



# CHIDZIVA TOBACCO PROCESSORS (PRIVATE) LIMITED





# Zimbabwean FCV Market Report as at 9<sup>th</sup> June 2017

## Crop Review:

Total crop production for the 2015/16 season was 201,953,546 Kilograms. The estimated crop size for 2017 season remains at 190 Million Kilograms. Total crop sold to date is 153,000,000 Kilograms.

## Commercial Growers:

As anticipated the commercial contract deliveries have increased during the past fortnight and we expect this pace of deliveries to maintain until the end of the month and into early July.

## Small Scale Growers:

Since the start of the season this sector has sold a considerable amount of volume across all sales floors; in a relatively short period. Therefore, as we near the end of these volumes these deliveries will slow down significantly during the course of this month.

## Insert Below: Small Scale Contract Sales





**Contract Buying Floor Quality Styles and Offerings:**

1. During this period Small Scale offerings leaned towards medium / good quality upper stalk ripe light orange / orange tobaccos.
2. Generally the Commercial tobaccos seen to date are a cleaner more standard style. The upper stalk styles predominately range between orange / orange mahogany leaf.

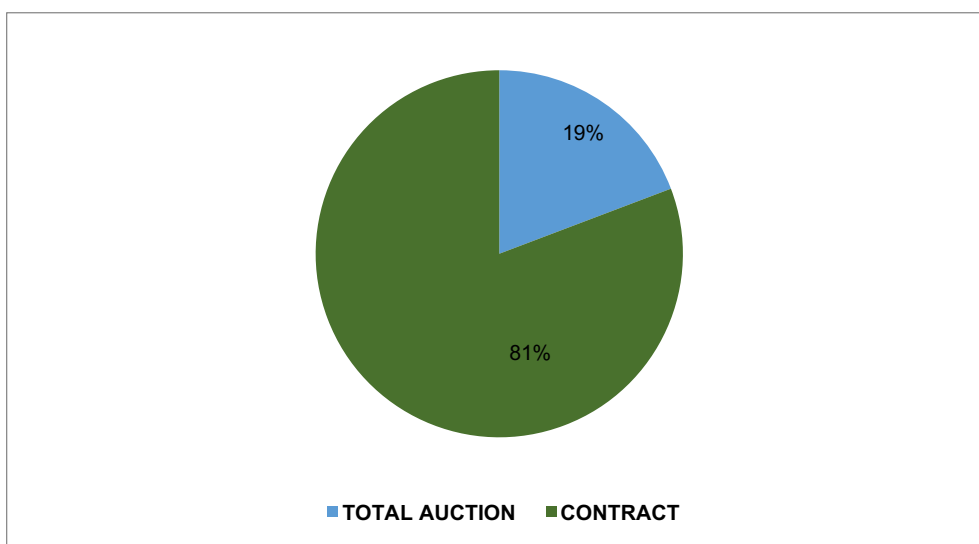
**SEASONAL AUCTION FIGURES UP TO 9/05/17 (DAY 55)**

Seasonal	TSF	BTF	PTF	Total Auction 2017	Total Auction 2016	Percent Change %
Mass Sold (kg)	18,217,064	5,135,627	5,122,203	28,474,994	23,791,690	12.26%
Value (US\$)	49,695,650	13,600,481	13,533,261	76,829,391	60,607,579	26.77%
Avg. Price (US\$/kg)	2.91	2.78	2.83	2.87	2.55	12.92%

