TEA

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Tea Market Report: Sale 36 of 6th - 7th September, 2021

There was good but irregular demand for the 128,659 packages (8.39m/kgs) on offer closely following quality and 28.94% remained unsold.

Leaf Grades

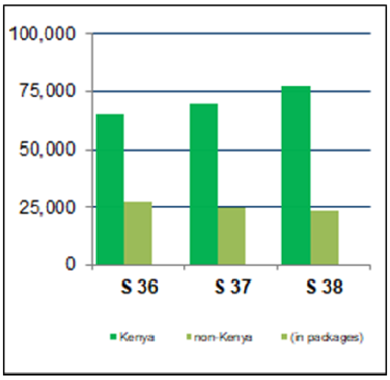
Offerings: 68,019 packages (4.41m/kgs) with 35.28% unsold.

Best **BP1s** on offer were better absorbed advancing by USC12 - USC26 closely following quality and Brighter varieties USC3 - USC4 dearer with quality while Medium categories held firm to USC23 above previous week's levels and some lines remained unsold. Lower Medium types saw an irregular interest ranging between firm to USC14 dearer to easier by USC4 - USC18 and some invoices remained without bids. Plainer descriptions varied between USC5 - USC13 dearer to easier by a similar rate and some teas remained unsold.

Current and Future Fresh Auction Offerings

Country	Sale 36 6 - 8 Sept'21 MG	SG	Sale 36 7 - 9 Sept'20 MG	SG	Sale 37 13 - 15 Sept'21 MG	SG	Sale 38 20 - 22 Sept'21 MG	SG
Kenya	55,840	9,580	79,920	10,260	59,880	10,060	66,440	10,580
Uganda	12,919	7,580	13,680	6,967	10,940	6,838	9,820	7,140
Tanzania	1,000	480	480	800	480	460	680	540
Rwanda	3,640	520	5,040	840	3,640	800	3,240	640
Burundi	1,200	380	2,560	260	1,280	320	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	0	0	0	0	0	0
Ethiopia	0	0	0	660	0	0	0	0
Reprints	32,620	2,920	13,000	2,700	25,040	2,200	20,781	2,236
Total	**74,599**	**18,540**	**101,680**	**19,787**	**76,220**	**18,478**	**81,580**	**19,180**
	93,139		**121,467**		**94,698**		**100,760**	

The Best **PF1s** in the market held firm to USC10 dearer with quality while Brighter types were steady to USC28 following quality. Medium categories were irregular with quality varying between firm to USC22 above previous week's levels to easier by USC2 - USC7 and some invoices remained unsold. Lower Medium varieties were irregular with improved lines gaining USC4 - USC10 but others eased by USC2 - USC13 where sold while Plainer sorts ranged between USC10 - USC14 above last prices to easier by USC2 - USC22 and some teas were unsold.



CTC Quotations and Highest Prices (USC)

	BP1			PF1		
Best	280	-	650	290	-	346
Good	255	-	400	290	-	370
Good Medium	245	-	300	270	-	312
Medium	260	-	267	250	-	267
Lower Medium	130	-	198	124	-	220
Plainer	108	-	170	090	-	206

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DUST Grades

Offerings: 39,200 packages (2.89m/gs). 28.21% were unsold.

The Best **PDUSTs** on offer appreciated by USC4 - USC17 with Brighter types USC4 - USC8 above last levels while Mediums were irregular varying between firm to USC4 dearer to easier by a similar level and a few lines remained without bids. Lower Medium varieties met an irregular enquiry ranging between steady to USC13 above previous week's rates to easier by USC2 - USC26 and a few invoices were unsold. Plainer descriptions varied between firm to USC12 dearer to easier by USC3 - USC15 with some teas unsold

Best **DUST1s** available saw better absorption and advanced by USC6 - USC28 with Brighter categories steady to USC10 below last week's levels. Medium types met an irregular support ranging between firm to USC18 above last prices to easier by USC11 - USC24 and many invoices remained unsold due to price limits while Lower Medium types varied between steady to USC10 above last rates to easier by USC8 - USC14 with some invoices unsold. Plainer categories were irregular varying between USC2 - USC10 dearer to easier by a similar level and some teas remained without bids.

Secondary Grades

Offerings: 21,440 packages (1.08m/kgs) and 10.17% remained unsold.

In the secondary catalogues, Best BPs were dearer with others steady while PFs gained. Clean well sorted coloury Fannings held value but best appreciated with similar DUSTs firm. Other Fannings were steady with DUSTs firm. BMFs were well absorbed.

Markets

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

CTC Quotations and Highest Prices (USC)

	PD			D1		
Best	292	-	336	272	-	318
Good	290	-	324	285	-	299
Good Medium	266	-	310	236	-	308
Medium	258	-	270	235	-	236
Lower Medium	100	-	238	105	-	215
Plainer	090	-	179	088	-	165

Secondary Quotations (USC)

	BP/BP2			PF/PF2			FNGS1/FNGS			DUST / DUST2			BMF		
Best/Good	184	-	246	204	-	228	107	-	212	109	-	240	080		
Good Medium / Medium							139	-	182	116		181			
Lower Medium	108	-	166	100	-	186	084	-	160	068	-	118	068	-	080
Plainer	083	-	128	088	-	184	080	-	145	066	-	139	064	-	084

