



CHIDZIVA TOBACCO PROCESSORS (PRIVATE) LIMITED





Week 10 - Zimbabwean FCV Market Report

SEASONAL AUCTION FIGURES UP TO 30/05/16 (DAY 41)

Seasonal	TSF	BTF	PTF	Total Auction 2016	Total Auction 2015	Percent Change %
Mass sold(kg)	12,494,267	4,488,191	2,298,208	19,280,666	24,377,012	-20.91%
Value(US\$)	31,833,815	10,526,124	5,870,066	48,230,004	60,462,237	-20.23%
Avg. Price US\$/kg	2.55	2.35	2.55	2.50	2.48	0.85%
Rejected %	11.62%	14.68%	18.77%	13.25	14.88	-10.94%
Avg. Bale Weight (kg)	69	66	71	69	72	-4.66%

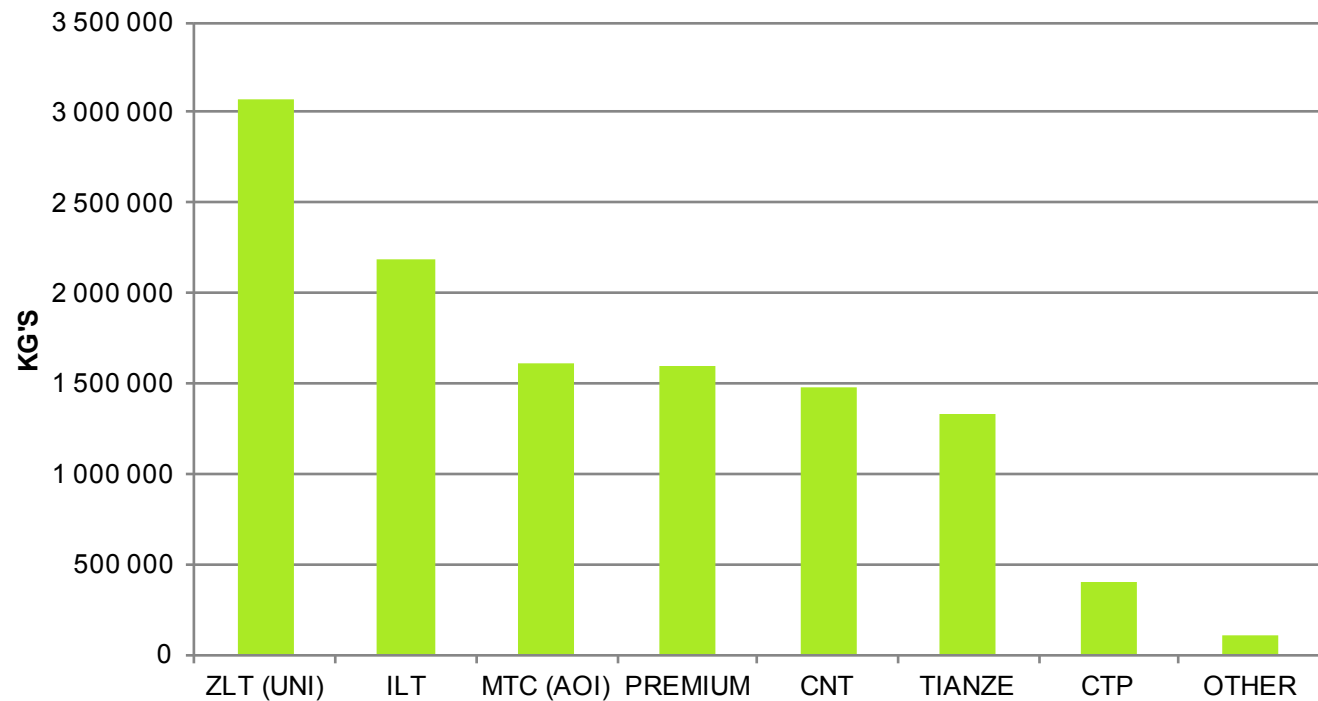
Auction Floors:

- There has been a decrease in the total mass sold across the auction floors if compared with 2015, with a -20.91% drop. Whether these figures will rise drastically or not is still uncertain, but the overall quality is of a good standard.
- There has been a very slight increase in the average price, figures have improved from US\$/KG 2.48 in the same period last year to a US\$/KG 2.50 average across the floors this year. A rise of 0.85%.
- The top quality leaf is fetching in the range between US\$/KG 4.20-5.20.
- The decline in deliveries year on year is presumably due to more growers now having direct contracts, alternatively it could also be associated with the reduction of the crop size.



Total purchases on Auction floors to date per Merchant:

Auction Floor - All Merchants



SEASONAL CONTRACT FIGURES PER COMPANY AS OF 30/05/16 (DAY 41)

COMPANY	Mass sold (kg's)	Value \$US	Ave Price \$US	Rejection %	Ave bale Weight (kg's)
NT	11,102,987	36,134,096	3.25	6.34	97
TZ	13,996,386	53,667,023	3.83	5.98	108
MTC (AOI)	13,190,544	35,932,656	2.72	4.59	62
ZLT (UNI)	6,385,411	17,481,877	2.74	5.20	85
CTP	7,837,892	19,032,515	2.43	6.30	77
TRI	3,544,574	10,554,704	2.98	2.75	78
BZ	11,629,248	31,151,403	2.68	0.94	70
CNT	5,043,958	13,862,423	2.75	0.41	73
OTHER	6,196,244	17,666,943	2.85	0.30	83
TOTAL CONTRACT 2016	78,927,244	235,483,609	2.98	3.95	80
TOTAL CONTRACT 2015	53,146,503	163,247,340	3.07	5.79	85
% CHANGE 015 vs 016	48.51%	44.25%	-2.87%	-31.72%	-5.57%

