



LANKA COMMODITY BROKERS LTD
TEA MARKET REPORT

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SALE NO.32 OF 13TH AUGUST, 2019.

C O M M E N T S

This week's auction was conducted as a One day sale with a restricted quantity of 4.4 m/kgs in view of two holidays falling on Monday and Wednesday. Low Grown Leafy teas totaled 1.1m/kgs whilst Tippy/Small Leaf/Premium Flowery catalogues had 0.7m/kgs and High Grown teas on offer in the Ex-Estate catalogue amounted 0.9 m/kgs.

More widespread demand was seen for the smaller volume of low grown teas. Stylish BOP1's, OP1's were fully firm to dearer, while, OP / OPA's with cleaner leaf gained Rs.10/- to 20/- per kg. At the lower price-end most teas ruled fully firm to dearer. Bolder Pekoes were dearer by Rs.10/- and more whilst the shotty types ruled fully firm. In the Tippy catalogues, the select best FBOP's/ FBOPF1's were firm whilst others gained Rs. 10/- to 20/-per kg. Well-made tippy teas continued to attract strong interest and were much dearer. Buyers for Saudi Arabia, Iran, Kuwait, Jordan and the U. A. E. operated on a wide range of grades. Buyers for Russia, and the C I S, were more active. Turkey and Syria were strong on Pekoe descriptions. There was maintained interest from Iraq and Libya for secondary teas.

Except for a range of select best sorts, much less demand was seen for a large cross section of Westerns which had dull and disappointing liquors, resulting in sharply lower prices. Plainer, poor leaf teas mostly remained unsold, thus adding to the severe cash flow issues faced by the plantations, on account of the depressed marketing conditions at the Colombo Tea Auctions for high grown teas, for quite some time. The select best seasonal Uva's were irregularly dearer following special interest from buyers for Japan and Germany in the main, and, a few other niche markets as well. There was much less demand from "Tea Bag" buyers operating for the Russian market. Buyers for China, Hong Kong and other European destinations were more selective.

This week's auction comprised of **7,539** lots with a total quantity of **4,461,025** Kgs.
 The catalogue-wise breakdown was as follows:-

	Lot	Qty. (Kgs)
Low Grown Leafy	2,588	1,199,782
Low Grown Tippy	1,302	683,805
High & Medium	718	367,266
Off Grade/BOP1A	1,584	955,465
Dust	309	308,389
Premium Flowery	238	52,541
Ex-Estate	800	893,777
Total	<u>7,539</u>	<u>4,461,025</u>

In lighter vein

GOOD NEWS AND SOME BAD NEWS

A New York attorney representing a wealthy art collector called his client.

He says, "John, I have some good news and some bad news."

The art collector replied, "I've had an awful day; let's hear the good news first."

The attorney said, "Well, I met with your wife today, and she informed me that she invested \$5,000 in two pictures that she thinks will bring a minimum of \$15-20 million. I think she could be right."

John replied enthusiastically, "Well done! My wife is a brilliant businesswoman! You've just made my day. Now that I know that I can handle the bad news, you mind telling me what it is?"

The attorney replied, "The pictures are of you and your secretary."

Cont'd... (P2)

LOW GROWNS – LEAFY

- BOP1** : Select best invoices were declined by Rs.40-50/- per kg; balance however maintained last week's levels. Teas at the lower end tended irregular.
- OP1** : Teas in the select best category advanced Rs.3-40/- per kg; balance were lower by Rs.20-30/- and at times more difficult of sale. Stalky invoices too declined.
- OP** : Select best invoiced held firm; balance declined Rs.20/- and at times more. Teas at the lower end advanced Rs.20-30/- per kg.
- OPA** : Select best teas were lower by Rs.10-20/- per kg; balance too declined Rs.20/- and at times were difficult of sale. Poorer sorts however gained Rs.10-20/- per kg.
- PEK/PEK1**: Well-made shotty invoices were maintained; balance too fully firm to Rs.10-15/- per kg dearer. Best bolder Pekoes were lower by Rs.30-40/- per kg; balance too lower by Rs.10-20/- and at times more. Poorer sorts were irregularly lower by Rs.10-20/- per kg.

