FMCG MONITOR

An integrated view of Indonesia FMCG market

JULY & Q2
2016

KANTAR WORLDPANEL Inspiring successful decisions

EXECUTIVE SUMMARY

1 Q1 MARKET UPDATE

Find out quarterly Market update in this section

2 FMCG INDICATOR

Consumers slowly started to spend more FMCG products as value and volume sales increased in July 2016. Although most of value growth also driven by price increase.

3 FMCG BUYERS ACROSS SES

Positive growth started to shown in most of buyers group both in volume and value.

4 RETAILERS SNAPSHOT

Both traditional and modern trade are enjoying positive growth. Even modern trade is showing double digit growth.

5 SEGMENT PERFORMANCE

Festive period brings a good impact for some segments,

6 DO YOU KNOW?

This year's festive period is surely a great time for beverages segment: compared to other categories, beverages growth is jumping high. Looking inside the segment, what beverage categories are the drivers?

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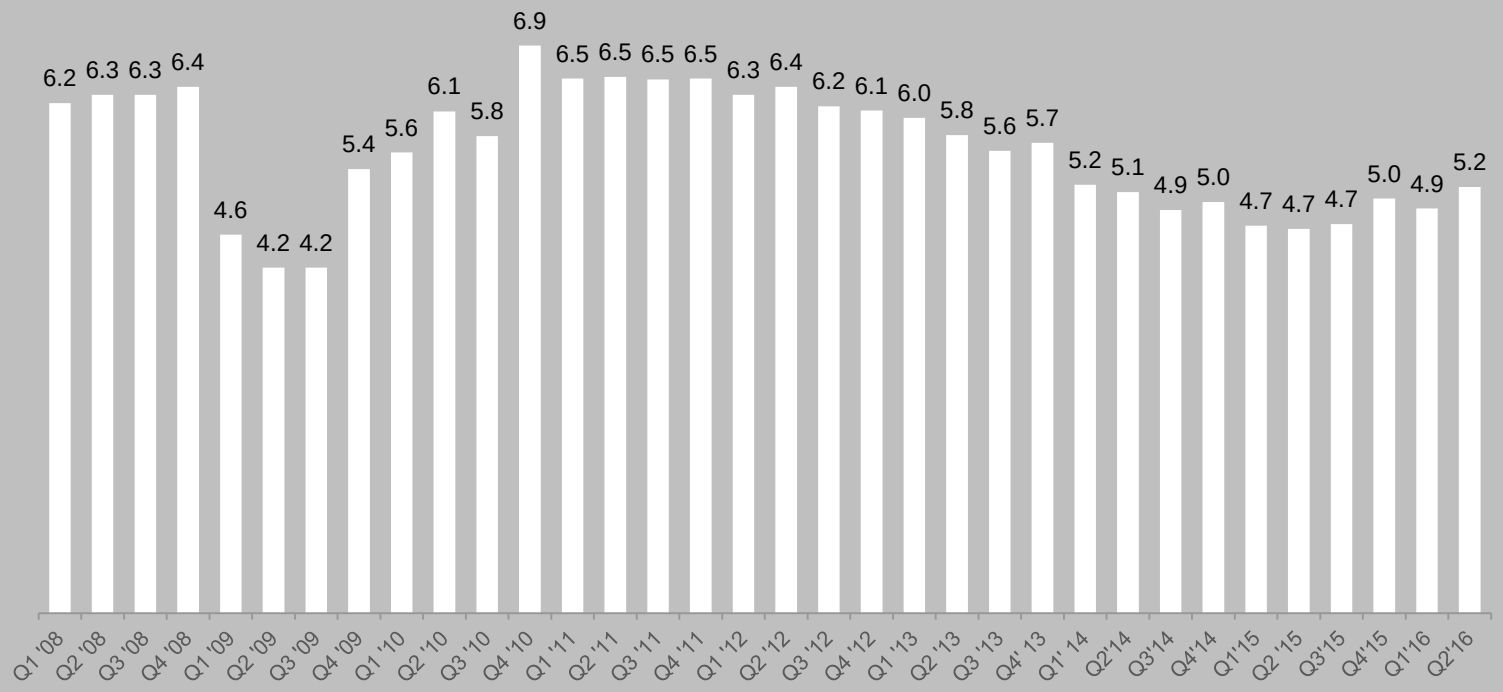
1 Q1 MARKET UPDATE

Indonesia's economy is increasing its pace after the slight slow down in Q1 and with it, consumer will spend their money more. Also compared to other neighboring countries like Thailand and Malaysia, Indonesia's growth is faster.

