News Highlights.

- According to the survey conducted by International Fact Finding Mission, tea garden workers and their families continue to earn wages way below the requisite amount, meant to ensure decent living and face food shortage. Currently, a labourerlaborer was is paid a daily wage of Rs 122.50, which did does not suffice for the minimum expenditure of workers' families according to the sources of the organization.

- The International Fact Finding Mmission, headed by the Global Network for the Right to Food and Nutrition (GNRtFN), visited tea plantations in Assam and Bengal from November 27 to December 3. The objective of the mission was to investigate the status of the human rights of garden workers, including to food and nutrition, and the role played by the managements to ensure those.

- India is hopeful of increasing exports to the high –value Iranian tea market amid the conclusion of visit of an Iranian team, which include officials from ISIRI and health ministry officials. This visit was uniquely an interaction solely on quality and safety issues. The three-day visit to a tea estate and a factory in Assam and the Tocklai Tea Research Station in Jorhat (also in Assam) took place last week. The Indian side was represented by industry, the Tea Board of India, a tea research scientist as well as officials of the Indian Food Safety Authorities and also officials from the Central Insecticides Board and Registration Committee, a central gGovernment body which advises, regulates and manages the uses of pesticides in India.

- Iran with an estimated per capita tea consumption of 1.2 kilograms is considered an important market as much for its potential for importing large volumes of tea as its preference for high –value orthodox tea. The unit price of teas that are exported (mostly from Assam) average at around Rs.250 a kg.

- Tea prices have gone up by Rs 4-5 a kg at the auction level since October following a decline in production in the largest-producing state of Assam due to erratic weather conditions. According to traders and leading producers such as McLeod Russel India and Goodricke Group tea prices will increase Rs 15-20 a kg in the new season beginning March-April 2016 as there will be no carry over stock from this year.

- Tea growers in the Dooars and Terai regions of West Bengal have been affected by sharp decline in the prices of green leaves to Rs.6-7/kg. compared to the normal market average of Rs.15-16/kg. According to the Confederation of Small Tea Growers Association (CSTA), the 100-odd bought-leaf factories (BLFs) of the region have formed a sort of cartel forcing small tea growers to a distress sale. Such unprofitable operations are leading to the closure of tea gardens and tea workers in the region are suffering from malnutrition.

- Competition is tough in the global tea market as in China, tea is a medicinal remedy. In India - no conversation is complete without it. And in the UK - it's the answer to everything. Tea is a global industry worth around $38bn, and competition is tough.

- Tea stocks prices have increased during the week amid expectation of better realization this year on a sharp decline in the production. Tea output in India is likely to decline by 17 million kgs this year due to vagaries of nature. Tea plants got were affected by heat waves first and then floods thereafter. Since, the plantations require intermittent rainfall on regular intervals, both heat waves and flood damaged plants according to industry sources. While share price of Dhunseri Tea & Industries Ltd jumped by 10.67 per cent to Rs 302.80 apiece, that of Jay Shree Tea & Industries shot up by six per cent to Rs 84.15 apiece.

- The Kenyan Tea Development Agency has agreed a KES-5.5 billion (USD 53.9 million) loan to finance the construction of seven small hydropower plants (HPPs) across tea growing regions. The funds are coming from the International Finance Corporation (IFC) in partnership with the Global Agriculture and Food Security Program (GAFSP), the French Development Institution (Proparco) and the Netherlands Development Finance Company (FMO), a power focused subsidiary of KTDA Holdings will use the money to make seven small HPPs, each with a capacity of between 1.1 MW and 6.6 MW.

Domestic Trade Scenario:

Indian Tea Auctions

Kolkata Tea Auction: Sale No: 48 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	154.06	34,75,000	26,77,000
ORTHODOX	209.91	5,96,000	5,56,000
DARJEELING	-	-	-
DUST	156.81	14,40,000	12,25,000

(Source: Parcon)

Prices noticed weak tone during the week except Orthodox variety. Quantity offered on sale declined during the week compared to previous week. Good/Best Assams noticed mixed tone following quality. Medium Assams and Dooars maintained steady tone. Export enquiry was noticed for Bolder Brokens and Fannings. There was fair demand from the local and internal buyers. Buying interest from Hindustan Unilever Limited and Tata Global lent support to the market. In the Orthodox variety, Whole Leaf noticed steady tone and Medium sorts and Fannings noticed steady to firm tone. There was export demand from Middle –East and CIS countries. Prices are likely to notice range –bound to firm tone in the near -term.