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	53,960	3,750,950	229	9,660	483,882	115	63,620	4,234,833	**216**	77,800	5,231,291	**210**
Uganda	11,820	743,644	121	8,120	399,576	97	19,940	1,143,220	**112**	18,660	1,072,270	**130**
Tanzania	840	44,260	130	280	12,936	94	1,120	57,196	**122**	1,400	71,884	**118**
Rwanda	2,920	203,064	327	540	35,276	189	3,460	238,340	**307**	4,920	336,736	**268**
Burundi	400	24,980	223	420	21,356	140	820	46,336	**184**	2,300	145,287	**226**
Zambia	-	-	-	-	-	-	-	-	-	-	-	-
Malawi	-	-	-	-	-	-	-	-	-	-	-	-
Mozambique	-	-	-	-	-	-	-	-	-	-	-	-
Madagascar	-	-	-	-	-	-	-	-	-	-	-	-
Zimbabwe	-	-	-	-	-	-	-	-	-	-	-	-
D R Congo	-	-	-	-	-	-	-	-	-	-	-	-
Ethiopia	-	-	-	-	-	-	-	-	-	600	27,784	**101**
Total	**69,940**	**4,766,898**	**215**	**19,020**	**953,026**	**110**	**88,960**	**5,719,925**	**198**	**105,680**	**6,885,252**	**199**

Sale Number	Previous Sale's Quantities and Prices									Total for Corresponding Sale for Last Year		
	Main			Secondary			Total					
Sale 35/21	78,024	5,346,718	**216**	18,480	903,663	**108**	96,504	6,250,381	**201**	106,920	6,949,441	**198**
Sale 34/21	70,195	4,803,817	**222**	17,700	875,136	**108**	87,895	5,678,953	**204**	100,161	6,631,499	**204**
Sale 33/21	69,560	4,722,996	**218**	21,980	1,088,455	**106**	91,540	5,811,451	**197**	109,180	7,235,036	**195**
Sale 32/21	83,827	5,686,896	**212**	21,640	1,080,743	**102**	105,467	6,767,638	**195**	121,755	8,072,634	**188**
Sale 31/21	118,900	8,184,577	**208**	22,440	1,102,828	**98**	141,340	9,287,405	**195**	140,022	9,268,689	**185**
Sale 30/21	116,980	7,931,284	**198**	18,280	872,058	**94**	135,260	8,803,342	**188**	139,925	9,246,702	**182**

Average Auction Hammer Prices by Grade and Country

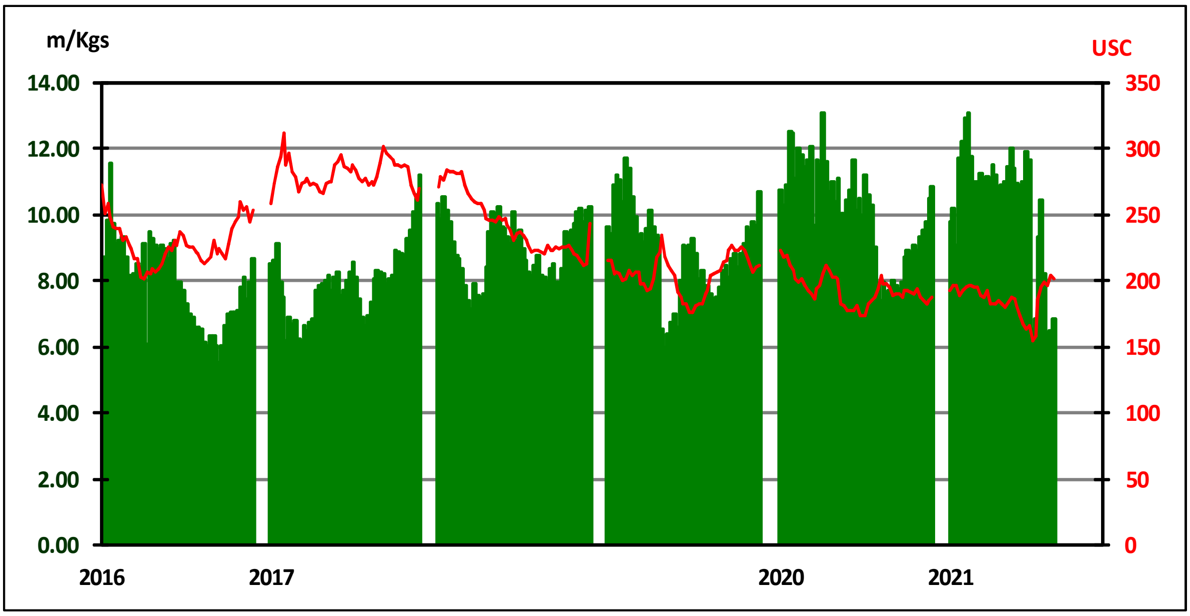
Country of Origin	Current Sale's Prices per Grade										Corresponding Prices per Grade for Last Year									
	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	**Av**	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	**Av**
Kenya	216	237	221	237	140	140	105	126	74	**216**	247	214	215	215	169	135	109	114	65	**210**
Uganda	131	129	115	107	108	114	84	102	71	**112**	163	136	143	146	146	120	110	91	63	**130**
Tanzania	120	133	131	-	112	114	80	91	89	**122**	143	144	142	141	144	127	83	93	78	**118**
Rwanda	458	277	278	258	206	216	173	168	80	**307**	332	258	238	262	227	210	164	178	68	**268**
Burundi	202	231	238	-	-	-	119	149	-	**184**	240	242	217	208	-	-	139	137	-	**226**
Zambia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malawi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mozambique	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Madagascar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Zimbabwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D R Congo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ethiopia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101	101	-	-	**101**
	216	**227**	**203**	**198**	**140**	**126**	**104**	**118**	**72**	**198**	**247**	**211**	**204**	**203**	**165**	**126**	**113**	**105**	**65**	**199**

