



LANKA COMMODITY BROKERS LTD
TEA MARKET REPORT

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SALE NO.20 OF 21ST & 22ND MAY, 2019

COMMENTS

A higher quantity of 7.4 m/kgs was on offer this week which was an increase of 0.4 m/kgs over the previous sale. Low Grown Leafy teas totaled 2.1m/kgs whilst Tippy/Small Leaf teas accounted for 1.2 m/kgs and High Grown teas on offer in the Ex-Estate catalogue amounted 1 m/kgs.

The quality of Low Grown teas was once again irregular. Better leafy BOP1's / OP1's were firm whilst others were irregularly easier. Leafy OP /OPA's were generally lower. The availability of shotty Pekoes mostly held firm, although bolder types were lower. Selected FBOP's and FBOPF1's maintained previous price levels, but all others were easier. Saudi Arabia, Jordan, Russia and the C. I. S. lent fair support. Turkey however, is faced with its own problems with the sharp depreciation of their currency and was consequently more selective, whilst demand from Iran was more subdued than the previous week. There was sustained activity however, for secondary teas from Iraq and Libya.

Ex Estate catalogue High Grown teas showed a general drop in quality, and again met with less demand which resulted in fairly heavy withdrawals following diminishing interest for teas with uninteresting leaf and liquor merit. A small selection of best available western BOP's / BOPF's sold well around last levels, but the remainder lost Rs, 10/- to 20/- per kg. In the CTC Category, there was hardly any interest for BP1's whilst PF1's continued to sell around last week's levels, which by no means can be described as satisfactory, but on the contrary is a price level that is well below cost of production!

In the meanwhile, the latest Tea Production figures released by the Sri Lanka Tea Board yesterday show a drop of 4.3 m/kgs in April, 2019 vs. 2018 and, a year-on-year drop of 5.2 m/kgs. The main reason for the decline has been the drought conditions faced up to early May, and the severe effect it has had on plantations in the High and Medium elevations in particular. Our circular with comprehensive details of crop is attached to this report.

This week's auction comprised of **12,227** lots with a total quantity of **7,424,210** Kgs.

The catalogue-wise breakdown was as follows:-

	Lot	Qty. (Kgs)
Low Grown Leafy	4,200	2,091,227
Low Grown Tippy	2,007	1,117,163
High & Medium	1,751	965,005
Off Grade/BOP1A	2,416	1,468,453
Dust	659	689,851
Premium Flowery	271	52,207
Ex-Estate	<u>923</u>	<u>1,040,304</u>
Total	<u>12,227</u>	<u>7,424,210</u>

In lighter vein

HOVERCRAFT

A man is flying in a hot-air balloon and realizes he is lost. He reduces height and spots a man below. He lowers the balloon farther and shouts, "Excuse me! Can you tell me where I am?"

The man below says: "Yes, you're in a hot-air balloon, hovering 30 feet above this field."

"You must be an engineer," says the balloonist.

"I am," replies the man. "How did you know?"

"Well," says the balloonist, "everything you have told me is technically correct, but it's no use to anyone."

The man below says, "You must be in management."

"I am," replies the balloonist, "but how did you know?"

"Well," says the man, "you don't know where you are or where you're going, but you expect me to be able to help. You're in the same position you were before we met, but now it's my fault."

LOW GROWNS – LEAFY

BOP1 : Teas in the select best category appreciated by Rs.20-30/- per kg; balance declined by Rs.20/- per kg. Teas at the lower end maintained.

OP1 : Select best invoices declined by Rs.40-50/- and at times were difficult of sale; balance too were generally easier. Stalky invoices however met with good demand.

OP : Select best and best teas were lower by Rs.40-50/- per kg; balance too declined by Rs.20/- per kg. Teas at the lower end however held firm.

OPA : Select best invoices declined by Rs.20-30/- per kg; balance too declined substantially. Poorer sorts however met with a good demand.

PEK/PEK1: Well made shotty invoices maintained; balance tended irregular. Best bolder PEKOE's were barely steady; balance declined by Rs.40-50/- per kg. Teas at the lower end too lost.

