Super/Hyper market

OVERVIEW 2018 & FORECASTING 2019

Panagiotis Boretos
Deputy Managing Director
Commercial Director

February 13th, 2019

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Content

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GREEK MARKET LAYOUT

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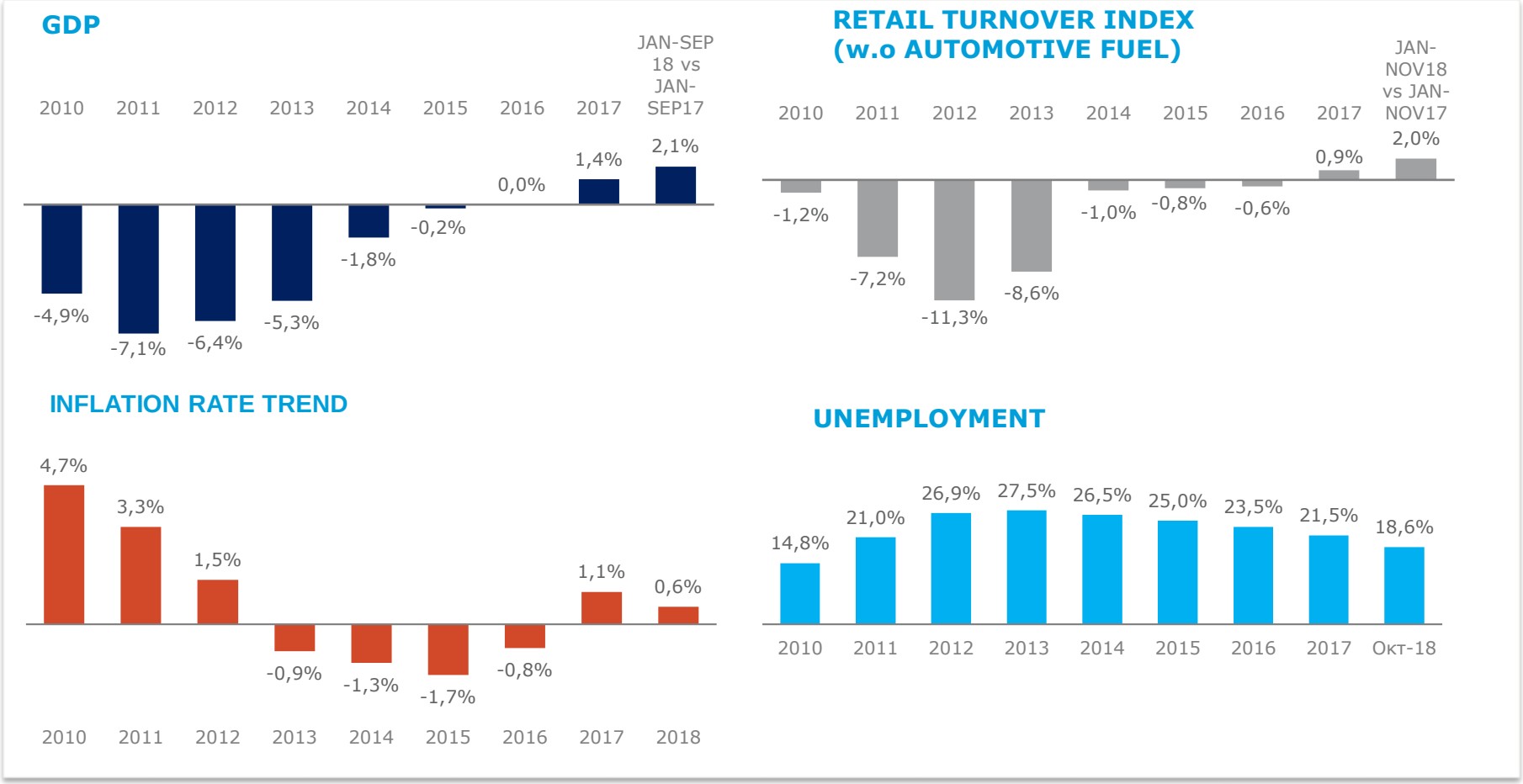
Greek Economy



Source: ELSTAT December 2018 (latest available period/provisional data)

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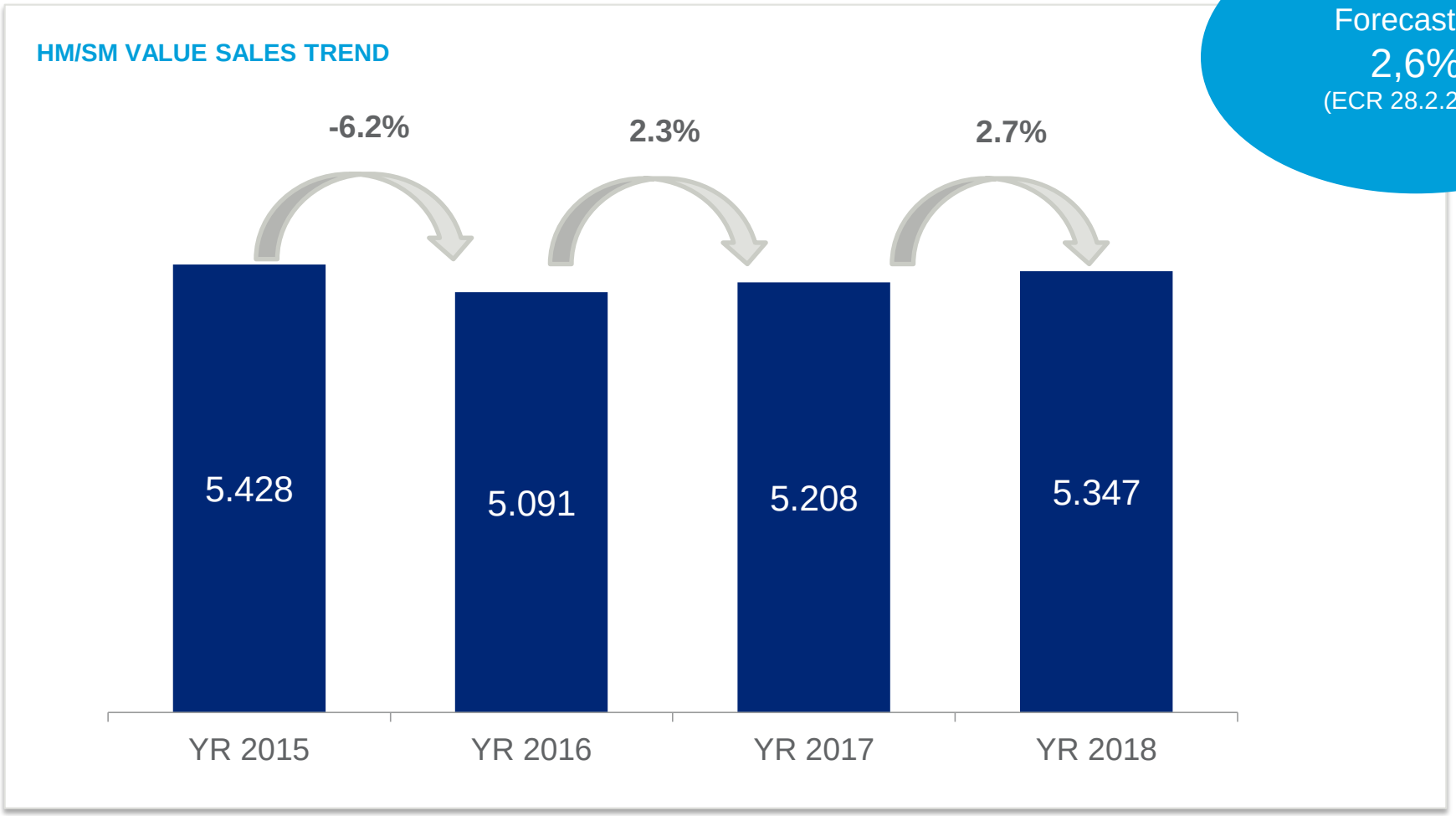
Value sales of 2018 increased by 2.7%