**Auction Floors:**

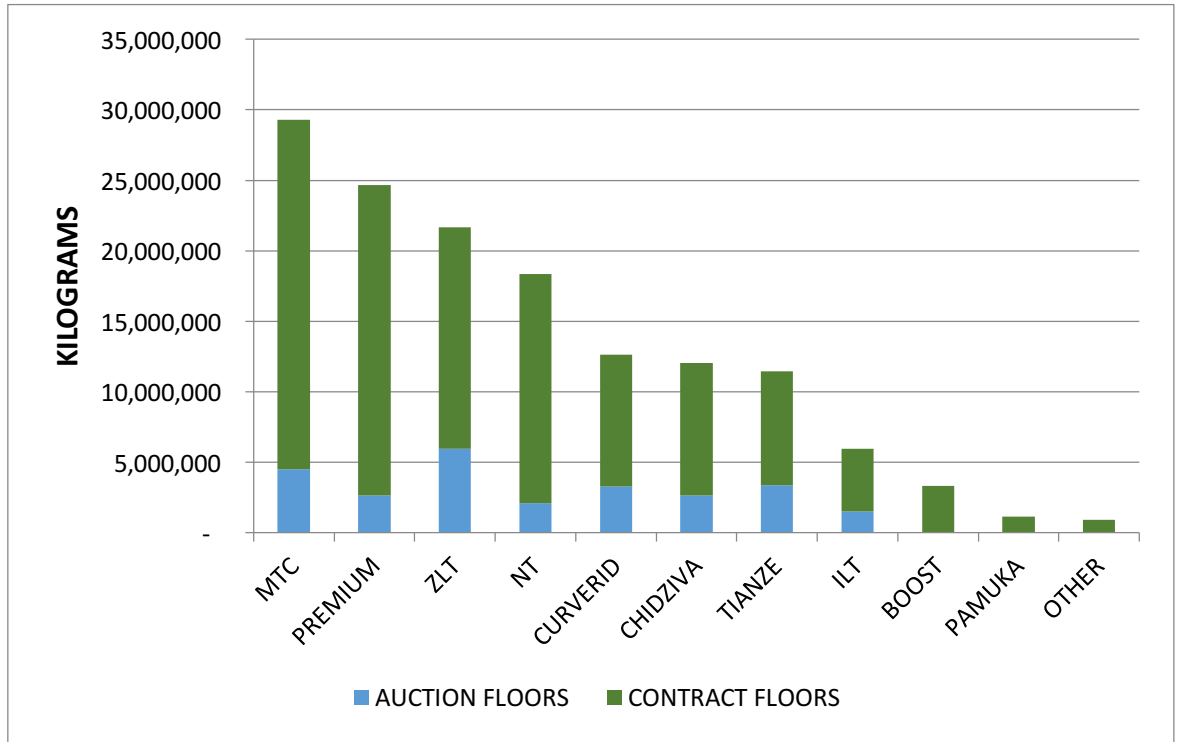
1. Total mass sold on the Auction Floors is +/- 3 million kilograms higher compared to the same period in 2016. This illustrates a 12.26% increase in volumes purchased for the 2017 crop.
2. The overall average price on the Auction Floors remains higher than that of last year; At US\$2.88 per/kilogram compared to US\$2.55 per/kilogram. This represents a 12.92% increase.
3. Similiar offerings remain in terms of plant position auction vs. contract.

