TEA

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Tea Market Report: Sale 27 of 5th - 7th July, 2021

Improved general demand for the 193,194 packages (12.71m/kgs) at firm to dearer rates. 12.08% remained unsold

Leaf Grades

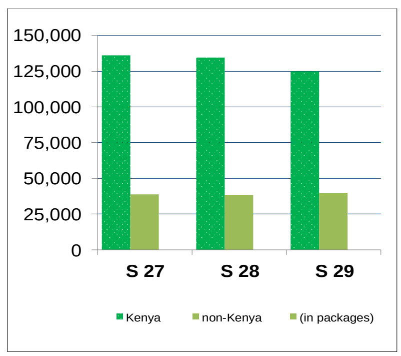
Offerings: 101,780 packages (6.64m/kgs) with 12.05% remaining without bids.

The Best **BP1s** in the market shed USC17 - USC56 while Brighter types eased by USC5 - USC19 with Medium categories steady to USC4 below last levels and some lines remained unsold. Lower Medium varieties were irregular varying between firm to USC28 above previous week's rates to easier by USC6 - USC19 and some teas were neglected while plainer descriptions were discounted by USC6 -USC11with some lines unsold but a few improved invoices gained up to USC3.

Current and Future Fresh Auction Offerings

	Sale 27		Sale 27		Sale 28		Sale 29	
	5 - 7 Jul'21		6th - 7th Jul'20		12 - 14 Jul'21		19- 21 Jul'21	
Country	MG	SG	MG	SG	MG	SG	MG	SG
Kenya	123,300	12,874	111,620	10,500	123,340	11,180	112,960	11,880
Uganda	15,960	9,480	12,821	7,140	16,760	9,380	16,400	11,120
Tanzania	1,280	1,320	360	40	1,240	980	1,600	1,100
Rwanda	7,440	1,320	5,480	820	7,160	1,380	6,480	1,420
Burundi	1,560	360	1,600	260	1,000	380	1,400	280
Zambia	0	0	0	0	0	0	0	0
Malawi	0	0	0	0	0	0	0	0
Madagascar	0	0	0	0	0	0	0	0
Zimbabwe	0	0	0	0	0	0	0	0
D R Congo	0	0	0	0	0	0	0	0
Mozambique	0	0	680	339	0	0	0	0
Ethiopia	0	0	0	660	0	0	0	0
Reprints	15,960	2,200	32,680	7,080	25,720	3,137	21,380	3,100
Total	149,540	25,354	132,561	19,759	149,500	23,300	138,840	25,800
	174,894		152,320		172,800		164,640	

Best **PF1s** on offer appreciated by USC2 - USC11 with Brighter sorts advancing by USC6 - USC11 while Mediums gained USC5 - USC13. Lower Medium categories shed USC6 - USC11 and many lines were neglected but a few improved teas gained up to USC3. Improved Plainer varieties held firm to USC14 above last week's rates but others were discounted by USC2 to USC14 and some invoices were neglected.



CTC Quotations and Highest Prices (USC)

	BP1			PF1		
Best	183	-	490	206	-	266
Good	180	-	388	201	-	232
Good Medium	166	-	214	190	-	214
Medium	160	-	206	172	-	210
Lower Medium	125	-	198	115	-	173
Plainer	101	-	156	084	-	157

DUST Grades

Offerings: 63,760 packages (4.72m/kgs) .10.63% remained without bids.

Best **PDUSTs** available saw an irregular enquiry varying between firm to USC4 dearer with quality to easier by up to USC8 while Brighter varieties gained USC4 to USC8; medium types ranged between steady to USC12 above previous week's levels to easier by up to USC18. Lower Medium categories were irregular ranging between firm to USC9 dearer to easier by USC4 - USC5 and some invoices remained without bids. Plainer descriptions met an irregular activity and improved lines appreciated by USC5 - USC14 while others shed USC4 - USC6.

The Best **DUST1s** on offer advanced by USC4 - USC5 with Brighter categories well-competed for and gained USC4 - USC26 while Medium types saw an irregular interest and improved lines held firm to USC12 above last prices with others easing by up to USC6. Lower Medium categories varied between firm to USC4 dearer to easier by USC3 - USC8 with improved Plainer sorts steady to USC13 above last rates while others were discounted by USC4 to USC10.

Secondary grades

Offerings: 27,654 packages (1.39m/kgs). 15.28% were unsold.

In the Secondary Catalogues, BPs were steady with PFs firm. Clean well sorted colour Fannings were discounted while best DUSTs eased with others firm. Other Fannings held value while DUSTs eased. BMFs were discounted.

Markets

There was more and strong support from Bazaar and were dominant with more and strong interest from Pakistan Packers and UK while Egyptian Packers, Yemen and other Middle Eastern countries showed more activity. Kazakhstan and other CIS nations lent strong but selective support while Sudan and Russia were active with good but selective interest from Afghanistan. Iran were quiet with Local Packers fairly active in line with price. Somalia were active at the lower end of the market.

CTC Quotations and Highest Prices (USC)

	PD			D1		
Best	186	-	230	175	-	240
Good	186	-	206	174	-	220
Good Medium	184	-	204	164	-	202
Medium	161	-	196	150	-	182
Lower Medium	090	-	186	080	-	166
Plainer	080	-	138	078	-	120

Secondary Quotations (USC)

	BP/BP2			PF/PF2			FNGS1/FNGS			DUST / DUST2			BMF		
Best/Good	160	-	221				108	-	157	067	-	180			
Good Medium / Medium							111	-	142	068	-	150			
Lower Medium	090	-	158	072	-	148	061	-	142	060	-	091	060	-	076
Plainer	092	-	132	075	-	146	060	-	120	058	-	091	058	-	078