Forecasting
2,6%
(ECR 28.2.2018)

Source: IRI InfoScan, HM/SM, Year 2018

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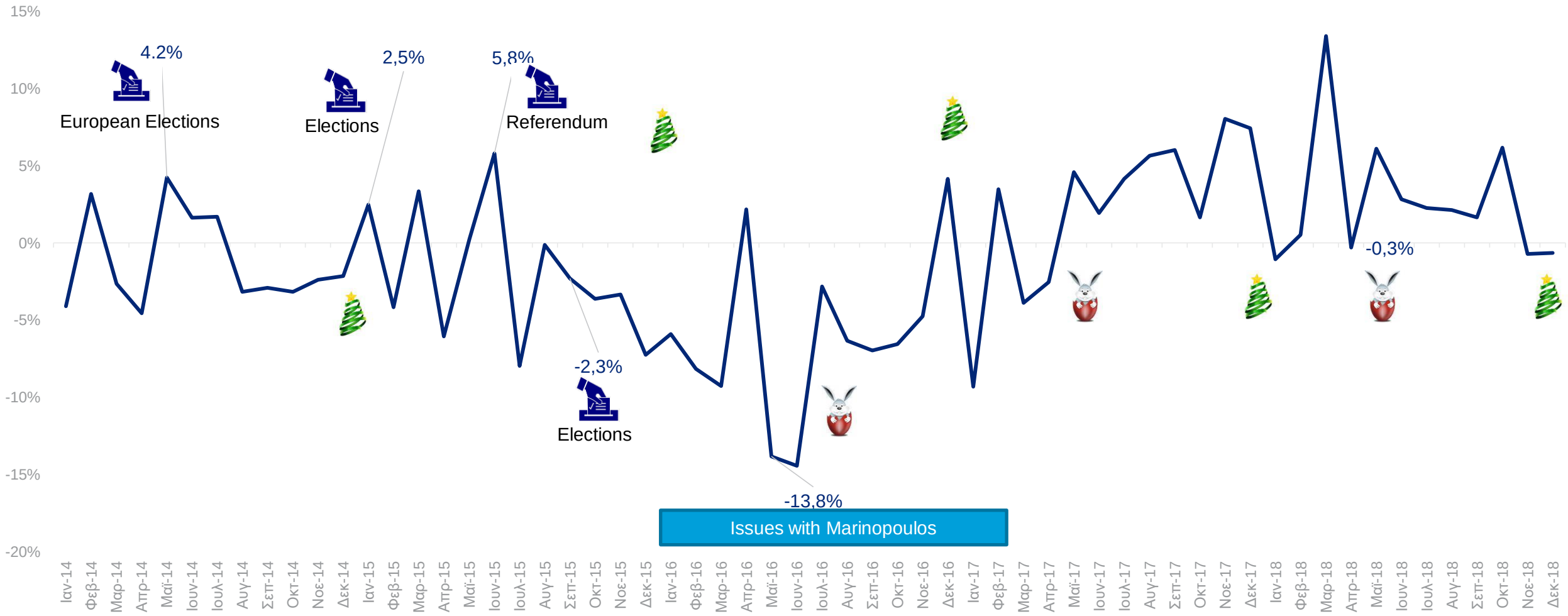
November & December 2018: Two months of consecutive decline

HM/SM VALUE SALES TREND BY MONTH



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All shop types improve their value sales in 2018

