News Highlights.

- Tea output declines in North India in August amid heavy rainfall in the growing regions. In North India, production in August declined by 9.5 per cent to 135.58 million kg compared with to the same corresponding period previous year. The floodwaters of the Brahmaputra had submerged the gardens in Assam, resulting in an immense crop loss. Planters such as McLeod Russell India and Rossell Tea have reported up to 30 per cent loss.

- The growth in Indian tea industry is likely to remain stagnant following unfavourable weather conditions. Assam accounts for more than 50 percent of total country's tea production and has witnessed scanty rainfall and higher temperature during the year. The unusual weather pattern in the region resulted in wilting of tea leaves followed by unprecedented pest attack mainly looper, helopeltis and green fly. The overall production for the April-August period in 2015 has decreased to 624.62 million kg compared to 626.41 million kg during the same period previous year.

- According to the data released by Tea Board of India, India's exports of tea declined by three per cent to 125.91 million kg. in the first eight months of 2015 amid poor demand from Egypt and Iran. Exports to Egypt declined by 63 per cent during the period to 2.35 million kg compared to the same corresponding period previous year. India, the second biggest producer of tea in the world exports mainly CTC (crush-tear-curl) variety tea mainly to U.K., Egypt, Pakistan and Orthodox variety tea to Iraq, Iran and Russia.

- According to the state-run Tea Board, production of tea in the month of September declined by 7.6 per cent in Sri Lanka compared to the same corresponding period previous year In the first nine months of the calendar year 2015, production declined by 1.12 per cent to 252.69 million kgs. In 2015, production is estimated to increase slightly to 340 million kgs. compared to 338 million kgs. in the previous year.

- Kenyan tea farmers are diversifying into higher-priced varieties of tea amid change in taste and volatility seen in the black variety of tea. The farmers are either sowing a new variety with purple leaves or converting the common bush to more lucrative types such as white, green and orthodox. Consumers around the world are also switching to varieties considered healthier for carrying high levels of anti-oxidants or less caffeine according to industry sources.

- Burundi's revenue from tea increased by around 64 per cent in the first nine months till September amid increase in sales volumes and prices. Prices increased amid lower output of tea in Kenya. According to Burundi's state-run tea board, revenues from tea increased to $21.3 million between January – September 2015 compared to $16.7 million during the same corresponding period previous year.

Domestic Trade Scenario:

Indian Tea Auctions

Kolkata Tea Auction: Sale No: 43 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	155.72	29,17,000	23,83,000
ORTHODOX	214.16	6,09,000	5,11,000
DARJEELING	-	-	-
DUST	147.88	13,48,000	10,77,000

(Source: Parcon)

Prices noticed mixed tone during the week. Quantity offered on sale declined during the week compared to previous week. Good/Best Assams noticed firm tone and Medium Assams noticed steady tone in the market. Dooars variety also noticed firm tone. There was good demand from Hindustan Unilever Limited and Tata Global. Exporters were active for Larger Brokens and Fannings. In the Orthodox variety, Clean Well Made Whole Leaf and Brokens noticed positive tone and other varieties noticed steady to weak tone in line with quality. There was good export demand from Middle –East and CIS countries. Prices are likely to notice firm tone in the coming week.

Guwahati Tea Auction: Sale No: 43 (Price in Rs./kg)

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	138.71	42,91,000	34,09,000
Dust	144.42	20,96,000	16,32,000

(Source: Parcon)

Prices witnessed mixed tone during the week. Quantity offered on sale increased during the week compared to previous week. Good variety of Sorts noticed steady tone and Medium and Plainer sorts noticed firm tone. There was good demand from the blenders and internal buyers in the market. Prices are likely to notice range –bound to firm tone in the near –term.