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	820-980	850-1000	630-680	630-680	500-550	500-550
OP1	880-1250	850-1200	550-600	570-630	280-320	280-330
OP	650-800	650-790	500-520	500-540	300-350	280-320
OPA	630-830	650-820	500-520	500-540	300-340	280-330
PEK/PEK1	720-1010	730-1000	570-620	600-650	400-450	420-450

TIPPY/SMALL LEAF

- BOP/BOPSP** : Few select best maintained; balance were easier. Best and cleaner below best were firm to dearer. Others firm on last.
- BOPF/BOPFSP** : Select best tended irregular. Best together with cleaner below best and cleaner teas at the lower end appreciated. Balance firm on last.
- FBOP/FBOP1** : Select best FBOP's maintained. Best and cleaner below best were firm to dearer. Others sold around last levels. FBOP1's in general firm.
- FBOPF/FBOPF1** : Very tippy teas continued to attract good demand. Best and cleaner below best together with cleaner teas at the lower end appreciated. Others were firm on last. Select best FF1's maintained. Best and cleaner below best together with cleaner teas at the lower end appreciated. Balance maintained.
- FBOPFSP/EXSP** : Select best teas were firm to dearer on last week level whilst the best and below best met with good demand and showed an improvement in price on last 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	800-960	780-830	680-720	650-700	380-440	380-400
BOPF /BOPFSP	780-835	780-850	680-720	650-700	380-440	380-400
FBOP/FBOP1	850-980	880-1100	700-750	700-750	650-680	600-650
FBOPF/FBOPF1	850-1050	850-1200	850-900	800-850	700-750	700-750
FBOPFSP/EXSP	1100-3500	1000-3300	900-1200	900-1200	750-800	750-800

Cont'd... (P3)

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP : Well made FBOP's tended irregular. Below best and poor sorts sold well.

FBOPF/FBOPF1 : Neat well made FF/FF1's held firm. Secondary and the poorer sorts were too met with fair general demand.

PEK/PEK1 : Neat well made PEK/PEK1 types were firm. Below best types lost Rs.10-20/-. Teas at the lower end too tended irregular on last levels.

<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	750-790	760-920	675-750	660-760	575-675	540-660
FBOPF/FBOPF1	750-770	740-830	650-750	625-740	550-650	500-625
PEK/PEK1	650-700	770-980	600-650	600-770	420-600	450-600

HIGH GROWN

BOP: Best Westerns declined Rs.20/-per kg and more for select high priced teas of last week. Teas in the below best category declined Rs.30-40/-per kg whilst prices at the lower end were barely maintained. Nuwara Eliyas were firm. Udupussellawas continued to be disappointing following quality. Uvas -select invoices, particularly the seasonal teas, appreciated irregularly following special inquiry whilst the others gained Rs.20-30/-per kg and more.

BOPF: Best Westerns -few select invoices sold around last week's levels whilst the majority declined Rs.30-40/-per kg and more. Teas in the below best category -small selection of teas gained Rs.20-30/-per kg following special inquiry whilst the majority declined by Rs.10-20/-per kg. Prices at the lower end were barely maintained. Nuwara Eliyas were difficult of sale following plainer quality. Udupussellawas continued to sell at lower levels following quality. Uvas - seasonal invoices were substantially dearer whilst the other clean leaf coloury sorts were Rs.30-40/-per kg dearer.

<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	500-620	520-660	500-680	520-650
Below Best Westerns	440-480	420-500	420-490	450-510
Plainer Westerns	360-430	360-410	365-410	360-440
Nuwara Eliyas	450-530	380-550	N/A	380-400
Other Uda Pussellawas	370	350-395	350-375	365-390
Best Uva's	650-1100	610-860	460-750	410-550
Other Uva's	400-600	380-550	410-450	370

MEDIUM GROWN TEAS

BOP: Rs.20/-per kg lower.

BOPF: Declined Rs.20/-per kg and more.

<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	395-620	410-750	390-470	370-480

CTC

PF1: High Grown PF1's - High priced teas of last week were difficult of sale whilst the balance teas sold around last levels. Medium Grown PF1's were firm to Rs.10-20/- dearer whilst Low Grown varieties declined Rs.20-30/- and more.

BP1: Teas from all elevations were up to Rs.20/- lower and at times more.