TRENDS PER SHOP TYPE - YEAR 2018

2500+ sqm

- % Value Contribution: 11,7%
- Value sales trend: **+15,9%**

1000-2500 sqm

- % Value Contribution: 39,4%
- Value sales trend: **+1,6%**

400-1000 sqm

- % Value Contribution: 35,8%
- Value sales trend: **+0,8%**

0-400 sqm

- % Value Contribution: 13,1%
- Value sales trend: **+0,8%**

Source: IRI InfoScan, HM/SM, Year 2018

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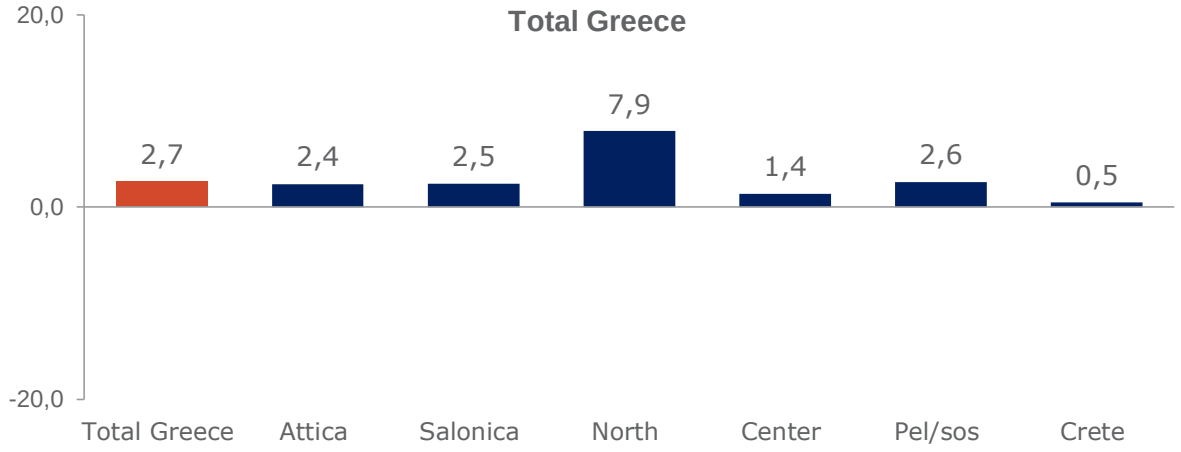
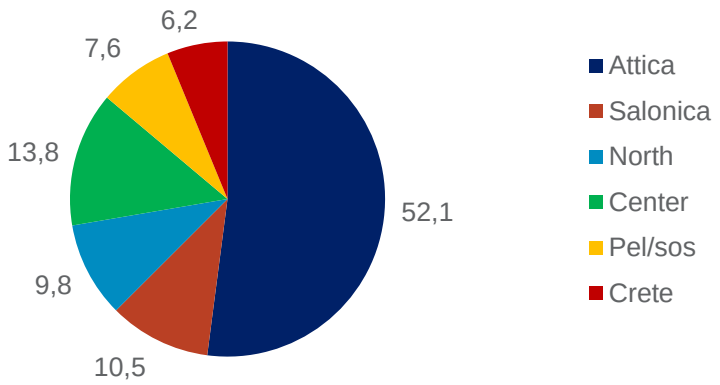
Northern Greece had the highest uplift 2018 vs 2017 in value sales

% VALUE DIFFERENCE YEAR 2018 VS. YEAR 2017





Source: IRI InfoScan, HM/SM, Year 2018

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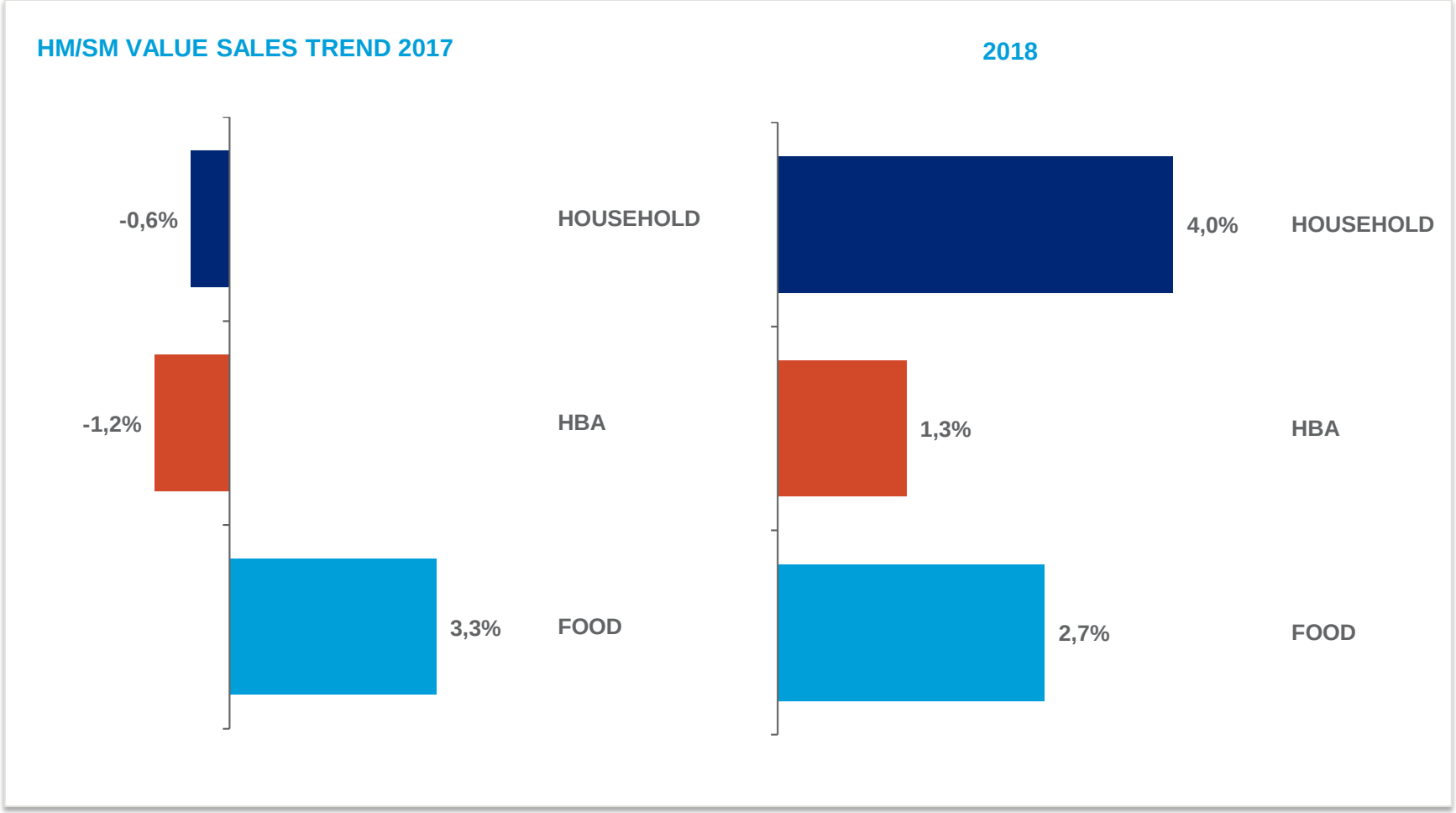
All Giga-Categories are increasing in 2018