Siliguri Tea Auction: Sale No: 44 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	113.32	5,67,000	4,83,000
CTC Leaf	121.20	35,80,000	30,49,000

(Source: Associated Brokers)

Prices noticed firm tone during the week. Quantity offered on sale declined during the week compared to previous week. There was good demand for Leaf and Dust varieties. Good/Best and Medium varieties noticed firm tone. The Common and the Plainer variety noticed steady tone. There was some enquiry from exporters. Buying interest was noticed from the local buyers. Prices are likely to continue positive tone in the coming days.

Jalpaiguri Tea Auction: Sale No: 43 (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: 44 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	103.20	811092.20	685526.00
CTC Leaf	69.91	72281.00	35800.00
Orthodox Dust	65.43	9183.00	5846.00
Orthodox Leaf	127.52	128783.50	102171.00

(Source: Paramount Marketing, Coimbatore)

Prices witnessed easy tone during the week. Quantity offered on sale declined during the week compared to previous week. Lack of demand from local buyers weighed on prices. There was not much demand from the exporters around current levels. Prices are likely to notice weak tone in the near –term.

Coimbatore Tea Auction: Sale No: 44 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	87.95	245944.00	213345.00
CTC Leaf	66.86	125517.00	104548.00
Orthodox Dust	69.01	8532.00	6598.00
Orthodox Leaf	85.91	4775.00	2677.00

(Source: Paramount Marketing, Coimbatore)

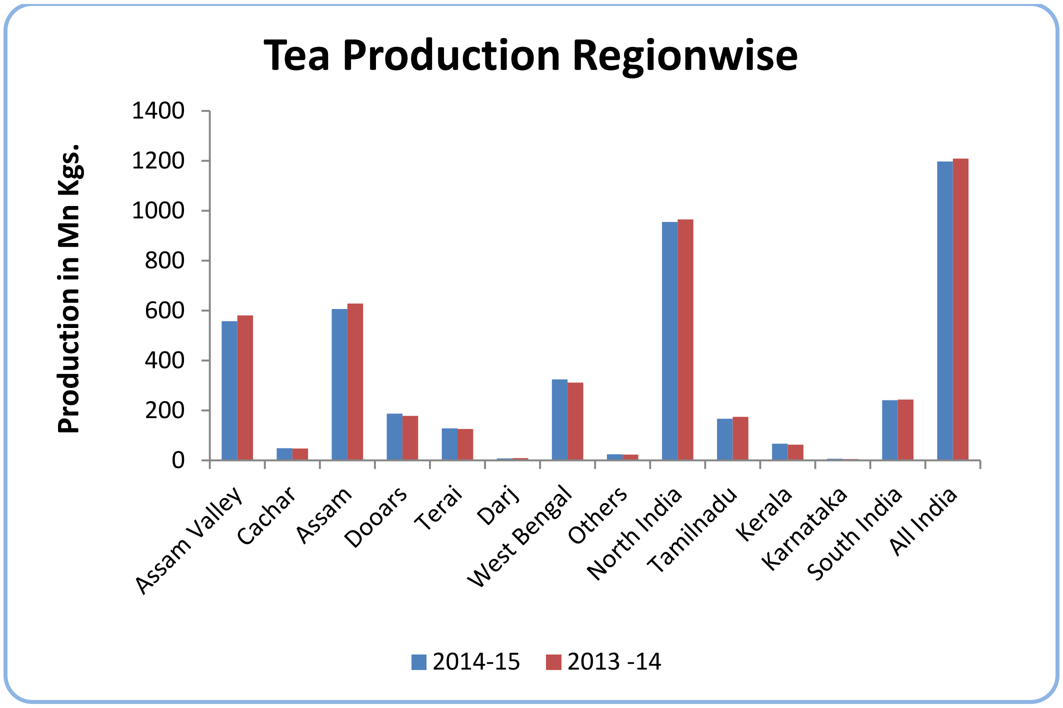
Prices noticed firm tone during the week. Quantity offered on sale increased during the week compared to previous week. There was good demand from the Iranian buyers in the market. Trading activities picked up in the market after the festival of ‘Dussehra’. Prices are likely to continue positive tone in the coming days.