INDONESIA ANNUAL GDP GROWTH %



Q2 2016	GDP Growth
Indonesia	+5.1%
Thailand	+3.5%
China	+6.7%
Philippines	+7.0%
Malaysia	+4.0%
Taiwan	+0.7%
South Korea	+3.2%

Source: Central bank of Indonesia

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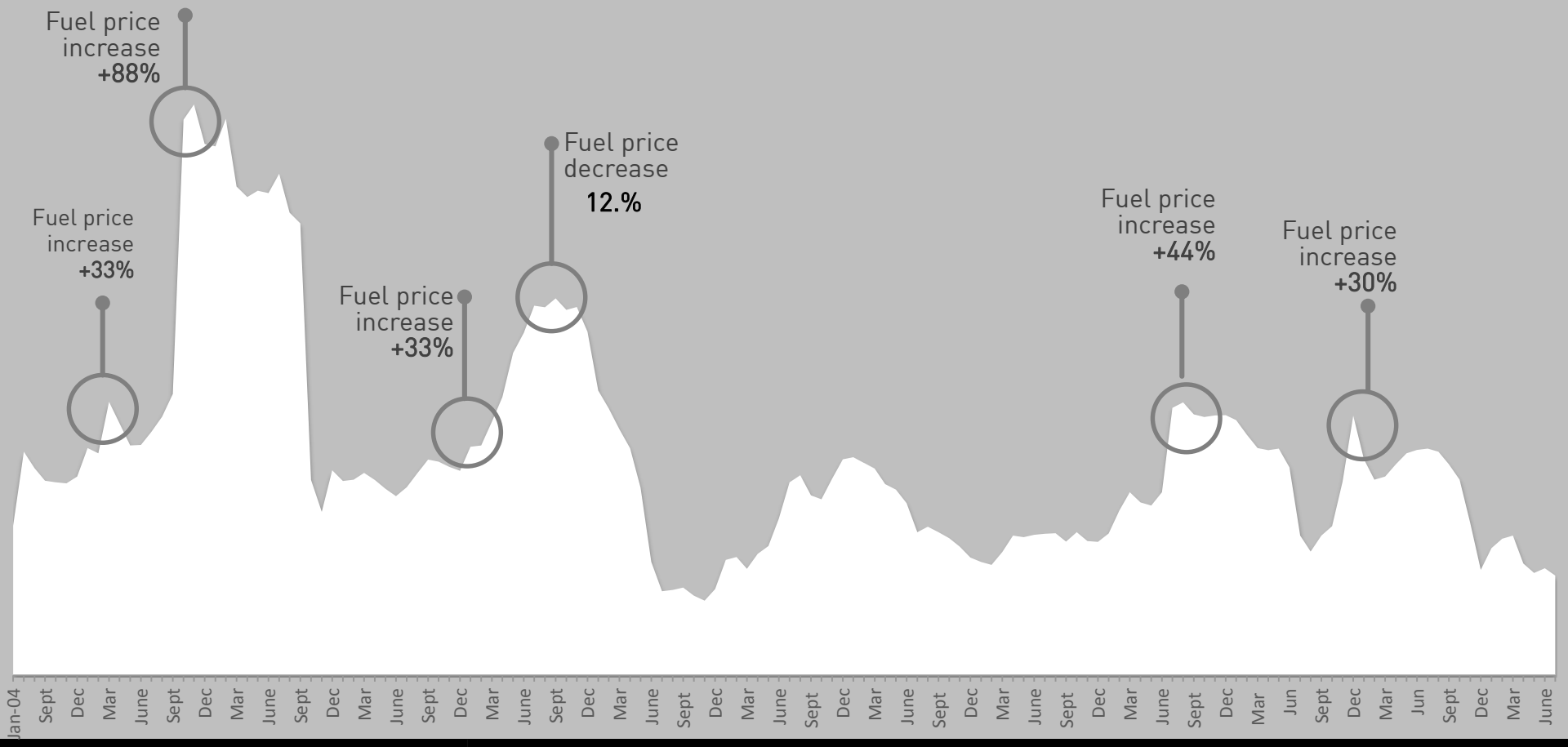
1 Q1 MARKET UPDATE

Slow but sure, 2016 shed more light to Indonesia, as inflation rate in Q2 continues showing positive sign, 3.5 in June and even 3.2 in July 2016 – the lowest in the last six years.

