News Highlights.

- Indian tea exports are likely to increase by 10% in the current year amid drought in Kenya. Kenyan supply of tea will decline in the market. Tea prices are firming up in Kenya amid decline in output and will support tea prices in the domestic market. According to trade sources, Indian export of tea is likely to increase by 15-20 million kg. in 2015.

- According to Tea Board, it has identified more export markets to make up for the decline in exports in other markets. Chile and China are in the list of new markets. Exports to countries like Kazakhstan, Russia, USA, China, Iran, Arab Republic of Egypt and Latin America have declined. Exports have declined from 222 million kg in 2010 to 201 million kg in 2014.

- Traders in South India are worried of lower earnings in the current year. Though average price has declined by Rs.5/kg, the volumes sold have declined by 3.29 lakh kg amid lack of demand. Till February this year, nine auctions have been held and 9.47 million kg has been sold compared to 9.80 million kg during the same period previous year.

- The tea processing season has began in Nepal from last two weeks and most of the tea factories have fixed procurement prices of green tea leaves. The rates vary from Rs. 35 to Rs.45 per kg, depending on the quality of leaf. Organic tea factories have fixed the price at Rs.60 per kg. The prices are higher compared to previous year with some teas being sold at Rs.65 per kg.

- Global output of black tea till date has declined by 5.21% compared to the same period previous year. Harvesting has slowed down in many producing countries due to unfavourable weather. This year, till date production has declined to 144.41 million kg compared to 154.32 million kg during the same period in 2014.

- According to a recent survey, an average Briton 884 cups of tea in a year. According to the study, those aged 55 and above enjoy 21 cups of tea in a week compared to those aged between 18 -24-year-olds who drink eight cups in a week.

- Burundi’s tea export revenues increase 52 per cent in the first quarter of 2015 compared to previous year. Prices have firmed up amid decline in output. Kenya is the biggest producer of tea in east Africa and world’s top exporter of black tea. Burundi collected $8.2 million between January and March compared to $5.4 million earned during the same period in 2014 according to state-run tea board.

Domestic Trade Scenario:

Indian Tea Auctions

Kolkata Tea Auction: Sale No: 14 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	108.73	9,10,705	6,57,769
ORTHODOX	139.78	16,362	12,557
DARJEELING	165.51	17,864	8,033
DUST	103.30	1,20,802	87,593

(Source: CTTA, Parcon India)

Prices noticed range –bound to weak tone during the week. Quantity offered on sale declined during the week compared to previous week. There was good demand for Dooars variety. Other varieties noticed fair demand in the market. Buying interest from loose tea buyers lend some support to the market. Prices are likely to notice weak tone in the coming days.

Guwahati Tea Auction: Sale No: 15 (Price in Rs./kg)

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	160.29	6,44,000	3,75,000
Dust	164.28	1,86,000	1,35,000

(Source: Associated Brokers)

Prices noticed firm tone during the week. Quantity offered on sale declined during the week compared to previous week. The average price and quantity offered is for the new season tea. There was good demand for good Assams and fair demand for other varieties. There was demand from upcountry buyers and selective demand from exporters and Hindustan Unilever Ltd. Prices are likely to notice range –bound to firm tone in the near –term.

Siliguri Tea Auction: Sale No: 16 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	133.50	1,33,267	30,572
CTC Leaf	141.35	10,87,544	3,30,830

(Source: Associated Brokers)

Prices noticed range –bound to weak tone during the week. Quantity offered on sale increased during the week compared to previous week. The average price and quantity offered includes both old and new season tea. Select Best Sorts noticed steady tone. There was good demand for Dust variety around lower levels. There was some demand from Hindustan Unilever Ltd. and good demand from internal buyers. Prices are likely to notice weak tone in the coming days.

Jalpaiguri Tea Auction: Sale No: 15 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	-	-	-
CTC Leaf	-	-	-

(Source: Jalpaiguri Tea Auction Committee)

There was no auction at Jalpaiguri during the week.

Cochin Tea Auction: Sale No: 16 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	103.24	1029267.60	912626.30
CTC Leaf	71.02	83082.50	65737.00
Orthodox Dust	69.49	18434.50	7318.00
Orthodox Leaf	134.59	98238.50	62036.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed weak tone during the week except CTC Dust variety. Quantity offered on sale increased during the week compared to previous week. Good demand from loose tea buyers supported CTC Dust variety tea. There is not much demand in the local market around current levels. Prices are likely to notice weak tone in the coming days.