<u>Quotations (Rs./Kg)</u>	PF1		BP1	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	360-420	360-490	N/Q	370-420
Medium	325-470	325-490	315-420	360-400
Low	325-630	350-630	330-520	320-540

Cont'd... (P4)

OFF GRADES

Best liquoring FNGS/FNGS1 were firm on last week's levels. Clean Low Grown FNGS/FNGS1 firm. Best BPs' too firm on last week levels. Well made BM's were also firm whilst poor BM's were a little irregular. Well made BOPIA's firm to dearer by Rs.10-20/- per kg. whilst poor types were easier by Rs.10-20/- per kg.

QUOTATIONS (Rs/kg)	HIGH		MEDIUM		LOW	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Good Fannings (Orthodox)	250-420	250-410	240-320	240-330	230-330	240-350
Good Fannings (CTC)	250-310	250-310	220-320	220-320	220-320	220-320
Other Fannings (Orthodox)	220-230	220-230	200-290	200-290	220-290	220-290
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	290-330	290-340	290-360	300-370	300-480	310-480
Other BM's	220-270	220-270	220-270	220-270	220-270	220-280
Best BOPIAs	300-330	300-330	320-400	320-400	320-470	330-460
Other BOPIAs	220-270	220-290	220-270	220-290	220-270	220-290

DUST

Best liquoring High Grown D/D1's declined by Rs.50/- per kg and at times more whilst secondary and poorer types were firm on last week levels. Select best Low Grown D/D1's firm to easier by Rs.50-70/-whilst others too were lower but up to a lesser extent. CTC PD's were declined by Rs.50-60/-.

QUOTATIONS (Rs/kg)	HIGH		MEDIUM		LOW	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Good Primary Dust 1(Orthodox)	550-800	600-850	430-530	450-550	450-530	500-600
Good Primary PD (CTC)	400-440	400-440	400-470	420-485	500-640	550-710
Other Primary Dust (Orthodox)	260-320	260-320	280-310	280-310	310-360	310-360
Other Primary Dust (CTC)	N/A	N/A	270-320	270-320	260-300	260-300
Secondary Dust	260-300	260-300	260-300	260-300	270-300	270-300
Poorer Dust	260-290	260-290	240-270	240-270	250-280	250-280

World Crop Statistics (MKGS)

Country	Month	2018	2019	Difference +/-	To-date 2018	To-date 2019	Difference +/-
SRI LANKA	June	23.26	27.19	3.93	158.15	158.46	0.31
BANGLADESH	June	7.63	11.67	4.04	19.40	27.95	8.6
MALAWI	June	1.9	1.6	-0.3	34.1	34.6	0.5
NORTH INDIA	June	126.0	125.9	-0.1	341.1	373.2	32.1
SOUTH INDIA	June	23.1	25.0	1.9	110.2	100.5	-9.70
KENYA	May	43.35	37.75	-5.60	187.69	170.18	-17.5

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

“International Tea Committee Bulletin of Statistics”