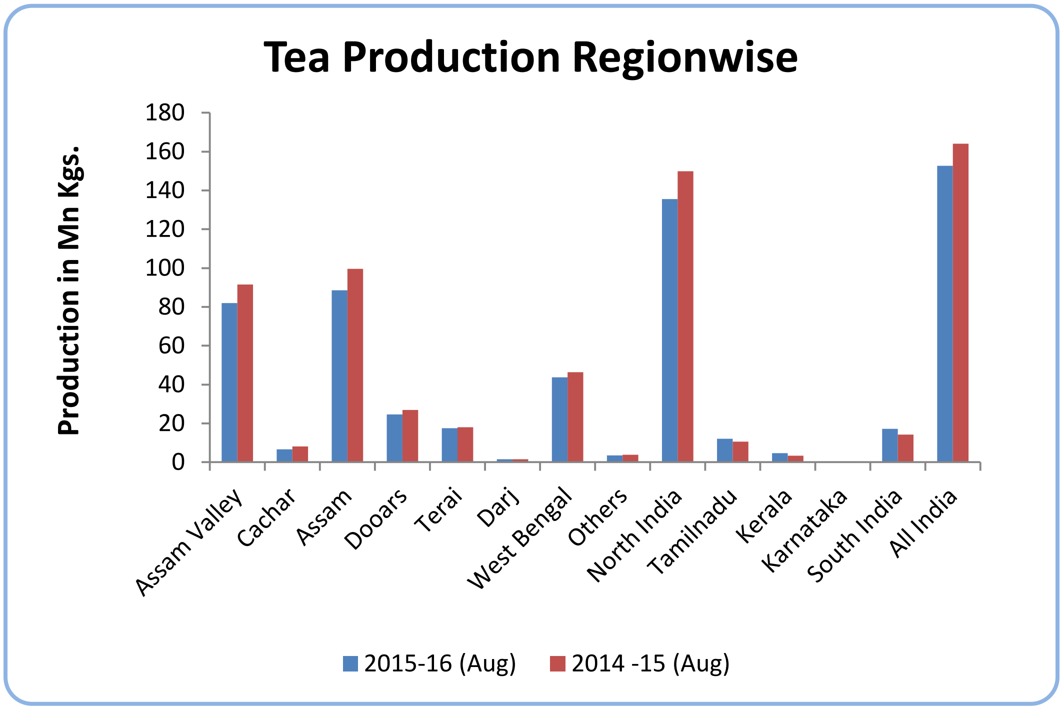
Coonoor Tea Auction: Sale No: 44 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	80.98	335947.00	300330.00
CTC Leaf	66.99	840084.00	689711.00
Orthodox Dust	94.78	42974.00	38494.00
Orthodox Leaf	107.68	53638.50	50242.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed recovery during the week. Quantity offered on sale increased during the week compared to previous week. Buying interest was noticed from Hindustan Unilever Limited and Kerala State Civil Supplies. Demand from the internal buyers added to the firm tone of the market. Prices are likely to notice firm tone in the coming week.





(Source: Tea Board)