Coimbatore Tea Auction: Sale No: 16 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	79.51	275354.00	206802.00
CTC Leaf	73.72	109438.00	79076.00
Orthodox Dust	69.55	16985.00	15253.00
Orthodox Leaf	92.38	9787.00	6854.00

(Source: Paramount Marketing, Coimbatore)

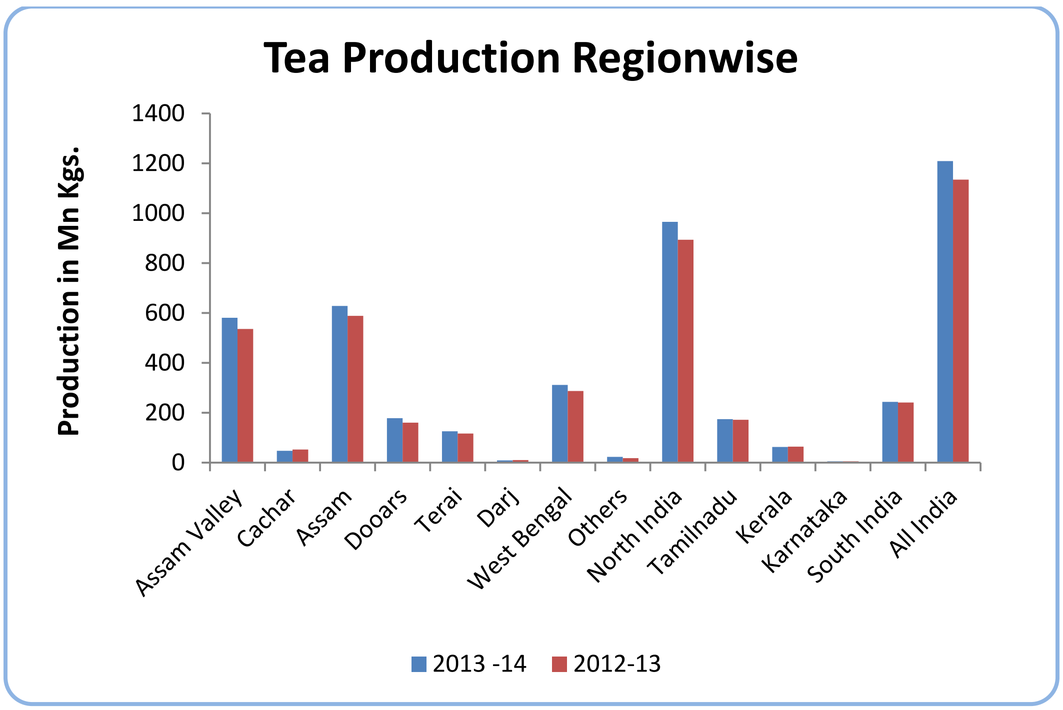
Prices noticed mixed tone during the week. Quantity offered on sale declined during the week compared to previous week. There was buying interest for Orthodox tea from exporters. Withdrawal was noticed in other varieties during the week. Prices are likely to notice range – bound to weak tone in the near –term.