Guwahati Tea Auction: Sale No: 49 (Price in Rs./kg)

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	131.38	44,81,000	34,65,000
Dust	132.29	17,13,000	13,86,000

(Source: Associated Brokers)

Prices witnessed easy tone during the week. Quantity offered on sale increased during the week compared to previous week. There was good demand for the cleaner and the brighter liquoring teas and fair for the remainder varieties. Prices declined in line with quality. Buying interest from Hindustan Unilever Limited and Tata global lent some support to the market. There was some export enquiry for Brokens and Dust variety. Prices are likely to notice weak tone in the coming days.

Siliguri Tea Auction: Sale No: 49 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	120.40	4,40,000	3,60,000
CTC Leaf	120.70	31,20,000	24,80,000

(Source: Associated Brokers)

Prices noticed easy tone during the week. Quantity offered on sale declined during the week compared to previous week. Good liquoring and cleaner sorts noticed steady and other varieties noticed mixed tone in line with quality. There was good demand from internal buyers and blenders. Some export enquiry was noticed in the market. Prices are likely to continue weak tone in the coming week.

Jalpaiguri Tea Auction: Sale No: 49 (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: 50 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	108.12	950679.30	893155.20
CTC Leaf	72.46	61257.00	53757.00
Orthodox Dust	84.58	11963.00	10057.00
Orthodox Leaf	133.82	169385.00	154110.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed firm tone during the week except slight weakness in Orthodox Leaf variety. Quantity offered on sale increased during the week compared to previous week. Good demand from the Iranian buyers lent support to the market. Buying interest was noticed from the local buyers in the market. Prices are likely to continue positive tone in the near –term.

Coimbatore Tea Auction: Sale No: 50 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	87.92	277585.00	252247.00
CTC Leaf	76.06	119252.00	115096.00
Orthodox Dust	70.15	9468.00	8930.00
Orthodox Leaf	86.19	9849.00	9849.00

(Source: Paramount Marketing, Coimbatore)

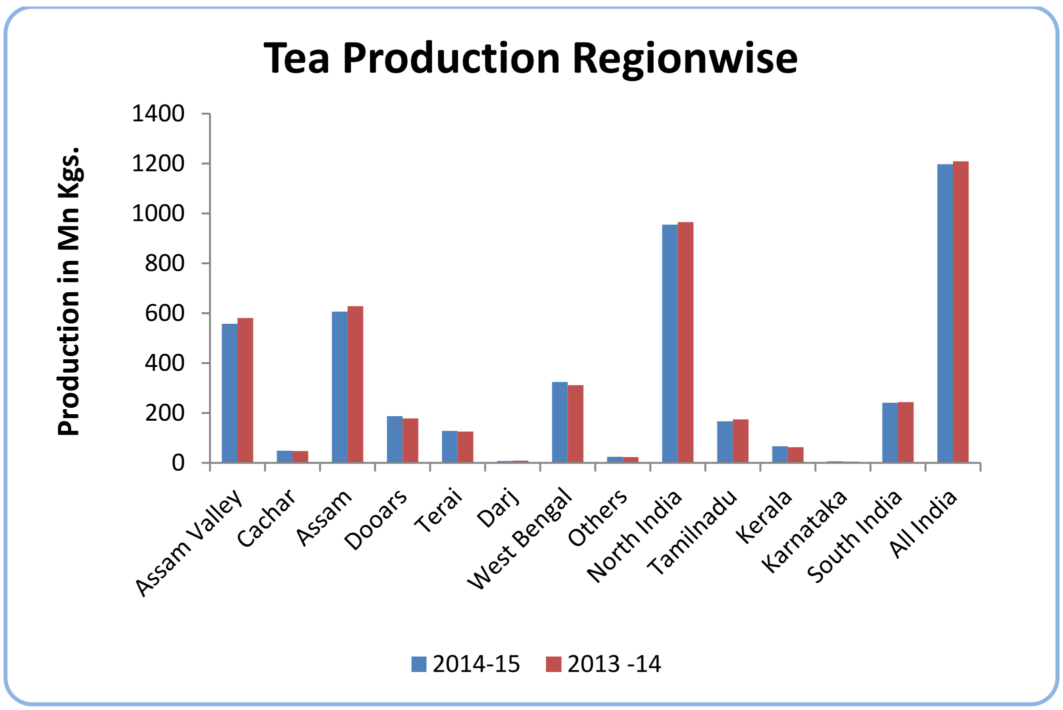
Prices continued positive tone during the week. Quantity offered on sale increased during the week compared to previous week. Arrivals have declined during the month amid rains in the growing regions. Demand from the blenders and loose tea buyers lent support to the market. Prices are likely to witness firm tone in the coming week.