Average Auction Hammer Quantities and Prices by Country

Country of Origin	Main			Secondary			Total			Total for Corresponding Sale for Last Year		
	Pkgs	Kgs	USC	Pkgs	Kgs	USC	Pkgs	Kgs	USC	Pkgs	Kgs	USC
Kenya	116,520	8,108,948	178	11,780	583,681	173	128,300	8,692,629	**173**	121,740	8,212,505	**177**
Uganda	14,860	948,096	114	8,017	391,779	106	22,877	1,339,875	**106**	20,900	1,194,312	**123**
Tanzania	880	50,920	108	1,180	55,264	91	2,060	106,184	**91**	401	24,042	**109**
Rwanda	7,360	509,516	234	1,380	87,136	223	8,740	596,652	**223**	5,700	392,001	**243**
Burundi	1,720	109,428	178	360	19,808	168	2,080	129,236	**168**	2,080	133,851	**201**
Zambia	-	-	-	-	-	-	-	-	-	-	-	-
Malawi	-	-	-	-	-	-	-	-	-	-	-	-
Mozambique	-	-	-	-	-	-	-	-	-	580	39,732	**115**
Madagascar	-	-	-	-	-	-	-	-	-	-	-	-
Zimbabwe	-	-	-	-	-	-	-	-	-	-	-	-
D R Congo	-	-	-	-	-	-	-	-	-	-	-	-
Ethiopia	-	-	-	-	-	-	-	-	-	340	15,257	**86**
Total	**141,340**	**9,726,908**	**174**	**22,717**	**1,137,668**	**99**	**164,057**	**10,864,576**	**166**	**151,741**	**10,011,700**	**173**

Sale Number	Previous Sale's Quantities and Prices									Total for Corresponding Sale for Last Year		
	Main			Secondary			Total					
Sale 26/21	145,897	10,033,937	**173**	22,159	1,115,190	**98**	168,056	11,149,127	**165**	145,760	9,692,971	**181**
Sale 25/21	133,180	9,126,465	**177**	24,176	1,215,472	**100**	157,356	10,341,937	**168**	165,486	10,887,869	**178**
Sale 24/21	135,160	9,257,232	**183**	23,579	1,184,204	**105**	158,739	10,441,436	**174**	155,970	10,236,627	**178**
Sale 23/21	137,667	9,440,747	**191**	23,060	1,149,080	**108**	160,727	10,589,827	**182**	151,638	10,039,385	**178**
Sale 22/21	146,240	10,044,649	**195**	22,519	1,125,888	**110**	168,759	11,170,537	**187**	141,920	9,505,801	**182**
Sale 21/21	150,980	10,338,058	**197**	22,320	1,127,894	**110**	173,300	11,465,952	**189**	144,080	9,623,853	**186**

Average Auction Hammer Prices by Grade and Country

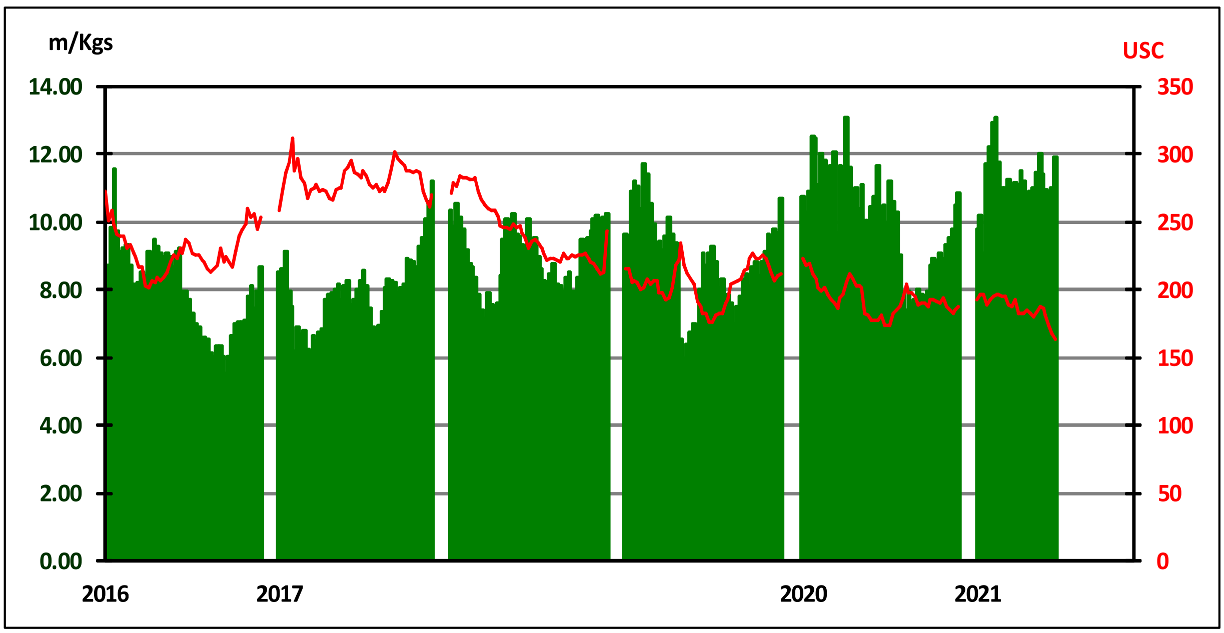
Country of Origin	Current Sale's Prices per Grade										Corresponding Prices per Grade for Last Year									
	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av
Kenya	184	188	165	166	136	123	89	106	65	**173**	184	177	188	200	146	137	96	104	65	**177**
Uganda	124	121	109	99	107	105	75	86	63	**106**	127	125	148	150	128	110	88	88	62	**123**
Tanzania	105	117	104	95	-	89	62	73	70	**91**	-	102	135	138	-	-	77	-	66	**109**
Rwanda	312	213	201	195	178	-	127	132	-	**223**	283	239	253	242	214	183	160	194	67	**243**
Burundi	166	185	182	175	-	-	97	120	-	**168**	213	212	208	203	-	-	128	141	-	**201**
Zambia	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	**-**
Malawi	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	**-**
Mozambique	-	-	-	-	-	-	-	-	-	**-**	-	-	-	120	-	-	89	-	-	**115**
Madagascar	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	**-**
Zimbabwe	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	**-**
D R Congo	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	**-**
Ethiopia	-	-	-	-	-	-	-	-	-	**-**	-	-	-	-	-	97	82	75	-	**86**
	188	**184**	**159**	**158**	**144**	**113**	**89**	**99**	**64**	**166**	**184**	**177**	**186**	**191**	**150**	**125**	**101**	**100**	**64**	**173**

