



ATLAS
TEA BROKERS LTD

Sec,1 M.Nyali,(off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email:info@atlastea.co.ke

24th January 2024

Market Summary for Sale 04 of 2024

There were 20,010,575 Kgs on offer in all the categories in Sale 04 of 2024 vs Sale 03 of 2024 where 18,420,592 Kgs had been offered which was an increase by 8.63%. There was increased demand and absorption with buyers bidding at generally irregular rates than last auction and buying high volumes than last week with absorption increasing by 16.19%. This week absorption stood at 59% with 1,854,024 Kgs sold while the average hammer price was up by 6 usc at USD 1.90 per kg.

The percentage sold was 59% in Sale 04/2024 with 11.9 M Kgs sold versus 55% in Sale 03/2024 where 10.2 M Kgs were sold which was an increase by 16.19%. In Sale 04 outlots decreased slightly by 0.75% to 8.1 M Kgs versus 8.2 M Kgs in Sale 03. KTDA absorption decreased by 1.75% from 5.0 M Kgs in Sale 03/2024 to 4.9 M Kgs in Sale 04/2024 while outlots decreased slightly by 2.06% in Sale 04 to 6.8 M Kgs from 6.98 M Kgs in Sale 03/2024.

A huge percentage of the unsold teas were teas of Rwanda, Uganda and Kenya Origin, primarily KTDA reprints and fresh offers (mostly from KTDA West of Rift across all the grades, KTDA East of Rift BP1s and Kenyan Estate PF1 and PD and Dust 1 teas.

Sale 04/2024 vs Sale 03/2024 Auction offerings across all the Countries: -

Offerings				
	Sale No			
Country	4	3	Variance, Kgs	Variance, %
Burundi	95,129	108,338	-13,209	-12%
Kenya	17,056,915	16,005,525	1,051,390	7%
Rwanda	838,166	690,686	147,480	21%
Tanzania	273,768	86,310	187,458	217%
Uganda	1,746,597	1,529,733	216,864	14%
Total, Kgs	20,010,575	18,420,592	1,589,983	8.63%

Sale 04/2024 Absorption across all the Countries: -

Sale No	4				
Country	Sold	Outlots	Total	% Sold	% Outlots
Burundi	81,911	13,218	95,129	86%	14%
Kenya	9,286,542	7,770,373	17,056,915	54%	46%
Rwanda	663,502	174,664	838,166	79%	21%
Tanzania	235,156	38,612	273,768	86%	14%
Uganda	1,586,913	159,684	1,746,597	91%	9%
Total, Kgs	11,854,024	8,156,551	20,010,575	59%	41%

We Know Tea



ATLAS
TEA BROKERS LTD

Sec,1 M.Nyali,(off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email: info@atlastea.co.ke

Sale 04/2024 vs Sale 03/2024 Auction Absorption across all the Countries: -

Absorption				
	Sale No			
Country	4	3	Variance, Kgs	Variance, %
Burundi	81,911	75,026	6,885	9%
Kenya	9,286,542	8,275,411	1,011,131	12%
Rwanda	663,502	538,930	124,572	23%
Tanzania	235,156	49,736	185,420	373%
Uganda	1,586,913	1,263,007	323,906	26%
Total, Kgs	11,854,024	10,202,110	1,651,914	16.19%

Sale 04/2024 vs Sale 03/2024 Auction Outlots across all the Countries: -

Outlots				
	Sale No			
Country	4	3	Variance, Kgs	Variance, %
Burundi	13,218	33,312	-20,094	-60%
Kenya	7,770,373	7,730,114	40,259	1%
Rwanda	174,664	151,756	22,908	15%
Tanzania	38,612	36,574	2,038	6%
Uganda	159,684	266,726	-107,042	-40%
Total, Kgs	8,156,551	8,218,482	-61,931	-0.75%

Main Grade Teas Sold in Sale 04/2024 vs Sale 03/2024 per grade: -

Status	Sold			
Kgs	Sale No			
Grade	4	3	Variance, Kgs	Variance, %
BP1	1,049,040	921,527	127,513	13.84%
DUST1	994,500	929,975	64,525	6.94%
PD	3,324,530	2,985,304	339,226	11.36%
PF1	4,962,544	4,354,400	608,144	13.97%
Total, Kgs	10,330,614	9,191,206	1,139,408	12.40%

We Know Tea



ATLAS

TEA BROKERS LTD

Sec,1 M.Nyali,(off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email: info@atlastea.co.ke

