



Chidziva Tobacco Processors



Zimbabwe Crop Report - May 2014 Week 12





Week 12 - Zimbabwean FCV market Report

SEASONAL AUCTION FIGURES UP TO 09.05.14 (DAY 55)

Seasonal	TSF	BTF	PTF	Total Auction 2014	Total Auction 2013	Percent Change %
Mass sold(kg)	19,581,344	9,408,805	10,085,894	39,076,043	41,084,807	-4.89%
Value(US\$)	57,087,525	25,213,348	27,465,632	109,766,505	147,543,286	-25.60%
Avg.price US\$/kg	2.92	2.68	2.72	2.81	3.59	-21.78%
Rejected %	8.93%	11.31%	9.31%	9.64	7.82	23.25%
Bales laid	305,034	159,919	164,200	629,153	658,664	-4.48%
Bales Sold	277,781	141,825	148,905	568,511	607,152	-6.36%
Rejected Bales	27,253	18,094	15,295	60,642	51,512	17.72%
Avg.Bale Weight (kg)	70.49	66.34	67.73	68.73	67.7	1.58%

Auction Floor Quality, Styles and Offerings:

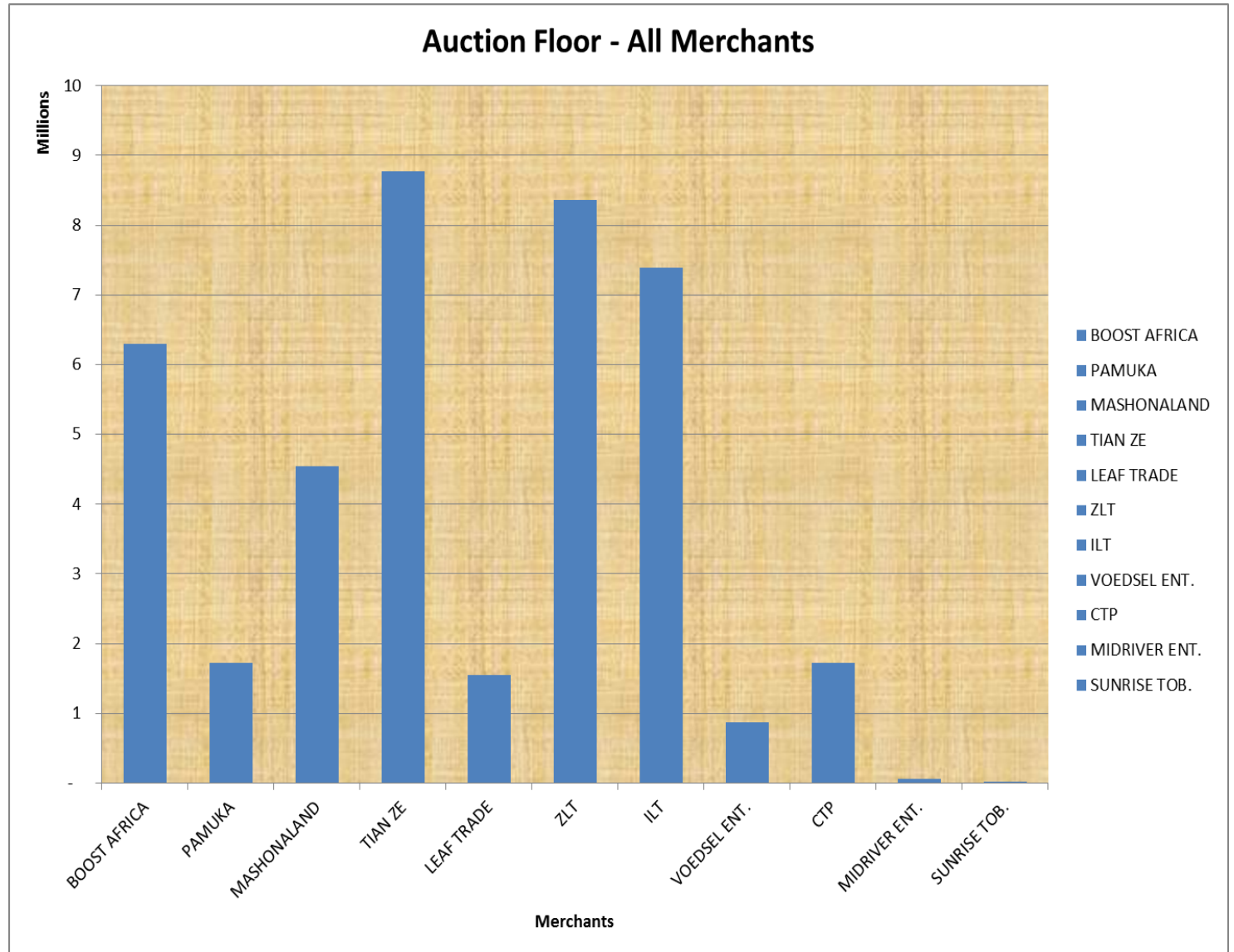
•As the season continues the offerings on the auction floors continue to be dominated by leaf and cutters with occasional runs of lugs and priming's. As larger quantities keep coming in to the auction floors it was expected that naturally the top end of the plant would come in more frequently with the bottom end of the plant subsequently beginning to fade out. The top end leaf and cutters remain riper than last year with excellent quality and we are seeing more runs of orange and orange-mahogany offerings of tobacco which are fetching higher prices than the lemon styles.

