

# ***BACALHAU IN PORTUGAL***

Retail Food and Cash & Carry in 2022

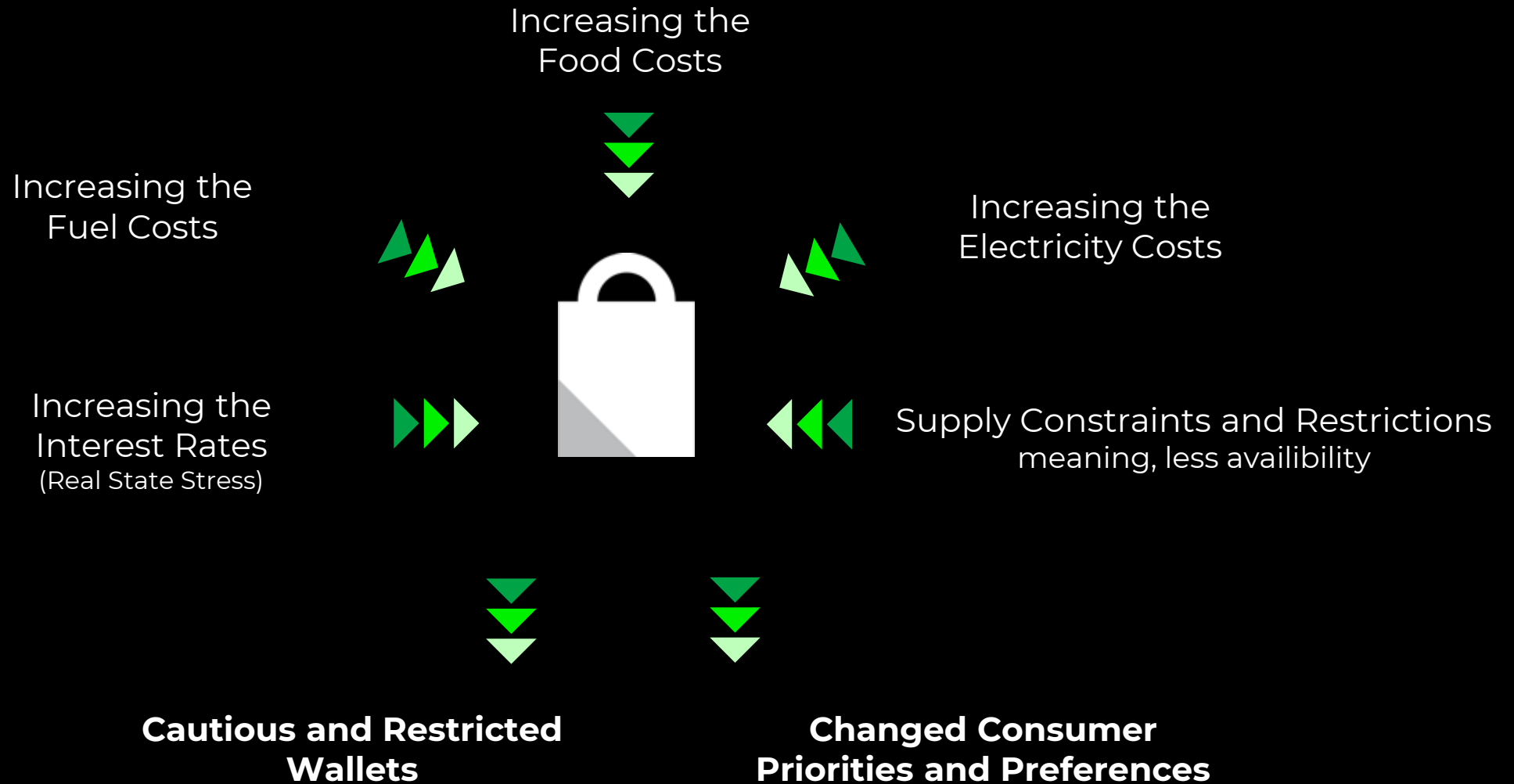
Lisbon  
Monday, February 20, 2023





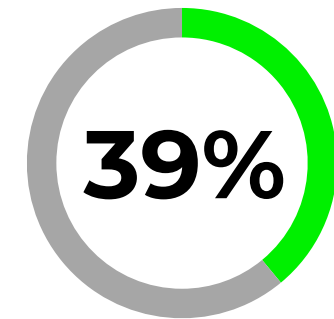
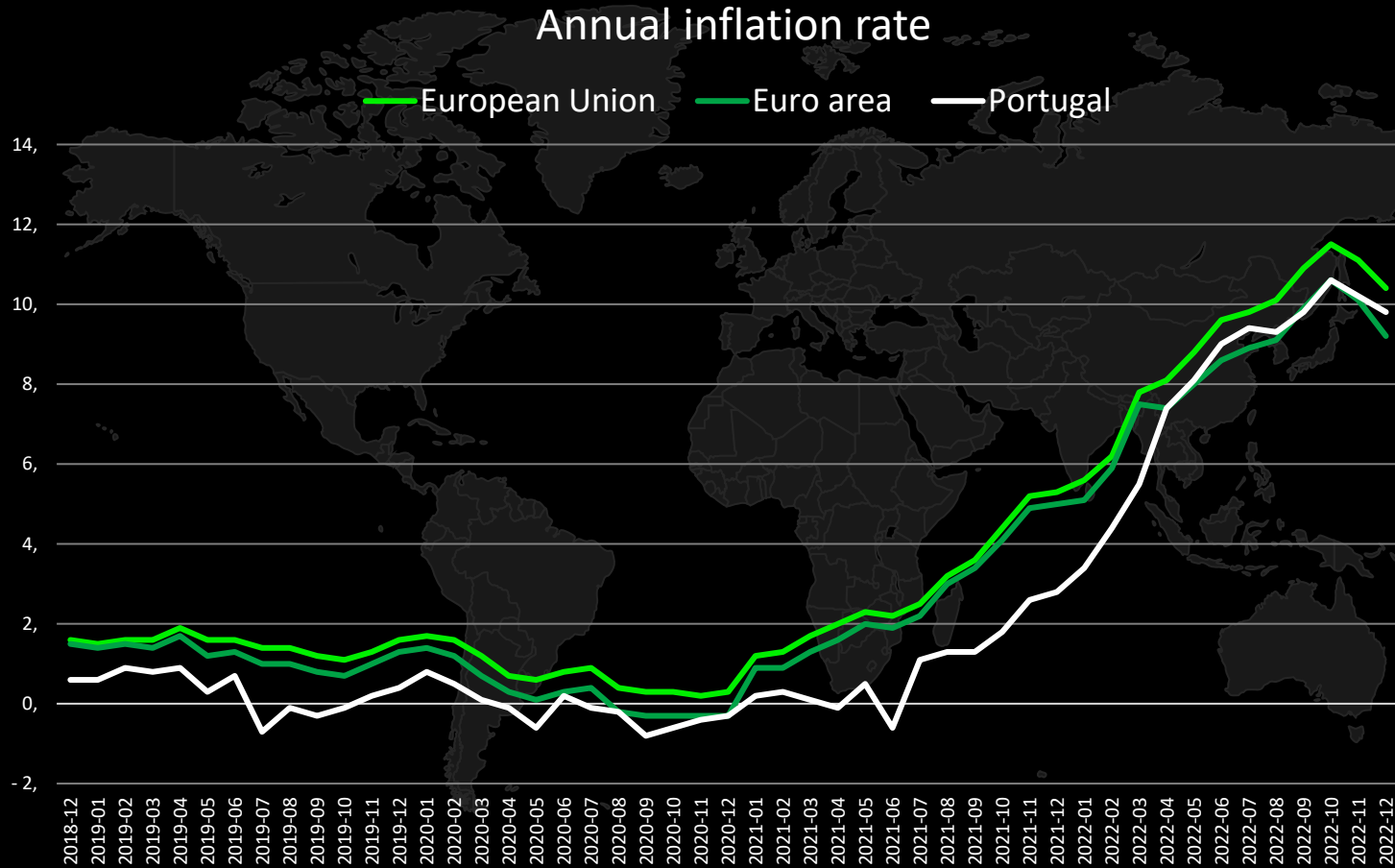
# Context increases significantly the pressure on the consumers wallet