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 35/21	224	233	199	198	123	124	112	114	**73**	**201**	247	212	202	203	176	130	118	118	**64**	**198**
Sale 34/21	232	228	214	209	135	125	101	116	68	**204**	264	215	205	212	187	131	119	113	63	**204**
Sale 33/21	238	217	211	208	131	117	105	115	**65**	**197**	251	205	190	208	206	128	113	113	**71**	**195**
Sale 32/21	223	221	198	193	132	119	100	107	66	**195**	223	194	189	204	186	126	116	104	75	**188**
Sale 31/21	206	220	199	186	134	111	91	103	**62**	**195**	216	187	184	202	184	128	110	114	**72**	**185**
Sale 30/21	228	206	185	168	127	113	95	97	61	**188**	201	188	186	198	177	124	106	115	69	**182**

Average Auction Prices and Quantities by Country

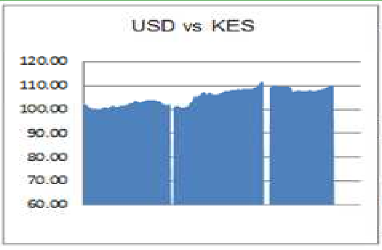
Country	Previous Sale Sale 35/21 Kgs	Previous Sale Sale 35/21 USC	Year To Date 2021 Kgs	Year To Date 2021 USC	Last Year Sale 35/20 Kgs	Last Year Sale 35/20 USC	Year To Date 2020 Kgs	Year To Date 2020 USC	Variance Year To Date Kgs	Variance Year To Date USC
Kenya	5,265,933	213	289,128,281	195	5,859,659	209	301,954,167	202	-12,825,886	-7
Uganda	1,038,078	116	49,804,324	116	1,406,394	131	46,228,446	120	3,575,878	-4
Tanzania	80,832	107	3,558,806	100	64,480	115	4,473,108	113	-914,302	-13
Rwanda	387,556	301	18,096,538	258	421,846	279	16,235,762	280	1,860,776	-22
Burundi	77,020	215	4,711,711	197	165,052	213	5,780,201	218	-1,068,490	-21
Zambia	-	-	-	-	-	-	-	-	0	0
Malawi	-	-	-	-	-	-	-	-	0	0
Mozambique	-	-	-	-	-	-	236,233	79	-236,233	-79
Madagascar	-	-	98,943	101	-	-	-	-	98,943	101
Zimbabwe	-	-	-	-	-	-	-	-	0	0
D R Congo	-	-	-	-	-	-	-	-	0	0
Ethiopia	-	-	131,806	136	31,100	100	670,682	116	-538,876	20
Total	**6,849,419**	**202**	**365,530,409**	**186**	**7,948,531**	**198**	**375,578,599**	**194**	**-10,048,190**	**-8**

Mombasa Weekly Average Auction Quantities and Prices 2016—2021



	Jan Kgs	Jan USC	Feb Kgs	Feb USC	Mar Kgs	Mar USC	Apr Kgs	Apr USC	May Kgs	May USC	Jun Kgs	Jun USC	Jul Kgs	Jul USC	Aug Kgs	Aug USC	Sep Kgs	Sep USC	Oct Kgs	Oct USC	Nov Kgs	Nov USC	Dec Kgs	Dec USC	Total Kgs	Total USC
2021	40.8	194	49.9	195	55.7	192	44.7	183	45.4	184	56.2	174	34.4	168	38.4	201									365.5	186
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	110.05	0.18	0.16%
KES:STG	152.27	1.14	0.75%
KES:EUR	130.59	1.00	0.77%
USD:STG	1.38	0.00	0.00%

During the week the Kenya Shilling traded between KES 109.90-110.05 and reached 110.05 at its lowest end week. Expectations are that the Kenya Shilling against US Dollar will trade at the level of 109.50 - 110.50 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 36/21 Packages	Kgs	Year To Date 2021 Packages	Kgs	Year To Date 2020 Packages	Kgs	Variance Year To Date Packages	Kgs
Kenya	65,420	4,401,132	4,440,316	300,209,835	4,585,857	310,262,768	-145,541	-10,052,933
Uganda	20,499	1,185,578	884,803	51,184,188	820,744	47,441,376	64,059	3,742,812
Tanzania	1,480	76,772	73,459	4,033,060	90,389	4,807,368	-16,930	-774,308
Rwanda	4,160	286,469	263,580	18,053,367	245,828	16,817,875	17,752	1,235,492
Burundi	1,580	96,184	75,580	4,703,647	92,537	5,877,777	-16,957	-1,174,130
Zambia	0	0	960	56,740	0	0	960	56,740
Malawi	0	0	0	0	0	0	0	0
Mozambique	0	0	0	0	4,462	240,523	-4,462	-240,523
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	1,900	106,726	13,440	672,108	-11,540	-565,382
Total	**93,139**	**6,046,135**	**5,742,618**	**378,447,398**	**5,853,257**	**386,119,795**	**-110,639**	**-7,672,397**

Sellers’ Main Grade Quantities (in Packages)

