News Highlights.

- Indian Tea IndusrtyIndustry is eyeing closely looking at Russia after a gap of 10 years as exports to the major buyers of Egypt and Pakistan are steady to lower. A delegation of Indian tea producers, merchant exporters and auctioneers is set to visit Russia. The delegation is planning to hold talks with the buyers at World Food Moscow, to be held between September 14 and 17, 2015. In 2014, India exported 207.44 million kg of tea. Out of this around 50 million kgs was exported to Russia and near by countries. The total exports in the six months upto June stood at 88.94 million kg, 9% less than 97.67 million kg a year ago.

- Lack of sufficient rainfall and pest attacks have affected tea output in Assam, India's largest producer of leaf. According to Tea Board of India, estimated production of tea declined by 16 per cent to 60.91 million kg in the month of June 2015 compared to the same corresponding period of previous year.

- Local tea farmers in Nepal are affected by lower output and productivity of tea. The bud is not growing at the usual pace after the leaves have been harvested. The production of orthodox tea has declined to 15-20 kg per day this season in Ilam district of Nepal compared tofrom 50-60 kg. The rainy season that lasts from mid-June to mid-September is the time when farmers harvest tea leaves multiple times, and the buds bloom faster once they are harvested.

- Sri Lanka's tea output declined by 11 percent in the month of July compared to the same corresponding period of previous year. In the first six months of 2015, output declined by 1.79 per cent as compared with to the same corresponding period of previous year.

- Tea exports from Vietnam declined by 5.6 per cent in volume to touch 79,000 metric tonnes and 4.8 per cent in value to reach USD134 million in the first eight months of 2015 compared with to the same corresponding period of previous year. Vietnam mostly exports tea as a raw product with low export price equal to about half of the world's average price. It Vietnam Tea is faced with quality issuesis mainly facing problem in terms of quality.

Domestic Trade Scenario:

Indian Tea Auctions

Kolkata Tea Auction: Sale No: 35 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	163.53	29,42,000	20,15,000
ORTHODOX	229.43	4,83,000	3,87,000
DARJEELING	-	-	-
DUST	169.59	13,28,000	9,68,000

(Source: Parcon)

Prices noticed easy tone during the week. Quantity offered on sale increased during the week compared to previous week. There was good demand for good quality teas and fair for remainderthe rest. Medium and Plainer Assams noticed steady to easy tone. There was good buying interest from blenders, packers and exporters. Good/Best varieties in leaf noticed weak tone. In the Orthodox variety, Larger Brokens and Tippy Teas noticed steady tone. Smaller Brokens declined in line with quality. There was good demand from exporters and some demand from Hindustan Unilever Limited. Prices are likely to notice range –bound to firm tone in the near –term.

Guwahati Tea Auction: Sale No: 35 (Price in Rs./kg)

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	145.77	37,17,000	24,36,000
Dust	159.63	17,30,000	10,51,000

(Source: Parcon)

Prices noticed weak tone during the week. Quantity offered on sale increased during the week compared to previous week. There was less demand in the market compared to previous week. Prices declined in line with quality. Buying interest was noticed from Tata Global and internal buyers. There was selective demand from Hindustan Unilever Ltd. and exporters. Prices are likely to notice easy tone in the coming days.

Siliguri Tea Auction: Sale No: 36 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	114.50	4,00,000	2,80,000
CTC Leaf	121.60	26,90,000	19,64,000

(Source: Associated Brokers)

Prices noticed firm tone during the week. Quantity offered on sale increased during the week compared to previous week. There was good demand for premium sorts in the market. Better/Medium category noticed mixed tone. In the Dust category, there was good demand for Good/Best sorts. Buying interest was noticed from internal buyers and Hindustan Unilever Limited. Prices are likely to notice firm tone during the week.

Jalpaiguri Tea Auction: Sale No: 35 (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: 36 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	93.04	1023879.30	771084.40
CTC Leaf	67.98	72996.00	40057.00
Orthodox Dust	63.81	16418.00	9612.00
Orthodox Leaf	127.82	171510.00	140437.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed firm tone during the week except slight weakness in CTC Leaf variety. Quantity offered on sale declined during the week compared to previous week. Good demand from blenders for CTC Dust variety tea added to the positive tone of the market. Buying interest was seen from exporters. Prices are likely to notice range –bound to firm tone in the near –term.