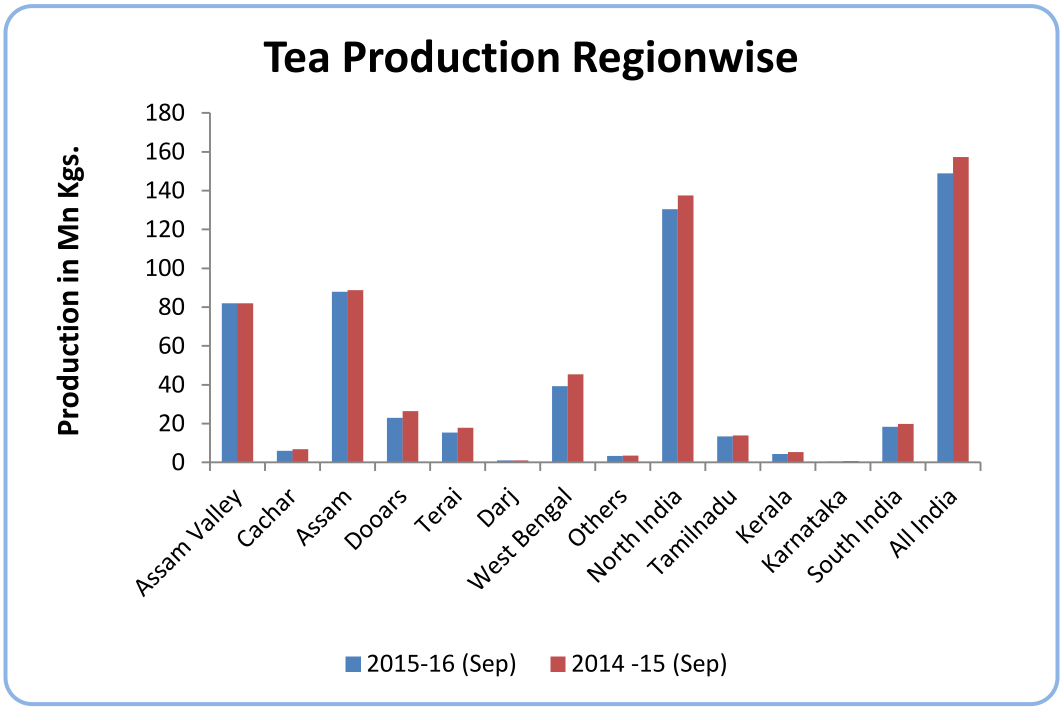
Coonoor Tea Auction: Sale No: 50 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	87.11	313657.00	291092.00
CTC Leaf	77.61	674884.00	641139.00
Orthodox Dust	86.77	53685.00	46108.00
Orthodox Leaf	116.18	53213.50	48997.50

(Source: Paramount Marketing, Coimbatore)

Prices noticed firm tone during the week except slight weakness noticed in Orthodox Dust variety. Quantity offered on sale declined during the week compared to previous week. Good demand for quality leaf lent support to the market. Prices are likely to notice firm tone in the coming days.