And the feeling of Panic is a current reality!





# Portugal closing the year with historical inflation



of global consumers are recognizing that face **worst financial situation** in 2023

>> vs. **37% Half 2022**

NielsenIQ 2023 Consumer Outlook Survey vs. Mid-year Outlook July 2022

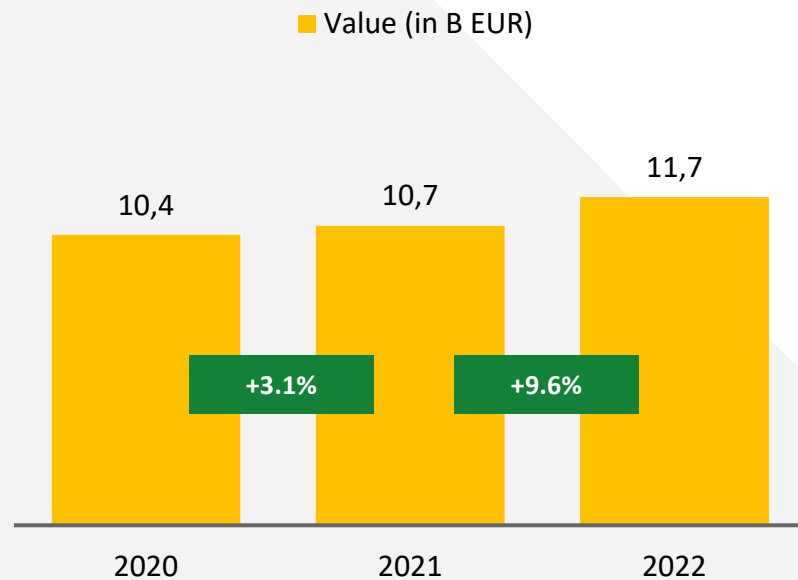


# And FMCG in Portugal presents +9,6% invoice increase in 2022 within Off Trade

Driven by Price Increase

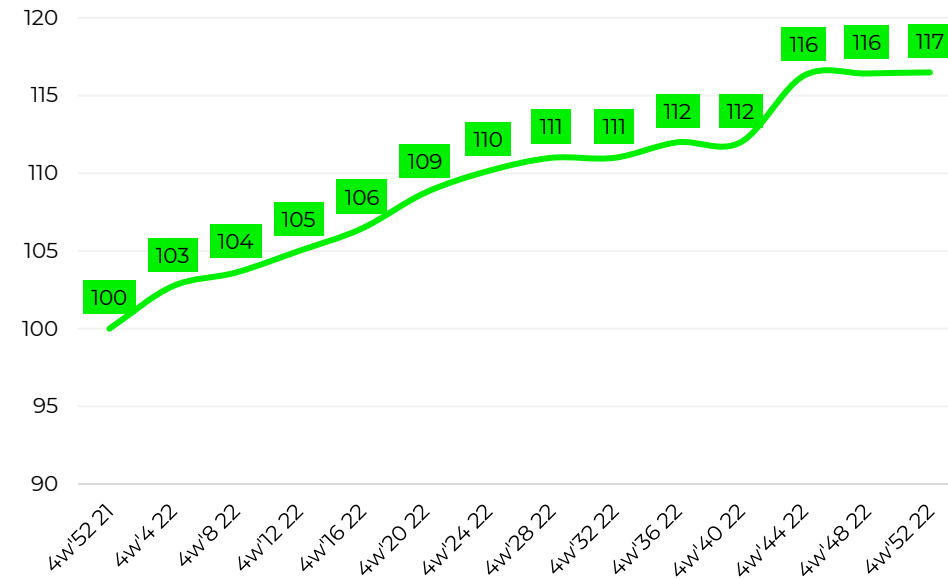
## FMCG Sales & Var% Value

Year to date - Week Ending 01/01/23



## Inflation Tracker NRPS:

Inflation Index 4weekly vs December'2021

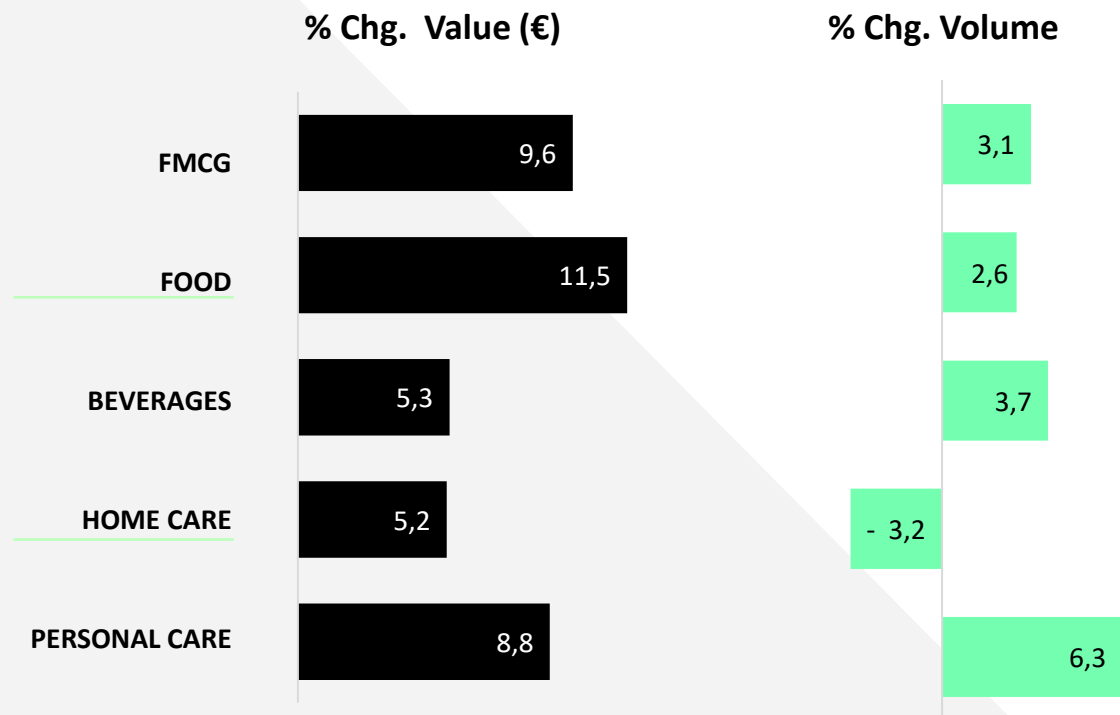