Quotations (Rs./Kg)

	Best		Below Best		Others	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
BOP1	900-1000	880-940	650-680	650-700	570-600	570-600
OP1	850-1200	900-1250	700-730	700-740	400-440	380-420
OP	660-780	700-800	550-600	570-600	400-430	400-430
OPA	650-860	700-920	560-580	570-600	380-420	370-410
PEK/PEK1	750-1000	750-1000	570-620	600-650	450-500	450-500

TIPPY/SMALL LEAF

BOP/BOPSP : Except for a few select best which were firm, balance declined.

BOPF/BOPFSP : Select best and best were firm. A few cleaner below best too were firm on last. Balance were lower.

FBOP/FBOP1 : Select best FBOP's were irregularly lower. Best and below best together with teas at the lower end too were easier. FBOP1's in general were lower.

FBOPF/FBOPF1 : Very tippy teas continued to attract good demand. Best together with below best sold around last levels. Teas at the lower end were irregular following quality. However the leafier varieties were irregular and mostly lower. Except for few select best FF1's which were firm, all others declined.

FBOPFSP/ EXSP : Select best and best categories met with good demand and maintained last week levels.

Quotations (Rs./Kg)

	Best		Below Best		Others	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
BOP/BOPSP	850-1375	800-1300	700-750	660-720	360-380	380-400
BOPF /BOPFSP	830-1350	820-1400	700-750	660-720	360-380	380-400
FBOP/FBOP1	850-1050	850-1005	620-680	660-720	500-550	550-600
FBOPF/FBOPF1	900-110	900-960	800-900	800-950	750-800	700-750
FBOPFSP/EXSP	1000-3800	900-3450	950-1500	900-1300	800-900	800-850

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP : Best on offer declined by Rs.20-30/- whilst the others were Rs.60-70/- per kg lower.

FBOPF/FBOPF1 : Select best maintained last levels whilst the others were irregular and mostly lower.

PEK/PEK1 : Select best types declined Rs.20/- whilst the others too were Rs.40-60/- per kg lower.

<u>Quotations (Rs./Kg)</u>	Best		Below Best		Others	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
FBOP	840-940	780-1000	750-840	690-780	500-750	560-690
FBOPF/FBOPF1	740-860	720-870	650-740	630-720	500-650	500-630
PEK/PEK1	740-860	750-880	650-740	630-750	500-650	500-630

HIGH GROWNS

BOP: Westerns -A selection of better teas in the best and below best categories were irregularly dearer by Rs.10-20/- per kg and more following special inquiry whilst the others were Rs.20/-per kg easier. Teas at the lower end were mostly firm. Nuwara Eliyas were mostly unsold and where sold were up to Rs.20/-per kg easier. Udupussellawas were firm. Uvas –high priced teas of last week were substantially easier whilst the others were Rs.20/-per kg lower.

BOPF: Best Westerns declined Rs.20/-per kg and more following quality with the exception of few select invoices that appreciated following special inquiry. In the below best category, few select coloury invoices were firm and Rs.10-20/- per kg dearer whilst the others declined by a similar margin. At the lower end a selection of brighter teas gained Rs.20 /- per kg and more whilst the others were lower by a similar margin. Nuwara Eliyas declined Rs.20/-per kg and more. Udupussellawas were firm and Rs.10-20/-per kg dearer for the poorest on offer. Uvas –high priced teas were substantially easier whilst the others were Rs.20-30/-per kg lower.

<u>Quotations (Rs./Kg)</u>	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	570-720	590-720	580-750	600-700
Below Best Westerns	530-560	540-580	520-570	540-590
Plainer Westerns	470-520	490-530	450-510	480-530
Nuwara Eliyas	430-435	450-540	420-480	440-500
Other Uda Pussellawas	400-430	420-440	400-445	400-440
Best Uva's	520-560	550-650	500-560	530-800
Other Uva's	420-450	480-540	420-490	430-480

MEDIUM GROWN TEAS

BOP: Rs.20-30/-per kg easier.

BOPF: Firm.

<u>Quotations (Rs./Kg)</u>	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	520-880	N/A	420-560	410-540

CTC

PF1: High Grown teas were generally firm whilst the few select brighter invoices were dearer following special inquiry. Medium PF1's were generally firm. Low Growns Sold around last week's levels.

