

Foreign trade

In Q1 2024, foreign trade once again boosted GDP growth: exports increased (+1.2%), while imports rebounded a little (+0.4%), after two quarters of decline (► [Figure 1](#)). The quarter was notably affected by massive agricultural exports (around +13.5%, ► [Figure 2](#)) – mirrored by a substantial destocking movement.

Imports of manufactured products in particular are at a fairly low level, as for the last six months companies have mobilised their inventory to meet demand, but imports are expected to accelerate as a backlash in Q2 (+1.7% forecast, ► [Figure 3](#)). In H2, they are likely to increase at a more moderate pace (+0.5% then +0.4% in Q3 and Q4), in line with the expected increase in demand.

On the export side, the industrialists questioned for the business tendency survey are expecting an upturn in foreign demand: this improvement concerns most industrial sectors and reflects the ongoing recovery in world trade (► [International synthesis sheet](#) and ► [Figure 4](#)). The balance of opinion on the level of foreign order books was above its long-term average, but this favourable situation relates mainly to the transport equipment industry, excluding automobiles. Outside this market segment, the foreign order book situation is slightly below its long-term average (► [Figure 5](#)). Thus, excluding transport equipment, exports of manufactured products are expected to increase, on average, at the same pace as that of world demand for French goods, although this will not make up for the losses in market share recorded since the health crisis (► [Focus](#) competitiveness). On the other hand aeronautical sales look set to boost exports of goods, with an increase expected in the civil sector (+5% compared to 2023) and, in the military sector, the expected delivery of combat aircraft to Croatia and Egypt (► [Focus](#) on the defence industry). Finally, two liners are expected to leave the shipyards in Q2 and Q3: all in all, manufacturing exports should increase sharply in Q2 (+2.0%) then slow in H2 (0.0% in Q3 then -0.1% in Q4). Exports of services are likely to surge sporadically during the summer due to the Olympic and Paralympic Games (► [Focus](#) Paris Olympics): on the one hand, around a third of the expected spectators will be foreign visitors, which will stimulate tourism; and on the other hand, the broadcasting rights have mainly been sold to non-resident audiovisual companies. Finally, agricultural exports are expected to slip back in the spring as a backlash and in H2 electricity exports should benefit from increased nuclear capabilities with the opening of the Flamanville nuclear power plant. All in all, exports look set to increase vigorously in Q2 and Q3 (+1.4% then +0.8%) but then fall back in reaction at the end of the year (-0.5% in Q4): this uneven profile is likely to be attributable as much to major contracts (liners and combat planes) as to the Olympic and Paralympic Games.

Over the whole of 2024, as in 2023, foreign trade is expected to make a positive contribution to GDP growth, at around 0.9 points: exports (+3.5% after +2.5%) should pick up much faster than imports (+0.8% after +0.7% in 2023). This positive contribution is likely to be partially offset by a negative contribution from inventory (-0.6 points): on average across the year companies are likely to be adjusting their inventory levels, which were considered too high overall at the end of 2023. This situation reflects not only the destocking movement, but also the short-term economic discrepancy between France and the rest of the world, the gradual recovery of sales in aeronautics and the short-term effect of the Olympic and Paralympic Games. ●

► 1. French foreign trade

(variation in %, volumes of previous year's chained prices, contributions in points)

	Quarterly variations												Annual variations		
	2022				2023				2024				2022	2023	2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Total Exports	2.0	-0.7	3.0	0.8	-1.4	3.0	-1.1	1.0	1.2	1.4	0.8	-0.5	8.3	2.5	3.5
Manufactured products	2.1	-3.1	3.6	-0.1	-0.5	4.2	-1.3	-0.4	1.5	2.0	0.0	-0.1	3.3	2.8	3.0
Total Imports	2.0	0.6	4.6	-0.2	-1.9	1.6	-0.7	-1.7	0.4	1.7	0.5	0.4	9.1	0.7	0.8
Manufactured products	0.5	-1.1	4.5	0.3	-1.6	1.9	-1.5	-2.3	0.7	2.0	0.5	0.4	5.4	0.5	0.7
Contribution of foreign trade to GDP	0.0	-0.4	-0.6	0.3	0.2	0.5	-0.1	1.0	0.2	-0.1	0.1	-0.3	-0.3	0.6	0.9