# Food and Home Care are the ones most impacted by price

As they present the biggest gap between Value & Volume performance

PORTUGAL MKT + LIDL – FY'2022 vs FY'2021





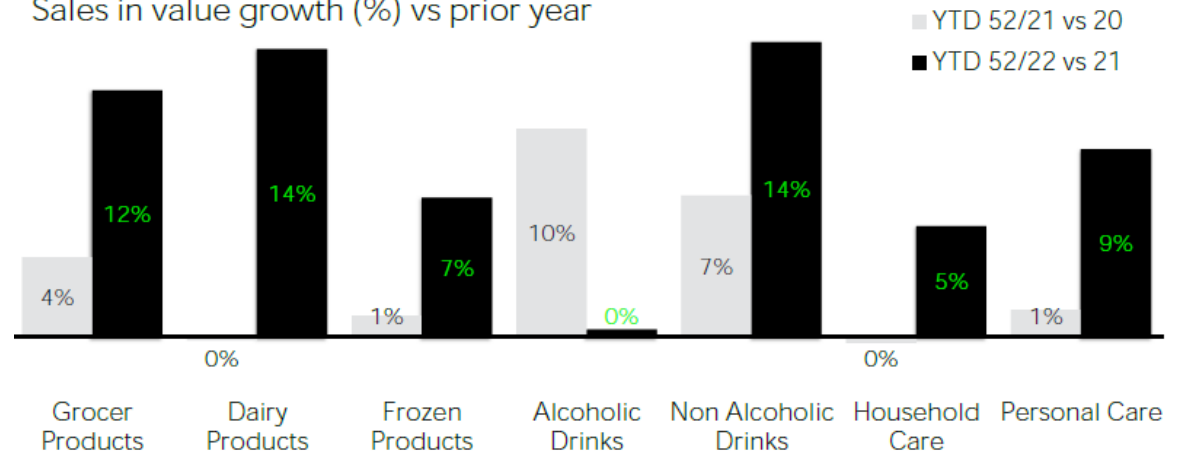
# There is a double digit increase for Grocery, Dairy and Non Alcoholic Drinks

And promotional pressure has returned to 2017 levels => impacting price on the shelves

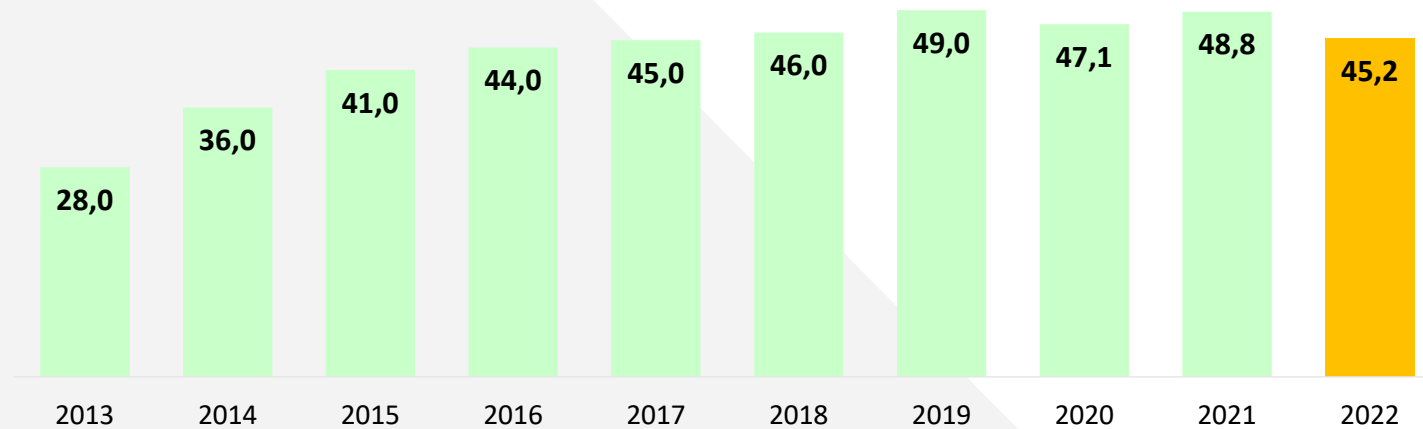
## Value Sales Allocation % vs FMCG

	FY'21	FY'22
Grocer Products	39,6	40,3
Dairy Products	16,6	17,2
Frozen Products	7,6	7,4
Alcoholic Drinks	11,4	10,4
Non Alcoholic Drinks	6,5	6,8
Household Care	8,1	7,7
Personal Care	10,2	10,1

