



ROADSHOW OF SINO CORRUGATED SOUTH 2018 IN INDONESIA



The roadshow started with factory visit to two corrugated factories in Jakarta ((Indah Kiat and Multibox Indah) and next day they held a conference with attend by about 100 participants from Jakarta, Surabaya, Semarang as well as Medan and Pekanbaru afterday on the third day factory visit in Surabaya (Sentral KemasindoTeguh and Supracor Sejahtera) Organized by Reed Exhibitions and co-organized by PICCI (Indonesia Corrugated Association) and MCBA (Myanmar Corrugated Board Association) respectively, the summits attracted more than 150 local professional representatives from the carton industry and over 30 well-known international suppliers including Fosber and BHS Corrugated.

Many trade agencies attended the Summit and the factory visits, which helped the participating suppliers, breaking the language barrier, to get a good knowledge about the condition of local factories and potential trade opportunities.

The Summit held on December 5th and December 8th gathered a large number of leaders, economists and technical experts from corrugated industry respectively in Indonesia and Myanmar. Mr. Alex Wang, the representative of Reed Exhibitions, addressed the welcome speech, extending gratitude to Mr. Budiawan-Teguh, the chairman of PICCI and Mr. Gao Chengquan, the representative of MCBA, as well as all the association members.

He also pointed out that this was the second time for Reed Exhibitions to host the corrugated industry summit in Jakarta and Yangon, "I hope that the Indonesia Corrugated Industry Summit and Myanmar Corrugated Industry Summit, making full use of the powerful database resources and brand advantages of Reed Exhibitions, bring together global industrial participants to exchange ideas on the current market of corrugated box manufacturing industry, analyze industry trends, explore market-coping strategies and achieve win-win collaborations."

During the Jakarta summit, Industry KOL Mr. He Jian gave a keynote speech entitled The Present Situation and Prospect for China Paper and Carton Industry; Mr. Faisal H. Basri Baturbara made a speech themed on Indonesia Current Economic Trends and



Forecast, which helped participants seize new development opportunities in Asian and Indonesian markets. And at the Q&A session, audiences were very active to interact with the speakers. Fosber and BHS representatives launched a lively discussion on Industry 4.0 and Corrugated 4.0 & Digital Printing respectively. At the Yangon summit, Industry KOL Mr. Huang Chuangfu, shared the secret of waterborne printing with the theme of The Standardization & Quality Control of Waterborne Printing Technology, attempting to help participants break through the bottlenecks in the printing process and improve the production quality and efficiency.

More than 20 suppliers including Huizhou Degang Machinery, Guangzhou Xiaohua, Dongguan Run Li Hua, Tien Chin Yu Machinery, J.S. Machine, Dasong (RMM) and so on shared their new products, technologies and applications.

Ms. LaySee Chan, the representative of Reed Exhibitions, gave an introduction about Sino-Corrugated South 2018. She pointed



out "SinoCorrugated South 2018, SinoFoldingCarton 2018, SinoFlexoGraphic South 2018, China Packaging Container Expo 2018 and China Label Industry Expo 2018 will be concurrently held in Dongguan, Guangdong, in April 2018, which are expected to attract more than 36,000 professional audiences at home and abroad". As one of the leading event organizers in the industry, Reed Exhibitions is boasting of incomparable and powerful brand influence. Apart from helping suppliers show their latest equipment and technologies comprehensively, Reed is confident in helping them to exploit new corrugated markets. After the successful conclusion of South Asia roadshow, SinoCorrugated team will continue its journey in Iran, where enjoys remarkable economic growth. Thus, let us harbor the feeling of excitement to welcome more international collaborations.

The most interesting speaker is Mr Faisal Basri (Indonesia Economist) whom open up the Indonesian economic situation and he joked than indeed Reed is making the god research as Reed only making road show only in the best economic growth countries, like China, India, Indonesia, Myanmar etc.



GDP Growth by Expenditure (%)

Indonesia Domestic Demand under Pressure, but the Purchasing Power does not Decrease as you can see on chart below.

	2013	2014	2015	2016	Q1-17	Q2-17	Q3-17	Share 2017*
Private consumption	5.43	5.15	4.96	5.01	4.94	4.95	4.93	56.29
LNPRT** consumption	8.18	12.19	-0.62	6.62	8.05	8.49	6.01	1.19
General government consumption	6.75	1.16	5.32	-0.15	2.68	-1.93	3.46	7.60
Gross domestic fixed capital formation	5.01	4.45	5.01	4.48	4.78	5.35	7.11	31.46
Exports of goods and services	4.17	1.07	-2.12	-1.74	8.21	5.76	17.27	19.82
Less imports of goods and services	1.86	2.12	-6.41	-2.27	5.12	2.80	15.09	-18.25
Gross domestic product	5.56	5.01	4.88	5.02	5.01	5.01	5.06	100.00

* First semester; not included change in inventory and statistical discrepancy.

** LNPRT stands for lembaga non-profit yang melayani rumah tangga (non-profit organization serving the household).

Source: BPS-Statistics Indonesia.

We can see that the growth of manufacturing industries in Indonesia (2011 – 2017) mainly in Food and Beverage products, Chemical and Pharmaceutical, Computer and electrical equipment as well as transportation that the growth reach 6 – 8.5%.

There is a Shift in consumption pattern from food and apparel to “leisure”

(restaurants, hotels, recreation & culture). The scary part is Unemployment of youth total (% of total labor force ages 15-24) Indonesia is very big (21.8%) or no 5 in the world – we are just behind Saudi Arabia (29.5%), Syria (30.1%), Iraq (34.6%), Egypt (42%) and Libya (48.9%) while China (10.5%), India (10.4%), Malaysia (6.7%), Vietnam (6.3%) and Thailand (3.9%)