INDONESIA MONTHLY INFLATION RATE



Source: Central bank of Indonesia

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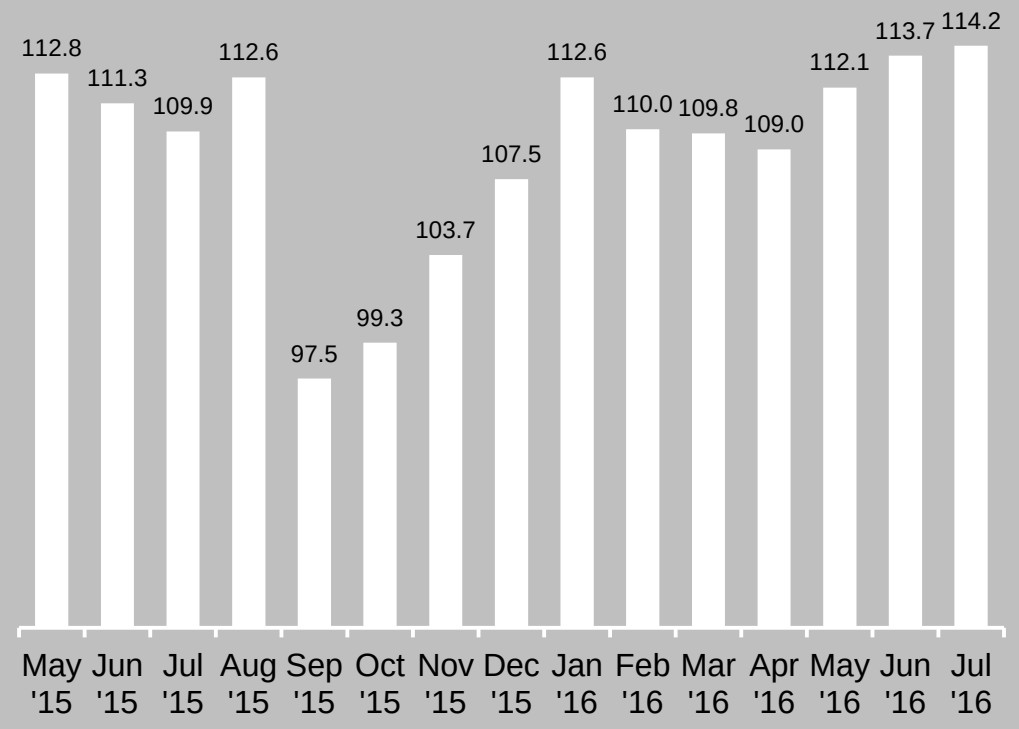
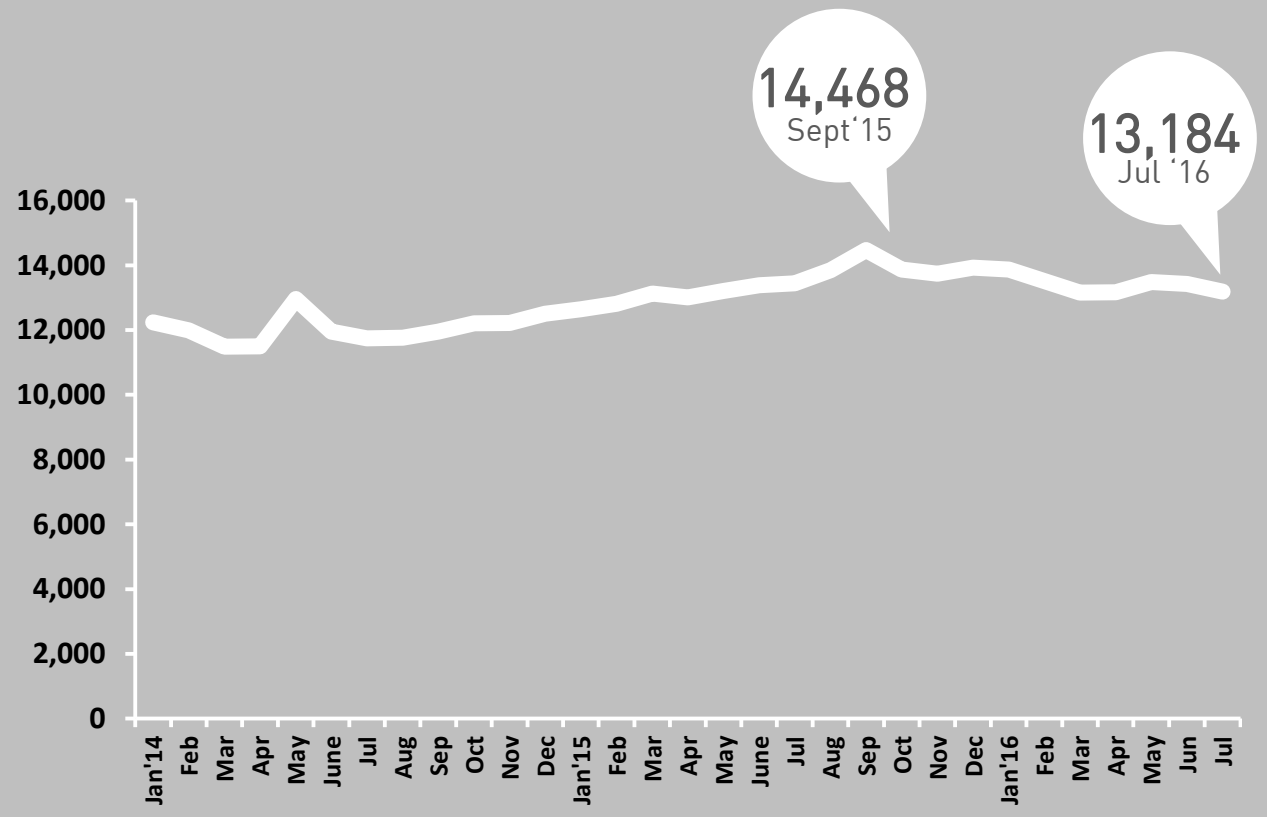
1 Q1 MARKET UPDATE

