



**LANKA COMMODITY BROKERS LTD**  
**TEA MARKET REPORT**

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**SALE NO.09 OF 26<sup>TH</sup> & 27<sup>TH</sup> FEBRUARY, 2019.**

**COMMENTS**

The quantity of 6.5 Mkgs on offer this week was 0.5 Mkgs lower than the previous week. Low Grown whole leaf teas amounted to 1.6 Mkgs whilst tippy/small leaf teas totaled approximately 1 Mkgs. High Grown teas on offer in the Ex Estate catalogue comprised of 1 Mkgs.

Low Grown leafy teas generally met with good demand amidst fair activity from buyers for Saudi Arabia, Kuwait, Syria, Jordan, and the C. I. S. There was widespread demand this week from Turkey for Pekoe descriptions whilst buyers for the C. I. S. operated for their leafy standards. Tippy / Small Leaf teas however met with lower demand which resulted in an overall easier market barring a limited selection of the best available, neat leaf sorts which ruled firm to selectively dearer.

The payment difficulties faced by Iran continues to be a source of worry to the Colombo Tea Auctions given that Iran is among the top most buyers of Ceylon Tea. Additionally, there has been less interest from Russia as well which is reportedly due to their packers currently having a good *repertoire* of stocks. Another temporary setback was the recently concluded two week holiday stretch for the Chinese New Year during which period most sales and shipments of tea to China did not take place. China too is an important buyer of our black teas and their presence at the Colombo Auctions is vital for price stability.

The majority of the better Ex Estate BOP's were irregularly easier whilst their BOPF counterparts shed Rs.30/- to 50/-, and below best BOP/BOPF eased Rs.20/- to 30/- and even more. Rather limited interest from the Tea Bag sector operating for Russia was once again evident at this week's sale as well. Additionally, buying for Japan and some European markets including Poland was lower to last. CTC teas continued to fare poorly and Producers are now *ab invito* forced in to selling their teas at prices which are much below the cost of production.

This week's auction comprised of **10,483** lots with a total quantity of **6,026,474** Kgs. The catalogue-wise breakdown was as follows:-

	<b>Lot</b>	<b>Qty. (Kgs)</b>
Low Grown Leafy	3,669	1,635,112
Low Grown Tippy	1,853	965,982
High & Medium	1,198	605,724
Off Grade/BOPIA	1,968	1,146,183
Dust	608	627,736
Premium Flowery	295	49,252
Ex-Estate	<u>892</u>	<u>996,485</u>
<b>Total</b>	<b><u>10,483</u></b>	<b><u>6,026,474</u></b>

**In lighter vein**

***4 Weddings and a Funeral Director***

An 80-year-old lady was being interviewed by a local news station because she had just gotten married for the fourth time. The interviewer began to ask her questions about her life, why she has decided to get remarried at 80, and for some information about her new husband.

"My husband is a funeral director", she answered.

"That's interesting", the reporter replied.

The reporter was then curious about her previous three husbands and what their professions had been. After a few minutes of reflection, the woman smiled and answered proudly. She explained that in her 20's she married a banker, in her 40's a circus ringmaster, a preacher in her 60's and now, in her 80's, a funeral director.

The reporter was unsure how to process her answer and then asked why she married four men with such different lives and career choices.

The woman once again smiled and explained, "I married the first for the money, the second for the show, the third to prepare myself, and the fourth to go!"

**LOW GROWNS – LEAFY**

**BOP1** : A few invoices in the select best category gained substantially; balance however declined by Rs.20-30/- per kg. Teas at the lower end were maintained.

**OP1** : Select best teas were declined by Rs.40-50/- and at times more; balance too declined but up to a lesser extent. Stalky invoices maintained.

**OP** : Teas in the select best category were fully firm at the last week's levels; balance declined by Rs.10-15/- per kg. Teas at the lower end however maintained.