## Sales in value growth (%) vs prior year



## % Value Sales in Promotion FMCG | Hypers+Supers







***And what about  
Bacalhau trends in 2022?***



# Cash&Carries with 2 digits recovery after pandemic effect!

Off Trade (the main business) also with some dynamism in value... but dropping -13% volumes in 2022

## Cash&Carry



## Food Stores

(Hypers + Supers + Groceries Stores)



YTD DEC 2022

Chg %

YTD W52  
2022

Chg %

Value Sales  
(‘000 €)

32,227



15%

319,434



6%

Volume Sales  
(‘000 Kg)

3,175



-9%

29,043



-13%





# ***THE FOOD STORES***

*Hypers, Supers, Superettes*



# Frozen & Dry Codfish with dynamism in Value

But Dry Codfish is clearly the responsible for trends in volumes for Codfish due to its highest dimension!

## Total Food Stores



Frozen  
Codfish

YTD W52 21

Value Sales  
(000' €)

72,780

% Value Change  
Vs. year Ago

↓ -1%

Volume Sales  
(000' Kg)

7,070

% Volume Change  
Vs. year Ago

↓ -1%

YTD W52 22

78,895

↑ 8%

6,932

↓ -2%

Dry  
Codfish

YTD W52 21

228,621

↓ -2%

26,395

↓ -3%

YTD W52 22

240,539

↑ 5%

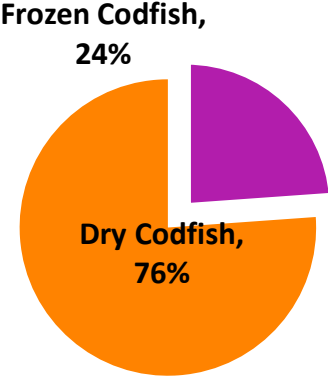
22,111

↓ -16%

# Negative volume trends across the main segments in Dry Codfish

And all the main types present prices >20% more expensive!

## Total Food Stores



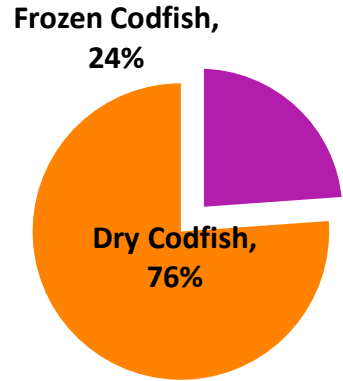
### Market Share in Volume

Dry Codfish	YTD W52 21	YTD W52 22	% Volume Change vs LY		Av Price Kg Price Change vs LY	
GRAUDO	37%	35%	↓	-22%	11.24 €	28.3%
CRESCIDO	24%	26%	↓	-10%	10.34 €	28.3%
ESPECIAL	21%	20%	↓	-22%	12.53 €	25.4%
CORRENTE	3%	5%	↑	35%	8.68 €	20.0%
} 85%						

# In Frozen Codfish, main segments Postas & Lombos are pushing down the segment

There is also a strong price increase, but not so significant as for Dry Codfish

## Total Food Stores



### Market Share in Volume

Frozen Codfish	YTD W52 21	YTD W52 22	% Volume Change vs LY		Av Price Kg Price Change vs LY	
POSTAS	38%	38%	↓	-1%	9.68 €	11.5%
LOMBOS	32%	29%	↓	-13%	16.45 €	14.7%
DESFIADO	17%	19%	↑	9%	10.44 €	10.6%
CALDEIRADA	6%	6%	↑	1%	4.61 €	18.8%