Source: IRI InfoScan, HM/SM, Year 2018

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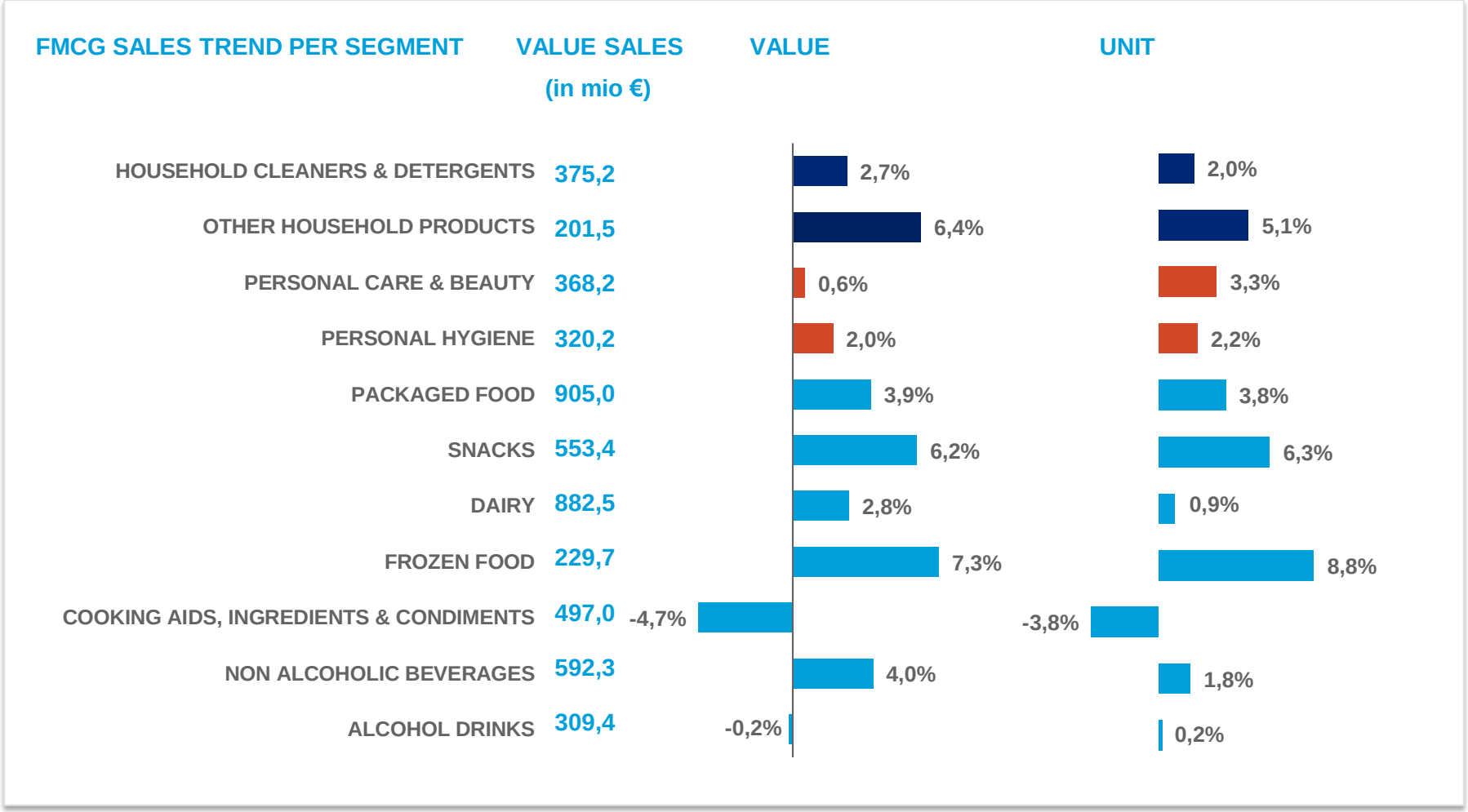
Packaged Food & Dairy are the major contributors in FMCG sales. Frozen Food reported the most significant increase



Source: IRI InfoScan, HM/SM, Year 2018

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MARKET PERFORMANCE DRIVERS

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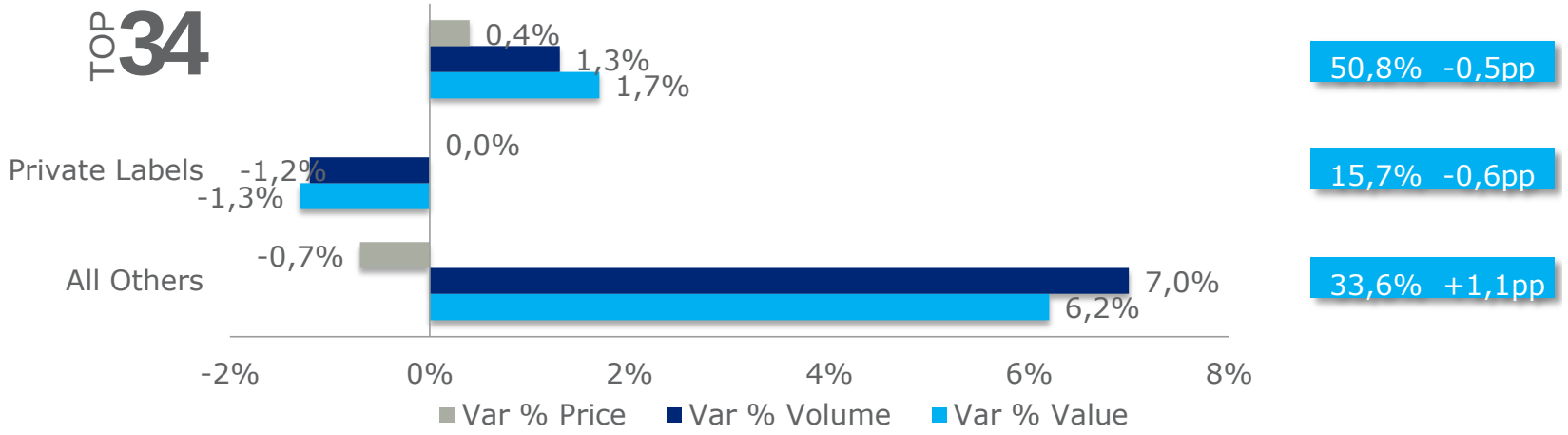
Branded Manufacturers vs. Private Labels performance