Origin	BP 1			PF 1			PD			D 1			Total		
	S 36	S 37	S 38	S 36	S 37	S 38	S 36	S 37	S 38	S 36	S 37	S 38	S 36	S 37	S 38
KTDA	11160	10640	7800	22760	18520	22640	7240	8840	9600	4920	4660	4120	46080	42660	44160
Unilever Tea	320	920	1280	760	1160	1440	320	1480	620	120	160	200	1520	3720	3540
James Finlay	320	680	680	960	1040	960	1000	960	1640	0	0	0	2280	2680	3280
Eastern Produce	1380	1240	1800	4180	4200	3,800	3040	3680	3020	600	520	760	9200	9640	9380
Others (K)	5800	3400	4,040	9720	9720	9,180	11540	12340	13625	2580	2000	2440	29640	27460	29285
Uganda	2440	1780	1760	3520	2640	2,400	4720	3358	2500	1400	1080	1300	12080	8858	7960
Tanzania	240	360	400	240	240	400	280	200	240	120	120	280	880	920	1320
Rwanda	1400	1760	1400	1480	1560	1840	840	520	560	400	360	280	4120	4200	4080
Burundi	1000	1120	1160	840	760	960	320	400	360	320	320	320	2480	2600	2800
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	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	0	0	0	0	0	0	0	0
Total	24060	21900	20320	44460	39840	43620	29300	31778	32165	10460	9220	9700	108280	102738	105805

Buyer Purchases of Teas Offered by Grade (in Packages)

	BUYER	%	Total	BP1	PF1	PD	D1	BP2	PF2	D2	FNGS	BMF
1	CARGILL KENYA LTD	15.10	19,420	2,000	13,260	4,160						
2	COFFTEA AGENCIES LTD	7.47	9,600	4,360	2,040	360			100		2,160	580
3	JAMES FINLAY MOMBASA LIMITED	5.72	7,360	720	1,260	3,840	80	20	480		960	
4	CHAI TRADING COMPANY LTD	4.96	6,380	720	4,700	880			80			
5	SSOE (KENYA) LIMITED	4.48	5,760	1,440	1,400	320	440	460	460	600	300	340
6	LAB INTERNATIONAL KENYA LTD	4.42	5,680	320	1,480	2,760	1,120					
7	M J. CLARKE LTD	3.16	4,060		1,280	2,280	80	20	160		240	
8	GLOBAL TEA & COMMODITIES KENYA LTD.	2.89	3,720	440	1,480	760	540		20	300	180	
9	VAN REES KENYA LIMITED	2.54	3,260		760	1,160	320	100	340		580	
10	MOMBASA COFFEE LTD	2.16	2,780	160	240	1,400	640	340				
11	ABBAS TRADERS LTD	1.63	2,100	40	560	1,120	160	80	60	80		
12	GOLD CROWN FOODS (EPZ) LTD	1.42	1,820		80	320			40	560	340	480
13	STANSAND (A) LTD	1.35	1,740		920				500		320	
14	IMPERIAL TEAS (EPZ) LTD	1.24	1,600			980	120	140	40	320		
15	CHAMU SUPPLIES LIMITED	1.12	1,440	200	600	40	20		200	120	220	40
16	RANFER TEAS KENYA LTD	1.07	1,380	120	40	480	560		80		100	
17	SUMMER LINER CO. LTD	0.86	1,100					140	280	60	220	400
18	SHAKAB EXPORT & IMPORT CO. LTD	0.78	1,000		320	360	200		60	60		
19	EMPIRE KENYA (EPZ) LTD	0.73	940	680		160					100	
20	LINDOP & COMPANY (KENYA) LTD	0.59	760		260	300	40		100		60	
21	AFRO TEAS LTD	0.51	660							80	140	440
22	AIMCO ENTERPRISES LTD	0.47	600							20	240	340
23	DRINCO INTERNATIONAL LIMITED	0.47	600	120					20		360	100
24	MAISHA COMMODITIES	0.42	540		120	40	40		140	140	60	
25	AL EMIR LIMITED	0.39	500	40	400				20	40		
26	INDO-AFRICAN TEA CO. (K) LTD.	0.39	500	420	40			40				
27	TROPICAL CROPS & COMMODITIES	0.39	500							80	380	40
28	LULA TRADING COMPANY	0.34	440									440
29	DEVCHAND KESHAVJI (K) LTD	0.31	400		400							
30	TUSHA TEA LTD	0.31	400		160		80		20	140		
31	KIRINDO TRADERS LIMITED	0.22	280					20		20	100	140
32	JALEEL TRADING COMPANY	0.19	240									240
33	ALIBHAI RAMJI (MSA) LTD	0.17	220			80	80			20	40	
34	TEAVANA TEA STORE LTD	0.17	220									220
35	AXIS TEA & SERVICES LIMITED	0.14	180							40		140
36	LUTEX LIMITED	0.11	140						20		60	60
37	SARDIA INTERNATIONAL CO. LTD	0.11	140							100		40
38	TANZIIL TRADING LIMITED	0.11	140									140
39	GREEN LEAF TRADING CO. LTD	0.09	120									120
40	TRANS-ATLANTIC TRADING Co. LTD	0.06	80				40		40			
41	GREAT WHITE PACKERS LTD	0.05	60							20	40	
42	CRYSTAL LINKS LIMITED	0.03	40								40	
43	TRUST TEA TRADERS EAST AFRICA LTD	0.03	40								40	
44	CAPITAL TEA TRADERS	0.02	20									20
	Total Sold	69.19	88,960	11,780	31,800	21,800	4,560	1,360	3,260	2,800	7,280	4,320
	Withdrawn	-	-	-	-	-	-	-	-	-	-	-
	Unsold	30.82	39,639	12,119	12,280	7,360	5,660	40	200	240	1,680	60
	% Unsold			51	28	25	55	3	6	8	19	1
	Grand Total	**100.00**	**128,599**	**23,899**	**44,080**	**29,160**	**10,220**	**1,400**	**3,460**	**3,040**	**8,960**	**4,380**