Sale Number	Previous Sale's Prices per Grade										Corresponding Prices per Grade for Previous Year									
	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av
Sale 26/21	192	180	159	153	140	120	88	99	66	**165**	186	186	190	198	160	123	101	103	61	**181**
Sale 25/21	198	183	165	155	136	126	91	100	**69**	**168**	184	183	191	195	140	116	95	107	**59**	178
Sale 24/21	202	186	176	163	146	123	100	107	70	**174**	188	184	190	193	122	107	97	103	57	**178**
Sale 23/21	208	191	188	172	155	125	98	112	**71**	**182**	185	186	187	186	132	112	98	100	**56**	178
Sale 22/21	210	198	193	172	157	123	104	114	71	**187**	188	191	185	183	129	120	94	106	55	**182**
Sale 21/21	216	198	196	176	164	125	104	112	**72**	**189**	192	198	183	180	152	122	106	107	**54**	186

Average Auction Prices and Quantities by Country

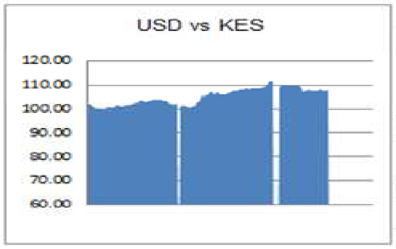
	Previous Sale Sale 26/21		Year To Date 2021		Last Year Sale 26/20		Year To Date 2020		Variance Year To Date	
Country	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC
Kenya	9,445,692	172	235,809,638	194	8,236,186	187	234,665,341	205	1,144,297	-11
Uganda	1,640,264	104	36,997,175	119	1,274,426	128	34,322,556	117	2,674,619	2
Tanzania	76,668	91	2,642,198	100	60,580	128	4,284,285	113	-1,642,087	-13
Rwanda	575,288	221	13,381,390	258	360,060	244	12,585,292	288	796,098	-30
Burundi	166,236	172	3,644,601	199	157,241	197	4,278,680	225	-634,079	-26
Zambia	-	-	-	-	-	-	-	-	0	0
Malawi	-	-	-	-	-	-	-	-	0	0
Mozambique	-	-	-	-	-	-	171,079	67	-171,079	-67
Madagascar	-	-	98,943	101	-	-	-	-	98,943	101
Zimbabwe	-	-	-	-	-	-	-	-	0	0
D R Congo	-	-	-	-	-	-	-	-	0	0
Ethiopia	5,950	120	114,283	140	26,631	81	454,663	123	-340,380	17
Total	**11,910,098**	**164**	**292,688,228**	**187**	**10,115,124**	**181**	**290,761,896**	**197**	**1,926,332**	**-10**

Mombasa Weekly Average Auction Quantities and Prices 2016—2021



	Jan		Feb		Mar		Apr		May		Jun		Jul		Aug		Sep		Oct		Nov		Dec		Total	
	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC
2021	40.8	194	49.9	195	55.7	192	44.7	183	45.4	188	56.2	174													292.6	187
2020	44.4	217	47.4	203	56.5	192	46.9	205	42.5	189	53.0	181	42.3	176	34.6	192	39.1	194	33.3	192	36.1	190	40.6	187	516.8	193
2019	52.2	209	44.1	203	37.8	202	47.9	206	25.6	218	30.7	190	44.0	179	31.3	192	30.6	208	42.5	222	37.0	219	30.2	210	454.0	204
2018	50.7	278	35.0	282	30.3	265	40.6	252	39.9	246	38.0	239	44.9	233	33.6	223	32.9	223	42.9	225	39.5	219	30.1	213	458.4	243
2017	41.7	284	26.5	286	25.6	273	29.2	272	39.9	275	31.5	289	32.4	283	27.8	275	32.9	286	41.9	291	36.3	283	31.9	266	397.6	281
2016	38.4	256	37.4	238	41.8	224	36.1	204	45.4	212	35.3	227	29.9	231	32.8	219	24.5	222	25.2	222	37.2	250	24.0	251	407.9	229

Exchange Rates (2019-2021)



KES: USD	107.95	▲	0.17 0.16%
KES:STG	149.26	▼	0.66 0.44%
KES:EUR	28.02	▼	0.59 0.46%
USD:STG	1.38	▼	0.01 0.72%

During the week the Kenya Shilling traded between KES 107.85-108.00 and reached 108.00 at its lowest end week. Expectations are that the Kenya Shilling against US Dollar will trade at the level of 107.00 - 108.00 in the coming week.

(*These figures are given as a guide and readers are advised not to use them as a basis for business transactions*)

Auction Quantities

Country Offerings	This Week Sale 27/21 Packages	Kgs	Year To Date 2021 Packages	Kgs	Year To Date 2020 Packages	Kgs	Variance Year To Date Packages	Kgs
Kenya	136,174	9,227,523	3,679,857	249,092,220	3,651,221	246,848,873	28,636	2,243,347
Uganda	25,440	1,466,356	673,802	39,032,368	615,332	35,481,091	58,470	3,551,277
Tanzania	2,600	129,984	56,699	2,864,916	87,289	4,649,206	-30,590	-1,784,290
Rwanda	8,760	596,983	202,740	13,871,322	193,819	13,278,477	8,921	592,845
Burundi	1,920	118,992	59,980	3,736,685	68,160	4,342,649	-8,180	-605,964
Zambia	0	0	960	56,740	0	0	960	56,740
Malawi	0	0	0	0	0	0	0	0
Mozambique	0	0	1,900	106,726	4,462	240,523	-2,562	-133,797
Madagascar	0	0	2,020	99,835	0	0	2,020	99,835
Zimbabwe	0	0	0	0	0	0	0	0
D R Congo	0	0	0	0	0	0	0	0
Ethiopia	0	0	0	0	9,360	460,398	-9,360	-460,398
Total	**174,894**	**11,539,838**	**4,677,958**	**308,860,812**	**4,629,643**	**305,301,217**	**48,315**	**3,559,595**

Sellers' Main Grade Quantities (in Packages)