34 Top Value Manufacturers, Others and Private Labels | Year 2018



- Top 34 and All Others grow faster than PL
- Top branded manufacturers (still favorite destination of Greek Shopper) holding volume via price pressure
- Medium and Small size manufacturers gain the Value Market Share

Source: IRI InfoScan, HM/SM, Year 2018

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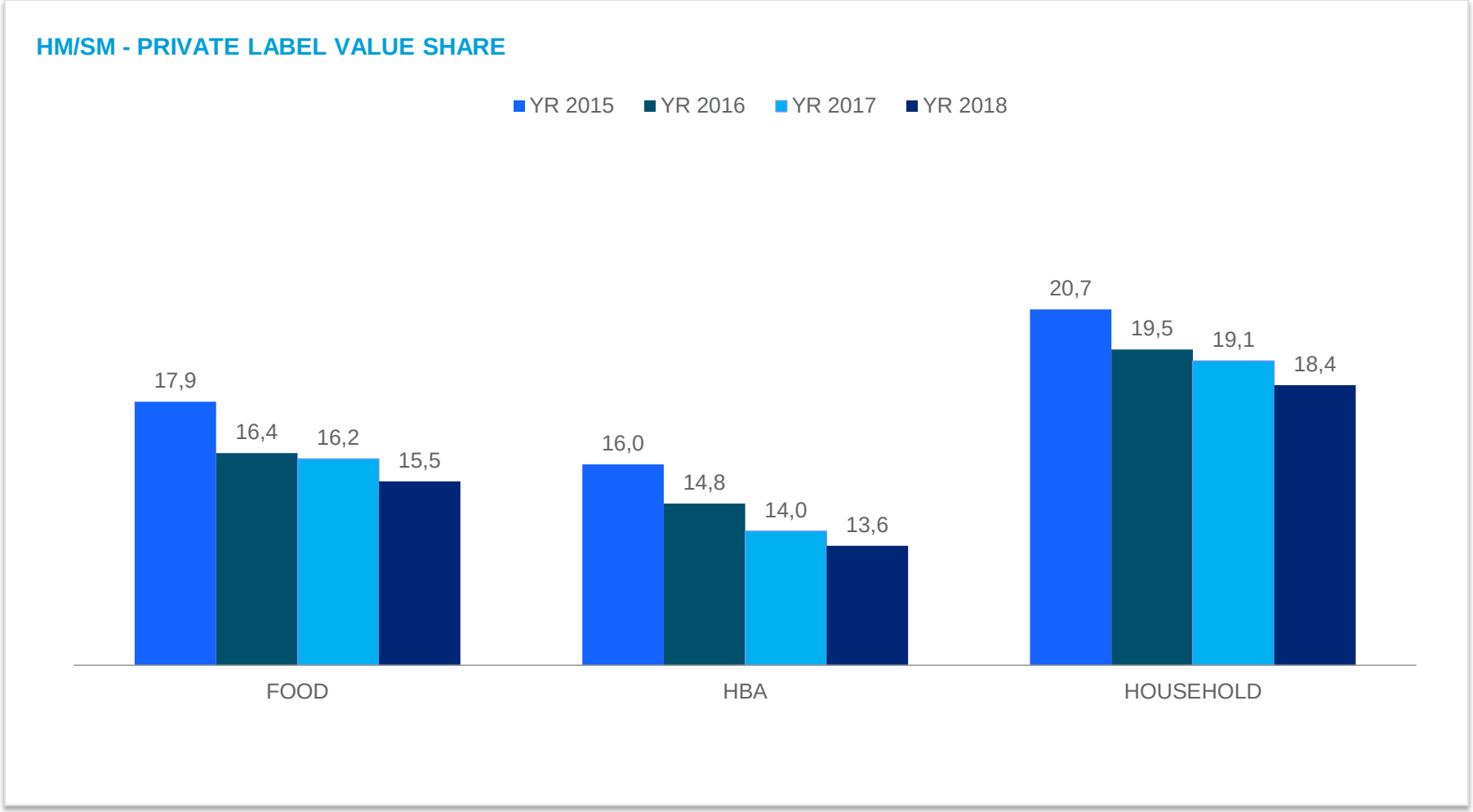
Household remains the category with the highest contribution while declining



