News Highlights.

- More of tea will be available in the domestic market in 2016. The quantity of tea that has arrived at the auction centre in Kolkata has increased by 67% from a year ago to 70,000 packets. Auctioning will be done in the first and second week of April. Rains during March have improved tea production in Assam and Dooars. There was a dry spell in February which had raised concern among planters, but rains brought relief to them.

- An Indian delegation will be visiting Egypt in a bid to perk up the country's sagging tea exports to the African country. The 12-member delegation, led by Tea Board of India Chairman, comprises trade and industry delegates. The visit , the first since the Arab Spring turmoil, comes at a time when India's overall tea exports have registered a 10-million-kg increase in 2015 over 2014. Exports stood at 217.67 million kg against 207.40 million kg a year ago.

- The Tea Board of India has invited bids to run six tea estates - Birpara, Garganda, Lankapara, Tulsipara, Huntapara and Dumchipara - of the Duncans Goenka group. Of the seven estates that it had acquired from the Kolkata-based Duncans, only Demdima has so far put on the blocks. The last date for submission of bids is April 12.

- Egypt has proposed to create a local tea brand with India which would step up the sourcing of Indian tea for the Egyptian market and boost the bilateral trade. A 14-member delegation led the Deputy Chairman of Tea Board of India Amiya Kumar Das explored avenues to increase the bilateral trade between India and Egypt on tea segment here.

- According to the state -run Tea Board, output of tea in January 2016 declined by 16.3 per cent to 17.87 million kg compared to the same corresponding period previous year. Production in South India declined by 15.2 per cent to 14.56 million kg. During the period April –January, production was reported at 1127.67 million kg.

- Total quantity of tea exported for the month of February 2016 from Sri Lanka including re-exports with imported Tea amounted to 23.61Mn/kg, showing a marginal increase of 0.06 mn/kg (+0.24%) compared to the same corresponding period last year. With the increase in FOB price per Kg from LKR 610.92 to LKR 615.68 total export earnings too showed a slight gain of LKR 0.15 billion (+1.02%) as against the corresponding period last year.

- Global output of black tea has increased in January 2016 compared to the same corresponding period previous year. Production of black tea has increased to 98.97 million kg (mkg) in January 2016 compared to 92.88 million kg in January 2015. This is despite a sharp fall of 3.47 mkg in India, the world's largest black tea producer where the production dipped to 17.87 mkg. Bangladesh also posted a marginal fall of 0.05 mkg to produce 0.11 mkg. Kenya recorded a sharp rise of 8.67 mkg to reach a significant volume of 50.31 mkg. Sri Lanka produced 1.82 mkg more to reach 25.08 mkg.

Domestic Trade Scenario:

Indian Tea Auctions

Kolkata Tea Auction: Sale No: 11 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	-	-	-
ORTHODOX	-	-	-
DARJEELING	-	-	-
DUST	-	-	-

(Source: Parcon)

No Sale in Kolkata.

Guwahati Tea Auction: Sale No: 13 (Price in Rs./kg)

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	113.10	4,61,000	3,32,000
Dust	150.08	89,000	65,000

(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 limited quantity new season tea on offer. Buying interest was noticed from the upcountry buyers. Prices are likely to continue firm tone in the coming days.

Siliguri Tea Auction: Sale No: 13 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	142.20	7,80,000	5,60,000
CTC Leaf	127.30	80,000	65,000

(Source: Contemporary Brokers)

Prices witnessed positive tone during the week. Quantity offered on sale declined during the week compared to previous week. There was good demand for Good/Best Sorts and fair for the remainder. Buying interest was noticed from the internal buyers and the blenders. Prices are likely to notice firm tone in the coming week.

Jalpaiguri Tea Auction: Sale No: 13 (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: 13 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	118.04	887489.20	822061.30
CTC Leaf	118.21	874769.20	815813.30
Orthodox Dust	118.35	214949.75	176456.00
Orthodox Leaf	95.28	12720.00	6248.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed firm tone during the week. Quantity offered on sale declined during the week compared to previous week. There was demand from loose tea buyers and blenders in the market. Prices are likely to notice firm tone in the coming week.