BP1: High Growns were difficult of sale whilst Medium BP1's had hardly any offerings this week. Low Growns were irregularly easier.

<u>Quotations (Rs./Kg)</u>	PF1		BP1	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	410-560	400-540	Not Quoted	350-400
Medium	380-450	300-460	330-445	260-360
Low	370-720	360-770	500-560	500-600

Cont'd... (P4)

OFF GRADES

Best liquoring FNGS/FNGS1's lost Rs.10-20/- whilst poorer types too followed a similar trend. Best BP's declined Rs.20-30/-.. Well-made BM's were firm to lower by Rs.20-30/- per kg. Poorer types too followed a similar trend. Select Best BOP1A's eased Rs.20-30/- whilst poorer types declined Rs.20-30/- per kg.

QUOTATIONS (Rs/kg)	HIGH		MEDIUM		LOW	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
Good Fannings (Orthodox)	300-460	320-460	270-330	270-330	270-330	270-340
Good Fannings (CTC)	290-320	290-320	270-320	290-320	270-310	290-310
Other Fannings (Orthodox)	260-320	300-330	260-320	300-330	270-330	300-330
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	320-350	340-350	340-380	360-390	340-410	370-430
Other BM's	280-320	310-350	280-320	310-350	280-320	310-350
Best BOP1As	375-400	400-410	370-380	410-430	370-430	410-450
Other BOP1As	310-330	320-340	310-330	320-360	300-330	320-360

DUST

Best liquoring High Grown D/D1's were firm to dearer by Rs.10/- per kg and at times more whilst others were irregularly lower. Secondary and poorer types however held firm on last levels. Select best Low Grown D/D1's firm to easier by Rs.30/- and at times more whilst others maintained last levels. CTC PD's declined by Rs.50-70/-.

QUOTATIONS (Rs/kg)	HIGH		MEDIUM		LOW	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
Good Primary Dust 1(Orthodox)	700-910	700-900	400-520	520-580	500-660	550-690
Good Primary PD (CTC)	350-500	450-600	450-525	550-610	500-580	500-590
Other Primary Dust (Orthodox)	270-300	270-300	290-310	290-310	340-370	340-370
Other Primary Dust (CTC)	N/A	N/A	280-300	280-300	270-290	270-290
Secondary Dust	260-300	260-300	250-300	250-300	260-290	260-290
Poorer Dust	270-300	270-300	230-260	230-260	260-300	260-300

World Crop Statistics (MKGS)

Country	Month	2018	2019	Difference +/-	To-date 2018	To-date 2019	Difference +/-
SRI LANKA	Apr.	28.01	23.62	-4.39	102.35	97.05	-5.30
BANGLADESH	Mar.	1.556	1.917	0.36	1.9	2.5	0.6
MALAWI	Mar.	7.7	6.4	-1.3	20.8	21.2	0.4
NORTH INDIA	Mar.	46.7	59.5	12.8	53.9	64.1	10.2
SOUTH INDIA	Mar.	14.3	15.1	0.8	38.3	39.5	1.20
KENYA	Mar.	30.98	26.46	-4.52	99.76	106.29	6.5

Country	Month	2017	2018	Difference +/-	To-date 2017	To-date 2018	Difference +/-
UGANDA	Nov.	5.63	3.06	-2.6	47.67	52.95	5.28