Source: IRI InfoScan, HM/SM

Source: IRI InfoScan, HM/SM, Year 2018

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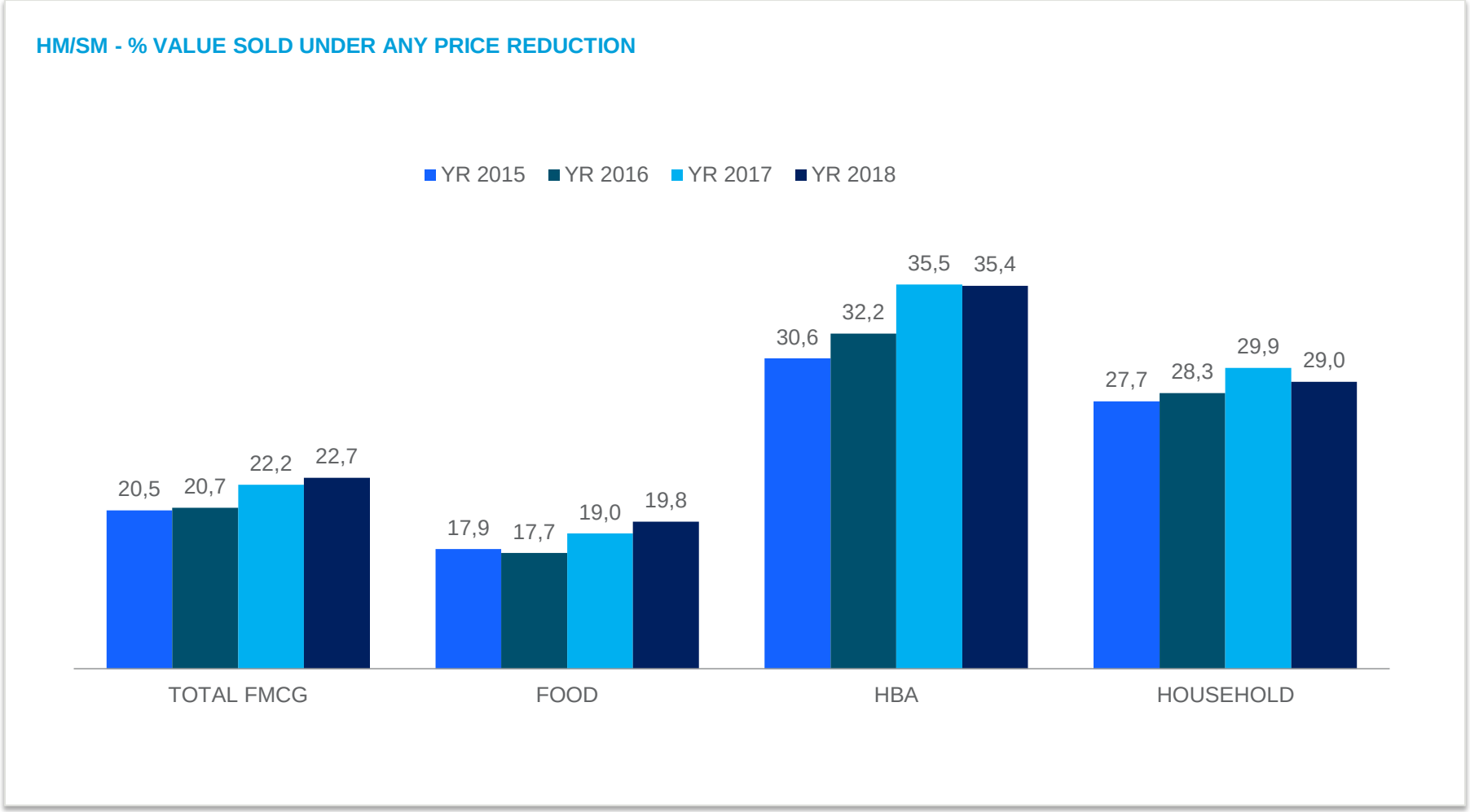
Increased TPR for total FMCG driven by Food Category



Source: IRI InfoScan, HM/SM

Source: IRI InfoScan, HM/SM, Year 2018

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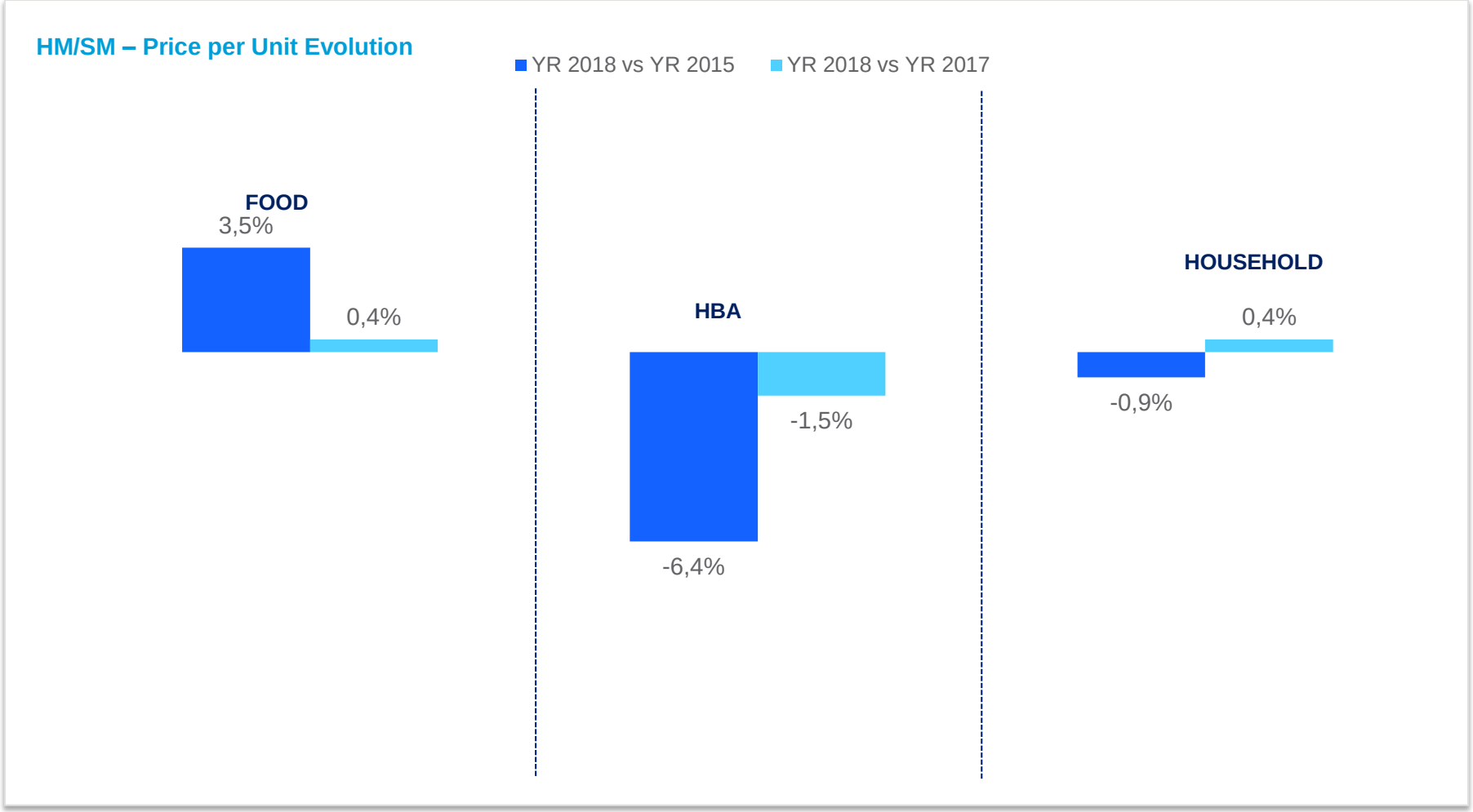
Intense price increase in Food Category compared to 2015



