



CHIDZIVA TOBACCO PROCESSORS (PRIVATE) LIMITED





Week 14 - Zimbabwean FCV market Report

SEASONAL AUCTION FIGURES UP TO 20/06/16 (DAY 56)

Seasonal	TSF	BTF	PTF	Total Auction 2016	Total Auction 2015	Percent Change %
Mass sold(kg)	17,286,095	6,138,934	3,388,877	26,813,906	36,341,717	-26.22%
Value(US\$)	45,068,752	14,905,399	8,925,911	68,900,061	92,731,371	-25.70%
Avg.price US\$/kg	2.61	2.43	2.63	2.57	2.55	0.70%
Rejected %	11.77%	15.48%	17.98%	13.46	14.24	-5.46%
Avg.Bale Weight (kg)	70	68	73	70	72	-3.05%

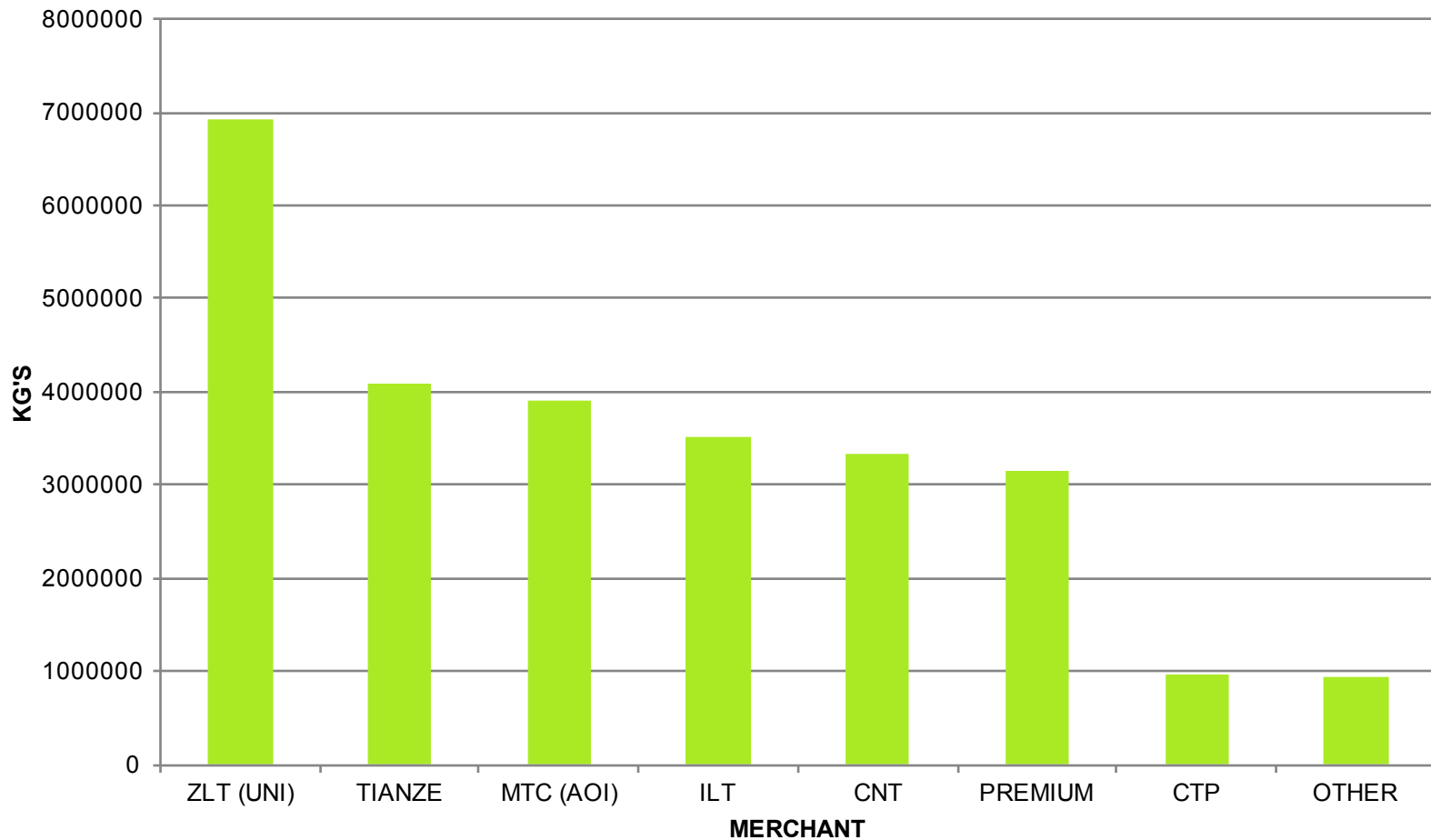
Auction Floors:

- Offerings on the auction floors during this stage of the marketing season are now naturally dominated by leaf and cutters, with a few occasional deliveries of lugs.
- We have seen a -26.22% decrease in mass sold across the auction floors compared to the 2015 season.
- The average price continues to remain higher than last year with a 0.85% increase. Lower to middle lugs are fetching +/-35c more than in 2015. The top end of leaf and cutters remain of exceptional quality and are still firm in terms of prices, fetching between US/KG\$4.00 and US/KG\$4.99.