Main Grade Out Lots Teas in Sale 04/2024 vs Sale 03/2024 per grade: -

Status	Outlots			
Weight (Kgs)	Sale No			
Grade	4	3	Variance, Kgs	Variance %
BP1	1,943,688	2,200,940	(257,252)	-12%
DUST1	475,945	581,856	(105,911)	-18%
PD	1,986,092	1,980,496	5,596	0%
PF1	3,553,385	3,283,674	269,711	8.21%
Total, Kgs	7,959,110	8,046,966	(87,856)	-1.09%

Sold Reprinted teas in Sale 04/2024

Only 1,518,219 Kgs (22%), of the Reprinted Teas were sold

Status	(Multiple Items)															
Sale No	4															
Sum of Total Weight	RP															
Country		1	2	3	4	5	6	7	8	9	10	13	15	17	18	Grand Total
Burundi		1,674	4,357													6,031
Kenya		676,406	170,162	58,889	65,644	93,910	61,766	38,940	14,178	8,892	12,168	6,068	3,108	2,936	3,100	1,216,167
Rwanda		88,062	8,656													96,718
Tanzania		8,984	2,352													11,336
Uganda		96,345	64,626	21,712		2,500	2,784									187,967
Grand Total		871,471	250,153	80,601	65,644	96,410	64,550	38,940	14,178	8,892	12,168	6,068	3,108	2,936	3,100	1,518,219

Unsold Reprinted teas in Sale 04/2024

78% of the Reprinted Teas remained unsold

Status	(Multiple Items)															
Sale No	4															
Sum of Total Weight	RP															
Country		1	2	3	4	5	6	7	8	9	10	12	13	14	16	Grand Total
Burundi			3,018													3,018
Kenya		1,414,582	766,759	315,442	216,386	405,050	1,505,552	548,636	107,188	7,584	4,819	8,419	18,736	6,232	2,944	5,328,329
Rwanda		43,556	20,624	7,632												71,812
Tanzania		4,392														4,392
Uganda		16,692	2,552	2,588	2,472											24,304
Grand Total		1,479,222	792,953	325,662	218,858	405,050	1,505,552	548,636	107,188	7,584	4,819	8,419	18,736	6,232	2,944	5,431,855

We Know Tea



Price

Auction Average Price Movement Sale 04/2024 vs Sale 03/20234

Sale Price(\$)			
Grade	(All)		
	Sale No		
Country	4	3	Variance
Burundi	2.16	2.09	0.07
Kenya	2.31	2.34	(0.03)
Rwanda	3.31	3.15	0.17
Tanzania	0.86	0.83	0.03
Uganda	0.83	0.78	0.05
Average	1.90	1.84	0.06

Auction Average Price Movement Per grade across all the Countries in Sale 04 vs Sale 03/2024

Grade	BP1			Grade	PF1			Grade	PD			Grade	DUST1		
Sale Price(\$)				Sale Price(\$)				Sale Price(\$)				Sale Price(\$)			
	Sale No				Sale No				Sale No				Sale No		
Country	4	3	Variance	Country	4	3	Variance	Country	4	3	Variance	Country	4	3	Variance
Burundi	2.11	2.23	(0.11)	Burundi	2.24	2.04	0.20	Burundi	2.09	2.00	0.09	Burundi	2.00	2.21	(0.21)
Kenya	2.09	2.22	(0.13)	Kenya	2.45	2.47	(0.02)	Kenya	2.15	2.16	(0.01)	Kenya	2.33	2.37	(0.05)
Rwanda	3.46	3.18	0.28	Rwanda	3.16	2.99	0.17	Rwanda	3.53	3.43	0.10	Rwanda	3.16	3.04	0.12
Tanzania	0.81	0.86	(0.05)	Tanzania	0.79	0.67	0.12	Tanzania	1.05	1.09	(0.04)	Tanzania	0.94	0.98	(0.04)
Uganda	0.88	0.84	0.01	Uganda	0.74	0.64	0.09	Uganda	0.92	0.86	0.06	Uganda	0.90	0.90	
Average	1.87	1.86	0.01	Average	1.87	1.76	0.11	Average	1.95	1.91	0.04	Average	1.87	1.90	(0.03)

M2: Flavoury Rwanda and KTDA East of Rift valley BP1s met improved demand and absorption following quality and they sold at firm to dearer rates due to improved demand from Kazak, CIS, UK, Pakistan & Egypt Buyers. KTDA West of Rift valley and Burundi BP1s sold at the reserve prices, where sold with most of the teas neglected and ending as outlots. Kenya Estate High taste BP1s met significantly improved demand and absorption following quality with support from Pakistan, UAE and Egyptian buyers. Medium BP1s met improved demand at irregularly steady rates. While plainer types traded irregularly firm to dearer. Its important to note that this week despite the increase in the offerings absorption/sales for BP1 teas increased by 14% this week versus Sale 3/2024 last week.