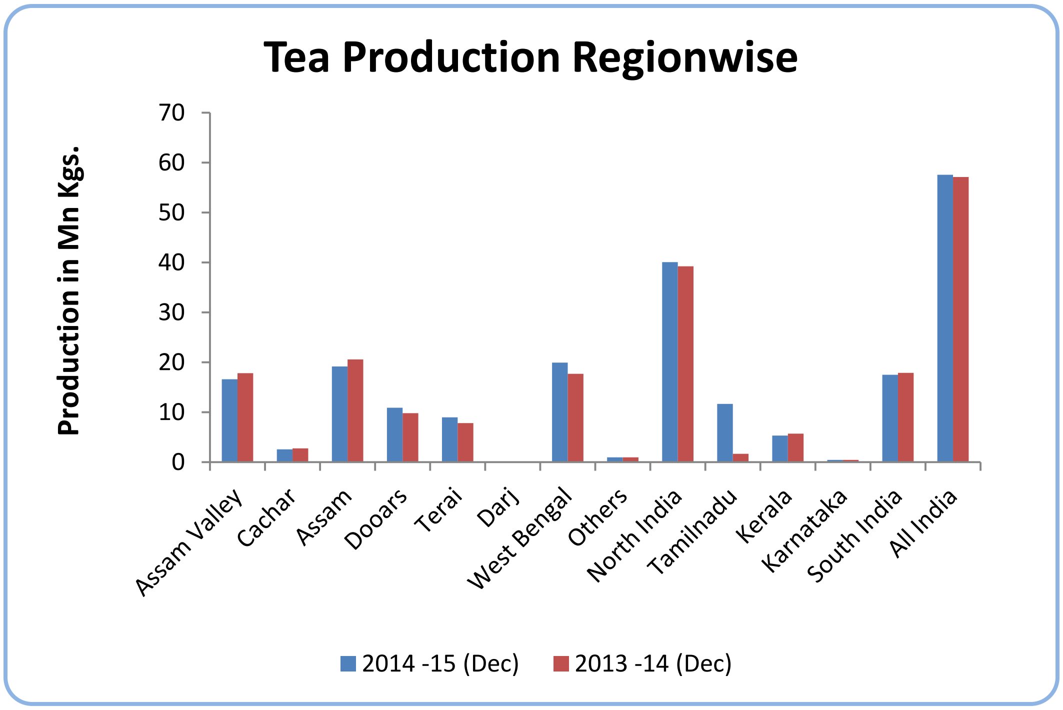
Coonoor Tea Auction: Sale No: 16 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	78.95	408679.00	346071.00
CTC Leaf	75.66	862308.00	701424.00
Orthodox Dust	92.26	862308.00	701424.00
Orthodox Leaf	93.16	52022.40	45587.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed mixed tone during the week. Quantity offered on sale declined during the week compared to previous week. Demand from exporters for Orthodox variety tea lent some support to the market. Prices are likely to notice firm tone in the coming days.





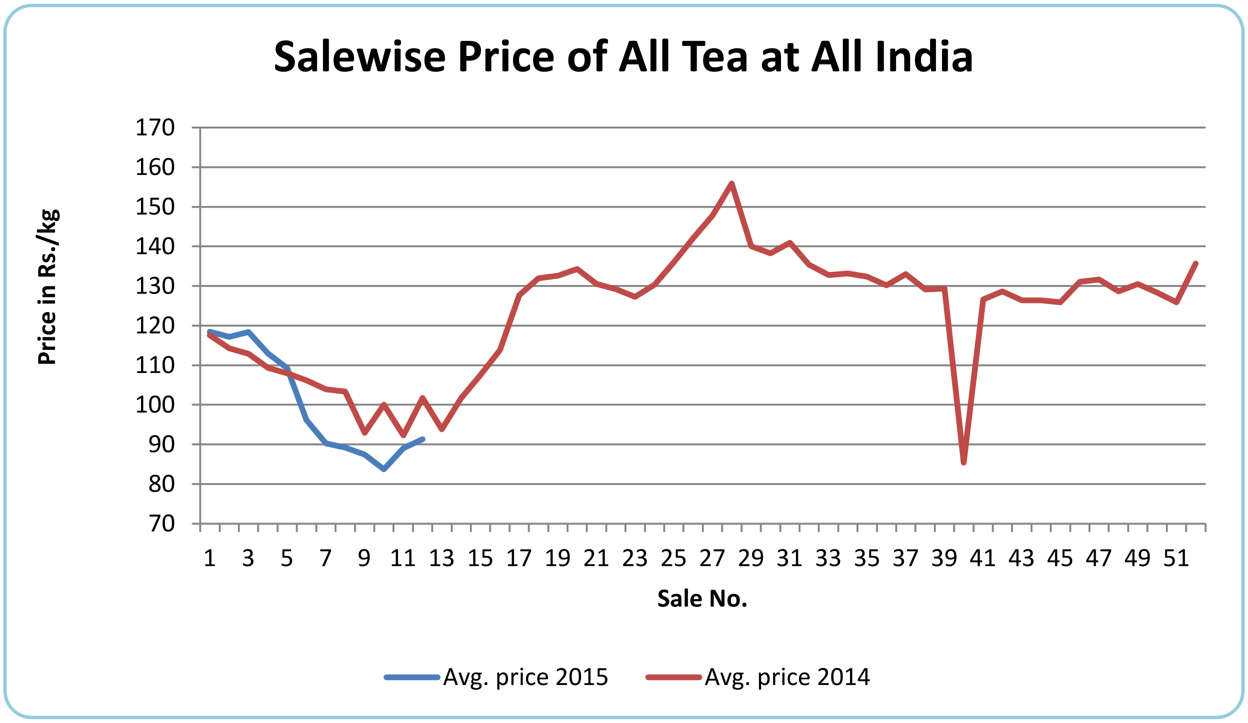
(Source: Tea Board)