	%	Total	BP1	PF1	PD	D1	BP2	PF2	D2	FNGS	BMF
Sale 35/21	72.76%	96,504	12,219	32,300	25,960	7,545	2,500	2,800	2,140	6,260	4,780
Sale 34/21	67.60%	87,895	11,960	29,735	22,220	6,280	2,160	2,740	2,160	6,200	4,440
Sale 33/21	67.12%	91,540	13,100	29,280	21,340	5,840	2,680	2,900	2,920	8,040	5,440
Sale 32/21	63.01%	105,467	13,080	42,420	21,647	6,680	2,400	3,360	3,080	7,500	5,300
Sale 31/21	77.35%	141,340	15,420	56,020	38,100	9,360	2,760	3,560	2,960	7,740	5,420
Sale 30/21	82.59%	135,260	15,680	56,240	34,600	10,460	2,380	2,640	2,460	5,880	4,920

Other Tea Auction Centres

Jakarta: at Sale 35 held on the 1st September 2021. A smaller auction with 5,600 psacks orthodox and 1,160 psacks ctc teas. Better general and more widespread demand with very few withdrawals. Market was overall soft with prices barely steady. Lower end of the market saw strong support at fully firm levels.

Colombo: at Sale 34 held on 31st Aug and 1st Sept, 2021, The 0.95Mkg of Ex Estate teas on offer met with fair demand. Select best Western High Grown BOPs met with irregular demand, the below best types were firm, the plainer varieties declined. Select best Western High Grown BOPFs were easier to last, the below best and plainer varieties were firm to a little dearer at time. Nuwara Eliya BOPs sold well, the BOPFs too maintained last levels. Udapussellawa BOPs were mostly firm, but some invoices remained unsold due to a lack of bids, the BOPFs were firm to a little dearer. Seasonal Uva BOPs continued to sell well together with the BOPFs following special inquiry, the others were generally firm, but tending easier towards the latter part of the sale with some invoices remaining unsold. Low Grown CTC BP1s were mostly firm, the High and Medium sorts too followed a similar trend. Low Grown PF1s too maintained last levels, the High and Medium sorts were firm to a little dearer at times. The 2.8Mkg of Low Grown teas which were on offer met with good demand. Select best OP1s were dearer, best and below best OP1s too met with improved demand. BOP1s attracted better interest. Select best and best OPAs were firm, others too maintained last levels. Well-made Bold Pekoes were firm, mixed varieties were irregularly lower. Shotty Pekoe1s shed few rupees. In the Small Leaf segment, select best BOP.SP / BOPF.SP and BOPFs met with fair demand. Select best BOPs attracted fair demand. Select best and best FBOPs were dearer, others too attracted fair interest. Select best FBOPF1s gained following quality, others were firm. FBOPFs attracted reasonable interest. Best Premium Flowery teas met with good demand, others were firm. Turkey, Russia, Iran and the C.I.S. countries lent fair support. Libya and Iraq were active.

Chittagong: at Sale 16 held on 31st August, 2021, CTC LEAF: 44,145 packages of Current Season teas on offer met with a fairly good demand. BROKENS: Well made good liquoring small Brokens met with a fairly good market and were a little easier. Other varieties followed a similar trend whilst Plain and BLF teas were much less in demand with a quite lot of withdrawals. FANNINGS: Good liquoring Fannings met with a good demand and mostly sold at around last levels with the very best declining in value. Medium types were a good market and generally sold at around last levels. Plain and BLF teas met with less demand and were easier with a lot of withdrawals. CTC DUST: 131776 packages of Current Season teas on offer met with quite a good demand. Good liquoring Dusts were in good demand and sold at around last levels. Medium sorts were a good market and were generally firm to slightly dearer closely following quality except for CDs which were easier by Tk.10/- to Tk.15/- with quite a lot of withdrawals. Plain and BLF teas were much less in demand and saw a lot of withdrawals. Blenders lent strong support with fair interest from the Loose tea buyers. COMMENTS: Market opened to a good demand but slackened a little as the sale progressed. Blenders once again were the mainstay of the market, but the Loose tea buyers were a little less active As a result, higher valued teas declined in value. CD were a weak feature of the sale.

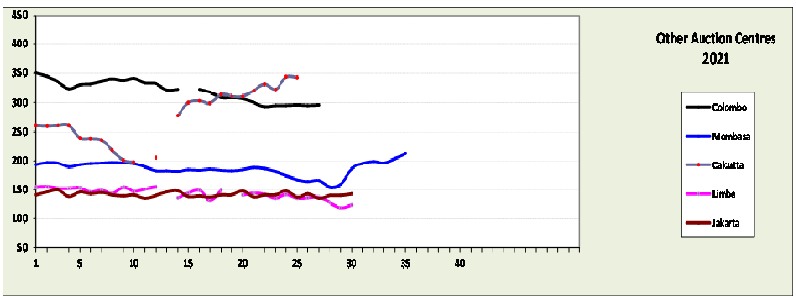
Cochin: at Sale 34 held on 25th August, 2021. **CTC Leaf**: Fair demand. Good, medium, and popular varieties dearer; plainer sorts dearer 1-2c. **Buying pattern:** Upcountry buyers lent fair support. Exporters operated on bolder grades. **ORTHODOX Leaf:** Good demand. Select best Nilgiris selling at dearer rates. Better made medium whole leaf and primary brokens firm and at times dearer. Secondaries firm and seeing some withdrawals. Fannings firm. **Buying pattern:** CIS operating with support from ME and internal. Major Blender and Tunis subdued. **Dust**: Fair demand. Liquoring varieties tending dearer by 2-4c and sometimes more. Mediums and plainers firm. **Buying pattern**: Packeters are the main stay of the market. Local bazaar selective. HUL and exporters active.

