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Tea Market Report: Sale 31 of 1st - 3rd August, 2022

There was fairly good demand for the 183,875 packages (11.93m/kgs) available in the market with 28.77% neglected.

Leaf Grades (M2)

104,280 packages (6.78m/kgs) – 35.06% unsold.

BP1:

Best –Saw very irregular interest at steady to USC48 dearer with selected invoices advancing by up to USC94 to USC40 below previous rates.

Brighter – Were irregular and ranged between firm to USC19 dearer to easier by USC22 with some teas unsold.

Mediums – KTDA mediums were firm to USC19 easier and many lines were without bids while plantation mediums shed up to USC4.

Lower Mediums – Varied between steady to USC12 dearer to easier by up to USC30.

Plainer –Most teas lost up to USC16 but a few lines gained up to USC6.

PF1:

Best – Lost up to USC10 with only a few invoices advancing by up to USC8.

Brighter –Were steady to USC10 easier.

Mediums – KTDA mediums were

Current and Future Fresh Auction Offerings

Country	Sale 31 1 - 3 Aug'22		Sale 31 2 - 4 Aug'21		Sale 32 8 - 10 Aug'22		Sale 33 8 & 10 Aug'22	
	MG	SG	MG	SG	MG	SG	MG	SG
Kenya	92,260	9,300	37,240	9,320	96,900	10,456	100,680	11,020
Uganda	14,760	10,500	16,460	10,520	15,240	8,640	17,360	8,940
Tanzania	640	180	1,120	1,100	280	260	320	270
Rwanda	5,300	940	5,880	1,300	5,120	920	5,560	920
Burundi	1,800	360	1,720	300	1,600	300	1,640	380
Zambia	0	0	0	0	0	0	0	0
Malawi	0	0	0	0	0	0	0	0
Madagascar	0	0	0	0	0	0	0	0
Zimbabwe	0	0	0	0	0	0	0	0
D R Congo	0	0	0	0	0	0	0	0
Mozambique	0	0	0	0	0	0	0	0
Ethiopia	0	0	0	0	0	0	0	0
Reprints	38,080	9,795	93,560	4,000	39,680	10,339	34,680	4,698
Total	114,760	21,280	62,420	22,540	119,140	20,576	125,560	21,530
	136,040		84,960		139,716		147,090	

fully firm at last levels with plantation mediums irregularly easier by up to USC15.

Lower Mediums –Were irregular ranging between firm to USC13 above previous prices to USC14 easier.

Plainer –Shed up to USC15 but a few teas advanced by up to USC8.

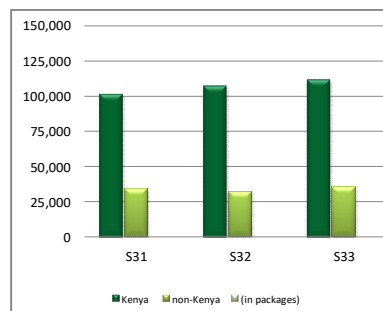
DUST Grades (M1)

48,500 packages (3.60m/kgs) – 14.19% unsold.

PDUST:

Best –Met reduced competition and shed up to USC8.

Brighter – Irregularly easier by



up to USC16.

Mediums – KTDA mediums were fully steady at last rates while plantation mediums were firm to USC4 easier.

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continued

Lower Medium– Were irregular ranging between steady to USC9 dearer with a few selected invoices advancing by up to USC26 to easier USC8.

Plainer – Varied between steady to USC13 dearer to easier by up to USC11.

DUST1:

Best – Were firm to easier by up to USC10.

Brighter –Steady to USC6 below last levels.

Mediums – KTDA mediums saw irregular interest ranging between firm to USC14 dearer to easier by up to USC4;plantation mediums varied between steady to USC11 dearer with some select invoices discounted by up to USC12.

Lower Medium – Shed up to USC12.

Plainer –Irregular interest at firm to USC8 dearer to easier by the same margin.

Secondary Grades (S1)

31,095 packages (1.55m/kgs) – 30.74% unsold.

In the Secondary Catalogues, **BPs** were steady while **PFs** tended dearer. Clean well sorted coloury-**Fannings** held value with **DUSTs** firm. **Other Fannings** were steady while **similar DUSTs** gained. **BMFs** were well absorbed.

Markets

Pakistan Packers and **Bazaar** lent good support but at lower levels with maintained activity from **Egyptian Packers** while **Kazakhstan**, **other CIS states** and **UK** showed more interest. **Yemen** and **other Middle Eastern countries** were active but selective with reduced enquiry from **Sudan**. **Afghanistan** were less active while **Local Packers** saw improved interest. **Russia** and **Iran** were absent. **Somalia** maintained enquiry at the lower end of the market.

Mombasa Auction Hammer Market Analysis—Sale No 31/2022

Category (Band)	Percentage volume sold	Average Price ranges (for the marks within the category)		Min-Max Prices per grade							
				BP1		PF1		PD		DUST1	
		Min	Max	Min	Max	Min	Max	Min	Max	Min	Max
1 Best	88%	2.69	3.27	2.55	4.4	2.65	2.98	2.73	2.92	2.6	2.92
2 Below Best	84%	2.6	2.99	2.5	4.04	2.56	2.86	2.64	2.93	2.6	2.94
3 Good	48%	2.24	2.59	2	2.58	1.9	2.62	2.24	2.68	2.16	2.66
4 Best Medium	88%	2.05	2.33	1.85	2.26	1.95	2.4	2.17	2.4	2.12	2.28
5 Medium	78%	1.71	2.18	1.4	2.16	1.6	2.12	1.76	2.28	1.74	2.12
6 Lower Medium	88%	1.16	1.73	0.9	1.42	1.36	1.78	1.5	1.82	1.5	1.92
7 Plain	92%	1.17	1.55	0.87	1.06	1.12	1.48	1.4	1.61	1.39	1.56
Totals	69%	1.16	3.27	0.87	4.4	1.12	2.98	1.4	2.93	1.39	2.94