Coimbatore Tea Auction: Sale No: 13 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	102.36	168945.00	154506.00
CTC Leaf	103.06	164124.00	149685.00
Orthodox Dust	90.00	134726.00	93236.00
Orthodox Leaf	80.76	4821.00	4821.00

(Source: Paramount Marketing, Coimbatore)

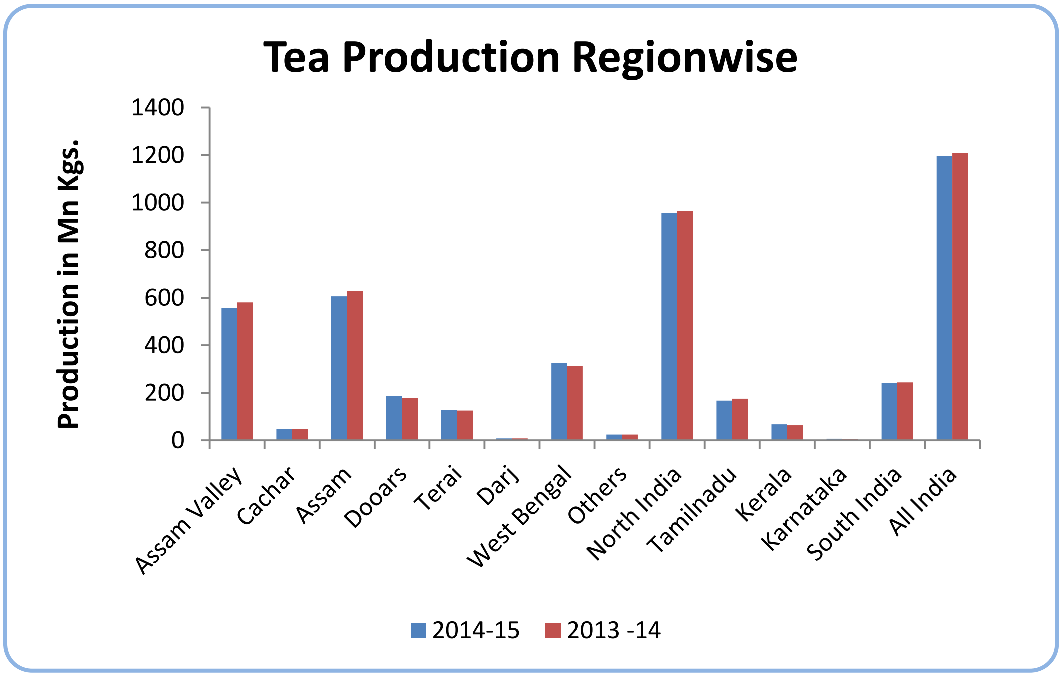
Prices witnessed firm tone during the week. Quantity offered on sale declined during the week compared to previous week. There was some export inquiry in the market around current levels. Demand from the local buyers lent support to the market. Prices are likely to notice positive tone in the coming days.

