News Highlights.

- Small tea growers in North India are likely to get some relief as the Tea Board of India is planning foran an insurance coverage for small tea growers. Production has been lower in North India this year following lack of favourable weather in the tea growing regions. According to industry sources, production is expected to decline by 6% this year. The Tea Board is in talks with various agriculture insurance companies to extend coverage for small tea growers.

- Hindustan Coca-Cola Beverages Pvt. Ltd (HCCBPL), the largest bottling partner of US-based beverages maker Coca-Cola Co. in India has acquired the Georgia tea and coffee business from Coca-Cola India Pvt. Ltd, a subsidiary of the American parent.

- According to Tocklai Tea Research Institute, rainfall is declining in the winter months in Assam and this is affecting the production of First Flush of Tea in the State. First Flush is the first plucking of a tea plant's harvest season with tender and young leaves, which give the purest cup of tea that the plant is capable of producing. Due to lack of sufficient rainfall there is also difficulty in applying fertilizers and pesticides, which is affecting the production. The average annual rainfall has decreased by more than 250 mm in the past 98 years and the temperatures have increased by 1.5 degree Celsius in the same period according to industry sources. The industry is in the process of finding ways to overcome the erratic weather and rainfall for tea bushes.

- Small tea growers, which contribute 70 per cent of the world tea crop, are looking for an international agency to represent them. Efforts are being taken to directly market small tea growers' produce. The recent inter-session meeting of the Inter-governmental Group of FAO in Italy discussed the plan. Representatives from India, Sri Lanka, Kenya, China, Japan, Malawi, the U.S., Turkey, Argentina, Italy, the U.K., Indonesia and Canada were present. According to industry sources, price realisationrealization, quality and cost of production were among the core issues affecting this segment.

- The West Bengal government was ready to run the non-functioning tea gardens of Duncans Industries Ltd in Dooars area of the state. The Chief Minister had ordered resumption of drinking water and electricity supply to the tea gardens owned by the Duncans Group.

- The government is planning to free tea plantation of from mandatory permission. However traders feel that it might affect the quality of tea coming in the market. If the farmers of other crops start growing tea, they will not be qualified to ensure the quality of tea. Around 20% of the tea production in India needs quality review. The government is examining the requirement of doing away with the need for obtaining permit from tea board to start plantation of the crop.

- 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.

Domestic Trade Scenario:

Indian Tea Auctions

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

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	157.13	35,39,000	26,56,000
ORTHODOX	212.46	5,34,000	4,69,000
DARJEELING	-	-	-
DUST	152.01	15,44,000	12,59,000

(Source: Parcon)

Prices witnessed mixed tone during the week. Quantity offered on sale increased during the week compared to previous week. There was good demand in the market. Dooars variety notices steady tone and other varieties noticed mixed tone in line with quality. Withdrawals were noticed in Plainer varieties. There was fair demand from the exporters. Buying interest was noticed from Western India buyers, Hindustan Unilever Limited and Tata Global. In the Orthodox variety, Well Made Tippy Teas noticed firm tone and Fannings noticed steady tone. There was good demand from the Middle –East and CIS countries. Buying interest was noticed for Whole Leaf from Hindustan Unilever Limited. Prices are likely to notice range –bound to firm tone in the coming days.

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

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	138.47	45,58,000	35,91,000
Dust	147.65	19,78,000	15,71,000

(Source: Parcon)

Prices noticed firm tone during the week. Quantity offered on sale increased during the week compared to previous week. Good Dust variety and all varieties of Sorts noticed good demand in the market. Buying interest was noticed from blenders and local buyers in the market. Prices are likely to continue positive tone in the coming week.

Siliguri Tea Auction: Sale No: 45 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	120.30	5,30,000	4,53,000
CTC Leaf	122.10	36,60,000	32,45,000

(Source: Associated Brokers)

Prices continued positive tone during the week. Quantity offered on sale increased during the week compared to previous week. There was good demand in the market for quality leaf. Buying interest was noticed from blenders and internal buyers. There was some enquiry from the exporters. Prices are likely to notice firm tone in the near –term.

