ATLAS TEA BROKERS LTD
Sec,1 M.Nyali,(off Links Shell Petro Station)
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6th December 2023

Market Summary for Sale 49 of 2023

There were 232,700 packages on offer in the M1 & M2 categories in Sale 49 vs Sale 48 where 242,940 pkgs had been offered which was a decrease by 1.87%. There was irregular demand and absorption with buyers bidding at generally firm to easier rates than last week which was highly selective following quality. This week absorption stood at 54% with 8,818,529 Kgs sold while the average hammer price was down by 1 usc at USD 1.95 per kg.

The percentage sold was 54% in Sale 49 with 8.8 M Kgs sold versus 55% in Sale 48 where 9.1 M Kgs were sold which was a decrease by 3.1%.
In Sale 49 outlots decreased by 0.3% to 7.5 M Kgs versus 7.6 M Kgs in Sale 48, while KTDA outlots decreased significantly by 6.3% in Sale 49 to 5.8 M Kgs from 6.1 M Kgs in Sale 48.
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 49 vs Sale 48 Auction offerings across all the Countries: -

Offerings				
	Sale No			
Country	49	48	Variance, Kgs	Variance, %
Burundi	86,159	73,284	12,875	18%
Kenya	14,483,134	14,672,673	-189,539	-1%
Rwanda	583,380	569,848	13,532	2%
Tanzania	74,076	142,708	-68,632	-48%
Uganda	1,162,828	1,237,698	-74,870	-6%
Total, Kgs	16,389,577	16,696,211	-306,634	-1.84%

Sale 49 Absorption across all the Countries: -

Sale No	49				
Country	Sold	Outlots	Total	% Sold	% Outlots
Burundi	62,523	23,636	86,159	73%	27%
Kenya	7,403,546	7,079,588	14,483,134	51%	49%
Rwanda	448,716	134,664	583,380	77%	23%
Tanzania	41,808	32,268	74,076	56%	44%
Uganda	861,936	300,892	1,162,828	74%	26%
Total, Kgs	8,818,529	7,571,048	16,389,577	54%	46%

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Sale 49 vs Sale 48 Auction Absorption across all the Countries: -

Absorption				
	Sale No			
Country	49	48	Variance, Kgs	Variance, %
Burundi	62,523	54,872	7,651	14%
Kenya	7,403,546	7,473,186	-69,640	-1%
Rwanda	448,716	496,460	-47,744	-10%
Tanzania	41,808	132,032	-90,224	-68%
Uganda	861,936	942,934	-80,998	-9%
Total, Kgs	8,818,529	9,099,484	-280,955	-3.09%

Sold teas Per Grade in Sale 49 vs Sale 48 per grade: -

Status	Sold			
Kgs	Sale No			
Grade	49	48	Variance, Kgs	Variance, %
BP1	732,786	907,156	(174,370)	-19.22%
DUST1	981,631	1,106,866	(125,235)	-11.31%
PD	3,260,531	3,065,698	194,833	6.36%
PF1	3,843,581	4,019,764	(176,183)	-4.38%
Total, Kgs	8,818,529	9,099,484	(280,955)	-3.09%

Out lots Per Grade in Sale 49 vs Sale 48 per grade: -

Status	Outlots			
Weight (Kgs)	Sale No			
Grade	49	48	Variance, Kgs	Variance %
BP1	1,655,392	1,724,167	(68,775)	-4%
DUST1	488,109	456,362	31,747	7%
PD	1,949,731	2,068,136	(118,405)	-6%
PF1	3,477,816	3,348,062	129,754	3.88%
Total, Kgs	7,571,048	7,596,727	(25,679)	-0.34%

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Price

Auction Average Price Movement Sale 49 vs Sale 48

Sale Price($)			
Grade	(All)		
	Sale No		
Country	49	48	Variance
Burundi	2.03	2.06	(0.04)
Kenya	2.36	2.40	(0.03)
Rwanda	3.51	3.45	0.06
Tanzania	1.01	1.10	(0.08)
Uganda	0.84	0.81	0.03
Average	1.95	1.96	(0.01)

Auction Average Price Movement Per grade across all the Countries in Sale 49 vs Sale 48

