News Highlights.

- According to the data released by Tea Board Of India, output of tea increased by 5% in February to 17.02 million kg compared to the same period previous year. Production in South India increased by 5.75% to 14.75 million kg as plucking gained in the southern states.

- Tata Global Beverages has commissioned the Tea Research Association (TRA) to identify indicators of climatic changes that will impact tea growing regions in Assam in the next 50 years. The company as part of its association with Ethical Tea Partnership (ETP), has commissioned TRA to identify and capture indicators of climatic changes that will impact India's tea growing regions in the next 50 years.

- With many youngsters in China opting for black tea, the predominantly green tea-drinking nation is increasingly importing orthodox black tea from India, traders said. China is the world’s largest tea-producing country with an annual output of 1.4- 1.5 million ton (MT) of green tea. India is the leading producer of black tea in the world with a 25% share of the total production. India consumes 75-80% of its own production.

- According to the data released by Tea Board Of India, exports of tea increased by 10.28% in Jan-Feb 2016 period to 36.26 million kg compared to the same corresponding period previous year. Exports in North India increased by 25.17% to 21.88 million kg during this period. The overall tea shipments were at Rs 3,508.38 crore in the April-February period of the 2015-16 fiscal, according to the Tea Board data.

- 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.

- Dubai is set to launch its own tea brand, called Shay Dubai according to official sources. Shay Dubai tea will be marketed under flavours Khaliji Blend, Dubai Spirit and Arabic Breakfast.

- The African Tea Science Symposium and Exhibition will run from May 23 to 25 while the 22nd Session of the FAO Intergovernmental Group (FAO IGG) on Tea will be held from May 25 to 27, all in Naivasha. The issues to be deliberated include tea trade, policy and governance, product diversification, innovative technologies in production and processing, climate change and mitigation as well as tea health and consumer.

Domestic Trade Scenario:

Indian Tea Auctions

Kolkata Tea Auction: Sale No: 12 (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: 15 (Price in Rs./kg)

Guwahati	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC	153.44	10,57,000	6,85,000
Dust	157.32	4,07,000	2,96,000

(Source: Associated Brokers)

Prices noticed weak tone during the week. Quantity offered on sale declined during the week compared to previous week. There was good demand for the good and Best Assams and fair demand for the remainder remaining varieties. Buying interest was noticed from Hindustan Unilever Limited and western India buyers. Prices are likely to notice easy tone in the coming days.

Siliguri Tea Auction: Sale No: 14 (Price in Rs./kg)

Variety	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	161.20	8,40,000	5,80,000
CTC Leaf	148.70	1,00,000	72,000

(Source: Contemporary 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 Good/Best sorts and fair demand for the remainderrest. Withdrawals were noticed in common sorts. Buying interest was noticed from the internal buyers. Prices are likely to notice positive tone in the coming days.

Jalpaiguri Tea Auction: Sale No: 14 (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: 15 (Price in Rs./kg)

Cochin	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	114.85	1068666.30	957891.40
CTC Leaf	88.31	91914.00	61998.00
Orthodox Dust	86.67	16523.00	14539.00
Orthodox Leaf	149.49	122651.00	109040.00

(Source: Paramount Marketing, Coimbatore)

Prices noticed mostly weak tone during the week. Quantity offered on sale declined during the week compared to previous week. There was some demand from the loose tea buyers. Weather is mostly dry in the growing regions. Prices are likely to witness easy tone in the coming week.

Coimbatore Tea Auction: Sale No: 15 (Price in Rs./kg)

Coimbatore	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	104.89	178571.00	174897.00
CTC Leaf	92.56	121113.00	111529.00
Orthodox Dust	88.35	3008.00	2660.00
Orthodox Leaf	98.46	2017.00	2017.00

(Source: Paramount Marketing, Coimbatore)