Origin	BP 1 S 27	BP 1 S 28	BP 1 S 29	PF 1 S 27	PF 1 S 28	PF 1 S 29	PD S 27	PD S 28	PD S 29	D 1 S 27	D 1 S 28	D 1 S 29	Total S 26	Total S 27	Total S 28
KTDA	19440	21500	13560	49240	53280	43220	21520	23240	18520	10200	8760	4760	100400	106780	80060
Unilever Tea	1080	1120	160	1000	1420	1400	720	960	1000	400	240	360	3200	3740	2920
James Finlay	160	40	160	280	200	780	240	120	1240	0	0	0	680	360	2180
Eastern Produce	400	320	1000	520	1100	2,620	780	740	3700	320	280	1080	2020	2440	8400
Others (K)	40	40	4,960	120	160	11,960	120	200	15400	40	40	3140	320	440	35460
Uganda	40	160	2440	240	120	5,680	200	320	5160	80	80	2040	560	680	15320
Tanzania	860	480	240	1280	860	540	540	900	400	260	280	120	2940	2520	1300
Rwanda	4760	5400	2840	6160	5600	2880	2400	2960	1680	940	1140	540	14260	15100	7940
Burundi	1680	1440	960	2120	2160	760	680	680	320	400	440	80	4880	4720	2120
DR Congo	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Malawi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Zimbabwe	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Madagascar	80	80	0	0	0	0	0	0	0	20	20	0	100	100	0
Mozambique	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Zambia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ethiopia	0	0	0	0	0	0	0	240	60	0	0	0	0	240	60
Total	28540	30580	26320	60960	64900	69840	27200	30360	47480	12660	11280	12120	129360	137120	155760

Buyer Purchases of Teas Offered by Grade (in Packages)

	BUYER	%	Total	BP1	PF1	PD	D1	BP2	PF2	D2	FNGS	BMF
1	CARGILL KENYA LTD	10.76	20,800	3,960	13,080	3,720	40					
2	GLOBAL TEA & COMMODITIES KENYA LTD.	10.44	20,180	2,240	9,500	5,780	2,080		80	320	180	
3	CHAI TRADING COMPANY LTD	9.07	17,520	1,720	9,840	3,980	1,840	60	40		40	
4	LAB INTERNATIONAL KENYA LTD	7.76	15,000	360	2,740	8,700	2,660	60	200	60	220	
5	COFFTEA AGENCIES LTD	5.06	9,780	4,720	1,720	100			120	20	2,840	260
6	DEVCHAND KESHAVJI (K) LTD	4.85	9,380	40	8,900	440						
7	SSOE (KENYA) LIMITED	4.08	7,880	1,700	3,100	1,300	580	460	220	440	80	
8	SHAKAB EXPORT & IMPORT CO. LTD	3.22	6,220	920	3,840	600	600	180		40	40	
9	MOMBASA COFFEE LTD	2.97	5,740	180		3,360	1,880	320				
10	VAN REES KENYA LIMITED	2.94	5,680	520	2,180	940	520		300		1,220	
11	JAMES FINLAY MOMBASA LIMITED	2.67	5,160	200	780	3,780			40	20	340	
12	M J. CLARKE LTD	2.47	4,780		180	2,920	400		520	20	740	
13	GOLD CROWN FOODS (EPZ) LTD	2.36	4,560	120	60	420	400	380	340	780	800	1,260
14	ABBAS TRADERS LTD	2.12	4,100	200	840	2,040	160	420		320	120	
15	INDO-AFRICAN TEA CO. (K) LTD.	1.57	3,040	2,640	280	120						
16	EMPIRE KENYA (EPZ) LTD	1.52	2,940	1,160	160	840				20	760	
17	STANSAND (A) LTD	1.48	2,860	120	2,100				480		160	
18	CHAMU SUPPLIES LIMITED	1.12	2,160		360	920	120		260	100	400	
19	SUMMER LINER CO. LTD	0.97	1,880	200		40		160	140	20	740	580
20	AL EMIR LIMITED	0.90	1,740	200	1,160		280	40	40	20		
21	IMPERIAL TEAS (EPZ) LTD	0.89	1,717	440	160	860	80	157			20	
22	TROPICAL CROPS & COMMODITIES	0.64	1,240	160	120			100	60	40	240	520
23	ALIBHAI RAMJI (MSA) LTD	0.63	1,220		1,020		200					
24	LINDOP & COMPANY (KENYA) LTD	0.62	1,200		240	640	40		140	140		
25	RANFER TEAS KENYA LTD	0.54	1,040	600	240	120	80					
26	AIMCO ENTERPRISES LTD	0.43	840							40	200	600
27	TUSHA TEA LTD	0.41	800	800								
28	AFRO TEAS LTD	0.37	720	40							280	400
29	DRINCO INTERNATIONAL LIMITED	0.25	480	120	360							
30	AL KHALIFA ENTERPRISES LTD	0.24	460							20		440
31	MOMBASA TEA TRADERS LTD	0.19	360			280	80					
32	KIRINDO TRADERS LIMITED	0.17	320	120				40		20	80	60
33	JALEEL TRADING COMPANY	0.14	280						20			260
34	TEAVANA TEA STORE LTD	0.14	280									280
35	MAISHA COMMODITIES	0.12	240		40		120		20	20	40	
36	LUTEX LIMITED	0.10	200	200								
37	MCLEOD RUSSEL AFRICA LIMITED	0.10	200			40	160					
38	SARDIA INTERNATIONAL CO. LTD	0.09	180							120	40	20
39	LULA TRADING COMPANY	0.07	140					40			20	80
40	GOKAL TRADING KENYA LTD	0.06	120			120						
41	GREAT WHITE PACKERS LTD	0.06	120					80		20	20	
42	JAWAI TEA LIMITED	0.06	120	120								
43	RIOTANA TRADING LIMITED	0.05	100	40	40			20				
44	TRUST TEA TRADERS EAST AFRICA LTD	0.05	100	80				20				
45	TRANS-ATLANTIC TRADING Co. LTD	0.03	60							20	40	
46	GREEN LEAF TRADING CO. LTD	0.02	40						20		20	
47	PWANI HAULIERS	0.02	40						40			
48	TANZIIL TRADING LIMITED	0.02	40								20	20
Total Sold		84.84	164,057	23,920	63,040	42,060	12,320	2,537	3,080	2,620	9,700	4,780
Withdrawn		0.03	60	40				20				
Unsold		15.08	29,137	6,680	8,380	7,500	2,160	1,000	800	700	1,137	780
% Unsold				22	12	15	15	28	21	21	10	14
Grand Total		**100.00**	**193,254**	**30,640**	**71,420**	**49,560**	**14,480**	**3,557**	**3,880**	**3,320**	**10,837**	**5,560**