Consumers started to spend their money more in 2016. Driven by festive, Q2 & July 2016 even shows that consumer spending is rising, peaked at July 2016 – highest index since 2015. Indonesian Rupiah also became stable at 13,000++ Rupiah per USD, and slowly getting stronger.

INDONESIA CONSUMER CONFIDENCE INDEX



IDR – USD EXCHANGE RATE



Source: Central bank of Indonesia

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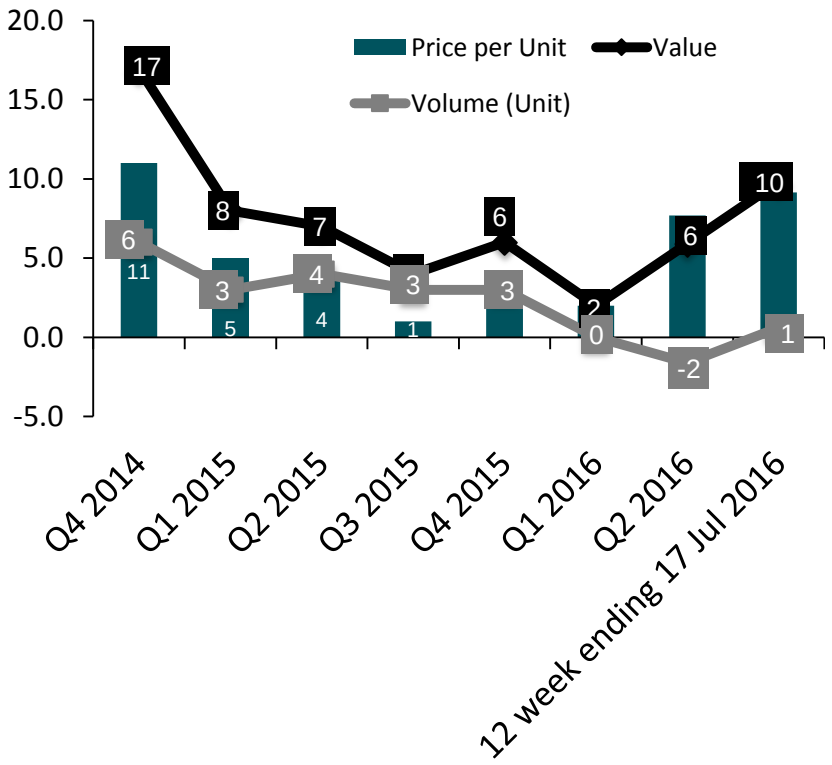
2 FMCG INDICATOR

