

21st June 2023

Market Summary for Sale 25 of 2023

There were 221,856 packages on offer in the M1 & M2 categories this week which met reduced demand although some segments sold at firm to dearer rates. There was a reduction in absorption (101,240 pkgs outlots vs 96,640 pkgs in Sale 24) while the average hammer price was firm at USD 2.07 per kg. The percentage sold was 54% in Sale 25 versus 57% in Sale 24 with 101,240 pkgs remaining as outlots. A huge percentage of the unsold teas were primarily KTDA reprints and fresh offers which seem to pile up every week due to the reserve prices and reduced demand from the key buyers with Cargill Kenya Limited being out due to the ongoing transition in Ekatererra Plc. In sale 24 KTDA outlots were 83,000 pkgs which represents 83% of the total outlots.

Price

M2: Flavoury KTDA EoR and Rwanda BP1's met improved demand with good interest from Kazak and CIS buyers. They sold at firm to slightly easier rates with some selected Garden marks selling at dearer rates. The below best sold at irregularly firm rates with most selling at their reserve prices while Sudan and Iran remained absent. Better medium BP1's were easier following quality. Plainer BP1's sold at easier levels following quality and received support and interest from South Sudan and local packers.

KTDA EoR and Rwanda PF1's sold at firm rates with a few better marks appreciating by 5-10 usc. The steady demand from Pakistan packers, CIS, UK and Afghan and Bazar. WoR PF1 sold at irregularly firm levels with most selling at their reserved prices and majority being neglected. Estate PF1s sold dearer by 5-10 usc following quality with some lots attracting low or no bids and ended up as outlots. Demand for these types was selective from UK, Russia, Pakistan packers, Bazaar & Egyptian buyers.

Flavoury KTDA EoR and Rwanda PF1s traded irregularly steady to 2-4 usc up with good demand from Pakistan packers, Bazaar, Egyptian, CIS & UK for the fresh teas. KTDA WoR PF1s remained firm at reserve prices with most of the teas remaining unsold as there was no demand for these teas.

M1: This auction met improved demand but at easier rates than last week which closely followed quality, Best Rwanda PDs traded firm to 5 usc easier. KTDA EoR PD/D1 continued to attract steady demand with support from Yemen buyers assisted by Pakistan packers, UK and CIS. Better types were firm with below best types steady to slightly easier. However, there was good absorption on this segment. There was reduced activity on WoR PD/D1s where CKL was out. There was improved enquiry on the better Medium PD/D1's which sold at were irregularly firm to easier rates. They were mainly supported by Egypt, UK and Yemen buyers with Pakistan packers operating selectively following quality.

We Know Tea



The top ten Buyers in sale 25 of 2023 are as per below: -

Sale No	25				
Status	Sold				
Buyer	BP1	DUST1	PD	PF1	Grand Total
Global Tea Commodities	1,720	1,760	7,240	6,160	16,880
Chai Trading Limited	840	240	2,800	12,320	16,200
James Finley Mombasa	2,120	360	9,600	3,800	15,880
LAB International	160	3,198	7,920	4,240	15,518
Devchand Keshavji (K) ltd	280	80	200	9,320	9,880
Mombasa Coffee Limited	160	1,960	4,040	240	6,400
Van Rees Kenya	1,800	40	760	2,960	5,560
SSOE Kenya Limited	1,280	360	400	2,440	4,480
Indo Tea Company	1,360		400	2,480	4,240
MJ Clarke Limited		720	2,360	1,040	4,120

The movement/Variance of the Top Ten Buyers in Sale 25 vs Sale 24 2023: -

Status	Sold		
Sum of Sold Packages	Sale No		
Buyer	25	24	Variance
Chai Trading Limited	16,200	18,080	-1,880
James Finley Mombasa	15,880	15,880	0
Cargill Kenya Limited		14,120	-14,120
Global Tea Commodities	16,880	13,320	3,560
LAB International	15,518	11,520	3,998
Mombasa Coffee Limited	6,400	6,080	320
Van Rees Kenya	5,560	5,840	-280
Devchand Keshavji (K) ltd	9,880	5,560	4,320
MJ Clarke Limited	4,120	4,400	-280
Mizaj Africa	2,560	4,120	-1,560

Weather and Crop

Rainfall continued to be recorded over most parts of the country. Mornings were cloudy, with light rains over a few places, giving way to sunny intervals. Occasional afternoon and night showers were experienced over a few places. Crop harvest is maintained at season's level.

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

Sub-Sector	Region	Mar-23	Mar-22	Var, Kgs	Var, %	Jan-Mar 2023	Jan-Mar 2022	Var, Kgs	Var, %
Plantations	West of Rift	14,408,593	19,775,075	-5,366,482	-27%	53,783,121	52,620,668	-1,162,453	2.21%
	East of Rift	594,543	1,472,167	-877,624	-60%	3,723,902	5,076,389	-1,352,487	-26.64%
Total		15,003,136	21,247,242	-6,244,106	-29%	57,507,022	57,697,057	-190,035	-0.33%
Smallholder	West of Rift	6,083,359	11,702,937	-5,619,578	-48%	24,518,690	33,716,324	-9,197,634	-27.28%
	East of Rift	9,402,298	13,525,983	-4,123,685	-33%	36,112,538	44,851,761	-8,739,243	-19.48%
Total		15,485,658	25,228,920	-9,743,262	-34%	60,631,229	78,568,105	-17,936,877	-22.83%
Smallholder & Plantations	West of Rift	20,491,952	31,478,012	-10,986,060	-35%	78,301,811	86,336,992	-8,035,161	-9.31%
	East of Rift	9,996,841	14,998,150	-5,001,309	-33%	39,836,440	49,928,170	-10,091,730	-20.21%
Totals		30,488,793	46,476,162	-15,987,369	-34%	118,138,251	136,263,162	-18,126,911	-13.30%

Upcoming Auction: Sale 26 of 2023

With the ongoing unavailability of dollars in Pakistan and Egypt, ongoing war in Sudan and the transition in Ekaterina Plc affecting the buying by Cargill Kenya Limited there is a likelihood of continued subdued demand in the upcoming auctions coupled with unpredictable buyer buying patterns and the increased auction offerings might negatively impact the demand and prices realized. For now, we recommend selling the teas at the best market price available due to the uncertainty in prices.

Sale No.	26	27
Fresh teas, PKgs	175,971	152,738
Reprinted teas, PKgs	79,640	93,900
	255,611	246,638
Fresh teas, Kgs	11,729,615	10,113,488
Reprinted teas, Kgs	5,373,375	5,373,375
	17,102,990	15,486,863

Atlas Tea Brokers Limited

We Know Tea