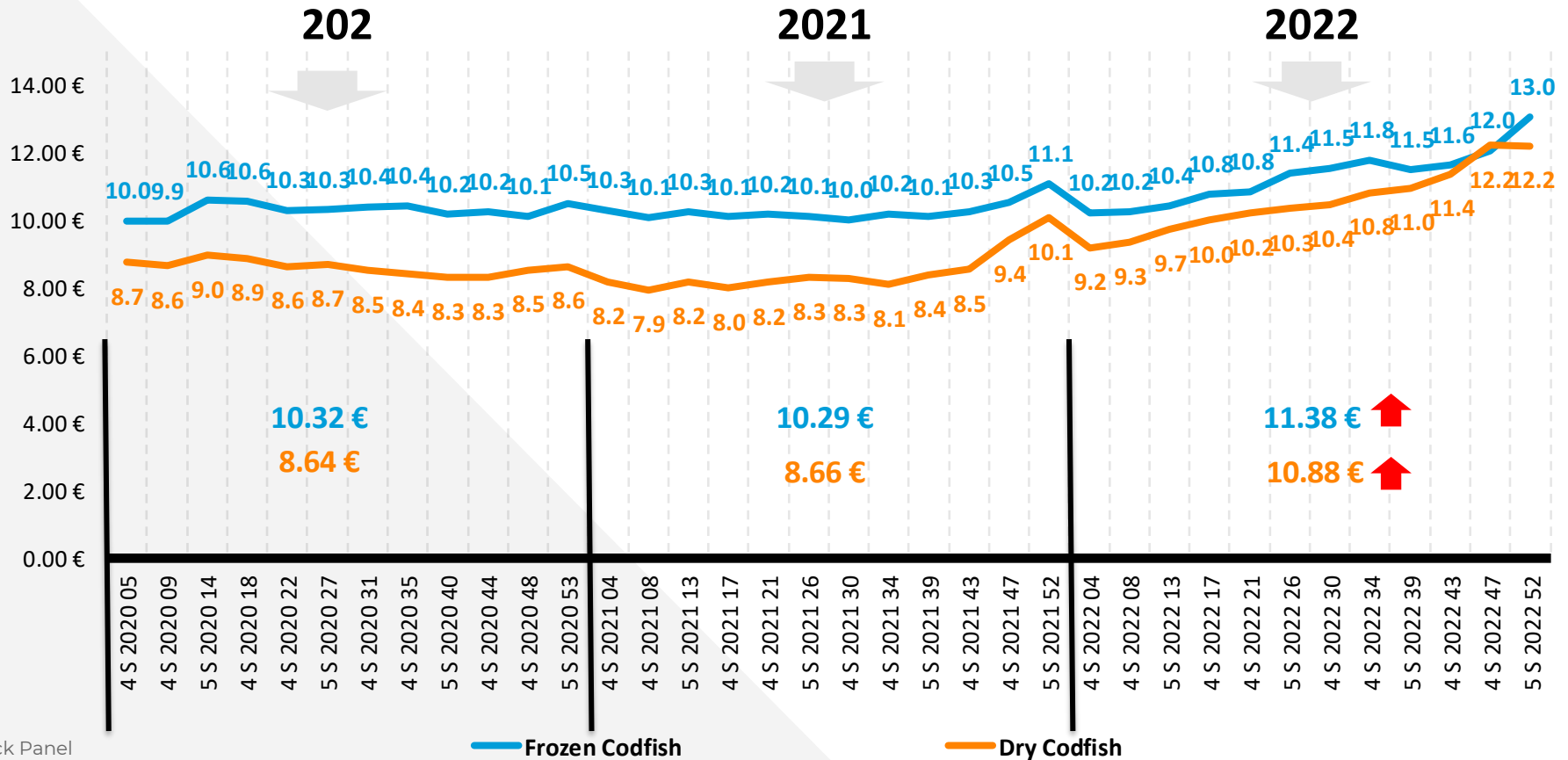
92%

# Codfish increase 1.99€/kg in Off Trade through Dry and Frozen Codfish in 2022

And the GAP between type of Codfish was never been so closed as in the Q4'2022

## Total Food Stores – Volume Price (Kg)

Dry + Frozen Codfish



# Q4'22 sales in volumes far from Q4'21 figures (-9% Q4'22 vs Q4'21)

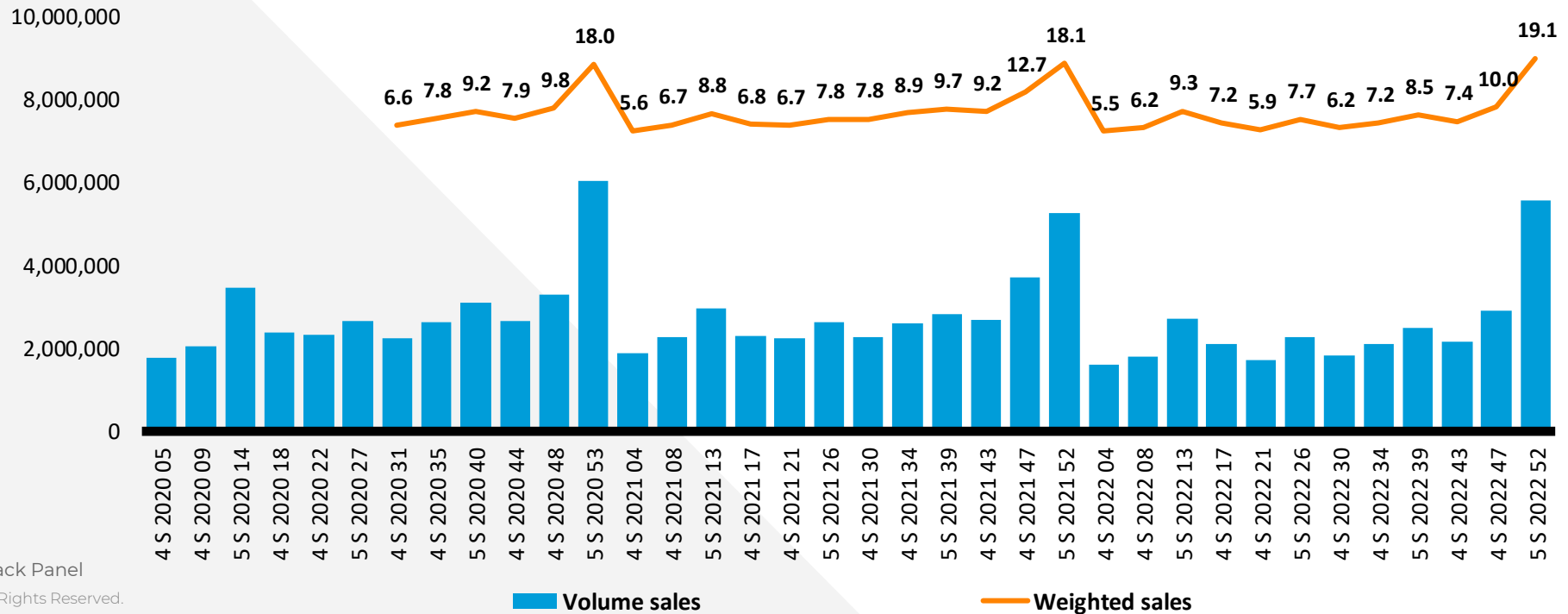
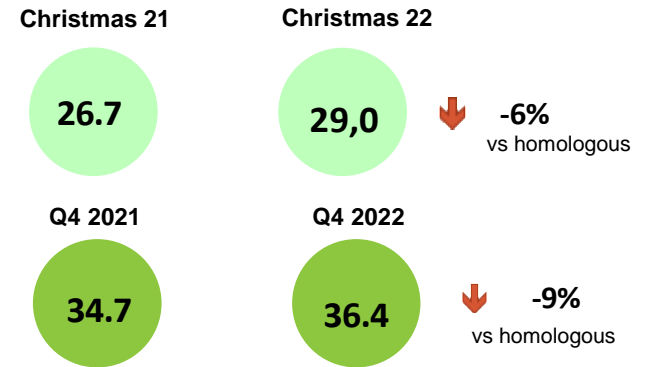
Christmas 22 accounted for 29% of the volume sales in 2021