Category (Band)	Percentage of Total Sold	Average Prices per grade								Totals	
		BP1		PF1		PD		DUST1			
		Kgs	Avg	Kgs	Avg	Kgs	Avg	Kgs	Avg	Kgs	Avg
1 Best	10%	99,766	3.05	353,972	2.73	155,900	2.78	72,712	2.78	682,350	2.79
2 Below Best	25%	254,873	2.78	893,581	2.66	427,936	2.72	183,142	2.7	1,759,532	2.7
3 Good	29%	179,489	2.39	1,150,815	2.44	535,096	2.53	180,268	2.45	2,045,668	2.46
4 Best Medium	10%	55,196	2.01	245,668	2.11	344,092	2.27	32,440	2.2	677,396	2.19
5 Medium	15%	82,117	1.73	396,614	1.91	529,946	2.07	84,948	1.97	1,093,625	1.98
6 Lower Medium	8%	63,324	1.1	251,618	1.52	195,088	1.62	89,396	1.65	599,426	1.53
7 Plain	3%	43,920	0.95	78,908	1.31	78,076	1.52	39,996	1.51	240,900	1.35
Totals	100%	778,685	2.32	3,371,176	2.35	2,266,134	2.32	682,902	2.32	7,098,897	2.33

Average Auction Hammer Quantities and Prices by Country

Country of Origin	Main			Secondary			Total			Total for Corresponding Sale for Last Year		
	Pkgs	Kgs	USC	Pkgs	Kgs	USC	Pkgs	Kgs	USC	Pkgs	Kgs	USC
Kenya	83,000	5,831,250	244	9,480	474,500	133	92,480	6,305,749	235	106,640	7,237,091	211
Uganda	14,440	896,574	153	10,100	485,446	112	24,540	1,382,020	139	24,560	1,406,592	106
Tanzania	840	48,452	152	280	11,936	108	1,120	60,388	144	2,360	118,692	100
Rwanda	4,440	309,160	275	940	60,896	214	5,380	370,056	265	6,360	434,838	249
Burundi	1,800	112,029	230	479	20,164	144	2,279	132,193	217	1,420	90,192	193
Zambia	-	-	-	-	-	-	-	-	-	-	-	-
Malawi	-	-	-	-	-	-	-	-	-	-	-	-
Mozambique	-	-	-	-	-	-	-	-	-	-	-	-
Madagascar	-	-	-	-	-	-	-	-	-	-	-	-
Zimbabwe	-	-	-	-	-	-	-	-	-	-	-	-
D R Congo	-	-	-	-	-	-	-	-	-	-	-	-
Ethiopia	-	-	-	-	-	-	-	-	-	-	-	-

Total	104,520	7,197,465	233	21,279	1,052,942	128	125,799	8,250,406	220	141,340	9,287,405	195
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Sale Number	Previous Sale's Quantities and Prices									Tot+Q20:Q23al for Corresponding Sale for Last Year		
	Main			Secondary			Total					
Sale 30/22	110,759	7,655,189	236	22,178	1,106,471	129	132,937	8,761,661	222	135,260	8,803,342	188
Sale 29/22	107,561	7,440,890	236	23,520	1,170,390	129	131,081	8,611,281	221	93,860	6,002,393	158
Sale 28/22	107,123	7,424,781	237	21,770	1,093,475	130	128,893	8,518,256	224	90,317	5,835,851	155
Sale 27/22	117,481	8,138,639	240	24,139	1,195,380	130	141,620	9,334,019	225	164,057	10,864,576	166
Sale 26/22	115,076	7,939,463	239	24,899	1,262,320	130	139,975	9,201,784	224	168,056	11,149,127	165
Sale 25/22	110,279	7,631,794	231	25,098	1,256,055	126	135,377	8,887,849	216	157,356	10,341,937	168

Average Auction Hammer Prices by Grade and Country

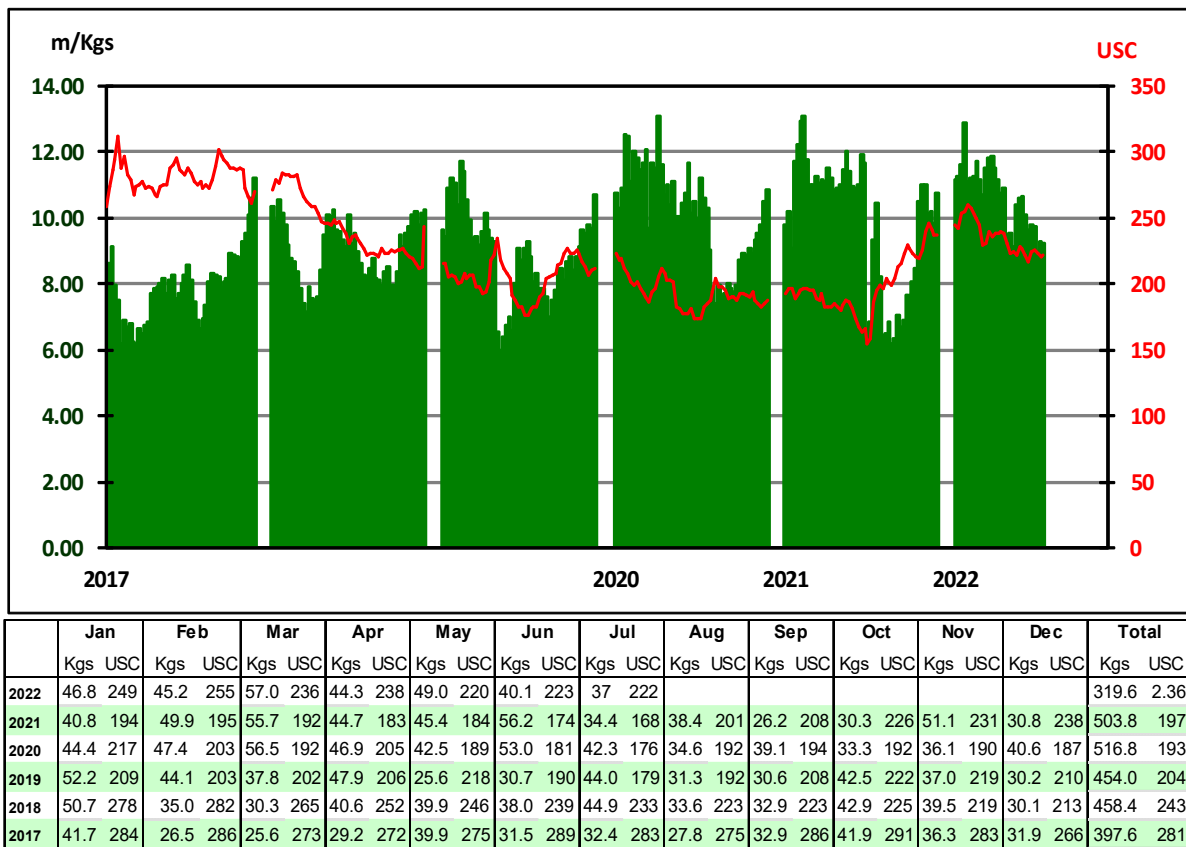
Country of Origin	Current Sale's Prices per Grade										Corresponding Prices per Grade for Last Year									
	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av
Kenya	247	244	241	249	138	163	136	131	107	235	212	228	211	204	123	125	87	114	64	211
Uganda	105	151	165	166	98	138	140	119	83	139	121	119	116	108	98	97	88	89	60	106
Tanzania	116	153	157	152	-	146	124	109	86	144	104	116	124	77	-	102	58	83	64	100
Rwanda	310	260	279	266	262	229	205	146	86	265	343	244	239	233	194	181	138	147	-	249
Burundi	208	244	254	234	-	-	136	145	-	217	185	214	213	194	-	-	124	126	-	193
Zambia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malawi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mozambique	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Madagascar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Zimbabwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D R Congo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ethiopia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	231	234	232	232	168	150	144	126	90	220	206	220	199	186	134	111	91	103	62	195