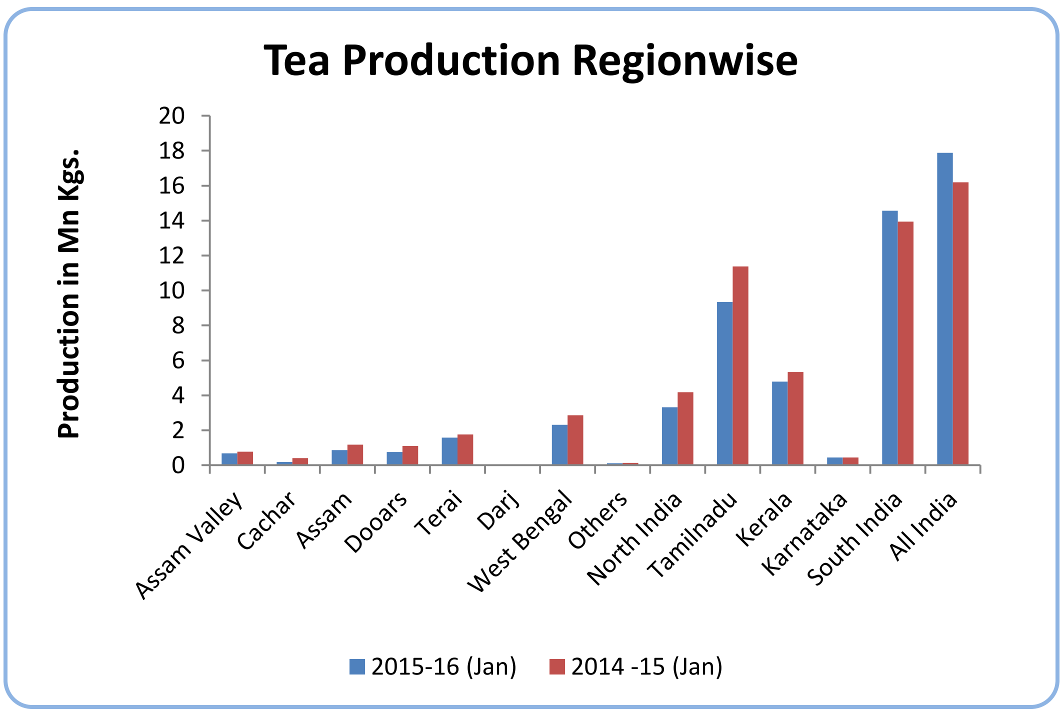
Coonoor Tea Auction: Sale No: 13 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	101.86.	288239.00	270632.00
CTC Leaf	101.70	249395.00	242691.00
Orthodox Dust	87.99	697889.50	580791.00
Orthodox Leaf	103..24	38844.00	27941.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed firm tone during the week except slight weakness in Orthodox Dust variety. Quantity offered on sale declined during the week compared to previous week. Buying interest was noticed from the upcountry and loose tea buyers. Prices are likely to notice range –bound to firm tone in the near –term.





(Source: Tea Board)

