FMCG MONITOR

An integrated view of Indonesia FMCG market

Dec

2013

#Data up to P12 2013

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executive SUMMARY

1

Indonesia's annual inflation rate **rose slightly in December to 8.38%.** December inflation accelerated due to rising foods and transportation prices during the holiday season.

The 2013 inflation rate was almost double the 2012 figure: 4.3%.

2

Indonesia's FMCG growth is still slowing down in Q4 2013. This completes the negative trend this quarter as the value trend is also decreasing.

Foods segment is the lowest in term of growth, whilst Personal Care, Beverages and Dairy continue to lead the market in both Urban and Rural with two digits growth year on year.

3

Ready to Drink (RTD) Coffee shows excellent growth in Urban. **The incremental in number of buyer (around 1.5 million urban households)** successfully increase the value significantly.

This buyer incremental successfully lifted the total volume per household of RTD Coffee by 32%.

4

Minimarket grows by two-digits this period in rural, suggesting that rural consumers are also relying on Minimarket nowadays.

On the other side, Traditional Trade increased by two digits this quarter vs. year ago in Urban. This suggests that the influence of Traditional Trade in urban is still strong.

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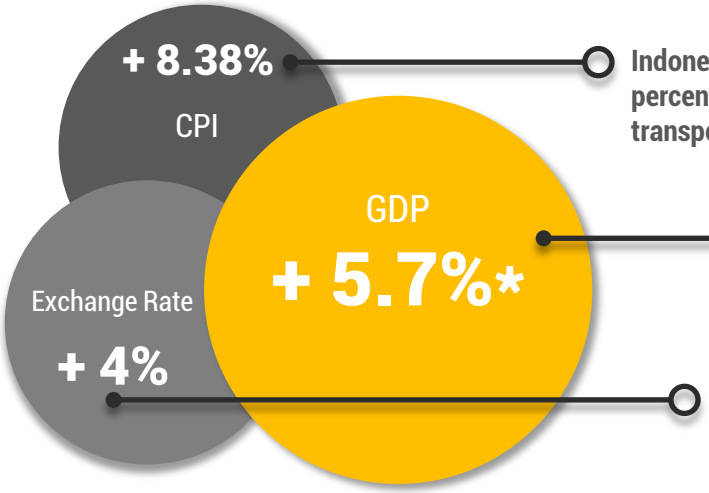
KEY INDICATOR

Macro Trend



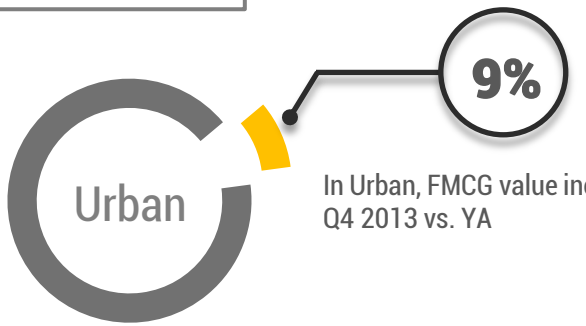
Indonesia's annual inflation rate rose slightly in December to 8.38 percent. December inflation accelerated due to rising foods and transportation prices during the holiday season.

(Estimation) Bank Indonesia estimates the economy will grow 5.5-5.9 percent this year.

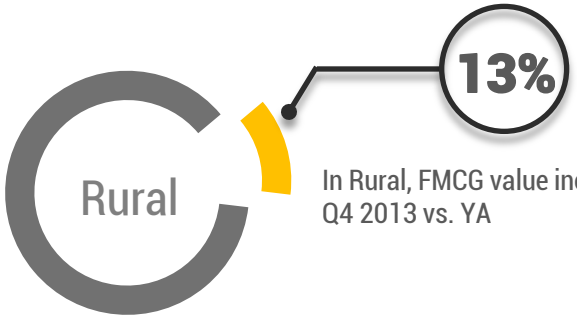
Rupiah exchange rate to USD weakened to 4% in December 2013 vs. November 2013. The exchange rate increased by 26% in this month vs. YA