## Total Food Stores – Volume Sales (Kg)

Dry + Frozen Codfish



### % Volume sales vs Full Year



Source : NielsenIQ | Market Track Panel

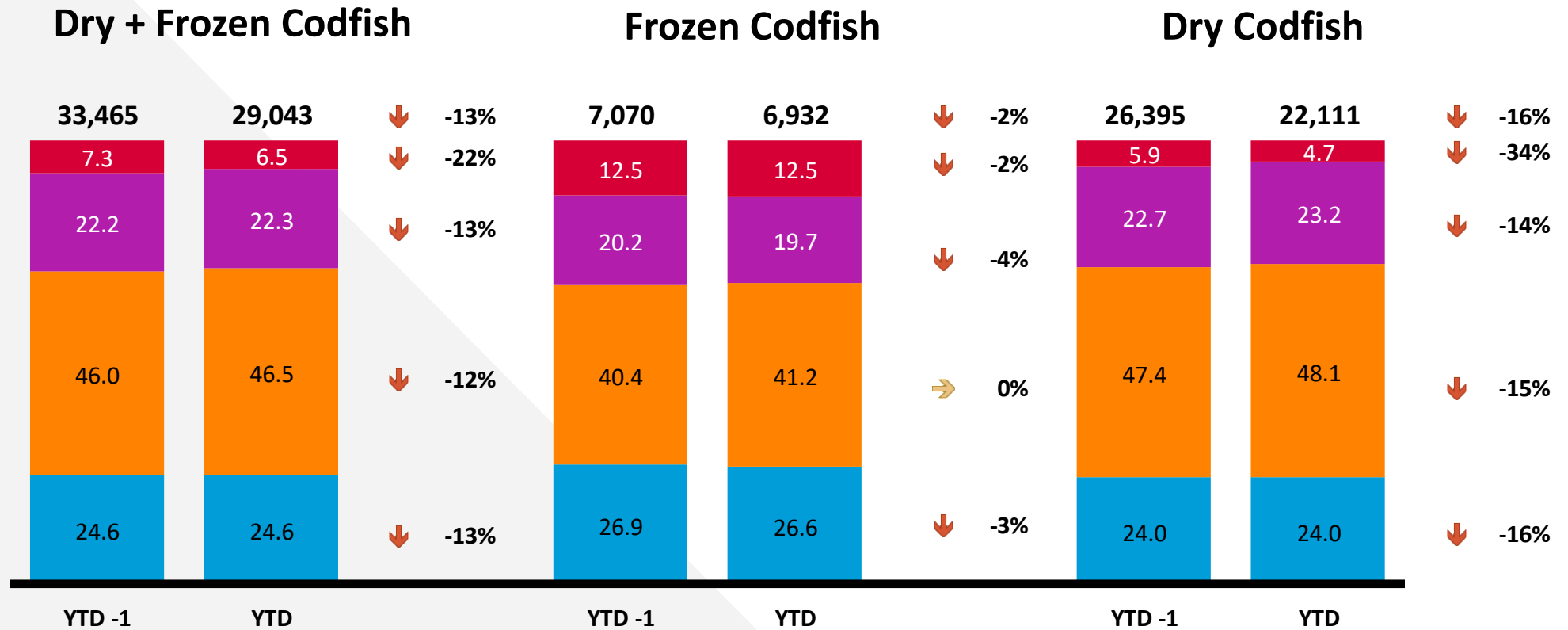
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# Large Supers (main channel) with highest importance in Dry vs Frozen Codfish

And are the only type of stores maintaining volumes sold in Frozen Codfish

## Total Food Stores – Volume Market Share

Dry + Frozen Codfish



Source : NielsenIQ | Market Track Panel

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# ***CASH & CARRY***

*The Horeca Supplier*

# Pandemic with a very negative impact!

Cash & Carries with +4M € compared to 2020 and 2021... but the volumes in 2022 registered the minimums in 3 years

## Cash & Carry



### Total Dry + Frozen Codfish

	Value Sales (000' €)	% Value Change Vs. year Ago	Volume Sales (000' Kg)	% Volume Change Vs. Year Ago
YTD Dec20	27,967		3,492	
YTD Dec21	27,938	→ 0%	3,485	→ 0%
YTD Dec22	32,227	↑ 15%	3,175	↓ -9%

# Volume trends in 2022 are explained by Dry Codfish category

Frozen Codfish appears with +23% invoice and +3% volumes => so with a big price increase!

## Cash & Carry



Frozen Codfish

Dry Codfish

		Value Sales (000' €)	% Value Change Vs. year Ago	Volume Sales (000' Kg)	% Volume Change Vs. year Ago
Frozen Codfish	YTD Dec21	7,580	↑ 2%	902	↑ 1%
	YTD Dec22	9,320	↑ 23%	925	↑ 3%
Dry Codfish	YTD Dec21	20,358	↓ -1%	2,582	↓ -1%
	YTD Dec22	22,906	↑ 13%	2,250	↓ -13%

# Migas is the only segment dynamic in volumes in 2022 within Dry Codfish

Price increase is very significant – Crescido and Graudor are +30% more expensive

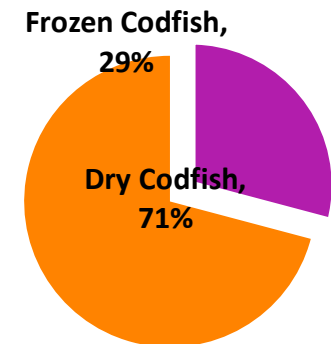
## Cash & Carry



### Market Share in Volume

Dry Codfish	YTD Dec21	YTD Dec22	% Volume Change vs LY		Av Price Kg Price Change vs LY	
GRAUDO	24%	22%	↓	-19%	11.69 €	30.8%
CRESCIDO	20%	22%	↓	-4%	10.35 €	29.4%
MIGAS	12%	15%	↑	8%	8.99 €	25.6%
ESPECIAL	21%	14%	↓	-40%	13.91 €	47.8%

*Note: A bracket groups the YTD Dec22 values for Graudo, Crescido, Migas, and Especial, with a total of 73%.*



