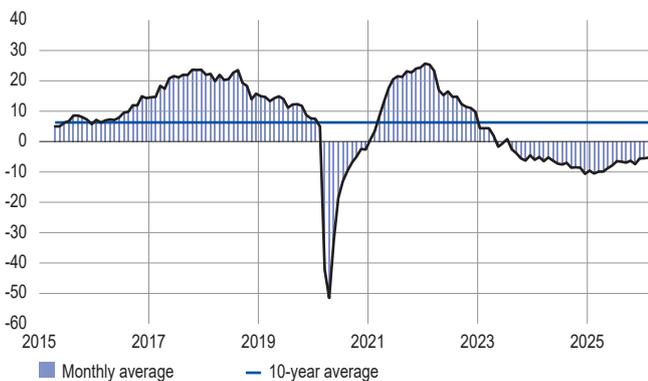
At the end of February, **order books** were deemed to be very weak in most sectors, with the exception of aeronautics, electrical equipment and computer, electronic and optical products. In the construction sector, order books deteriorated significantly for the second consecutive month, with contractors reporting a wait-and-see attitude linked to the electoral environment.

The **uncertainty indicator**, based on a textual analysis of additional company comments, has rebounded sharply due mainly to Operation Epic Fury, which was launched on 28 February in the middle of the survey period. Business leaders fear a rapid rise in oil and gas prices, as well as significant disruptions to supply and distribution chains. Companies in the transport sector report being particularly exposed to these risks.

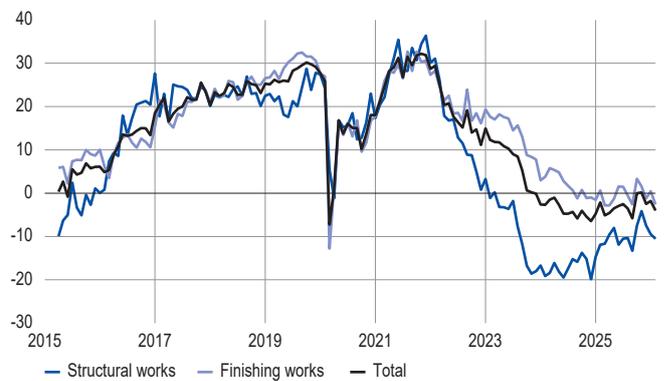
## LEVEL OF ORDER BOOKS

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

a) In industry

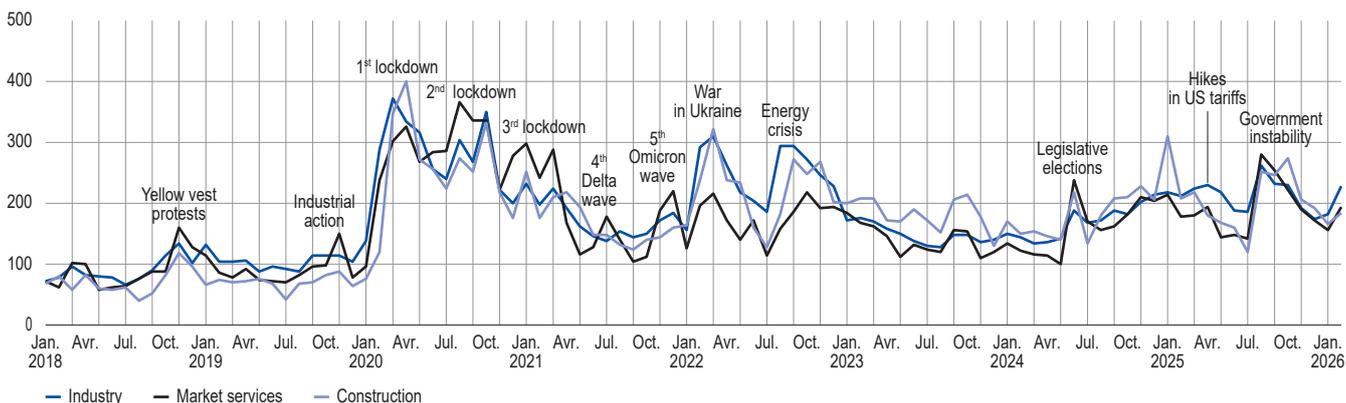


b) In construction



## INDICATOR OF UNCERTAINTY IN THE COMMENTS SECTION OF THE MONTHLY BUSINESS SURVEY

(unadjusted data)



Note: The reference value is set at 100 and corresponds to the value around which the indicator fluctuates in normal periods.