•As the selling season progresses the overall price is still staying lower than last year with lower to middle quality lugs fetching +/- 40c less than 2013 as well as the middle quality cutters being 50c - \$1.00 cheaper than the previous season. The top quality leaf is still firm with similarities to last year. These styles are fetching between \$4.00 and \$4.99.

•Week 12 has seen a decrease of 4.89% compared to the same period in 2013. This is due to more farmers being directly contracted to tobacco companies. The average price still remains down this year at \$2.81/kg, compared to last year's \$3.59 at the same stage. In general the crop seems to be of better quality and with the average price being lower than last year, some reasonable value tobacco is on offer across the auction sales.



Auction Floor Comparison with all Merchants



SEASONAL CONTRACT FIGURES PER COMPANY AS OF 09.05.14 (DAY 55)

COMPANY	Mass sold (kg's)	Value \$US	Ave Price \$US	Rejection %	Bales Laid	Bales Sold	Rejected Bales	Ave bale Weight (kg's)
CHIDZIVA	6,979,019	21,036,922	3.01	3.21	99,159	95,975	3,184	72.72
BOOSTAFRICA	6,864,133	20,658,845	3.01	0.76	99,818	99,063	755	69.29
CURVERRID	8,018,070	24,666,259	3.08	2.36	110,249	107,651	2,598	74.48
GOLDEN LEAF	3,492,431	10,750,624	3.08	0.00	44329	44329	0	78.78
KM	954,978	2,871,833	3.01	0.00	12226	12226	0	78.11
ILT	312,912	1,120,844	3.58	0.00	3149	3149	0	99.37
LEAF TRADE	81,405	242,942	2.98	5.38	1170	1107	63	73.54
MTC	17,024,330	52,537,921	3.09	4.36	272,375	260,506	11,869	65.35
TSL CLASSIC	1,706,972	5,709,007	3.34	5.87	19,773	18,612	1,161	91.71
TRIBAC	9,082,733	33,409,606	3.68	1.66	111,641	109,790	1,851	82.73
SHASHA	1,132,120	4,120,883	3.64	1.58	12417	12221	196	92.64
TIAN ZE	10,558,601	40,949,980	3.88	2.64	100,897	98,235	2,662	107.48
ZPTFU	131,760	379,204	2.88	0.00	1721	1721	0	76.56
ZLT	14,872,495	47,418,892	3.19	4.65	195,029	185,959	9,070	79.98
MIDRIVER	636,032	2,062,340	3.24	2.55	6316	6155	161	103.34
NORTHERN	14,653,718	55,345,533	3.78	5.76	165,309	155,793	9,516	94.06
TOTAL CONTRACT 2014	96,501,709	323,281,637	3.35	3.43	1,255,578	1,212,492	43,086	79.59
TOTAL CONTRACT 2013	66,837,967	252,878,168	3.78	3.12	844,100	817,723	26,377	81.74
PERCENTAGE CHANGE %	30.74%	21.78%	-12.94%	8.94%	32.77%	32.56%	38.78%	-2.70%

Contract Buying Floor Quality Styles and Offerings:

As predicted and in line with historical information, there has been a notable increase in contract tobacco deliveries equating to 30.74% more than that of 2013 at the same stage. These large increased volumes, which equates to +/- 30 million kg's more compared to the same period last season, are expected to continue for the next few weeks. The average price of contracted tobacco is currently at \$3.35, this is \$0.40 less than that of \$3.78 in 2013.

