

**Business survey February 2020**

9 March 2020

**Manufacturing industry, market services and construction**

Data collected from 26 February to 04 March 2020

According to the monthly index of business activity (MIBA), GDP is expected to increase by 0.1% in the first quarter of 2020 (second estimate, revised downwards by 0.2 percentage point).

Activity in industry and services increased in February, but business leaders expect activity to decrease in March in most sectors against the new background of the coronavirus outbreak.

In the manufacturing industry, the business sentiment indicator\* stood at 96 in February as in January.

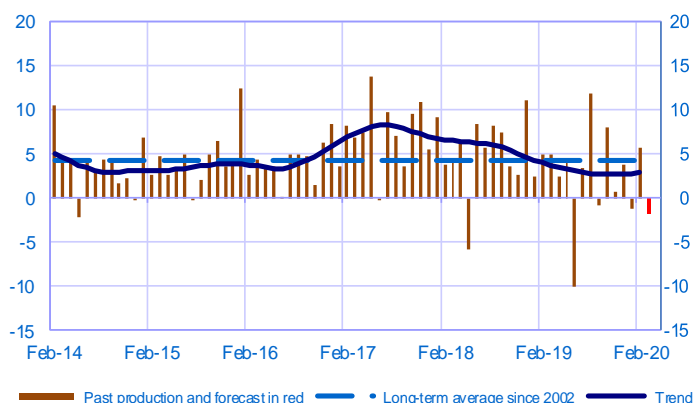
- After its fall in January, industrial production rose in February, particularly in the automobile and aeronautical sectors. Activity slowed in the IT and electronic equipment sectors.

New foreign orders contracted.

Against the backdrop of concerns related to the coronavirus, business leaders expect industrial production to decline in March.

**Opinion on the outlook for industrial production\*\***

Balance of opinions SA-WDA



In services, the business sentiment indicator\* stood at 96 in February, after 98 in January.

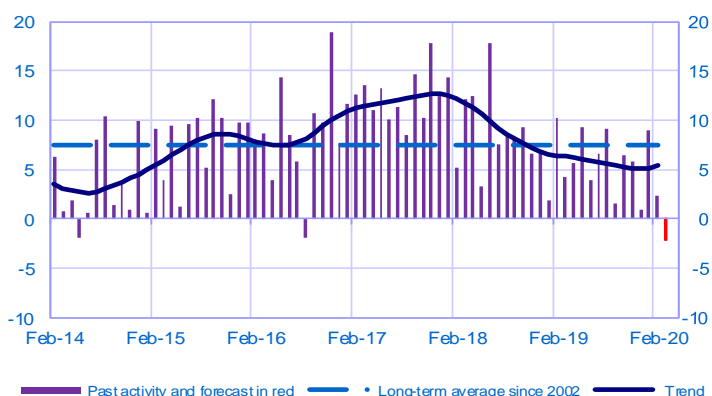
- Activity continued to increase in most services in February, but more slowly.

Staff increased at the same pace as in January.

Against the backdrop of concerns related to the coronavirus, business leaders expect service sector activity to contract in March.

**Opinion on the outlook for services activity\*\***

Balance of opinions, SA-WDA



In construction, the business sentiment indicator\* stood at 104 in February, after 105 in January.

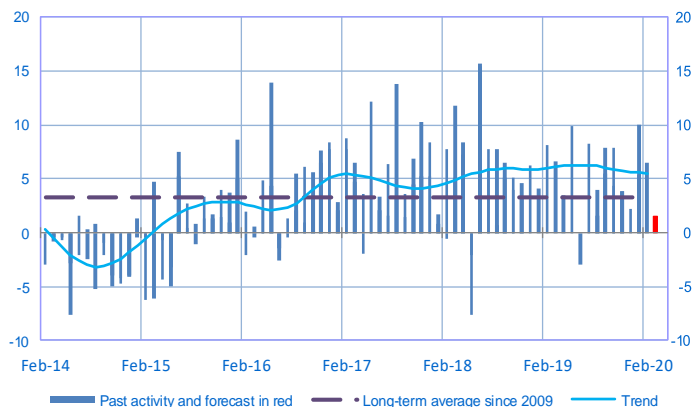
- Construction sector activity remained robust in February, both in structural and finishing works.

Order books fell slightly.

In March, construction sector activity is expected to decelerate.