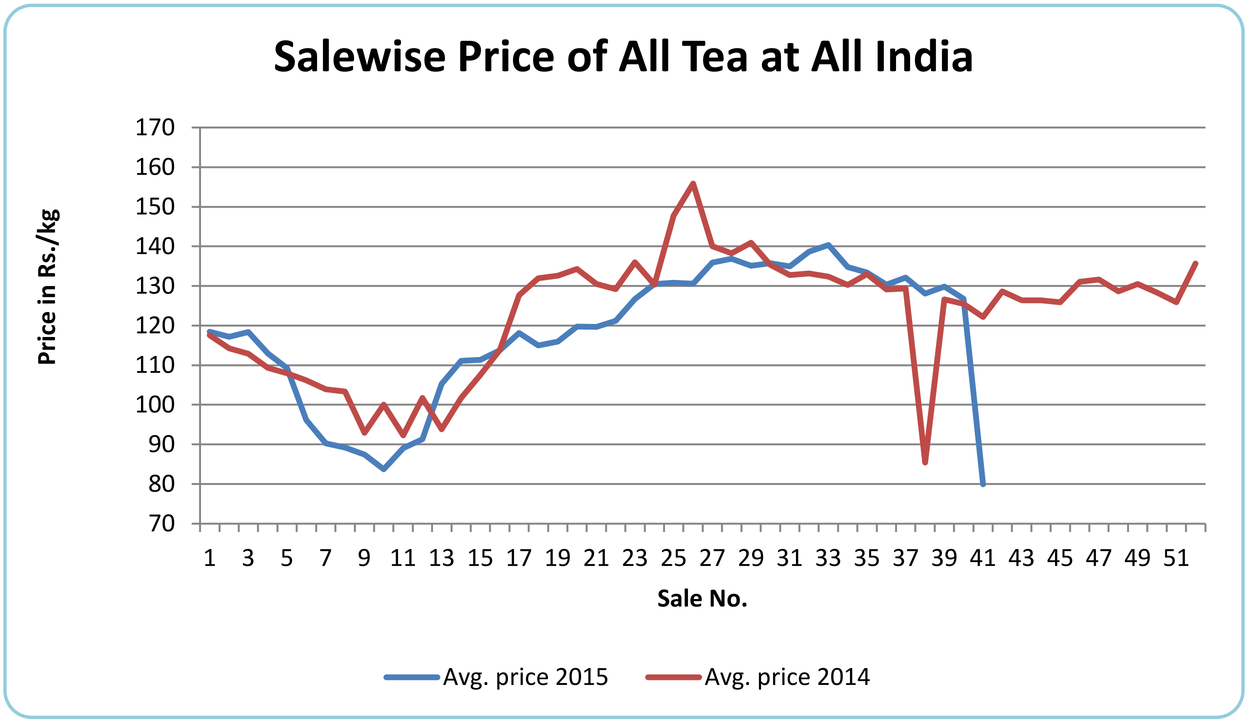
The above graph shows region wise production comparison, during the last two years and in the month of August in comparison with to previous year. In the year 2014 (Apr –Mar), production increased by 6.5% to 1208.78 million kgs mainly on account of increased in production in Assam. In the current year in the month of August, production of tea in India declined by 1.63% to 152.71 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-Aug 2015 (P)	64.90	1503.60	231.68	61.01	805.56	132.04	125.91	2309.16	183.40
Jan-Aug 2014	71.41	1687.35	236.29	58.51	808.30	138.15	129.92	2495.65	192.09
Inc/Dec in %	-9.12	-10.89	-1.95	4.27	-0.34	-4.42	-3.09	-7.47	-4.53
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 lower to previous year amid lack –luster trading in the domestic market following 'Dussehra' holidays. The domestic average auction price has declined sharply as there were no auctions in North India previous week following 'Dussehra'. Prices have declined during the week compared to previous week.