**OPA** : Best teas held firm; balance too met with a good demand. Poorer sorts too maintained.

**PEK/PEK1**: Well made shotty invoices were firm too irregularly lower by Rs.10-20/- per kg; balance tended irregular. Best bolder Pekoes advanced by Rs.10-20/- and at times more; balance were lower by Rs.10-20/- per kg. Teas at the lower end were maintained.

**Quotations (Rs./Kg)**

	<b>Best</b>		<b>Below Best</b>		<b>Others</b>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
<b>BOP1</b>	950-1450	850-980	650-700	680-720	570-620	570-620
<b>OP1</b>	950-1250	1000-1425	720-770	730-780	425-475	420-450
<b>OP</b>	720-820	720-850	570-600	570-620	450-500	450-500
<b>OPA</b>	720-870	700-810	550-580	550-600	400-430	400-440
<b>PEK/PEK1</b>	850-1050	830-1075	650-700	670-700	500-550	500-550

**TIPPY/SMALL LEAF**

**BOP/BOPSP** : Few select best maintained; balance declined.

**BOPF/BOPFSP** : Few select best sold around last levels. Balance together with best were irregular and mostly lower. Below best teas too were easier. However, teas at the lower end sold around last levels.

**FBOP/FBOP1** : Select best FBOP's were fully firm to selectively dearer. Balance together with best were easier. Few cleaner below best sold around last levels; others were easier. FBOP1's in general lower.

**FBOPF/FBOPF1**: Very tippy teas tended irregular. Best together with below best sold around last levels. Teas at the lower end were irregular following quality. However, the leafier varieties declined. Select best FF1's were fully firm to marginally easier. Best together with below best were irregularly lower; balance sold around last levels.

**FBOPFSP/ EXSP**: Long tippy varieties met with lesser demand and easier whilst smaller tippy varieties gained in price and met with good demand; balance sold on last levels.

**Quotations (Rs./Kg)**

	<b>Best</b>		<b>Below Best</b>		<b>Others</b>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
<b>BOP/BOPSP</b>	750-960	750-840	540-580	550-600	380-410	380-410
<b>BOPF /BOPFSP</b>	750-900	750-950	550-620	550-600	380-410	380-410
<b>FBOP/FBOP1</b>	730-960	750-995	600-680	580-630	550-620	550-600
<b>FBOPF/FBOPF1</b>	700-840	700-900	650-700	600-650	550-650	500-650
<b>FBOPFSP/EXSP</b>	800-1300	800-1950	700-750	700-750	600-650	550-650

**MEDIUM GROWN LEAFY/SEMI LEAFY TEAS**

**FBOP** : Best on offer declined by Rs.20-30/- whilst the others were irregular and mostly lower.

**FBOPF/FBOPF1** : Select best types gained Rs.10-20/- whilst the others were Rs.30-40/- lower.

**PEK/PEK1** : Best on offer declined by Rs.20/- whilst the others were Rs.20-30/- lower.

<u>Quotations (Rs./Kg)</u>	<b>Best</b>		<b>Below Best</b>		<b>Others</b>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
<b>FBOP</b>	740-880	760-900	620-740	640-760	500-620	500-640
<b>FBOPF/FBOPF1</b>	750-820	730-800	630-750	640-730	520-630	550-640
<b>PEK/PEK1</b>	760-920	780-940	650-760	660-780	500-650	500-660

**HIGH GROWNS**

**BOP:** Best Westerns –majority of the teas were irregularly easier with a few select invoices selling around last week’s levels following special inquiry. Teas in the below best category were Rs.30-40/-per kg easier. At the lower end prices were firm to marginally easier. Nuwara Eliyas –few select invoices sold well at attractive levels following special inquiry whilst the others were irregularly easier. Udapussellawas were Rs.20-30/-per kg lower whilst Uvas declined further.