■ Forecast

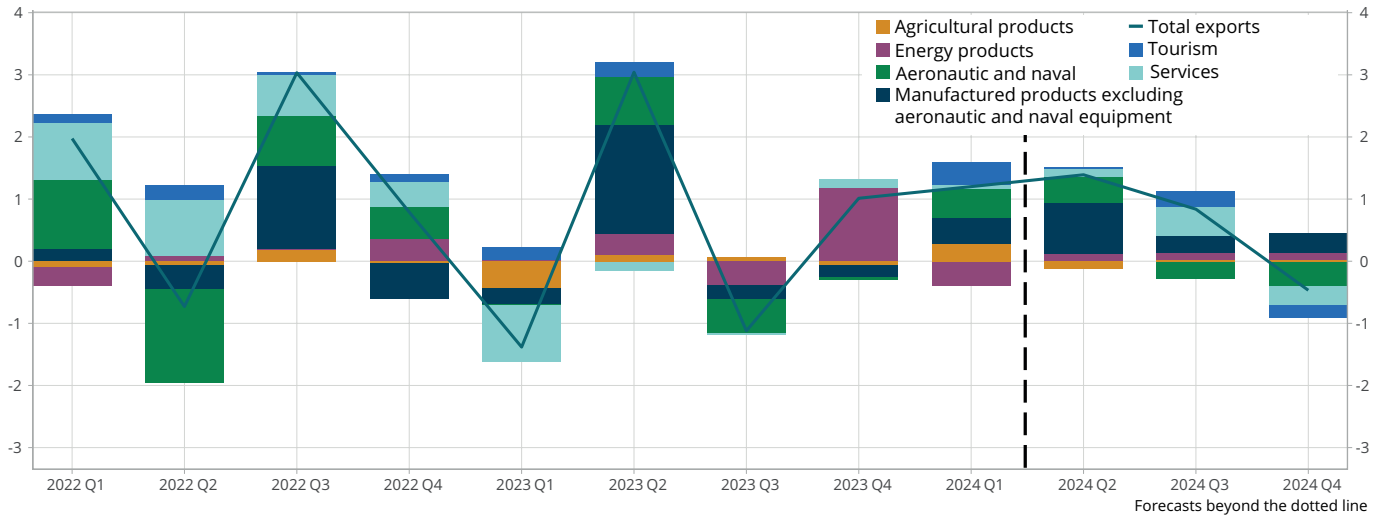
How to read it: in Q1 2024, French exports rose by +1.2%.

Source: INSEE.

French economic outlook

► 2. Contributions of different products to exports

(quarterly changes in total exports, in %, and contributions of individual products, in points)