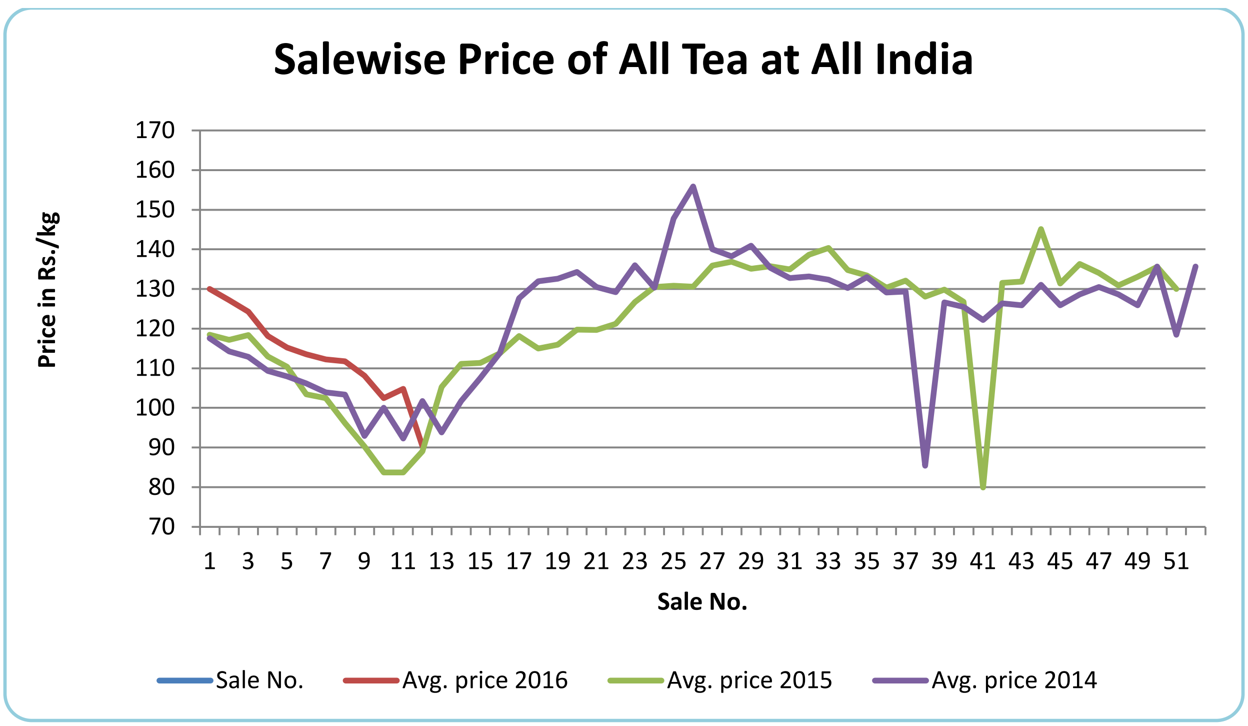
The above graph shows region wise production comparison, between 2014-15 and 2013-14 during the last two years and in the month of January in comparison with to previous year. In the year 2015 (Jan –Dec), production declined by 1.3% to 1191.10 million kg mainly on account of lower in production in Assam. In the current year in the month of January, production of tea in India declined by 16.30% to 17.87 million kg 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 2016	12.72	280.50	220.52	7.36	98.84	134.29	20.08	379.34	188.91
Jan 2015	9.24	188.22	203.70	7.68	96.90	126.17	16.92	285.12	168.51
Inc/Dec in %	37.66	49.03	8.26	-4.17	2.00	6.44	18.68	33.05	12.11
Jan-Dec 2014 (P)	107.41	2522.61	234.86	79.22	1074.80	135.67	186.63	3597.41	192.76
Jan-Dec 2013	93.06	2255.37	242.36	71.82	985.53	137.22	164.88	3240.90	196.56
Inc/Dec in %	15.42	11.85	-3.09	10.30	9.06	-1.13	13.19	11.00	-1.94

Source: Tea Board Of India



The above graph shows the All India price comparison of All Teas at All India in 2014, 2015 and 2016. 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 availability of good quality leaf.

Weekly Average Prices at Indian Auction Centers for week ending 2016-03-26

Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	NS(84.97)	NS(NS)	NS(125.35)	NS(NS)	NS(97.94)	90.74(78.30)	96.56(80.36)	79.96(59.12)
Total Tea	NS(85.53)	NS(NS)	NS(125.35)	NS(NS)	NS(100.60)	91.30(79.01)	96.34(80.45)	79.96(59.12)

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

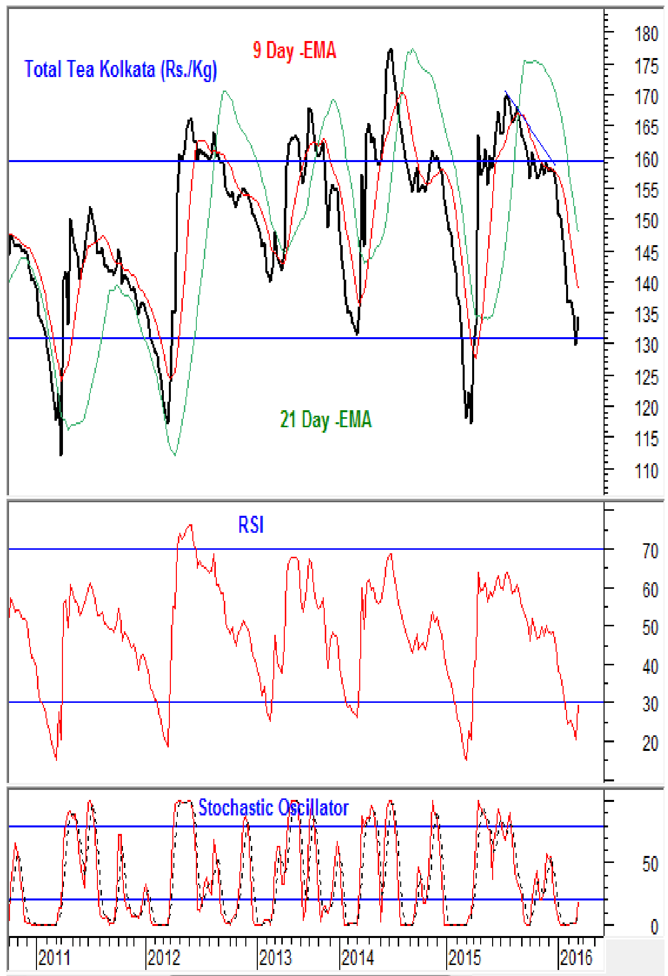
Variety	North India	South India	All India
CTC All Dust	NS (90.62)	89.94 (84.57)	89.94 (88.12)
Total Tea	NS (91.09)	90.32 (86.31)	90.32 (89.05)

