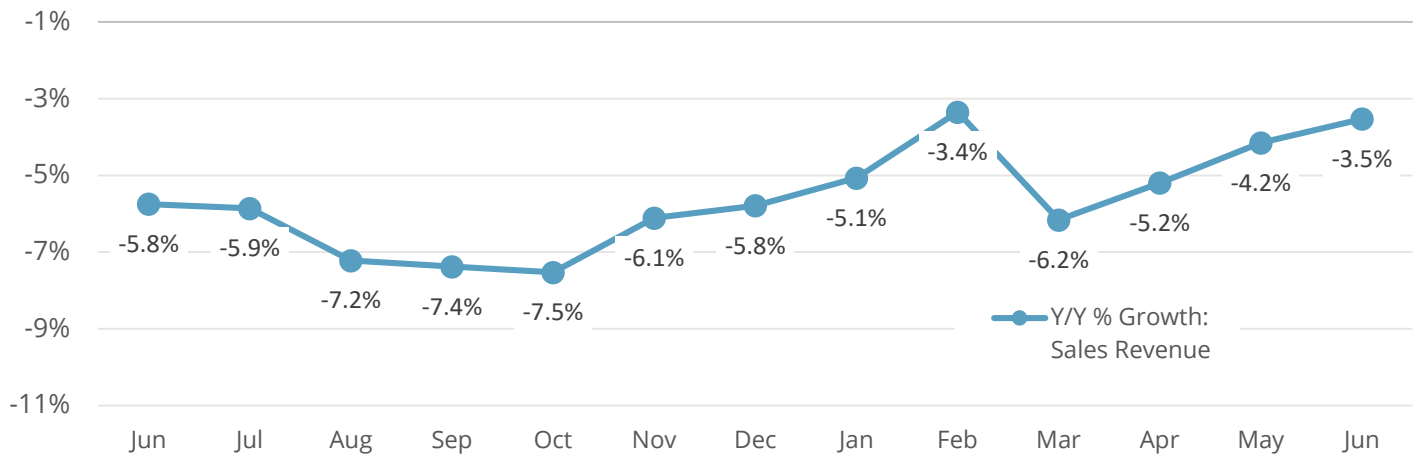## READY-TO-EAT CEREAL

Sales will contract into at least 2H18, indicated by a decline in Total Food Point of Sales and Non-Farm Private Employment. However, the pace-of-decline will generally moderate by 4Q17.

Chart — Y/Y % Growth: Sales Revenue

Month	Y/Y % Growth
Jun	-5.8%
Jul	-5.9%
Aug	-7.2%
Sep	-7.4%
Oct	-7.5%
Nov	-6.1%
Dec	-5.8%
Jan	-5.1%
Feb	-3.4%
Mar	-6.2%
Apr	-5.2%
May	-4.2%
Jun	-3.5%

THIS FORECAST IS UPDATED AS THE ECONOMY CHANGES – IN REAL TIME
The world is constantly changing and your company cannot afford to rely on outdated insights. Prevedere's cloud solution continuously monitors economic and consumer behavior leading indicators, updates forecasts like this in real-time, and alerts you of future risks and opportunities months ahead of your competition.
To learn more, please contact Todd Carlton at tcarlton@prevedere.com.