Jalpaiguri Tea Auction: Sale No: 44 (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: 45 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	96.25	988150.00	754963.30
CTC Leaf	69.06	90198.00	49057.00
Orthodox Dust	79.36	15662.00	11114.00
Orthodox Leaf	122.15	189749.00	176136.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed weak tone during the week except slight firmness in Orthodox dust variety. Quantity offered on sale increased during the week compared to previous week. Good demand from loose tea buyers supported Orthodox dust variety prices. Buying interest was noticed from Kerala State Civil Supplies. Prices are likely to witness easy tone in the coming days.

Coimbatore Tea Auction: Sale No: 45 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	85.26	240369.50	193840.00
CTC Leaf	69.26	136300.00	111945.00
Orthodox Dust	68.47	4905.00	4561.00
Orthodox Leaf	83.05	7071.00	7071.00

(Source: Paramount Marketing, Coimbatore)

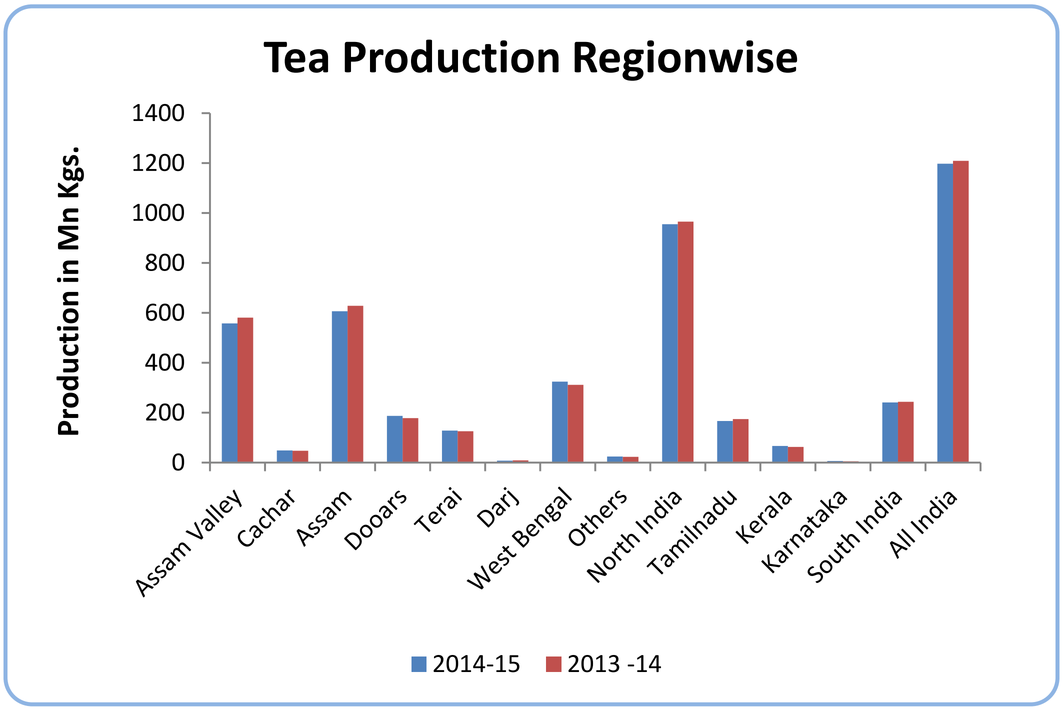
Prices noticed easy tone during the week except slight firmness in CTC Leaf variety. Quantity offered on sale declined during the week compared to previous week. Demand from loose tea buyers and blenders lend support to CTC Leaf variety prices. There was some enquiry from the exporters. Prices are likely to notice range –bound to firm tone in the coming week.