(Source: Tea Board)

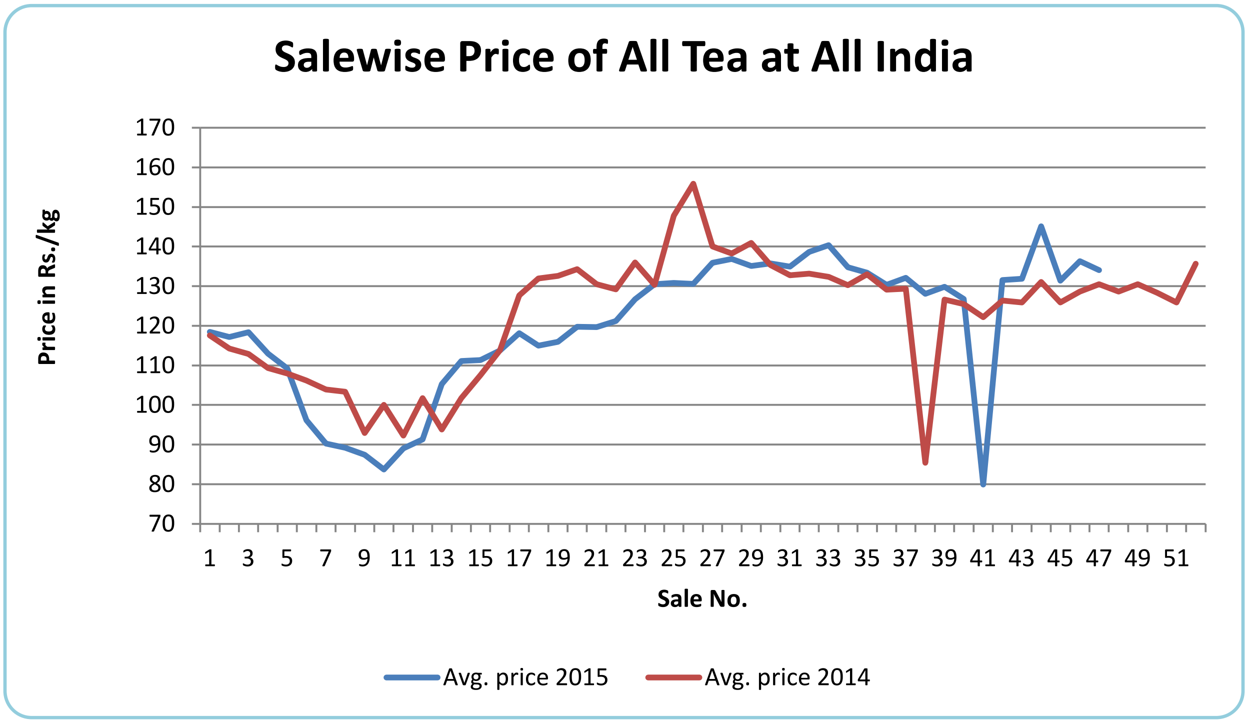
The above graph shows region wise production comparison, between 2015-16 (Sep) and 2014-15 (Sep).during the last two years and in the month of September in comparison with to previous year. In the year 2014 (Apr –Mar), production increased by 6.5% to 1208.78 million kgs mainly on account of increased in production in Assam. In the current year in the month of September, production of tea in India declined by 5.42% to 148.81 million kgs. in comparison to the same corresponding period last year following owing to lack of suitable temperature and rainfall mainly 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-Sep 2015 (P)	81.04	1906.33	235.23	68.76	907.39	131.96	149.80	2813.72	187.83
Jan-Sep 2014	81.68	2044.99	238.68	66.86	917.83	137.28	152.54	2962.82	194.23
Inc/Dec in %	-5.42	-6.78	-1.44	2.84	-1.14	-3.87	-1.80	-5.03	-3.30
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 compared to previous year amid lower arrivals in the domestic market. Prices have declined during the week compared to previous week amid lack of good demand.