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THIS WEEK'S TOP PRICES

<u>WESTERN MEDIUM</u>			<u>UVA MEDIUM</u>			<u>LOW GROWN LEAFY GRADES</u>		
Nayapane	BOP	620/-	Hindagala	BOP	720/-	Kiruwanaagala	BOP1	980/-
*Cinnamon Valley	BOPSP	700/-	Shawlands	BOPSP	650/-	Mulathiyana Hills	OP1	1250/-
Ancoombra	BOPSP	700/-	St.James	BOPF/BOPFSP	630/-	*Makandura	OP1	1200/-
Craighead	BOPF/ BOPFSP	470/-	Halpewatte Uva	BOP1	870/-	*New Galagawa	OP	800/-
*Uplands	BOP1	820/-	Pettiagalla	FBOP /FBOP1	790/-	*Makandura	OP	790/-
Nayapane	FBOP/FBOP1	850/-	Shawlands	FBOPF/FBOPF1	780/-	ACU Super	OPA	830/-
Ancoombra	FBOPF/FBOPF1	780/-	Wewesse	OP/OPA	550/-	Sunrise	OPA	810/-
*Ancoombra	FBOPF/FBOPF1	770/-	Halpewatte Uva	OP1	690/-	*Makandura	OPA	800/-
Orangefield	OP/OPA	610/-	Telbedda	OP1	690/-	Sunrise	PEKOE	1010/-
Ancoombra	OP1	680/-	St.James	PEK /PEK1	865/-	Karagoda	PEKOE1	980/-
Ancoombra	PEK/PEK1	730/-				Sunrise	PEKOE1	980/-
			<u>UVA HIGH</u>			Bulathsinghala Tea	PEKOE1	980/-
<u>WESTERN HIGH</u>			Aislaby	BOP	1100/-	K D U Sup	PEKOE1	980/-
Wattegodde	BOP	620/-	Uva Highlands	BOPSP	710/-			
Venture	BOPSP	570/-	Uva Highlands	BOPF/BOPFSP	750/-	<u>LOW GROWN TIPPY GRADES</u>		
Mattakelle	BOPF/ BOPFSP	680/-	Uva Highlands	BOP1	560/-	*Geekiyanaahena	BOP	960/-
Inverness	BOP1	700/-	Battawatte	FBOP/ FBOP1	760/-	Sithaka	BOP	860/-
Inverness	FBOP/ FBOP1	760/-	Spring Valley	FBOP/ FBOP1	760/-	Berubeula	BOPSP	850/-
Inverness	FBOPF/FBOPF1	780/-	*Battawatte	FBOPF/ FBOPF1	730/-	Ceciliyan	BOPF	835/-
Inverness	OP/OPA	600/-	*Battawatte	OP/OPA	500/-	Mulathiyana Hills	BOPFSP	825/-
Venture	OP1	460/-	Chelsea	OP/OPA	500/-	Suduwelipothahena	FBOP	980/-
Bearwell	PEK/PEK1	650/-	*Battawatte	OP1	660/-	Sithaka	FBOP	970/-
			Uva Highlands	PEK/PEK1	900/-	Golden Garden	FBOP1	800/-
<u>NUWARA ELIYA</u>			<u>UDA PUSSELLAWA</u>			*Andaradeniya Sup	FBOP1	780/-
Lovers Leap	BOP	530/-	Kirklees	BOP	560/-	*New Galagawa	FBOPF	1050/-
Lovers Leap	FBOP/ FBOP1	680/-	Kirklees	BOPE/BOPFSP	490/-	Gunawardena	FBOPF	1050/-
Court Lodge	PEK/PEK1	435/-	Gonakelle	BOP1	620/-	Tippola Teas	FBOPF	1050/-
			Gonapitiya	FBOP/ FBOP1	580/-	*Lucky Hiniduma	FBOPF	980/-
<u>CTC TEAS</u>			Alma	FBOPF/FBOPF1	650/-	Brombil	FBOPF1	830/-
<u>HIGH GROWN</u>			Alma	OP/OPA	350/-			
Mt. Vernon CTC	PF1	420/-	Delmar	OP1	450/-	<u>PREMIUM FLOWERY</u>		
Aultmore	BP1	380/-	Alma	PEK /PEK1	610/-	Mulathiyana Hills	FBOPFSP	2650/-
Mt. Vernon	BPS	360/-				Lions	FBOPFEXSP	3500/-
Mt. Vernon CTC	BPS	360/-	<u>OFF GRADES</u>			Berubeula	FBOPFEXSP1	3050/-
			*Chandrika Est.	BM	530/-			
<u>MEDIUM GROWN</u>			*Aldora	BP	520/-			
Delta CTC	PF1	470/-	Telbedde	BP	520/-			
*Carolina	BP1	420/-	New Vithanakande	FNGS/FNGS1	510/-			
*Carolina	BPS	385/-	Hingalgoda CTC	PFGS	500/-			
			*Aldora	BO1A	570/-			
<u>LOW GROWN</u>			*Chandrika Est.	BO1A	570/-			
Kalubovitiyana	PF1	630/-	Morawakkorale	BO1A	570/-			
Suduwelipothahena	BP1	520/-						
			<u>DUST</u>					
			Mattakelle	Dust1	810/-			
			CeciliyanCTC	PD	640/-			

* 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.31 OF 7th AUGUST, 2019.