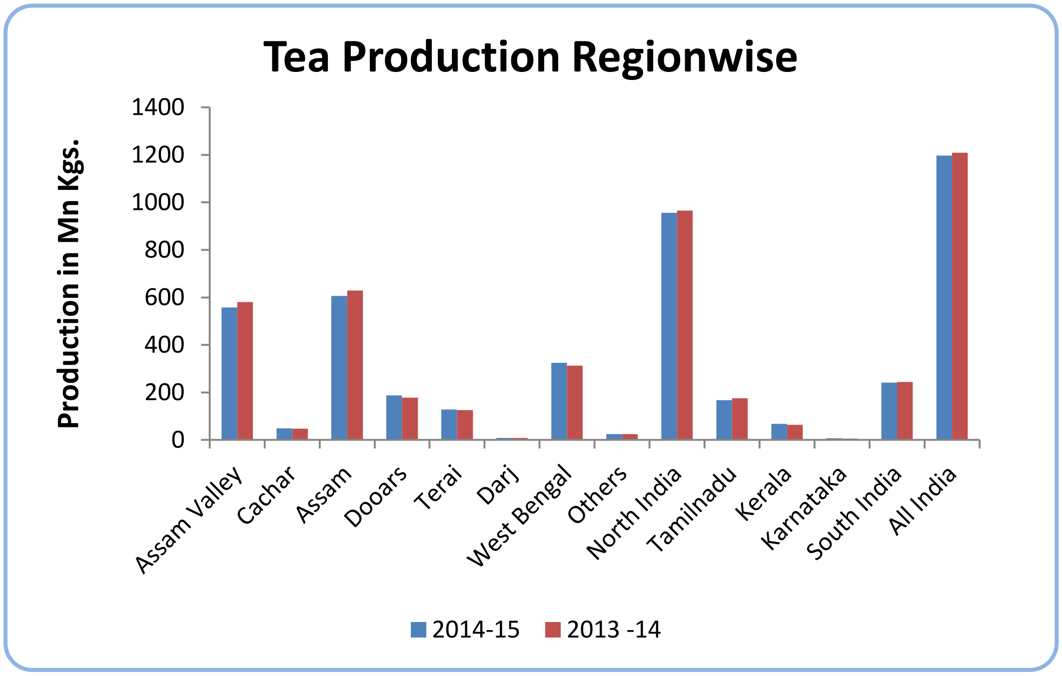
Prices noticed mixed tone during the week. Quantity offered on sale increased during the week compared to previous week. There was some demand for the Orthodox variety from the exporters around current levels. Prices are likely to notice range –bound to firm tone in the near –term.

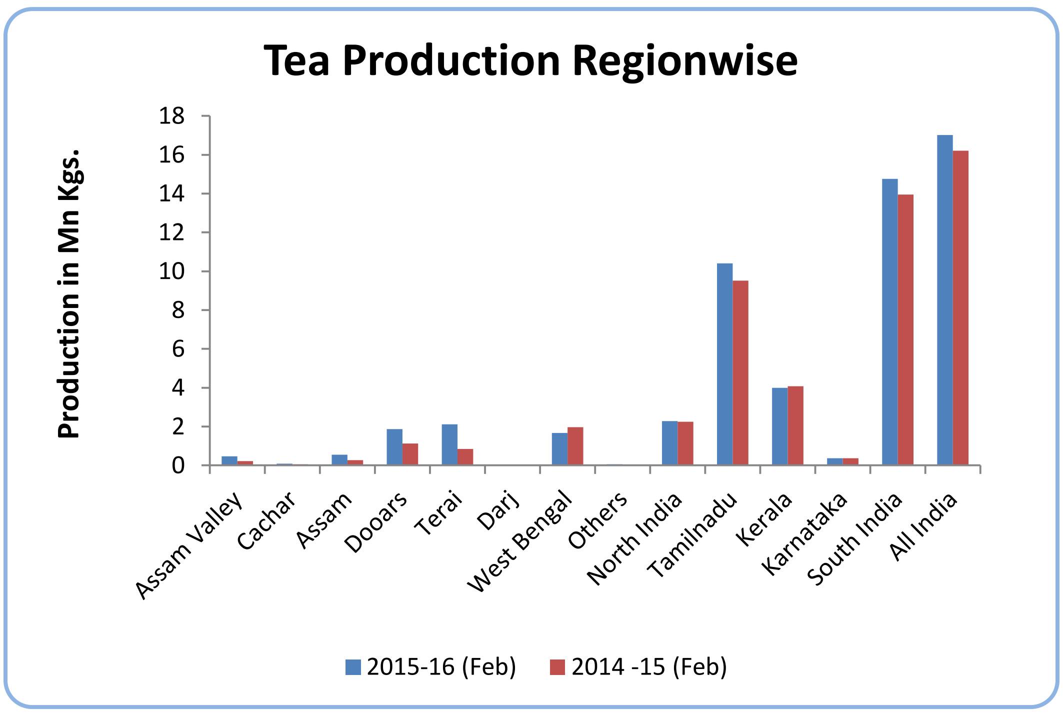
Coonoor Tea Auction: Sale No: 15 (Price in Rs./kg)