Weekly Average Prices at Indian Auction Centers for week ending 2015-12-05

Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	154.94(167.18)	136.95(133.87)	125.45(120.98)	NS(NS)	103.73(91.82)	78.69(63.99)	81.06(75.18)	63.39(50.13)
Total Tea	164.14(169.09)	137.14(133.88)	125.45(120.98)	NS(NS)	108.43(94.38)	80.35(64.72)	81.15(75.15)	63.58(50.13)

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

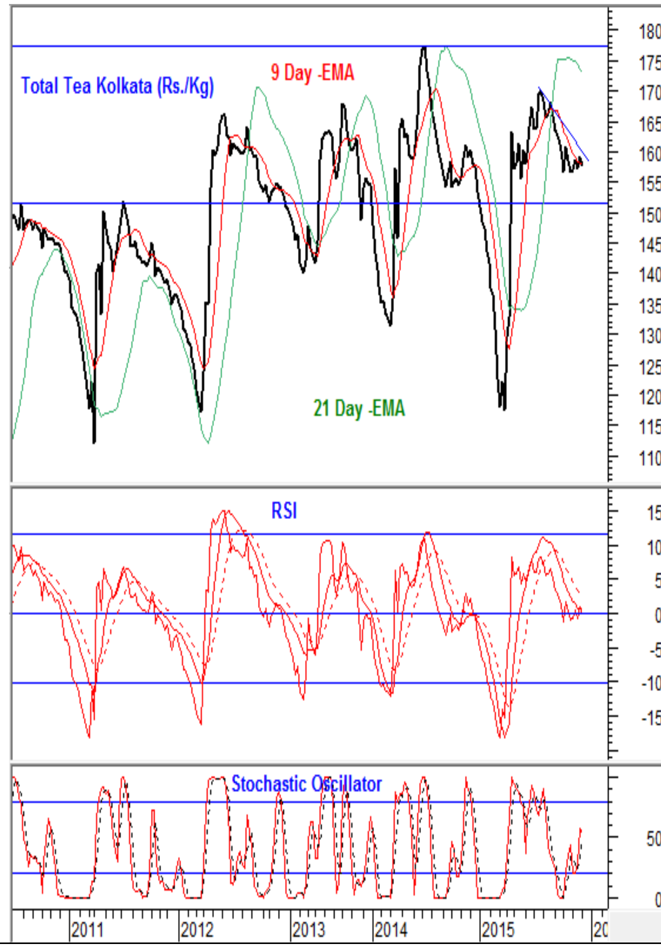
Variety	North India	South India	All India
CTC All Dust	139.38 (141.39)	85.08 (74.67)	130.42 (128.46)
Total Tea	143.38 (143.52)	88.24 (76.53)	134.05 (130.49)

(Source: Tea Board)

Tea – Technical Outlook | **Total Tea -Kolkata**

Technical Commentary:
Tea prices declined slightly during the week. Prices are range –bound during the last few days and are holding below 9 – Day and 21 –Day EMA supporting the weak tone of the market in the medium – term. RSI is declining in the neutral region denoting weakness in the near –term.

The tea prices are likely to notice weak tone in the medium –term. Traders are advised to wait for better buying levels in the medium –term.



Strategy: Wait For Better Buying Levels

Weekly Supports & Resistances		**S1**	**S2**	**PCP**	**R1**	**R2**
Total Tea	Kolkata	150.00	130.00	164.14	200.00	210.30

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 48 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	440 - 520	480 - 530
Average Westerns	400 - 430	440 - 470
Plainer Westerns	370 - 390	400 - 430
Western Mediums	360 - 510	350 - 490
Uva Teas	350 - 500	300 - 480
Nuwara Eliya Teas	300 - 400	315 - 440
Udapussellawa Teas	405 - 460	370 - 450
CTC (BP1 and PF1)	320 - 390	320 - 540