Sale 26/21	81.74%	168,056	18,960	74,820	42,278	9,839	2,260	3,520	3,120	7,599	5,660
Sale 25/21	79.18%	157,356	18,980	68,020	36,980	9,200	2,716	3,540	3,780	8,460	5,680
Sale 24/21	85.30%	158,739	18,320	66,960	38,740	11,140	2,320	3,140	3,680	8,879	5,560
Sale 23/21	84.05%	160,727	20,980	65,631	39,616	11,440	2,200	3,320	3,240	8,720	5,580
Sale 22/21	86.64%	168,759	24,540	67,480	39,440	14,780	2,500	3,399	2,980	8,340	5,300
Sale 21/21	89.49%	173,300	24,120	72,360	40,760	13,740	2,340	3,140	3,280	8,240	5,320

Other Tea Auction Centres

Auction Offerings				
	Week 26	Week 27	Week 28	Week 29
Centre	29-Jun	06-Jul	13-Jul	20-Jul
Mombasa	205,776	193,154	189,120	-
Limbe	9,280	-	-	-
Colombo	7.2m/kgs	7.1m/kgs	7.1m/kgs	6.8m/kgs
Jakarta	7,560	-	-	-
Calcutta	82,964	-	-	-
Guwahati	169,198	-	-	-
Chittagong	45,990	-	-	-
Total	**391,814**	**193,154**	**189,120**	**-**

Jakarta: at Sale 26 held on the 30th June, 2021. Quantity offered 6,560 packages which included 1,020 psacks CTC teas. Good general demand with most bids at firm to barely steady levels. More interest on brighter West Java teas. As usual, majority of the teas offered remained unsold leaving buyers to negotiate final prices directly with the sellers. All the usual buyers were active.

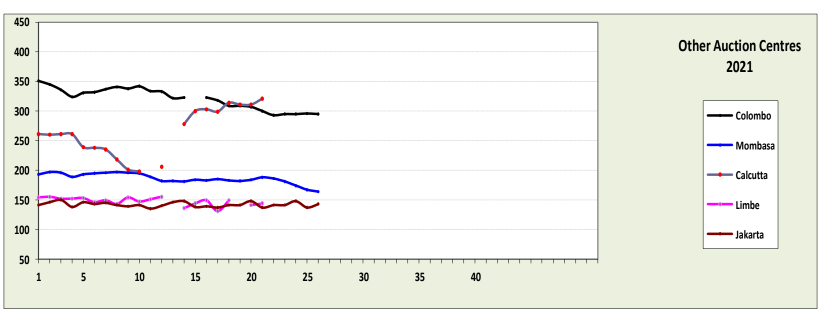
Colombo: at Sale 25 held on 29th and 30th June, 2021, The 1.0Mkg of Ex Estate teas on offer met with lower demand. Select best Western High Grown BOPs were firm, the below best and plainer varieties declined. Select best Western High Grown BOPFs were easier, the below best and plainer varieties too declined by Rs.20/- to Rs.30/- on average. Nuwara Eliya BOPs sold well, the BOPFs however, were irregular. Udapussellawa BOPs were easier, the BOPFs were mostly firm on last levels. Uva BOPs were firm, the BOPFs were tending irregular. Low Grown CTC BP1s were selectively dearer, the High and Medium sorts were irregularly dearer. Low Grown PF1s were firm, the High and Medium sorts were irregular following quality. The 2.9Mkg of Low Grown teas which were on offer met with fair demand. Select best OP1s declined by a few rupees, best and below best OP1s met with improved demand. Well-made BOP1s were firm, others met with better demand. Select best and best OP / OPAs were mostly firm. Well-made Bold Pekoes met with reasonable demand. Shotty Pekoe1s maintained last levels, others too were firm. In the Small Leaf segment, select best BOP.SP / BOPF.SP and BOPFs met with fair demand. Select best and best BOPs were lower to last. Select best FBOPs were irregularly lower, others met with fair demand. Select best FBOPF1s were lower, others too followed a similar trend. FBOPFs attracted reasonable interest. All Premium Flowery teas met with fair demand. Turkey, Russia, Iran and the C.I.S. countries lent fair support. Libya and Iraq were selective.

Chittagong: at Sale 08 held on 28th June, 2021. **CTC LEAF**: 34,238 packages of Current Season & 520 packages of Old Season teas on offer met with a fairly strong demand. **BROKENS**: All well made Brokens were in strong demand and generally sold at firm to occasionally dearer rates. All others were about steady in line with quality. Plain and BLF teas met with a slightly better demand and were mostly firm with less withdrawals. **FANNINGS**: Best Fannings continued to be a strong feature and were a dearer market. Others were mostly firm. Plain types saw a better demand and were about steady. BLFs met with a slightly better demand and were mostly firm with less withdrawals. **CTC DUST**: 11,267 packages of Current Season & 130 packages of Old Season teas on offer met with a good demand. Good liquoring Dusts sold well at slightly easier rates. Their mediums were fully firm to slightly dearer market. Plain and BLF saw fair demand but at irregularly easier rates with some withdrawals. Blenders once again lent strong support with fair interest from the Loose tea buyers. **COMMENTS**: Today's market followed a similar pattern than that of last week whereby well-made good liquoring teas attracted more competition and sold well. Blenders were active along with fair interest from the Loose tea buyers. Dusts were a slightly easier market.

Cochin: at Sale 25 held on 23rd June, 2021. **CTC Leaf**: Fair demand. Brokens and fannings eased by 3-4c. **Buying pattern**: Fair demand from Internal and Upcountry buyers. Exporters lent useful support. **ORTHODOX Leaf:** Good demand. Well-made high grown whole leaf & brokens met with good enquiry and prices were at firm levels. Medium whole leaf, brokens and fannings sold at irregular levels. **Buying pattern**: CIS/Middle East exporters active. Upcountry buyers lent support on whole leaf grades. **Dust:** Fair and selective demand. Good liquoring sorts irregular while select improved types appreciated with competition. Remainder tended easier and witnessed fair amount of out lots particularly on plainer and browner sorts. Buying pattern: Major blender AVT and KSCSC were active. Indcoserve operated. Best mediums witnessed fair support from regional packeters. Exporters were selective in their purchases.