THIS WEEK'S TOP PRICES

<u>WESTERN MEDIUM</u>			<u>UVA MEDIUM</u>			<u>LOW GROWN LEAFY GRADES</u>		
Harangalla	BOP	820/-	Halpewatte Uva	BOP	750/-	Lickra	BOP1	1000/-
Kenilworth	BOPSP	880/-	Shawlands	BOPSP	690/-	*Sithaka	BOP1	980/-
Doombagastalawa	BOPF/ BOPFSP	620/-	*Halpewatte Uva	BOPF/BOPFSP	690/-	*Makandura	BOP1	980/-
Craighead	BOP1	940/-	Telbedde	BOP1	850/-	Mulathiyana Hills	OP1	1200/-
*Harangalla	BOP1	880/-	Dickwella	FBOP /FBOP1	780/-	Golden Garden	OP1	1200/-
Craighead	FBOP/FBOP1	940/-	Telbedde	FBOPF/FBOPF1	770/-	*Makandura	OP1	1150/-
*Dartry Valley	FBOP/FBOP1	860/-	Tini Oya	OP/OPA	770/-	Navinda	OP	780/-
*Harangalla	FBOPF/FBOPF1	860/-	Tini Oya	OP1	880/-	*Sithaka	OP	770/-
Deenside	OP/OPA	760/-	*Halpewatte Uva	OP1	790/-	*Makandura	OPA	860/-
Craighead	OP1	920/-	Aruna Passara	PEK /PEK1	800/-	Liyonta	PEKOE	1010/-
Dartry Valley	PEK/PEK1	900/-				*Makandura	PEKOE	990/-
Harangalla	PEK/PEK1	890/-				Deerwood Super	PEKOE1	1000/-
			<u>UVA HIGH</u>			New J S P	PEKOE1	1000/-
<u>WESTERN HIGH</u>			Bandaraeliya	BOP	560/-	H P P Tea	PEKOE1	1000/-
Wattegoda	BOP	720/-	Glenanore	BOPSP	600/-	*Makandura	PEKOE1	990/-
Glentilt	BOPSP	600/-	Mahadowa	BOPF/BOPFSP	560/-	*Ihalapanapitiya	PEKOE1	980/-
Somerset	BOPF/ BOPFSP	750/-	Uva Kellie	BOP1	750/-			
Annfield	BOPF/ BOPFSP	700/-	*Battawatte	BOP1	720/-			
Glenloch	BOP1	780/-	Glenanore	FBOP/ FBOP1	810/-			
Inverness	FBOP/ FBOP1	750/-	Glenanore	FBOPF/ FBOPF1	760/-			
Torrington	FBOPF/FBOPF1	680/-	Glenanore	OP1	760/-			
Wedemulla	OP/OPA	580/-	Spring Valley	OP/OPA	750/-			
Venture	OP1	760/-	Ranaya	OP/OPA	750/-			
Wedemulla	PEK/PEK1	760/-	Aislabay	PEK/PEK1	760/-			
			<u>UDA PUSSELLAWA</u>					
<u>NUWARA ELIYA</u>			Kirklees	BOP	520/-			
Kenmare	BOP	435/-	Alma	BOPSP	680/-			
Court Lodge	BOPF/BOPFSP	480/-	Kirklees	BOPF/BOPFSP	570/-			
Mahagstotte	BOPF/BOPFSP	480/-	Delmar	BOP1	480/-			
Mahagstotte	FBOP/ FBOP1	1100/-	Alma	FBOP/ FBOP1	740/-			
Lovers Leap	PEK /PEK1	940/-	Delmar	FBOPF/FBOPF1	620/-			
Mahagstotte	PEK /PEK1	940/-	Alma	OP/OPA	660/-			
			Delmar	OP1	480/-			
<u>CTC TEAS</u>			Alma	PEK /PEK1	740/-			
			<u>OFF GRADES</u>					
<u>HIGH GROWN</u>			Kothmale Hills	BM	480/-			
Dunsinane CTC	PF1	560/-	*Athukorala Group	BM	470/-			
Mt. Vernon	BP1	360/-	Telbedde	BP	650/-			
Dunsinane CTC	BPS	370/-	Mahadowa	FNGS/FNGS1	590/-			
			Hingalgoda CTC	PFGS	610/-			
<u>MEDIUM GROWN</u>			*Nawalakanda Sup	BOPIA	500/-			
Delta CTC	PF1	450/-	Ceyenta	BOPIA	500/-			
Strathdon CTC	BP1	445/-						
Aultmore CTC	BPS	425/-	<u>DUST</u>					
			Mattakelle	DUST1	910/-			
<u>LOW GROWN</u>			Hingalgoda CTC	PD	580/-			
Hingalgoda CTC	PF1	720/-	Kalubowitiyana	PD	580/-			
Ceciliyan CTC	BP1	560/-						
Ceciliyan CTC	BPS	520/-						
						<u>LOW GROWN TIPPY GRADES</u>		
						Cee Tee Hills	BOP	1250/-
						Kiruwanaganga	BOP	1150/-
						Kelani	BOPSP	1375/-
						Lumbini	BOPSP	1200/-
						*Sithaka	BOPSP	1150/-
						Dellawa	BOPF	1350/-
						Pothatuwa	BOPF	950/-
						*New Hopewell	BOPF	925/-
						Pothatuwa	BOPFSP	1350/-
						Adam Veiw	BOPFSP	1325/-
						Kelani	FBOP	940/-
						Lions	FBOP1	1050/-
						*L. Pinnaduwa	FBOPF	1100/-
						Broadlands SH	FBOPF	1050/-
						Himara	FBOPF	1000/-
						*L.Kottawa	FBOPF	980/-
						*L.Kottawa	FBOPF1	850/-
						*L.Pinnaduwa	FBOPF1	850/-
						Brombil	FBOPF1	850/-
						Adams View	FBOPF1	850/-
						New Hopewell	FBOPF1	840/-
						*Garden Leaf	FBOPF1	830/-
						<u>PREMIUM FLOWERY</u>		
						Winwood Garden	FBOPFSP	3800/-
						Moraketiya Sup	FBOPFSP	3100/-
						Suduwelipothahena	FBOPFEXSP	2750/-
						Berubeula	FBOPFEXSP	2550/-
						Deerwood Sup	FBOPFEXSP 1	2600/-
						*Peak Paradise	FBOPFEXSP 1	2250/-

