



# *Chidziva Tobacco Processors*



## Zimbabwe Crop Report 04 April 2014 Week 7

*Strictly Private & Confidential*





# Week 7 - Zimbabwean FCV market Report

## SEASONAL AUCTION FIGURES UP TO 04.04.14 (DAY 33 )

Seasonal	TSF	BTF	PTF	Total Auction 2014	Total Auction 2013	Percent Change %
<b>Mass sold(kg)</b>	8,364,989	4,262,005	4,268,509	16,895,503	18,061,548	-6.46%
<b>Value(US\$)</b>	24,813,563	11,333,974	11,651,338	47,798,875	66,769,342	-28.41%
<b>Avg.price US\$/kg</b>	2.97	2.66	2.73	2.83	3.70	-23.47%
<b>Rejected %</b>	8.30%	10.41%	7.53%	8.66	8.72	-0.61%
<b>Bales laid</b>	131,639	72,311	69,948	273,898	296,571	-7.65%
<b>Bales Sold</b>	120,709	64,781	64,682	250,172	270,724	-7.59%
<b>Rejected Bales</b>	10,930	7,530	5,266	23,726	25,847	-8.21%
<b>Avg.Bale Weight (kg)</b>	69.5	65.8	66.0	67.5	66.7	1.23%

### Auction Floor Quality, Styles and Offerings:

•Offerings on the floor continue to be dominated by priming's and lugs, with increasing deliveries of cutters and leaf, these styles are naturally increasing as the season progresses. This year's crop is considered riper than the 2013 crop. On the lower quality lugs and leaf the crop is more wholesome and bodied even with the increase in ripeness compared to last year, which will translate into more balanced chemistries. The top end leaf and cutters that are coming in are predominantly riper than last year 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 market seems to be finding stability. Overall the 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.

•Up to week 5 we have seen a decrease in volume of 4,19 percentage compared to the increase of 15 percent in week 3 compared to 2013. This could be due to farmers holding back their tobacco hoping for the market price to increase as the season continues. The average price still remains down this year at \$2.60/kg, compared to last years \$3.60 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.

## SEASONAL CONTRACT FIGURES PER COMPANY AS OF 04.04.14 (DAY 33)

COMPANY	Mass sold (kg's)	Value \$US	Ave Price \$US	Rejection %	Bales Laid	Bales Sold	Rejected Bales	Ave bale Weight (kg' s)
CHIDZIVA	1,665,247	4,780,462	2.87	4.44	24,664	23,569	1,095	70.65
BOOSTAFRICA	2,275,261	6,469,182	2.84	1.34	34,854	34,386	468	66.17
CURVERRID	2,765,942	8,339,521	3.02	3.81	38,746	37,270	1,476	74.21
GOLDEN LEAF	852,987	2,707,657	3.17	0.00	10548	10548	0	80.87
KM	262,828	797,557	3.03	0.00	3392	3392	0	77.48
ILT	166,034	571,292	3.44	0.00	1641	1641	0	101.18
LEAF TRADE	26,838	77,453	2.89	7.93	416	383	33	70.07
MTC	6,511,611	18,852,615	2.90	5.19	104,803	99,364	5,439	65.53
TSL CLASSIC	829,797	2,742,348	3.30	6.67	9,314	8,693	621	95.46
TRIBAC	4,471,545	16,427,231	3.67	2.88	53,476	51,938	1,538	86.09
SHASHA	309,396	1,059,122	3.42	1.11	3425	3387	38	91.35
TIAN ZE	5,033,705	19,517,458	3.88	4.20	49,205	47,137	2,068	106.79
ZPTFU	131,760	379,204	2.88	0.00	1721	1721	0	76.56
ZLT	4,608,328	14,176,176	3.08	4.91	61,494	58,474	3,020	78.81
MIDRIVER	74,769	216,575	2.90	0.14	722	721	1	103.70
NORTHERN	6,969,768	24,943,826	3.58	8.75	79,056	72,135	6,921	96.62
<b>TOTAL CONTRACT 2014</b>	<b>36,955,816</b>	<b>122,057,679</b>	<b>3.30</b>	<b>4.76</b>	<b>477,477</b>	<b>454,759</b>	<b>14,319</b>	<b>81.26</b>
<b>TOTAL CONTRACT 2013</b>	<b>27,266,806</b>	<b>102,756,505</b>	<b>3.77</b>	<b>4.52</b>	<b>342,494</b>	<b>327,026</b>	<b>15,468</b>	<b>83.38</b>
<b>PERCENTAGE CHANGE %</b>	<b>26.22%</b>	<b>15.81%</b>	<b>-14.10%</b>	<b>5.00%</b>	<b>28.27%</b>	<b>28.09%</b>	<b>-8.02%</b>	<b>-2.60%</b>