**Pie Chart Representing the Difference between Contract and Auction**

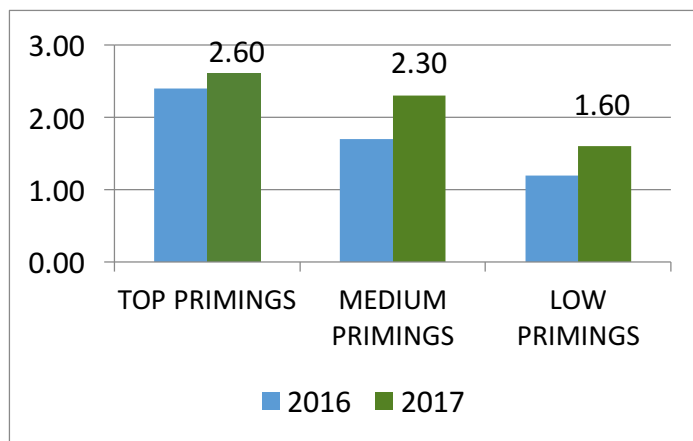
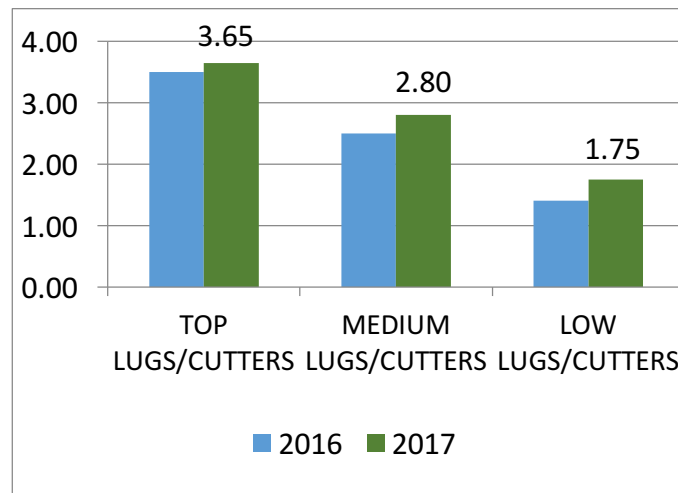
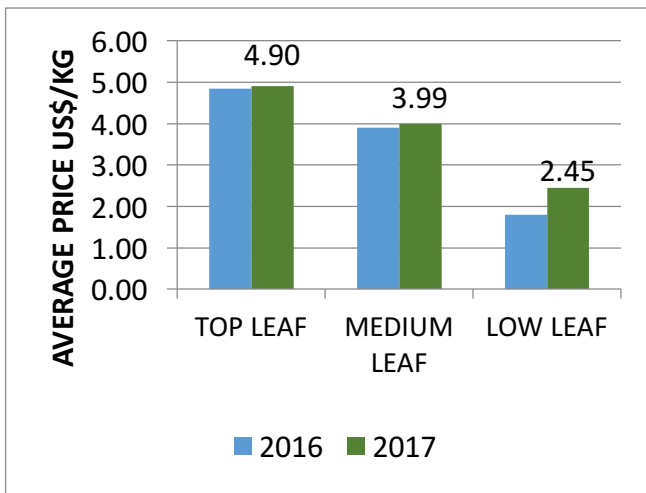




**Total Purchases on Contract Floors to Date per Merchant:**



**Difference in Average Price per Plant Position for 2016 – 2017**





## 2017 Buying Prices:

Price indications (US\$/KG)	Estimated
Low Quality Priming's (4 <sup>th</sup> and 5 <sup>th</sup> )	\$0.60 - \$1.40
Middle Quality Priming's (2 <sup>nd</sup> and 3 <sup>rd</sup> )	\$1.50 - \$2.00
Good Quality Priming's (1 <sup>st</sup> and 2 <sup>nd</sup> )	\$2.20 - \$2.80
Middle Quality Cutters (2 <sup>nd</sup> and 3 <sup>rd</sup> )	\$2.30 - \$3.20
Good Quality Cutters (1 <sup>st</sup> )	\$3.20 - \$4.20
Low Quality Leaf (4 <sup>th</sup> and 5 <sup>th</sup> )	\$1.30 - \$2.20
Middle Quality Leaf (2 <sup>nd</sup> and 3 <sup>rd</sup> )	\$3.20 - \$4.20
Good Quality Leaf (1 <sup>st</sup> )	\$4.50 - \$5.60

## Summary

153,000,000 kilograms has been purchased throughout all tobacco selling platforms. This is 7.20% more tobacco than compared to the same period in 2016.

Disclaimer: The information provided in this document is merely intended for the use of an indicative opinion on the market trends and statistics relating to the 2017 Zimbabwean tobacco selling season. All descriptions and advice relating to the market are subjective and should not be used other than for an insight into the market from a Chidziva Tobacco Processors perspective. Chidziva Tobacco Processors and its employees accept no legal liability relating to the opinions and representations expressed in this document.