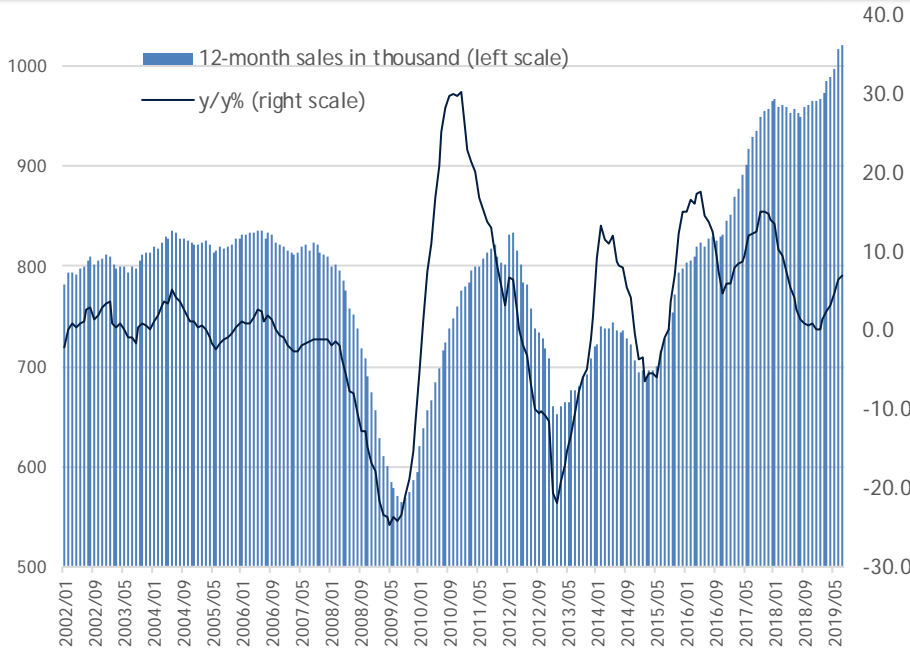


Confirmation of the rebound of the existing-home sales in France



Source: CGEDD; DGFIP (MEDOC) and notary database: Bryan, Garnier & co

- ü Last release earlier this month confirms the rebound of the existing-home transactions in France, with a 7,0% y/y increase in July 2019 at more than one million transactions, based on 12-month figures,
- ü 1,02 million is a historically high level but the number of transactions is 10% lower than the long trend obtained by extrapolating the growth in rotation speed observed during the 1970-2000 period, according to the CGEDD (French gov.)
- ü This is explained by the very low level of property loan rates (a 50-year low) while banks agree to lend for a longer period of time
- ü This is obviously a favorable environment for the renovation segment. Hence the read-across for Saint-Gobain (BUY FV EUR47), which generates 25% of its revenues in France, mostly (c85%) in construction, of which two third at least within the renovation segment. This is in line with the last positive comments from the company regarding France.