**Opinion on the outlook for construction activity\*\***

Balance of opinions, SA-WDA



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

\*\* A positive (negative) balance of opinions corresponds to a rise (fall) in the evolution of activity

Period under review: February 2020

## Manufacturing industry

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
<b>Change</b>												<b>Forecast</b>
Production	2	4	-10	3	12	-1	8	1	4	-1	6	-2
Deliveries	4	5	-7	1	16	-5	9	2	1	-2	5	
Total orders	4	5	0	3	8	1	8	2	1	4	3	
Staff	0	0	-1	0	0	0	0	-1	-1	-1	-1	
Final goods prices	1	1	1	1	2	2	2	2	2	1	1	
Commodity prices	2	1	0	1	1	0	-1	1	0	-2	-2	
<b>Level</b>												
Order books	14	14	12	10	10	12	12	10	8	9	8	
Inventories of finished goods	3	3	3	5	4	4	4	1	2	2	5	
Capacity utilisation rate	79.6	79.9	78.9	79.1	79.2	78.6	78.7	78.4	78.1	78.2	78.3	
Cash positions	9	9	10	12	9	9	10	9	9	10	9	

## Services

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
<b>Change</b>												<b>Forecast</b>
Activity	6	9	4	7	9	2	7	6	1	9	2	-2
Aggregate demand	6	8	5	8	9	4	6	7	3	9	3	
Prices	2	2	2	1	2	2	1	2	0	3	0	
Staff	5	5	5	6	2	7	3	7	3	6	5	
<b>Level</b>												
Cash positions	17	17	16	17	19	14	13	14	10	15	15	

## Construction

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
<b>Change</b>												<b>Forecast</b>
Activity	3	10	-3	8	2	8	8	4	2	10	6	2
Estimates prices	3	2	2	3	2	2	3	3	3	2	2	
Staff	2	2	3	2	2	3	1	1	2	3	2	
<b>Level</b>												
Order books	26	26	26	28	29	29	29	29	30	28	27	

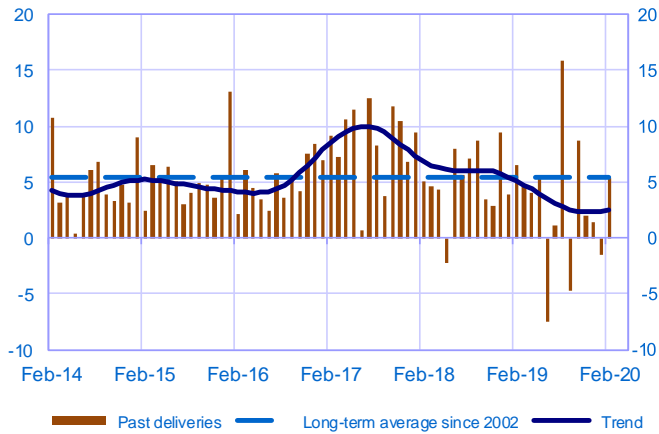
Notes :

- A positive (negative) balance of opinions corresponds to a rise (fall) in the corresponding variable.
- The last point corresponds to the business leaders' opinions of short-term production or activity forecasts.
- 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