Coimbatore Tea Auction: Sale No: 36 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	76.12	212833.00	185998.00
CTC Leaf	62.46	131689.00	72106.00
Orthodox Dust	59.20	12216.00	7104.00
Orthodox Leaf	93.23	9113.00	5095.00

(Source: Paramount Marketing, Coimbatore)

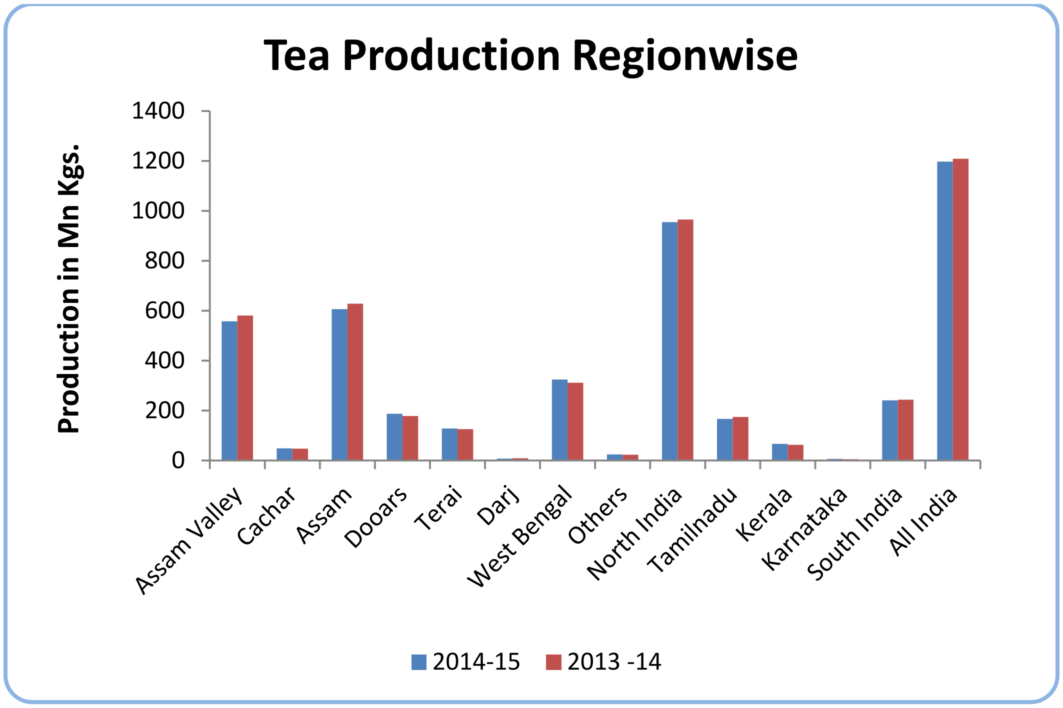
Prices noticed mixed tone during the week. Quantity offered on sale declined during the week compared to previous week. In the CTC category, there was not much demand from the local buyers. In the Orthodox variety, prices firmed up amid good demand for the Good/Better variety. Arrivals are lower following rains in the growing regions. Prices are likely to notice positive tone during the week.