* Sold by Lanka Commodity Brokers Ltd

+++ All Time Record Price

++ Equal All Time Record Price

Cont'd... (P6)

COLOMBO AUCTION – GROSS SALE AVERAGES

SALE NO.19 OF 15TH MAY, 2019.

	2019			2018	
	Weekly	Month to Date	Year to Date	Weekly	Month to Date
Uva High Grown	479.54	484.60	504.47	532.66	552.76
Western High Grown	521.18	532.66	578.26	562.15	574.49
High Grown	506.40	515.97	557.85	553.64	568.20
Uva Medium	499.61	518.40	532.33	545.14	559.57
Western Medium	462.59	464.61	493.62	529.49	541.77
Medium Grown	475.54	483.00	504.07	534.45	546.83
Low Grown (Orthodox)	595.11	591.22	618.78	634.42	634.88
Combined L.G. (Orthodox + CTC)	582.33	579.74	605.66	626.09	631.97
Total	550.28	551.10	580.02	593.93	604.57

DETAILS OF TEAS AWAITING SALES

	<u>Sale of 28th/29th May'19</u>		<u>Sale of 03rd /04th June'19</u>	
	Lot	Qty. (Kgs)	Lot	Qty. (Kgs)
Low Grown Leafy	4,084	1,948,923	4,491	2,275,281
Low Grown Tippy	2,154	1,170,878	2,211	1,268,900
High & Medium	1,556	821,705	1,768	974,187
Off Grade/BOP1A	2,272	1,336,611	2,324	1,350,642
Dust	486	487,611	604	640,940
Premium Flowery	309	61,597	298	64,467
Ex-Estate	<u>898</u>	<u>1,017,082</u>	<u>915</u>	<u>1,038,943</u>
Total	<u>11,759</u>	<u>6,844,457</u>	<u>12,611</u>	<u>7,613,360</u>

Weekly Private Sale Figures (From 13/05/2019 – 17/05/2019) - 104,007.00 Kgs
 Cumulative - 2,304,049.15 Kgs

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CATALOGUES

Sale No. 22 of 03rd & 04th June, 2019

The Main Sale & Ex-Estate Sale catalogues closed on 16th May, 2019 at 04.30 p.m.

Sale No. 23 of 11th & 12th June, 2019

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 23rd May, 2019 at 04.30 p.m. but sale will be closed before the scheduled date when the number of lots are reached.

Sale No. 24 of 18th & 19th June, 2019

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 30th May, 2019 at 04.30 p.m. but sale will be closed before the scheduled date when the number of lots are reached.