### Contract Buying Floor Quality Styles and Offerings:

•As predicted, there is a large increase in tobacco deliveries to contract of 20.25% over the last two weeks compared to that of 2013. These large volumes are expected to continue for the next few weeks as the Easter holidays approach.

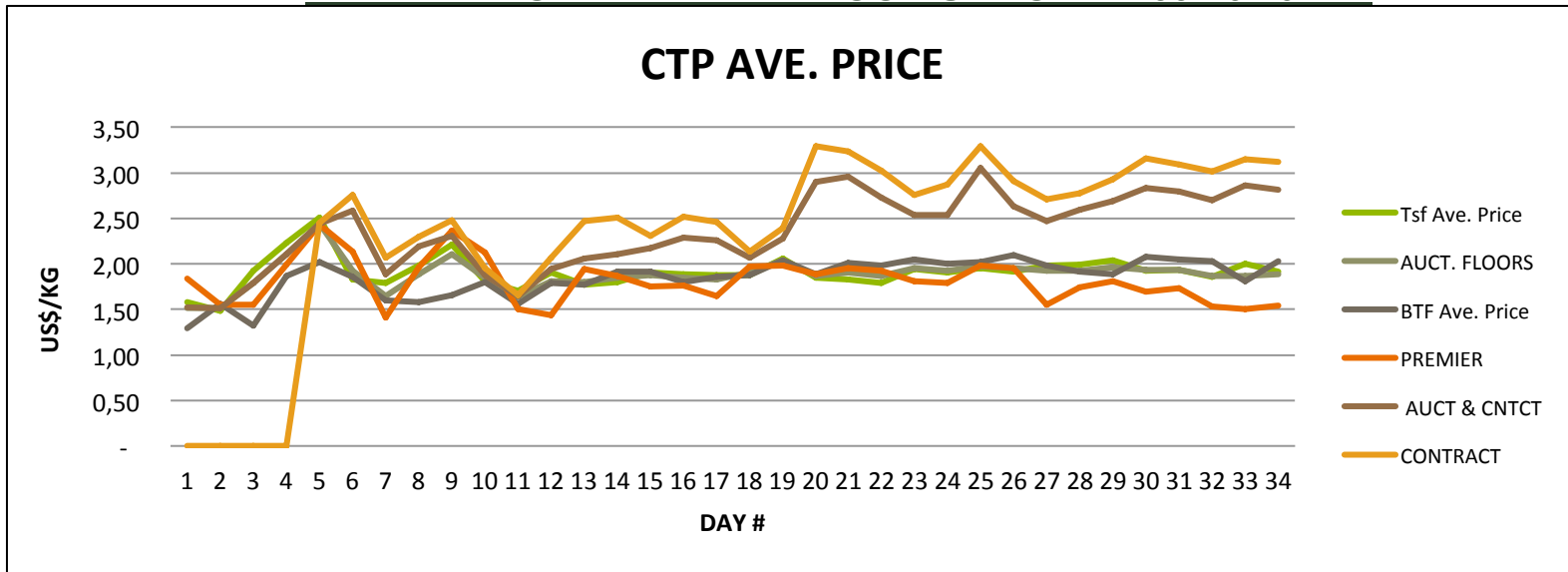
•The quality of tobacco on offer at the contract floors is improving with each passing week and as expected more leaf and cutters coming in of a high standard with good presentation, moisture content and soundness of tobacco. This shows that the farmers are adhering to the good presentation standards and zero tolerance of inorganic NTRM enforced by CTP. Although there is still room for improvement, a lot has been done to improve their presentation practices in order to eventually become compliant with our expectations in regard to the high integrity of the product.