**BOPF:** Best Westerns were Rs.30-50/-per kg lower. Teas in the below best category, where sold, declined Rs.30-40/-per kg with a fair weight of teas remaining unsold. At the lower end, clean leaf coloury teas were barely steady whilst the others declined Rs.20-30/-per kg. Nuwara Eliyas –better teas were substantially easier whilst the others were barely steady. Udapussellawas sold around last week’s levels. Uvas –selection of teas were irregularly dearer whilst the others were barely steady.

<u>Quotations (Rs./Kg)</u>	<b>BOP</b>		<b>BOPF</b>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	620-1250	660-1400	630-830	650-770
Below Best Westerns	580-610	610-650	580-620	600-640
Plainer Westerns	520-560	560-600	510-570	530-590
Nuwara Eliyas	520-1000	540-1250	570	580-1000
Other Uda Pussellawas	480	510	450-470	480-500
Best Uva’s	650-660	650-700	610-670	580-630
Other Uva’s	530-590	510-600	560-590	530-560

**MEDIUM GROWN TEAS**

**BOP:** Rs.20-30/-per kg lower.

**BOPF:** Better teas were Rs.20-30/-per kg easier. Poorer sorts were barely steady.

<u>Quotations (Rs./Kg)</u>	<b>BOP</b>		<b>BOPF</b>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	520-730	560-740	450-610	420-620

**CTC**

**PF1:** High Growns were barely steady whilst Medium Growns were Rs.10/- per kg lower and at times more. Low Grown varieties were Rs.10-20/- easier.

**BP1:** High & Medium BP1’s tended irregular and mostly remained unsold due to lack of suitable bids whilst Low Growns were firm to dearer.

<u>Quotations (Rs./Kg)</u>	<b>PF1</b>		<b>BP1</b>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	420-570	440-600	400-520	430-520
Medium	340-510	330-510	390-400	420-450
Low	330-730	310-740	490-610	320-520

**OFF GRADES**

Best liquoring FNGS/FNGS1's were lower by Rs.10-20/- whilst the poorer sorts too tended a little irregularly. Best BP's met with less demand. Well made BM's too were firm to dearer whilst poorer types too followed a similar trend. Select best BOP1A's firm on last week's levels whilst poorer types were firm to dearer Rs.10/-.

<b>QUOTATIONS (Rs/kg)</b>	<b>HIGH</b>		<b>MEDIUM</b>		<b>LOW</b>	
	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>
Good Fannings (Orthodox)	350-480	380-500	320-360	320-360	310-370	310-370
Good Fannings (CTC)	270-300	270-300	270-300	270-300	270-310	270-310
Other Fannings (Orthodox)	300-350	290-360	300-350	290-320	310-350	310-350
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	350-410	350-400	410-440	400-425	440-490	430-480
Other BM's	320-360	300-350	320-360	300-350	320-360	300-350
Best BOP1As	400-420	390-420	410-500	410-480	490-580	475-570
Other BOP1As	325-380	325-370	325-390	325-390	325-390	325-390

**DUST**

Best liquoring High Grown D/D1's declined by Rs.10-20/- and at times more whilst others were firm to easier by Rs.20-30/-. Secondary and poorer types too lost Rs.20-30/-. Select best Low Grown D/D1's appreciated by Rs.10-20/- per kg, whilst the poorer sorts maintained last levels. CTC PD's were easier by Rs.30-40/- and at times more.

<b>QUOTATIONS (Rs/kg)</b>	<b>HIGH</b>		<b>MEDIUM</b>		<b>LOW</b>	
	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>
Good Primary Dust 1(Orthodox)	830-900	850-910	540-580	560-610	420-550	420-600
Good Primary PD (CTC)	460-500	510-530	490-520	510-550	420-530	420-540
Other Primary Dust (Orthodox)	290-310	300-320	300-330	300-350	380-400	400-430
Other Primary Dust (CTC)	N/A	N/A	300-320	300-330	280-300	290-330
Secondary Dust	300-330	320-350	290-300	300-320	270-300	290-320
Poorer Dust	300-320	300-340	230--280	240-280	290-330	290-340