The above graph shows production comparison region wise during the last two years and in the month of May in comparison with previous year. In the year 2014 (Apr –Mar), production increased by 6.5% to 1208.78 million kgs mainly on account of increase in production in Assam. In the current year in the month of May, production of tea in India declined by 11.8% to 91.41 million kgs. in comparison with the same period last year following lack of suitable temperature and rainfall in north India.

REGIONWISE QUARTERLY EXPORTS (IN MILLION KGS.)

		North India			South India		All India		
	Qty	Value	Unit Price	Qty	Value	Unit Price	Qty	Value	Unit Price
Apr-Dec 2014 (P)	80.42	1996.9	248.3	61.41	835.17	136	141.83	2832.02	199.68
Apr-Dec 2013	97.41	2424.9	248.93	68.95	987.32	143.19	166.36	3412.17	205.11
Inc/Dec in %	-17.44	-17.65	-0.25	-10.94	-15.41	-5.02	-14.75	-17	-2.65
Jan-Dec 2014 (P)	116.29	2777.31	238.83	84.94	1151.63	135.58	201.23	3928.94	195.25
Jan-Dec 2013	128.08	3075.87	240.15	90.98	1279.36	140.62	219.06	4355.23	198.81
Inc/Dec in %	-9.21	-9.71	-0.55	-6.64	-9.98	-3.58	-8.14	-9.79	-1.79

Source: Tea Board Of India



The above graph shows the price comparison of All Tea at All India in 2014 and 2015. Currently the average prices of all tea are slightly lower compared to previous year amid lack of availability of good quality tea in the market. Prices have increased during the week compared to previous week.

Weekly Average Prices at Indian Auction Centers for week ending 2014-04-04

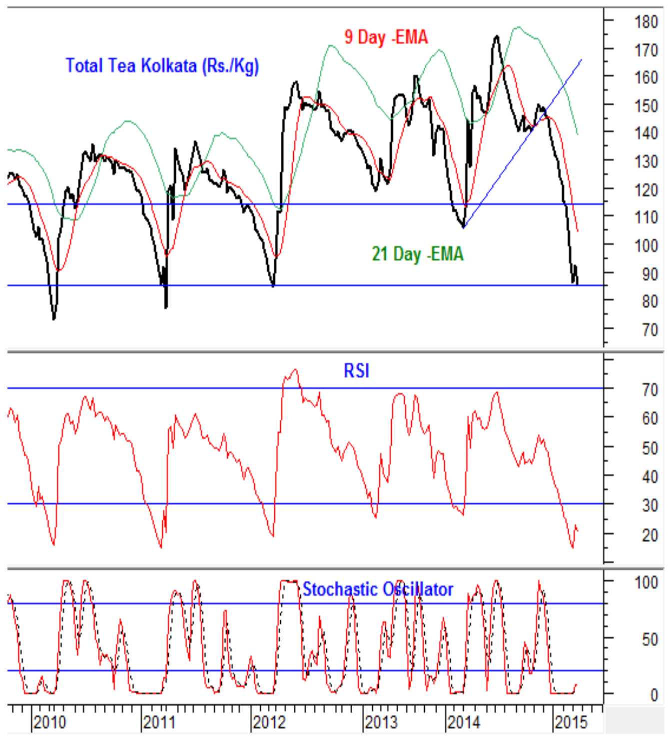
Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	NS(113.96)	91.70(131.47)	122.70(148.92)	NS(NS)	NS(109.34)	77.58(72.24)	80.03(82.89)	61.85(64.64)
Total Tea	NS(121.38)	91.65(132.04)	122.70(148.92)	NS(NS)	NS(110.58)	78.46(73.07)	80.07(82.89)	61.85(64.64)

