FMCG MONITOR

An integrated view of Indonesia FMCG market

May

2014

#Data up to P05 2014

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executive SUMMARY

1

Inflation had increased 1.56 percent between January to May 2014 and **7.32 percent on a year-on-year basis.**

Processed food, beverages, cigarettes and tobacco contribute a lot to the inflation rate in May 2014.

2

Price stays relatively stable in May 2014, even though there is a small climb of price in Rural.

The decrease in Urban mostly driven by **decrease in volume (unit).** A strong likelihood that they bought the products in bigger pack size.

3

Cultured Milk shows excellent growth in Urban. The incremental in number of buyer and volume per household could lift the value sales significantly

This increase in buyer and consumption successfully **lifted the total sales of Cultured Milk by 43%.**

4

Supermarket showed a very positive trend in Urban this quarter versus same quarter last year.

This channel successfully **grew its market share by 2 percent**, whilst in Rural Minimarket is showing a positive trend.

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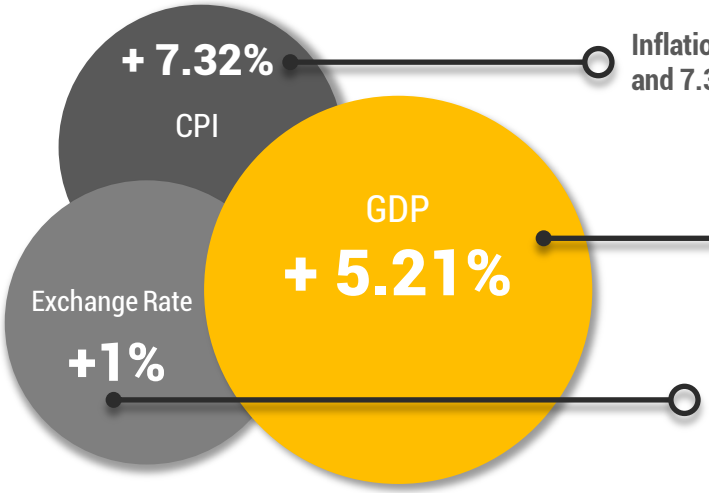
KEY INDICATOR

Macro Trend



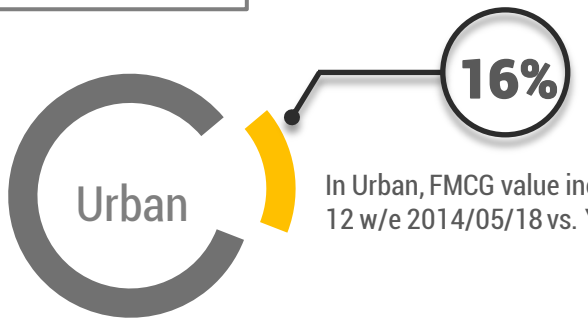
Inflation had increased 1.56 percent between January to May 2014 and 7.32 percent on a year-on-year basis.

Gross domestic product in Q1 2014 rose 5.21 percent from a year earlier, against 5.72 percent in the fourth quarter.

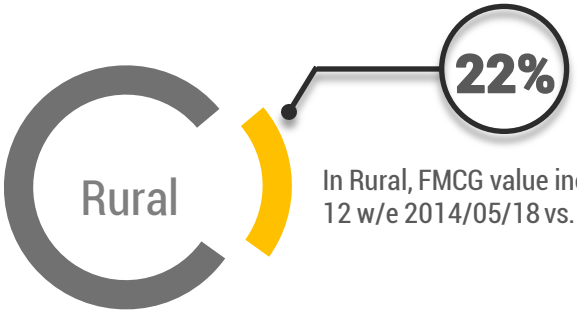
Rupiah exchange rate to USD weakened to 1% in May 2014 vs. April 2014. The exchange rate weakened by 18% in this month vs. YA