(Source: Tea Board)

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

Technical Commentary:
Tea prices noticed recovery during the week. Prices are likely to continue the positive tone towards 130 levels in the near –term. MACD is declining in the negative territory supporting overall weak tone of the market in the medium –term. Stochastic oscillator is increasing in the oversold region supporting firm tone in the coming days

The tea prices are likely to increase towards 130 levels in the coming days. Traders can buy around current levels for their medium –term requirement.



Strategy: Wait For Better Buying Levels

Weekly Supports & Resistances		**S1**	**S2**	**PCP**	**R1**	**R2**
Total Tea	Kolkata	100.00	90.00	118.28	150.00	200.00

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 12 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	480 - 700	470 - 540
Average Westerns	440 - 470	430 - 460
Plainer Westerns	390 - 430	390 - 420
Western Mediums	400 - 580	375 - 440
Uva Teas	385 - 440	350 - 440
Nuwara Eliya Teas	440 - 680	400 560
Udapussellawa Teas	380 - 420	370 - 450
CTC (BP1 and PF1)	320 - 520	300 - 530

In this week's auction, 6.25 million kgs of tea was offered for sale compared to 6.01 million kgs of tea during the previous week. There was fair demand for Select Best teas during the week. Better western BOP's noticed weak tone and BOPF's witnessed easy tone. High Grown and Mid Grown CTC's witnessed easy tone following quality and Low Grown CTC's noticed mixed 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 weak tone during the week. The below best and plainer variety noticed weak tone following quality during the week. There was fair demand from Iran, Russia, Turkey and Middle –Eastern countries.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	14		13		12	
	04th/05th April 2016		29th/30th March 2016		21st/23rd March 2016	
Dates	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs	No. of Lots	No. of Kgs
Ex Estate	803	903,871 kg	882	995,438 kg	951	1,083,610 kg
Main Sale Total	8,812	4,678,830 kg	9,239	4,863,432 kg	9,692	5,163,519 kg
High & Medium	988	496,121 kg	1,062	523,340 kg	1,022	498,435 kg
Low Growns Leafy	3,268	1,533,349 kg	3,456	1,632,255 kg	3,647	1,757,620 kg
Tippy	1,640	919,261 kg	1,875	1,061,556 kg	2,036	1,160,081kg
Premium/Flowery	370	70,354 kg	490	89,314 kg	513	101,779 kg
Off Grades	2,025	1,142,461 kg	1,845	1,054,908 kg	1,913	1,077,160 kg
Dust	521	517,284 kg	511	502,059 kg	561	568,444 kg
Grand Total	9,615	5,582,701 kg	10,121	5,858,870 kg	10,643	6,247,129 kg
Reprints	298	178,901 kg	388	218,913 kg	513	306,189 kg
Scheduled to Close (Ex)		17.03.16		10.03.16		03.03.16
Dates (Ms)		18.03.16		11.03.16		04.03.16