Rwanda, Burundi and KTDA East of Rift valley PF1s met significantly improved demand and absorption this week and most of the teas traded at firm to dearer rates by up to 30 usc due to improved demand from the Key Pakistan packers, Bazaar, Afghan, Egyptian, UK and Japan buyers. KTDA West of Rift valley PF1s continue to sell firm at reserve prices with low demand from Afghan, Bazaar, Pakistan and UK packers and with a huge volume of both fresh and reprinted teas remaining unsold. Kenya Estate and Foreign PF1s recorded an improved absorption and realized prices for the fourth week now with support from Pakistan packers, Bazaar, UK and Egyptian Buyers with most of the marks selling at firm to dearer levels by up to 30 usc following quality.

We Know Tea



ATLAS
TEA BROKERS LTD

Sec, 1 M.Nyali, (off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email: info@atlastea.co.ke

M1: The M1 auction met improved demand at generally firm to dearer rates across all the categories of teas on offer with most of the fresh teas and some selected reprinted teas being absorbed/sold this week resulting into a 10% increase in volume sold/absorbed. Rwanda and KTDA East of Rift valley PDs and Dust 1 teas recorded improved absorption and sold dearer by up to 30 usc. KTDA West of Rift valley PDs and Dust 1 teas sold at the reserve prices following quality where sold but with a huge volume remaining unsold as there was no demand. Kenya Estate PDs met improved demand and absorption while the Dust 1 teas met reduced demand with most of the teas selling easier by up to 30 usc where sold with some teas not selling due to poor quality. The UK, Egyptian, Yemen and Pakistan packers lent support for this week's dust auction although Yemen buying was lower than last week.

Upcoming Auction: Sale 05 of 2024

Demand is expected to continue being erratic, selective and following quality to all the tea destinations. The ongoing Israel-Palestine war has resulted to the disruption of shipments of teas from Mombasa to various shipment destinations with the Yemen being the most impacted currently which resulted to a significant decrease in their purchases this week, and is expected to negatively impact on the upcoming auctions. The directive by the Pakistan Government on Afghanistan transit cargo which has restricted black teas transit through Pakistan and the currency challenges in Pakistan coupled will continue to impact the demand, absorption and price realization for all the teas negatively. Egyptian buyers significantly improved their buying this week and were bidding at firm to dearer rates in the M1 catalogue. For now, we recommend selling the teas at the best market price available due to the uncertainty in prices, reduced demand and increased volumes from Kenya Producers due to the favorable growing conditions.

The drop in price is as a result of huge supply of teas in the auction coupled with reduced demand from the key markets, payment and shipment challenges, as well as buyers anticipating continued huge printing of teas in the coming auctions due to favorable weather conditions in the tea growing and the ongoing fertilizer application by the KTDA smallholder farmers will result in production of high tea volumes. Offerings in the coming auctions continue to be a record high offering of fresh teas with 12,401,965 Kgs and 12,082,586 Kgs printed in Sale 05 and Sale 06 respectively. The huge outlots in both Sale 05 and 06, a total of 14,699,250 Kgs and the unsold teas in this weeks, Sale 04 which as at now stand at 8,156,551 Kgs have also highly contributed to the depressed prices being realized in the auction and will continue to negatively affect the realized prices due to these huge carry over volumes. Although most of the tea consuming countries are experiencing winter conditions which may result into increased tea consumption in these countries, the expected increase in demand for tea may be too low compared to the increase in supply of tea which may impact on the price realization in the auction.

We Grow Tea



ATLAS

TEA BROKERS LTD

Sec,1 M.Nyali,(off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email:info@atlastea.co.ke

The top ten Buyers in Sale 04 of 2024 are as per below: -

Status	Sold				
Sale No	4				
Sold Packages	Category				
Buyer	M1	M2	M3	S1	Grand Total
CHAI TRADING COMPANY LIMITED	6,680	13,680	2,160	740	23,260
GLOBAL TEA & COMMODITIES (K) LTD	5,520	6,600	2,360	6,220	20,700
LAB INTERNATIONAL (K) LTD	9,680	4,840	360	560	15,440
JAMES FINLAY MOMBASA LTD	8,120	4,480	2,040	340	14,980
CARGILL KENYA LTD	2,360	5,160	2,960		10,480
DEVCHAND KESHAVJI (KENYA) LTD		10,280	80		10,360
MOMBASA COFFEE LTD	8,000	1,440	160	340	9,940
VAN REES KENYA LTD	320	5,200	760	400	6,680
ABBAS TRADERS LTD	2,520	1,960	240	1,660	6,380
MJ CLARKE LTD	3,440	1,600		1,100	6,140