•To date a large increase of cutters and leaf have been received from the commercial and small scale farmers and is of exceptional quality. The grades are wholesome and have some good cutting qualities. The styles are showing a lot of promise in both quality and body in comparison to the 2013 crop with riper crops coming in showing an increase in full orange and orange-mahogany styles.

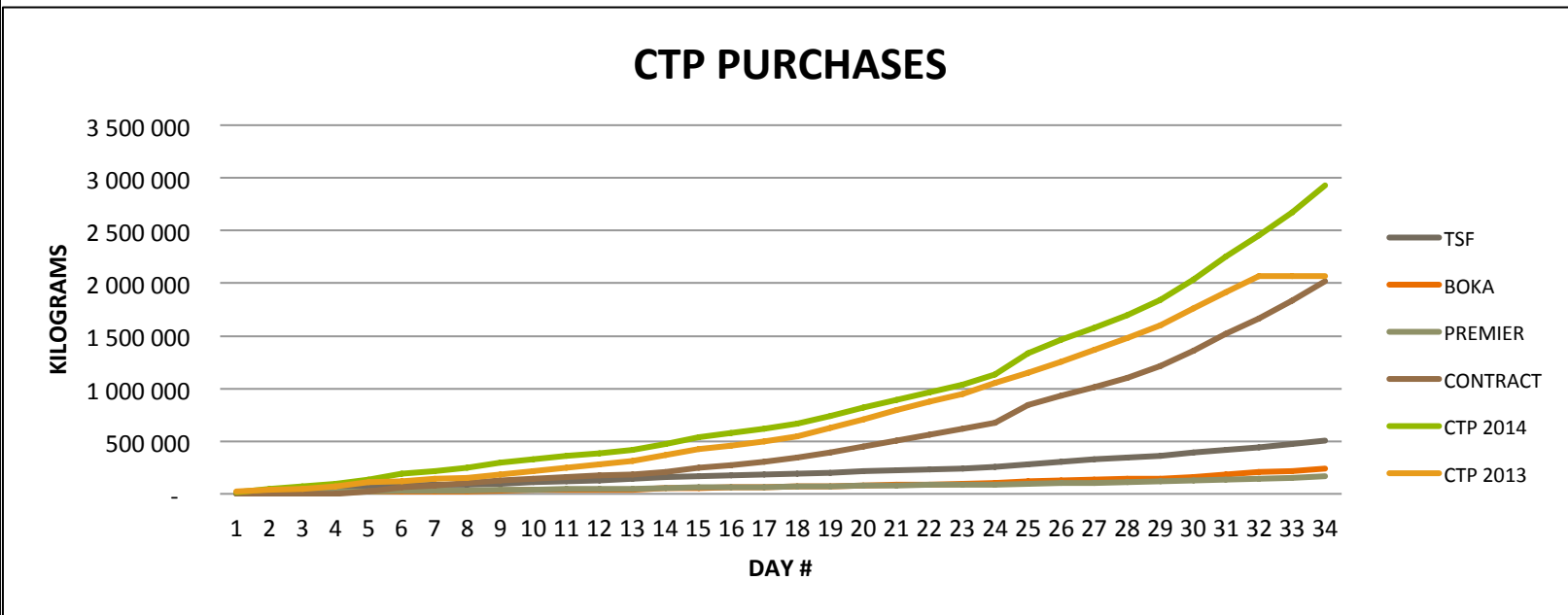




## CTP AVERAGE PRICE PER FLOOR UP TO DAY 33 - 04.04.14



## CTP PURCHASES UP TO DAY 33 - 04.04.14





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

<b>Price indications (US\$/KG)</b>	<b>Week 5</b>
Low quality Priming's(4 <sup>th</sup> and 5 <sup>th</sup> )	\$0.50 - \$1.10
Middle quality Priming's (2 <sup>nd</sup> and 3 <sup>rd</sup> )	\$1.20 – \$2.10
Good quality Priming's(1 <sup>st</sup> and 2 <sup>nd</sup> )	\$2.10 - \$2.80
Middle quality Cutters (2 <sup>nd</sup> and 3 <sup>rd</sup> )	\$2.80 - \$4.00
Good quality Cutters (1 <sup>st</sup> )	\$4.00 - \$4.75
Low quality leaf (4 <sup>th</sup> and 5 <sup>th</sup> )	\$1.50 - \$2.00
Middle quality Leaf (2 <sup>nd</sup> and 3 <sup>rd</sup> )	\$2.50 - \$4.00
Good quality leaf (1 <sup>st</sup> )	\$4.80 - \$4.99





## ZIMBABWEAN FLUE CURED VIRGINIA SALES – AUCTION & CONTRACT (DAY 23)

SEASONAL	TSF	BTF	PTF	TOTAL AUCTION	CONTRACT	TOTAL 2014	TOTAL 2013