Contract Buying Floor Quality Styles and Offerings :

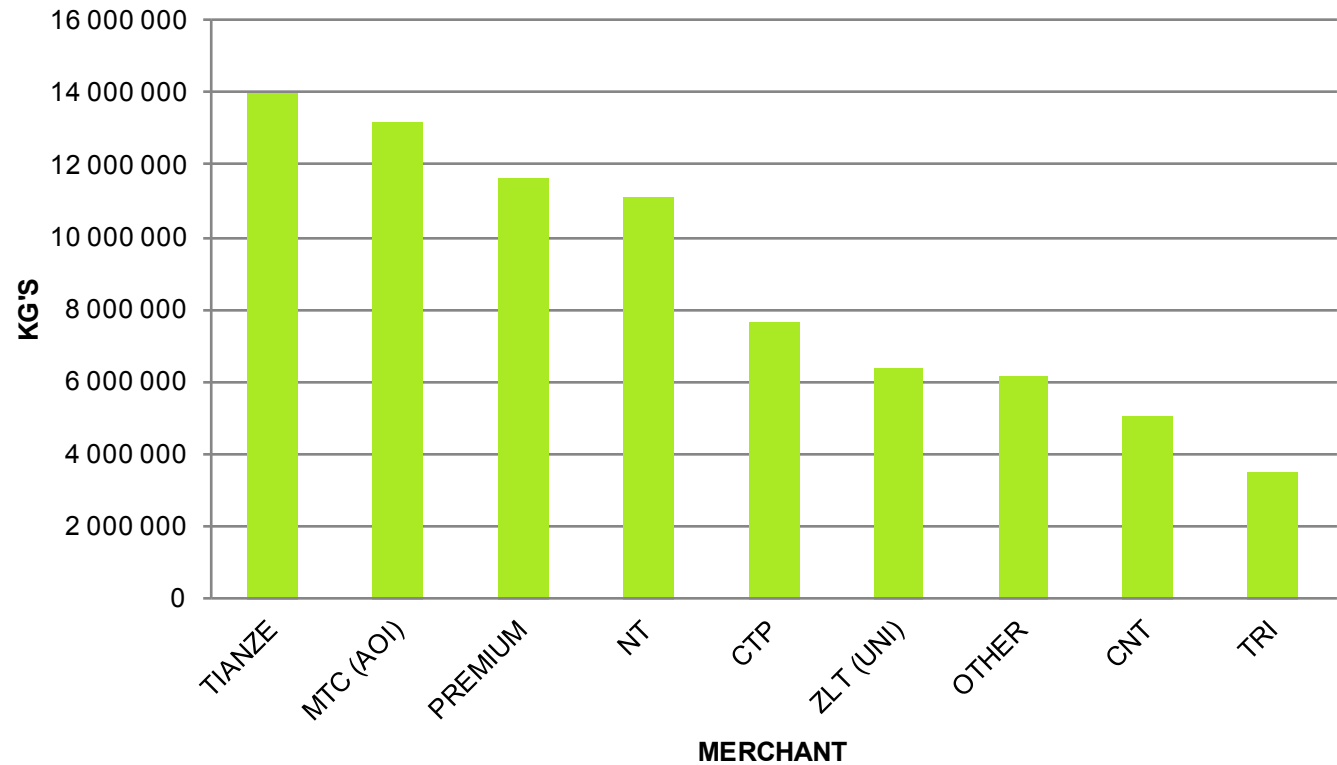
- As expected quantities have continued to increase, with a 48.51% rise, the equivalent to +/- 25,000,000 kg's as opposed to the same period in 2015. Quality has continued to improve with more wholesome top end leaf and riper styles being seen across the floors.
- The top end leaf and cutters are of exceptional quality in the commercial crop. Notably the small scale crop is also of a high standard and is producing good soft tobacco. The quality in the upper stalk is encouraging to see as some of the low stalk grades, which were subjected to insufficient rains, did produce some styles that were visibly stressed. This stress is also evident in the increased Nicotine percentages in the filler styles. However the rest of the plant, at the correct stage of the plants life cycle, had sufficient water thus resulting in ripe, soft and open grained tobacco.
- There has been a depreciation in the average price across the contract floors of -2.87% when compared to the same period in 2015. The average price decrease is from US\$/KG **3.07** to US\$/KG **2.98** at this stage in 2016. The top leaf grade however remain stable, selling at the same price ranges as the previous year. These grades continue to fetch prices between US\$/KG **4.00-5.20** on the CTP contract floor.





Total Purchases on contract floors to date per Merchant:

Contract Floor - All Merchants





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

Price indications (US\$/KG)	Week 10
Low quality Priming's(4 th and 5 th)	\$0.40 - \$0.60
Middle quality Priming's (2 nd and 3 rd)	\$0.60 - \$1.45
Good quality Priming's(1 st and 2 nd)	\$1.45 - \$1.70
Middle quality Cutters (2 nd and 3 rd)	\$2.00 - \$3.20
Good quality Cutters (1 st)	\$3.20 - \$4.20
Low quality leaf (4 th and 5 th)	\$1.20 - \$1.90
Middle quality Leaf (2 nd and 3 rd)	\$2.20 - \$4.20
Good quality leaf (1 st)	\$4.20 - \$5.20





Offerings and pictures of CTP's contract floor

Below insert: Full orange tobacco leaf in commercial sale

Below insert: Commercial crop on sale



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 2016 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.