FMCG MONITOR

An integrated view of Indonesia FMCG market

DECEMBER
2015

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EXECUTIVE SUMMARY

1

Compared to November 2015, **ID inflation in December 2015 decreased from 4.89% to 3.35%.** The average rate for USD 1 is **Rp 13,926- in December 2015**

2

FMCG still shows negative trend in December 2015. As the price per unit is getting higher, consumers tend to decrease their consumption.

3

With 12.5% volume growth (in unit) and 4% value increase **Family Milk Powder (FMP) shows up as the hottest category in early December.**

4

Modern trade is stillenjoying positive value growth. On the other hand, traditional trades are undergoing slightly negative growth compared to same quarter a year ago.

5

Some big FMCG categories still **successfully recruit new buyers, even in difficult economy time**. Find out the categories here.

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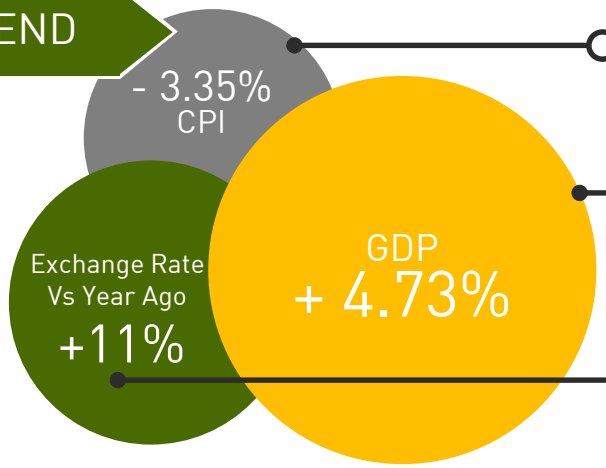
1 KEY INDICATOR

MACRO TREND



Compared to November 2015, ID inflation in December 2015 decreased from 4.89% to 3.35%.

Indonesia Q3 GDP growth 4.73%, slightly below economist expectations at 4.79% (via CNBC/Reuters). Q4 GDP Growth data is still not available until this report published

Rupiah exchange rate to USD is strengthened 1% in December 2015 compared to a month ago, In this months vs. year ago, the exchange rate is 11%. The average rate for USD 1 is Rp 13,926- in December 2015

Source : *BPS and Bank Indonesia*

FMCG TREND

Total National Indonesia FMCG value slightly decreased by 1.2% in Early December 2015 (12 week ending 6 Dec 2015) vs. Year Ago