Source: IRI InfoScan, HM/SM

Source: IRI InfoScan, HM/SM, Year 2018

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FORECASTING 2019

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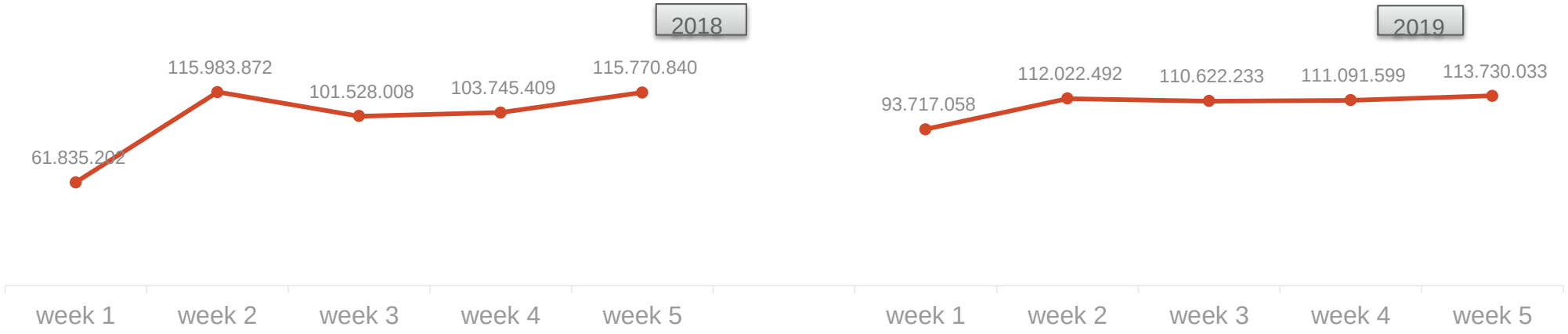
January 2019 trends

Fmcg | Value Sales per Week

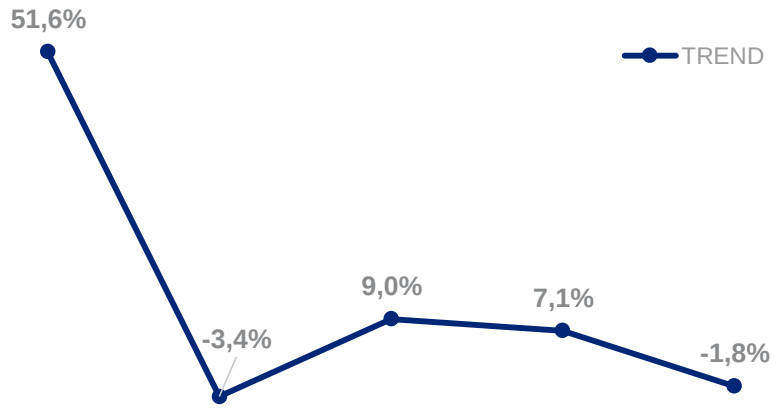


2018

1097 - (01/01/2018 - 07/01/2018)
1098 - (08/01/2018 - 14/01/2018)
1099 - (15/01/2018 - 21/01/2018)
1100 - (22/01/2018 - 28/01/2018)
1101 – (29/01/2018 - 04/02/2018)

2019

1149 - (31/12/2018 - 06/01/2019)
1150 - (07/01/2019 - 13/01/2019)
1151 - (14/01/2019 - 20/01/2019)
1152 - (21/01/2019 - 27/01/2019)
1153 – (28/01/2019 - 03/02/2019)



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Forecasting model factors

- **4+ years of POS data with key causal measures**

- **Macroeconomic Factors**
  - Gross domestic product
  - Turnover Index in Retail Trade
  - Unemployment rate
  - Consumer Price Index (Inflation Rate)

- **Other Research & Data**
  - Seasonality and Holidays
  - Number of Stores
  - Upcoming Elections

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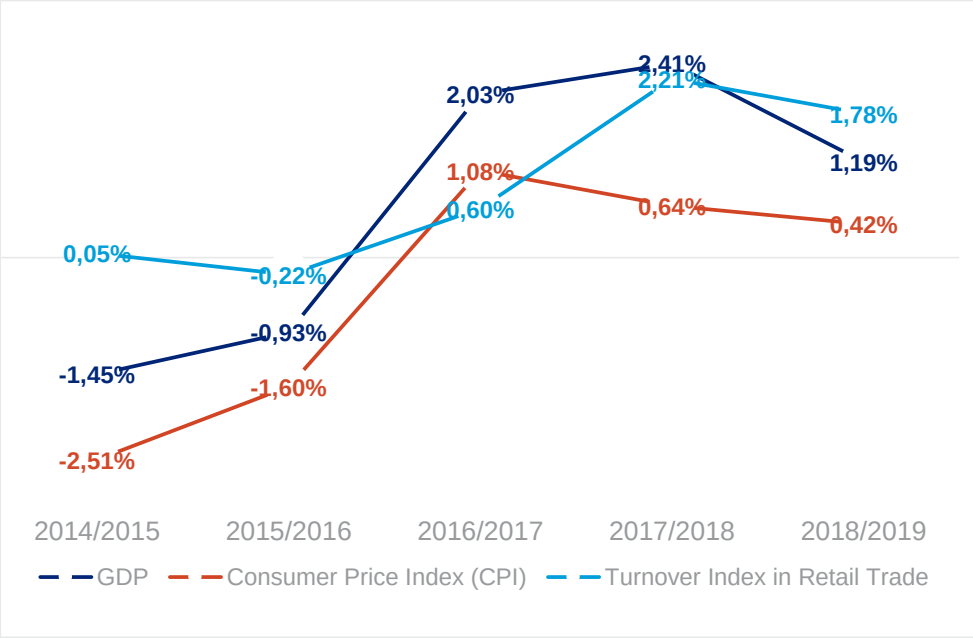
Macroeconomic Indices

