



**CHIDZIVA TOBACCO PROCESSORS
(PRIVATE) LIMITED**





Zimbabwean FCV Market Report as of 24th May 2017

Crop Review:

Total crop production for the 2015/16 season was 201,953,546 Kilograms.

The estimated crop size for 2017 season is 190 Million Kilograms. This is a revised figure in comparison to the original 180 – 185 million kilograms estimate originally portrayed.

Total crop sold to date is 129,208,935 Kilograms.

Commercial Growers:

As a percentage of total weekly sales Commercial contract deliveries have increased. This trend is likely to continue as majority of the commercial growers are now ready and well positioned to sell their crop.

Small Scale Growers:

At this stage of the season our small-scale contract growers have sold approximately 80% of their crop. During the past 2 weeks, we have seen a decline in deliveries. We expect deliveries will continue to reduce week on week during the course of the coming month.

Below Insert: Commercial Crop.





Contract Buying Floor Quality Styles and Offerings:

1. As we progress up the plant offerings are weighted towards a more bodied medium quality, riper leaf. However top quality open grain ripe crops are still appearing regularly, we expect these styles will continue to sell throughout the selling season.
2. In terms of colour we are still seeing a well-balanced percentage of orange leaf / light orange vs. lemon leaf, with a minimal showing of mahoganies.

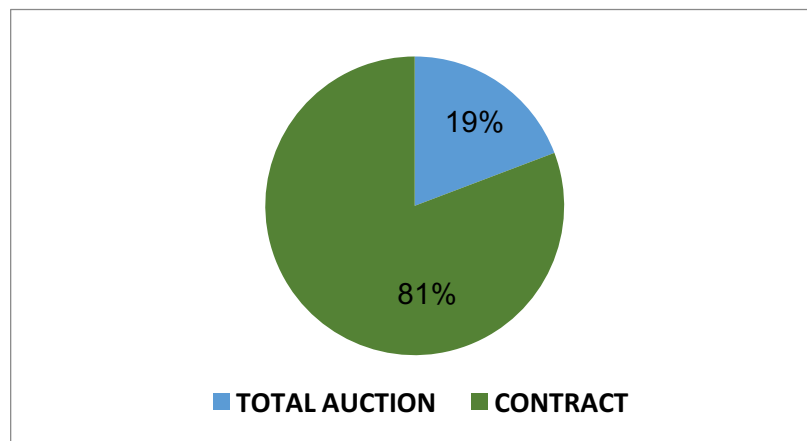
SEASONAL AUCTION FIGURES UP TO 24/05/17 (DAY 45)

Seasonal	TSF	BTF	PTF	Total Auction 2017	Total Auction 2016	Percent Change %
Mass sold(kg)	15,503,120	4,501,225	4,414,927	24,419,272	21,343,995	14.41%
Value(US\$)	45,118,905	12,500,526	12,465,557	70,084,988	53,909,937	30.00%
Avg.price US\$/kg	2.91	2.78	2.82	2.87	2.53	13.63%

Auction Floors:

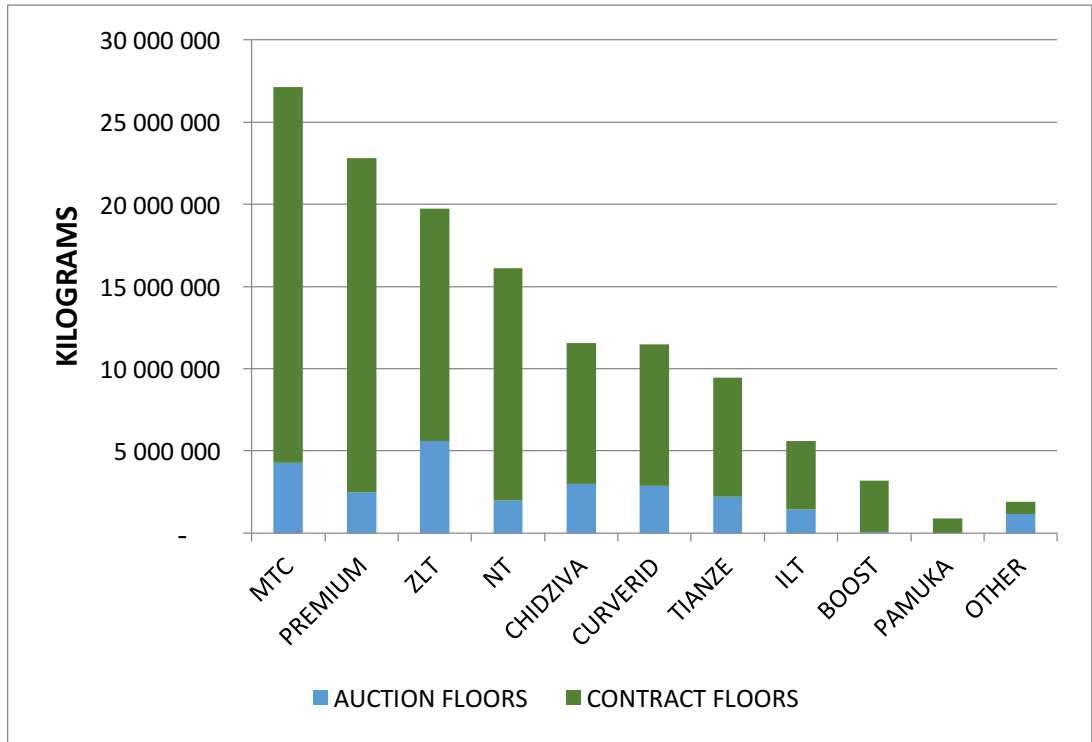
1. Total mass sold on the Auction Floors is +/-3 million kilograms higher compared to the same period in 2016. This illustrates a 14.41% increase in volumes purchased for the 2017 crop.
2. The overall average price on the Auction Floors remains higher than that of last year; At US\$2.87 per/kilogram compared to US\$2.53 per/kilogram. This represents a 13.63% increase.
3. As with the Contract Floors, the styles on the Auction Floors are following the same pattern.