The following graph shows the total purchases on auction floors to date per merchant:

Auction Floor - All Merchants



SEASONAL CONTRACT FIGURES PER COMPANY AS OF 20/06/16 (DAY 56)

COMPANY	Mass sold (kg's)	Value \$US	Ave Price \$US	Rejection %	Ave bale Weight (kg's)
NT	16,798,951	55,354,204	3.30	5.17	97
TZ	18,705,914	72,014,004	3.85	5.43	109
MTC (AOI)	18,224,793	49,858,045	2.74	6.12	63
ZLT (UNI)	10,536,819	28,728,943	2.73	6.20	85
CTP	11,067,103	27,629,465	2.50	6.24	77
TRI	5,525,585	17,202,914	3.11	2.66	79
BZ	16,724,755	45,124,348	2.70	0.98	72
CNT	7,766,731	21,169,000	2.73	8.68	74
OTHER	8,573,838	24,836,446	2.90	8.22	84
TOTAL CONTRACT 2016	113,924,489	341,917,367	3.00	5.32	81
TOTAL CONTRACT 2015	92,009,314	287,590,501	3.13	4.82	84
PERCENTAGE CHANGE %	23.82%	18.89%	-3.98%	10.39%	-4.09%

Contract Buying Floor Quality Styles and Offerings :

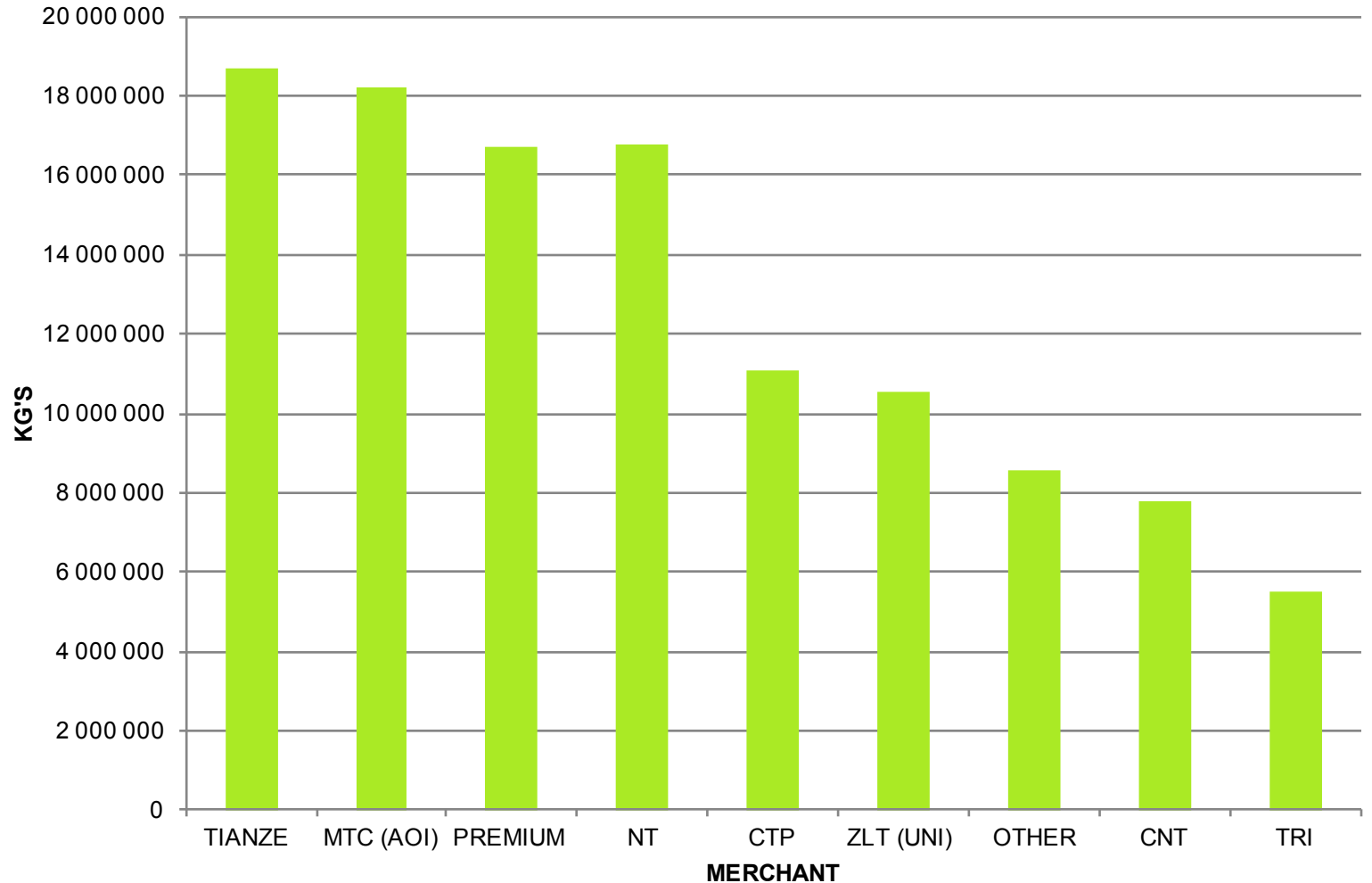
- The mass sold continues to rise as the season progresses, with a 23.82% increase compared to the same period in 2015. The Trade has received +/- 21,900,000kg more tobacco compared to last year at this point in time.
- The average price on the contract floors is slightly higher than that of the auction floors; this is directly due to the quality of tobacco grown by the Contract growers. The seasonal statistics show that the average price is -3.98% lower and sitting at US/KG **\$3.00** compared to US/KG **\$3.13** in 2015.
- A total volume of **140.738,395 Kg's** has been purchased by merchants up to the 20/6/2016. Large volumes are still being purchased on the contract floors with the auction floor volumes starting to decline. With the current volumes still coming in we believe it is fair to say the crop size will be over 160 million Kg's and between the original estimate of **160-185** million Kg's.





The following graph shows the 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 14
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: 1st quality leaf Full
orange tobacco

Below insert: Commercial crop



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.