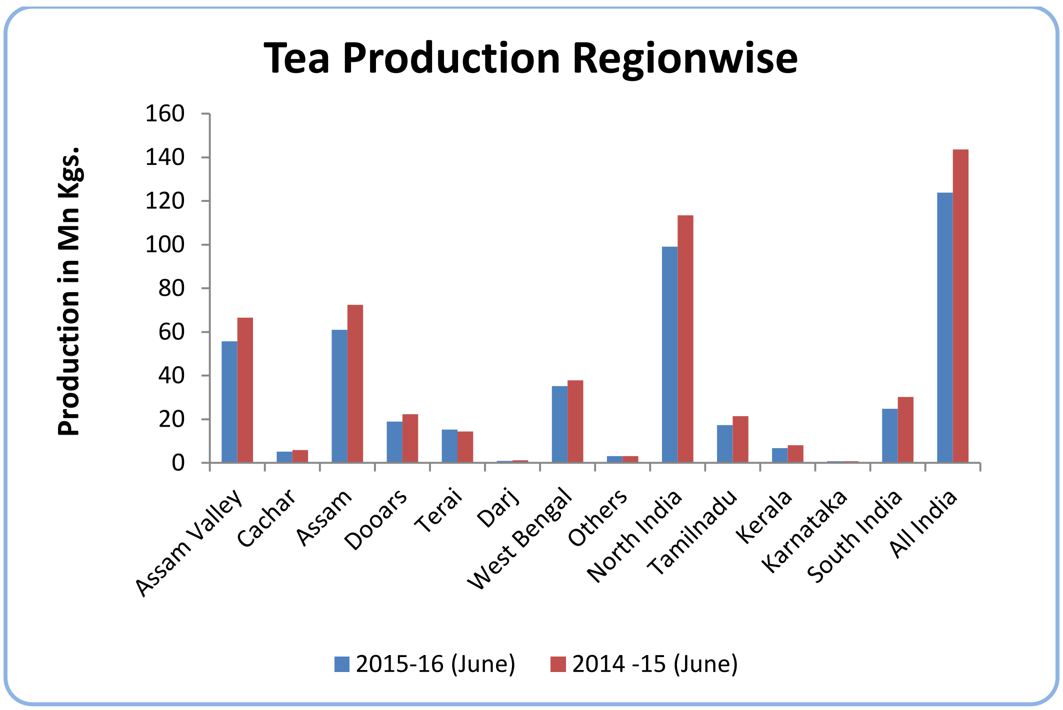
Coonoor Tea Auction: Sale No: 36 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	70.10	353720.50	308787.50
CTC Leaf	62.00	1012724.00	729865.00
Orthodox Dust	87.85	52939.00	29061.00
Orthodox Leaf	92.32	67858.50	60399.50

(Source: Paramount Marketing, Coimbatore)

Prices noticed firm tone during the week except slight weakness in CTC Leaf variety. Quantity offered on sale declined during the week compared to previous week. Good demand from Iranian exporters added to the positive tone of the market. Prices are likely to continue positive tone in the coming days.





(Source: Tea Board)