Source : *BPS and Bank Indonesia*

FMCG Trend



In Urban, FMCG value increased 16% in 12 w/e 2014/05/18 vs. YA



In Rural, FMCG value increased 22% in 12 w/e 2014/05/18 vs. YA

Source : *Kantar Worldpanel Indonesia | Household Panel*

*FMCG is excluding rice, sugar, and fresh food

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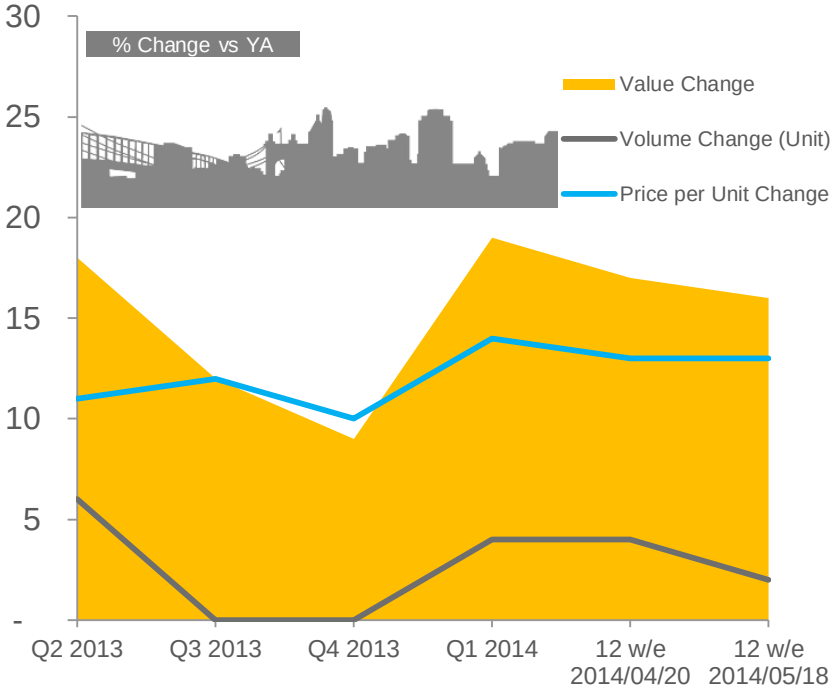
1

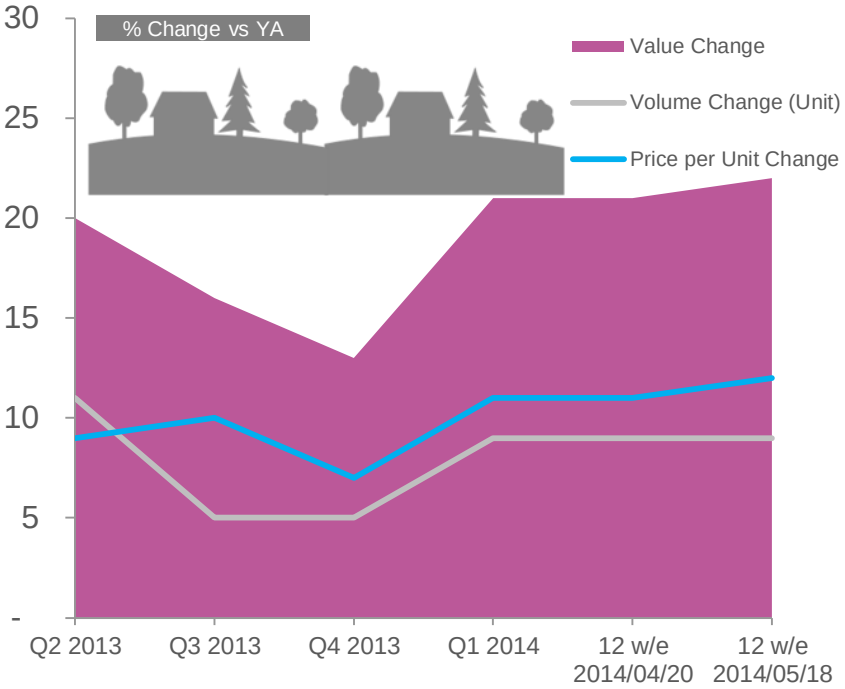
FMCG – 12 WEEKLY YEAR – ON – YEAR CHANGE (%)

Price stays relatively stable in May 2014, even though there is a small climb of price in Rural. The decrease in Urban mostly driven by decrease in volume (unit).

Urban



Rural



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

*FMCG is excluding rice, sugar, and fresh food

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2 FMCG SEGMENTS TRENDS – VALUE CHANGE (%)

Each segment is FMCG market is also showing positive trend. In Urban and also Rural, Home Care products is growing significantly.

Urban

12 w/e 2014/05/18 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+ 17%	+ 16%	+ 14%	+ 18%	+ 15%

Rural

12 w/e 2014/05/18 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+ 20%	+ 24%	+ 19%	+ 24%	+ 26%

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

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

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3

HOT CATEGORIES (URBAN)

Cultured Milk shows excellent growth in Urban. The incremental in number of buyer and volume per household could lift the value sales significantly

Cultured Milk

15%

Total volume per household (in Liters) increase in Urban Indonesia
12 w/e 2014/05/18 vs. YA

3.3pts

Penetration increase in Urban Indonesia
12 w/e 2014/05/18 vs. YA
(Base : 26.5 million households)

Rp:

28%

Average Spending per household increase in Urban Indonesia **12 w/e 2014/05/18 vs. YA**