Scheduled Closing Dates

Auction No. 13 : 29th/30th March 2016

Ex Estate : 10.03.2016

Main Sale : 11.03.2016

Auction No. 14 : 04th/05th April 2016

Ex Estate : 17.03.2016

Main Sale : 18.03.2016

Auction No. 15 : 18th/19th April 2016

Ex Estate : 24.03.2016

Main Sale : 24.03.2016

Auction No. 16 : 26th/27th April 2016

Ex Estate : 31.03.2016

Main Sale : 01.04.2016

(Source: John Keells Tea Brokers)

Kenya Tea Auction (Mombasa): Sale No: 12

AUCTION AVERAGE PRICE

AUCTION	KENYA 2015	KENYA 2016	TOTAL 2015	TOTAL 2016
10	$2.85	$2.37	$2.64	$2.27
11	$2.76	$2.33	$2.57	$2.23
12	$2.78	$2.26	$2.59	$2.17

QUOTATIONS	BROKENS	FANNINGS	
Best	343 – 440	352 – 435	
Good	339 – 373	343 - 366	
Good Medium	340 – 436	303 - 375	
Medium	340 – 350	294 - 312	
Lower Medium	257 – 302	203 - 257	
Plain	314 – 264	194 - 257	(SL RUPEES)

During the week good demand was noticed for 9,530,611 kilos of tea on offer. Brighter DUST1s were firm to USC18 lower, with mediums firm to USC12 lower. Lower Mediums were firm to USC4 lower. Prices of Brighter BP1's were firm to USC4 lower. Other varieties like Brighter Pdusts, Lower Medium PF1's noticed mixed tone during the week.

In the secondary catalogues, BP's noticed positive tone and PF's noticed firm tone during the week. Well sorted clean coloury Fannings witnessed easy tone and Dusts noticed positive tone during the week. Other Fannings noticed easy tone and BMF's noticed firm tone. There was good demand from Pakistan Packers, Yemen, Egyptian packers and U.K. There was some demand from Russia, Afghanistan, Kazakhstan, other CIS states, Sudan, Bazaar and Iran. Somalia was active around lower levels of the market.

(Source: Africa Tea Brokers)

Indonesia Tea Auction (Jakarta): Sale No: 13

ORTHODOX	OFFERED		SOLD		%
PTPN ESTATE	10.380	543.060 Kg	10.100	528.900 Kg	97.39
PRIVATE ESTATE	---	--- Kg	---	--- Kg	---,--
TOTAL	10.380	543.060 Kg	10.100	528.900 Kg	97.39

C.T.C	OFFERED		SOLD		%
PTPN ESTATE	2.660	146.640 Kg	2.660	146.640 Kg	100
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	2.660	146.640 Kg	2.660	146.640Kg	100
GRAND TOTAL	13.040	689.700 Kg	12.760	675.540Kg	97.95

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	BOP	BOPF	PF	DUST	BT	BP
197-207	190-216	167-189	170-200	153-183	142-154	310

Orthodox Secondary Grades				
PF.II	DUST.II	BT.II	BP.II	DUST.III
150-174	147-190	139-144	310	140-150

CTC First and Secondary Grades						
BP.1	PF.1	PD	D.1	FANN	D.2	D.3
153-163	175-222	181-221	208-228	149-175	158-197	-

Market offerings increased to 13,040 paper sacks from 11,440 paper sacks. There was good demand in the market. Average price declined to USDcts 166.75 instead of USDcts 169.68 during last week's auction. Average price of Orthodox variety declined to USDcts 164.56 and average price of CTC declined to USDcts 174.61. Secondary variety and Fannings noticed weak tone. Quantity sold increased to 97.95% during the period compared to 93.88% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox		C.T.C	
	6/04/16	13/04/16	6/03/16	13/04/16
PTPN. IV	1.080 S	1.360 S	-	-
PTPN. VI	480 S	420 S	400 S	320 S
PTPN. VII	480 S	560 S	280 S	220 S
PTPN. VIII	8.120 S	7.440 S	1.500 S	1.420 S
PTPN. IX	500 S	360 S	-	-
PTPN. XII	- S	- S	520 S	360 S
Total Estate	10.660 S	10.140 S	2.700 S	2.320 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	10.660 S	10.140 S	2.700 S	2.320 S