Weekly Average Prices at Indian Auction Centers for week ending 2015-10-24

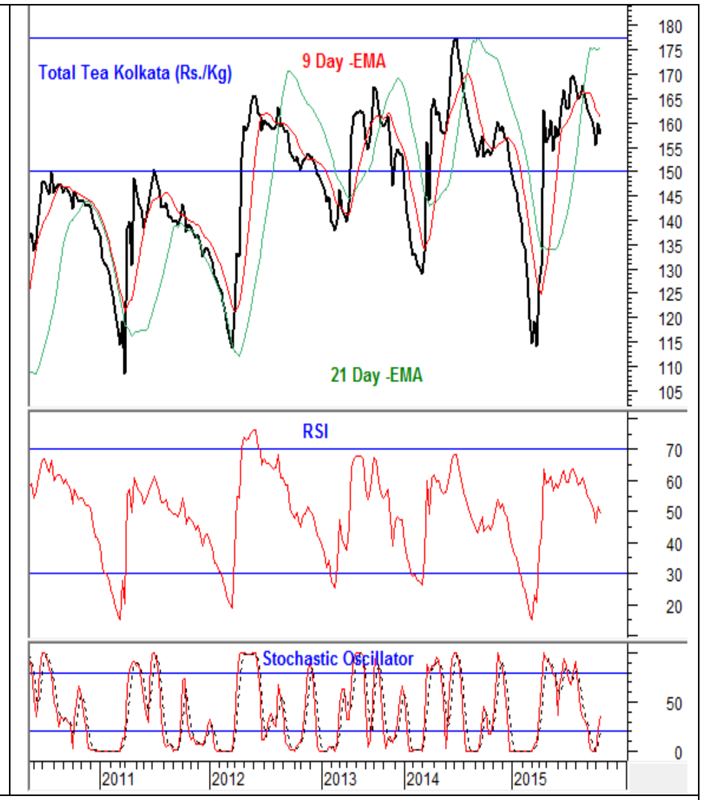
Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	NS(151.69)	NS(136.59)	NS(119.78)	NS(NS)	106.71(93.57)	73.26(65.14)	77.93(NS)	54.07(49.29)
Total Tea	NS(160.08)	NS(136.61)	NS(119.78)	NS(NS)	108.64(98.38)	74.76(65.61)	78.08(NS)	54.07(49.29)

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

Variety	North India	South India	All India
CTC All Dust	NS (139.49)	79.89 (74.20)	79.89 (122.20)
Total Tea	NS (143.82)	81.95 (77.41)	81.95 (126.37)

(Source: Tea Board)

Tea – Technical Outlook	Total Tea -Kolkata
Technical Commentary: Tea prices noticed weak tone during the week. Prices are likely to continue the weak tone towards 150 levels in the coming days. Prices are holding below 9 – Day and 21 –Day EMA denoting weakness in the medium –term. RSI is declining in the neutral region supporting easy tone in the near –term. ***The tea prices are likely to decline towards 150 levels in the medium –term after the recent recovery. Traders are advised to wait for better buying levels in the coming days.***	



Strategy: Wait For Better Buying Levels

Weekly Supports & Resistances		**S1**	**S2**	**PCP**	**R1**	**R2**
Total Tea	Kolkata	150.00	130.00	166.09	200.00	210.30

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 42 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	470 - 510	480 - 600
Average Westerns	420 - 460	450 - 470
Plainer Westerns	400 - 410	410 - 440
Western Mediums	350 - 500	330 - 490
Uva Teas	320 - 450	320 - 460
Nuwara Eliya Teas	350 - 560	300 - 435
Udapussellawa Teas	350 - 415	350 - 470
CTC (BP1 and PF1)	320 - 425	350 - 520

In this week's auction, 6.72 million kgs of tea was offered for sale compared to 6.80 million kgs of tea during the previous week. There was good demand for Select Best teas during the week. Better western BOP's noticed mixed tone and BOPF's noticed firm tone during the week. High Grown and Mid Grown CTC's noticed mixed tone and Low Grown CTC's noticed easy tone during the week. There was good 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 witnessed easy tone during the week. The below best and plainer variety noticed firm tone during the week amid good demand. There was good demand from Russia and Middle –East countries.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	44		43		42	
Dates	09th/11th November 2015 No. of Lots	No. of Kgs	03rd/04th November 2015 No. of Lots	No. of Kgs	26th/28th October 2015 No. of Lots	No. of Kgs
Ex Estate	1,016	1,183,746 kg	986	1,140,905 kg	1,057	1,210,483 kg
Main Sale Total	10,138	5,404,024 kg	10,050	5,376,712 kg	10,322	5,511,111 kg
High & Medium	1,001	518,195 kg	959	492,824 kg	1,005	512,760 kg
Low Growns Leafy Tippy	3,864 2,097	1,822,989 kg 1,204,118 kg	3,794 2,135	1,799,373 kg 1,237,880 kg	3,880 2,292	1,845,901 kg 1,309,993 kg
Premium/Flowery	536	120,574 kg	510	112,123 kg	657	143,371 kg
Off Grades	1,956	1,056,839 kg	2,000	1,095,011 kg	1,822	1,016,131 kg
Dust	684	681,309 kg	652	639,501 kg	666	682,955 kg
Grand Total	11,154	6,587,770 kg	11,036	6,517,617 kg	11,379	6,721,594 kg
Reprints	476	283,600 kg	536	323,027 kg	867	487,972 kg
Scheduled to Close (Ex) Dates (Ms)		22.10.15 23.10.15		15.10.15 16.10.15		08.10.15 09.10.15