# In Frozen Codfish, Desfiado is the driver of Volumes in 2022

Lombos is the segment impacting the most on the negative side

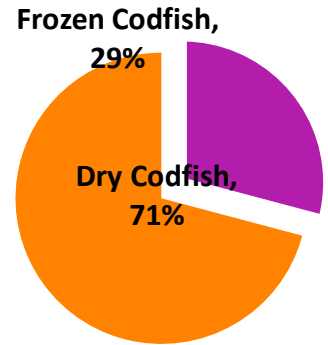
## Cash & Carry



### Market Share in Volume

Frozen Codfish	YTD Dec21	YTD Dec22	% Volume Change vs LY	
POSTAS	43%	41%	↓	-2%
LOMBOS	32%	28%	↓	-10%
DESFIADO	14%	21%	↑	55%
CALDEIRADA	5%	5%	↓	-4%

95%



Av Price Kg  
Price Change vs LY

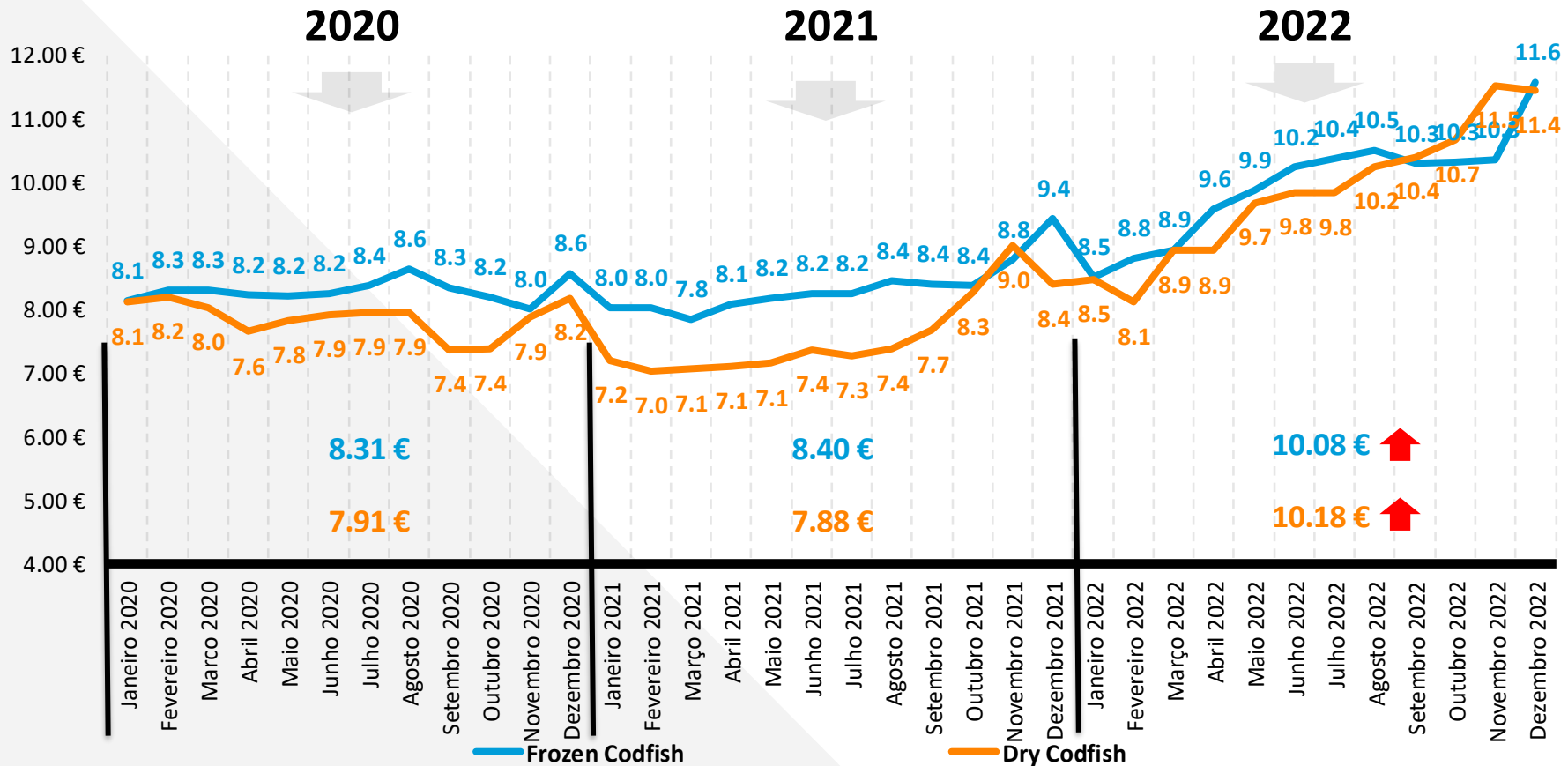
8.57 €	21.0%
14.46 €	28.9%
9.08 €	6.6%
4.48 €	28.4%

# Both Dry and Frozen are increasing prices, specially the Dry Codfish

In the end, the Codfish has +2.13€/Kg in the Cash & Carries

## Cash & Carry – Volume Price (Kg)

Dry + Frozen Codfish



# Q4'22 sales with significant drops in 2022 (-17% Q4'22 vs Q4'21)

Christmas 22 accounted for 30% of the volume sales in 2022 and is responsible for those trends

