Taiwan FMCG Monitor

2014 Quarter 3

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2014 Q3 KEY ECONOMICS

+3.78% GDP VSLY Q3

+1.55% CPI VSLY September

3.96% Unemployment rate September

+1% Total FMCG VSLY

- Though macro economy environment develops stably, FMCG market still stagnates. No growth shows in consumer buying frequency, not only concerned by food safety issues, but also affected by well development of fresh food and tea to-go.
- Channels with more impulse consumption are hurt most, like CVS, its importance in packaged foods is declined. Besides, super and hyper don't perform well either. The importance of Costco, PX and internet are increasing.
- Serious tainted cooking oil issue which happened on October will definitely influence consumers' consumption, expecting that buying frequency may keep decreasing.

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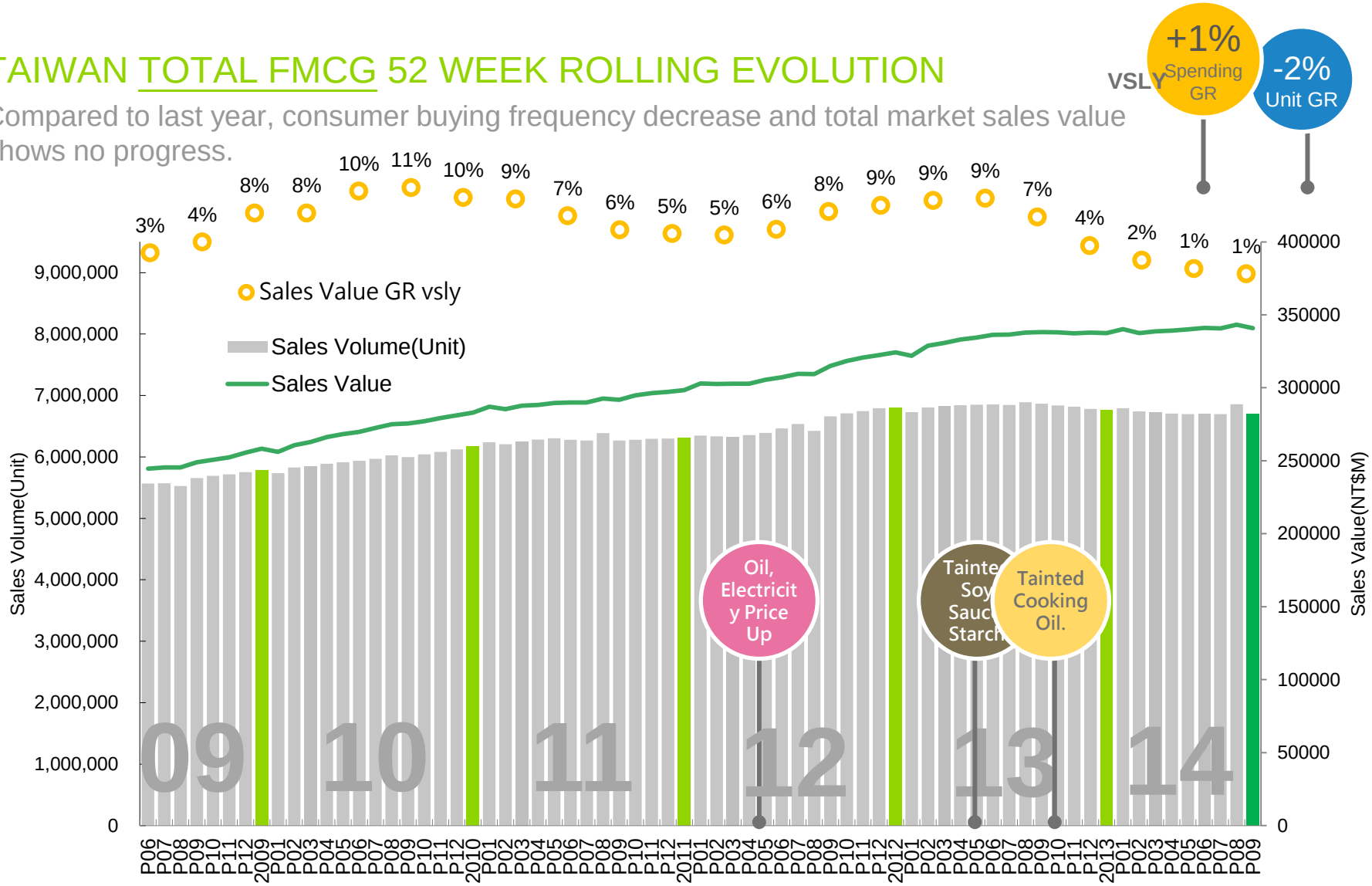
TAIWAN TOTAL FMCG 52 WEEK ROLLING EVOLUTION

Compared to last year, consumer buying frequency decrease and total market sales value shows no progress.