BROKER'S ORDER- SALE NO.21
Auction of 28th/29th May, 2019 - Main Sale

Leafy/Tippy/BOP1A/ Premium

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

High & Medium/Off Grades/Dust

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

Auction of 29th May, 2019

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

LCBL APPROXIMATE SELLING TIM - SALE NO: 21

Tuesday 28th May'19

Low Grown Tippy : 12.15 p.m.
Premium Flowery : 02.20 p.m.
High & Medium : 02.30 p.m.
Low Grown Leafy : 03.00 p.m.
BOP1A : 04.45 p.m.

Wednesday 29th May'19

Ex-Estate : 12.15 p.m.
Off Grades : 02.45 p.m.
Dust : 03.15 p.m.

CROP & WEATHER

For the period 13th to 19th May 2019

Western & Nuwara Eliya Regions: Bright mornings, occasional showers and dull evenings were reported throughout the week. **Uva/Uda Pussellawa Regions:** Sunny weather conditions were reported throughout the week in both regions. The Department of Meteorology predicted heavy rainfall in the Central and Uva regions in the week ahead. **Low Growns:** Both Ruhuna and Sabaragamuwa regions experienced dry weather during the course of the week. Rainfall of 100 mm can be expected in the days to come in the Sabaragamuwa Region.

Crop Intake: Western, Nuwara Eliya and Udapussellawa regions maintained the crop intake, whilst Uva, Ruhuna and Sabaragamuwa showed an increase.

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INTERNATIONAL TEA NEWS

Mombasa Upgrades Auction

KENYA

A \$1.5 million upgrade announced by the East African Tea Trade Association (EATTA) will for the first time automate the world's highest volume tea auction. Mombasa is a critical hub for black tea as it aggregates the production of 10 African countries. Buyers are concentrated in five countries that purchase 75% of the tea. Traders in neckties who address each other as "sir" currently employ an "outcry" method to place and close bids, an inefficient and exclusionary means of price discovery. ETTA vice-chairman said technicians are in the final stages of rolling out a prototype that will "wholly computerize the auction process." ETTA, a non-government association of 190 traders founded in 1956, operates the auction. Work will be complete within the next few months.

Sanctions Upend Iran Trade

U.S. sanctions imposed to punish Iran have cut demand as traders are scared to transact with Iran for fear of not getting paid as banks shy away from remitting money from the country. Iran is an important tea trading partner, paying good prices for large orders of Indian, Sri Lanka, and Kenyan tea. When a previous round of sanctions was lifted in 2016 exports surged and profits rose for traders supplying tea to Iran's 80 million tea drinkers. Kenya Tea Development Agency (KTDA) said earnings are down 17% due in part to financial restrictions reinstated in November 2018. The inability for the two countries to trade in dollars led to a surplus greater than the local export market can absorb, say KTDA officials.

Iran is the world's fifth largest tea importer, purchasing \$280 million from Kenya last year. About 20 percent of Iran's 88,000 metric tons of tea imports are from Kenya with Sri Lanka, India, and China supplying the rest.

OTHER MARKETS

BANGLADESH AUCTION

Sale # 04 held on Monday 20th May, 2019.

CTC LEAF: 13,907 packages of Current Season Teas on offer met with a very limited demand with very heavy withdrawals.

BROKENS/FANNINGS: A nominal weight of teas were sold which recorded a decline of price by Tk.10/- to Tk.20/-.

CTC DUST: 3,420 packages of Current Season Teas on offer met with less demand. Good liquoring varieties sold at a drop of Tk.8/- to Tk.10/- with fair withdrawals. Others were mostly neglected and subjected to heavy withdrawals. Blenders lent some support and operated on good liquoring teas, Loose tea buyers were very selective.

QUOTATIONS – THISWEEK– (IN TAKA)

Brokens	This Week	Last Week	Fannings	This week	Last Week	Dust	This week	Last Week
Large	NQTA	200-220	Best	230-245	245-255	PD	212-214	218-228
Medium	200-220	210-230	Good	215-225	230-240	RD	197-238	203-292
Small	205-225	212-238	Medium	200-210	212-227	D	200-229	173-280
Plain	185-195	195-205	Plain	190-200	200-210	CD	263-308	178-307
BLF	140-170	165-180	BLF	140-170	165-180	BLF	150-193	172-186

Courtesy: NATIONAL BROKERS LIMITED

Cont'd....(9)

MOMBASA TEA AUCTION MARKET REPORT

SALE NO.21 OF THE 20th-21st MAY, 2019

Much reduced and irregular demand for the 120,396 packages (7.81m/kgs) on offer at easier rates closely following quality 25.63% remained unsold.