Percentage Difference between Auction Floors and Contract Floors

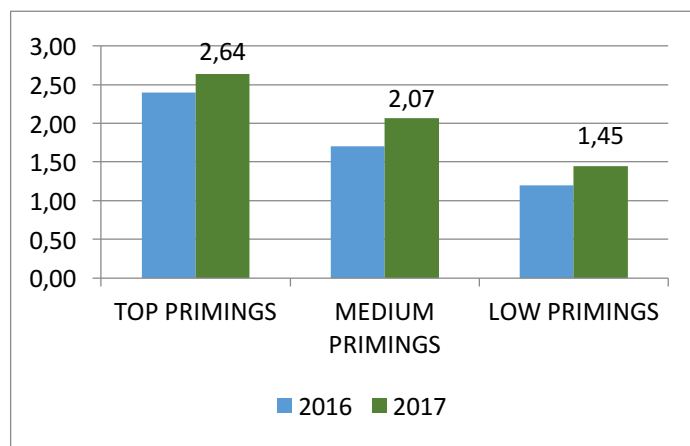
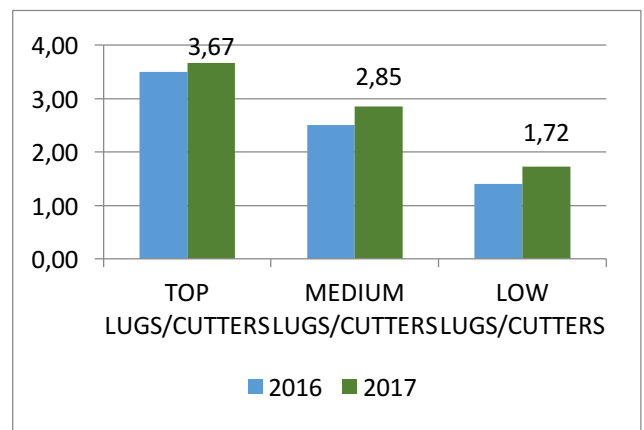
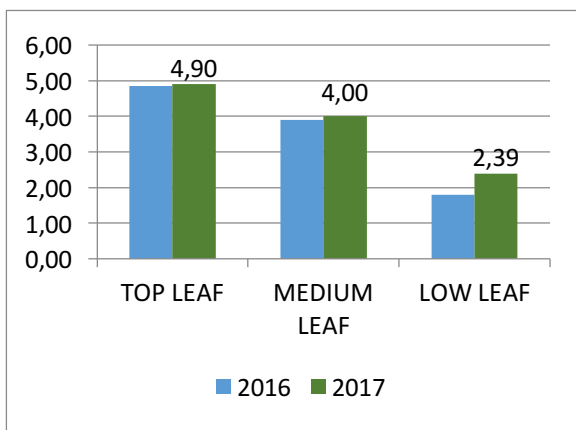




Total Purchases to Date per Merchant:



Difference in Average Prices per Plant Position for 2016-2017





2017 Buying Prices:

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

Summary

129,208,935 kilograms has been purchased throughout all tobacco selling platforms. This equates to a 16.63% increase of tobacco sold in 2017 compared to day 45 of the marketing season 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.