(Figure in brackets denote prices during the same corresponding period in the previous year)

Variety	North India	South India	All India
CTC All Dust	102.20 (135.85)	74.65 (85.52)	91.27 (100.43)
Total Tea	102.15 (137.07)	75.24 (86.59)	91.31 (101.73)

(Source: Tea Board)

Tea Weekly
18 April 2015

Tea – Technical Outlook	Total Tea -Kolkata
Technical Commentary: Tea prices declined during the week. Prices are likely to move towards 70 levels in the coming days. MACD is declining in the negative territory supporting weakness in the medium –term. Stochastic oscillator is steady in the oversold region supporting some recovery in the near –term. ***The tea prices are likely to notice recovery towards 100 levels in the coming days. Buyers can purchase on any weakness for their near –term requirement.***	

Strategy: Buy On Near –Term Weakness

Weekly Supports & Resistances		S1	S2	PCP	R1	R2
Total Tea	Kolkata	75.10	60.00	85.53	100.00	150.10

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 14 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	420 - 460	420 - 570
Average Westerns	380 - 410	390 - 410
Plainer Westerns	340 - 370	340 - 380
Western Mediums	330 - 550	300 - 450
Uva Teas	300 - 520	300 - 425
Nuwara Eliya Teas	500 - 580	400 - 430
Udapussellawa Teas	280 - 410	310 - 350
CTC (BP1 and PF1)	270 - 415	310 - 525

In this week's auction, 7.32 million kgs of tea was offered for sale compared to 7.15 million kgs of tea during the previous week. There was fair demand for Select Best teas during the week. Better western BOP's noticed firm tone and BOPF's noticed easy tone during the week. High Grown and Mid Grown CTC's noticed easy tone and Low Grown CTC's noticed easy tone during the week. There was fair demand for liquoring leafy teas.

In the leaf category, Better PEK/PEK1's and a few bolder types noticed firm tone. In the Tippy catalogues, better made FBOP and FF1's noticed easy tone during the week. The below best and plainer variety noticed easy tone during the week. There was less demand from Iran.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	16		15		14	
Dates	27th/ 28th April 2015		21st /22nd April 2015		07th/08th April 2015	
	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs
Ex Estate	1,141	1,344,765 kg	1,121	1,319,720 kg	1,035	1,219,297 kg
Main Sale Total	10,554	6,044,752 kg	10,764	6,039,705 kg	10,690	6,100,248 kg
High & Medium	1,364	791,917 kg	1,306	731,173 kg	1,334	740,880 kg
Low Growns Leafy Tippy	3,670 2,456	1,784,510 kg 1,537,754 kg	3,845 2,474	1,854,360 kg 1,557,906 kg	3,743 2,411	1,833,909 kg 1,527,792 kg
Premium/Flowery	383	89,202 kg	369	90,561 kg	320	80,284 kg
Off Grades	2,054	1,210,273 kg	2,193	1,249,346 kg	2,269	1,314,549 kg
Dust	627	631,096 kg	577	556,359 kg	613	602,834 kg
Grand Total	11,695	7,389,517 kg	11,885	7,359,425 kg	11,725	7,319,545 kg
Reprints	886	615,971 kg	616	377,927 kg	560	344,498 kg
Scheduled to Close (Ex) Dates (Ms)		02.04.15 02.04.15		26.03.15 27.03.15		19.03.15 20.03.15

Scheduled Closing Dates

Auction No. 15	:	21st/22nd April 2015
Ex Estate	:	26.03.2015
Main Sale	:	27.03.2015
Auction No. 16	:	27th/28th April 2015
Ex Estate	:	02.04.2015
Main Sale	:	02.04.2015
Auction No. 17	:	05th/06th May 2015
Ex Estate	:	09.04.2015
Main Sale	:	10.04.2015
Auction No. 18	:	12th/13th May 2015
Ex Estate	:	23.04.2015
Main Sale	:	24.04.2015

(Source: John Keells Tea Brokers)