## Cash & Carry – Volume Sales (Kg)

Dry + Frozen Codfish



### % Volume sales vs Full Year

Christmas 21



Christmas 22



↓ -19%  
vs homologous

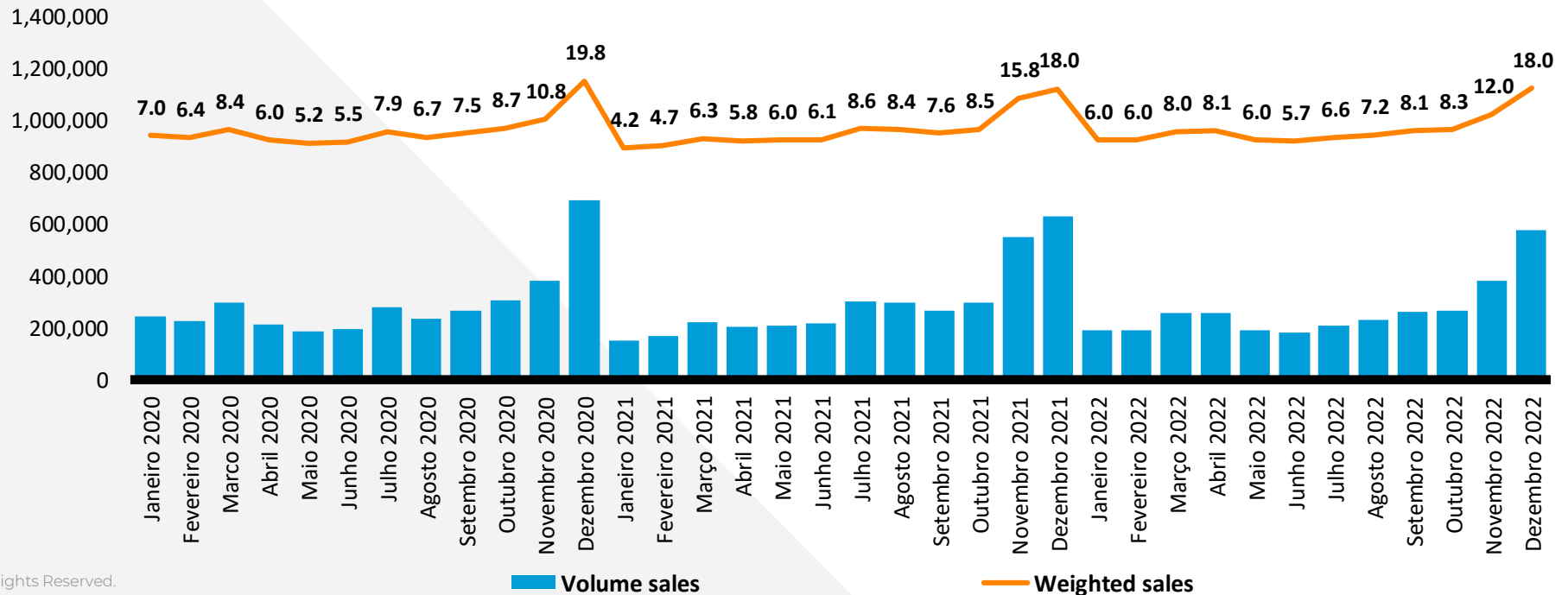
Q4 2021



Q4 2022



↓ -17%  
vs homologous





# 2023 will be very challenging in Portugal!

Top concern and priority even more concentrated in Food

**PURCHASE  
DECISION  
MORE  
COMPLEX**

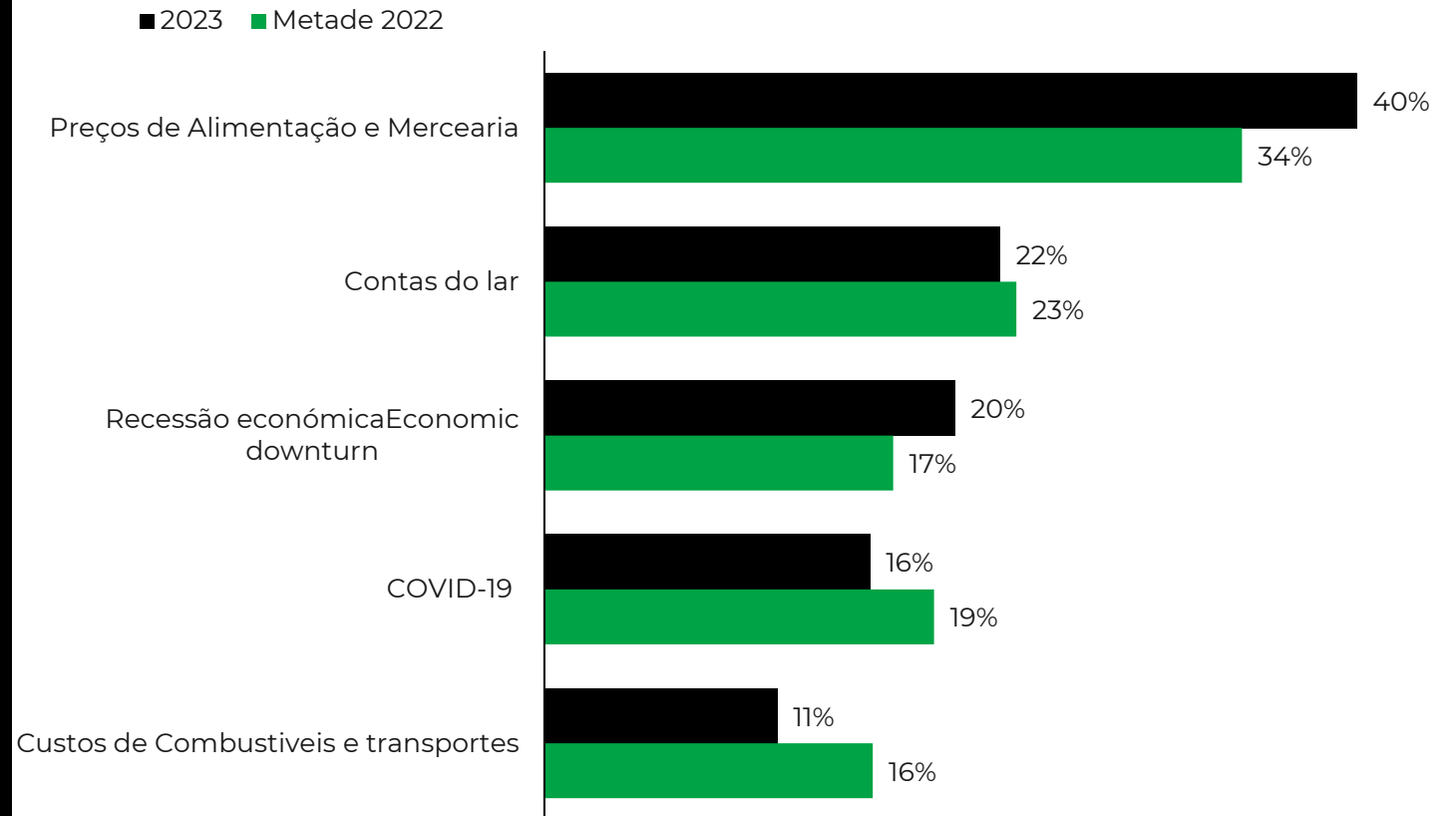
**LESS  
CONSUMPTION**

**RELATION  
WITH  
PROMOTION**

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## Main Concerns of the Shopper in 2023



**OBRIGADO!**