Source : *BPS and Bank Indonesia*

FMCG Trend



In Urban, FMCG value increased 9% in Q4 2013 vs. YA



In Rural, FMCG value increased 13% in Q4 2013 vs. YA

Source : *Kantar Worldpanel Indonesia | Household Panel*

*FMCG is excluding rice, sugar, and fresh food

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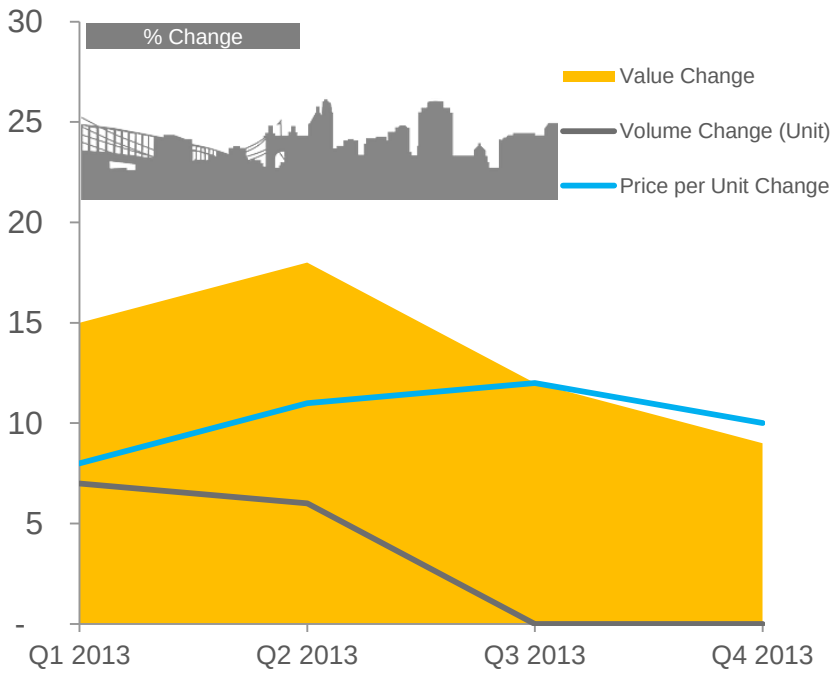
1

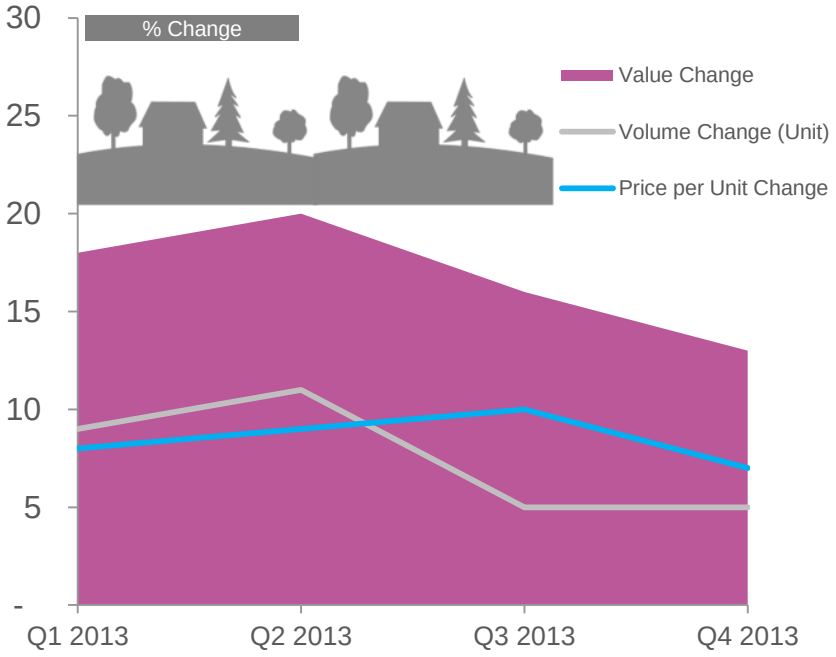
FMCG – 12 WEEKLY YEAR – ON – YEAR CHANGE (%)

Indonesia's FMCG growth is still slowing down in Q4 2013. This completes the negative trend this quarter as the value trend is also decreasing.

Urban



Rural



Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

*FMCG is excluding rice, sugar, and fresh food

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FMCG SEGMENTS TRENDS – VALUE CHANGE (%)

2 Personal Care and Dairy leads the FMCG market in Urban and Rural

Urban

Q4 2013 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+ 6%	+ 13%	+ 10%	+ 7%	+ 13%

Rural

Q4 2013 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+ 5%	+ 18%	+ 17%	+ 18%	+ 23%

Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

**Foods are excluding rice, sugar, and fresh food*

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3

HOT CATEGORIES (URBAN)

Ready to Drink Coffee shows excellent growth in Urban. The incremental in number of buyer successfully increase the value significantly

RTD Coffee

32%

Total volume per household (in Liters) increase in Urban Indonesia Q4 2013 vs. YA

5.5pts

Penetration increase in Urban Indonesia Q4 2013 vs. YA
(Base : 26.5 million households)

Rp.

