FMCG MONITOR

An integrated view of Indonesia FMCG market

SEPTEMBER 2015

KANTAR WORLDPANEL

EXECUTIVE SUMMARY

1

Compared to August 2015, **ID inflation in September 2015 decreased from 7.18% to 6.83%.** The average rate for USD 1 is **Rp 14,396,- in September 2015**

2

FMCG sector continues to decline, though FMCG value and volume were slightly increased, most likely driven by festive and Eid. Moreover, after a little recovery in Q2, the number of shopping trips continue to slow down.

3

Seasoning and stock as one of convenience product is **showing positive growth** in terms of number of shopping trip. Even when consumers started to put some categories out of their shopping repertoire, seasoning & stocks remain.

4

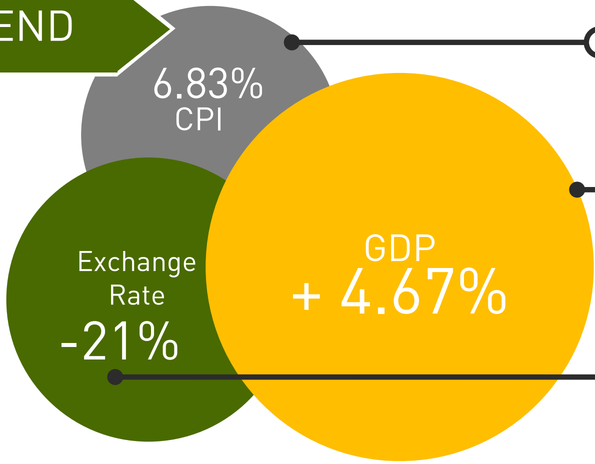
Modern trade still shows negative growth, though supermarket shows positive sign. **Traditional trade, also only shows slightly positive growth.**

5

Consumers **reduced consumption on more categories** this year and they put greater focus on necessities categories. This caused consumption of less necessities categories are reduced since household's cash flow is tightening.

1 KEY INDICATOR

MACRO TREND



Compared to August 2015, ID inflation in September 2015 decreased from 7.18% to 6.83%.

In year on year basis, the GDP in second quarter 2015 is 4.67%, (GDP for Q3 is still unavailable the time this report released)

Rupiah exchange rate to USD is weakened in August 2015 compared to a month ago, meanwhile the exchange rate is also weakened by 21% in this month vs. year ago. The average rate for USD 1 is Rp 14,396,- in September 2015

Source : *BPS and Bank Indonesia*

FMCG TREND

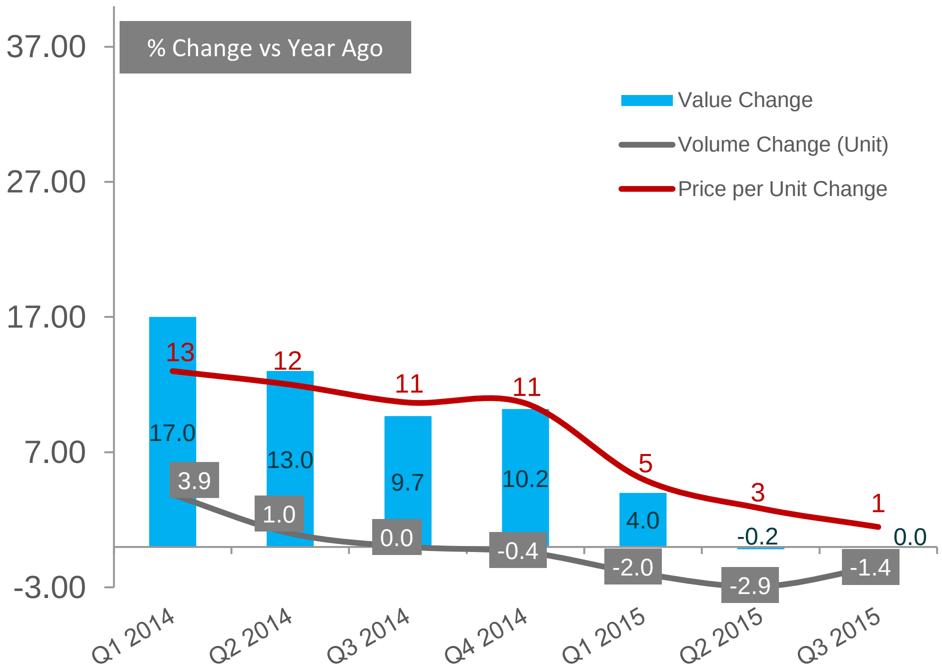
Total National Indonesia FMCG value is growing by 0.02% in September 2015 (12 week ending 13/9/2015) vs. Year Ago