Scheduled Closing Dates

Auction No. 43 : 03rd/04th November 2015

Ex Estate : 15.10.2015

Main Sale : 16.10.2015

Auction No. 44 : 09th/11th November 2015

Ex Estate : 22.10.2015

Main Sale : 23.10.2015

Auction No. 45 : 17th/18th November 2015

Ex Estate : 29.10.2015

Main Sale : 30.10.2015

Auction No. 46 : 23rd/24th November 2015

Ex Estate : 05.11.2015

Main Sale : 06.11.2015

(Source: John Keells Tea Brokers)

Kenya Tea Auction (Mombasa): Sale No: 43

AUCTION	KENYA 2014	KENYA 2015	TOTAL 2014	TOTAL 2015
41	$2.03	$3.24	$1.91	$3.02
42	$2.05	$3.37	$1.96	$3.13
43	$2.03	$3.18	$1.92	$2.98

QUOTATIONS	BROKENS	FANNINGS
Best	505 – 678	574 - 607
Good	517 – 595	574 - 595
Good Medium	480 – 537	567 - 592
Medium	371 – 534	324 - 501
Lower Medium	207 – 401	276 - 394
Plain	185 – 235	185 - 398 (SL RUPEES)

During the week good demand was noticed for 7,928,530 kilos of tea on offer. Brighter DUST1s were firm to USC10 lower, with mediums were lower up to USC30 and Lower Mediums were firm to USC30 lower. Prices of Brighter BP1's were higher to up to USC32 and then declined up to USC6. Other varieties like Brighter Pdusts, Lower Medium PF1's noticed mixed tone during the week.

In the secondary catalogues, BP's and PF's noticed firm tone during the week. Well sorted clean coloury Fannings noticed easy tone and Dusts noticed steady tone during the week. Other Fannings noticed easy tone and BMF's noticed steady to firm tone. There was good demand from Egyptian packers, Iran, CIS countries, Russia and Kazakhstan. There was some buying interest from Sudan, Yemen and Middle –eastern countries. There was fair demand from Pakistan packers, Afghanistan, U.K. and Bazaar. Pakistan andpackers. Somalia was active around lower levels of the market.

(Source: Africa Tea Brokers)

Indonesia Tea Auction (Jakarta): Sale No: 43

ORTHODOX	OFFERED		SOLD		%
PTPN ESTATE	5.760	299.680 Kg	5.680	294.880 Kg	98.40
PRIVATE ESTATE	---	--- Kg	---	--- Kg	---,--
TOTAL	5.760	299.680 Kg	5.680	294.880 Kg	98.40

C.T.C	OFFERED		SOLD		%
PTPN ESTATE	1.040	60.120 Kg	1.000	57.800 Kg	96.14
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	1.040	60.120 Kg	1.000	57.800 Kg	96.14
GRAND TOTAL	6.800	359.800 Kg	6.680	352.680Kg	98.02

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	BOP	BOPF	PF	DUST	BT	BP
195-206	175-197	157-232	159-280	158-173	137-172	310-345

Orthodox Secondary Grades				
PF.II	DUST.II	BT.II	BP.II	DUST.III
145-218	143-166	137-147	220-316	131-144

CTC First and Secondary Grades						
BP.1	PF.1	PD	D.1	FANN	D.2	D.3
160-202	179-262	169-248	186-247	144-171	162-180	---