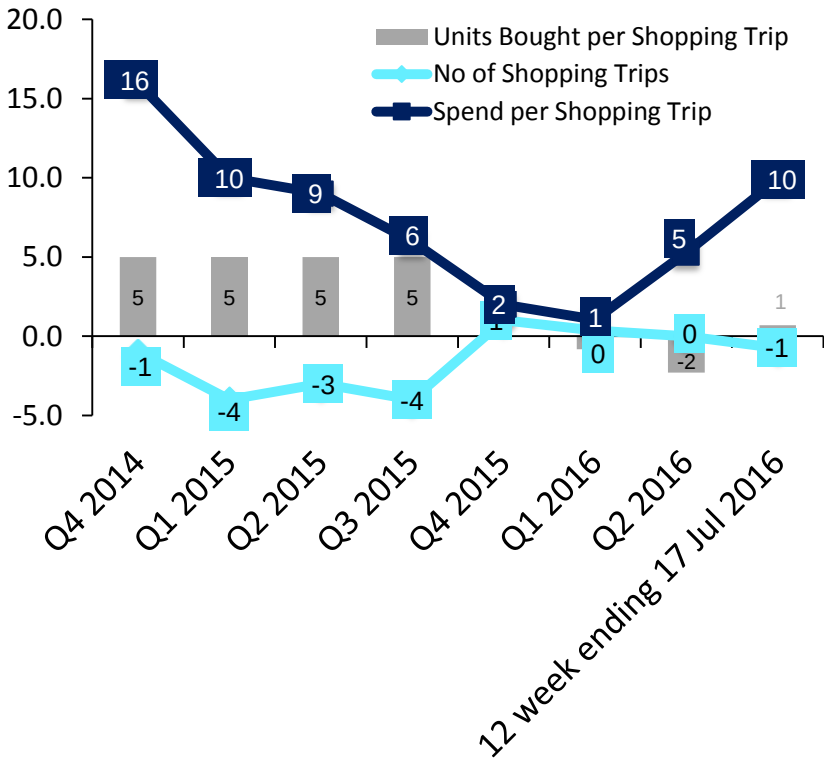
Consumers slowly started to spend more FMCG products as value and volume sales increased in July 2016. Although most of value growth also driven by price increase.

QUARTERLY GROWTH VS YEAR AGO

VALUE VOLUME, AND PRICE



FREQUENCY, UNITS BOUGHT AND SPEND PER TRIP



P7 2016 YEARLY OUTLOOK

	P7 2015	P7 2016
Value %	12.4%	5.2%
Volume % (units)	4.8%	1.3%
Price per unit	7.2%	3.8%
Frequency	-2.2%	-0.7%

Yearly (52 WEEKLY) P7 2016 Data vs Year Ago

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

3 FMCG BUYERS ACROSS SES
YEARLY DATA

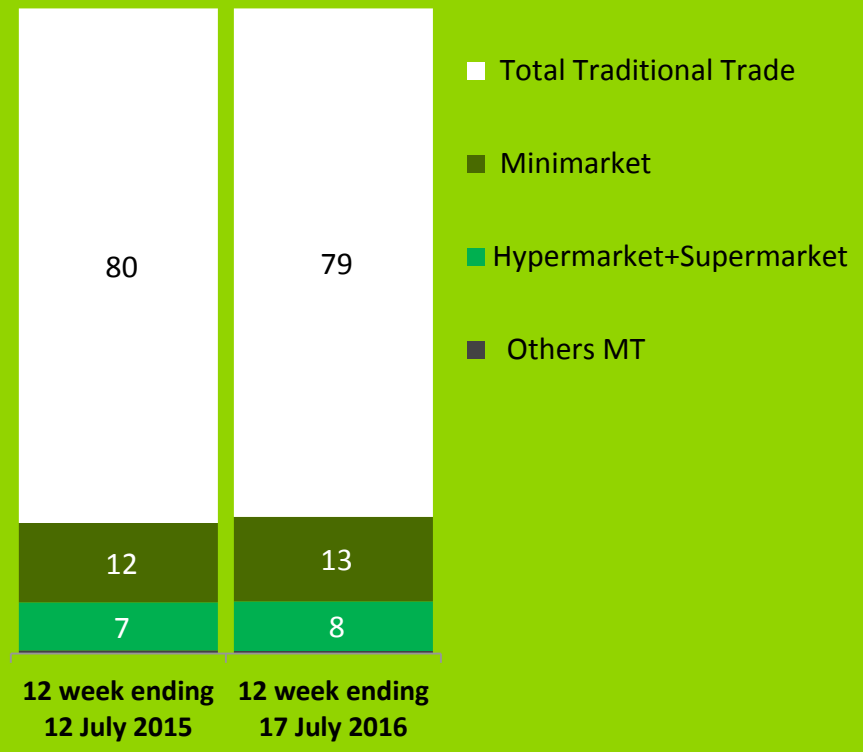
Positive growth started to shown in most of buyers group both in volume and value.