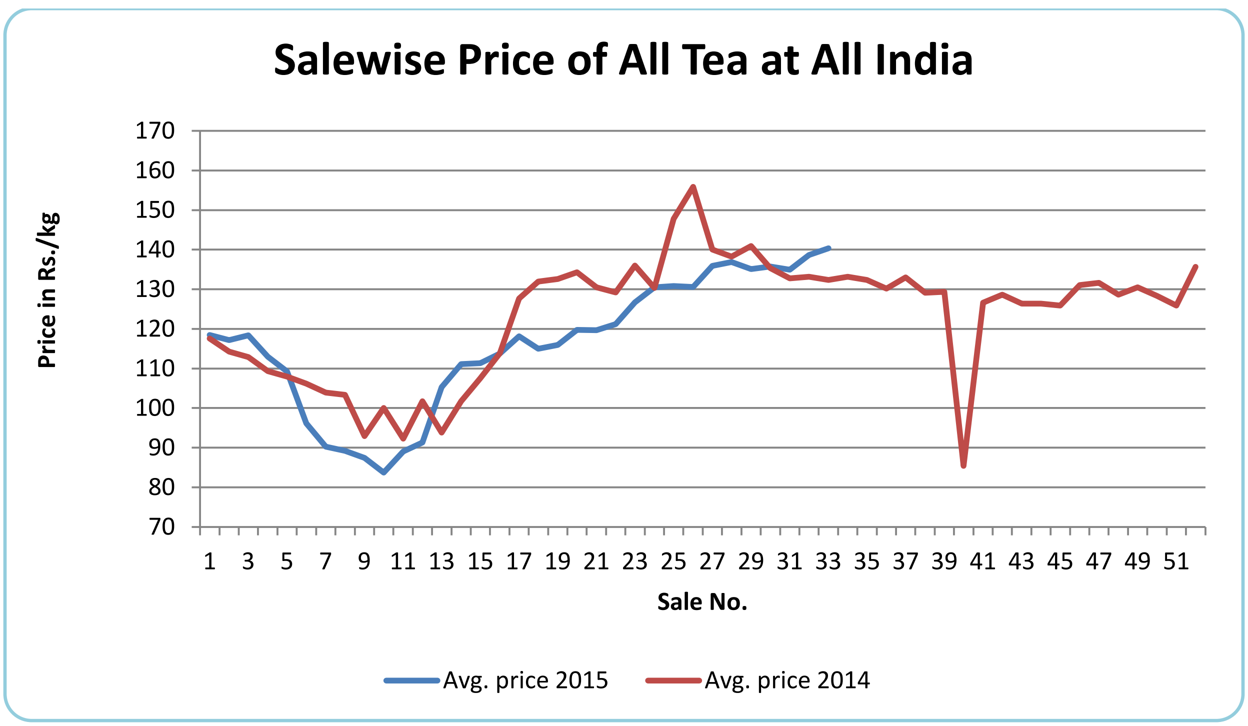
The above graph shows region wise production comparison, during the last two years and in the month of June in comparison with to previous year. In the year 2014 (Apr –Mar), production increased by 6.5% to 1208.78 million kgs mainly on account of increased in production in Assam. In the current year in the month of June, production of tea in India declined by 12.60% to 123.91 million kgs. in comparison to the same corresponding period last year following owing to lack of suitable temperature and rainfall in north India.

REGIONWISE QUARTERLY EXPORTS:

(Qty In M.Kgs, Value in Rs. Crs, Unit Price in Rs./kg)

		North India			South India		All India		
	Qty	Value	Unit Price	Qty	Value	Unit Price	Qty	Value	Unit Price
Jan-May 2015 (P)	39.57	813.27	205.53	36.52	488.45	133.75	76.09	1301.72	171.08
Jan-May 2014	48.11	1082.95	225.10	36.83	508.49	138.06	84.94	1591.44	187.36
Inc/Dec in %	-17.75	-24.90	-8.69	-0.84	-3.94	-3.13	-10.42	-18.20	-8.69
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 All India price comparison of All Teas at All India in 2014 and 2015. Currently the average prices of all tea are slightly higher compared to previous year amid led by good domestic demand in the market. Prices have increased slightly during the week compared to previous week.

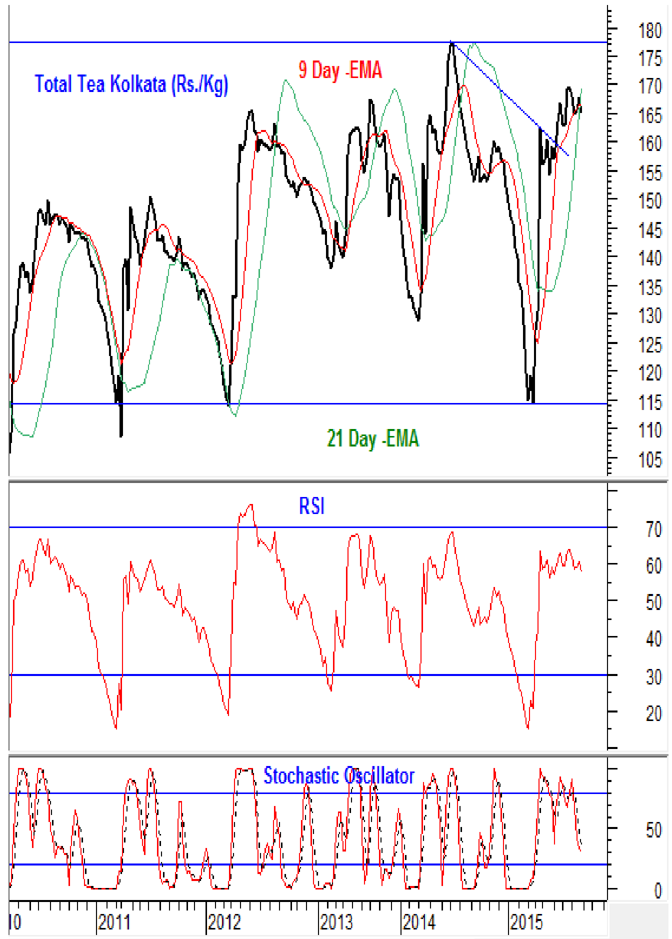
Weekly Average Prices at Indian Auction Centers for week ending 2015-08-29

Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	168.49(155.34)	152.21(145.57)	119.18(121.53)	90.28(92.99)	NS(94.47)	64.38(63.04)	71.58(68.27)	52.17(52.42)
Total Tea	180.25(165.44)	153.37(145.57)	119.18(121.53)	90.28(92.99)	NS(95.46)	65.73(63.70)	71.53(68.26)	52.17(52.42)

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

Variety	North India	South India	All India
CTC All Dust	146.88 (141.24)	63.37 (74.09)	135.21 (128.64)
Total Tea	152.35 (145.49)	64.29 (75.44)	140.35 (132.33)

(Source: Tea Board)

Tea – Technical Outlook	Total Tea -Kolkata
Technical Commentary: Tea prices declined slightly during the week. Any near –term weakness should be considered as good buying opportunity. MACD is declining in the positive territory supporting the weak tone of the market. Stochastic oscillator is declining in the neutral region denoting easy tone in the coming days. ***The tea prices are likely to notice firm tone towards 200 levels. Any near –term weakness should be considered as good buying opportunity within the overall firm tone of the market.***	

Strategy: Buy Around Current Levels

Weekly Supports & Resistances		S1	S2	PCP	R1	R2
Total Tea	Kolkata	150.00	130.00	180.25	200.00	210.30

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 34 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	420 - 540	460 - 550
Average Westerns	370 - 410	410 - 450
Plainer Westerns	325 - 360	370 - 400
Western Mediums	310 - 530	340 - 450
Uva Teas	310 - 1050	350 - 1350
Nuwara Eliya Teas	420 - 450	310 - NQ
Udapussellawa Teas	280 - 450	300 - 460
CTC (BP1 and PF1)	300 - 410	320 - 460

In this week's auction, 7.65 million kgs of tea was offered for sale compared to 7.78 million kgs of tea during the previous week. There was some demand for Select Best teas during the week. Better western BOP's noticed firm tone and BOPF's noticed weak tone during the week. High Grown and Mid Grown CTC's noticed weak 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 weak tone during the week. The middling below best and plainer variety noticed easy tone during the week. There was good demand from Turkey, less buying interest from Russia and selective demand from middle –eastern countries.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	36		35		34	
Dates	15th/16th September 2015		08th/09th September 2015		01st/ 02nd September 2015	
	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs
Ex Estate	964	1,108,027 kg	850	986,249 kg	938	1,090,506 kg
Main Sale Total	11,489	6,422,455 kg	10,034	5,402,570 kg	11,819	6,561,576 kg
High & Medium	1,215	620,987 kg	1,019	519,822 kg	1,309	670,586 kg
Low Growns Leafy	4,151	2,087,457 kg	3,790	1,803,801 kg	4,166	2,027,630 kg
Low Growns Tippy	2,767	1,668,807 kg	2,141	1,294,166 kg	2,681	1,654,819 kg
Premium/Flowery	603	151,315 kg	502	113,777 kg	617	150,256 kg
Off Grades	2,067	1,196,498 kg	2,072	1,173,639 kg	2,394	1,410,648 kg
Dust	686	697,391 kg	510	497,365 kg	652	647,637 kg
Grand Total	12,453	7,530,482 kg	10,884	6,388,819 kg	12,757	7,652,082 kg
Reprints	1,790	1,119,797 kg	786	494,589 kg	1,307	816,958 kg
Scheduled to Close Dates (Ex)		27.08.15		20.08.15		13.08.15
Scheduled to Close Dates (Ms)		28.08.15		21.08.15		14.08.15

