Press release

Further recovery in the Ukrainian technical consumer goods market – only the photography sector disappointed

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GfK TEMAX® results for Ukraine, Q3 2016

Kiev, November 11, 2016 – In the third quarter of 2016, the technical consumer goods (TCG) market in Ukraine closed with a sales volume of UAH15 billion. This corresponded to an increase of 31 percent, compared to Q3 2015. Almost all sectors contributed to the positive sales trend, with the exception of photography (PH) which declined by 8.9 percent.

The highest double-digit growth figures were generated by the telecommunications (TC), major domestic appliances (MDA) and consumer electronics (CE) sectors which increased sales revenues by 43.4 percent, 34.4 percent and 33.2 percent, respectively.

Ukraine: Technical consumer goods – sales value by category*

	Q4 2015 M.UAH	Q1 2016 M.UAH	Q2 2016 M.UAH	Q3 2016 M.UAH	Q3 16 /Q3 15 +/-%
Consumer Electronics (CE)	2 309	1 519	1 258	1 665	33,2
Photography (PH)	184	145	138	143	-8,9
Major Domestic Appliances (MDA)	3 091	2 115	2 426	3 439	34,4
Small Domestic Appliances (SDA)	1 460	1 147	965	1 247	20,3
Information Technology (IT)	3 882	3 048	2 483	3 473	19,2
Telecommunications (TC)	4 366	3 752	3 653	4 846	43,4
Office Equipment & Consumables (OE)	254	188	162	222	20,6
GfK TEMAX® Ukraine	15 547	11 915	11 086	15 035	31%

* With the exception of the temporarily occupied and uncontrolled territories

Source: GfK Ukraine

Consumer Electronics

In Q3 2016, Ukraine's CE market grew by 33.2 percent, compared to the third quarter of 2015. Revenue rose to UAH1.66 billion.

The sector's largest product group – panel TVs – continued to be a key

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driver in the CE sector, with an increase of 38.4 percent. Consumer demand shifted in favor of TVs with smaller screens, but with more advanced technology, including ultra-high definition (UHD) and Smart TVs.

Photography

Total revenue in the PH sector was UAH143 million for the third quarter of 2016 – a decline of 8.9 percent, compared to 2015's Q3.

Fixed-lens cameras continued to perform badly, compared to other segments.

Major Domestic Appliances

In Q3 2016, the MDA market registered revenue of UAH3.4 billion and growth of 34.4 percent, compared to Q3 2015.

All product groups reported double-digit growth with cooling products – the sector's largest segment – up by 35.8 percent.

Washing machines, particularly those with the highest energy efficiency rating (A+++), registered increased sales in Q3 2016.

Small Domestic Appliances

Growth in the SDA sector was registered at 20.3 percent in the third quarter of 2016, compared to Q3 2015.

The hair care products, hot beverage makers, and vacuum cleaners all reported rises in excess of 30 percent.

Sales of multicookers continued to fall although recent results hint at a modest improvement.

Information Technology

Total turnover in Ukraine's IT sector amounted to UAH3.47 billion. Compared to Q3 2015, sales improved by 19.2 percent.

Key categories in the sector – notebooks, desktop computing products, and monitors – rose by 25.7 percent, 58.2 percent, and 28.3 percent, respectively.

There were positive trends within all IT categories, with the exception of e-books and mediatablets. The latter decreased by 6.4 percent due to the impact of large-screen smartphones.

Telecommunications

The TC sector grew by 43.4 percent in the third quarter of 2016, compared to the same period in 2015. This result was influenced by a recovery in demand for smartphones – up by 50.7 percent, compared to Q3 2015.

The core wearables segment was again the star performer, rising by 287.3 percent.

Sales of phablets declined in Q3 2016 – 14.7 percent lower than in 2015's third quarter.

Office Equipment and Consumables

In Q3 2016, the OE sector grew by 20.6 percent. The primary driver of this improvement was the multifunctional devices (MFDs) segment, which rose by 24.1 percent. Sales in all other categories in this segment remained stable.

View the GfK TEMAX® reports for all 41 individual countries, including data tables: http://temax.gfk.com/reports/

Note to editors

GfK TEMAX® tracks the sales of technical consumer goods across 41 countries. The findings are based on GfK's retail panel, comprising data from around half a million retail outlets worldwide. GfK continually works to ensure its panel data is as accurate as possible, in terms of its representation of the end market.

About GfK

GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK's long-standing data science experience. This allows GfK to deliver vital global insights matched with local market intelligence from more than 100 countries. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers' experiences and choices.

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