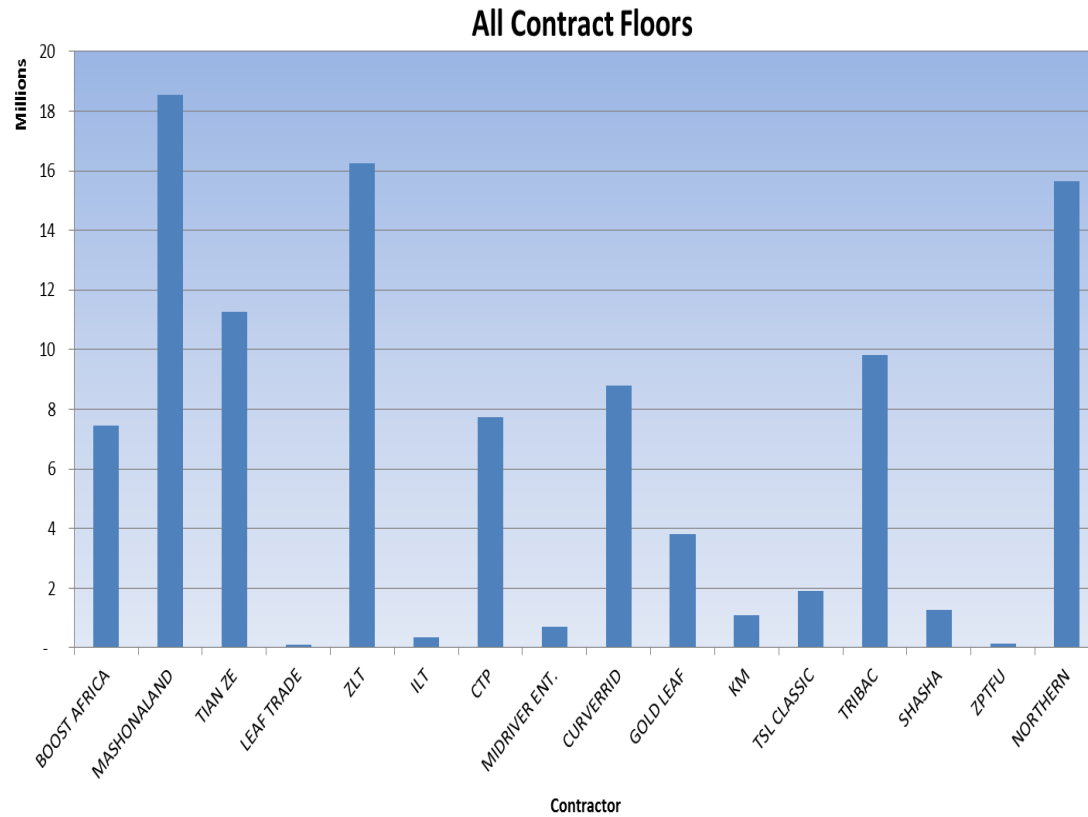
The quality of tobacco on offer at the contract floors still remains of high quality with each passing week and as expected large quantities of leaf and cutters are being delivered of a high standard with good presentation, moisture content and soundness of tobacco. These deliveries that have been received from the commercial and small scale farmers is of good quality and are continually showing the capability of Zimbabwe farmers and their high motivation to grow high standard tobacco.

The market has seen prices ease over the last two weeks with the middle range of tobacco reducing in price against equivalent prices earlier in the season. The average price on contract has retracted as depicted by the graph on page 6. Although there has been a noticeable reduction, the seasonal contract average is still slightly higher than that of the auction floors. The rationale for this relates directly to the quality produced by contract growers.