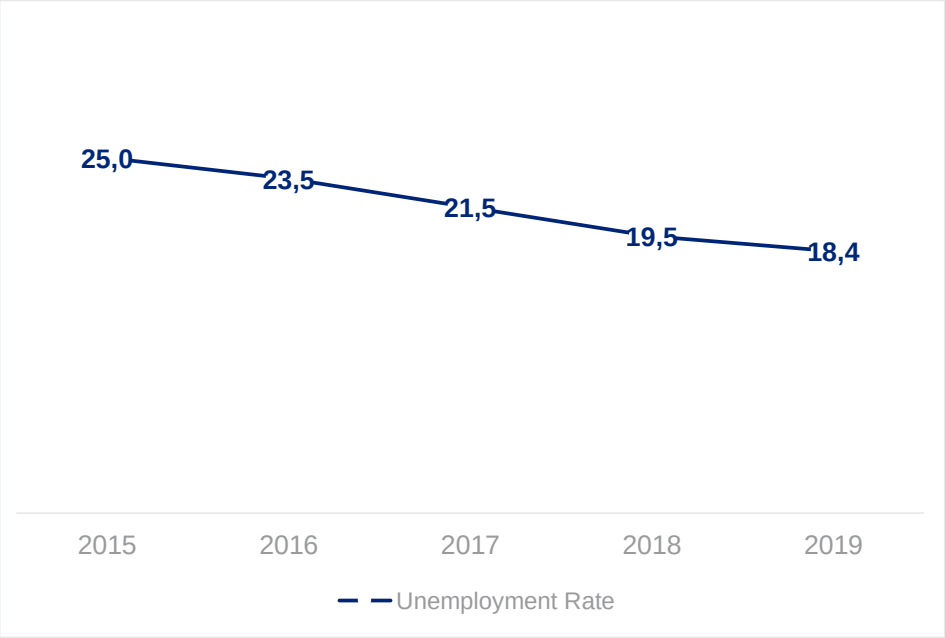
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
GDP	-1.45%	-0.93%	2.03%	2.41%	1.19%
Consumer Price Index (CPI)	-2.51%	-1.60%	1.08%	0.64%	0.42%
Turnover Index in Retail Trade	0.05%	-0.22%	0.60%	2.21%	1.78%
SqStores		-0.01%	1.44%	1.89%	-0.07%

	2015	2016	2017	2018	2019
Unemployment Rate	25.0	23.5	21.5	19.5	18.4

Assumptions for 2019:

GDP → +1.19%
CPI → +0.42%
RTI → +1.78%
STORES AREA → -0.07%





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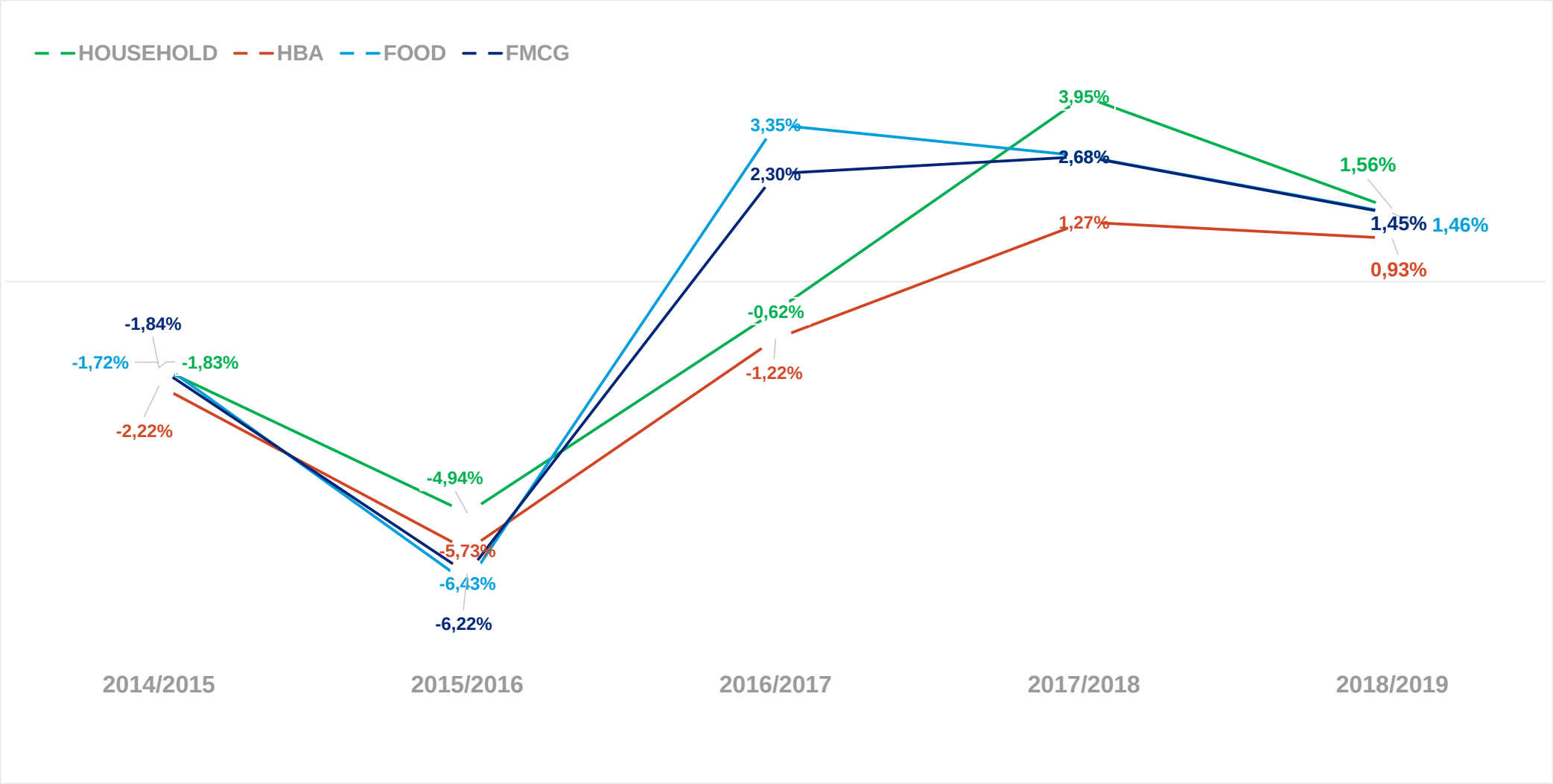
IRI Forecasting 2019



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Forecast Summary

Impact from upcoming elections was estimated negative in total FMCG sales with a range of -0,16% to -0,46% depending on:

a) Number of elections

b) Pre-election campaign duration

Under this light, GDP will increase by 1,2% for 2019 and unemployment will decline by approximately 1pp, reaching 18,5%.

Last but not least, no significant changes are expected within the year in stores' universe.

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THANK YOU!

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