Calcutta: Sale 26 held on 29th and 30th June, 2021. **CTC Leaf: CTC Leaf:** There was good demand. Select best & good Assams sold around last levels. The remainder was irregularly easier. Better Dooars were irregular around last. Medium and plainer categories were easier; the latter witnessing low interest with large weights being outlisted due to want of bids. Dust: There was good demand. Select best & good Assams were irregular around last whilst the remainder was barely steady. M/s Hindustan Unilever operated in both markets across various categories. M/s Tata Consumer Products was active on a range of teas in both markets. Western India segments were active on brighter liquoring Assams. Export accounts showed very limited inquiry. There was some interest from regional packeteers. There was limited interest from local segments on the Dooars. **ORTHODOX:** There was good demand. Well styled whole leaf & bolder whole leaf sold at firm to at times dearer rates. Other varieties including brokens & fannings were firm. Exporters remained active.

Guwahati: at Sale 26 held on 30th June, 2021 with 133,760 packages of tea on offer. **Market: CTC** Good demand for the good and best Assams which sold around last levels, while the medium categories witnessed fair demand and tended easier. Plainer teas met with less enquiry and were often difficult of sale. **Buying Pattern:** HUL/TCPL operated fairly actively. Western India were active and operated mainly on bright liquoring teas. North Indian buyers were somewhat selective. There was some export enquiry evident this week. **Market: DUST** Fair demand. Good Assams irregular around last levels while the remainder tended easier. The plainer teas witnessed significant withdrawals. **Buying Pattern:** HUL / TCPL were active. Western India operated mainly on their favoured liquoring teas. Internal segments were selective.



News Articles of Interest

Wednesday, 07 July, 2021

Tea prices at Mombasa auction hits 5-year low

Oversupply at the Mombasa tea auction is threatening to spoil the party for farmers this year as prices hit a five-year low. Further worsening the situation is a global glut as top tea producing countries recover from a trading break occasioned by the Covid-19 pandemic. Prices at the weekly Mombasa auction have been on a downward trend since early June, with overall sales this year remaining below the average two-dollar mark. Latest data market report by the East African Tea Trade Association (EATTA) puts a kilo at $1.65 (Sh178.12), a price last seen in 2017. The average prices for this year so far has been $1.80 (Sh194.31). Anything below two dollars being considered "not good" according to EATTA. The commodity has only fetched $2 (215.90) once so far this year, signalling low earnings for farmers in the financial year ending June 30, and expected to continue in the current financial year. The latest price is a drop from the previous week's $1.68 (Sh181.36) with 18.3 per cent of the total 13.6 million kilos availed for sale remaining unsold, the market report indicates. Out of 205,696 packages (13,615,051 kilos) available for sale, 168,056 packages (11,149,127 Kilos) were sold. Kenya Tea Development Agency has also noted persistent high production and a global oversupply has pushed down the average tea prices for its 54 managed factories limited companies. Green leaf produced by smallholder tea farmers under KTDA management hit 615 million kilos in six months to December last year, with high tea production being pegged on favourable weather conditions, besides the rapid expansion of acreage under tea over the years. Top 10 tea producing countries are China, India, Kenya, Sri Lanka, Turkey, Indonesia, Vietnam, Japan, Iran and Argentina. The Mombasa Tea Auction is one of the largest in the world where teas from Uganda, Rwanda, Tanzania, Malawi, Ethiopia and the Democratic Republic of Congo are also traded. "High volumes of tea produced in the East African region and elsewhere on the globe have contributed to the continued price decline in the global market," KTDA management services said in a recent statement. Last year, average tea auction prices fell by six per cent compared to the previous year, blamed on the high production and a depressed market occasioned by the Covid-19 pandemic. 2020's full-year average price was $1.80 (Sh194.31) which was lower compared to 2019, when it fetched an average $2.05 (Sh221.30) at the auction. Over 620,000 small-holder farmers affiliated to KTDA are expecting a mini bonus this month, a payment that will be combined with the green leaf supply for the month of June 2021. The payment will range between Sh2 and Sh5 per kilogram of green leaf delivered for six months between July 2020 and December 31, 2020. A stronger shilling against the dollar further reflects low returns for the farmers who gained from last year exchange rates, where the local currency hit a historic low of an average 111.1 units to the US dollar. Yesterday, Central Bank of Kenya data quoted the shilling at 107.95 against the US dollar. Source: https://www.the-star.co.ke/

Monday, 05 July, 2021

Kenya tea growers shift to produce pineapple as climate change bites

Some tea growers in Kenya are shifting to produce other crops as climate change threatens tea plantation in the country. Once a hub to perfect tea-growing conditions, the world's largest black tea exporter is now seeing the effects of climate change. Rising temperatures, floods and drought pose a threat to tea plantations. Gabriel Mwatha Mbugua is a tea farmer and says he has switched to growing pineapples on part of his land. "This tea was planted when I was young, 1959. During that time, we had a lot of rain, everything here looked like forest. So, there was a lot of rain and this tea was being plucked four times a month, after every seven days. These days when we moved on, the climate changed. When it changed, we are not getting as much rain as we used to get then. So now, instead of four times, we do it two times. Now, you see, you get half of what you were getting before. Therefore, I decided to change with the changing times, and I moved to pineapples because pineapples don't need much rain", Mbugua said. A May 2021 report by Charity Christian Aid says that by 2050 the changing climate will slash Kenya's optimal tea production conditions by over a quarter. This would hurt farmers and workers alike. "We have reports saying that by 2050, the area that we are growing tea is going to like be half of what there is. And so, that means that areas currently that are growing tea, farmers that are depending on tea, are going to increasingly become more vulnerable as the climate continues to change. The area is also going to be unsuitable in terms of the soils, suitability of the soils, and also the rainfall amounts", said Veronica Ndetu, climate change expert at Kenya's, Ministry of Agriculture, Livestock and Fisheries. The Christian Aid report recommended cutting emissions to prevent cli-

mate change accelerating harm caused to tea-growing regions. But as experts mount warnings about the dangers of climate change, Kenya's tea growers are already witnessing a drop in production. Kenya's tea industry contributes about 4% of its Gross Domestic Product (GDP). Source: https://www.africanews.com/