	UPPER CLASS 26% of Indonesia	MIDDLE CLASS 40% of Indonesia	LOWER CLASS 34% of Indonesia
SPENDING PER BUYER	0.9%	+4.1%	+8.4%
VOLUME (IN UNIT)	+0.3%	+1.4%	+2.3%
SPENDING PER TRIP	+1.3%	+4.4%	+10.2%
PRICE/UNIT	+2.0%	+4.1%	+7.0%
FREQ	-0.5%	-0.2%	-1.6%
#CATEGORIES BOUGHT CHANGE	-0.9% From 52.0 to 51.5 categories	-1.0% From 47.2 to 46.8 categories	-0.6% From 41.5 to 41.3 categories

Indonesia National, 52 WEEK ending 17 July 2016 vs YA, Total FMCG, SES Breakdown (based on monthly household expenditure)

4 RETAILER SNAPSHOT

VALUE SHARE%



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

VALUE CHANGE%

Value Change %	12 week ending 17 July 2016 vs. Year Ago
Total Modern Trade	+14.5%
Minimarket	+16.9%
Hyper + Supermarket	+13.7%
Traditional Trade	+8.4%

Traditional trade remains the most relevant channel in Indonesia. Looking at the growth, both traditional and modern trade are enjoying positive growth. Even modern trade is showing double digit growth.

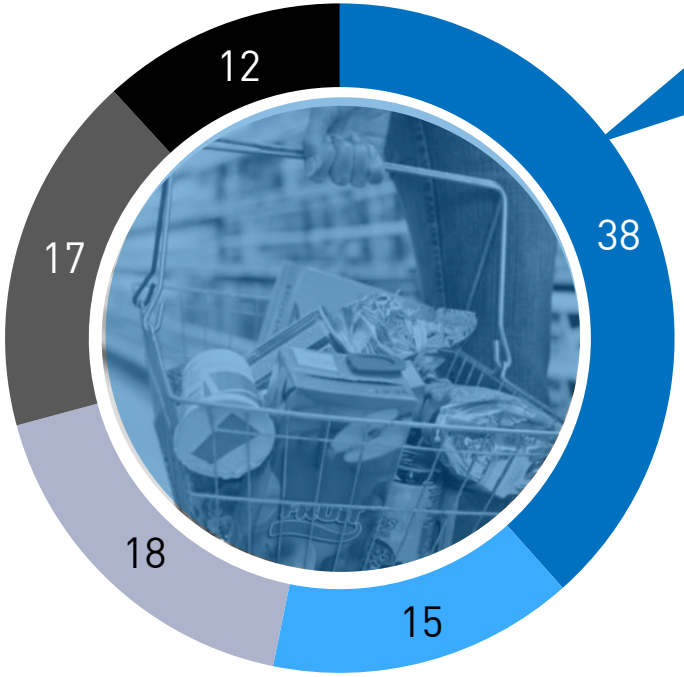
Indonesia National, 12 Week Ending 17 July 2016 vs YA, Total FMCG (based on monthly household expenditure)