EXTERNAL FACTORS INCLUDED IN THIS CATEGORY FORECAST

This category has historically moved in line with the following economic factors, each with a statistically proven lead time. Changes in these factors can affect future sales performance.
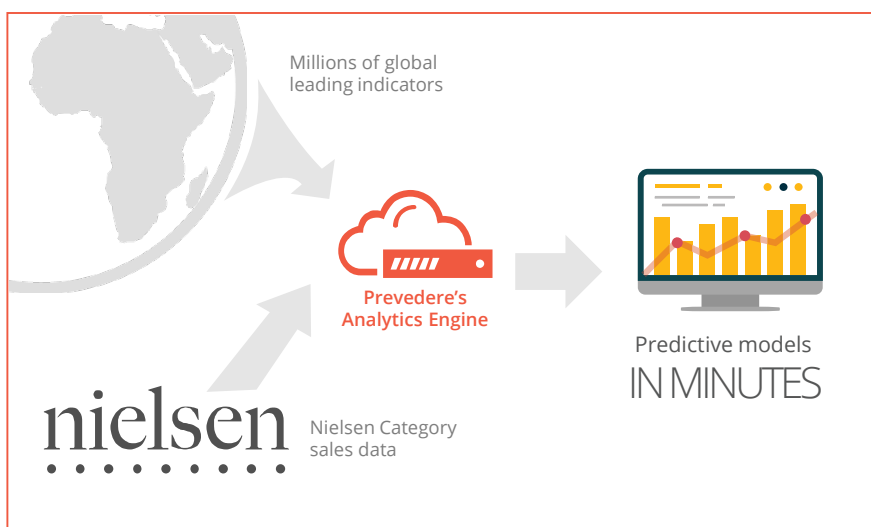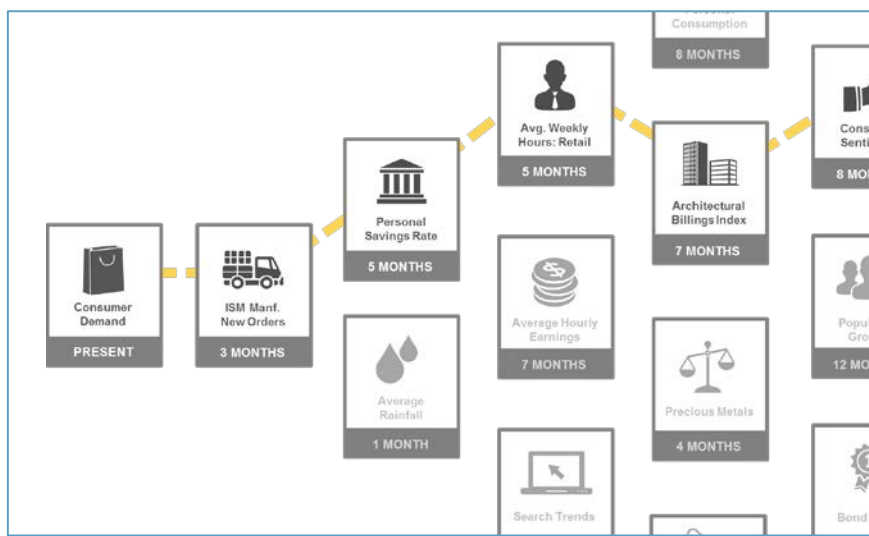
Indicator Description	Statistical Lead Time
Nielsen - Total Us Xaoc Incl Conv – Food Measures total food point-of-sale purchases in U.S. provided by Nielsen and can signal increased purchases in individual categories, such as ready-to-eat cereal.	8 mos
Industrial Capacity – Food, Beverage, and Tobacco Measures the amount of resources (workforce, factories, etc) present that will enable the production of food, beverage, and tobacco products. Increased capacity can signal demand.	9 mos
U.S. Composite Leading Indicators (MEI) Measures a range of economic indicators that signals the health of the overall economy, primarily driven by consumer spending.	12 mos
Total Nonfarm Payroll Employment Measures the employment level of goods, construction and manufacturing companies in the US. Consumer employment drives an increase spending and GDP.	16 mos

Prevedere C360 Category Forecast

OVERVIEW

Prevedere uses the latest in cognitive computing to develop predictive models of consumer demand for leading CPG and Retail companies. Instead of using historical trends as the basis of future performance, Prevedere analyzes millions of external leading indicators that impact consumers' ability and intent to spend more or less. Every company, product, and category can have a unique set of external leading indicators that influence performance. Mapping this "domino effect" can accurately model future demand.

Millions of global leading indicators

Prevedere's Analytics Engine

Predictive models
IN MINUTES

nielsen

Nielsen Category sales data

METHODOLOGY

As a Nielsen Connected Partner, Prevedere has access to thousands of category sales data. For each category in this report, Prevedere's analytics engine determines the best external factors to include in the predictive model. Prevedere's team of data scientists and economists further refine the model using their years of experience in CPG and Retail industries. The results are highly accurate, data-driven category forecasts that use statistically proven leading indicators.

HOW YOU CAN USE THESE FORECASTS

By having unbiased, data-driven insights, you can now have a view of future demand like never before. As the economy changes, Prevedere's cloud solution updates these forecast models in real-time, alerting you of any future risks or opportunities to your business.

Inform retailers of future changes in demand so they can maximize sales or increase efficiency	**Inform internal financial and operations planners on upcoming risks to your business**	**Work with purchasing to buy commodities ahead of any price spikes due to increased demand**	**Optimize marketing ROI by focusing on consumer segments with strongest growth**

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