Tuesday, 29 June, 2021

India's tea exports may fall this year due to stiff competition from Africa

India's tea exports may fall below 200 million kg this year, up from 207 million kg in the pandemic that struck in 2020, due to stiff competition from Africa, which offers teas at more competitive rates. . Freight rates are lower in Africa than in India, while black tea production is higher on the continent. "In India, freight rates have skyrocketed. Rates have quadrupled in recent months. But freight rates have not gone up that way in Africa, which has put them in an advantageous position. If this trend continues, exports will be less than 200 million kg,"Anish Bhansali, president of the Calcutta Tea Traders Association, told ET. Aside from an increase in freight, it is the lower prices of African teas that are hurting trade. Africa can sell teas at $ 1.6-1.7 per kg or Rs 120-126 per kg. The price of Indian black tea, which is of a similar quality to African tea, sells for more than Rs 200 per kg. Higher domestic tea prices are hurting India's exports, said Azam Monem, director of. "Prices have gone up 4-5% compared to 2020. But if we compare it to prices in 2019, which was a normal production year, prices have gone up 30-35%. It is difficult to say if there will be a price correction immediately,"he said. Prices of teas from Assam, the country's leading tea -producing state, have risen due to a shortage of the tea crop. Production decreased by 35% and 25%, respectively, in March and April compared to the corresponding months of 2019, a year of normal production. In May, the crop loss was around 35%. Last year, due to the pandemic-induced lockdown, the industry had lost 140 million kg of teas. Monem said that due to the dry streak prevailing since the beginning of March, production dropped 60 million kg. "But it had rained in June and we expect a good production of second-hand teas," he said. Source: https://journal-beat.com/

Regional Weather Conditions and World Crop

Kenya: Murang'a: Again there was no rainfall activity recorded throughout the week. The highest and lowest temperatures were 28˚c & 10˚c respectively. Crop intake averaged 48 tonnes/day on a six day plucking cycle.

Nyeri: the week was extremely cold. 6.6 mm of rainfall was recorded in one wet day. The highest and lowest temperatures were 21˚c & 11˚c respectively. Crop intake averaged 31 tonnes/day on a six day plucking cycle.

Meru: was mostly sunny and cloudy with no rainfall activity recorded throughout the week. There was a cloudy cold spell on Friday and Saturday. The highest and lowest temperatures were 26˚c & 14˚c respectively. Crop intake averaged 34.9 tonnes/day on a five day plucking cycle.

Sotik: there was sunny mornings and showers in the afternoons with five days registering rainfall of 33.1mm. The highest and lowest temperatures were 25˚c & 11˚c respectively. Factory utilization remained as last week's levels.

Kericho: The week under review was partly sunny in the mornings followed by cloudy afternoons. An average of 38.4mm of rainfall was recorded. Average temperatures were highs of 22°Celsius and lows of 10°Celsius. Crop volumes went up by 3% compared to previous week's levels. Generally, crop on offer may remain low.

Uganda: there was sustained rainfall activity in most tea growing areas. Fort Portal received 16mm (29mm), Hoima 5mm (4mm), Bushenyi 3mm (2mm) and Kibale 7mm (4mm). Average temperatures were highs of 30°Celsius and lows of 15°Celsius. Crop volumes increased.

Rainfall Forecast 06 - 13 July.

Headline: Heavy to very heavy rainfall is expected over parts of Ethiopia, Sudan, Eritrea, and South Sudan.

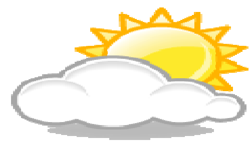
Rainfall

Heavy to very heavy rainfall (top 10 to 5% on record) expected in northern and eastern Ethiopia, western Eritrea, southern and south-western Sudan, and limited areas in north-eastern South Sudan. Stakeholders are advised to take appropriate measures.

Moderate rainfall between 50 -200 mm expected over much of central, and western Ethiopia, much of South Sudan, southern areas of Sudan, and localized areas in central Kenya.

Light rainfall of less than 30 mm is expected over eastern Ethiopia, Djibouti, northern and southern coastal Somalia, southern and northern Eritrea, south-eastern South Sudan, central Sudan, and central Kenya.

Dry conditions are expected in northern Sudan, eastern and southern Ethiopia, much of Somalia, much of Kenya, Burundi, Rwanda, Uganda, and Tanzania



The trouble with weather forecasting is that it is right too often for us to ignore it and wrong too often for us to rely on it.

June 2021 Climate Forecast Discussion for Jul-Sep through Oct-Dec

The sea surface temperature (SST) forecast indicates that the tropical Pacific is currently ENSO-neutral and will likely remain so through the boreal summer. This small collection of models suggests a re-emergence of cool SST anomalies near the end of 2021 that are just cool enough to meet the La Niña condition threshold of -0.5 C below average; however, they are not forecast to persist long enough to constitute a second La Niña event. Nonetheless, this La Niña-like SST pattern in the latter seasons of the forecast does impact the associated seasonal climate forecast. The SST forecasts over the upcoming seasons are primarily for normal conditions in the tropical Indian and Atlantic Oceans; however, there is some indication of warmer than normal SSTs in the equatorial Atlantic, and additionally some warming over the western equatorial Indian ocean is predicted with the re-emergence of La Niña.

Precipitation forecasts show enhanced probabilities of above-normal precipitation over the Maritime Continent and much of eastern Australia for all forecasted seasons. Enhanced probabilities of below-normal precipitation are forecast over northwestern United States, parts of Central America, and much of southern South America for the Jul-Sep season. Forecasts suggest enhanced likelihood for below-normal precipitation developing by Sep-Nov over parts of the Middle East and the equatorial coast of West Africa, and the confidence in the below-normal forecasts increases over Chile, southern Argentina, southern Brazil and Uruguay. For Oct-Dec, below-normal precipitation remains likely over much of the Middle East and SW Asia, and develops over Texas and Mexico.

All forecasted seasons show an increased likelihood for above-normal temperatures for the high latitudes of the Northern Hemisphere. In Jul-Sep enhanced probabilities of above-normal temperatures are also forecast for the northern tier of the United States. By Sep-Nov, the warm forecasts for the high-latitudes become even more confident, as the season of Artic sea ice minimum arrives. Also, in Sep-Nov, a likelihood for above-normal temperatures appears over the Great Plains of the US and over western China. For Oct-Dec, a localized high probability for above-normal temperatures appears over Texas; the high-latitude forecasts favouring above-normal temperatures expands into eastern Canada and much of northern Asia.

Crop production Kenya: Crop production declined further as the impact of the cold season especially EoR becomes apparent. WoR volumes are relatively stable but are expected to steadily decline as the cold season peaks in July and the useful drizzles diminish.