Grade	BP1		
Sale Price($)			
	Sale No		
Country	49	48	Variance
Burundi	1.77	1.87	(0.10)
Kenya	2.36	2.32	0.03
Rwanda	4.43	4.20	0.22
Tanzania	1.10	1.13	(0.03)
Uganda	1.14	1.14	
Average	2.16	2.13	0.02

Grade	PF1		
Sale Price($)			
	Sale No		
Country	49	48	Variance
Burundi	2.03	2.06	(0.03)
Kenya	2.55	2.58	(0.04)
Rwanda	3.25	3.15	0.09
Tanzania	0.99	1.12	(0.12)
Uganda	0.80	0.79	0.01
Average	1.92	1.94	(0.02)

Grade	PD		
Sale Price($)			
	Sale No		
Country	49	48	Variance
Burundi	1.96	2.00	(0.04)
Kenya	2.08	2.13	0.02
Rwanda	3.32	3.43	(0.11)
Tanzania	1.01	1.03	(0.03)
Uganda	0.78	0.75	0.03
Average	1.83	1.87	(0.04)

Grade	DUST1		
Sale Price($)			
	Sale No		
Country	49	48	Variance
Burundi	2.40	2.38	0.02
Kenya	2.51	2.48	0.03
Rwanda	3.32	3.19	0.13
Tanzania	1.22	0.90	0.32
Uganda	0.81	0.76	0.05
Average	2.05	1.94	0.11

M2: There was reduced demand for BP1`s this week. Flavory Rwanda and KTDA East of Rift valley BP1's met reduced demand, Kazak, India and CIS buyers were highly selective following quality. They sold at easier rates than last week but a selected few marks sold dearer than last week. The below best and KTDA West of Rift valley BP1`s sold at irregularly firm rates with most selling at their reserve prices. Pakistan packers did lend useful support while Sudan and Iran remained absent. Better medium BP1's were dearer with rest tending irregular steady to easier following quality. Plainer BP1's sold at irregularly steady levels following quality. They received steady interest from South Sudan and local packers.
Rwanda and KTDA East of Rift valley PF1's sold at firm to dearer rates with a few better marks appreciating by up to 30usc. The steady demand from Pakistan packers and Bazaar, Afghanistan, CIS, UK, Egypt, and Yemen. West of Rift valley PF1`s sold at irregularly firm levels with most selling at the reserve prices with selective demand mainly from Pakistan packers, UK and Afghanistan Buyers. Kenya Estate PF1`s, medium and plainer PF1`s sold at irregularly easier levels but following quality with some marks selling easier by between 10-30 usc.

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M1: There was a slight improvement in demand and absorption in the Dust auction this week with most teas trading at firm to dearer rates this week depending on the market segment. Rwanda and KTDA East of Rift valley PDs and Dust 1 teas continued to attract steady demand with support from Yemen, Pakistan packers, UK and CIS Buyers. There was maintained activity on West of Rift valley PDs and Dust 1 teas on the fresher teas. They were supported by UK, Pakistan, Egypt and Yemen Buyers. Reduced demand from Egypt for the fourth week now saw most of the Kenya Estates, Medium and Plainer types PDs and Dust 1 teas selling at firm to easier rates up to 15 usc and reduced absorption. It's important to note that James Finlay Mombasa and Mizaj Africa Limited were active but were highly selective following quality. PD and Dust 1 Reprints continue to be neglected.

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The top ten Buyers in Sale 49 of 2023 are as per below: -

Status	Sold				
Sale No	49				
Sold Packages	Grade				
Buyer	BP1	DUST1	PD	PF1	Grand Total
CHAI TRADING COMPANY LIMITED	2,240	960	4,360	13,680	21,240
CARGILL KENYA LTD	1,280	440	5,400	8,240	15,360
GLOBAL TEA & COMMODITIES (K) LTD	1,120	1,640	3,760	8,280	14,800
LAB INTERNATIONAL (K) LTD		2,080	8,320	3,480	13,880
MOMBASA COFFEE LTD	80	3,640	7,600	440	11,760
SSOE (KENYA) LTD	1,320	1,120	640	5,440	8,520
DEVCHAND KESHAVJI (KENYA) LTD				6,560	6,560
MJ CLARKE LTD	80	760	3,920	760	5,520
SHAKAB IMPORTS EXPORTS CO LTD	1,560	40	160	1,160	2,920
ABBAS TRADERS LTD		440	1,520	960	2,920