**World Crop Statistics (MKGS)**

<i>Country</i>	<i>Month</i>	<i>2018</i>	<i>2019</i>	<i>Difference +/-</i>	<i>To-date 2018</i>	<i>To-date 2019</i>	<i>Difference +/-</i>
<b>SRI LANKA</b>	<b>Jan.</b>	<b>24.27</b>	<b>23.20</b>	<b>-1.07</b>	<b>24.27</b>	<b>23.20</b>	<b>-1.07</b>

<i>Country</i>	<i>Month</i>	<i>2017</i>	<i>2018</i>	<i>Difference +/-</i>	<i>To-date 2017</i>	<i>To-date 2018</i>	<i>Difference +/-</i>
<i>BANGLADESH</i>	<i>Dec.</i>	6.5	6.3	-0.20	78.9	82.1	3.2
<i>KENYA</i>	<i>Dec.</i>	47.5	51.8	4.32	439.85	492.99	53.1
<i>MALAWI</i>	<i>Dec.</i>	5.6	6.3	0.7	45.6	50.6	5.0
<i>NORTH INDIA</i>	<i>Dec.</i>	55.0	34.8	-20.2	1087.1	1093.1	6.00
<i>SOUTH INDIA</i>	<i>Dec.</i>	16.4	19.2	2.8	234.7	218.5	-16.20
<i>UGANDA</i>	<i>Nov.</i>	5.63	3.06	-2.6	47.67	52.95	5.28

*"International Tea Committee Bulletin of Statistics"*

Cont'd.... (P5)



LANKA COMMODITY BROKERS LTD  
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Circular No: LCBL/01/2019

To : All Producer Clients

Our attention has been drawn to the Circular letter issued by the Sri Lanka Tea Board to All Registered Manufacturers with regard to HACCP Certification and quote below the relevant extract for your immediate attention.

Quote :-

**HACCP Certification**

At the Board Meeting held on 8<sup>th</sup> February, 2019, it was decided that it is a mandatory requirement to have HACCP Certification as the minimum standard for the following:-

1. Registered Tea Manufacturers
2. Exporter Warehouses and Processing Centres
3. Refuse Tea Processing Centres and Demonstration Factories

The above decision was based on the fact that almost all tea manufactured in Sri Lanka is exported to international destinations. Therefore, it is important that all Tea Processing Centres/Warehouse should have an internationally recognized certification for the handling of food items.

Signed : Chairman -SLTB

Signed : Tea Commissioner -SLTB

-Unquote-

In terms of the decision taken by the Sri Lanka Tea Board at the meeting of 8<sup>th</sup> February 2019, it will be mandatory for all Tea Factories to have HACCP Certification as the minimum standard and producers who have not obtained certification as yet are therefore advised to make immediate arrangements for HACCP Certification.

JRA : sr.

**COLOMBO AUCTION – GROSS SALE AVERAGES**

**SALE NO.08 OF 20<sup>TH</sup> FEBRUARY, 2019**

	2019			2018	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	518.24	528.37	500.04	592.00	587.33
Western High Grown	595.20	600.05	602.12	662.99	661.87
High Grown	576.63	582.39	574.74	647.02	644.52
Uva Medium	529.19	534.85	521.35	570.58	565.36
Western Medium	498.53	506.26	506.05	571.22	573.34
Medium Grown	506.20	513.61	510.00	571.04	570.99
Low Grown (Orthodox)	625.74	617.86	619.68	637.56	658.47
Combined L.G. (Orthodox + CTC)	612.42	604.06	607.65	633.42	651.52
<b>Total</b>	<b>587.36</b>	<b>584.29</b>	<b>585.44</b>	<b>626.58</b>	<b>638.05</b>