Coonoor	Avg. Price	Total Offerings (Kgs)	Total Sold (Kgs)
CTC Dust	103.14	267730.00	248319.00
CTC Leaf	88.13	612856.00	548507.00
Orthodox Dust	109.87	41181.00	38113.00
Orthodox Leaf	119.02	47658.50	46397.50

(Source: Paramount Marketing, Coimbatore)

Prices noticed range –bound to weak tone during the week. Quantity offered on sale increased during the week compared to previous week. Demand from the blenders and loose tea buyers lent some support to the market. Prices are likely to notice firm tone in the coming days.





(Source: Tea Board)

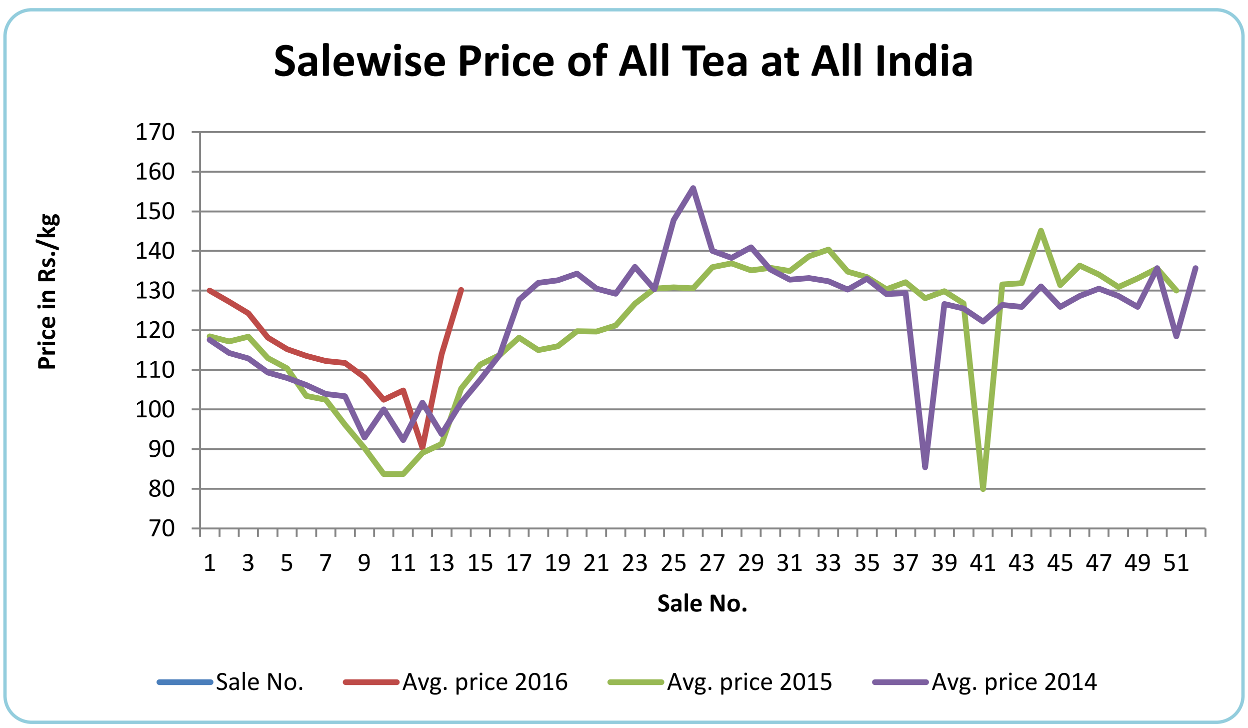
The above graph shows region wise production comparison, between 2014-15 and 2013-14 during the last two years and in the month of January in comparison with to previous year. In the year 2015 (Jan –Dec), production declined by 1.3% to 1191.10 million kg mainly on account of lower in production in Assam. In the current year in the month of February, production of tea in India increased by 5% to 17.02 million kg in comparison to the same corresponding period last year following owing to good plucking in the southern states.