Kenya Tea Auction (Mombasa): Sale No: 15

(in US$ per kg)

COUNTRY	PRIMARY	SECONDARY	TOTAL	PRIMARY	SECONDARY	TOTAL
Kenya	2.84	1.15	2.74	2.29	1.37	2.22
Uganda	1.42	0.97	1.29	1.61	1.32	1.51
Rwanda	2.82	1.81	2.71	2.34	1.87	2.26
Burundi	2.84	1.60	2.75	2.21	1.67	2.14
Zambia	-	-	-	-	-	-
Tanzania	0.98	0.73	0.81	1.57	1.15	1.45
D R of Congo	1.65	-	1.65	1.40	-	1.40
Mozambique	-	-	-	1.64	1.17	1.43
Madagascar	-	-	-	-	-	-
Malawi	-	-	-	1.27	1.25	1.27
Zimbabwe	-	-	-	-	-	-
Ethiopia	-	-	-	-	-	-
Total	**2.72**	**1.12**	**2.57**	**2.21**	**1.38**	**2.12**

	OFFERED		SOLD*	
Year 2015	*Packages*	*Kilos*	**Packages**	**Kilos**
Kenya	77,540	5,227,209.00	73,840	5,000,913.00
Uganda	12,100	683,712.00	10,720	600,888.00
Rwanda	7,600	499,371.50	7,060	466,182.50
Burundi	3,100	194,809.00	2,720	173,361.00
Tanzania	3,000	139,688.00	2,040	96,824.00
Dem Rep of Congo	200	11,372.00	120	6,584.00
Mozambique	-	-	-	-
Madagascar	-	-	-	-
Malawi	-	-	-	-
TOTAL	**103,540**	**6,756,161.50**	**96,500**	**6,344,752.50**

During the week good demand noticed for 6,756,161 kilos of tea on offer. Brighter DUST1s were firm to UCS12 lower, with mediums USC8 to USC10 higher and prices of lower mediums were weak to USC18 lower during the week. Prices of Brighter BP1's noticed firm tone and were higher up to USC68, prices of mediums were up to USC250 lower and prices of lower mediums were USC2 to USC20 lower. Other varieties like Brighter Pdusts, Lower Medium PF1's noticed mixed tone during the week.

In the secondary catalogues, BPs noticed weak tone and PF's noticed firm tone during the week. Well sorted clean coloury Fannings and Dusts noticed firm tone during the week. Other Fannings noticed firm tone and BMF's noticed firm tone. There was good buying interest from Pakistan packers, U.K., Egyptian packers and Afghanistan. There was some buying from Yemen, Kazakhstan, other middle – eastern countries, CIS countries and Sudan. There was less demand from Russia, Iran and Bazaar. There was some buying support from Somalia around lower levels.

(Source: Africa Tea Brokers)

Indonesia Tea Auction (Jakarta): Sale No: 15

Orthodox	OFFERED		SOLD		%
PTPN ESTATE	8.800	465.620 Kg	5.680	295.080 Kg	63.37
PRIVATE ESTATE	---	--- Kg	---	--- Kg	--,--
TOTAL	8.800	465.620 Kg	5.680	295.080 Kg	63.37
C.T.C	**OFFERED**		**SOLD**		**%**
PTPN ESTATE	1.660	95.540 Kg	1.200	69.780 Kg	73.04
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	1.660	95.540 Kg	1.200	69.780 Kg	73.04
TOTAL	10.460	561.160 Kg	6.880	364.860 Kg	65.02

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	BOP	BOPF	PF	DUST	BT	BP
-	126-185	96-180	96-188	106-192	95-131	322

Orthodox Secondary Grades				
PF.II	DUST.II	BT.II	BP.II	DUST.III
96-187	102-119	97-116	155	100-115

CTC First and Secondary Grades						
BP.1	PF.1	PD	D.1	FANN	D.2	D.3
130-165	169-209	160-195	168-251	101-195	135-185	---

