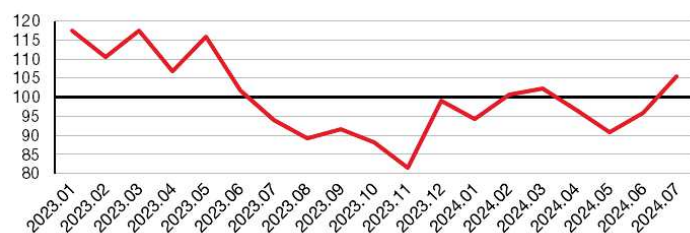


Monthly manufacturing industry survey — July 2024

Business climate in industry picks up in July and exceeds its average

1. Business climate composite indicator



Source: Monaco Statistics

2. Composite indicator and balances of opinion, in %

	Average since Jan. 2023	2024			
		April	May	June	July
Business climate	100	97	91	96	105
Past production	-16	-32	-7	-39	16
Expected production	-25	28	-75	-87	-22
Order books	-45	-63	-80	-61	-35
Stocks	3	-47	-6	65	7
Past selling prices	-5	4	5	3	2
Expected selling prices	-8	2	5	5	8
Workforce size: recent trend	-1	-9	11	-23	-2
Workforce size: future trend	2	18	3	15	-21
Cash position	17	-8	46	-4	45
Economic uncertainty felt	3	3	10	11	18

Note for the reader: Regarding the evolution of past production over the last three months, considering a base of 100 respondents, each with a unit weight:
- on average since January 2023, business leaders who answered “down” are 16 more than business leaders who answered “up”;
- in July 2024, business leaders who answered “up” are 16 more than business leaders who answered “down”.

Source: Monaco Statistics

3. Recent and future trend in workforce size

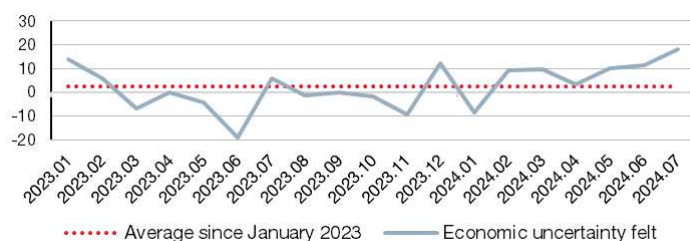


Note: Averages are calculated since January 2023.

Unit: Balances of opinion

Source: Monaco Statistics

4. Economic uncertainty felt



Unit: Balances of opinion

Source: Monaco Statistics

According to the business leaders surveyed, the business climate in industry picks up in July and exceeds its average.

The composite indicator rose by 9 points to 105 in July. The significant increase in expected and past production, as well as in order books, explains this growth. Conversely, stocks fell sharply.

The balances of opinion on **past production** over the last three months and on **expected production** over the next three months increased sharply and are now above their long-term averages.

The balance of opinion associated with the level of **order books** continues to rise and is above its normal level.

Stocks of finished products are down, but above its average.

The balance of opinion on **past selling prices** is stable, while the balance of opinion on **expected selling prices** is rising slightly. Both are above trend.

Recent trend of workforce size in industry is up, while **future trend of workforce size** is falling considerably. Both are below their long-term norms.

The **cash position** has strengthened to above average levels.

Finally, the **economic uncertainty** felt by business leaders in industry is growing.

Balances of opinion: difference between the weighted percentage of 'increasing' and 'decreasing' responses.

Monthly manufacturing industry survey — July 2024

5. Production constraints

	July 2023	Oct 2023	Jan 2024	April 2024	July 2024
Proportion of businesses reporting production constraints linked to :	64%	70%	71%	80%	72%
Insufficient demand	38%	38%	41%	42%	48%
Labour difficulties (shortage, cost, etc.)	24%	19%	27%	17%	19%
Lack of appropriate equipment	10%	0%	0%	0%	10%
Financial difficulties	14%	14%	14%	13%	5%
Difficulties with premises (cost, size, lack of available space)	57%	52%	36%	33%	29%
Logistical difficulties	5%	0%	5%	21%	5%
Supply difficulties (semi-finished products, raw materials, etc.)	10%	10%	14%	13%	5%
Energy-related difficulties (cost, shortage, etc.)	10%	10%	9%	4%	5%
Other	0%	5%	5%	8%	10%

Note: As the question on production constraints is a multiple choice question, the total is greater than 100%.

Source: Monaco Statistics

The proportion of companies experiencing production constraints is down compared to April 2024, at 72%. Of these, 48% are facing difficulties related to insufficient demand, 29% difficulties with premises (cost, size, lack of available space) and 19% labour difficulties (shortage, cost, etc.).

Financial, energy, supply and logistics difficulties are also cited to a lesser extent by 5% of companies.

6. Recruitment constraints

	July 2023	Oct 2023	Jan 2024	April 2024	July 2024
Proportion of businesses reporting recruitment constraints linked to :	45%	27%	35%	40%	34%
Uncertain economic situation	7%	13%	18%	8%	10%
Unavailability of labour	93%	75%	82%	83%	90%
Lack of services for employees and their families (housing, childcare, etc.)	7%	38%	27%	42%	40%
Cost of recruitment	0%	13%	18%	8%	0%
Cost of labour	13%	13%	18%	8%	0%
Lack of job flexibility	7%	13%	9%	17%	0%
Procedures associated with recruitment	7%	13%	27%	17%	10%
Size of premises and/or lack of available space	20%	13%	9%	0%	20%
Other	7%	25%	0%	8%	0%

Note: As the question on recruitment constraints is a multiple choice question, the total is greater than 100%.

Source: Monaco Statistics

The proportion of businesses experiencing difficulties in recruiting fell in July. In fact, 34% of companies said they were facing difficulties, compared with 40% in April 2024. Of these, 90% are complaining about the unavailability of labour. 40% also cited a lack of services for employees and their families.

20% of companies see the size of their premises and/or the lack of available space as constraints. Finally, 10% also cite the uncertain economic situation and the procedures associated with recruitment as a constraint on hiring. None of the companies stated that they had experienced problems related to recruitment costs, labour costs or lack of job flexibility.

Questions on **recruitment** and **production constraints** are asked quarterly.

Methodology of the monthly business survey in industry : available on monacostatistics.mc



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