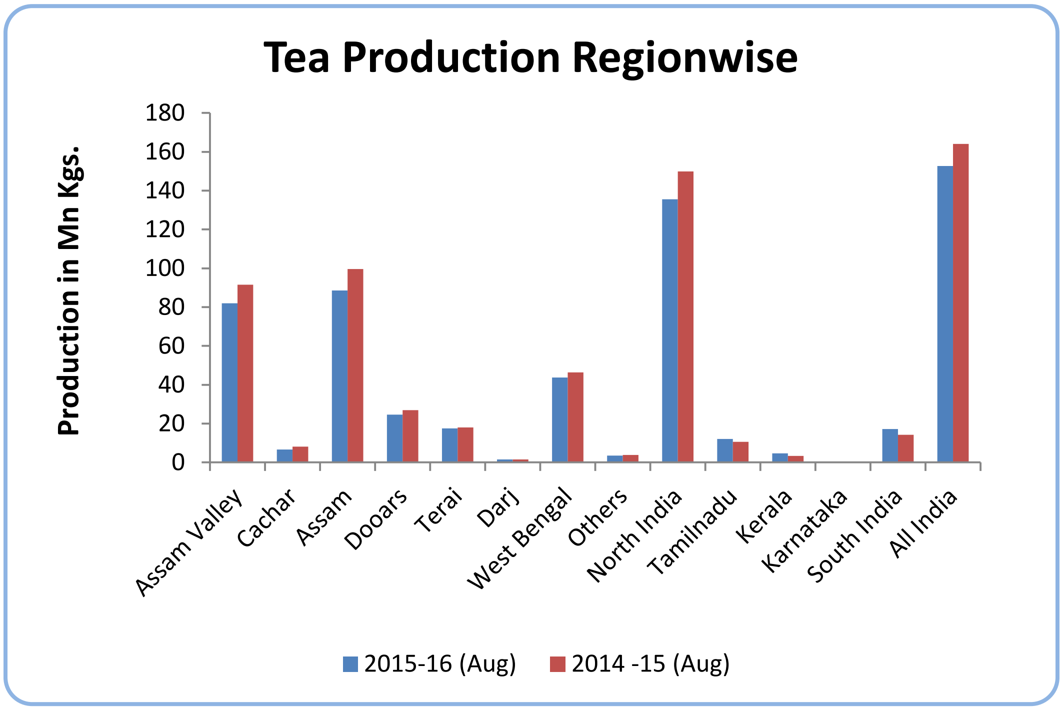
Coonoor Tea Auction: Sale No: 45 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	80.70	401828.00	355196.00
CTC Leaf	68.02	973310.00	856955.00
Orthodox Dust	92.92	51078.00	42687.00
Orthodox Leaf	105.19	68914.50	64680.50

(Source: Paramount Marketing, Coimbatore)

Prices noticed weak tone during the week. Quantity offered on sale increased during the week compared to previous week. There was some interest from exporters around current levels. Current weather condition is favourable for the crop. Prices are likely to notice firm tone in the near –term.





(Source: Tea Board)