Sale Number	Previous Sale's Prices per Grade										Corresponding Prices per Grade for Previous Year									
	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av	BP1	PF1	PD	D1	BP/2	PF/2	D/2	F/1	BMF	Av
Sale 30/22	241	234	237	233	151	148	145	128	92	222	228	206	185	168	127	113	96	97	61	188
Sale 29/22	236	239	233	230	165	149	145	129	89	221	197	187	156	130	134	111	91	92	59	158
Sale 28/22	236	242	232	235	147	160	144	128	87	224	202	184	148	138	145	117	94	94	58	155
Sale 27/22	238	245	235	234	153	159	145	129	88	225	188	184	159	158	144	113	89	99	64	166
Sale 26/22	237	245	234	235	146	155	148	132	84	224	192	180	159	153	140	120	88	99	66	165
Sale 25/22	224	236	228	230	163	154	139	125	85	216	198	183	165	155	136	126	91	100	69	168

Average Auction Prices and Quantities by Country

Country	Previous Sale Sale 30/22		Year To Date 2022		Last Year Sale 30/21		Year To Date 2021		Variance Year To Date	
	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC	Kgs	USC
Kenya	6,999,417	236	252,485,988	253	7,226,127	197	260,709,830	193	-8,223,843	60
Uganda	1,482,806	142	43,503,387	132	1,355,220	103	43,050,224	117	453,163	15
Tanzania	104,613	134	3,950,146	122	82,124	105	3,062,524	99	887,622	23
Rwanda	527,864	272	15,657,925	281	533,072	258	15,811,725	255	-153,801	26
Burundi	123,076	214	4,033,823	230	151,348	186	4,224,471	196	-190,648	34
Zambia	-	-	-	-	-	-	-	-	0	0
Malawi	-	-	-	-	-	-	-	-	0	0
Mozambique	-	-	-	-	-	-	-	-	0	0
Madagascar	-	-	-	-	-	-	98,943	101	-98,943	-101
Zimbabwe	-	-	-	-	-	-	-	-	0	0
D R Congo	-	-	-	-	-	-	-	-	0	0
Ethiopia	-	-	23,839	148	-	-	131,806	136	-107,967	12
Total	9,237,776	222	319,655,107	236	9,347,891	186	327,089,523	185	-7,434,416	51

Mombasa Weekly Average Auction Quantities and Prices 2017—2022



Exchange Rates (2020-2022)



During the week the Kenya Shilling traded between KES 118.50 -119.00.60 and reached 118.60 at its lowest end week. Expectations are that the Kenya Shilling against US Dollar will trade at the level of 118.80 - 119.40 in the coming week.

(These figures are given as a guide and readers are advised not to use them as a basis for business transactions)

Auction Quantities

Country Offerings	This Week Sale 31/22		Year To Date 2022		Year To Date 2021		Variance Year To Date	
	Packages	Kgs	Packages	Kgs	Packages	Kgs	Packages	Kgs
Kenya	101,560	6,934,261	3,917,764	267,056,418	4,101,057	277,549,736	-183,293	-10,493,318
Uganda	25,260	1,418,452	787,380	45,150,226	779,402	45,123,238	7,978	26,988
Tanzania	820	43,320	75,940	4,054,426	65,479	3,307,394	10,461	747,032
Rwanda	6,240	428,609	232,340	16,052,437	233,540	15,985,157	-1,200	67,280
Burundi	2,160	128,934	70,018	4,259,013	67,100	4,179,859	2,918	79,154
Zambia	0	0	0	0	960	56,740	-960	-56,740
Malawi	0	0	1,120	65,848	0	0	1,120	65,848
Mozambique	0	0	0	0	0	0	0	0
Madagascar	0	0	0	0	2,020	99,835	-2,020	-99,835
Zimbabwe	0	0	0	0	0	0	0	0
D R Congo	0	0	0	0	0	0	0	0
Ethiopia	0	0	400	22,879	1,900	106,726	-1,500	-83,847
Total	136,040	8,953,576	5,084,962	336,661,247	5,251,458	346,408,685	-166,496	-9,747,438

Sellers' Main Grade Quantities (in Packages)

Origin	BP 1			PF 1			PD			D 1			Total		
	S 31	S 32	S 33	S 31	S 32	S 33	S 31	S 32	S 33	S 31	S 32	S 33	S 31	S 32	S 33
KTDA	22360	23760	18520	47160	46120	50640	15800	17400	18360	5440	4080	4800	90760	91360	92320
Unilever Tea	600	300	320	120	200	180	360	560	700	60	60	60	1140	1120	1260
James Finlay	680	920	920	760	1360	1080	1500	1740	1320	0	0	0	2940	4020	3320
Eastern Produce	600	560	640	1980	2680	2280	1880	2440	2560	680	600	640	5140	6280	6120
Others (K)	3300	5040	4840	11180	13260	12400	12280	13580	13260	2040	1580	2440	28800	33460	32940
Uganda	3160	3000	2520	6600	6640	7360	5200	4680	6160	2120	2200	2440	17080	16520	18480
Tanzania	270	310	390	760	680	680	480	440	280	360	320	260	1870	1750	1610
Rwanda	1720	1920	1800	2620	2520	2920	1320	1240	1000	580	520	400	6240	6200	6120
Burundi	880	760	800	960	840	840	240	480	420	240	240	240	2320	2320	2300
DR Congo	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Malawi	0	0	0	80	80	80	80	80	80	0	0	0	160	160	160
Zimbabwe	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Madagascar	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mozambique	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Zambia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ethiopia	0	0	0	0	0	0	160	160	160	0	0	0	160	160	160
Total	33570	36570	30750	72220	74380	78460	39300	42800	44300	11520	9600	11280	156610	163350	164790