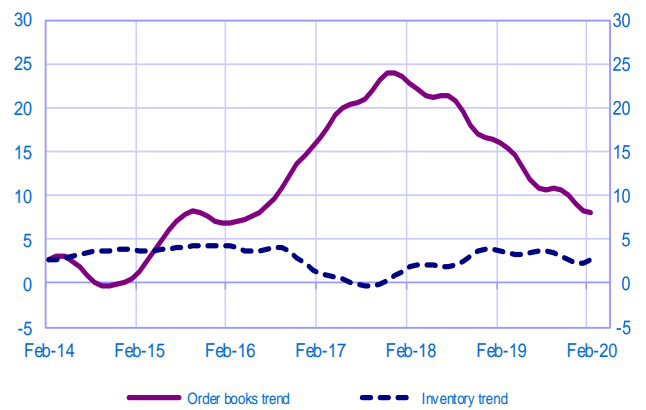
### Changes in deliveries

Balance of opinions, SA-WDA



### Inventories and order book level

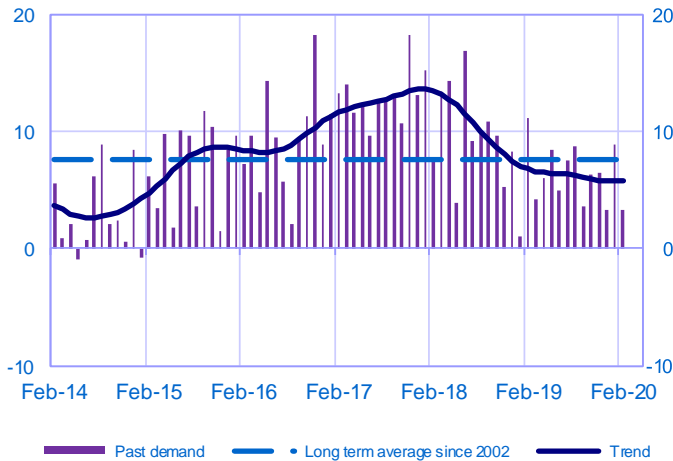
Balance of opinions, SA-WDA



## Services

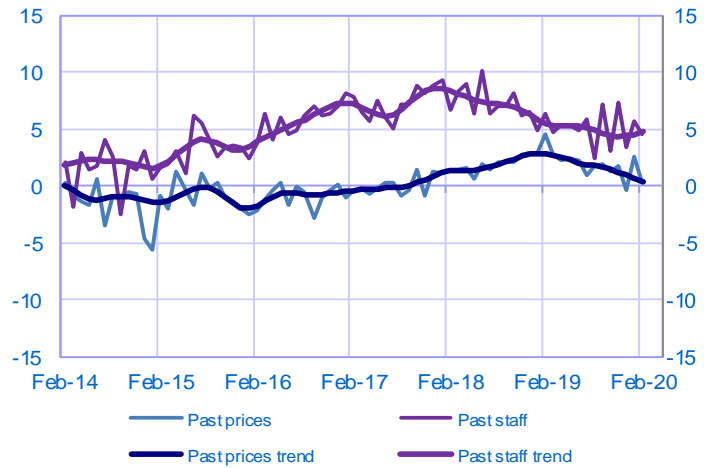
### Changes in demand

Balance of opinions, SA-WDA



### Changes in prices and staff

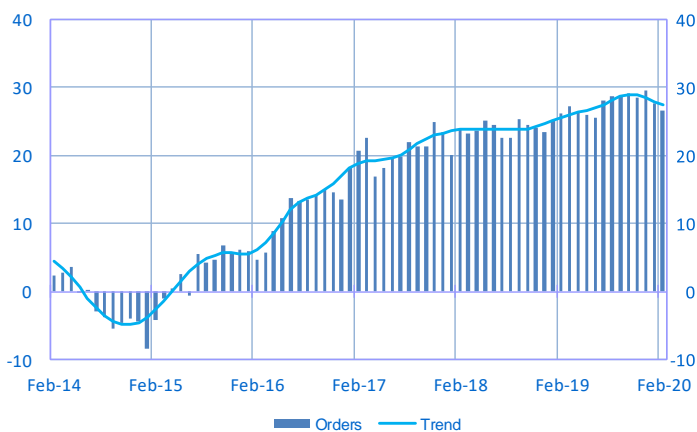
Balance of opinions, SA-WDA



## Construction

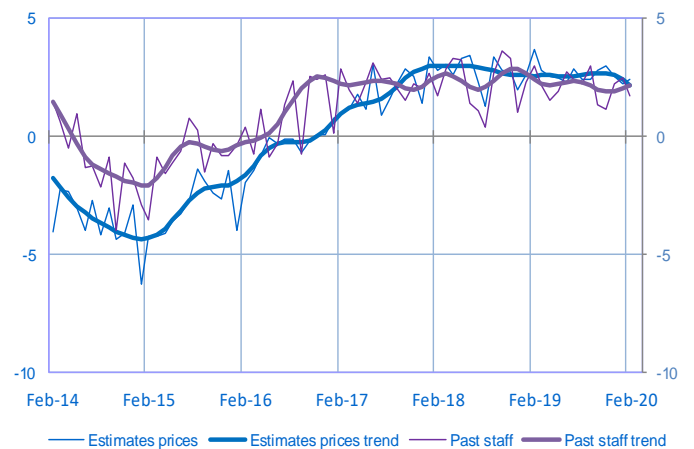
### Order book level

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](#)



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