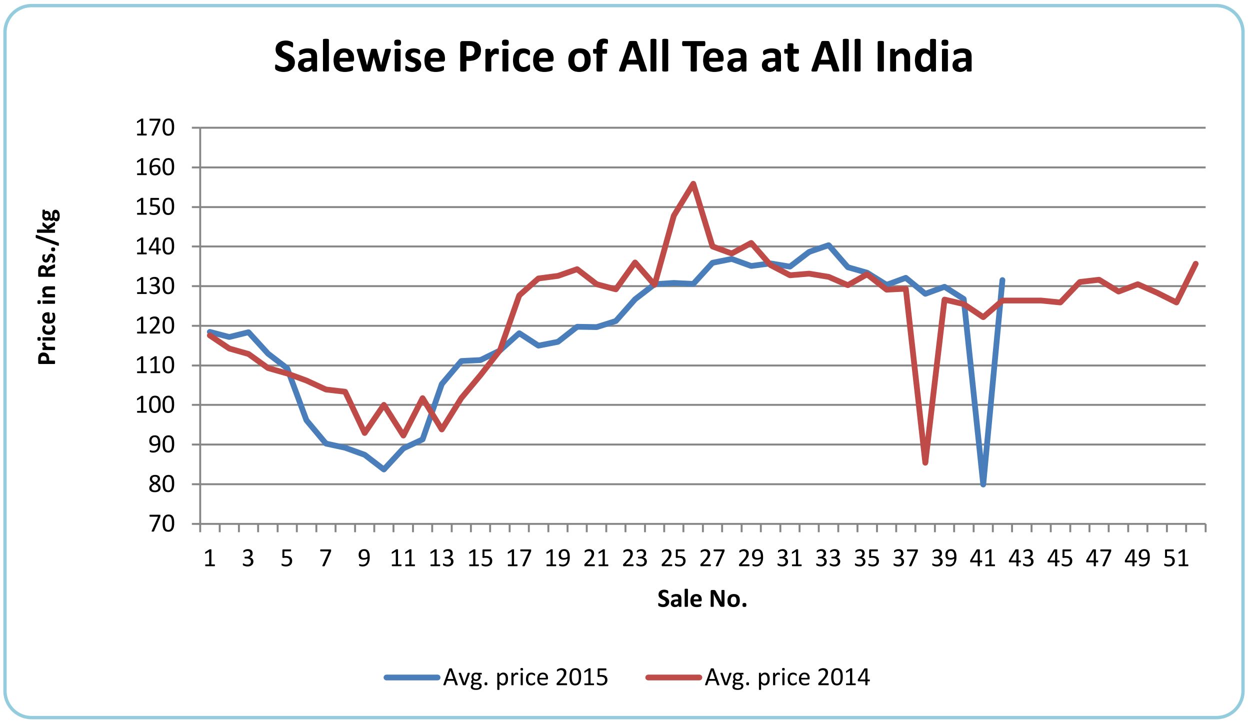
The above graph shows region wise production comparison, during the last two years and in the month of August in comparison with to previous year. In the year 2014 (Apr –Mar), production increased by 6.5% to 1208.78 million kgs mainly on account of increased in production in Assam. In the current year 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 higher to than previous year amid lower arrivals in the domestic market. Prices have increased during the week compared to previous week.

Weekly Average Prices at Indian Auction Centers for week ending 2015-10-31

Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	153.37(153.01)	140.63(136.55)	120.13(126.00)	NS(99.34)	101.26(88.88)	72.12(63.44)	81.35(74.76)	56.15(50.72)
Total Tea	162.19(157.87)	140.74(136.53)	120.13(126.00)	NS(99.34)	104.49(93.87)	73.77(63.81)	81.39(74.67)	56.15(50.72)

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

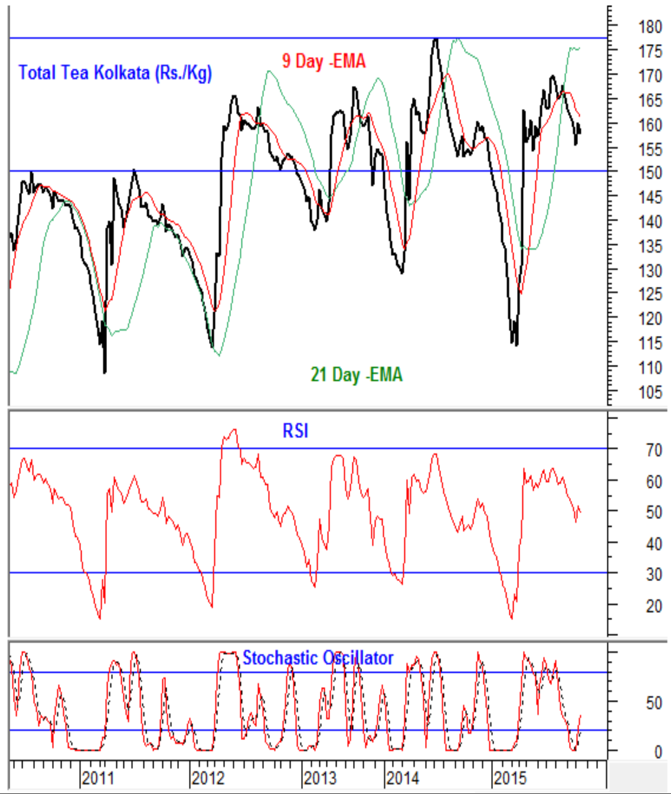
Variety	North India	South India	All India
CTC All Dust	138.30 (138.53)	79.37 (71.52)	128.27 (124.06)
Total Tea	141.87 (140.90)	81.78 (74.14)	131.53 (126.39)

(Source: Tea Board)

Tea – Technical Outlook	Total Tea -Kolkata

Technical Commentary:
Tea prices noticed easy tone during the week. Buyers can wait for better buying levels in the coming days. Prices are likely to notice weak tone towards 150 levels in the coming days. MACD is declining in the positive territory supporting weak tone in the medium –term. Stochastic oscillator is increasing in the neutral region supporting some near –term recovery.