The movement/Variance of the Top Ten Buyers in Sale 49 vs Sale 48 2023: -

Status	Sold		
Grade			
Sold Packages	Sale No		
Buyer	49	48	Variance
CHAI TRADING COMPANY LIMITED	21,240	25,160	(3,920)
CARGILL KENYA LTD	15,360	11,800	3,560
GLOBAL TEA & COMMODITIES (K) LTD	14,800	18,500	(3,700)
LAB INTERNATIONAL (K) LTD	13,880	16,240	(2,360)
MOMBASA COFFEE LTD	11,760	8,440	3,320
SSOE (KENYA) LTD	8,520	9,040	(520)
DEVCHAND KESHAVJI (KENYA) LTD	6,560	5,960	600
MJ CLARKE LTD	5,520	7,240	(1,720)
SHAKAB IMPORTS EXPORTS CO LTD	2,920	1,040	1,880
ABBAS TRADERS LTD	2,920	3,000	(80)

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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 August 2023 Crop figures were released and production increased significantly by 9.51 M Kgs from 26.06 M Kgs recorded during the same period year to stand at 45.57 M Kgs in August 2023, this represents a 26.39 % growth which is attributed to the occasional rainfall received coupled with the generally warmer weather conditions experienced in the tea growing areas.
Due to the favorable weather conditions in the months of April to August 2023, production for the first eight months of 2023 was higher by 22.54 M kgs to stand at 363.91 M kgs against 341.36 M kgs recorded during the same period in 2022 which represents increased production by 6.61%.

Sub-Sector	Region	Aug-23	Aug-22	Var, Kgs	Var, %	Jan-Aug 2023	Jan-Aug 2022	Var, Kgs	Var, %
Plantations	West of Rift	25,940,851	21,656,433	4,284,418	19.78%	175,825,344	154,821,940	21,003,404	13.57%
	East of Rift	1,511,379	918,856	592,523	64.48%	12,412,926	10,893,479	1,519,447	13.95%
	Total	27,452,230	22,575,289	4,876,941	21.60%	188,238,270	165,715,419	22,522,851	13.59%
Smallholder	West of Rift	9,715,501	7,574,992	2,140,509	28.26%	78,184,200	80,530,501	(2,346,301)	-2.91%
	East of Rift	8,409,922	5,910,544	2,499,378	42.29%	97,495,238	95,122,990	2,372,248	2.49%
	Total	18,125,423	13,485,536	4,639,887	34.41%	175,679,438	175,653,491	25,947	0.01%
Smallholder & Plantations	West of Rift	35,656,352	29,231,425	6,424,927	21.98%	254,009,544	235,352,441	18,657,103	7.93%
	East of Rift	9,921,301	6,829,400	3,091,901	45.27%	109,908,163	106,016,468	3,891,695	3.67%
	Total	45,577,653	36,060,825	9,516,828	26.39%	363,917,707	341,368,909	22,548,798	6.61%

Upcoming Auction: Sale 50 of 2023

Currently the demand for teas across all the categories and from all the buyers remains subdued resulting in reduced absorption, low realized prices in the auction and increased outlots on PF1, PD and Dust 1 teas. Demand is expected to continue being erratic, selective and following quality to all the tea destinations. The new 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 reduced their buying for the last two weeks and are bidding at easier 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.

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Auction Closing Figures for Sale 51 vs Sale 50 2023: -

Sale No.	51	50	Variance, Kgs	Variance, %
Fresh teas, Pkgs	170,951	162,180	8,771	5.41%
Reprinted teas, Pkgs	65,259	86,479	-21,220	-24.54%
Total	236,210	248,659	-12,449	-5.01%
Fresh teas, Kgs	11,588,385	10,998,548	589,837	5.36%
Reprinted teas, Kgs	4,391,499	5,814,111	-1,422,612	-24.47%
Total	15,979,884	16,812,659	-832,775	-4.95%

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