Sec,1 M.Nyali,(off Links Shell Petro Station)
P.O. Box 3445-80100 Mombasa
Tel: 0711 509979
Email:info@atlastea.co.ke

16th August 2023

Market Summary for Sale 33 of 2023

There were 203,260 packages on offer in the M1 & M2 categories this week which met fair demand at generally irregular to dearer rates. There was a slight decrease in absorption (65% vs 66% in Sale 32) while the average hammer price was up by 7 usc at USD 1.93 per kg.

The percentage sold was 65% in Sale 33 with 130,240 pkgs sold versus 66% in Sale 32 where 128,619 pkgs were sold.
A huge percentage of the unsold teas were teas of Kenya Origin, primarily KTDA reprints and fresh offers (mostly from KTDA West of Rift and KTDA East of Rift BP1s some Kenyan Estate teas) which makes up 94% of the total outlots with 35% of the teas offered remaining unsold. In sale 33 KTDA outlots stood at 3,906,163 kgs which represents 78.5% of the total outlots with most of these teas being KTDA East of Rift valley reprinted BP1s and KTDA West of Rift valleys teas across all the grades.

Sale 33 Absorption across all the Countries: -

Sale No	33				
Country	Sold	Outlots	Total	% Sold	% Outlots
Burundi	69,016	11,393	80,409	86%	14%
Kenya	7,246,739	4,657,641	11,904,380	61%	39%
Rwanda	543,352	44,980	588,332	92%	8%
Tanzania	82,791	39,652	122,443	68%	32%
Uganda	1,116,218	221,086	1,337,304	83%	17%
Total, Kgs	9,058,116	4,974,752	14,032,868	65%	35%

Sold teas in Sale 33 vs Sale 32 per grade: -

Status	Sold			
Kgs	Sale No			
Grade	33	32	Variance	% Variance
BP1	701,981	915,774	-213,793	-23%
DUST1	951,646	773,075	178,571	23%
PD	3,256,545	2,987,993	268,552	9%
PF1	4,147,944	4,203,721	-55,777	-1%
Total	9,058,116	8,880,563	177,553	2%

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Out lots in Sale 33 vs Sale 32 per grade: -

Status	Outlots			
Kgs	Sale No			
Grade	33	32	Variance	% Variance
BP1	1,200,323	1,199,713	610	
DUST1	483,964	571,971	-88,007	-15.39%
PD	1,329,266	1,019,226	310,040	30%
PF1	1,961,199	1,740,791	220,408	13%
Total	4,974,752	4,531,701	443,051	10%

Price

Auction Average Price Movement Sale 33 vs Sale 32

Sale Price($)			
Grade	(All)		
	Sale No		
Country	33	32	Variance
Burundi	2.09	1.92	0.17
Kenya	2.44	2.41	0.04
Rwanda	3.09	2.88	0.21
Tanzania	1.00	1.02	- 0.02
Uganda	1.03	1.05	- 0.02
Average	1.93	1.86	0.07

Auction Average Price Movement Per grade across all the Countries in Sale 33 vs Sale 32

Sale Price($)			
Grade	BP1		
	Sale No		
Country	33	32	Variance
Burundi		1.62	
Kenya	2.19	2.28	(0.09)
Rwanda	3.77	3.22	0.55
Tanzania	1.01		
Uganda	1.15	1.17	(0.01)
Average	2.03	2.07	(0.04)

Sale Price($)			
Grade	PF1		
	Sale No		
Country	33	32	Variance
Burundi	2.06	1.95	0.11
Kenya	2.56	2.52	0.04
Rwanda	2.83	2.74	0.09
Tanzania	1.01	1.08	(0.06)
Uganda	1.06	1.03	0.03
Average	1.91	1.86	0.04

Sale Price($)			
Grade	PD		
	Sale No		
Country	33	32	Variance
Burundi	2.05	1.99	0.06
Kenya	2.35	2.29	0.06
Rwanda	2.95	2.83	0.12
Tanzania	0.95	0.96	(0.01)
Uganda	0.99	1.02	(0.03)
Average	1.86	1.82	0.04

Sale Price($)			
Grade	DUST1		
	Sale No		
Country	33	32	Variance
Burundi	2.28	1.71	0.57
Kenya	2.37	2.33	0.03
Rwanda	3.00	2.86	0.13
Tanzania	1.07	0.91	0.16
Uganda	0.99	1.09	(0.10)
Average	1.94	1.78	0.16

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M2: BP1s met improved and highly competitive, selective demand following quality. Flavory EoR BP1s and Rwanda BP1s sold at irregularly firm to dearer rates with interest form Kazak, CIS, UK, Pakistan & India with some selected garden marks selling up to 1Usd higher than last week with the most improved marks being Rwanda BP1s, some selected KTDA East of Riftvalley and Kenyan Estates BP1s. Below best followed a similar pattern. Medium BP1s met improved demand at irregularly steady rates. While plainer types traded irregularly firm to dearer with support from Sudan, Pakistan and local packers.
KTDA EoR and selected Rwanda PF1s continued to sell dearer than last week, with some selected invoices gaining up to 20cts vs last week. Strong demand came from Pakistan packers and Bazaar, Afghanistan, supported by UK, Yemen & Japan. KTDA WoR PF1s traded firm while reprints more than twice continued to be neglected and went out as outlots. Kenya Estates Medium PF1s traded firm to dearer with prices appreciating 5-20 usc and with improved absorption following quality with support from Pakistan, UK and Egypt buyers.