**DETAILS OF TEAS AWAITING SALES**

	<u>Sale of 05<sup>th</sup> /06<sup>th</sup> Mar.'19</u>		<u>Sale of 12<sup>th</sup> /13<sup>th</sup> Mar.'19</u>	
	Lot	Qty. (Kgs)	Lot	Qty. (Kgs)
Low Grown Leafy	3,668	1,661,850	3,765	1,717,415
Low Grown Tippy	1,897	1,021,817	1,959	1,034,126
High & Medium	1,188	591,652	1,292	648,990
Off Grade/BOPIA	2,300	1,296,252	2,189	1,227,897
Dust	594	609,618	610	624,886
Premium Flowery	240	45,810	260	46,749
Ex-Estate	805	895,091	852	964,502
<b>Total</b>	<b><u>10,692</u></b>	<b><u>6,122,090</u></b>	<b><u>10,927</u></b>	<b><u>6,264,565</u></b>

Weekly Private Sale Figures (From 18/02/2019 – 23/02/2019) - 72,023.15 Kgs  
Cumulative - 940,411.05 Kgs

Cont'd... (P7)

**CROP & WEATHER**  
**For the period 18 - 24 February 2019.**

**Western/ Nuwara Eliya Regions:** Bright weather was reported last week in both the Western and Nuwara Eliya regions. Heavy rainfall of above 150 mm can be expected at some places in the Nuwara Eliya Region in the week ahead according to The Department of Meteorology. **Uva/Udapussellawa Regions:** Both Uva and Udapussellawa regions reported dry weather throughout the week. The Department of Meteorology predicts showers of about 100 mm in the Uva Region in the days ahead. **Low Grown:** Ruhuna and Sabaragamuwa regions experienced bright weather during the week. Intense lightning activity is expected in the region according to The Department of Meteorology.

**Crop Intake:** All planting regions have maintained the crop intake.

**CATALOGUES**

**Sale No. 11 of 12<sup>th</sup> & 13<sup>th</sup> March, 2019.**

The Main Sale & Ex-Estate Sale catalogues closed on **21<sup>st</sup> February, 2019 at 04.30 p.m.**

**Sale No. 12 of 18<sup>th</sup> & 19<sup>th</sup> March, 2019.**

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **28<sup>th</sup> February, 2019 at 04.30 p.m. but sale will be closed before the scheduled date when the number of lots is reached.**

**Sale No. 13 of 26<sup>th</sup> & 27<sup>th</sup> March, 2019.**

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **7<sup>th</sup> March, 2019 at 04.30 p.m. but sale will be closed before the scheduled date when the number of lots is reached.**

**BROKER'S ORDER- SALE NO.10**

**Auction of 5<sup>th</sup>/6<sup>th</sup> March, 2019 - Main Sale**

**Leafy/Tippy/BOP1A/ Premium**

1. Ceylon Tea Brokers PLC
2. Asia Siyaka Commodities PLC
3. John Keells PLC
4. Eastern Brokers (Pvt) Ltd
- 5. Lanka Commodity Brokers Ltd**
6. Mercantile Produce Brokers (Pvt) Ltd
7. Bartleet Produce Brokers (Pvt) Ltd
8. Forbes & Walker Tea Brokers (Pvt) Ltd

**High & Medium/Off Grades/Dust**

1. John Keells PLC
2. Eastern Brokers (Pvt) Ltd
3. Ceylon Tea Brokers PLC
- 4. Lanka Commodity Brokers Ltd**
5. Bartleet Produce Brokers (Pvt) Ltd
6. Forbes & Walker Tea Brokers (Pvt) Ltd
7. Mercantile Produce Brokers (Pvt) Ltd
8. Asia Siyaka Commodities PLC

**Auction of 6<sup>th</sup> March, 2019 - Ex-Estate**

- 1. Lanka Commodity Brokers Ltd**
2. John Keells PLC
3. Asia Siyaka Commodities PLC
4. Bartleet Produce Brokers (Pvt) Ltd
5. Forbes & Walker Tea Brokers (Pvt) Ltd
6. Ceylon Tea Brokers PLC
7. Eastern Brokers (Pvt) Ltd
8. Mercantile Produce Brokers (Pvt) Ltd

**LCBL APPROXIMATE SELLING TIME**

**Tuesday 5<sup>th</sup> March'19**

High & Medium : 09.30 a.m.  
Low Grown Tippy : 11.45 a.m.  
Premium Flowery : 12.45 p.m.  
Low Grown Leafy : 02.30 p.m.  
BOP1A : 03.30 p.m.