The movement/Variance of the Top Ten Buyers in Sale 04/2024 vs Sale 03/2024: -

Status	Sold		
Category			
Sold Packages	Sale No		
Buyer	4	3	Variance
CHAI TRADING COMPANY LIMITED	23,260	16,760	6,500
GLOBAL TEA & COMMODITIES (K) LTD	20,700	13,780	6,920
LAB INTERNATIONAL (K) LTD	15,440	9,680	5,760
JAMES FINLAY MOMBASA LTD	14,980	10,160	4,820
CARGILL KENYA LTD	10,480	5,900	4,580
DEVCHAND KESHAVJI (KENYA) LTD	10,360	10,440	(80)
MOMBASA COFFEE LTD	9,940	11,100	(1,160)
VAN REES KENYA LTD	6,680	6,460	220
ABBAS TRADERS LTD	6,380	4,500	1,880
MJ CLARKE LTD	6,140	4,320	1,820

We Know Tea



ATLAS

TEA BROKERS LTD

Sec, 1 M.Nyali, (off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email: info@atlastea.co.ke

Weather and Crop

Rainfall with isolated storms were recorded in several parts of the Highlands both East and West of the Rift Valley. Morning rains as well as afternoon and night showers were recorded over few places. Daytime temperatures decreased in most stations while night-time temperature increased in most stations. The crop being harvested is at season's level.

The Kenya October 2023 Crop figures were released and production improved slightly by 2.18 M Kgs from 50.61 M Kgs recorded during the same period last year to 52.79 M Kgs in October 2023, this represents a 4.31 % growth which is attributed to wet weather conditions experienced in the tea growing areas in the country. Due to the continued favorable weather conditions during the period between April and October 2023, cumulative output for the first ten months of the year 2023 was higher by 34.76 M kgs to stand at 465.01M kgs against 430.25 M kgs recorded during the same period in 2022 which represents increased production by 8.08%.

Sub-Sector	Region	Oct-23	Oct-22	Var, Kgs	Var, %	Jan-Oct 2023	Jan-Oct 2022	Var, Kgs	Var, %
Plantations	West of Rift	24,706,664	21,352,366	3,354,298	15.71%	223,232,115	194,535,627	28,696,488	14.75%
	East of Rift	2,618,194	3,088,458	(470,264)	-15.23%	17,190,984	15,100,269	2,090,715	13.85%
	Total	27,324,858	24,440,824	2,884,034	11.80%	240,423,099	209,635,896	30,787,203	14.69%
Smallholder	West of Rift	11,332,860	9,908,293	1,424,567	14.38%	97,931,286	98,038,456	(107,170)	-0.11%
	East of Rift	14,134,951	16,262,490	(2,127,539)	-13.08%	126,664,306	122,578,455	4,085,851	3.33%
	Total	25,467,811	26,170,783	(702,972)	-2.69%	224,595,592	220,616,911	3,978,681	1.80%
Smallholder & Plantations	West of Rift	36,039,524	31,260,659	4,778,865	15.29%	321,163,401	292,574,084	28,589,317	9.77%
	East of Rift	16,753,145	19,350,948	(2,597,803)	-13.42%	143,855,290	137,678,724	6,176,566	4.49%
	Total	52,792,669	50,611,607	2,181,062	4.31%	465,018,691	430,252,808	34,765,883	8.08%

We Grow Tea



ATLAS
TEA BROKERS LTD

Sec,1 M.Nyali,(off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email: info@atlastea.co.ke

Auction Closing Figures for Sale 06 vs Sale 05 of 2024: -

Sale No.	6	5	Variance, Kgs	Variance, %
Fresh teas, Pkgs	178,400	183,639	-5,239	-2.85%
Reprinted teas, Pkgs	116,140	102,080	14,060	13.77%
Total	<u>294,540</u>	<u>285,719</u>	<u>8,821</u>	<u>3.09%</u>
Fresh teas, Kgs	12,082,586	12,401,965	-319,379	-2.58%
Reprinted teas, Kgs	7,803,448	6,895,802	907,646	13.16%
Total	<u>19,886,034</u>	<u>19,297,767</u>	<u>588,267</u>	<u>3.05%</u>

Atlas Tea Brokers Limited

We Grow Tea



ATLAS
TEA BROKERS LTD

Sec,1 M.Nyali,(off Links Shell Petro Station)

P.O. Box 3445-80100 Mombasa

Tel: 0711 509979

Email: info@atlastea.co.ke

We Know Tea