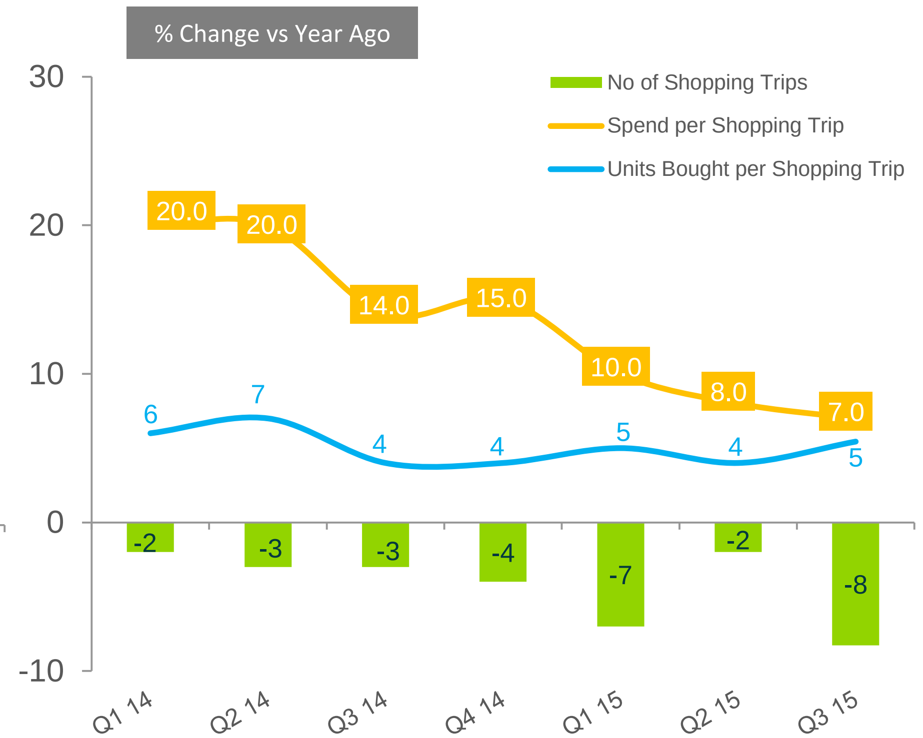
Source : *Kantar Worldpanel Indonesia / Household Panel*

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

2

FMCG sector continues to decline, though FMCG value and volume were slightly increased, most likely driven by festive and Eid. Moreover, after a little recovery in Q2, the number of shopping trips continue to slow down.