Auction Offerings

Centre	Week 35 30-Aug	Week 36 06-Sep	Week 37 13-Sep	Week 38 20-Sep
Mombasa	132,399	128,659	121,938	123,737
Limbe	4,440	4,500	3,540	-
Colombo	6.6m/kgs	6.7m/kgs	6	-
Jakarta	7,320	7,960	7,760	-
Calcutta	169,996	180,001	184,080	-
Guwahati	178,995	146,904	156,241	-
Chittagong	56,008			-
Total	**323,154**	**288,023**	**289,479**	**123,737**

Calcutta: Sale 34 held on 24th, 25th and 26th August, 2021. **CTC Leaf:** There was good demand. Best and good Assams were barely steady to irregularly easier except for select brightest descriptions which were around last. Well-made & liquoring teas in the medium categories were well received and were steady whilst the remainder was irregularly easier. Good and other well-made Dooars were steady. The remainder, including plainer and BLF sorts were barely steady to easier. **Dust:** There was good demand. Brighter liquoring Assams were barely steady. The remainder was irregular and mostly easier with quality. M/s Tata Consumer Products remained very active in both markets operating on a broad spectrum of the offerings. M/s Hindustan Unilever was active primarily on brighter descriptions in both markets. Western India segments were active on brighter liquoring Assams. Export interest was very limited. Regional packers & internal traders showed some interest. Local buyers were active on the Dooars. **ORTHODOX:** Orthodox teas continued to be well received at firm to occasionally dearer levels, especially bold whole leaf and stylish clean large brokens. Tippy teas realized prices commensurate with quality while a few flaky brown sorts settled lower. Well-made leafy Fannings were steady, the remainder was easier. The Middle East offtakes were widespread with some demand from Russia/CIS and other destinations.

Guwahati: at Sale 35 held on 1st September, 2021, **CTC:** The sale generally continued to witness good demand. Good, best and better medium Assams were firm. Remainder Assams/ Cachars/BLF were around last levels. Browner and fibrous teas were discounted and witnessed some withdrawals. Buying pattern: There was good support forthcoming from TCPL and HUL. There were improved intakes from GGL. There was fair export enquiry on bolder brokens. Buyers for Western India destinations were active on the better liquoring sorts with fair support from other upcountry destinations. **DUST**: Demand was good for good, best and better medium Assams at form rates. Demand was fair for the remainder dusts on offer around last levels. There were some withdrawals on plainer/fibrous/browner varieties. Buying pattern: Strong support from TCPL and HUL. There was fair export enquiry. Western India buyers operated more selectively.



News Articles of Interest

Tuesday, 07 September, 2021

Teatime and beyond: A Look at the future of Tea

Unilever Plc has reportedly kicked off the sale of large parts of its tea business, which begs the question: What's next for the traditional drink, which has a history that dates back nearly 5,000 years to ancient China? On any given day, approximately 159 million Americans drink tea, according to the Tea Association of the USA. Roughly four in five consumers drink tea, with Millennials being the most likely cohort (87%) to drink it. Pennie Crockett, the founder of Chicago-based Pennie's Tea, told *The Food Institute* young consumers like Millennials have come to appreciate teas with "a unique flavor profile," like ginger-peach. Still, such consumption habits weren't enough to keep Unilever from beginning the sale of a tea business valued at $5.6 billion, according to *Bloomberg* (Aug. 4). Unilever has reportedly reached out to potential suitors and is expecting first-round bids this month. The consumer products company said in January 2020 that it was starting a strategic review of its tea business that could result in a sale. Unilever plans to divest much of its tea business following a six-month review, the company noted during its recent earnings call. The changes to its tea business would leave Unilever divesting the Lipton brand in some select areas. The sale was not expected to include Unilever's tea units in India and Indonesia, nor its partnerships in the ready-to-drink tea market.

Current demand sluggish

Tea demand has waned in recent years, largely due to a shift to gourmet coffee. Meanwhile, some consumers have opted for more herbal varieties of tea, while black tea has fallen out of favor, reported *Food Dive* (Aug. 5). Allied Market Research predicts the global tea market size will reach $69 billion by 2027, with a compound annual growth rate of 6.6%, though it also noted "Increase in trends of coffee consumption and fluctuating prices of raw materials caused by unpredictable climactic conditions act as the major restraint for this market." The research firm further explained that growth in demand for herbal tea is anticipated to provide growth opportunities for the tea market. According to IRI data analyzed by The Food Institute, for the 52-week period ending August 8, total bags and loose leaf tea sales in the U.S. were down 1.4%. However, canned and bottled tea dollar sales were up 8.5%, to nearly $2.65 billion. Bubble tea is another trendy beverage these days, due in part to its popularity with Gen Z.

Ready-to-drink Tea rising

The prevailing thought is that, as shoppers consume more beverages on the go, ready-to-drink tea options, such as those made under Unilever's longtime partnership with PepsiCo, could thrive, as *Food Dive* reported.

"The millennials and Gen Xers are looking for something that's going to refresh you," Crockett said. "So, three years ago we put Pennie's Tea in a bottle, so you can have that cold brew iced tea they're looking for. [And] our bottle tea *does* move faster than our loose-leaf tea." Source: https://foodinstitute.com/

Tuesday, 07 September, 2021

Tea Board disburses assistance to beneficiaries

The Tea Board India, Coonoor, has disbursed a total of ₹6.71 crore to 1,307 beneficiaries under two tranches since April this year under various schemes. A press release from the Board said it gave ₹5.33 crore to 1,120 beneficiaries recently under the second tranche. It distributed ₹1.37 crore between April and June this year to 187 beneficiaries in the first tranche.