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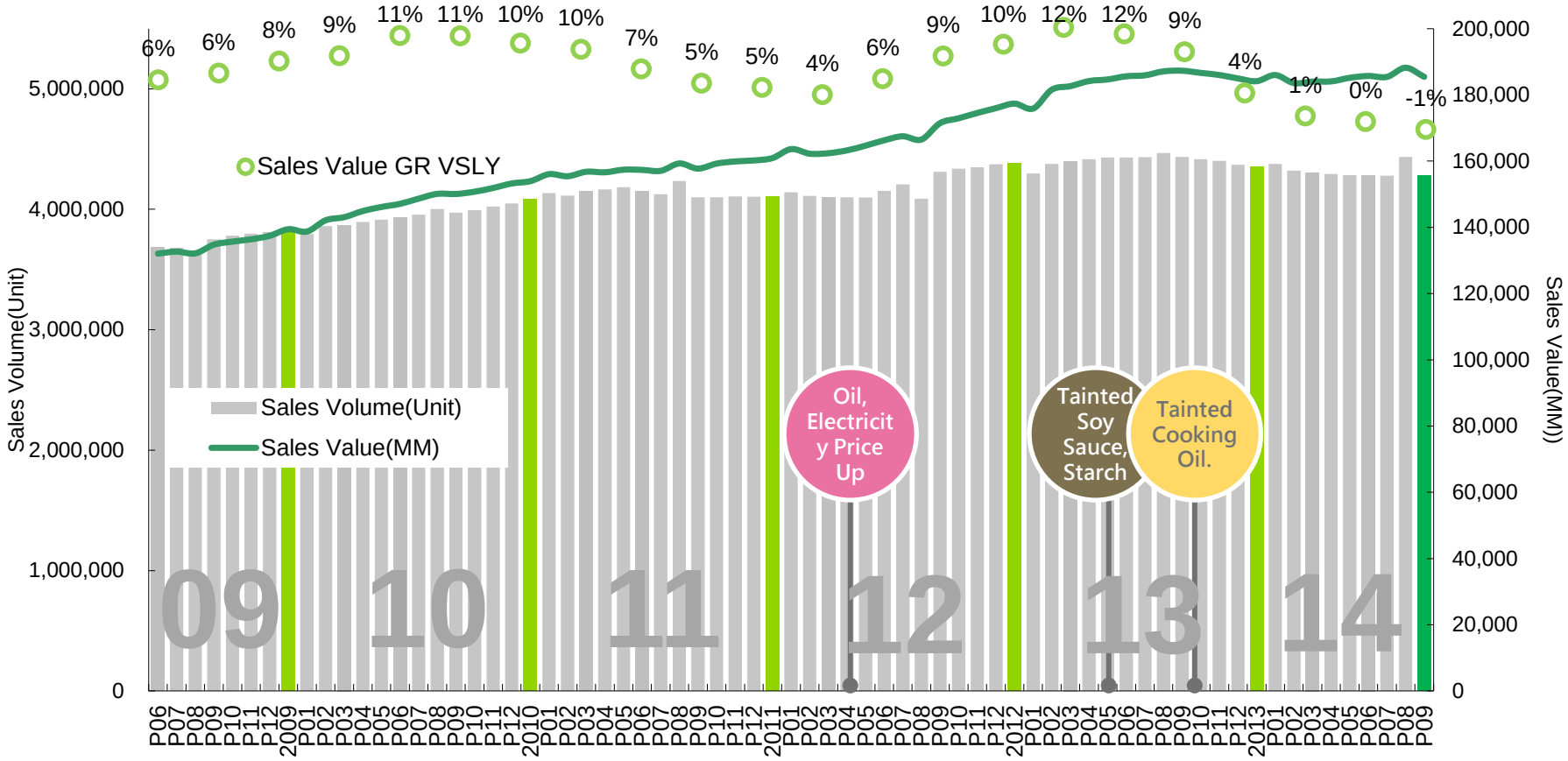
TAIWAN FOOD CATEGORY 52 WEEK ROLLING EVOLUTION

Food market is facing challenge from consumers' concerns toward food purchasing and the increase of buying fresh food and tea to-go which threaten packaged food category