Uganda: Crop volumes increased. This past week sustained rainfall activity was recorded in all the tea growing areas and the good volumes will be maintained as long as the favourable conditions last.

Malawi: Crop intakes continues on a downward trend.

World Production from Main Producing Countries over the Past Twelve Months															Production over calendar years	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	+ / - Variance	2020	2019
Bangladesh	0.3	1.2	1.7	3.9	8.7	11.7	12.2	11.3	12.1	13.4	10.5	7.0	5.9	2.1	90.7	94.6
North India	-	2.2	46.9	51.4	75.6	116.5	140.7	142.9	163.8	155.6	127.6	53.4	100.5	43.2	1,033.4	1,170.6
South India	16.1	15.3	19.6	22.0	20.8	22.0	20.3	16.8	24.1	20.2	21.4	18.1	73.0	17.3	219.4	218.7
Sri Lanka	23.1	22.3	28.4	29.6	30.4	26.8	26.3	22.4	21.9	23.4	24.8	28.5	133.8	32.0	275.9	298.1
Kenya	48.9	43.3	48.7	44.3	47.0	46.4	36.6	38.5	43.4	48.3	47.7	54.4	185.2	(23.1)	570.6	459.0
Uganda	6.1	4.5	6.4	6.9	7.0	6.5	5.5	4.5	6.0	7.6	6.6	6.7	10.6	(1.4)	28.3	59.7
Tanzania	3.8	2.8	3.4	3.3	2.5	1.7	1.2	0.8	1.7	2.7	2.5	2.2	28.6	0.0	28.6	33.9
Rwanda	3.2	3.0	3.4	3.3	2.9	2.8	2.1	1.6	1.7	2.5	3.3	3.5	12.9	0.1	33.2	32.2
Malawi	7.0	7.2	8.0	6.4	3.8	1.4	1.1	1.3	2.8	2.1	1.4	5.3	32.4	2.6	45.2	48.3
Total	104.7	97.8	156.7	160.9	34.2	229.3	240.5	235.6	237.5	4.6	245.8	179.1	554.3	72.8	2,325.3	2,415.1
Variance	(0.7)	1.8	30.8	36.7	(154.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(86.0)			

Monthly figures in ***"BLACK"*** *are for 2021 whilst figures in* ***"BLUE"*** *are for 2020*

Mombasa Auction—Weekly Sale Average Prices (All teas) 2021

				Year : 2021	Year : 2021	Year : 2020	Year : 2019
Sale Nos.	Sale Date	Kilos sold Weekly	Kilos Sold monthly	Av.Price US$ weekly	Av. Price US$ monthly	Av. Price US$ monthly	Av. Price US$ monthly
1	05-Jan-21	9,791,304		1.93			
2	12-Jan-21	10,195,498		1.97			
3	19-Jan-21	9,094,727		1.96			
4	26-Jan-21	11,713,721		1.89			
			40,795,250		1.94	2.17	2.09
5	02-Feb-21	12,192,341		1.93			
6	09-Feb-21	12,945,087		1.95			
7	16-Feb-21	13,051,731		1.96			
8	23-Feb-21	11,798,728	49,987,885	1.97	1.95	2.03	2.03
9	02-Mar-21	11,205,377		2.06			
10	09-Mar-24	11,015,249		1.95			
11	16-Mar-21	11,259,688		1.89			
12	23-Mar-21	11,064,181		1.88			
13	30-Mar-21	11,146,680	55,691,175	1.82	1.92	1.92	2.02
3 mths Totals: }					$1.94 146,474,310 Kgs	$2.03 148,359,082 Kgs	$2.04 134,129,903 Kgs
14	06-Apr-21	11,106,771		1.82			
15	13-Apr-21	11,521,994		1.83			
16	20-Apr-21	11,178,057		1.82			
17	27-Apr-21	10,852,098		1.85			
			44,658,919		1.83	2.05	2.06
18	04-May-21	10,912,164		1.82			
19	11-May-21	11,006,663		1.80			
20	18-May-21	11,474,571		1.84			
21	25-May-21	12,002,714	45,396,112	1.88	1.84	1.89	2.18
22	02-Jun-21	11,407,495		1.86			
23	08-Jun-21	10,959,073		1.81			
24	15-Jun-21	10,896,353		1.74			
25	22-Jun-21	10,985,869		1.67			
26	29-Jun-21	11,910,098	56,158,888	1.64	1.74	1.79	1.90
6 mths Totals: }					$1.87 292,688.228 Kgs	$1.97 290,761,896 Kgs	$2.04 238,404,735 Kgs
27							
28							
29							
30							
			-			1.76	1.79
31							
32							
33							
34							
35			-			1.92	1.92
36							
37							
38							
39			-			1.94	2.08
9 mths Totals: }						$1.94 406,720,334 Kgs	$2.00 344,324,012 Kgs
40							
41							
42							
43			-			1.90	2.22
44							
45							
46							
47							
48			-			1.90	2.19
49							
50							
51							
			-			1.85	2.10
Sale Nos. 1 to 51 Year end Totals :						516,802,891 Kgs $1.93	454,012,998 Kgs $2.04

Summary : Sale Averages by Country

	Year : 2021			Year : 2020	
	Sale Nos: 1 to 26 (6 months)			Sale Nos: 1 to 26 (6 months)	
Country :	Kilos ' 000	Av. Prc US$	Country :	Kilos ' 000	Av. Prc US$
Kenya	235,810	1.94	Kenya	234,665	2.05
Uganda	36,997	1.19	Uganda	34,323	1.17
Tanzania	2,642	1.00	Tanzania	4,284	1.13
Rwanda	13,381	2.58	Rwanda	12,585	2.88
Burundi	3,645	1.99	Burundi	4,279	2.25
Malawi	-		Malawi	-	-
Mozambique	-		Mozambique	171	0.67
D R Congo	-		D R Congo	-	-
Madagascar	99	1.01	Madagascar	-	-
Ethiopia	114	1.40	Ethiopia	455	1.23
Total :	292,688	1.87		290,762	1.97

Year 2019 : 12M	454,013	2.04
Year 2018 : 12M	458,361	2.43
Year 2017 : 12M	397,646	2.81
Year 2016 : 12M	407,989	2.29
Year 2015 : 12M	358,639	2.73
Year 2014 : 12M	390,246	2.03

Compiled by : Tea Brokers East Africa Ltd