(Source: TEH)

Bangladesh Tea Auction (Chittagong): Sale No: 44
(In Taka/kg)

QUOTATIONS	BROKENS		FANNINGS
Large/Bold	100-120	Best	NQTA
Medium	110-130	Good	NQTA
Small	120-135	Medium	120-140
Plain	80-100	Plain	80-100

Tea prices at Bangladesh tea auction noticed weak tone amid availability of poor quality leaf in the market. The average price of tea during this week's auction was around USD 1.70/kg. Around 555.641 kg of tea was offered for sale and nearly 26.80 percent remained unsold.

There was good demand from blenders for clean and good liquoring varieties and fair demand from loose tea buyers. 5,227 packages and 1,369 packages of CTC Leaf of new season noticed good demand. 545 packages and 85 packages of CTC Dust of new season noticed good buying interest following quality. In CTC Dust, good liquoring varieties noticed weak tone and medium levels witnessed easy tone. Good liquoring Broken varieties noticed good demand in the market around lower levels. Good liquoring varieties in fannings noticed weak during the week. Good liquoring Dusts witnessed easy tone during the week.

(Source: National Brokers Limited)

WORLD CROP STATISTICS IN (Mn/kgs)

Country	MONTH	2015 2016*	2014 2015*	CUMULATIVE	2015 2016*	2014 2015*	CUMULATIVE + INC./-DEC.
Sri Lanka	February*	22.90*	25.45*	Up to February*	48.06*	48.71*	- 1.34
North India	December	41.36(E)	41.77	Up to December	963.63 (E)	965.20	- 1.57
South India	December	14.59(E)	17.61	Up to December	227.47 (E)	242.11	- 14.64
Kenya	January*	50.31*	41.65 *	Up to January*	50.31*	41.65*	+ 8.66
Bangladesh	January*	0.11*	0.16*	Up to January*	0.11*	0.16*	- 0.05
Malawi	January*	5.6*	6.5*	Up to January*	5.6*	6.5*	- 0.9

(Source: John Keells Tea Brokers)

Global tea output declined by 4.2% in the calendar year 2015, following unfavourable weather in the producing countries. Global black tea production declined to 2089.89 million kg in 2015 compared to 2186.63 million kg in the previous year. The biggest decline of 45.90 million kg was recorded by Kenya at 399.20 million kg followed by India with production declining by 16.21 million kg to 1191.10. Production also declined in other countries like Malawi, Uganda, Tanzania etc. In Sri Lanka, production of tea has declined by 1.34 million kgs. to 48.06 million kgs. till February 2016 compared to same corresponding period in 2015. In North India, production has declined by nearly 0.16% and in South India, production has declined by 6.05% respectively till December 2015. Plucking has been lower in South India amid rains in the growing regions.

Currency	01-04-2016	25-03-2016
USD	66.36	66.86
Srilankan Rupee	0.4538	0.4554
Indonesian Rupiah	0.0050	0.0050
Kenyan Shilling	0.6543	0.6579
Bangladeshi Taka	0.8472	0.8534

Overall Outlook and Recommendation:

In the domestic market, prices noticed range –bound to firm tone during the week. Quantity offered on sale declined during the week compared to previous week. In North India, there was good demand for limited quantity of first flush of tea on offer. Rains during the last few weeks have supported the growth of the crop. In South India, there was good demand for quality tea on offer. Demand from the blenders and local buyers lent support to the market. Prices are likely to notice range –bound to firm tone in the near –term.

In the global market, prices noticed mixed tone during the week. Quantity offered on sale declined during the week compared to previous week. In Bangladesh, auction will begin for the new season. In North India, first flush of tea is arriving in the market in higher quantity compared to previous year. Rains during the last few weeks are supporting the crop. In South India, weather is almost dry. The future offering of tea is likely to decline at Sri Lankan auction and Indonesian auction in the coming week. Prices are likely to notice range –bound to weak tone in the coming week.