The tea prices are likely to decline towards 150 levels in the medium – term. 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	162.19	200.00	210.30

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 43 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	470 - 560	470 - 560
Average Westerns	420 - 460	440 - 460
Plainer Westerns	400 - 410	410 - 430
Western Mediums	350 - 490	320 - 470
Uva Teas	340 - 490	330 - 445
Nuwara Eliya Teas	380 - 480	280 - 290
Udapussellawa Teas	370 - 425	390 - 450
CTC (BP1 and PF1)	340 - 420	350 - 530

In this week's auction, 6.52 million kgs of tea was offered for sale compared to 6.72 million kgs of tea during the previous week. There was fair demand for Select Best teas during the week. Better western BOP's noticed steady to weak tone and BOPF's noticed easy 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 less 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 steady to firm 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, Iran and Middle –East countries.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	45		44		43	
Dates	17th/18th November 2015		09th/11th November 2015		03rd/04th November 2015	
	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs
Ex Estate	942	1,091,253 kg	1,016	1,183,746 kg	986	1,140,905 kg
Main Sale Total	9,671	5,127,064 kg	10,138	5,404,024 kg	10,050	5,376,712 kg
High & Medium	907	461,868 kg	1,001	518,195 kg	959	492,824 kg
Low Growns Leafy	3,678	1,719,643 kg	3,864	1,822,989 kg	3,794	1,799,373 kg
Tippy	2,002	1,124,981 kg	2,097	1,204,118 kg	2,135	1,237,880 kg
Premium/Flowery	533	120,074 kg	536	120,574 kg	510	112,123 kg
Off Grades	1,899	1,047,022 kg	1,956	1,056,839 kg	2,000	1,095,011 kg
Dust	652	653,476 kg	684	681,309 kg	652	639,501 kg
Grand Total	10,613	6,218,317 kg	11,154	6,587,770 kg	11,036	6,517,617 kg
Reprints	399	260,337 kg	476	283,600 kg	536	323,027 kg
Scheduled to Close (Ex) Dates (Ms)		29.10.15 30.10.15		22.10.15 23.10.15		15.10.15 16.10.15

Scheduled Closing Dates

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

Auction No. 47 : 01st/02nd December 2015

Ex Estate : 12.11.2015

Main Sale : 13.11.2015

(Source: John Keells Tea Brokers)

Kenya Tea Auction (Mombasa): Sale No: 44

AUCTION AVERAGE PRICE

AUCTION	KENYA 2014	KENYA 2015	TOTAL 2014	TOTAL 2015
42	$2.05	$3.37	$1.96	$3.13
43	$2.03	$3.18	$1.92	$2.98
44	$2.01	$3.10	$1.90	$2.89

QUOTATIONS	BROKENS	FANNINGS
Best	498 – 681	518 – 562
Good	491 – 526	512 – 537
Good Medium	484 – 518	498 - 540
Medium	304 – 537	418 – 476
Lower Medium	221 – 378	290 – 364
Plain	188 – 363	173 – 363 (SL RUPEES)

During the week good demand was noticed for 8,229,490 kilos of tea on offer. Brighter DUST1s were USC12 to USC20 lower, with mediums were firm to USC36 lower and Lower Mediums were USC2 to USC20 lower. Prices of Brighter BP1's were lower up to USC46. Other varieties like Brighter Pdusts, Lower Medium PF1's noticed mixed tone during the week.