Subsidies to tea growers

The Board gives subsidies to the tea growers to enhance the production, productivity, and quality of made tea. It encourages production of Orthodox teas to ensure remunerative prices to growers for quality tea production. Apart from these, it gives educational stipend and Nehru Award to the wards of the plantation workers, and financial assistance to persons with disabilities working in plantations for treatment of cancer, heart, and kidney problems. It gives financial assistance to the small tea growers' Self-Help Groups to upgrade their common facility centre. Under the second tranche, it disbursed ₹1.81 crore assistance under Plantation Development Scheme (big growers) to 13 beneficiaries, ₹1.39 crore to 630 beneficiaries under the Plantation Development Scheme (small growers), and ₹7.47 lakh to three beneficiaries under the Plantation Development Scheme (Idukki Special Package). The Board also gave ₹1.2 crore as incentive for Orthodox tea production to nine beneficiaries, ₹85.78 lakh to 465 wards under Human Resource Development. During the current financial year, up to now, a total amount of ₹ 671.51 lakh has been disbursed to 1,307 beneficiaries. The subsidy amount has been directly remitted to the respective beneficiary's bank account, and SMS has also been sent to the concerned beneficiary, the press release said. Source: https://www.thehindu.com/

August, 2021

Poor crop and livestock production and COVID-19 restrictions drive food insecurity

Key Messages

According to the Kenya Food Security Steering Group (KFSSG) 2021 Long Rains Assessment (LRA), the poor 2021 March to May long rains resulted in below-average crop production in marginal agricultural areas, reducing casual labor opportunities and household food availability, driving area-level Stressed (IPC Phase 2) outcomes. In the pastoral areas, below-average rangeland regeneration has negatively impacted livestock production, resulting in below-average milk production and consumption and high staple food prices, driving area-level Crisis (IPC Phase 3) outcomes. The national COVID-19 restrictions have continued to primarily impact the urban poor by restricting income-earning opportunities and driving many urban poor households to engage in coping strategies indicative of Crisis (IPC Phase 3).

Following the July National Drought Management Authority (NDMA) bulletins, a drought alert for arid and semi-arid areas was declared for most pastoral and marginal agricultural areas across Kenya following the poor March-May long rains. According to the 2021 KFSSG Long Rains Assessment, the population in need of humanitarian assistance in the arid and semi-arid areas increased by 47 percent since the Short Rains Assessment in February 2021 due to the compounding effects of consecutive below-average rainfall seasons on crop and livestock production, coupled with the protracted effects of the COVID-19 pandemic on the economy.

As of August 30, 2021, Kenya has confirmed 235,298 COVID-19 cases with a daily test positivity rate of 9.7 percent despite ongoing vaccination efforts. On August 18, the government extended the 10 pm to 4 am curfew for 60 days and extended the ban on political rallies, meetings, and gatherings following a sharp rise in national COVID-19 cases. However, public service vehicles have resumed carrying passengers at full capacity, likely reducing transportation costs. In urban areas, particularly the informal settlements, at least one in five poor households are likely facing Crisis (IPC Phase 3) outcomes as income-earning opportunities remain limited due to the economic effects of the pandemic and protracted COVID-19 control measures.

In July, wholesale maize prices in the urban reference markets were within the five-year average in Kisumu and 7-16 below average in Nairobi, Mombasa, and Eldoret, supported by cross-border supplies. In the marginal agricultural areas, maize prices are 7-17 percent below the five-year average supported by the ongoing long rains harvests. In the pastoral areas, maize prices were 14 percent below average in Turkana due to supplies from Trans Nzoia County and Uganda but were 6-32 percent above average across the rest of the pastoral markets due to sustained high demand for human and livestock consumption. In the pastoral markets, goat prices were average in Marsabit, 9-13 percent above average in Isiolo and Garissa due to fair body conditions, and 7-11 percent below average in Wajir and Turkana due to below-average livestock body conditions and oversupply to the market as households sell livestock for income. Source: https://fews.net/

Regional Weather Conditions and World Crop

Kenya: Murang'a: The rainfall recorded through the week was 14.7mm. The highest and lowest temperatures were 28˚c & 10˚c respectively. Crop intake averaged 55 tonnes /day on a 6 day plucking cycle. The area was cold throughout the week.

Nyeri: The week was sunny. No rainfall was recorded throughout the week. The highest and lowest temperatures were 23˚c & 12˚c respectively. Crop intake was at an average of 32 tones/day on a 5 day plucking cycle.

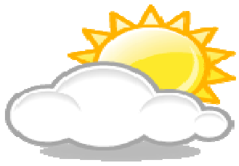
Meru: The week was mainly sunny and warm with the exception of Friday which was cloudy and cold throughout the day. No rainfall activity was recorded throughout the week. The highest and lowest temperatures were 25˚c & 13˚c respectively. Crop intake averaged 32 tonnes/day on a four day plucking cycle.

Sotik: The area experienced sunny intervals accompanied by cloudy and cold afternoons throughout the week with some light showers. The rainfall received was 11.3mm spread in three days. The highest and lowest temperatures were 25˚c & 12˚c respectively. Factory utilization remained as at last week's levels.

Kericho: The week under review had sunny intervals in the mornings followed by showers in the afternoons. A total of 45.4 mm of rainfall was recorded with again few estates reporting hail damages. Average temperatures were highs of 22° Celsius and lows of 11° Celsius. Crop intake went up by 1% compared to the previous week's levels.

Crop on offer is still low however, gradual crop improvement expected in the coming weeks.