Best **BP1s** in the market saw improved enquiry gaining USC6-USC15 while Brighter categories were a weak feature and shed USC25-USC80 and more teas were neglected with Medium easing by USC15-USC32 and some invoices did not receive any interest. Plainer descriptions discounted by USC06-USC10 and Plainest were difficult of sale.

The Best **PF1s** available were irregular and ranged between USC24 dearer following quality to easier by a similar rate where sold while Brighter varieties were USC8-USC15 below previous levels and some lines were neglected with Mediums declining by USC8-USC13 and a few invoices were unsold. Plainer sorts eased by USC7-USC20 but some lines were difficult of sale.

The Best **PDUSTs** on offer were discounted by USC14-USC24 and some invoices were neglected with Brighter varieties easing by USC16-USC25 while Medium types met an irregular interest ranging between firm to USC10 dearer to easier by USC14-USC20 where sold. Plainer descriptions easing by USC4-USC15 and many teas were unsold.

The Best **DUST1s** in the market were steady to USC17 easier with Brighter categories irregular and ranged between USC4 dearer to easier by up to USC10 while Medium types varied between firm to USC7 above previous prices to easier by USC14-USC20. Plainer sorts were discounted by USC6- USC17 where sold.

In the **Secondary Catalogues** BPs appreciated with PFs steady. Clean well sorted coloury Fannings were dearer with similar DUSTs firm. Other Fannings eased while DUSTs were discounted. BMFs were well absorbed.

Pakistan Packers showed useful supports with more interest from Kazakhstan, other CIS states and UK, Egyptian Packers were active while Yemen, other Middle Eastern countries, Sudan and Russia maintained enquiry. Afghanistan lent selective support while Bazaar were quieter. Somalia maintained interest at the lower end of the market.

	BP1	PF1	PD
Best	260-486	248-334	356-374
Good Medium	212-271	230-276	340-370
Lower Medium	138-270	130-230	098-304
Plainer	090-196	050-168	075-226

Jakarta Auction of 21st May 2019

Auction No. 20

Orthodox 6,760 Sacks (342,880 Kgs)
CTC 2,220 Sacks (129,060 Kgs)
Total 8,980 Sacks (471,940 Kgs)

Better demand with more buyers participating. Russia similar to last week active for Sumatra Brokens. Lipton strong for PF while Van Rees competed for all Tea Bag types at higher levels. UK/Europe keener interest. USA some buying evident. Japan quiet. Other traditional buyers operated more orders. Pakistan Selectively supported the offerings.

Java - BOP none on offer this week while corresponding BOPF gained by substantial margins. PF advanced by 8—12 Cents while plainer sorts remained steady. PF2 types 1—2 Cents more. Dust marginally higher while powdery sorts were firm. BT and other Off Grades 3—6 Cents dear

CTC - BOP increased by 1—2 Cents on last while BOPF remained steady. PF were withdrawn due to lack of interest. Dust declined irregularly on last rates. Powdery sorts 2—3 Cents dearer. BT and other Off Grades 3006 Cents higher.

Sum - BP1 none on offer to quote while few PF1 remained unsold due to low bids. Few PD gained by 5—8 Cents. D1 remained steady. Fannings were 2—3 Cents dearer. Few D2 sold 5—10 Cents over last.