Buyer Purchases of Teas Offered by Grade (in Packages)

BUYER	%	Total	BP1	PF1	PD	D1	BP2	PF2	D2	FNGS	BMF
1 GLOBAL TEA & COMMODITIES KENYA LTD.	12.42	22,840	2,040	12,120	6,300	1,680		20	540	140	
2 CARGILL KENYA LTD	8.96	16,480	1,040	13,360	1,880	200					
3 LAB INTERNATIONAL KENYA LTD	6.05	11,120	40	1,240	6,720	3,120					
4 CHAI TRADING COMPANY LTD	5.25	9,660	2,440	5,200	880	420		60	180	480	
5 JAMES FINLAY MOMBASA LIMITED	3.97	7,300	440	1,080	4,560	240		920		60	
6 SSOE (KENYA) LIMITED	3.37	6,200	1,200	3,440	480	520	260	100	160	40	
7 ABBAS TRADERS LTD	2.64	4,860	120	2,120	1,840	160	140	120	220	140	
8 VAN REES KENYA LIMITED	2.40	4,420	40	2,840	560	40		200		740	
9 MOMBASA COFFEE LTD	2.13	3,920	80	240	2,320	1,200	80				
10 COFFTEA AGENCIES LTD	2.09	3,840	1,120	800	320			80		1,220	300
11 M.J. CLARKE LTD	2.06	3,780		800	2,480	320			40	100	40
12 SHAKAB EXPORT & IMPORT CO. LTD	1.81	3,320	1,280	1,360	200		60	80	260	80	
13 GOLD CROWN FOODS (EPZ) LTD	1.47	2,700		480	40		60	220	520	560	820
14 CUP OF JOE LTD	1.36	2,500	40	720	1,360		180	200			
15 SUMMER LINER CO. LTD	1.22	2,240	240	200		160	320	140	20	400	760
16 INDO-AFRICAN TEA CO. (K) LTD.	1.16	2,140		1,280	80			60		720	
17 EMPIRE KENYA (EPZ) LTD	1.15	2,120	280	560	40			60	60	1,120	
18 STANSAND (A) LTD	0.94	1,720	480	320				280		640	
19 MIZAJ AFRICA LTD	0.70	1,280	80	200	800	200					
20 ALIBHAI RAMJI (MSA) LTD	0.65	1,200	40	480				160	40	480	
21 TRANS-ATLANTIC TRADING Co. LTD	0.61	1,119	360	120	120	40	60	100	200	99	20
22 AIMCO ENTERPRISES LTD	0.60	1,100					20			320	760
23 IMPERIAL TEAS (EPZ) LTD	0.58	1,060	400	40	80	40		320		180	
24 CHAMU SUPPLIES LIMITED	0.54	1,000	440	200		120			40	200	
25 AL EMIR LIMITED	0.52	960		960							
26 AL KHALIFA ENTERPRISES LTD	0.51	940									940
27 RANFER TEAS KENYA LTD	0.46	840		80	280	360				120	
28 LINDOP & COMPANY (KENYA) LTD	0.41	760	200	200	80				280		
29 SARDIA INTERNATIONAL CO. LTD	0.40	740	120	240	40		80		60		200
30 MAISHA COMMODITIES	0.26	480	120				20	80	40	200	20
31 PWANI HAULIERS	0.26	480									480
32 LULA TRADING COMPANY	0.21	380	120							40	220
33 KIRINDO TRADERS LIMITED	0.20	360	40				120			100	100
34 AXIS TEA & SERVICES LIMITED	0.15	280							40		240
35 DEVCHAND KESHAVJI (K) LTD	0.15	280		280							
36 AFRO TEAS LTD	0.13	240		160							80
37 JALEEL TRADING COMPANY	0.13	240								20	220
38 GREEN LEAF TRADING CO. LTD	0.12	220									220
39 TROPICAL CROPS & COMMODITIES	0.12	220	80				40			80	20
40 RIOTANA TRADING LIMITED	0.05	100	80				20				
41 TEAVANA TEA STORE LTD	0.05	100									100
42 GROVE UNIQUE LIMITED	0.04	80		80							
43 DELSTA TEA LIMITED	0.04	80		80							
44 CAPITAL TEA TRADERS	0.03	60									60
45 NALA TEA COMPANY LTD	0.01	20								20	
46 SUWAD ENTERPRISE LIMITED	0.01	20					20				
Total Sold	68.42	125,799	12,960	51,280	31,460	8,820	1,480	3,200	2,700	8,299	5,600
Withdrawn	0.13	240	240								
Unsold	31.45	57,816	19,980	19,780	6,920	1,620	200	300	260	8,696	60
% Unsold			60	28	18	16	12	9	9	51	1
Grand Total	100.00	183,855	33,180	71,060	38,380	10,440	1,680	3,500	2,960	16,995	5,660
Sale 30/22	73.59%	132,937	13,720	50,759	37,280	9,000	1,220	3,800	2,740	9,038	5,380
Sale 29/22	68.62%	131,081	13,800	49,081	35,600	9,080	1,300	3,540	3,200	9,680	5,800
Sale 28/22	67.92%	128,893	13,460	49,380	33,883	10,400	1,580	3,500	3,240	8,390	5,060
Sale 27/22	76.64%	141,640	15,680	52,681	38,980	10,140	1,700	3,540	3,240	9,119	6,560
Sale 26/22	69.82%	139,975	16,060	51,440	37,116	10,460	2,320	4,300	2,920	8,999	6,360