### 3. Increases in selling prices continue to be moderate

In February, the proportion of manufacturers reporting **supply difficulties** rose slightly to 9% without pointing to any lasting deterioration. In the automotive sector, 28% of business leaders reported various but temporary types of disruption to their supply chains, compared with 14% in January. The bad weather in February also increased supply difficulties in the wood, paper and printing sector. Moreover, tensions persisted in the computer, electronic and optical products sectors, as well as in aeronautics, where nearly 28% of companies reported supply difficulties for certain components.

In **industry**, business leaders reported a moderate increase in raw material prices. Pressure on copper, nickel, tin and certain precious metals is impacting the computer, electronic and optical products sectors, as well as electrical equipment. The chemicals sector also reported increases across a wide range of inputs. Consequently, increases in finished product prices in February were most pronounced in these sectors.

Conversely, agri-food industries reported lower prices for several agricultural raw materials, notably cereals, sugar, dairy products and coffee, reflecting the recent decline in world prices linked to abundant harvests and high levels of inventories. These developments are impacting average selling prices, which fell for the third consecutive month, against a backdrop of ongoing tense negotiations with large general retailers. Overall, the increase in selling prices remained contained in industry.

In total, 11% of manufacturers reported having increased their selling prices in February, while 5% lowered them. Price decreases mainly affected the automotive, pharmaceutical and agri-food sectors (down 12%, 10% and 10%, respectively), while increases were concentrated more in pharmaceuticals, computer, electronic and optical products and electrical equipment (up 28%, 17% and 15%, respectively).

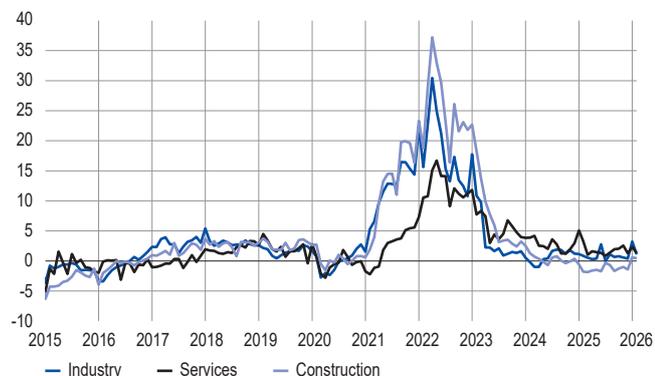
In **construction**, prices appeared to be broadly stable in February, against a backdrop of falling prices for certain materials and moderate growth in activity.

In **market services**, selling prices were deemed to have risen very slightly. In total, 9% of businesses reported having increased their prices, mainly in accommodation, architecture and engineering activities, and cleaning, while 4% reported having reduced them. Price decreases were mainly reported in certain business services, especially in programming, consulting and information services.

Lastly, **recruitment difficulties** eased slightly in February, affecting 16% of companies compared with 17% on average in January. They continue to be concentrated in skilled technical positions and construction.

### CHANGE IN SELLING PRICES BY MAJOR SECTOR

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



## PART DES ENTREPRISES INDIQUANT DES DIFFICULTÉS DE RECRUTEMENT

(en %, données brutes)



### 4. Our estimates suggest that GDP will grow by between 0.2% and 0.3% in the first quarter

The detailed results of the quarterly accounts published by INSEE at the end of February confirmed that GDP grew by 0.2% in the fourth quarter of 2025. Activity was mainly sustained by strong gains in value added in market services (notably in information-communication and business services) and in non-market services, energy and construction. Value added in the manufacturing sector dipped slightly.

Based on the results of our monthly business survey for January and February, rounded out by other available data (INSEE industry production indices and surveys and high-frequency

data), we confirm that GDP should increase by between 0.2% and 0.3% in the first quarter. Activity should continue to be sustained by market services, particularly business services and information and communication. As suggested by the monthly business survey, value added should recover in manufacturing. However, activity is expected to decrease sharply in the energy sector due to above-normal seasonal temperatures, and to contract in construction, which is being penalised by a decline in the public works sector.

In view of recent geopolitical developments, this technical forecast is subject to a downside risk related to the conflict in the Middle East, which could disrupt supply chains and push up energy costs in March.

## QUARTERLY CHANGES IN GDP AND VALUE ADDED IN FRANCE

(%)

Activity sector	VA share	Q4 2025 (QoQ)	Q1 2026 (QoQ)
Agriculture	2	1.7	0.1
Manufacturing industry	10	-0.2	0.5
Energy, water, waste	2	0.9	-1.9
Construction	5	0.2	-0.6
Market services	59	0.2	0.5
Non-market services	22	0.1	0.1
<b>Total VA</b>	<b>100</b>	<b>0.2</b>	<b>0.3</b>
<b>GDP</b>		<b>0.2</b>	<b>0.3</b>

Sources: INSEE data for the fourth quarter of 2025, Banque de France forecast for the first quarter of 2026.  
Note: QoQ = quarterly change.