M1: There was improved enquiry on the Rwand and KTDA East of Rift valley PD and D1s which sold at irregularly firm to dearer rates than last week. They were mainly supported by Pakistan, Yemen, UK and selectively by Egyptian buyers. The balance mediums received steady support at steady to slightly easier rates than last week following quality with some teas remaining unsold

The top ten Buyers in sale 33 of 2023 are as per below: -

Sale No	33				
Status	Sold				
Sold Packages	Grade				
Buyer	BP1	DUST1	PD	PF1	Grand Total
Chai Trading and Company Limited	1,520	1,000	2,920	12,600	18,040
Global Tea & Commodities Limited	840	1,160	5,200	7,200	14,400
Cargill (K) Ltd	960		2,920	8,640	12,520
James Finley Mombasa	1,040		8,080	2,360	11,480
Devchand Keshavji (K) ltd		40	120	9,640	9,800
LAB International	200	2,400	4,200	2,560	9,360
SSOE Kenya Limited	1,400	1,320	2,400	3,080	8,200
Mombasa Coffee Limited	160	2,240	4,680	960	8,040
Mizaj Africa Limited	600	400	4,040	360	5,400
MJ Clarke Limited		360	3,000	400	3,760

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The movement/Variance of the Top Ten Buyers in Sale 33 vs Sale 32 2023: -

Status	Sold		
Grade	(All)		
Sold Packages	Sale No		
Buyer	33	32	Variance
Chai Trading and Company Limited	18,040	15,360	2,680
Global Tea & Commodities Limited	14,400	12,640	1,760
Cargill (K) Ltd	12,520	15,880	-3,360
James Finley Mombasa	11,480	8,180	3,300
Devchand Keshavji (K) ltd	9,800	8,640	1,160
LAB International	9,360	9,280	80
SSOE Kenya Limited	8,200	7,120	1,080
Mombasa Coffee Limited	8,040	7,320	720
Mizaj Africa Limited	5,400	5,840	-440
MJ Clarke Limited	3,760	3,080	680

Weather and Crop

Weather conditions in the tea growing areas remain normal for the time of the year. Some parts of both tea growing areas received some light rains interspersed by sunny spells while day and nighttime temperatures slightly increased. Crop intake remains at season's level.

The May 2023 Crop figures were released and production increased significantly by 7.63 M Kgs to 57.88 M kgs vs 50.25 M kgs same month in 2022. Production for the Month of May 2023 was higher by 8.39 M Kgs compared with 49.49 M Kgs for the Month of April 2023. Production for the first five months of 2023 was lower by 2.34 M kgs to stand at 225.51 M kgs against 227.85 M kgs recorded during the same period in 2022.

Sub-Sector	Region	May-23	May-22	Var, Kgs	Var, %	Jan-May 2023	Jan-May 2022	Var, Kgs	Var, %
Plantations	West of Rift	26,305,420	20,899,654	5,405,766	25.87%	101,495,141	90,342,320	8,064,791	9.22%
	East of Rift	2,452,671	1,560,024	892,648	57.22%	7,765,698	7,864,383	5,325,735	-15.72%
Total		28,758,091	22,459,677	6,298,413	28.04%	109,260,839	98,206,703	5,353,455	7.12%
Smallholder	West of Rift	11,727,482	11,915,179	-187,697	-1.58%	47,589,747	55,654,538	-7,877,094	-18.01%
	East of Rift	17,400,337	15,877,969	1,522,368	9.59%	68,664,966	73,990,700	-6,848,105	-11.78%
Total		29,127,819	27,793,148	1,334,671	4.80%	116,254,713	129,645,238	-14,725,196	-14.46%
Smallholder & Plantations	West of Rift	38,032,901	32,814,833	5,218,069	15.90%	149,084,889	145,996,858	-1,532,305	-1.36%
	East of Rift	19,853,008	17,437,993	2,415,016	13.85%	76,430,663	81,855,083	-7,839,436	-12.17%
Totals		57,885,909	50,252,825	7,633,084	15.19%	225,515,552	227,851,941	-9,371,741	-5.29%

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Upcoming Auction: Sale 34 of 2023

The upcoming sale 34 of 2023 has a higher closing figure that Sale 35. The current high demand for teas across all the categories and from all the buyers could provide impetus for a stronger market next week and with Pakistan headed towards their high tea consumption season and with tea buyers being supported by some banks which started to issue Letters of credit (LCs) again. The return of most BP1 buyers in the last four weeks is expected to continue in the upcoming sale with demand driven by CIS, Kazak, Sudan, Pakistan and India buyers driving up prices and improving absorption. Demand is expected to continue being strong with reduced tea production during this season which could result in increased competition for the available teas on offer. Concern is only on Egyptian buyers who slowed their buying this week and were bidding at easier rates in the M1 catalogue.

Sale No.	34	35
Fresh teas, PKgs	141,200	137,880
Reprinted teas, PKgs	75,920	64,859
Total	217,120	202,739
Fresh teas, Kgs	9,544,603	9,319,191
Reprinted teas,Kgs	5,135,881	4,376,357
Total	14,680,484	13,695,548

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