Other Tea Auction Centres

Colombo: at Sale 29 held on the 26th and 27th July, 2022. The 0.54Mkg of Ex estate teas on offer met with fair demand. Select Best Western High Grown BOPs were firm to irregular following quality, the below best and plainer varieties were firm to dearer, however some invoices eased from last levels. Select Best Western High Grown BOPFs were firm on last levels, the below best and plainer varieties were firm to selectively dearer at times, however the others declined irregularly. Nuwara Eliya BOPs were tending easier, the BOPFs too followed a similar trend. A few Seasonal UVA BOPs / BOPFs on offer sold at attractive levels, however the others were firm to a little easier. Uda Pussellawa BOPs were firm, the BOPF were irregular following quality. Low grown CTC BP1s were firm to dearer at times, the High and Medium sorts too were dearer. The Low Grown CTC PF1s were firm to a little dearer, the High and Medium sorts were tending irregular. The 2.3Mkg of Low Grown teas which were on offer met with mixed interest. In the Leafy segment, OPs were lower to last. OPAs were irregularly lower. OP1s met with lower interest. In the Semi Leafy segment, BOP1s were lower to last. Pekoe varieties were firm, Pekoe1s declined a few rupees. In the Small Leaf segment, well-made FBOPs were firm, others met with fair demand. FBOPF varieties were lower. Better FBOPF1s were firm on last, others met with irregular demand. BOPF.SP, BOPF, BOP.SP and BOPs sold at fair levels. All Premium Flowery teas met with lower demand. Russia, Iran and the C.I.S countries lent fair support, Turkey was selective. Libya and Iraq were active.

Chittagong: at Sale 12 held on the 25th July, 2022, **CTC LEAF:** 53,067 packages of Current Season & 119 packages of Old Season teas on offer met with a good demand. **BROKENs:** Well made good liquoring Brokenes met with a good market and were mostly dearer following competition. Good varieties met a good demand and sold at around last levels whilst Medium varieties met with a fairly good demand and were slightly easier. Plainer sorts again met with a fair demand at slightly easier rates. BLF teas also met with a fair demand at around last levels with some withdrawals. **FANNINGS:** Best Fannings met with a good market and were mostly firm to slightly dearer following competition. Good Fannings met with a little more interest

and sold at around last levels easing slightly in line with quality. Medium and plainer varieties met with a fair demand at slightly easier rates. BLF teas also met with a fair demand at around last levels with some withdrawals. **CTC DUST:** 13,534 packages of Current Season teas on offer met with fair demand. Good liquoring well made Dusts met with fair competition and were slightly lower. Mediums met with better demand and were firm to slightly dearer. Plain and BLF Dusts were an easier market and witnessed a few withdrawals. Blenders lent strong support with fair interest from the Loose tea buyers. **COMMENTS:** This sale witnessed a little more demand particularly for well made good liquoring varieties which were mostly dearer. Blenders continued to lend good support along with more interest from the Loose tea buyers particularly for the best varieties. Dusts met with fair demand.

Cochin: at Sale 29 held on 20th July, 2022, **CTC Leaf:** Fair demand. All grades sold around last levels with some withdrawals. **Buying pattern:** Up country buyers operated. **ORTHODOX Leaf:** Good demand. High-grown, medium whole leaf and larger brokenes sold fully firm to occasionally dearer levels. Smaller brokenes sold around last levels. **Buying pattern:** CIS operating with support from ME. **Dust:** Good Demand. Good liquoring popular varieties and better mediums sold at firm levels. Plainer teas met with increased export enquiry and advanced in value. **Buying pattern:** Major blenders active. Internal buyers operated.

Calcutta: at Sale 30 held on the 26th and 27th July, 2022, there were 161,495 packages on offer. **CTC:** There was good

Auction Offerings

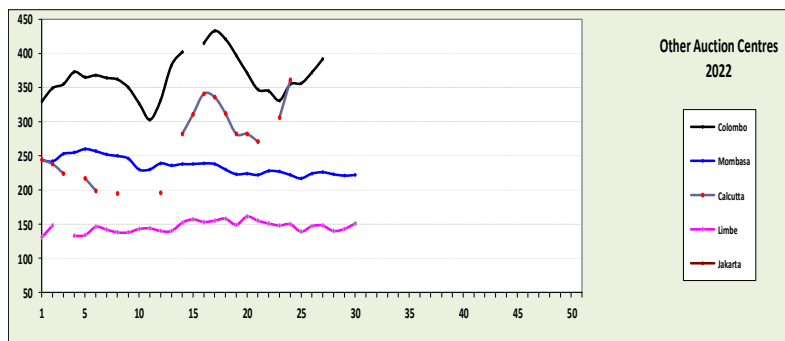
	Week 30	Week 31	Week 32	Week 33
Centre	26-Jul	02-Aug	10-Aug	17-Aug
Mombasa	180,695	183,915	189,735	186,468
Limbe	3,480	3,220	2,180	
Colombo	5.1m/kgs	5.2m/kgs	5.3m/kgs	
Jakarta	11,340	9,080	9,660	
Calcutta	142,838	143,686	141,202	
Guwahati	124,626	130,867	132,282	
Chittagong	67,230		65,974	
Total	518,869	470,768	541,033	186,468

demand. Brighter liquoring Assams were firm to at times dearer on competition. Clean, well-made good-medium and medium Assams met with better interest and were fully firm to dearer. A fair weight in these categories saw a welcome rise in levels. The remainder was around last levels. Dooars on the whole were barely steady. **Dust:** There was good demand. Brighter liquoring Assams were firm to occasionally dearer. Clean, well-made liquoring sorts in the medium categories were fully firm to dearer. The remainder was irregular around last. M/s Hindustan Unilever was active on well-made medium Assams and larger brokenes in the leaf market whilst they were active on brighter liquoring Assams in the dust market. Export accounts were more active this week on larger brokenes. Western India segments continued active on brighter liquoring Assams. Local buyers operated on the Dooars.

Guwahati: at Sale 30 held on the 27th July, 2022, there were 139,197 packages on offer.

Market: CTC There was good demand. The good and best Assams were sold irregular around last levels. Medium sorts were steady. The plainer varieties were irregular and tended at times easier. **Buying Pattern:** TCPL/HUL lent good support. Western India buyers were active on the brighter liquoring sorts. Buyers from other destinations lent fair support. Exporters operated mostly on the larger brokenes.

