

Business survey March 2018

Manufacturing industry, market services and construction

11 April 2018



- **In March, industrial production grew less quickly.** The electrical equipment and pharmaceutical products sectors were buoyant whereas the aeronautical, IT equipment and other equipment sectors lost ground.

Orders and deliveries both slowed down slightly.

Business leaders expect industrial production to grow at a moderate pace in April.

- **Service sector activity accelerated.** All services grew strongly, except the transport and accommodation and food services sectors.

Staff levels continued to increase fairly rapidly.

Business leaders expect service sector activity to pick up sharply again in April.

- **Construction sector activity recovered,** in particular in finishing works.

Order books remained satisfactory.

Business leaders expect construction sector activity to strengthen further in April.

The business sentiment indicator in manufacturing industry* stood at 103 in March after 105 in February.

The business sentiment indicator in services* stood at 103 in March like in February.

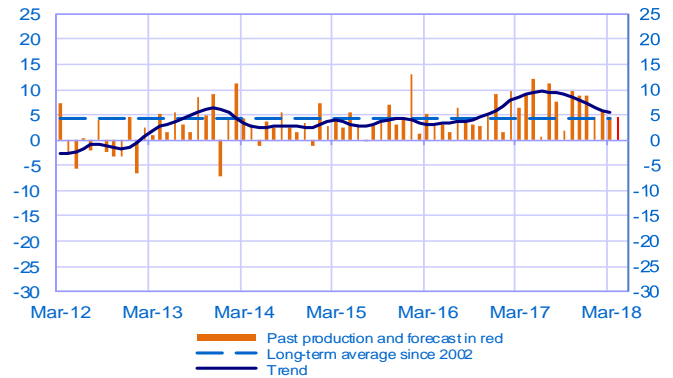
The business sentiment indicator in construction* stood at 105 in March like in February.

According to the monthly index of business activity (MIBA), **GDP is expected to increase by 0.3% in the first quarter of 2018** (third estimate, revised downwards by 0.1 percentage point).

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

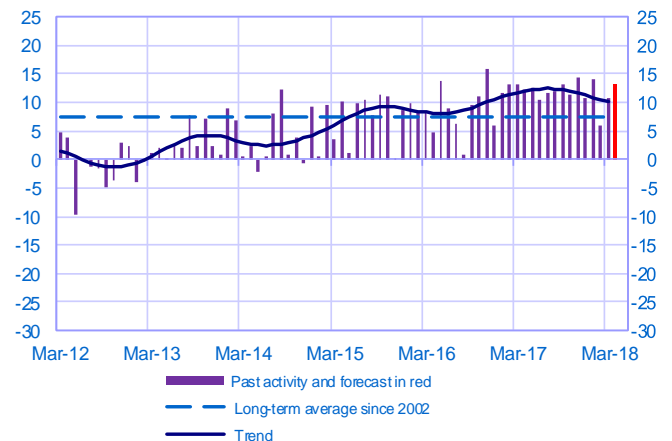
Opinion on the outlook for industrial production*

Balance of opinions, SA-WDA



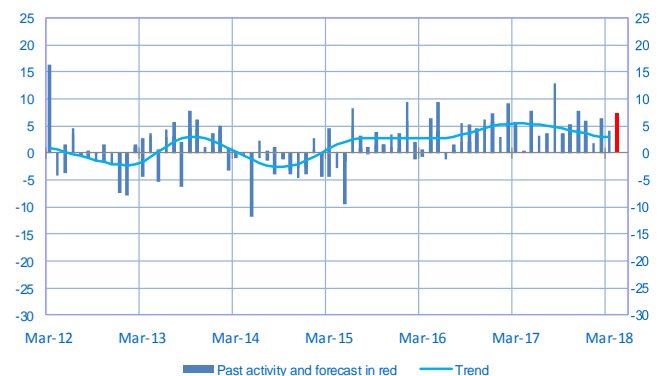
Opinion on the outlook for services activity*