**Wednesday 6<sup>th</sup> March'19**

Ex-Estate : 08.00 a.m.  
Off Grades : 09.30 a.m.  
Dust : 02.00 p.m.

**Cont'd... (P8)**

## TEA NEWS

### ***Sri Lanka aims to boost Ceylon black tea exports to China***

Sri Lanka aims to increase exports of its popular Ceylon black tea to China and will launch a mega digital advertising campaign across China by May, Chairman of Sri Lanka Tea Board Lucille Wijewardena said here Thursday.

He told Xinhua that China is one of the leading markets for Sri Lankan tea and the government aimed to raise its exports percentage into the Chinese market this year.

Lucille said it was encouraging that people from China had started drinking black tea from Sri Lanka and the government expected the consumption to grow by at least 10 percent this year.

"To raise our export figures, we intend to begin a mega promotional campaign in China by May this year. This campaign will mainly be a digital campaign because we have realized that young consumers in China use digital media on a daily basis," Lucille said.

He said with China's large population, even if Sri Lanka could capture a small percentage of its market for its high quality Ceylon black tea, this would be a boost to Sri Lanka's tea exports.

Following China, the government also hopes to launch its tea campaigns in more than 10 other countries later in 2019 and 2020.

*Source: Xinhua 2019-02-21*

### ***Kenya in spat with Iran over Sh4bn tea exports***

- Kenya's tea gets to Iran at about Sh400 per kilo, making it pricier than other teas sold in the country, mainly from India and Sri Lanka.
- Kenya has protested against a price cap that the Iranian government has imposed on tea exports to the country, putting the Sh4 billion market at the centre of a diplomatic tiff with Tehran.
- Iran has instructed Kenya to set the maximum price per kilo of tea that it sells to the Asian country at \$3 (about Sh300), with anything above the amount attracting a punitive tax. The move has seen Kenya's.
- Ministry of Foreign Affairs write to the envoy in Tehran, asking him to seek clarification and lobby for easing of the new requirement.

"Kenya is seeking clarification as well as relaxation of the new rule that has been put in place by the Iranian government," said the Director General of Agriculture and Food Authority, Anthony Muriithi, in an interview. Kenya's tea gets to Iran at about Sh400 per kilo, making it pricier than other teas sold in the country, mainly from India and Sri-Lanka. Mr Muriithi said market factors make it difficult to sell at Sh300 per kilo in Iran. "Some of the factors that might make it difficult to achieve the Sh300 per kilo include the quality of Kenyan tea, cost of production and the shipping costs," he said. The Ministry of Foreign Affairs did not respond to our requests for comments on the matter.

Nairobi has been courting Iran to become one of the major consumers of Kenya's tea, and has held sales exhibitions in Tehran aimed at wooing buyers. Iran has a large population of more than 80 million people with a per capita tea consumption of 1.4 kilograms against half a kilo for Kenyans. The country imports more than 100 million kilograms of tea, with Kenya supplying about 20 million kilos annually. Pakistan is the biggest consumer of Kenyan tea, buying more than 40 percent of the total beverage produced in Kenya, earning the country about Sh50 billion a year. Egypt, the United Kingdom, Sudan and the United Arab Emirates are the other major sources of Kenya's tea dollars. Export volumes to these countries have however been declining over the years hampered by trade barriers from different States.