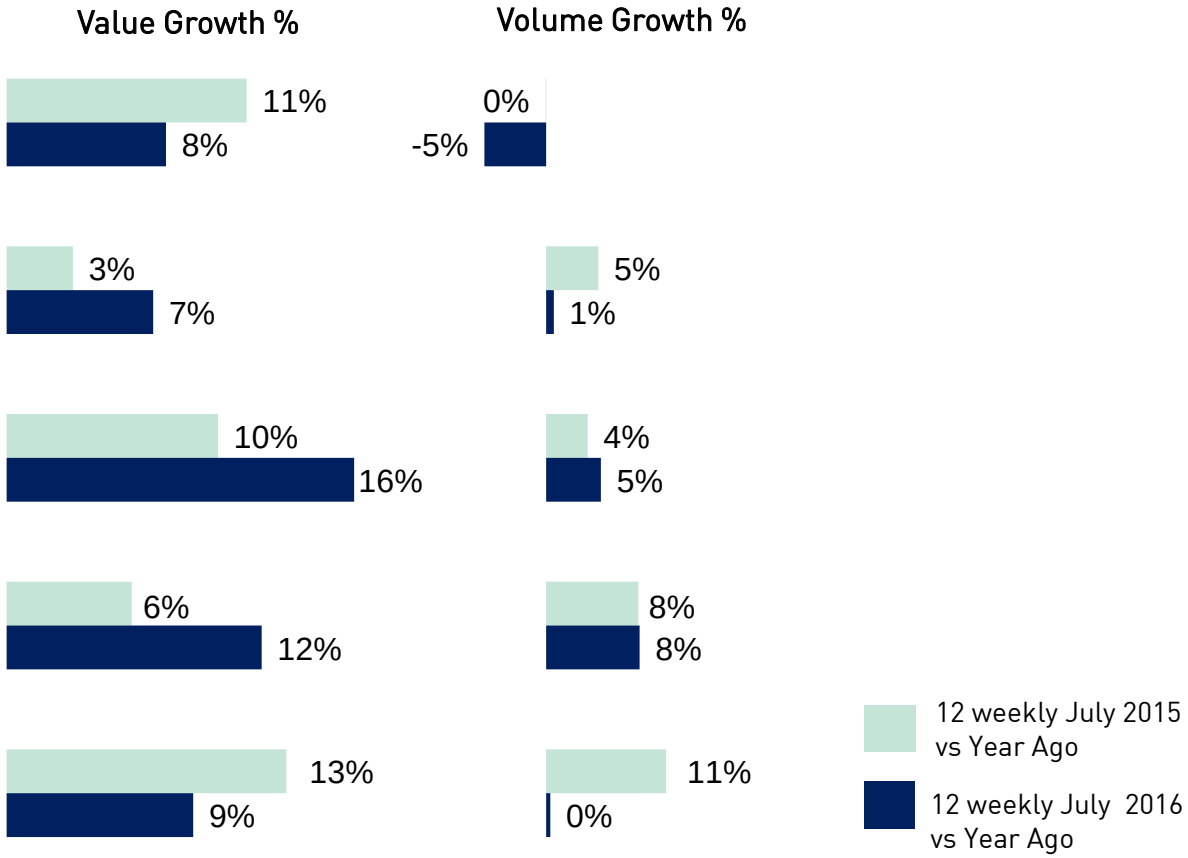
© Kantar Worldpanel

5 SEGMENT PERFORMANCE

Festive period brings a good impact for some segments: value wise, beverages perform best in July. For total food, although it has not recovered yet, some food categories like biscuits and coconut milk are enjoying the growth in festive period, the same case for mouthwash in personal care segment.

Segment value % contribution





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6 DO YOU KNOW?

This year's festive period is surely a great time for Beverages segment: compared to other categories, beverages growth is jumping high. Looking inside the segment, what beverage categories are the drivers?

BEVERAGES

- +16% Value growth
- +8% Volume (L) growth
- +7% Volume (L) per buyer growth

1 LIQUID CORDIAL

- +88% Value growth
- +68% Volume (L) growth

2 RTD JUICE

- +33% Value growth
- +41% Volume (L) growth

3 RTD TEA

- +30% Value growth
- +39% Volume (L) growth

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ABOUT KANTAR WORLDPANEL

Kantar Worldpanel is the global expert in shoppers' behavior. Through continuous monitoring, advanced analytics and tailored solutions, Kantar Worldpanel inspires successful decisions by brand owners, retailers, market analysts and government organizations globally.

With over 60 years' experience, a team of 3,500, and services covering 60 countries directly or through partners, Kantar Worldpanel turns purchase behavior into competitive advantage in markets as diverse as FMCG, impulse products, fashion, baby, telecommunications and entertainment, among many others. Kantar Worldpanel is part of the Kantar, one of the world's largest insight, information and consultancy networks. Kantar is the data investment management division of WPP.

In Indonesia, Kantar Worldpanel – Inspiring Successful Decision™ 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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