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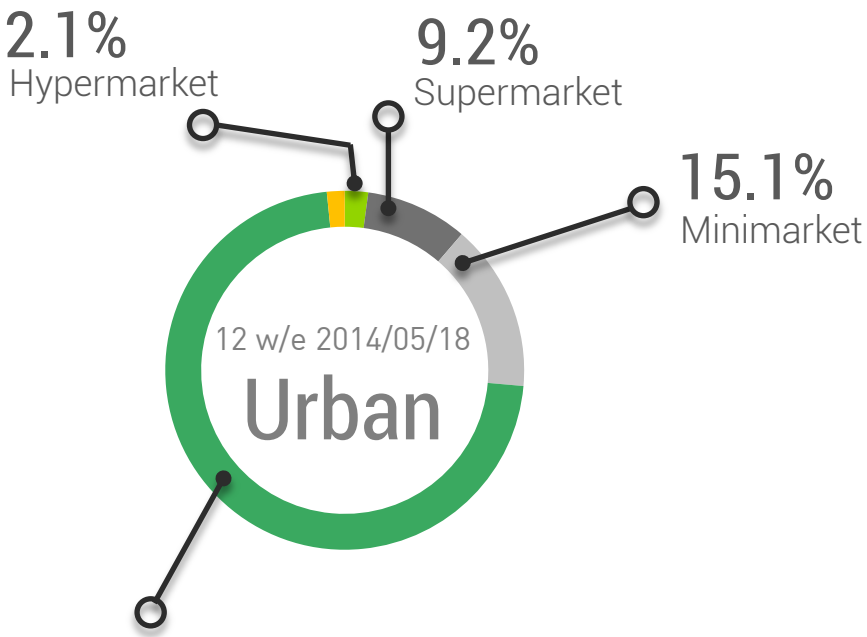
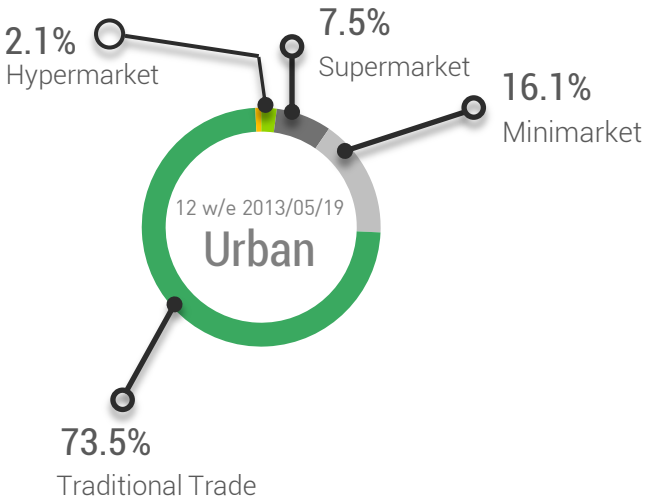
RETAILER

4 RETAILER SNAPSHOT - URBAN



Value Share %



Value Change %

Value Change %	12 w/e 2014/05/18 vs. YA
Minimarket	+ 9%
Hyper + Supermarket	+ 36%
Traditional Trade	+ 14%

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

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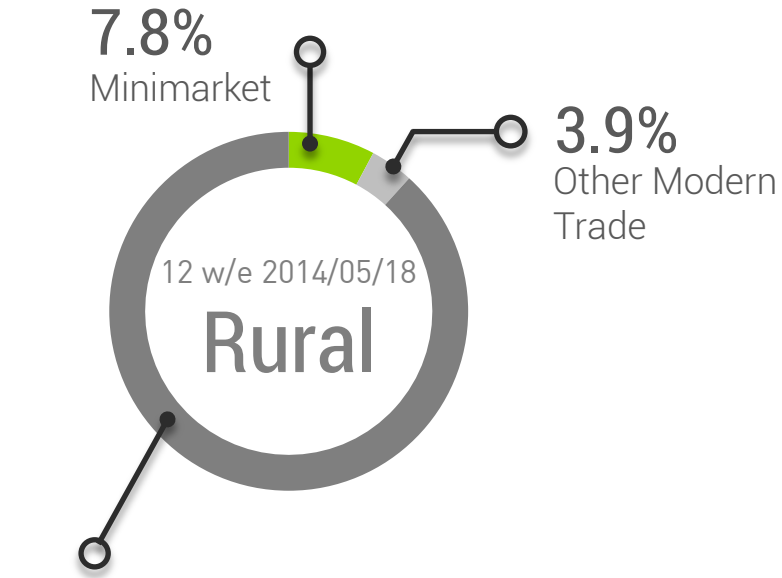
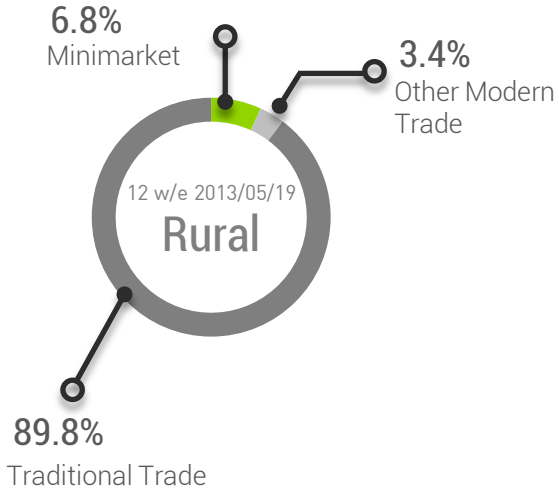
RETAILER

5 RETAILER SNAPSHOT - RURAL



Value Share %



Value Change %

Value Change %	12 w/e 2014/04/20 vs. YA
Minimarket	+ 39%
Traditional Trade	+ 20%

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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