This is the second time in two years that Kenya has been locked in a dispute with Iran over the commodity. In 2017, a tussle about the recommended minimum moisture content in the beverage saw a sharp decline in the volumes exported to Tehran. Iran has a lower limit of three per cent moisture content with an upper cap of eight per cent, but Kenya's tea normally falls below three. Kenya uses ISO 3720, a global standard that does not stipulate minimum moisture content.

The East African Traders Association (Eatta), which manages the Mombasa tea auction, terms Iran as a key market that Kenya cannot afford to lose given its high growth potential. "We have to do all that we can to ensure that the new rule is reversed to protect our sales to that country," said Eatta managing director Edward Mudibo in an interview. In January last year Kenya, nearly lost the critical Pakistani market as the country raised concerns over **possible contamination of aflatoxin** in the commodity, requiring the beverage to undergo rigorous tests that created a backlog on consignments destined to Islamabad. The Plant Protection Board of Pakistan had issued a directive that all tea imports from Kenya must undergo aflatoxin tests, a move that Kenya protested, saying it is not a common occurrence in the produce. The impasse was resolved following a meeting between the two States. Small-scale farmers affiliated to the Kenya Tea Development Agency (KTDA) earned a record gross payment of Sh85.74 billion in 2017/2018 financial year, riding on a bumper harvest that defied the fall in global market prices, marking the third year of improved earnings. At Sh85.74 billion, Kenya's tea earnings were up 9.4 per cent compared to the previous season's total income of Sh78.31 billion, according to the agency.

**Cont'd... (P9)**



**OTHER MARKETS**

**MOMBASA TEA AUCTION MARKET REPORT**

**SALE NO.09 OF 25<sup>TH</sup>/26<sup>TH</sup> FEBRUARY 2019.**

Good but irregular demand for the 197,633 packages (12.68m/kgs) in the market which opened firm but thereafter eased as the sale progressed and 22.77% remained without bids.

**Best BP1's** on offer met strong interest appreciating by USC34 although a few lines eased by USC5 with Brighter varieties easier by up to USC9 and some teas were neglected but a few improved invoices were up to USC2 dearer. Medium categories were irregular and varied between USC2-USC30 dearer at the start to easier by USC5-USC8 towards the close and many teas were neglected. Plainer descriptions opening between USC2-USC13 above previous prices to easier by similar level towards the close and many invoices remained unsold.

The **Best PF1's** in the market saw an irregular enquiry ranging between USC4 dearer to easier by USC3 while Brighter varieties held firm to USC4 easier and some lines were unsold with Mediums irregular and varied between USC3-USC13 dearer at the start to easier by USC4-USC5 towards the close and some teas were unsold. Plainer types irregular, opening up to USC10 dearer to easier by up to USC11 towards the close and many invoices remained without bids with plainest difficult of sale.

**Best PDUST's** available gained USC6 with Brighter sorts irregular and ranged between USC2 dearer to easier by up to USC10 while Medium types met an irregular activity varying between firm to USC24 dearer to easier by up to USC5 with a few lines remaining unsold. Plainer descriptions held steady at the start but shed up to USC10 towards the close and many teas were neglected particularly Plainest.

The **Best Dust1's** on offer appreciated by USC13 but some invoices eased by up to USC9 following quality while Brighter varieties were firm to USC2 dearer with Mediums opening at USC4 dearer to easier by USC2 to USC5 towards the close. Plainer descriptions held steady to USC6 easier and Plainest remained without bids.

In the **Secondary** catalogues BP's appreciated while PFs held value. Clean well sorted coloury Fannings eased with similar DUSTs firm. Other Fannings were easier with DUSTs steady. BMFs were well absorbed.

Egyptian packers lent strong support while UK showed more interest with Pakistan Packers, Afghanistan and Bazaar opening strong but thereafter eased interest. Russia, Yemen and other Middle Eastern Countries maintained activity with maintained enquiry from Kazakhstan, other CIS states and Sudan. Iran were subdued. Somalia maintained strong support at the lower end of the market.