Mass sold(kg)	4,008,768	2,140,836	1,866,852	8,016,456	18,510,020	26,526,476	23,135,776
Value(US\$)	10,939,584	5,297,591	4,621,373	20,858,548	60,242,987	81,101,535	84,666,822
Avg.price US\$/kg	\$2.73	\$2.47	\$2.48	\$2.60	\$3.25	\$3.06	\$3.66
Rejected %	9.73%	10.49%	8.86%	9.73%	6.20%	7.47%	8.08%
Bales laid	63,844	35,442	30,442	129,728	231,351	361,079	322,797
Bales sold	57,635	31,724	27,746	117,105	217,012	334,117	296,716
Rejected Bales	6,209	3,718	2,696	12,623	14,339	26,962	26,081
Avg.bale weight (Kg)	69.55	67.48	67.28	68.46	85.29	79.39	77.97
Highest price	\$4.99	\$4.99	\$4.99	\$4.99	\$5.70	\$5.70	\$5.95
Lowest price	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.10





## PROGRESSIVE BUYERS PERCENTAGES PER COMPANY UP TO 23.03.14 DAY 23

COMPANY	DAILY TSF %	DAILY BOKA %	DAILY PREMIER %	COMBINED AUCTION %	COMBINED CONTRACT %
CHIDZIVA	6.08	4.40	4.62	5.29	3.76
TRIBAC	-	-	-	-	8.93
ILT	16.80	20.59	21.60	18.93	5.99
ZLT	16.48	17.83	16.41	16.83	11.40
TIAN ZE	23.82	19.61	24.44	22.84	17.90
MTC	10.13	11.14	5.85	9.40	15.70
PAMUKA	1.96	0.94	0.79	1.41	0.44
BOOST AFRICA	19.08	21.15	25.52	21.14	9.34
LEAF TRADE	5.34	4.33	-	3.83	1.23
SUNRISE TOBACCO	-	-	0.73	0.17	0.05
NORTHERN	-	-	-	-	15.67
CURVERRID	-	-	-	-	4.45
MIDRIVER	-	-	-	-	0.12
SHASHA	-	-	-	-	0.48
TSL CLASSIC LEAF	-	-	-	-	2.10
ZPTFU	-	-	-	-	0.51
KM ENTERPRISES	-	-	-	-	0.39
GOLDEN LEAF	-	-	-	-	1.50

*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.*