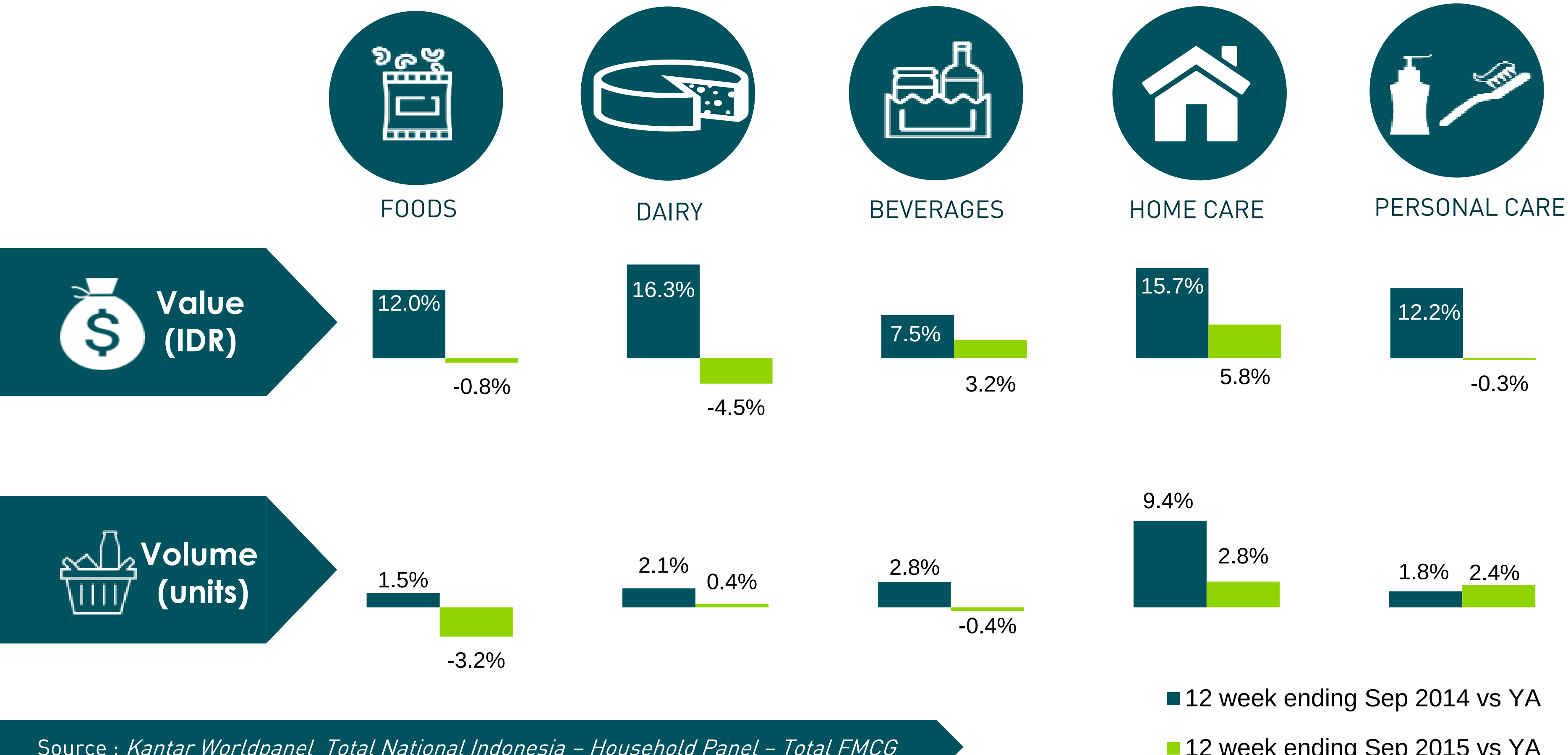




Source : *Kantar Worldpanel Indonesia – Total National Indonesia - Household Panel – Total FMCG*

FMCG SEGMENTS TRENDS – VALUE AND VOLUME CHANGE (%)

Foods and dairy are still suffering value decline, while beverage and home care are slowing down. Personal care on the other hand showing stagnant value but positive volume growth, indicating that consumers tend to bought more volume, but chose cheaper alternatives.



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

Seasoning & Stock

3 HOT CATEGORIES

NATIONAL | 12 week ending 13/9/2015

The needs of convenience product in household is still there. Seasoning and stock as one of convenience product is showing positive growth in terms of number of shopping trip. Even when consumers started to put some categories out of their shopping repertoire, seasoning & stocks remain.

1.82%

Total volume (in units) increase in National Indonesia
(12 week ending 13/9/2015 vs. Year Ago)

1.05%

Shopping Frequency increase in National Indonesia
(12 week ending 13/9/2015 vs. Year Ago)

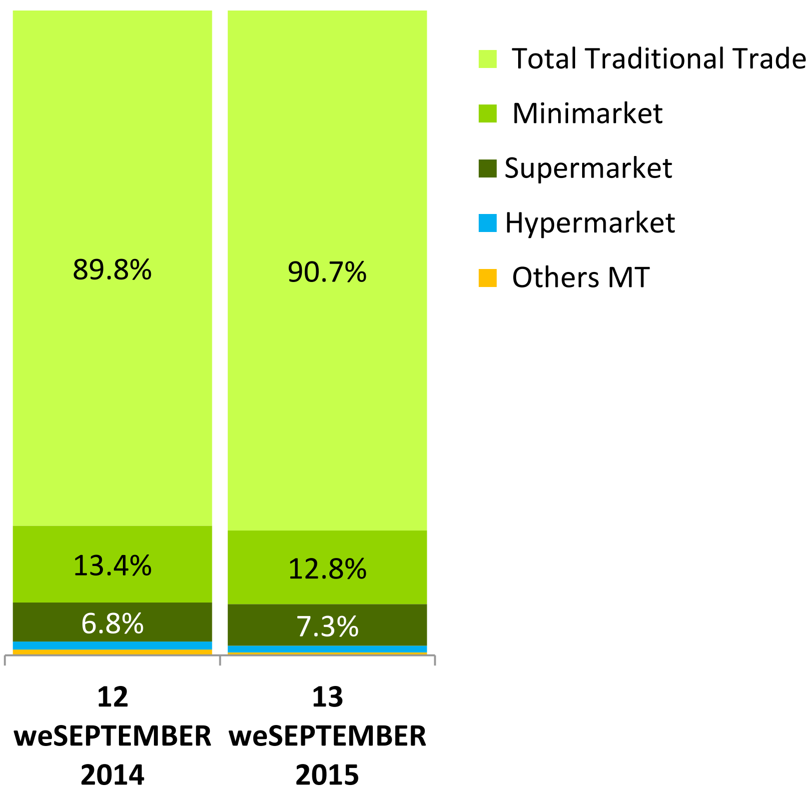
Rp.

4.83%

The value growth increased in National Indonesia
(12 week ending 13/9/2015 vs. Year Ago)

RETAILER SNAPSHOT NATIONAL INDONESIA

Value Share %



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

Value Change % (vs Year Ago)

Value Change %	12 week ending 8/9/2015 vs. Year Ago
Hypermarket	-17,33%
Supermarket	6,11%
Minimarket	-3,82%
Traditional Trade	0,95%

Modern trade still shows negative growth, though supermarket shows positive sign. Traditional trade, also only shows slightly positive growth.

5 DO YOU KNOW?

Consumers reduced consumption on more categories this year and they put greater focus on necessities categories. This caused consumption of less necessities categories are reduced since household's cash flow is tightening.

MAT Sept. 2014 vs. 2013		MAT Sept. 2015 vs. 2014
28% # FMCG Categories Reduced Consumption	<	**60%** # FMCG Categories Reduced Consumption

KWP FMCG – 111 Categories
National Indonesia

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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