In this week's auction, 6.00 million kgs of tea was offered for sale compared to 5.32 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 following quality and Low Grown CTC's noticed firm 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 noticed steady to firm tone during the week. The below best and plainer variety noticed firm tone during the week. There was demand from Russia and Middle –Eastern countries.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	50		49		48	
Dates	21st/22nd December 2015		15th/16th December 2015		08th/09th December 2015	
	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs
Ex Estate	967	1,142,752 kg	961	1,135,831 kg	806	946,030 kg
Main Sale Total	9,983	5,341,943 kg	9,878	5,231,300 kg	9,723	5,057,610 kg
High & Medium	1,082	559,809 kg	1,114	582,789 kg	1,017	511,165 kg
Low Growns Leafy Tippy	3,808 2,119	1,796,838 kg 1,215,845 kg	3,725 2,006	1,744,956 kg 1,149,194 kg	3,707 1,985	1,717,018 kg 1,137,174 kg
Premium/Flowery	592	124,083 kg	581	130,314 kg	569	127,774 kg
Off Grades	1,772	1,013,520 kg	1,870	1,029,993 kg	1,908	1,032,420 kg
Dust	610	631,848 kg	582	594,054 kg	537	532,059 kg
Grand Total	10,950	6,484,695 kg	10,839	6,367,131 kg	10,529	6,003,640 kg
Reprints	270	172,499 kg	462	261,511 kg	599	381,260 kg
Scheduled to Close (Ex) Dates (Ms)		03.12.15 04.12.15		26.11.15 27.11.15		19.11.15 20.11.15

Scheduled Closing Dates

Auction No. 49 : 15th/16th December 2015

Ex Estate : 26.11.2015

Main Sale : 27.11.2015

Auction No. 50 : 21st/22nd December 2015

Ex Estate : 03.12.2015

Main Sale : 04.12.2015

Auction No. 01 : 05th/06th January 2016

Ex Estate : 10.12.2015

Main Sale : 11.12.2015

Auction No. 02 : 11th/12th January 2016

Ex Estate : 17.12.2015

Main Sale : 18.12.2015

(Source: John Keells Tea Brokers)

Kenya Tea Auction (Mombasa): Sale No: 49

QUOTATIONS	BROKENS	FANNINGS
Best	440 – 612	476 - 578
Good	430 – 462	476 - 499
Good Medium	423 – 479	462 - 511
Medium	401 – 458	394 - 468
Lower Medium	225 – 372	259 - 356
Plain	188 – 253	148 - 332 (SL RUPEES)

During the week good demand was noticed for 9,887,393 kilos of tea on offer. Brighter DUST1s were firm to USC14 lower, with mediums were firm to USC10 easier and Lower Mediums were firm up to USC22. Prices of Brighter BP1's were firm to USC16 lower. 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 firm tone and Dusts noticed mixed tone during the week. Other Fannings and BMF's noticed positive tone. There was good demand from Pakistan Packers, Yemen, Middle –eastern countries, Russia, Afghanistan, Kazakhstan, other CIS countries, Bazaar and Sudan. There was some demand from Egyptian packers, Iran and U.K. Somalia was active around lower levels of the market.

(Source: Africa Tea Brokers)

Indonesia Tea Auction (Jakarta): Sale No: 49

ORTHODOX	OFFERED		SOLD		%
PTPN ESTATE	5.360	281.420 Kg	5.040	263.140 Kg	93.50
PRIVATE ESTATE	---	--- Kg	---	--- Kg	---,--
TOTAL	5.360	281.420 Kg	5.040	263.140 Kg	93.50

C.T.C	OFFERED		SOLD		%
PTPN ESTATE	1.140	66.260 Kg	94055.280 Kg		83.43
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	1.140	66.260 Kg	94055.280 Kg		83.43
GRAND TOTAL	6.500	347.680 Kg	5.980	318.420Kg	91.58

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	**BOP**	**BOPF**	**PF**	**DUST**	**BT**	**BP**
195-196	185-217	165-192	163-235	168-181	150-161	-

Orthodox Secondary Grades				
PF.II	**DUST.II**	**BT.II**	**BP.II**	**DUST.III**
158-191	152-170	146-161	313-315	135-146

CTC First and Secondary Grades						
BP.1	**PF.1**	**PD**	**D.1**	**FANN**	**D.2**	**D.3**
-	196-234	166-237	180-250	135-172	155-187	-