Market: DUST There was good demand for the good and best Assams at around last levels. The medium sorts were steady and at times dearer. The plainer varieties sold at irregular levels. **Buying Pattern:** DUST There was good support from TCPL and HUL. Western India/buyers from other destinations lent fair support. There was very selective export enquiry.



News Articles of Interest

**MONDAY, 01 AUGUST 2022****WORLD CAN'T AFFORD A BANKRUPT PAK: EXPERTS SAY NUCLEAR POWER MAY BE THE BARGAINING CHIP OUT OF CRISIS**

Is Pakistan going the Sri Lanka way? Broad macroeconomic indicators for both countries point to similarities in the economic outlook of the two nations on the sub-continent.

Mired in political crisis, Sri Lanka is facing massive external debt crisis as well. It took loans to speed up its infrastructure and energy sectors, but failed to get the return on investment. As per the Central Bank of Sri Lanka data, for its \$51 billion external debt and liabilities, it has to pay around \$4.5 billion annually till 2025 as debt servicing (principal + interest) from its foreign exchange reserve.

The island nation is also heavily import-dependent, with around 40% difference between import and export figures. It basically means the country needs additional sufficient foreign exchange reserves to ensure supply of essential items from abroad.

With increasing debt servicing each year, coupled with drop in big foreign currency earners, tourism and remittances, Sri Lanka has less than \$2 billion in its foreign currency reserve. In May, the country had just \$50 million of usable foreign currency reserve that was not enough even to arrange imports for a day. The rapid economic decline saw Sri Lanka defaulting on the external debt in May.

Pakistan is facing a similar crisis. The country has massive external debt of around \$130 billion. In FY21, as per State Bank of Pakistan (SBP) figures, the country paid \$13.424 billion in debt servicing. For the three fiscal quarters of 2022, the amount has already crossed \$10.885 billion and is expected to reach over \$14 billion.

Like Sri Lanka, Pakistan is also an import-dependent economy but to add to the problems, the export-import gap is huge and the condition becomes even more precarious when there is an imminent crisis on the foreign exchange reserve front. The country's forex reserve has reduced

to just around \$9 billion, enough only for six to seven weeks of import.

In fiscal year 2021, as per the State Bank of Pakistan figures, the country's export was worth \$25.639 billion while import was much higher at \$54.273 billion, a huge gap of almost \$30 billion. For fiscal year 2022, it was even higher at \$40 billion dollars, with imports at \$72.048 billion and exports at \$32.450 billion. In June 2022, the country's imports were worth \$7.038 billion against an export figure of \$3.118 billion.

The next quarter is going to be crucial for the country with economic calculations stacked against it, particularly after the decision to lift the ban on non-essential and luxury items under pressure from some political elite and the importers' lobby. Import figures may go up, adding pressure on dedining foreign currency reserves.

The only solution to this problem will be taking up even more loans and the efforts to restructure the existing debt repayment options.

PushanDutt, Professor of Economics and Political Science at INSEAD, Singapore thinks that though the current economic crisis in Pakistan is really in a difficult shape, the country may avoid the fate of Sri Lanka, thanks to geopolitical reasons, India-China rivalry and Pakistan-China connect.

"While debt levels in absolute terms are same as Sri Lanka, Pakistan's economy is larger, so debt to GDP ratio is smaller. At the same time, the country has a lot of foreign currency borrowing and we have seen instances of capital flight before. Now a lot of the debt is held by China so it may get debt relief due to geopolitical reasons," he said.

Pakistan's 2021 GDP, according to the [World Bank](#) dataset, is \$339.4 billion in constant 2015 US\$, almost four times higher than Sri Lanka's GDP of \$92.1 billion. Pakistan's debt to GDP ratio is still under 100%. It was 84% in 2021, the corresponding data from Trading Economics says, while IMF analysis says Sri Lanka's debt to GDP ratio reached 119% in 2021.

SUPPORT FROM ISLAMIC COUNTRIES AND CHINA

Pakistan can also get support from other Islamic countries, says Jawad Nayyar, an economist, industrialist and techpreneur based in Pakistan, while emphasizing that the country will not go the Sri Lanka way. "Pakistan has certain geopolitical advantages that only a few others enjoy. These include cordial relationships with most of



the MENA region, North Africa, and Asian and Far Eastern economies."

Pakistan is the founding member of the Organization of Islamic Cooperation. The OIC has 57 countries as members spread across four continents. Pakistan being the second-largest state in the organization and, in fact, the only Islamic nation with nuclear power, can find support from within.

On May 1, Saudi Arabia agreed to bail out Pakistan with financial aid worth \$8 billion. The oil facility (oil on deferred payment) from Saudi Arabia was doubled to \$2.4 billion. Existing Saudi deposits worth \$3 billion were rolled over to June 2023 and Pakistan is also expected to get additional deposits of over \$2 billion.

On June 22, Pakistan signed a loan agreement with a Chinese consortium of banks for \$2.3 billion. In addition to this, Beijing has already rolled over debt worth \$7 billion so far to help Pakistan manage its economic crisis.

Pakistan is also expecting to get \$1.2 billion from IMF in August from its bailout package. Pakistan army chief Gen Qamar Javed Bajwa, in fact, has requested the US to put pressure on IMF for early loan disbursement, says a report from Nikkei Asia. The country also expects that the IMF may unlock more funding with claims that it has met the terms set by the IMF to be eligible for further bailout assistance.

According to MrDutt, while things look bad for Pakistan, it won't be as terrible as Sri Lanka where a standard currency crisis has morphed into political upheaval. Pakistan has a floating exchange rate so there will not be a sharp correction. But like Sri Lanka, it runs a large trade deficit which worsens as fuel prices spike and has borrowed in dollars. Inflation is spiking so overall fundamentals look bad.

Another Pakistani, now based in America, thinks otherwise. Dr Fida Mohammad, a professor of Sociology in the State University of New York, says Pakistan is in a debt trap and the Pakistani currency is losing value daily. According to him, Pakistan is more likely to default and, if things unfold similarly, will be bankrupt.

Cont...../ Page 2

News Articles of Interest continued ..

WHAT LED PAKISTAN TO THIS? Dr Fida Mohammad's reaction points to the global opinion about Pakistan that it is a military-run state with deep corruption and much of the economic damage is self-generated. "Yes, the whole country is destabilised. Military behind the scene controls everything, including the judiciary. The judiciary legitimises corruption of the deep state (military establishment). Socio-political chaos gives more political leverage to the military, and they are beneficiaries of the anarchy."