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

(Source: Africa Tea Brokers)

Indonesia Tea Auction (Jakarta): Sale No: 44

ORTHODOX	**OFFERED**		**SOLD**		**%**
PTPN ESTATE	4.540	237.860 Kg	4.520	236.660 Kg	99.50
PRIVATE ESTATE	---	--- Kg	---	--- Kg	---,--
TOTAL	4.540	237.860 Kg	4.520	236.660 Kg	99.50
C.T.C	**OFFERED**		**SOLD**		**%**
PTPN ESTATE	1.040	59.780 Kg	960	55.260 Kg	92.44
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	1.040	59.780 Kg	960	55.260 Kg	92.44
GRAND TOTAL	5.580	297.640 Kg	5.480	291.920Kg	98.08

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	**BOP**	**BOPF**	**PF**	**DUST**	**BT**	**BP**
206	**178-192**	**161-216**	**161-181**	**157-206**	**138-162**	**345-347**

Orthodox Secondary Grades				
PF.II	**DUST.II**	**BT.II**	**BP.II**	**DUST.III**
140-199	**141-170**	**130-151**	**194**	**134-143**

CTC First and Secondary Grades						
BP.1	**PF.1**	**PD**	**D.1**	**FANN**	**D.2**	**D.3**
181-209	**173-248**	**177-238**	**190-250**	**141-171**	**166-175**	**---**

Market offerings declined to 5,580 paper sacks from 6,800 paper sacks. There was good demand in the market. Average price increased to USDcts 175.10 instead of USDcts 175.08 during last week's auction. Average price of Orthodox variety increased to USDcts 172.92 and average price of CTC declined to USDcts 183.49. Secondary variety and Fannings noticed mixed tone. Quantity sold increased to 98.08% during the period compared to 98.102% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox		C.T.C	
	11/11/2015	18/11/2015	11/11/2015	18/11/2015
PTPN. IV	1.920 S	2.200 S	-	-
PTPN. VI	460 S	300 S	480 S	360 S
PTPN. VII	540 S	440 S	- S	- S
PTPN. VIII	960 S	920 S	80 S	140 S
PTPN. IX	140 S	- S	-	-
PTPN. XII	- S	- S	380 S	300 S
Total Estate	4.020 S	3.860 S	940 S	800 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	4.020 S	3.860 S	940 S	800 S

(Source: TEH)

Bangladesh Tea Auction (Chittagong): Sale No: 25
(In Taka/kg)

BROKENS	QUOTATIONS	FANNINGS	QUOTATIONS
Large/Bold	183-185	Best	192-193
Medium	186-188	Good	188-191
Small	188-191	Medium	185-187
Plain	165-175	Plain	165-175

Tea prices at Bangladesh tea auction declined during the week amid larger supplies in the market and demand for quality leaf lend some support to the market. The average price of tea during this week's auction was around USD 2.44/kg. Around 2.04 million kgs of tea was offered for sale and nearly 14 percent remained unsold.

There was good demand from blenders and fair demand from loose tea buyers. 31,248 packages of CTC Leaf noticed good demand. 6,055 and 50 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 firm tone. Good liquoring varieties in fannings noticed easy tone during the week. Good liquoring Dusts noticed weak 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	September	36.48	33.32	Up to September	271.10	316.05	- 44.95
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	06-11-2015	30-10-2015
USD	66.08	65.31
Srilankan Rupee	0.4669	0.4645
Indonesian Rupiah	0.0048	0.0048
Kenyan Shilling	0.6454	0.6417
Bangladeshi Taka	0.8467	0.8406

Overall Outlook and Recommendation:

In the domestic market, prices noticed mixed tone during the week. In North India auction centers prices noticed firm tone amid good demand and lower availability of third flush of tea. In South India auction centers, prices declined amid higher arrivals. Current weather is favourable for the crop. Quantity offered on sale increased during the week compared to previous week. There was fair demand from the exporters. Buying interest from blenders and loose tea buyers lend support to the market. Prices are likely to notice firm tone in the coming days.

In the global market, prices noticed weak tone during the week. Quantity offered on sale increased during the week compared to previous week. There were larger supplies in the market and demand was less around current levels. Changing climatic conditions are affecting the production of tea in the tea growing regions. Kenya and India, the two major tea producing countries are likely to produce less this season compared to previous season. Demand is expected to pick up during the winter season. The future offering of tea is likely to increase at Sri Lankan auction and decline at Indonesian auction. Prices are likely to notice range –bound to weak tone in the near –term.