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
2016 (Jan to Feb)*	21.88	470.25	214.92	14.38	196.42	136.59	36.26	666.67	183.86
2015 (Jan to Feb)	17.48	356.08	203.71	15.40	196.52	127.61	32.88	552.60	168.07
Inc/Dec in %	25.17	32.06	5.51	-6.62	-0.05	7.04	10.28	20.64	9.40
2015-16 (Apr-Feb)*	116.57	2712.36	232.68	86.24	1172.38	135.94	202.81	3884.74	191.55
2014-15 (Apr-Feb)	101.30	2423.23	239.21	79.54	1085.15	136.43	180.84	3508.38	194.00
Inc/Dec in %	15.07	11.93	-2.73	8.42	8.04	-0.36	12.15	10.73	-1.27

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 increased during the week compared to previous week amid good demand for new crop arrival in the market.

Weekly Average Prices at Indian Auction Centers for week ending 2016-04-09

Variety	Kolkata	Guwahati	Siliguri	Jalpaiguri	Cochin	Coonoor	Coimbatore	Tea Serve
CTC All Dust	143.69(108.09)	170.53(138.15)	160.00(137.20)	NS(NS)	115.66(100.11)	93.73(76.49)	100.55(79.21)	83.17(60.17)
Total Tea	144.87(109.22)	170.60(138.56)	160.00(137.20)	NS(NS)	118.45(102.91)	94.80(77.73)	100.48(79.26)	83.17(60.17)

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

Variety	North India	South India	All India
CTC All Dust	159.09 (127.56)	101.62 (84.07)	129.65 (104.60)
Total Tea	159.10 (127.87)	103.41 (85.87)	130.18 (105.31)

(Source: Tea Board)

Tea – Technical Outlook	Total Tea -Kolkata
Technical Commentary: Tea prices noticed firm tone during the week. Prices are likely to continue positive tone in the coming days and are likely to increase towards 175 levels in the coming days. Prices are holding in between 9 –Day and 21 –Day EMA supporting the positive tone of the market in the medium –term. RSI is increasing in the neutral region denoting firm tone of the market in the near –term. ***The tea prices are likely to increase towards 175 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	130.00	100.00	144.87	175.00	200.00

International Trade Scenario:

Srilanka Tea Auction (Colombo): Sale No: 14 (Price in Srilankan Rs./kg)

	BOP	BOPF
Good Westerns	460 - 520	460 - 520
Average Westerns	420 - 450	430 - 450
Plainer Westerns	390 - 410	390 - 420
Western Mediums	390 - 620	375 - 480
Uva Teas	320 - 450	340 - 480
Nuwara Eliya Teas	410 - 480	410 - 460
Udapussellawa Teas	380 - 420	375 - 460
CTC (BP1 and PF1)	350 - 460	325 - 450

In this week's auction, 5.58 million kgs of tea was offered for sale compared to 6.25 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 noticed firm tone and Low Grown CTC's noticed positive 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 witnessed easy tone. In the Tippy catalogues, better made FBOP and FF1's noticed firm tone during the week. The below best and plainer variety noticed positive tone following quality during the week. There was good demand from Iran, Russia, Iran and Middle – Eastern countries.

DETAILS OF TEAS AWAITING SALE

AUCTION NO.	16		15		14	
Dates	26th/27th April 2016 No. of Lots	No. of Kgs	18th/19th April 2016 No. of Lots	No. of Kgs	04th/05th April 2016 No. of Lots	No. of Kgs
Ex Estate	765	855,387 kg	764	859,905 kg	803	903,871 kg
Main Sale Total	9,035	4,785,773 kg	7,669	4,071,989 kg	8,812	4,678,830 kg
High & Medium	1,089	545,888 kg	924	477,192 kg	988	496,121 kg
Low Growns Leafy Tippy	3,263 1,695	1,516,968 kg 959,625 kg	2,807 1,437	1,283,060 kg 806,957 kg	3,268 1,640	1,533,349 kg 919,261 kg
Premium/Flowery	412	70,356 kg	324	60,302 kg	370	70,354 kg
Off Grades	2,056	1,169,945 kg	1,712	960,402 kg	2,025	1,142,461 kg
Dust	520	522,991 kg	465	484,076 kg	521	517,284 kg
Grand Total	9,800	5,641,160 kg	8,433	4,931,894 kg	9,615	5,582,701 kg
Reprints	161	85,872 kg	249	155,038 kg	298	178,901 kg
Scheduled to Close (Ex) Dates (Ms)		31.03.16 01.04.16		24.03.16 24.03.16		17.03.16 18.03.16