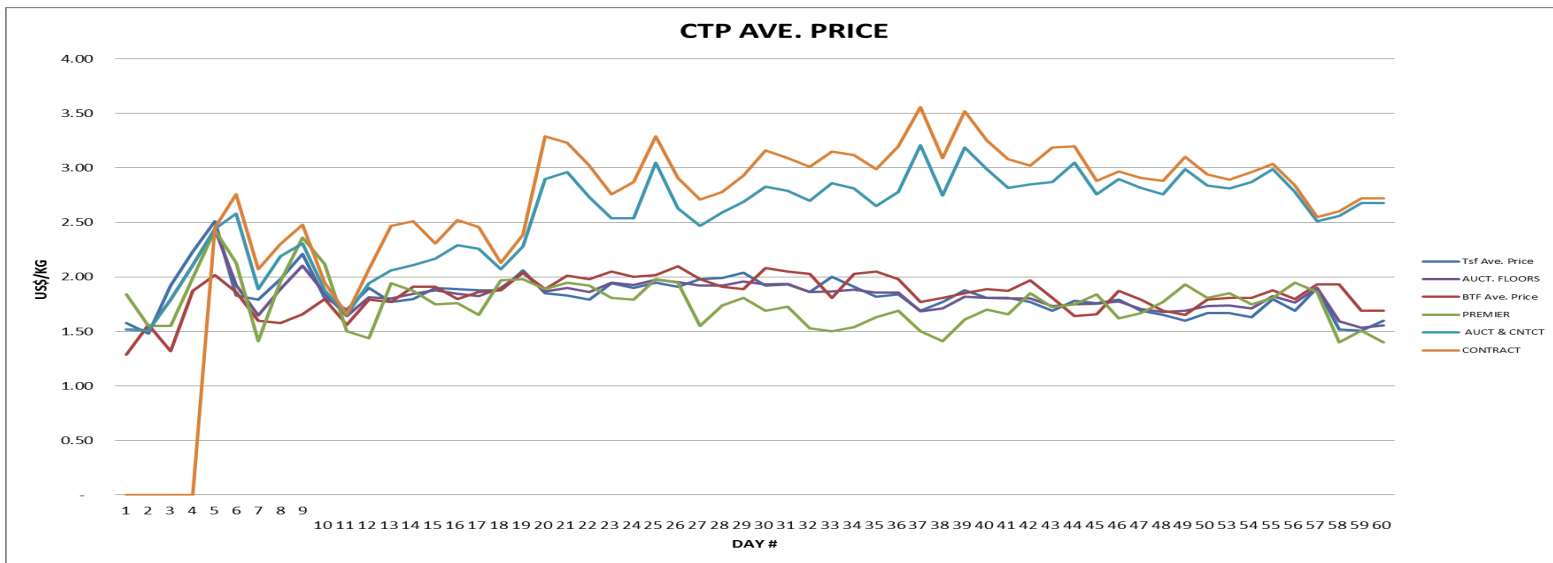


Contract Floor Quantity Comparison with all Merchants

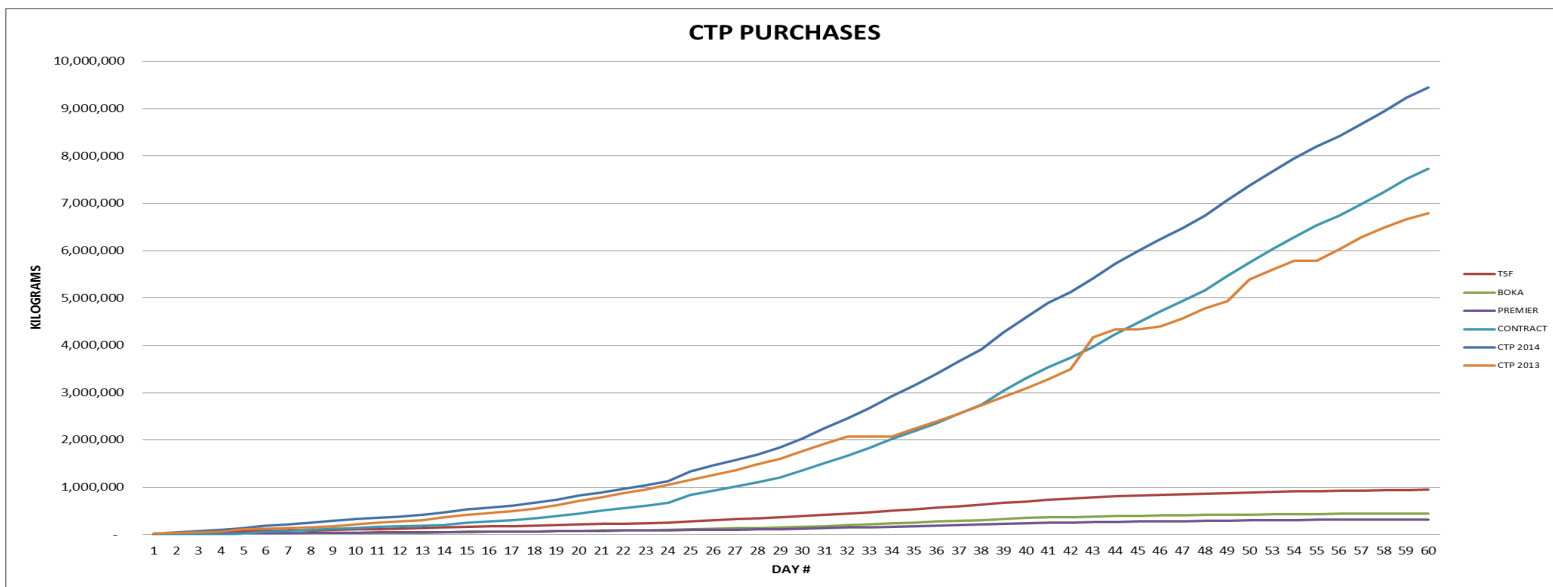




CTP AVERAGE PRICE PER FLOOR UP TO DAY 55 - 09.05.14



CTP PURCHASES UP TO DAY 55 - 09.05.14





PRICE TRENDS RELATING TO STYLES BEING OFFERED ON AUCTION AND DIRECT CONTRACT

Price indications (US\$/KG)	Week 12
Low quality Priming's(4 th and 5 th)	\$0.50 - \$1.00
Middle quality Priming's (2 nd and 3 rd)	\$1.20 – \$1.90
Good quality Priming's(1 st and 2 nd)	\$2.10 - \$2.50
Middle quality Cutters (2 nd and 3 rd)	\$2.80 - \$3.60
Good quality Cutters (1 st)	\$3.60 - \$4.20
Low quality leaf (4 th and 5 th)	\$1.50 - \$2.00
Middle quality Leaf (2 nd and 3 rd)	\$2.50 - \$3.50
Good quality leaf (1 st)	\$4.80 - \$4.99