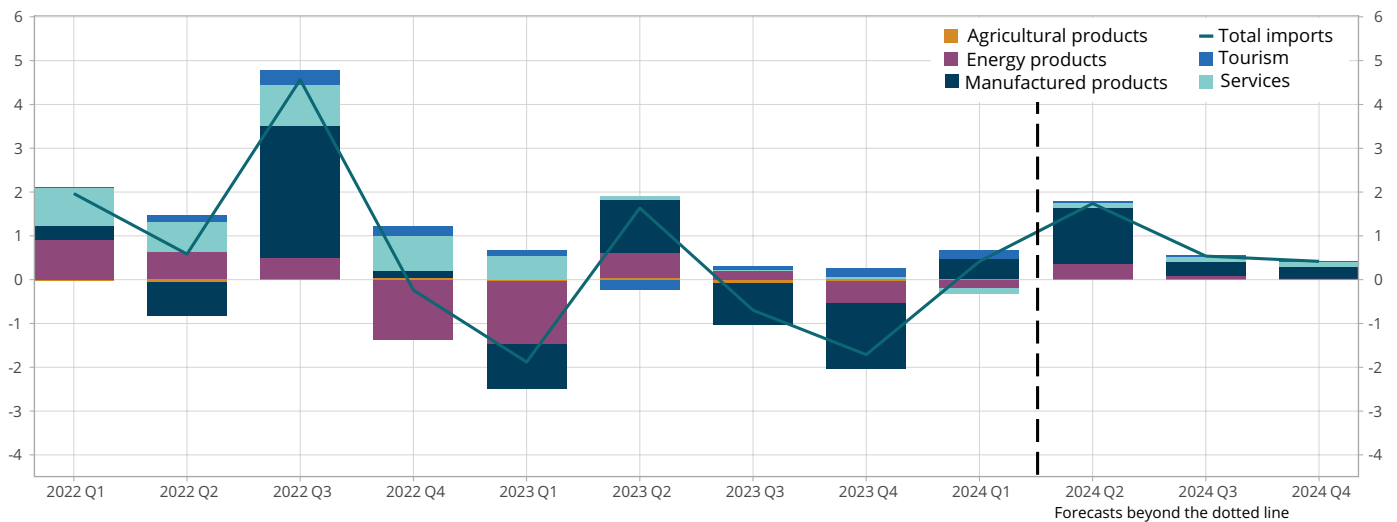


How to read it: French exports rose by +1.2% in Q1 2024. Exports of agricultural products contributed +0.3 points.

Source: INSEE.

► 3. Contributions of different products to imports

(quarterly changes in total imports, in %, and contributions of individual products, in points)

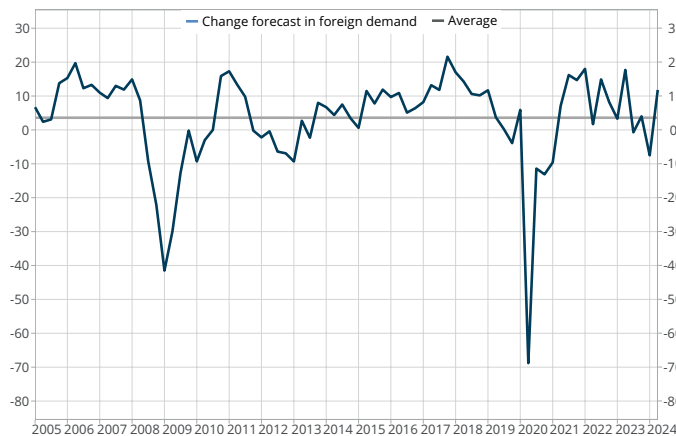


How to read it: French imports rose by +0.4% in Q1 2024. Imports of manufactured goods contributed of +0.5 points.

Source: INSEE.

► 4. Change forecast in foreign demand

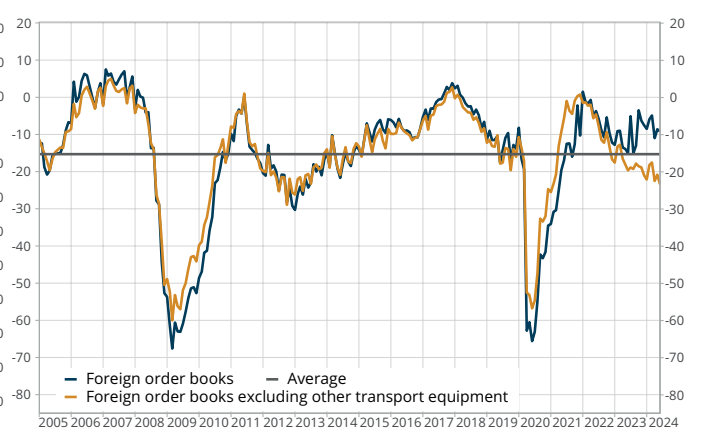
(balances of opinion, in points, seasonally adjusted)



Last point: Q2 2024.
Source: industry business survey, INSEE.

► 5. Balance of opinion on foreign order books

(balances of opinion, in points, seasonally adjusted)



Last point: June 2024.
Source: industry business survey, INSEE.