	Weekly	2019 Month to Date	Year to Date	Weekly	2018 Year to Date
Uva High Grown	409.93	419.18	465.92	517.03	530.99
Western High Grown	465.54	468.73	532.25	604.79	582.79
High Grown	450.34	454.93	513.31	570.44	568.88
Uva Medium	455.00	457.11	496.95	500.85	535.37
Western Medium	424.77	444.50	462.03	472.84	520.72
Medium Grown	432.22	447.58	471.77	483.11	525.40
Low Grown (Orthodox)	547.83	547.83	590.38	553.21	621.14
Combined L.G. (Orthodox + CTC)	540.21	540.66	579.11	549.49	614.79
Total	504.67	507.88	548.39	541.75	591.47

DETAILS OF TEAS AWAITING SALES

	<u>Sale of 20th & 21st Aug.'19</u>		<u>Sale of 27th & 28th Aug.'19</u>	
	Lots	Qty. (Kgs)	Lots	Qty. (Kgs)
Low Grown Leafy	4,245	2,065,517	4,371	2,084,122
Low Grown Tippy	2,266	1,200,583	2,185	1,176,922
High & Medium	1,580	821,593	1,634	858,353
Off Grade/BOP1A	2,424	1,433,699	2,245	1,321,837
Dust	667	680,560	736	766,428
Premium Flower	411	83,796	480	99,766
Ex-Estate	<u>881</u>	<u>989,749</u>	<u>976</u>	<u>1,108,106</u>
Total	<u>12,474</u>	<u>7,275,497</u>	<u>12,627</u>	<u>7,415,534</u>

Weekly Private Sale Figures (From 05/08/2019 – 10/08/2019) - 101,430.00 Kgs

Cumulative - 3,917,509.80 Kgs

CROP & WEATHER

For the period 05th to 11th August, 2019.

Western/Nuwara Eliya Regions: Heavy showers were reported throughout the week. The Department of Meteorology predicts sudden increases in wind speeds (50-60 kmph) in both regions. **Udapussellawa Regions:** Bright weather with scattered showers and light winds were reported throughout the week. **Uva Region :** Strong winds and bright weather were reported during the week. **Low Growns:** Both Ruhuna and Sabaragamuwa regions experienced rain throughout the week. The Department of Meteorology predicts heavy rain fall (above 100) m in the Sabaragamuwa Region in the days to come.

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

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CATALOGUES

Sale No.34 of 27th & 28th August, 2019.

The Main Sale & Ex-Estate Sale catalogues closed on **08th August, 2019** one day ahead of the schedule.

Sale No.35 of 3rd & 4th September, 2019.

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **15th August, 2019 at 04.30 p.m.** but sale will be closed before the scheduled date when the number of lots is reached.

Sale No.36 of 9th & 10th September, 2019.

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **22nd August, 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.33
Auction of 20th/21st August , 2019 - Main Sale

Leafy/Tippy/BOP1A/ Premium

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

High & Medium/Off Grades/Dust

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

Auction of 21st August, 2019 - Ex-Estate

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

LCBL APPROXIMATE SELLING TIME

Tuesday 20th August'19.

High & Medium : 08.45 p.m.
Low Grown Tippy : 02.00 p.m.
Premium Flowery : 03.15 p.m.
Low Grown Leafy : 03.45 p.m.
BOP1A : 05.15 p.m.

Wednesday 21st August'19.

Off Grades : 11.30 a.m.
Ex-Estate : 12.15 p.m.
Dust : 02.00 p.m.

Cont'd.... (8)

OTHER MARKETS

Jakarta auction of 14th August 2019

Auction No. 31

Demand around last.

Russia strong and often forcing for Sumatra Brokens. Van Rees and Lipton competed actively for Tea Bag types. USA quiet. Japan limited interest. UK/Europe strong often at slightly higher rates for the brighter/better sorts. Other traditional buyers buying at market. Pakistan more interest.

Java - Most BOP withdrawn due to higher limits but those sold maintained last rates. Corresponding BOPF lost 4-6 Cents. Good PF steady while plainer sorts declined irregularly. PF 2 1-2 Cents dearer. Dust irregular but overall marginally lower. Powdery sorts 1—2 Cents below last. BT and other Off Grades 3-5 Cents more.

Sum - BOP unquotable while corresponding BOPF gained by 3-6 Cents. PF sold 3-4 Cents below last. Dust Irregularly easier. Powdery sorts 2—4 Cents dearer. BT and other Off grades tending dearer.

CTC - Few BP1 sold 4—8 Cents lower. PF 1 maintained last rates. PD sold 8—12 Cents higher. D1 often 2-3 Cents dearer. Fannings 1-2 Cents higher. D2 substantially more.

13th August, 2019.

-/mk