VSLY -1% Spending GR -3.5% Unit GR



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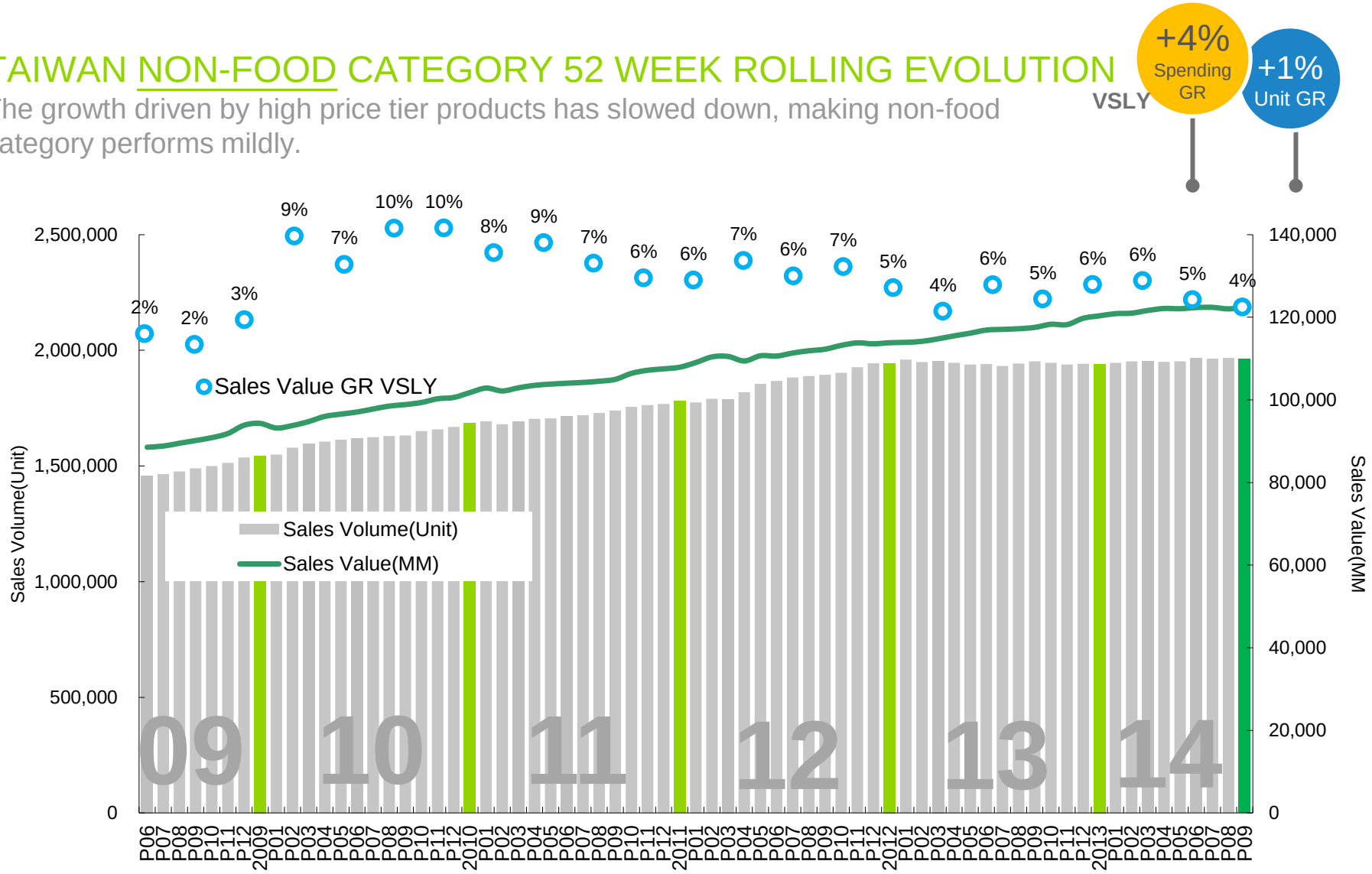
TAIWAN NON-FOOD CATEGORY 52 WEEK ROLLING EVOLUTION

The growth driven by high price tier products has slowed down, making non-food category performs mildly.