Market offerings increased to 10,460 paper sacks from 9,740 paper sacks. There was lower demand in the market around current levels. Average price declined to USDcts 135.39 instead of USDcts 146.97 during last week’s auction. Average price of Orthodox variety declined to USDcts 127.44 and average price of CTC declined to USDcts 167.15. Secondary variety and Fannings noticed easy tone. Quantity sold declined to 65.02% during the period compared to 70.12% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox 22/04/15	Orthodox 29/04/15	C.T.C 22/04/15	C.T.C 29/04/15
PTPN. IV	1.360 S	1.360 S	-	-
PTPN. VI	180 S	200 S	460 S	380 S
PTPN. VII	980 S	1.060 S	80 S	60 S
PTPN. VIII	4.360 S	5.400 S	940 S	1.020 S
PTPN. IX	320 S	260 S	-	-
PTPN. XII	- S	- S	600 S	560 S
Total Estate	7.200 S	8.280 S	2.080 S	2.020 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	7.200 S	8.280 S	2.080 S	2.020 S

(Source: TEH)

Bangladesh Tea Auction (Chittagong): Sale No: 45

(In Taka/kg)

BROKENS	QUOTATIONS	FANNINGS	QUOTATIONS
Large/Bold	NQTA	Best	150-170 nom
Medium	110-135 nom	Good	140-150 nom
Small	125-140 nom	Medium	120-130
Plain	65-110	Plain	70-110

Tea prices at Bangladesh tea auction declined during the week following lower demand from local buyers amid lower supply of tea in the market and political unrest in the country. The average price of tea during this week's auction was around USD 1.60/kg. Around 565,522 kgs of tea was offered for sale and nearly 25 percent remained unsold.

There was good demand from loose tea buyers and blenders. 6,631 packages and 1.968 packages of CTC Leaf of new season noticed good demand. 1,405 packages, 10 packages of old season and 335 packages of new season on offer of CTC Dust noticed good buying interest. In CTC Dust, good liquoring varieties were firm and medium levels noticed steady tone. Good liquoring Broken varieties noticed demand around lower levels. Good liquoring varieties in fannings noticed firm tone during the week. Good liquoring Dusts noticed easy tone during the week.

(Source: National Brokers Limited)

WORLD CROP STATISTICS IN (Mn/kgs)

Country	MONTH	2014 2015	2014 2015	CUMULATIVE	2014 2015	2014 2015	CUMULATIVE + INC./-DEC.
Sri Lanka	Feb.	25.4	22.5	Up to Feb.	48.7	48.1	+ 0.6
North India	Jan.	3.95 (E)	4.96 (E)	Up to Jan.	3.95(E)	4.96 (E)	- 1.01
South India	Jan.	17.17 (E)	17.10 (E)	Up to Jan.	17.17 E)	17.10 (E)	+ 0.07
Kenya	Jan.	41.6	44.9	Up to Jan.	41.6	44.9	- 3.30
Bangladesh	Jan.	0.16	0.23	Up to Jan.	0.16	0.23	- 0.07
Malawi	Jan.	6.48	8.20	Up to Jan.	6.48	8.20	- 1.72

(Source: John Keells Tea Brokers)

World tea production has been increasing over the years. With more medicinal value of tea being highlighted, the consumption is set to increase in the coming years. However in the previous year, global black tea output declined to 2019.13 mkg compared to 2027.5 mkg in 2013. India's production declined by 16.06 mkg to 1127.21 mkg. According to Indian Tea Association, consumption of tea is increasing at an annual rate of 3 per cent. In the current financial year in India, production of tea is likely to be affected in the coming months following cold and frost weather conditions in the tea growing regions in the months of December and January.

Currency	18-04-2015	11-04-2015
USD	62.55	62.27
Srilankan Rupee	0.4701	0.4680
Indonesian Rupiah	0.0049	0.0048
Kenyan Shilling	0.6697	0.6693
Bangladeshi Taka	0.8046	0.8006

Overall Outlook and Recommendation:

In the domestic market, prices noticed mixed tone. Quantity offered on sale increased during the week compared to previous week. There was good demand for Best variety new season tea and fair demand for other varieties. There was not much demand from exporters in the market. Arrival of first flush of tea is likely to increase in the coming days. Prices are likely to notice range –bound to weak tone in the near –term.

In the global market, prices noticed weak tone. Likely drought in the tea growing regions of Kenya will affect output and improve prospects for Indian tea exports. Future offering of tea is likely to decline in Indonesia. Prices are likely to notice range –bound to weak tone in the near –term.