Scheduled Closing Dates

Auction No. 35 : 08th/09th September 2015

Ex Estate : 20.08.2015

Main Sale : 21.08.2015

Auction No. 36 : 15th/16th September 2015

Ex Estate : 27.08.2015

Main Sale : 28.08.2015

Auction No. 37 : 22nd/23rd September 2015

Ex Estate : 03.09.2015

Main Sale : 04.09.2015

Auction No. 38 : 29th/30th September 2015

Ex Estate : 10.09.2015

Main Sale : 11.09.2015

(Source: John Keells Tea Brokers)

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Kenya Tea Auction (Mombasa): Sale No: 35

AUCTION AVERAGE PRICE

AUCTION	KENYA 2014	KENYA 2015	TOTAL 2014	TOTAL 2015
33	$2.05	$3.20	$1.95	$2.92
34	$2.05	$3.04	$1.92	$2.76
35	$2.00	$3.10	$1.89	$2.84

QUOTATIONS	BROKENS	FANNINGS
Best	497 – 581	492 - 539
Good	484 – 527	497 – 523
Good Medium	480 – 519	465 – 513
Medium	252 – 379	399 – 469
Lower Medium	206 – 292	202 - 354
Plain	145 – 223	143 – 346 (SL RUPEES)

During the week good demand was noticed for 7,627,780 kilos of tea on offer. Brighter DUST1s were firm up to USC8, with mediums up to USC4 higher and prices of lower mediums were lower up to USC20. Prices of Brighter BP1’s were USC2 to USC32 higher, prices of mediums noticed mixed tone and were USC28 higher to lower, and prices of lower mediums were lower up to USC30. Other varieties like Brighter Pdusts, Lower Medium PF1’s noticed mixed tone during the week.

In the secondary catalogues, BP’s noticed firm tone and PF’s noticed steady tone during the week. Well sorted clean coloury Fannings and Dusts noticed steady to firm tone during the week. Other Fannings and BMF’s noticed weak tone. There was good demand from Pakistan Packers, Afghanistan, Yemen, Kazakhstan and other middle –eastern countries. There was some demand from Sudan, Bazaar, Russia and Egyptian packers. There was selective demand from U.K. and demand remained subdued from Iran. Somalia were was active around lower levels of the market.

(Source: Africa Tea Brokers)

Indonesia Tea Auction (Jakarta): Sale No: 35

ORTHODOX	OFFERED		SOLD		%
PTPN ESTATE	5.660	295.160 Kg	5.500	286.160 Kg	96.95
PRIVATE ESTATE	---	--- Kg	---	--- Kg	---,--
TOTAL	5.660	295.160 Kg	5.500	286.160 Kg	96.95

C.T.C	OFFERED		SOLD		%
PTPN ESTATE	1.340	77.760 Kg	1.320	76.800 Kg	98.77
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	1.340	77.760 Kg	1.320	76.800 Kg	98.77
GRAND TOTAL	7.000	372.920 Kg	6.820	362.960 Kg	97.33

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	**BOP**	**BOPF**	**PF**	**DUST**	**BT**	**BP**
195-200	**165-228**	**155-224**	**151-210**	**146-200**	**130-145**	**350**

Orthodox Secondary Grades				
PF.II	**DUST.II**	**BT.II**	**BP.II**	**DUST.III**
141-188	**138-160**	**130-141**	**202-206**	**127-135**

CTC First and Secondary Grades						
BP.1	**PF.1**	**PD**	**D.1**	**FANN**	**D.2**	**D.3**
154-158	**166-240**	**169-234**	**174-248**	**144-165**	**138-184**	**---**