Case in point is the move to lift the ban imposed on import of non-essential and luxury items even though the country is running short of foreign currency. The rush to create newer economic avenues through loans when the country is importing more than twice its exports also becomes a burden when its total reserve data has not gone beyond \$20 billion in current US\$ terms as per the World Bank dataset.

Pakistan's external debt figure has doubled in the last 10 years. Its game-changer project, China Pakistan Economic Corridor

(CPEC), a \$62 billion infrastructure and energy roadmap, looks good on data but raises questions when we see that it is again being built on Chinese loans. Corruption is also a deep bottleneck and it has not left even the CPEC projects, according to a report from a panel constituted by the Pakistan government. Pakistan crossed the 100th rank in 2004 on Corruption Perception Index of Transparency International and has seen consistent slide after that. It was at 140th position in the list of 180 countries in 2021. Higher the absolute number means a more corrupt state.

NUCLEAR POWER THE ONLY SAVING GRACE?

Pakistan is a nuclear power-capable country that may also come as a safeguard for it, says Jawad Nanyar. "Pakistan is a nuclear power and the world cannot afford a bankrupt Pakistan just because a few hundred million dollars of debt cannot be refinanced."

Richard Gardner, CEO of Modulus, a US-based high performance enterprise for Fin-Tech solutions and AI, and a

known financial analyst globally, says the nuclear power may finally come to save Pakistan from becoming the next economic default nation in Asia. "While Pakistan is, most certainly, in a perilous position, the country has a major advantage over Sri Lanka. The advantage, of course, is that it is an atomic power, and, until proven otherwise, I think we have to assume that the IMF and other international entities will take significant efforts to ensure the country doesn't default on its debt."

Pakistan's former prime minister [Imran Khan](#) admitted in 2019 that his country still had around 30,000 to 40,000 terrorists and 40 terrorist groups operating within the borders and no country would want a nuclear-armed terrorist group in Pakistan in future. The question of the safety of nuclear arms becomes paramount in a politically destabilized Pakistan that further defaults on its economic debt. Source: <https://www.news18.com/news/world/world-cant-afford-a-bankrupt-pak-experts-say-nuclear-power-may-be-the-bargaining-chip-out-of-crisis-5665411.html>

Regional Weather Conditions and World Crop

Kenya: Muranga: There was **16.5mm** of rainfall recorded over **5** wet days of the week. The highest and lowest temperatures were **24°C & 12°C** respectively. Crop intake averaged **39.4 tonnes/day** on a **6** day plucking cycle. Weather conditions were cold with sunny intervals during the day.



The trouble with weather forecasting is that it is right too often for us to ignore it and wrong too often for us to rely on it.

Nyeri: This week was cloudy with little rains with 10.1 mm of rainfall received during 4 wet days in the course of the week. The highest and lowest temperatures were 22°C & 11°C respectively. **Crop intake averaged 16.1 tonnes/day on a four day plucking cycle.**

Meru: The week was mostly sunny and warm with the exception of Saturday which was cloudy. No rainfall was recorded. The highest and lowest temperatures were 27°C & 13°C respectively. Crop intake averaged **23 tonnes/day** on a five day plucking cycle.

Sotik: The week was cold with alternate sunshine in the mornings accompanied by cloudy conditions in the afternoons and some showers. The area received **32.8mm** of rainfall in **four** wet days. The highest and lowest temperatures were **26°C & 13°C** respectively. Factory utilization remained the same as last week's levels.

Kericho: The week in review had partly sunny intervals with some light evening showers accompanied by low temperatures. Average rainfall of **37.5 mm** was recorded. Average temperatures were highs of **22° Celsius** and lows of **10°**

celsius. Crop intake went up by 9% compared to previous week's levels. crop on offer is expected to maintain current levels.

Uganda: There was some rainfall activity this week in some of the tea growing areas. Fort Portal area received 5mm(**4.5 mm**) while Hoima received 22mm (**0.6mm**) of rainfall., Bushenyi and Kibale areas received no rains. Average temperatures were highs of **30° celsius** and lows of **17° celsius**. Crop levels have dropped.

DETAILED REGIONAL FORECAST FOR 2nd to 8th August 2022.

The Highlands West of the Rift Valley, the Lake Victoria Basin and the Central and South Rift Valley (Kisii, Nyamira, Trans-Nzoia, Uasin-Gishu, Elgeyo-Marakwet, Nandi, Kericho, Bomet, Kakamega, Vihiga, Bungoma, West-Pokot, Siaya, Kisumu, Homabay, Busia, Migori, Baringo, Nakuru and Narok Counties): Morning rains are expected over few places. After-

noon showers and thunderstorms are expected over several places during the first half of the forecast period reducing to few places thereafter. Night showers are likely to occur over few places. Maximum (day-time) temperatures are likely to be as low as 20o C in Eldoret and as high as 30o C in Kisumu and their environs. Minimum (night-time) temperatures are expected to reach 08o C in Narok and as high as 22o C in Suba.

The Highlands East of the Rift Valley (including Nairobi County) (Nyandarua, Laikipia, Nyeri, Kirinyaga, Murang'a, Kiambu, Meru, Embu, Tharaka-Nithi and Nairobi Counties): Mornings are likely to be cloudy, with occasional light rains over few places, giving way to short sunny intervals. Occasional afternoon and night showers are expected over few places. Maximum (day-time) temperatures are likely to be as low as 18o C in Kangema and as high as 26o C in Laikipia. Minimum (night-time) temperatures are expected to go down to 07o C in Nyahururu and as high as 16o C in Nairobi.

Crop production Kenya: The rainfall received continues on the decline over the past week and the setting in of the cold season have both resulted in a decline in crop received when compared to previous levels in all regions in both the **EoR** and **WoR**.

Uganda: This past week there was some rainfall in some of the tea growing areas. The crop intake continues to drop despite the little rains receive.

Malawi: Crop intake continues low.