Scheduled Closing Dates

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

Auction No. 17 : 03rd/04th May 2016

Ex Estate : 07.04.2016

Main Sale : 08.04.2016

Auction No. 18 : 10th/11th May 2016

Ex Estate : 22.04.2016

Main Sale : 22.04.2016

(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 colour 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: 15

ORTHODOX	**OFFERED**		**SOLD**		**%**
PTPN ESTATE	9.320	488.900 Kg	9.300	486.620 Kg	99.53
PRIVATE ESTATE	---	--- Kg	---	--- Kg	---,--
TOTAL	9.320	488.900 Kg	9.300	486.620 Kg	99.53
C.T.C	**OFFERED**		**SOLD**		**%**
PTPN ESTATE	2.740	151.820 Kg	2.720152.820 Kg		99.35
PRIVATE ESTATE	---	---- Kg	---	--- Kg	--,--
TOTAL	2.740	151.820 Kg	2.720	1526.820 Kg	99.35
GRAND TOTAL	12.060	641.720 Kg	12.020	638.440Kg	99.49

(Prices in US cents/kg)

Orthodox First Grades						
BOP.I	**BOP**	**BOPF**	**PF**	**DUST**	**BT**	**BP**
219-222	**180-202**	**154-185**	**162-220**	**150-181**	**142-190**	**322-348**

Orthodox Secondary Grades				
PF.II	**DUST.II**	**BT.II**	**BP.II**	**DUST.III**
150-175	**144-167**	**139-143**	**290-316**	**146-150**

CTC First and Secondary Grades						
BP.1	**PF.1**	**PD**	**D.1**	**FANN**	**D.2**	**D.3**
152-161	**166-222**	**182-220**	**196-243**	**145-174**	**151-194**	**-**

Market offerings declined to 12,060 paper sacks from 13,360 paper sacks. There was good demand in the market. Average price increased to USDcts 170.83 instead of USDcts 169.48 during last week’s auction. Average price of Orthodox variety increased to USDcts 168.48 and average price of CTC increased to USDcts 179.06. Secondary variety and Fannings noticed firm tone. Quantity sold declined to 99.49% during the period compared to 100.00% during last auction.

OFFERING FOR THE NEXT AUCTION

PRODUCER	Orthodox 20/04/16	Orthodox 27/04/16	C.T.C 20/04/16	C.T.C 27/04/16
PTPN. IV	2.100 S	1.360 S	-	-
PTPN. VI	500 S	420 S	500 S	320 S
PTPN. VII	1.040 S	560 S	320 S	220 S
PTPN. VIII	7.760 S	5.440 S	1.340 S	1.420 S
PTPN. IX	400 S	360 S	-	-
PTPN. XII	- S	- S	380 S	360 S
Total Estate	11.800 S	8.140 S	2.540 S	2.320 S
Pagilaran	- S	- S	- S	- S
Total Private	- S	- S	- S	- S
Grand Total	11.800 S	8.140 S	2.540 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	2016	2015	CUMULATIVE	2016	2015	CUMULATIVE + INC./-DEC.
Sri Lanka	February	22.90	25.45	Up to February	48.06	48.71	- 1.34
North India	January	3.3	4.2	Up to January	3.3	4.2	- 0.9
South India	January	14.6	17.2	Up to January	14.6	17.2	- 2.6
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 21.42% and in South India, production has declined by 15.12% respectively in January 2016. Lack of sufficient rainfall has affected production in South India.

Currency	15-04-2016	08-04-2016
USD	66.58	66.62
Srilankan Rupee	0.4595	0.4601
Indonesian Rupiah	0.0051	0.0051
Kenyan Shilling	0.6581	0.6584
Bangladeshi Taka	0.8495	0.8498

Overall Outlook and Recommendation:

In the domestic market, prices noticed range –bound to weak tone during the week. Quantity offered on sale increased during the week compared to previous week. Arrivals of first flush of tea are picking up in North India. There was some demand from the exporters around current levels. In South India arrivals have increased amid dry weather in the growing regions. Demand from the blenders and loose tea buyers lend some support to the market. Prices are likely to notice range –bound to fir tone in the near –term.

In the global market, prices noticed firm tone during the week. Trading remained lack –luster as some of the markets remained closed for 'New Year'. Quantity offered on sale declined during the week compared to previous week. Demand is expected to improve in the coming days amid arrival of good quality leaf. The future offering of tea is likely to decline at Sri Lankan and Indonesian tea auctions in the coming week. Prices are likely to notice firm tone in the coming days.