Market offerings declined to 7,000 paper sacks from 9,320 paper sacks. There was good demand in the market. Average price increased to USDcts 163.83 instead of USDcts 158.14 during last week's auction. Average price of Orthodox variety increased to USDcts 161.00 and average price of CTC declined to USDcts 173.19. Secondary variety and Fannings noticed easy tone. Quantity sold increased to 97.33% during the period compared to 96.38% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox		C.T.C	
	09/09/15	16/09/15	09/09/15	16/09/15
PTPN. IV	2.040 S	2.900 S	-	-
PTPN. VI	420 S	240 S	500 S	320 S
PTPN. VII	1.320 S	720 S	140 S	200 S
PTPN. VIII	3.600 S	3.560 S	500 S	540 S
PTPN. IX	100 S	260 S	-	-
PTPN. XII	- S	- S	360 S	440 S
Total Estate	7.480 S	7.680 S	1.500 S	1.500 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	7.480 S	7.680 S	1.500 S	1.500 S

(Source: TEH)

Bangladesh Tea Auction (Chittagong): Sale No: 17
(In Taka/kg)

BROKENS	QUOTATIONS	FANNINGS	QUOTATIONS
Large/Bold	183-185	Best	187-189
Medium	185-187	Good	185-187
Small	185-188	Medium	183-184
Plain	160-170	Plain	167-172

Tea prices at Bangladesh tea auction declined during the week amid highest volume offered for the season till date and demand for quality leaf limited downside movement. The average price of tea during this week's auction was around USD 2.40/kg. Around 2.19 million kgs of tea was offered for sale and nearly 12 percent remained unsold.

There was some demand from blenders and loose tea buyers. 30,774 packages of CTC Leaf noticed good demand. 8,209 packages of CTC Dust noticed good buying interest. In CTC Dust, good liquoring varieties noticed weak tone and medium levels noticed easy tone. Good liquoring Broken varieties noticed weak tone. Good liquoring varieties in fannings noticed easy 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	2015	2014	CUMULATIVE	2015	2014	CUMULATIVE + INC./-DEC.
Sri Lanka	July	25.78	29.00	Up to July	199.02	202.64	- 3.62
North India	June	99.13(E)	113.43	Up to June	275.22 (E)	267.68	+ 7.54
South India	June	24.78(E)	30.21	Up to June	123.62 (E)	121.03	+ 2.59
Kenya	June	32.29	31.94	Up to June	175.26	225.19	- 49.92
Bangladesh	June	5.76	7.77	Up to June	14.50	15.97	- 1.47
Malawi	June	1.7	2.2	Up to June	30.6	34.9	- 4.3

(Source: John Keells Tea Brokers)

In the current year, global output of tea is likely to decline following output reduction in output in Kenya. Global tea production till date has declined to 566.55 million kg compared to 586.63 million kgs during the previous year. Output has declined dropped following production decline in production in Kenya, the largest producer of black tea in the world by around 50%. It's production hads declined to 175.26 million kg till June 2015 compared to 225.19 million kg during the previous year. Production hads also declined in other African countries like Malawi and Uganda. In North India and South India, production hads increased by nearly 7.5% and 2.60% respectively till June 2015. Plucking has been lower in North India amid heavy rainfall in the tea growing regions.

Currency	04-09-2015	29-08-2015
USD	66.52	66.29
Srilankan Rupee	0.4892	0.4907
Indonesian Rupiah	0.0047	0.0047
Kenyan Shilling	0.6321	0.6382
Bangladeshi Taka	0.8477	0.8491

Overall Outlook and Recommendation:

In the domestic market, prices noticed firm tone during the week except slight weakness at Kolkata and Guwahati tea auction centers. Quantity offered on sale declined during the week compared to previous week. There was not much demand for Good/Best Assams around currently levels. In South India, arrivals remained lower amid rains in the growing regions. Good demand from Iranian buyers added to the positive tone of the market. Prices are likely to notice range –bound to firm tone in the near –term.

In the global market, prices noticed mostly firm tone except slight weakness at Bangladesh tea auction center amid highest volume of the season on offer. In Indonesia, quantity offered on sale declined following lower production this season. Good quality teas noticed buying interest and withdrawal was noticed in poor quality. The future offering of tea is likely to decline in Sri Lanka and increase in Indonesia in the coming week. Prices are likely to notice range –bound to firm tone in the coming days.