World Production from Main Producing Countries over the Past Twelve Months															Production over calendar years	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	+ / -		
	Variance														2021	2020
Bangladesh	-	1.2	1.6	4.9	6.2	12.6	12.6	14.4	12.6	14.6	10.2	6.9	25.3	0.5	79.9	90.7
North India	-	1.8	51.8	71.2	100.2	117.0	157.2	153.2	141.4	167.3	103.0	49.7	342.0	47.1	773.3	1,033.4
South India	15.9	14.6	16.3	20.6	26.9	24.3	21.8	16.4	22.4	21.3	16.6	14.8	118.6	(3.1)	183.9	219.4
Sri Lanka	22.8	18.2	22.0	18.3	26.0	20.1	26.2	23.7	22.6	24.0	20.0	20.4	127.4	(32.3)	232.2	275.9
Kenya	48.7	40.8	46.3	41.2	45.3	43.5	34.7	33.6	43.4	49.0	50.7	54.4	177.0	(8.2)	342.3	570.6
Uganda	5.5	4.2	6.4	6.9	7.0	6.5	5.5	4.5	6.0	7.6	6.6	6.7	9.7	(3.3)	10.6	28.3
Tanzania	2.1	2.7	3.1	2.9	2.7	1.8	1.0	0.9	1.6	2.6	1.9	1.5	15.3	(1.4)	20.2	28.6
Rwanda	3.4	2.9	3.6	3.3	3.7	3.3	2.1	1.5	2.1	3.5	3.3	3.2	9.9	0.3	25.6	33.2
Malawi	4.8	7.0	7.1	7.1	4.5	1.9	1.8	2.1	4.0	2.9	1.4	5.3	32.4	(2.6)	42.4	45.2
Total	103.2	92.2	151.8	166.2	166.5	177.7	257.4	245.8	250.1	282.6	207.1	101.8	857.6	(3.0)	1,710.4	2,325.3
Variance	(2.5)	(5.4)	34.0	2.4	5.1	30.4	16.9	10.2	-21.4	0.0	0.0	0.0	91.1			

Monthly figures in **"BLACK"** are for 2022 whilst figures in **"BLUE"** are for 2021

Mombasa Auction—Weekly Sale Average Prices (All teas) 2022

Sale Nos.	Sale Date	Kilos sold Weekly	Kilos Sold monthly	Year : 2022 Av.Price US\$ weekly	Year : 2022 Av. Price US\$ monthly	Year : 2021 Av. Price US\$ monthly	Year : 2020 Av. Price US\$ monthly
1	04-Jan-22	11,166,757		2.44			
2	11-Jan-22	11,233,007		2.42			
3	18-Jan-22	11,588,410		2.53			
4	25-Jan-22	12,859,526		2.55			
			46,847,700		2.49	1.94	2.17
5	01-Feb-22	11,075,868		2.60			
6	08-Feb-22	11,184,062		2.57			
7	15-Feb-22	11,247,057		2.52			
8	22-Feb-22	11,683,128		2.50	2.55	1.95	2.03
9	01-Mar-22	11,147,057		2.44			
10	08-Mar-22	10,723,858		2.29			
11	15-Mar-22	11,492,906		2.30			
12	22-Mar-22	11,803,557		2.39			
13	29-Mar-22	11,843,379		2.36	2.36	1.92	1.92
3 mths Totals:					\$2.45 149,048,570 Kgs	\$1.94 146,474,310 Kgs	\$2.03 148,359,082 Kgs
14	05-Apr-22	11,483,104		2.38			
15	10-Apr-22	11,133,534		2.38			
16	20-Apr-22	10,758,738		2.39			
17	26-Apr-22	10,890,972		2.38	2.38	1.83	2.05
			44,266,348				
18	05-May-22	9,409,673		2.30			
19	10-May-22	9,537,586		2.23			
20	17-May-22	9,132,928		2.24			
21	24-May-22	10,373,511		2.22			
22	31-May-22	10,594,907		2.28	2.20	1.84	1.89
			49,048,605				
23	07-Jun-22	10,632,772		2.27			
24	14-Jun-22	10,105,643		2.22			
25	21-Jun-22	9,643,573		2.17			
26	28-Jun-22	9,765,460		2.24	2.23	1.74	1.79
6 mths Totals:					\$2.38 282,510,969 Kgs	\$1.87 292,688,228 Kgs	\$1.97 290,761,896 Kgs
27	05-Jul-22	9,751,228		2.25			
28	12-Jul-22	8,896,491		2.23			
29	19-Jul-22	9,258,643		2.21			
30	26-Jul-22	9,237,776		2.22	2.23	1.68	1.76
31	02-Aug-22						
32	08-Aug-22						
33	16-Aug-22						
34	23-Aug-22						
35	30-Aug-22		-			2.01	1.92
36	06-Sep-22						
37	13-Sep-22						
38	20-Sep-22						
39	27-Sep-22		-			2.08	1.94
9 mths Totals:						\$1.88 391,770,296 Kgs	\$1.94 406,720,334 Kgs
			-			2.26	1.90
			-			2.31	1.90
			-			2.38	2.10
Sale Nos. 1 to 51						503,893,400 Kgs	516,802,891 Kgs
Year end Totals :						\$1.97	\$1.93

Summary : Sale Averages by Country					
Country :	Year : 2022		Country :	Year : 2021	
	Sale Nos: 1 to 30 (7 months)			Sale Nos: 1 to 30 (7 months)	
	Kilos * 000	Av. Prc US\$		Kilos * 000	Av. Prc US\$
Kenya	252,486	2.53	Kenya	260,710	1.93
Uganda	43,503	1.32	Uganda	43,050	1.17
Tanzania	3,950	1.22	Tanzania	3,063	0.99
Rwanda	15,658	2.81	Rwanda	15,812	2.55
Burundi	4,034	2.30	Burundi	4,224	1.96
Malawi	-	-	Malawi	-	-
Mozambique	-	-	Mozambique	-	-
D R Congo	-	-	D R Congo	-	-
Madagascar	-	-	Madagascar	99	1.01
Ethiopia	24	1.48	Ethiopia	132	1.36
Total :	319,655	2.36		327,090	1.85

Year 2021 : 12M	503,893	1.97
Year 2020 : 12M	516,803	1.93
Year 2019 : 12M	454,013	2.04
Year 2018 : 12M	458,361	2.43
Year 2017 : 12M	397,646	2.81
Year 2016 : 12M	407,989	2.29
Year 2015 : 12M	358,639	2.73

Compiled by : Tea Brokers East Africa Ltd