Market offerings increased to 6,800 paper sacks from 6,380 paper sacks. There was good demand in the market. Average price increased to USDcts 175.08 instead of USDcts 168.54 during last week's auction. Average price of Orthodox variety increased to USDcts 171.17 and average price of CTC increased to USDcts 194.93. Secondary variety and Fannings noticed mixed tone. Quantity sold declined to 98.02% during the period compared to 98.13% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox		C.T.C	
	4/11/15	11/11/15	4/11/15	11/11/15
PTPN. IV	2.060 S	1.920 S	-	-
PTPN. VI	440 S	460 S	500 S	480 S
PTPN. VII	820 S	540 S	120 S	- S
PTPN. VIII	1.160 S	960 S	20 S	80 S
PTPN. IX	60 S	140 S	-	-
PTPN. XII	- S	- S	400 S	380 S
Total Estate	4.540 S	4.020 S	1.040 S	940 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	4.540 S	4.020 S	1.040 S	940 S

(Source: TEH)

Bangladesh Tea Auction (Chittagong): Sale No: 23
(In Taka/kg)

BROKENS	QUOTATIONS	FANNINGS	QUOTATIONS
Large/Bold	184-186	Best	193-195
Medium	186-189	Good	189-192
Small	188-192	Medium	186-188
Plain	165-175	Plain	165-180

Tea prices at Bangladesh tea auction declined during the week amid lower demand and lack of availability of good quality leaf in the market. The average price of tea during this week's auction was around USD 2.44/kg. Around 2.31 million kgs of tea was offered for sale and nearly 20 percent remained unsold.

There was some demand from blenders and fair demand from loose tea buyers. 35,512 and 56 packages of Old season CTC Leaf noticed good demand. 6,642 and 5 packages of Old season CTC Dust noticed good buying interest. In CTC Dust, good liquoring varieties noticed firm 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 firm 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	September	26.88	29.08	Up to September	252.69	255.55	- 2.86
North India	August	135.6(E)	149.8	Up to August	546.6 (E)	558.4	- 11.8
South India	August	17.1(E)	14.2	Up to August	159.3 (E)	159.2	+ 0.1
Kenya	August	28.41	26.76	Up to August	234.62	282.73	- 48.11
Bangladesh	September	10.04	8.76	Up to September	44.28	43.09	+ 1.19
Malawi	August	0.8	1.7	Up to August	32.6	37.9	- 5.3

(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 dropped 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 had declined to 206.20 million kg till July 2015 compared to 255.98 million kg during the previous year. Production hads also declined in other African countries like Malawi and Uganda. In North India, production has declined by nearly 11.8% and in South India, production has increased by 0.1% respectively till August 2015. Plucking has been lower in North India amid lack of favourable weather in the growing regions.

Currency	30-10-2015	23-10-2015
USD	65.31	64.87
Srilankan Rupee	0.4645	0.4609
Indonesian Rupiah	0.0048	0.0048
Kenyan Shilling	0.6417	0.6354
Bangladeshi	0.8406	0.8331

Taka		

Overall Outlook and Recommendation:

In the domestic market, prices noticed firm tone during the week except slight weakness at Cochin and Kolkata tea auction centers. Quantity offered on sale declined during the week compared to previous week. Trading activities have picked up after the festival of 'Dussehra'. In North India, the arrival of third flush of tea has slowed down. Production hads declined in North India till August amid lower plucking in Assam. Heavy rains have affected plucking during the period. Good demand is expected from the exports in the coming months. Prices are likely to notice range –bound to firm tone in the coming week.

In the global market, prices noticed range –bound to firm tone during the week. Quantity offered on sale increased during the week compared to previous week. In North India, production has declined till August amid lack of sufficient rainfall in the growing regions. Rains have been reported in certain growing regions of Indonesia. Demand is likely to pick up during the winter season. The future offering of tea is likely to decline at Sri Lankan and Indonesian tea auctions. Prices are likely to notice firm tone in the coming days.