Market offerings increased to 6,500 paper sacks from 5,380 paper sacks. There was good demand in the market. Average price increased to USDcts 177.06 instead of USDcts 176.54 during last week’s auction. Average price of Orthodox variety declined to USDcts 175.30 and average price of CTC increased to USDcts 184.11. Secondary variety and Fannings noticed mixed tone. Quantity sold declined to 91.58% during the period compared to 95.49% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox		C.T.C	
	16/12/15	**23/12/15**	**16/12/15**	**23/12/15**
PTPN. IV	2.560 S	2.160 S	-	-
PTPN. VI	320 S	300 S	460 S	420 S
PTPN. VII	440 S	400 S	80 S	80 S
PTPN. VIII	2.080 S	2.020 S	200 S	180 S
PTPN. IX	- S	120 S	-	-
PTPN. XII	- S	- S	340 S	320 S
Total Estate	5.400 S	5.000 S	1.080 S	1.000 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	5.400 S	5.000 S	1.080 S	1.000 S

(Source: TEH)

Bangladesh Tea Auction (Chittagong): Sale No: 30

(In Taka/kg)

BROKENS	QUOTATIONS	FANNINGS	QUOTATIONS
Large/Bold	182-184	Best	194-195
Medium	185-190	Good	192-193
Small	189-194	Medium	187-190
Plain	160-170	Plain	160-170

Tea prices at Bangladesh tea auction remained mostly unchanged amid good demand for quality leaf and higher supplies in the market. The average price of tea during this week's auction was around USD 2.44/kg. Around 2.10 million kgs of tea was offered for sale and nearly 14.6 percent remained unsold.

There was good demand from blenders for bright liquoring varieties and fair demand from loose tea buyers. 32,884 packages and 81 packages of Old season CTC Leaf noticed good demand. 5,485 packages of CTC Dust noticed good buying interest. In CTC Dust, good liquoring varieties noticed firm tone and medium levels noticed steady tone. Good liquoring Broken varieties noticed positive tone. Good liquoring varieties in fannings noticed steady 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	October	26.73	28.19	Up to October	279.89	283.74	- 3.85
North India	September	130.47(E)	137.54	Up to September	677.10 (E)	696.03	- 18.93
South India	September	18.34(E)	19.79	Up to September	177.63 (E)	178.92	- 1.29
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	September	1.3	2.7	Up to September	33.9	40.7	- 6.8

(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. It’s production ha declined to 271.10 million kg till September 2015 compared to 316.10 million kg during the previous year. Production has also declined in other African countries like Malawi and Uganda. In Sri Lanka, production of tea has declined by 3.85 million kgs. to 279.89 million kgs. in October 2015 compared to same period in 2014. In North India, production has declined by nearly 2.8% and in South India, production has declined by 0.79% respectively till September 2015. Plucking has been lower in North India amid lack of favourable weather in the growing regions.

Currency	11-12-2015	04-12-2015
USD	66.92	66.74
Srilankan Rupee	0.4677	0.4830
Indonesian Rupiah	0.0048	0.0049
Kenyan Shilling	0.6554	0.6532
Bangladeshi Taka	0.8576	0.8454

Overall Outlook and Recommendation:

In the domestic market prices noticed range –bound to firm tone during the week. Quantity offered on declined during the week compared to previous week. The cleaner and the brighter liquoring sorts noticed good demand around current levels. Demand from the upcountry buyers lent support to the market. In South India, arrivals remained lower amid rains in the growing regions. There was fair export enquiry for Orthodox Leaf variety. Prices are likely to notice mixed tone in the near –term.

In the global market, prices noticed range –bound to firm tone. Quantity offered on sale increased during the week compared to previous week. Good demand for quality leaf supported prices. Slight rains were reported in the tea growing regions of Indonesia and South India. Weather remains conducive in the other growing regions. The future offering of tea is likely to increase at Sri Lankan tea auction and decline at Indonesian tea auction in the coming week. Prices are likely to notice firm tone in the coming week.