22nd May, 2019

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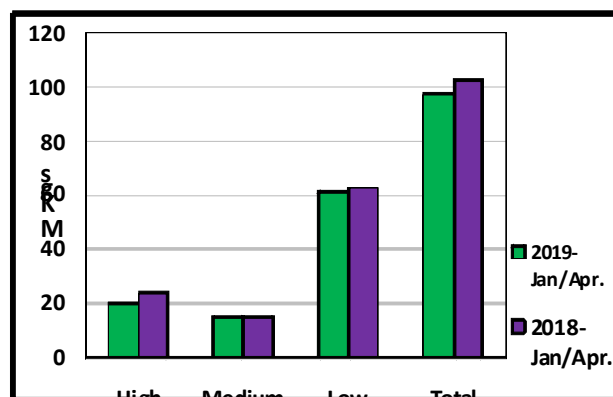
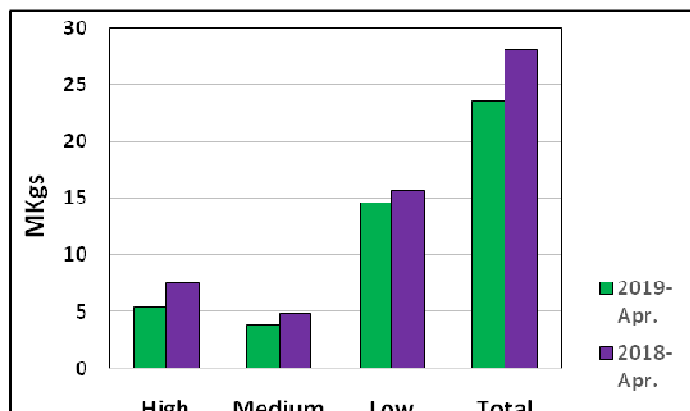
A much lower harvest has been recorded in the month of April, 2019 with the total production declining by 4.3 Mkgs when compared to the same month last year. On analyzing the elevation-wise production for April 2019 it is noted that the High and Medium grown elevations together have recorded a month on month drop of 51.90% whilst the Low Grows declined 7.20%. The drought conditions experienced during last month has had a telling effect on yields particularly affecting the crop intakes in the High and Medium elevations which have not been able to withstand the rising temperatures that have stunted growth.

During the period January to April 2019, a total production 97.0 Mkgs has been recorded and here again the cumulative drop year on year is now 5.2 Mkgs with a 15.57% drop from High Grown plantations.

Given below are more comprehensive details relating to tea production

Sri Lanka Tea Production-April 2019 vs. 2018 (In Kgs)

	2019-April	2018-April	+/-	%	Jan/ Apr 2019	Jan/Apr 2018	+/-	%
High	5,338,196	7,461,180	(2,122,985)	(28.45)	20,202,694	23,928,809	(3,726,115)	(15.57)
Medium	3,730,150	4,872,604	(1,142,454)	(23.45)	15,250,678	15,432,616	(181,938)	(1.18)
Low	<u>14,554,829</u>	<u>15,684,552</u>	<u>(1,129,723)</u>	<u>(7.20)</u>	<u>61,599,662</u>	<u>62,991,004</u>	<u>(1,391,342)</u>	<u>(2.21)</u>
Total	<u>23,623,174</u>	<u>28,018,336</u>	<u>(4,395,162)</u>	<u>(15.69)</u>	<u>97,053,034</u>	<u>102,352,429</u>	<u>(5,299,395)</u>	<u>(5.18)</u>



During the period January to April, 2019 the larger crop harvests have been from the following regions.

1	Ratnapura	16,977,993.00	11	Kegalle	2,014,507.00
2	Galle	13,479,360.00	12	Morawaka	2,005,432.00
3	Kalutara	7,513,595.00	13	Hatton/Dickoya	2,003,446.00
4	Gampola/Nawalapitiya/Dolosbage	6,095,943.00	14	Upcot/Maskeliya	1,990,724.00
5	Matara	4,896,634.00	15	Kadugannawa	1,961,088.00
6	Deniyaya	4,717,314.00	16	Pussellawa/Hewaheta	1,949,681.00
7	Demodara/Haliella/Badulla	2,989,556.00	17	Balangoda	1,889,677.00
8	Nanuoya/Lindula/Talawakelle	2,654,502.00	18	Bogawanthalawa	1,789,084.00
9	Balangoda/Rakwana	2,646,474.00	19	Agarapathana	1,621,486.00
10	Kelani Valley	2,543,563.00	20	Udapussellawa/Halgranoya	1,251,118.00