PROGRESSIVE BUYERS PERCENTAGES PER COMPANY UP TO 09.05.14 DAY 55

COMPANY	DAILY TSF %	DAILY	DAILY	COMBINED	COMBINED
		BOKA %	PREMIER %	AUCTION %	CONTRACT %
CHIDZIVA	4.76	4.73	3.15	4.34	6.32
TRIBAC	-	-	-	-	6.80
ILT	15.40	18.39	22.09	17.84	5.38
ZLT	19.86	18.75	20.38	19.73	16.22
TIAN ZE	22.47	16.52	25.13	21.73	14.15
MTC	11.96	12.28	8.44	11.13	15.93
PAMUKA	2.32	1.69	0.49	1.70	0.50
BOOST AFRICA	14.14	15.43	18.19	15.50	9.40
LEAF TRADE	4.94	5.29	-	3.75	1.18
NORTHERN	-	-	-	-	10.65
CURVERRID	-	-	-	-	5.98
MIDRIVER	0.17	0.26	-	0.15	0.62
SHASHA	-	-	-	-	0.84
TSL CLASSIC LEAF	-	-	-	-	1.27
ZPTFU	-	-	-	-	0.10
VOEDSEL	1.34	4.99	-	1.87	0.55
KM ENTERPRISES	-	-	-	-	0.72
GOLDEN LEAF	-	-	-	-	2.74

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 2014 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.