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

30th August 2023

Market Summary for Sale 35 of 2023

There were 183,360 packages on offer in the M1 & M2 categories this week which met improved demand at generally irregular to firm to dearer rates than last week. There was a slight increase in absorption (62% vs 59% in Sale 34) while the average hammer price was up by 5 usc at USD 1.98 per kg.

The percentage sold was 62% in Sale 35 with 113,320 pkgs sold versus 59% in Sale 34 where 116,399 pkgs were sold.
In Sale 35 outlots decreased by 14% to 4.8 M Kgs from 5.6 M Kgs in Sale 34, while KTDA outlots decreased by 10.5% in Sale 35 to 3.7 M Kgs from 4.1 M Kgs in Sale 34. A huge percentage of the unsold teas were teas of 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 some Kenyan Estate teas). KTDA outlots in Sale 35 stood at 78% (3,747,333 Kgs) while total outlots stood at 4,789,025 Kgs.

Sale 35 vs Sale 34 Auction offerings across all the Countries: -

Offerings				
	Sale No			
Country	35	34	Variance	% Variance
Burundi	63,303	56,316	6,987	12%
Kenya	11,240,013	11,724,390	-484,377	-4%
Rwanda	419,348	578,413	-159,065	-28%
Tanzania	74,129	109,880	-35,751	-33%
Uganda	875,445	1,209,319	-333,874	-28%
Total	12,672,238	13,678,318	(1,006,080)	-7.36%

Sale 35 Absorption across all the Countries: -

Sale No	35				
Country	Sold	Outlots	Total	% Sold	% Outlots
Burundi	44,468	18,835	63,303	70%	30%
Kenya	6,735,313	4,504,700	11,240,013	60%	40%
Rwanda	370,852	48,496	419,348	88%	12%
Tanzania	65,481	8,648	74,129	88%	12%
Uganda	667,099	208,346	875,445	76%	24%
Total, Kgs	7,883,213	4,789,025	12,672,238	62%	38%

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

Sold teas in Sale 35 vs Sale 34 per grade: -

Status	Sold			
Kgs	Sale No			
Grade	35	34	Variance	% Variance
BP1	814,425	627,065	187,360	30%
DUST1	834,721	882,201	-47,480	-5%
PD	2,712,058	2,850,344	-138,286	-5%
PF1	3,522,009	3,744,263	-222,254	-6%
Total	7,883,213	8,103,873	-220,659	-3%

Out lots in Sale 35 vs Sale 34 per grade: -

Status	Outlots			
Kgs	Sale No			
Grade	35	34	Variance	% Variance
BP1	1,211,607	1,288,377	-76,770	-6%
DUST1	560,369	506,527	53,842	11%
PD	1,188,265	1,610,191	-421,926	-26%
PF1	1,828,784	2,169,350	-340,566	-16%
Total	4,789,025	5,574,446	-785,421	-14%

Price

Auction Average Price Movement Sale 35 vs Sale 34

Sale Price($)			
Grade	(All)		
	Sale No		
Country	35	34	Variance
Burundi	2.03	2.15	- 0.12
Kenya	2.45	2.39	0.06
Rwanda	3.39	3.10	0.29
Tanzania	0.98	1.01	- 0.03
Uganda	1.04	0.99	0.05
Average	1.98	1.93	0.05

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

Auction Average Price Movement Per grade across all the Countries in Sale 35 vs Sale 34

Sale Price($)			
Grade	BP1		
	Sale No		
Country	35	34	Variance
Burundi	1.24	2.47	(1.23)
Kenya	2.31	2.26	0.05
Rwanda	5.19	3.87	1.32
Tanzania	0.93	1.07	(0.14)
Uganda	1.12	1.15	(0.03)
Average	2.16	2.16	

Sale Price($)			
Grade	PF1		
	Sale No		
Country	35	34	Variance
Burundi	2.11	2.09	0.02
Kenya	2.61	2.50	0.11
Rwanda	3.10	2.92	0.18
Tanzania	0.99	1.02	(0.03)
Uganda	1.05	1.00	0.05
Average	1.97	1.91	0.07

Sale Price($)			
Grade	PD		
	Sale No		
Country	35	34	Variance
Burundi	2.08	2.06	0.02
Kenya	2.26	2.26	
Rwanda	3.21	2.94	0.27
Tanzania	1.03	0.94	0.08
Uganda	0.98	0.92	0.06
Average	1.91	1.82	0.09

Sale Price($)			
Grade	DUST1		
	Sale No		
Country	35	34	Variance
Burundi	2.34	2.20	0.14
Kenya	2.48	2.38	0.10
Rwanda	3.15	2.88	0.27
Tanzania	1.10	1.00	0.10
Uganda	1.05	1.00	0.05
Average	2.02	1.89	0.13

M2: BP1s met improved and highly competitive demand following quality driven by demand from Sudan, Kazak, CIS Countries, Turkey and India. The demand on Flavory and high taste Rwanda and some selected KTDA East of Rift Valley BP1s resulted to some selling higher by 1-1.50 usc for some selected garden marks following quality. Below best followed a similar pattern with demand from the same buyers with Cofftea, Cargill and SSOE being very strong on Kenya Estate BP1s following quality. Medium BP1s met reduced demand at irregularly steady rates with some teas remaining unsold. While plainer types traded irregularly firm to easier rates with support from the local packers.