Source : *Kantar Worldpanel Indonesia | Household Panel*

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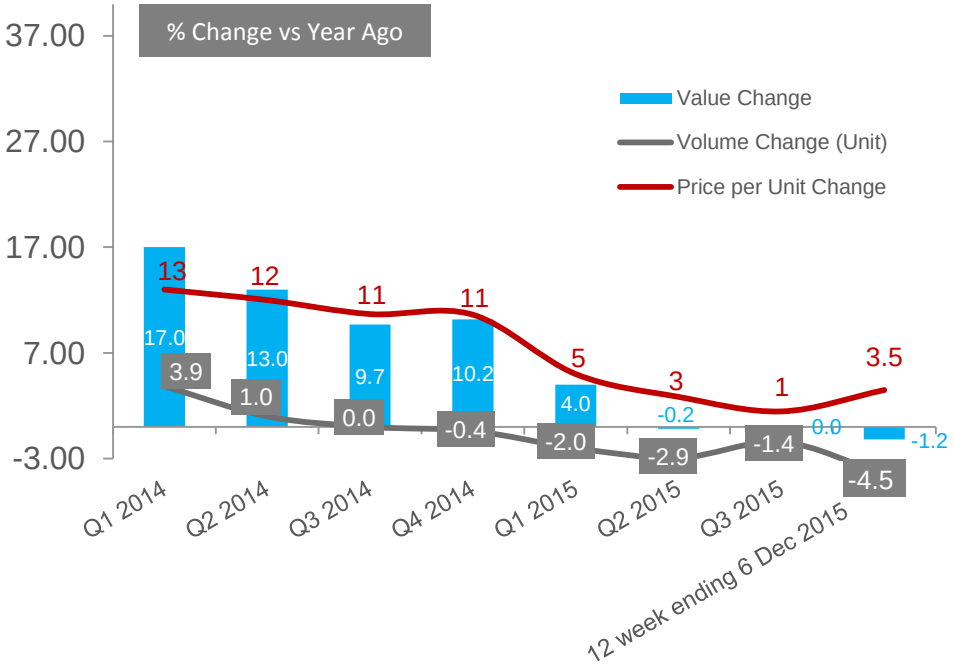
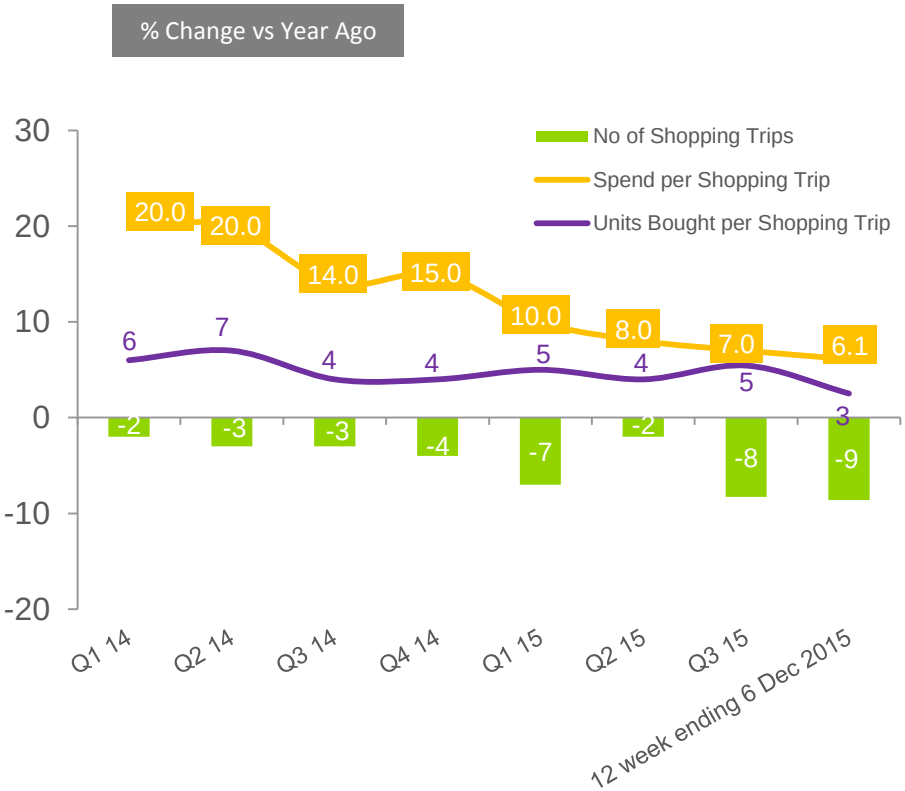
2 FMCG – 12 WEEKLY YEAR – ON – YEAR CHANGE (%)

FMCG still shows negative trend in December 2015. As the price per unit is getting higher, consumers tend to decrease their consumption, that can be seen by the decreasing volume (unit) spend, unit bought per shopping trip, and also the number of shopping trip.





