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EcoBrief

French exports: if only one should remain...

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September confirmed the reduction in the trade deficit, which now stands at just EUR 86 billion cumulatively over 9 months compared to 126 billion over the same period in 2022, mainly due to an improvement in the energy balance. Another factor of support is aeronautical exports, which benefit from a strong order book. With the automotive sector, the aeronautical sector has seen a clear recovery in activity since the beginning of 2023. In terms of volume, transport equipment accounted for 75% of the increase in exports of goods and services between the first 9 months of 2022 and the equivalent period in 2023.

However, when analysing the French trade balance (in nominal terms), the dynamism of aeronautics appears increasingly isolated. In Q2 and Q3 2023, aeronautical exports reached 84% of the level seen over the same quarters of 2019, compared to 65% in 2022 and 58% in 2021. And while aeronautical exports grew by EUR 5.5 billion cumulatively in Q2 and Q3 2023 y/y, French exports only increased by 1 billion. In Q3, exports contracted by EUR 3 billion y/y to Italy and 1.3 billion to Germany.

The gradual upturn in aeronautical exports could eventually be penalised by obstacles hindering a more pronounced ramp-up: at 7% on average between mid-2022 and mid-2023, the proportion of French companies in other transport equipment (aeronautical, rail, naval) reporting that a labour shortage is limiting their production increased to 34% on average in H2 2023, according to the European Commission.

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