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FOOD CATEGORIES

INSTANT FOOD

INSTANT TEA

SPORT DRINKS/INSTANT COFFE/BISCUITS

Growth>5% -0.5%<Growth<5% Growth<-0.5%

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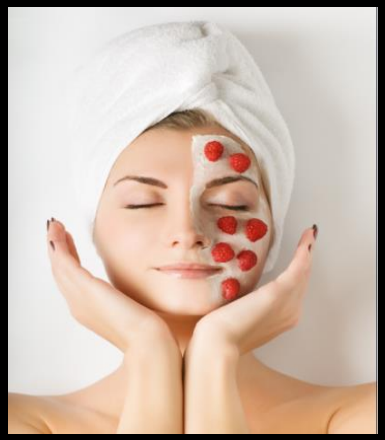
NON-FOOD CATEGORIES

SHAMPOO

TOOTHPASTE

ANTI-AGED SKIN CARE



FRAGRANCES

Growth>5% -0.5%<Growth<5% Growth<-0.5%

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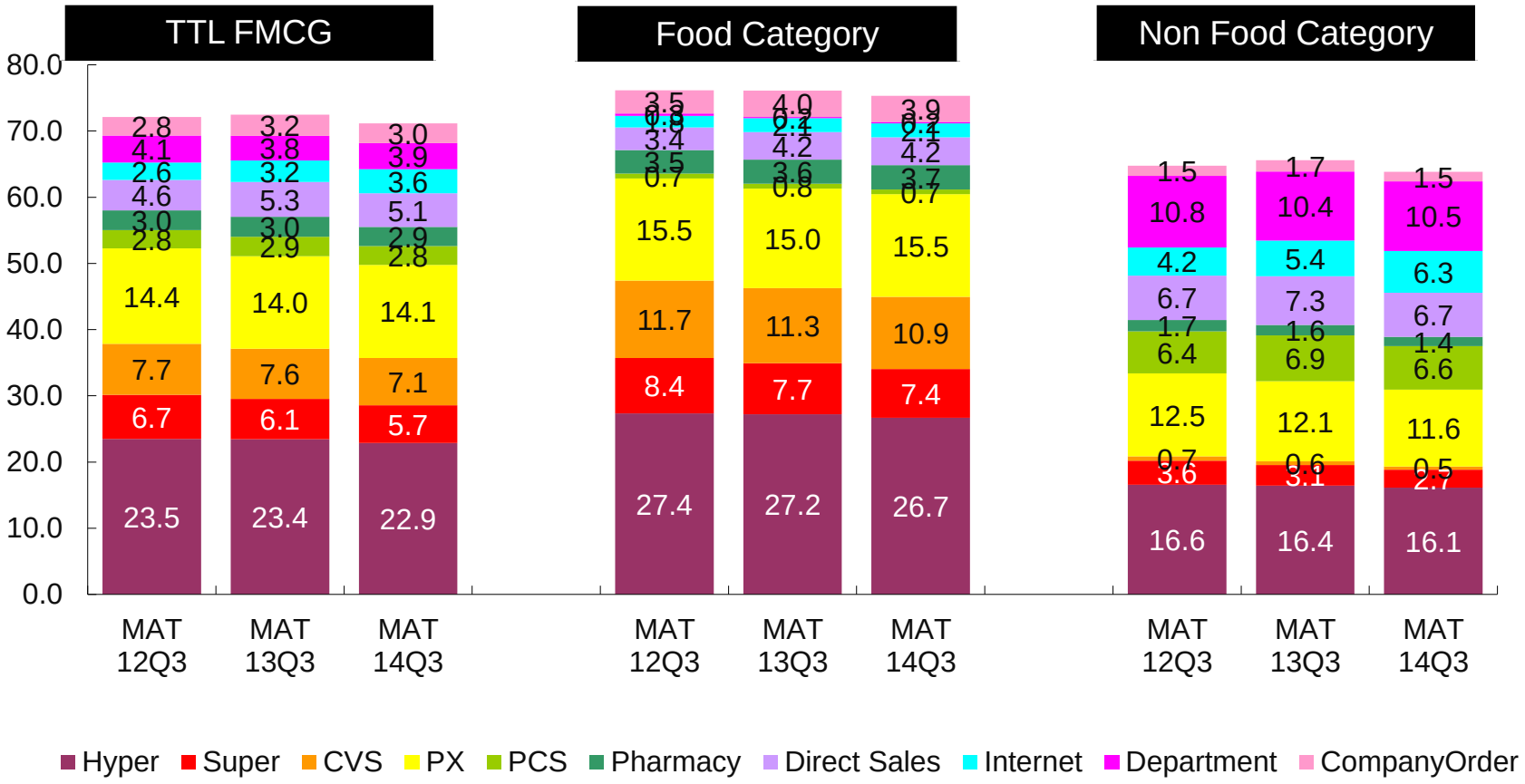
KEY CHANNEL SNAPSHOT – VALUE %

CVS didn't perform well in food category and its importance failed. Internet grow strongly in non-food.