	<b>BP1</b>	<b>PF1</b>	<b>PD</b>
<b>Best</b>	330-532	274-340	254-366
<b>Good Medium</b>	210-376	248-314	220-282
<b>Lower Medium</b>	124-200	120-224	120-240
<b>Plainer</b>	110-168	078-190	062-214

**JAKARTA TEA AUCTION MARKET REPORT**

**SALE OF 27<sup>TH</sup> FEBRUARY, 2019 - AUCTION NO.08**

Not Available at the time of printing

**Cont'd... (P10)**

## SOUTH INDIAN ROUND-UP FOR THE WEEK ENDING 23<sup>RD</sup> FEBRUARY-2019.

### KOCHI

#### CTC LEAF

**Demand:** Fair demand. Market tending easier for the brokens and selective lines moved up in value. Fannings ruled a barely steady levels with fair support from Internal and Upcountry buyers. Export buyers lent fair support for plainer fannings.

#### LEAF-ORTHODOX:

**Demand:** Good demand.

**Market:** Market ruled at barely steady levels for the well-made whole leaf and smaller brokens, particularly for the best Nilgiri . However, Medium Brokens and Fannings and Plainer sorts witnessed fair demand at irregular levels.

**Buying Pattern:** CIS/Middle East exporters were selective. Upcountry buyers lent support on whole leaf grades.

#### DUST

**Demand:** Fair demand.

**Market:** Best liquoring popular finer and bolder grades were selling at steady levels and occasionally Easier and selective lines of SFD moved up in value. Better mediums and Plainer bolder sorts were selling at barely steady levels.

**Buying Pattern:** Major blender AVT and KSCSC were active on the best mediums with fair support from regional packeters. Domestic buyers were fairly active in their purchases. Exporters were active on their purchase.

### COONOOR

#### CTC LEAF

**Demand:** Good.

**Market:** High-priced teas - Irregularly lower by Rs.2/- to Rs.3/-. Better mediums & Mediums - fully firm to dearer by Rs.1/- to Rs.2/-. Plainers - fully firm to occasionally dearer by Rs.1/- to Rs.2/-.

**Buying Pattern:** Packeteers and Blenders were fully active and equally well supported by Exporters and Internal Buyers.

#### ORTH LEAF

**Demand:** Good.

**Market:** Irregularly lower by Rs. 1/- to Rs. 2/-, sometimes more following quality. However secondary Brokens have maintained their levels.

**Buying Pattern:** Exporters were active with Internal buyers being selective.

#### CTC DUST

**Demand:** Good.

**Market:** High-priced teas were dearer by Rs.4/- to Rs.7/-, sometimes more on competition. Better Mediums & Mediums were steady to dearer by Rs. 1/- to Rs. 3/-. Plainers were barely steady.

**Buying Pattern:** Packeters, Exporters and Internal were active.

#### ORTH DUST

**Demand:** Good.

**Market:** Generally a steady market.

**Buying Pattern:** Good participation from the Export and Internal Buyers.

### COIMBATORE

#### CTC LEAF

**Demand:** Good demand.

**Market:** Better medium smaller brokens and BOPF's were fully firm to dearer by Rs.1/-. Mediums were irregular. Plainer teas were fully firm to dearer by Rs.1/- to Rs.2/- sometimes more.

**ORTH LEAF** Good demand. Whole leaf fully firm to dearer; others barely steady.

#### CTC DUST

**Demand:** Fair general demand.

**Market:** Better liquoring and popular teas were fully firm to dearer by Re.1/- to Rs.2/-. Mediums were irregular and lower by Rs.1/- to Rs.2/- with some withdrawals. Plainer were fully firm to occasionally dearer by Rs.1/- to Rs.2/-.

**ORTH DUST** Fair demand. Irregular and lower by Rs.2/-.

*Source: Paramount Tea Marketing (SI) Private Limited.*

27<sup>th</sup> February, 2019.

-/mk