KTDA EoR and selected Rwanda PF1s sold at firm to dearer rates by 5-20 usc with improved and highly competitive demand following quality from Pakistan packers and Bazaar, Afghanistan, Egypt, UK and Yemen. KTDA WoR PF1s traded firm while reprints continued to be neglected and went out as outlots. Kenya Estates Medium PF1s traded firm to dearer with prices appreciating 5-10 usc and with improved absorption following quality with support from Pakistan, UK and Egypt buyers.

M1: There was improved enquiry on the Rwanda PD and D1 teas due to reduced supply and a strong demand for these teas. Kenya Estates, Uganda and KTDA East & West of Rift valley PD and D1s sold at irregularly firm to dearer rates than last week following quality with the strong demand from Yemen, Pakistan, UK and Egyptian buyers.

We know tea

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 35 of 2023 are as per below: -

Sale No	35				
Status	Sold				
Sold Packages	Grade				
Buyer	BP1	DUST1	PD	PF1	Total
Cargill (K) Ltd	3,600	400	2,760	9,920	16,680
Global Tea & Commodities Limited	1,160	1,520	5,520	7,240	15,440
Chai Trading and Company Limited	1,280	520	1,920	9,920	13,640
LAB International	80	2,040	7,620	3,280	13,020
Mombasa Coffee Limited	160	2,160	4,040	1,200	7,560
SSOE Kenya Limited	1,120	1,560	1,040	3,760	7,480
James Finley Mombasa	920	40	5,520	320	6,800
Devchand Keshavji (K) ltd		80	200	5,880	6,160
Mizaj Africa Limited	120	40	2,340	240	2,740
Abbas Traders Limited	280	200	1,400	840	2,720

The movement/Variance of the Top Ten Buyers in Sale 35 vs Sale 34 2023: -

Status	Sold		
Grade	(All)		
Sold Packages	Sale No		
Buyer	35	34	Variance
CKLB	16,680	13,080	3,600
GTC	15,440	15,680	-240
CTCB	13,640	16,840	-3,200
LAB	13,020	8,220	4,800
MCL	7,560	6,080	1,480
SSO	7,480	7,917	-437
JFLB	6,800	8,800	-2,000
DKL	6,160	6,440	-280
MIL	2,740	3,600	-860
ATL	2,720	2,400	320

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

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 June 2023 Crop figures were released and production increased significantly by 4.68 M Kgs to 48.12 M kgs vs 43.45 M kgs same month in 2022. Production for the Month of June 2023 was lower by 9.76 M Kgs compared with 57.88 M Kgs for the Month of May 2023. Production for the first six months of 2023 was higher by 2.34 M kgs to stand at 273.64 M kgs against 271.30 M kgs recorded during the same period in 2022.

Sub-Sector	Region	Jun-23	Jun-22	Var, Kgs	Var, %	Jan-June 2023	Jan-June 2022	Var, Kgs	Var, %
Plantations	West of Rift	23,304,381	22,263,727	1,040,654	4.67%	124,799,522	112,606,047	12,193,475	10.83%
	East of Rift	1,717,715	1,389,681	328,034	23.60%	9,483,413	9,254,065	229,348	2.48%
Total		25,022,096	23,653,408	1,368,687	5.79%	134,282,934	121,860,111	12,422,823	10.19%
Smallholder	West of Rift	10,826,976	9,794,617	1,032,359	10.54%	58,416,723	65,449,155	-7,032,432	-10.74%
	East of Rift	12,278,816	10,004,650	2,274,166	22.73%	80,943,781	83,995,350	-3,051,569	-3.63%
Total		23,105,792	19,799,267	3,306,525	16.70%	139,360,505	149,444,505	-10,084,000	-6.75%
Smallholder & Plantations	West of Rift	34,131,357	32,058,344	2,073,013	6.47%	183,216,245	178,055,202	5,161,044	2.90%
	East of Rift	13,996,531	11,394,331	2,602,199	22.84%	90,427,194	93,249,415	-2,822,221	-3.03%
Totals		48,127,888	43,452,675	4,675,212	10.76%	273,643,439	271,304,617	2,338,823	0.86%

Upcoming Auction: Sale 36 of 2023

The upcoming sale 36 of 2023 has a high closing figure that Sale 36. 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 six weeks is expected to continue in the upcoming sale with demand driven by CIS, Kazak, Turkey, 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.	36	37
Fresh teas, PKgs	139,900	139,140
Reprinted teas, PKgs	67,960	36,282
Total	207,860	175,422
Fresh teas, Kgs	9,507,784	9,429,873
Reprinted teas,Kgs	4,567,781	2,427,842
Total	14,075,565	11,857,715

Atlas Tea Brokers Limited

We know tea