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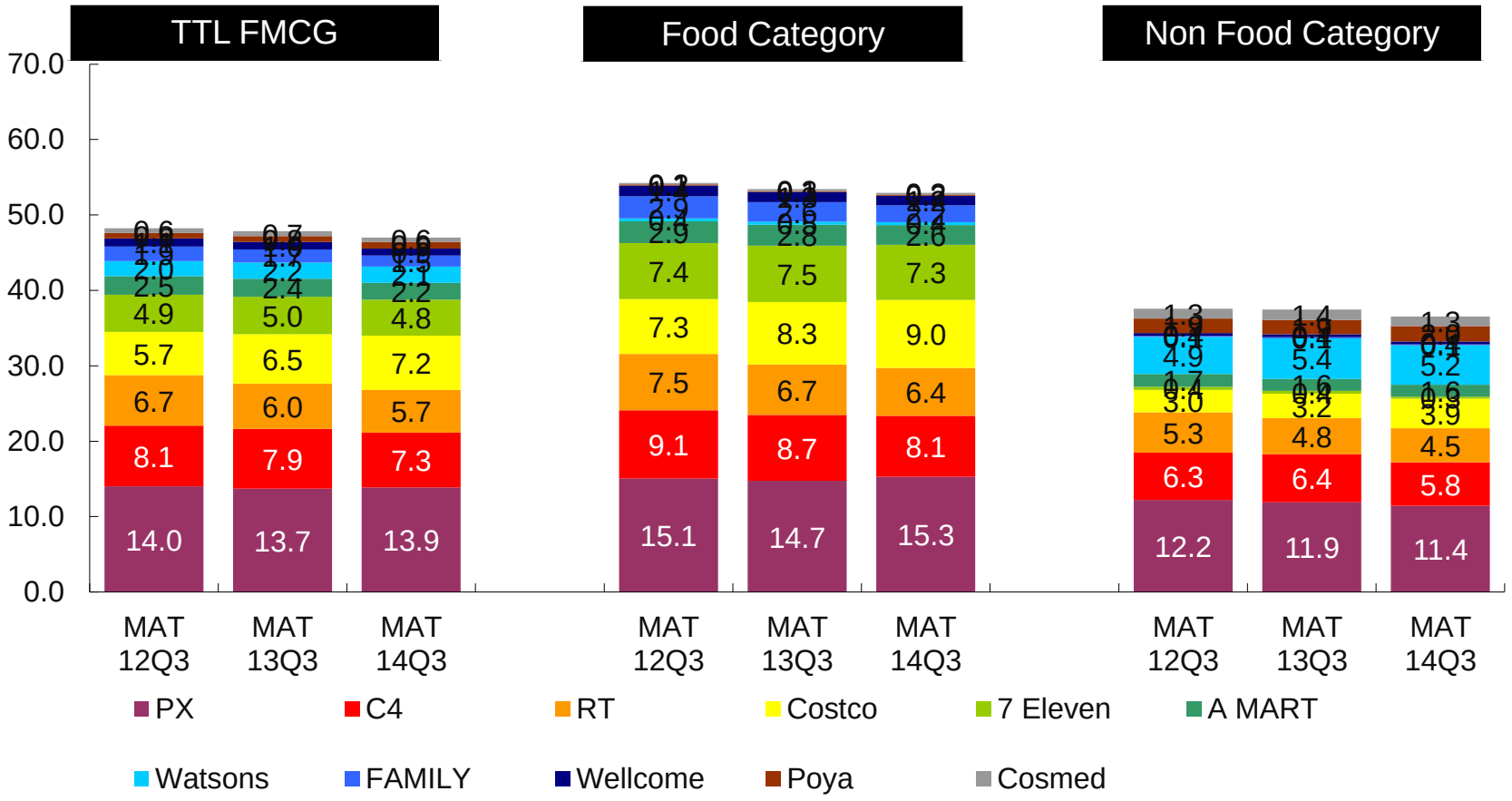
KEY CHANNEL SNAPSHOT – VALUE %

Importance of C4 and RT drop within hyper, Costco's growth trend still exists. PX proportion rebound by growth from food category.