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

	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Change												Forecast
Production	12	1	11	7	2	10	9	9	4	6	5	4
Deliveries	10	1	14	8	6	11	8	10	6	6	4	
Total orders	10	6	13	9	10	12	11	19	3	9	5	
Staff	4	4	4	2	5	4	5	3	4	4	3	
Final goods prices	3	3	1	2	3	4	4	3	5	4	3	
Commodity prices	4	4	4	4	6	7	6	6	6	6	5	
Level												
Order books	20	20	21	21	22	24	24	24	22	23	20	
Inventories of finished goods	4	0	-1	0	-1	0	0	1	2	0	2	
Capacity utilisation rate	80.0	79.8	80.1	80.8	80.1	80.6	80.9	81.7	80.5	80.5	80.4	
Cash positions	15	15	14	13	13	13	13	13	13	12	11	

Services

	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Change												Forecast
Activity	13	11	12	12	13	11	15	11	14	6	11	13
Aggregate demand	12	11	13	15	13	11	14	12	15	8	12	
Prices	-1	1	-1	-1	0	1	0	1	2	2	2	
Staff	7	7	4	7	8	9	9	8	9	7	8	
Level												
Cash positions	16	17	22	19	18	18	19	23	18	17	16	

Construction

	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Change												Forecast
Activity	8	3	4	13	3	5	8	3	2	0	4	7
Estimates prices	1	2	1	2	2	3	3	1	3	3	3	
Staff	3	3	2	2	3	1	2	2	3	2	3	
Level												
Order books	19	19	19	21	22	22	25	24	21	24	24	

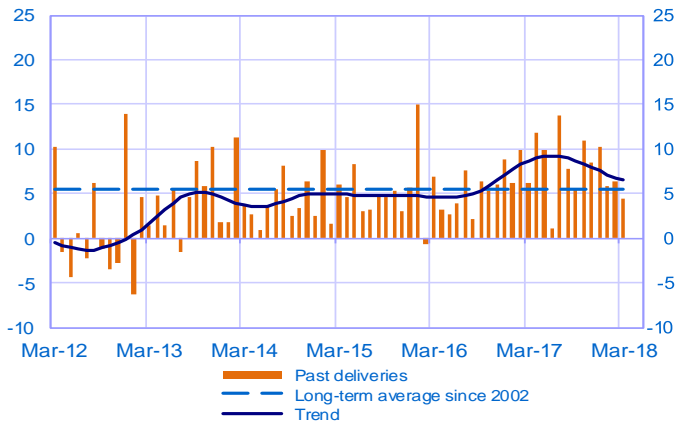
Notes:

- 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

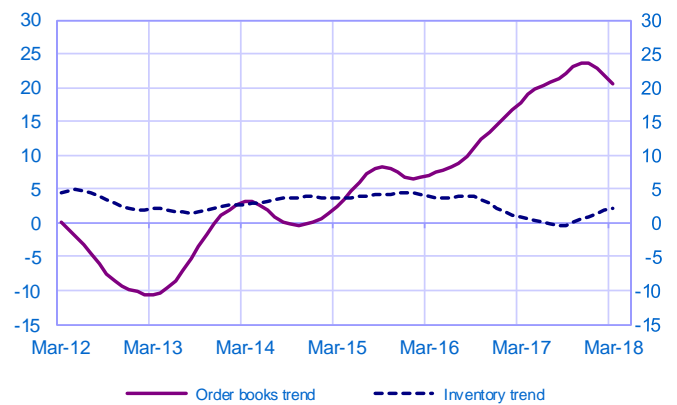
Changes in deliveries

Balance of opinions, SA-WDA



Inventories and order book level

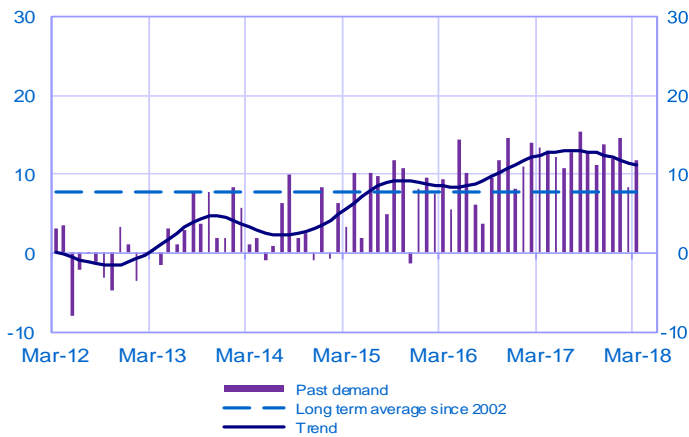
Balance of opinions, SA-WDA



Services

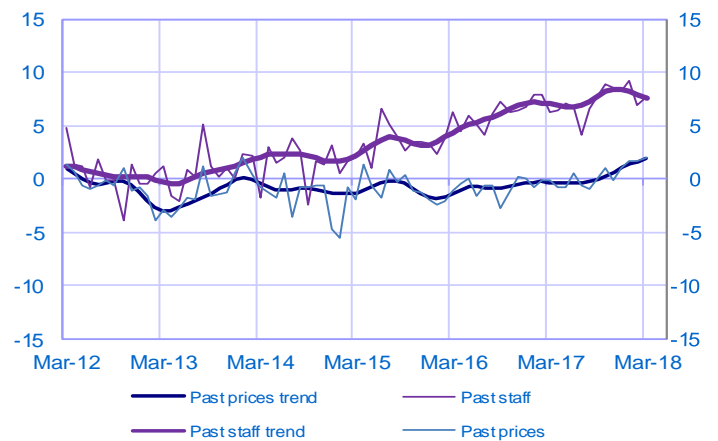
Changes in demand

Balance of opinions, SA-WDA



Changes in prices and staff

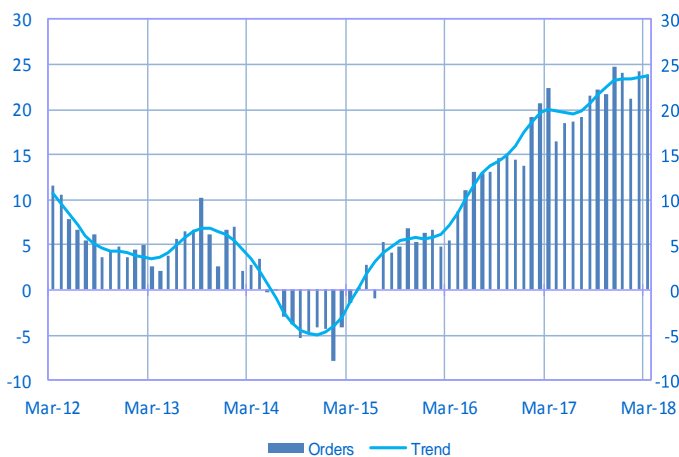
Balance of opinions, SA-WDA



Construction

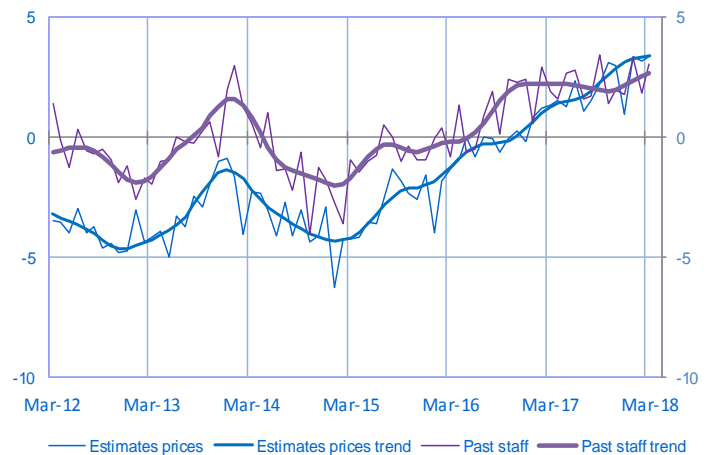
Order book level

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](#)