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

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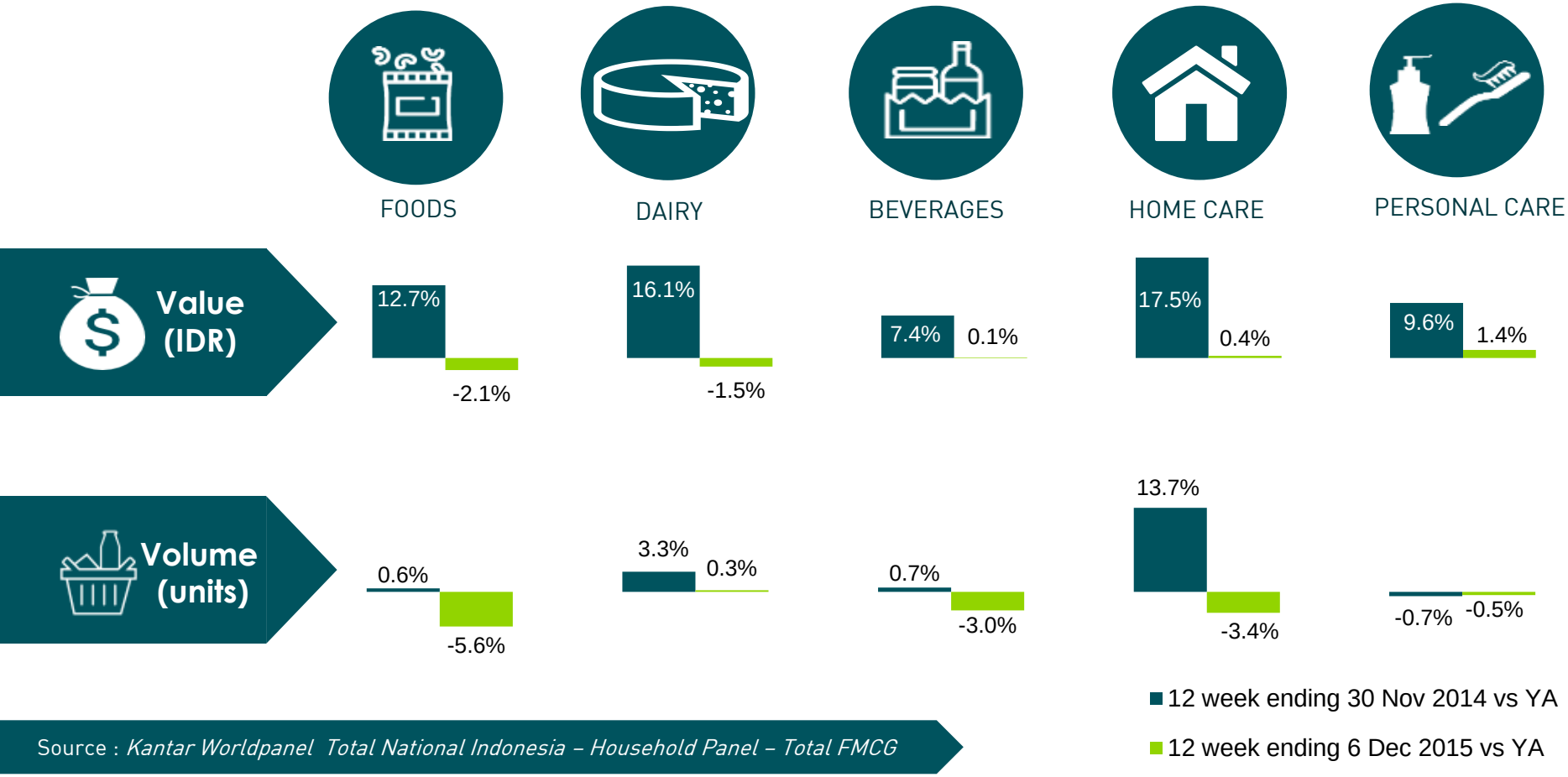
FMCG SEGMENTS TRENDS – VALUE AND VOLUME CHANGE (%)

Most of categories experienced negative volume growth, while in value wise, most of segments gained slightly positive growth, indicating that the value growth is mainly driven by other factor such as price increase.



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

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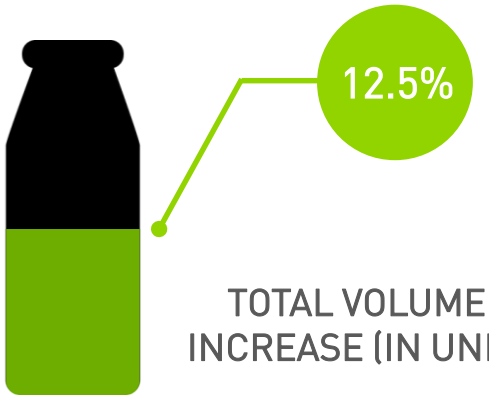
Family Milk Powder

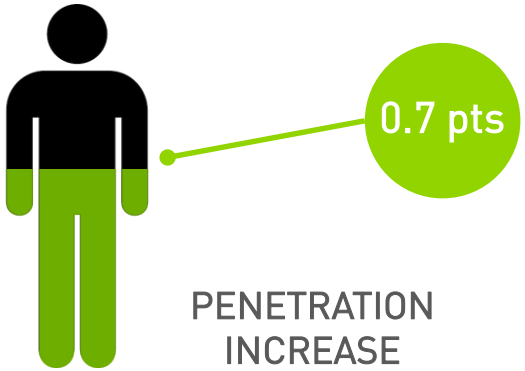
3 HOT CATEGORIES

NATIONAL | 12 week ending 6 Dec 2015

With 12.5% volume growth (in unit) and 4% value increase Family Milk Powder (FMP) shows up as the hottest category in early December. Indicating that in difficult economy times, Indonesian consumers still spare their pockets for milk; for the sake of family's health.