3x

Value increase in Urban Indonesia Q4 2013 vs. YA

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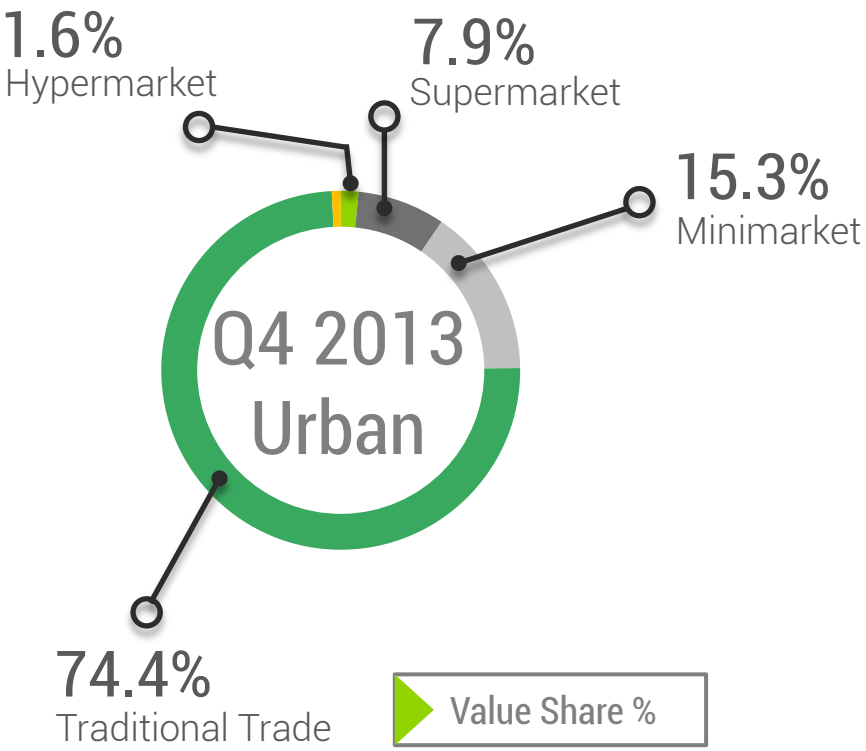
RETAILER

4 RETAILER SNAPSHOT - URBAN



Value Share %

Value Change %

Value Change %	Q4 2013 vs. YA
Minimarket	+ 7%
Hyper + Supermarket	+ 7%
Traditional Trade	+ 10%

Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

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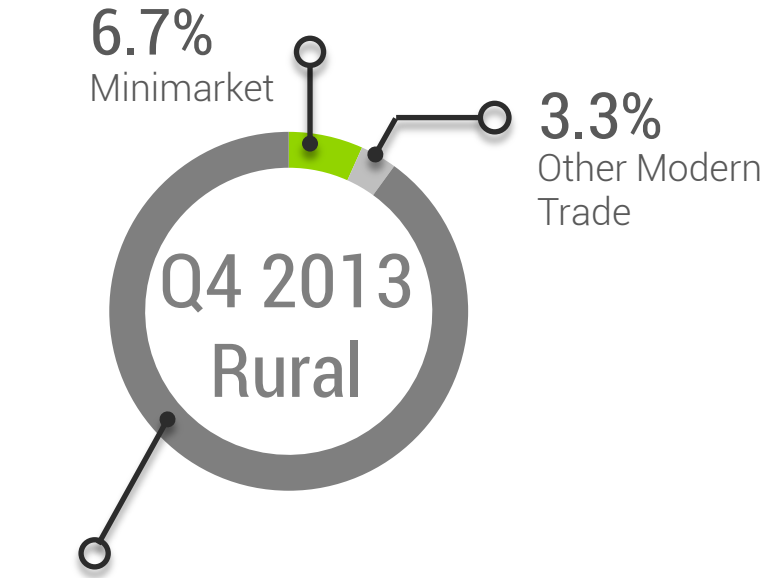
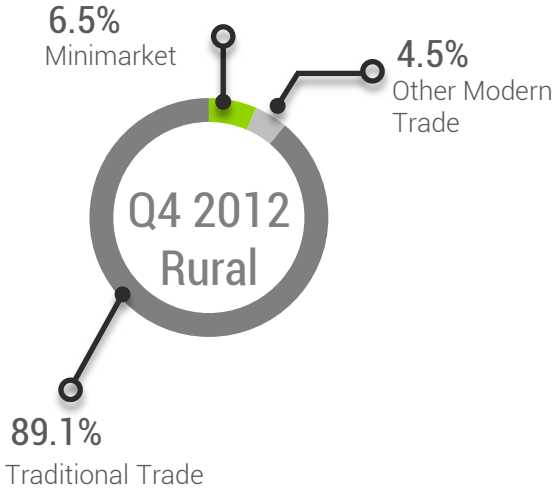
RETAILER

5 RETAILER SNAPSHOT - RURAL



Value Share %



Value Change %

Value Change %	Q4 2013 vs. YA
Minimarket	+ 16%
Traditional Trade	+ 14%

Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

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About Kantar Worldpanel

Kantar Worldpanel is the world leader in consumer knowledge and insights based on continuous consumer panels. Its **High Definition Inspiration™** approach combines market monitoring, advanced analytics and tailored market research solutions to deliver both the big picture and the fine detail that inspire successful actions by its clients. Kantar Worldpanel's expertise about what people buy or use – and why – has become the market currency for brand owners, retailers, market analysts and government organizations globally.

In Indonesia, Kantar Worldpanel – high definition inspiration™ tracks household purchase of over 70 different FMCG categories across food and non food from its sample of 7,000 households across urban and rural Indonesia on a weekly basis; representing around 49.5 million households.

For further information, please visit us at www.kantarworldpanel.com/id

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