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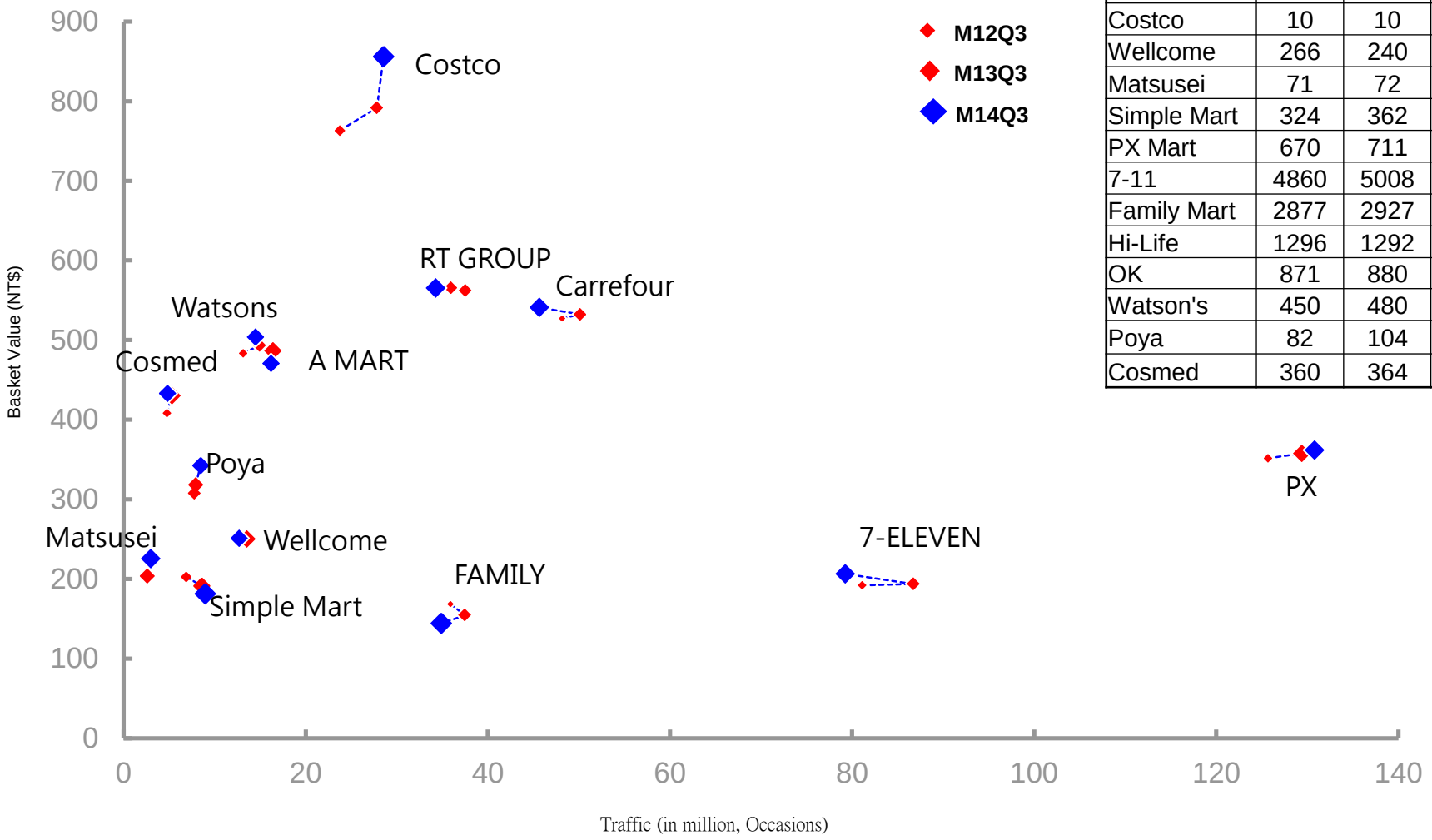
RETAILER HEALTH – TRAFFIC vs. BASKET VALUE



Store Number	M13Q3	M14Q3	GR%
Carrefour	69	69	+0%
RT Group	26	26	+0%
A Mart	19	19	+0%
Costco	10	10	+0%
Wellcome	266	240	-10%
Matsusei	71	72	+1%
Simple Mart	324	362	+12%
PX Mart	670	711	+6%
7-11	4860	5008	+3%
Family Mart	2877	2927	+2%
Hi-Life	1296	1292	+0%
OK	871	880	+1%
Watson's	450	480	+7%
Poya	82	104	+27%
Cosmed	360	364	+1%

Source: Kantar Worldpanel Taiwan Household Panel

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