TOTAL VOLUME INCREASE (IN UNIT)



PENETRATION INCREASE

VALUE INCREASE (RP)

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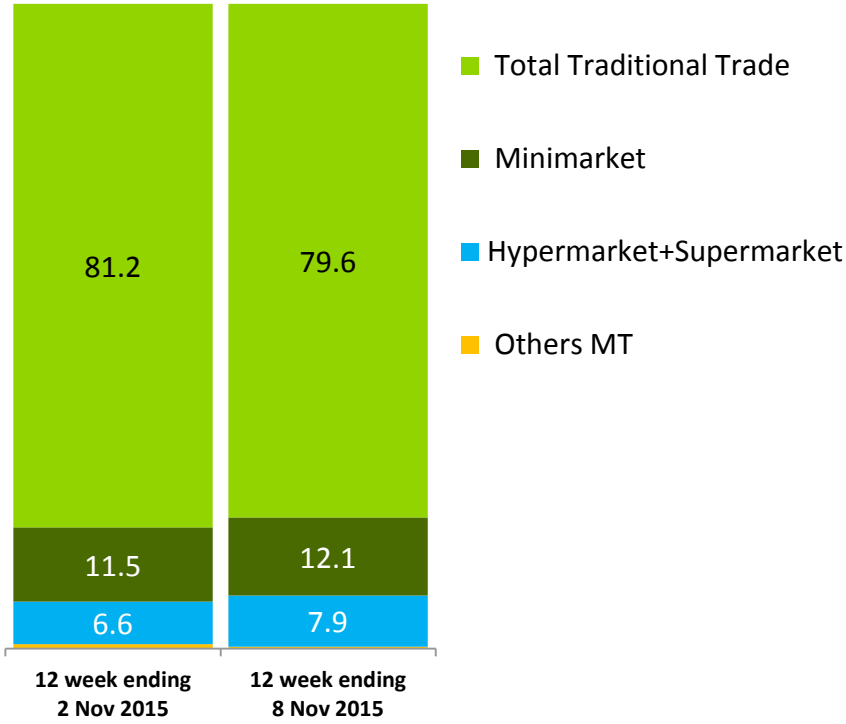
4 RETAILER SNAPSHOT NATIONAL INDONESIA

Value Share %



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

Value Change % (vs Year Ago)

Value Change %	12 week ending 8 Nov 2015 vs. Year Ago
Total Modern Trade	+7.2%
Minimarket	+4.5%
Traditional Trade	-3.1%

In general, modern trade is still enjoying positive value growth. Minimarket as the biggest modern trade channel, also enjoying positive growth. On the other hand, traditional trades are undergoing negative growth compared to same quarter a year ago – the negative growth is even bigger than last month's quarter.

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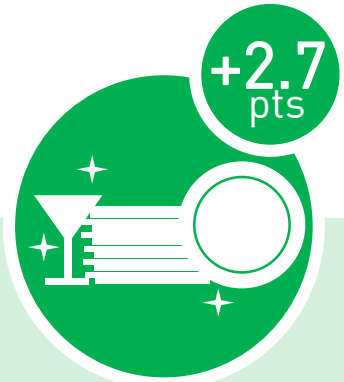
5 DO YOU KNOW?

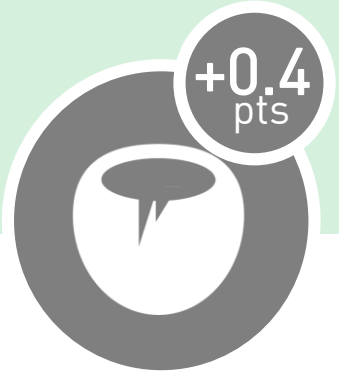
Some big FMCG categories were still successfully recruit new buyers, even in difficult economy time. Although most of these successful categories are primary FMCG categories, secondary category like RTD Tea still made it to the top list, showing that Indonesian consumers still love sweet drinks – beside mineral drinking water. Here are the top 5 buyers recruiter categories based on penetration point growth.



DISH WASH AGENT

DRINKING WATER

RTD TEA



COCONUT MILK

DETERGENT

National Indonesia | 12 week ending 6 Dec 2015 vs. Year Ago Penetration points change.

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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 50 million households.

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

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