Uganda: there was some rainfall activity in most tea growing areas. Fort Portal area received 89mm (32mm), Hoima received 130 mm (77.0mm). Bushenyi recieved 24mm (17mm). Kibale received 28mm(16mm) of rainfall. Average temperatures were highs of 29° Celsius and lows of 16° Celsius. Crop volumes are low.



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.

Weather forecast for 7th September to 14th September 2021

Headline**:** Heavy to very heavy rainfall is expected in localized regions of eastern Oromia in Ethiopia, parts of Nandi and Kericho counties in Kenya, and isolated regions in southern Sudan and central South Sudan. Authorities and the public are advised to take appropriate measures to protect lives and livelihoods.

Heavy to very heavy rainfall (top 10-5% **on record)** is expected in eastern regions of Oromia in Ethiopia, parts of Nandi and Kericho counties in Kenya, and isolated regions in Western Bahr el Ghazal and Western Equitorial states in South Sudan. **Total rainfall above 100 mm** is expected in these regions.

Moderate rainfall between 50 - 100 mm is expected over southern Sudan, central to western South Sudan, parts of western and central Ethiopia, parts of northern Uganda, and western Kenya.

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

Dry conditions are expected in Rwanda, Burundi, central to western Tanzania, eastern and northern Kenya, central Somalia, southern Ethiopia, and northern Sudan.

Crop production **Kenya:** The Crop production continues to register at low levels due to a multiplicity of factors:-

The cold season that started in earnest in early June, persists through up to date suppressing productivity. The application of fertilizer by the small holder farmers in 2020 impact is being felt currently with the tea crop not optimally producing.

East of Rift remains dry with the short rains not expected up until the 2nd/3rd week of October. Year on year the decline is expected to persist in the month of September as has been throughout the year.

All these factors have contributed to the decline in crop production.

Uganda: Crop volumes decreased further. This past week there was some rainfall activity recorded in all the tea growing areas. however despite the rainfall received the crop volumes are still low.

Malawi: Crop intake continues on a downward trend.

World Production from Main Producing Countries over the Past Twelve Months

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	+ / - Variance	Production over calendar years 2020	2019
Bangladesh	0.3	1.2	1.7	3.9	6.3	13.5	12.6	11.3	12.1	13.4	10.5	7.0	38.3	1.9	90.7	94.6
North India	-	2.2	46.9	51.4	77.4	143.6	157.2	142.9	163.8	155.6	127.6	53.4	478.7	88.6	1,033.4	1,170.6
South India	16.1	15.3	19.6	22.0	24.4	25.9	21.8	16.8	24.1	20.2	21.4	18.1	145.1	26.3	219.4	218.7
Sri Lanka	23.1	22.3	28.4	29.6	30.4	25.9	26.2	22.4	21.9	23.4	24.8	28.5	185.9	31.1	275.9	298.1
Kenya	48.9	43.3	48.7	44.3	45.3	43.5	36.6	38.5	43.4	48.3	47.7	54.4	274.0	(27.7)	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	2.8	3.3	3.3	2.9	2.5	1.9	1.2	0.8	1.7	2.7	2.5	2.2	16.7	(0.8)	28.6	33.9
Rwanda	3.2	3.0	3.4	3.3	3.7	3.3	2.1	1.6	1.7	2.5	3.3	3.5	22.0	1.4	33.2	32.2
Malawi	7.0	7.2	8.0	6.4	3.8	2.1	1.8	1.3	2.8	2.1	1.4	5.3	36.3	4.0	45.2	48.3
Total	107.5	101.1	160.0	163.8	193.8	259.7	221.7	235.6	237.5	4.6	245.8	179.1	1,207.6	123.4	2,325.3	2,415.1
Variance	(4.6)	(0.0)	34.0	39.6	4.3	32.8	0.7	0.0	0.0	0.0	0.0	0.0	106.8			

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

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

Sale Nos.	Sale Date	Kilos sold Weekly	Kilos Sold monthly	Year : 2021 Av.Price US$ weekly	Year : 2021 Av. Price US$ monthly	Year : 2020 Av. Price US$ monthly	Year : 2019 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	06-Jul-21	11,667,927		1.66			
28	13-Jul-21	6,546,887		1.54			
29	21-Jul-21	6,838,592		1.59			
30	27-Jul-21	9,347,891		1.86			
			34,401,296		1.68	1.76	1.79
31	03-Aug-21	10,430,943		1.95			
32	10-Aug-21	8,233,542		1.99			
33	17-Aug-21	6,455,808		1.96			
34	24-Aug-21	6,471,175		2.04			
35	31-Aug-21	6,849,419	38,440,886	2.13	2.01	1.92	1.92
36	07-Sep-21						
37	14-Sep-21						
38	21-Sep-21						
39	28-Sep-21		-			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

Country :	Year : 2021 Sale Nos: 1 to 35 (8 months) Kilos '000	Av. Prc US$	Country :	Year : 2020 Sale Nos: 1 to 35 (8 months) Kilos '000	Av. Prc US$
Kenya	289,128	1.95	Kenya	301,954	2.02
Uganda	49,804	1.16	Uganda	46,229	1.20
Tanzania	3,559	1.00	Tanzania	4,473	1.13
Rwanda	18,097	2.58	Rwanda	16,236	2.80
Burundi	4,712	1.97	Burundi	5,780	2.18
Malawi	-		Malawi	-	-
Mozambique	-		Mozambique	236	0.79
D R Congo	-		D R Congo	-	-
Madagascar	98	1.01	Madagascar	-	-
Ethiopia	132	1.36	Ethiopia	671	1.16
Total :	365,530	1.86		375,579	1.94

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