



LANKA COMMODITY BROKERS LTD
TEA MARKET REPORT

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SALE NOS.13 OF 16TH/17TH APRIL, 2020

COMMENTS

Sale #13 which was originally scheduled for March 31, 2020 and postponed on account of COVID-19 Lockdown, was finally held over April 16 through 18, 2020. The auction was conducted for the second successive week on the Electronic Platform that was hurriedly designed to be an alternate auction system as the traditional practice of Brokers and buyers gathering in a common auditorium was very much a health risk in the currently prevailing circumstances.

This week's sale comprised of a total quantity of 4 m/kgs; down by 0.5 m/kgs over the previous auction. Low Grown Leafy/Tippy/Premium Flowery Grades comprised of 1.3 m/kgs, whilst Main Sale High & Medium category teas totaled approximately 0.5 m/kgs. Teas on offer in the Ex Estate catalogue amounted to almost 639,536 kgs.

Once again, there was very strong buying interest for all teas in the Ex Estate sale from varied niche markets as well as the traditional quality markets which resulted in prices gaining sharply for the second consecutive week. A key reason for the stronger demand would have been the continued strong presence of Japan, Hong Kong, and other Far Eastern markets as well as Russia for "Tea Bag" types. Some interest from Germany and other European and Scandinavian markets too was in evidence. Additional demand would have also been directed at Colombo following the Lockdown measures taken in India which in effect has crippled the Indian Tea Auctions, and indeed the export of teas.

A bullish Market prevailed for all Low Grown teas and both leafy teas as well as Flowery grades once again saw sharply dearer prices. The buyers for Middle Eastern markets were forceful with Iran stepping up purchases possibly in view of being unable to source teas from India which is under lockdown. Turkey was active for their favorite Pekoe types whilst buyers for the C I S and Russia operated for well-made leafy descriptions. Very Tippy Teas continued to attract useful demand resulting in strong prices. Bottom level teas too witnessed strong demand from Iraq and Libya.

This week's auction comprised of **7,427** lots with a total quantity of **3,998,688** kgs.
 The catalogue-wise breakdown was as follows:-

	Lot	Qty. (Kgs)
Low Grown Leafy	2,134	807,379
Low Grown Tippy	1,035	479,632
High & Medium	1,155	550,580
Off Grade/BOPIA	1,789	1,038,161
Dust	478	450,386
Premium Flowery	219	33,014
Ex-Estate	<u>617</u>	<u>639,536</u>
Total	<u>7,427</u>	<u>3,998,688</u>

In Lighter Vein

On his way out of church, Frank stopped at the door to speak to the minister. "Would it be right," he asked, "for a person to profit from the mistakes of another?"

"Absolutely not!" replied the pastor.

"In that case," said the young man, "I wonder if you'd consider returning the hundred dollars I paid you to marry my wife and me last July?"

Cont'd... (2)

LOW GROWNS – LEAFY

- BOP1** : Select best together with best invoices appreciated by Rs.50/- and at times more; balance too advanced Rs.30/- per kg. Teas at the lower end maintained.
- OP1** : Teas in the select best category were fully firm on last week levels; balance was irregularly lower. Stalky invoices maintained on last levels.
- OP** : Select best invoices appreciated by Rs.40/- per kg; balance too firm on last week levels. Teas at the lower end fully firm.
- OPA** : Select best teas too appreciated; balance too maintained. Poorer sort was fully firm.
- PEK/PEK1**: Well-made shotty invoices appreciated by Rs.50/- and at times more; balance was barely steady. Best bold PEKOE's were gained by Rs.60/- per kg; balance maintained. Teas at the lower end were fully firm.

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	1700-2400	-	880-1000	-	600-750	-
OP1	2000-2900	-	900-1300	-	550-700	-
OP	1000-1200	-	800-950	-	580-700	-
OPA	1000-1300	-	800-950	-	580-700	-
PEK/PEK1	1100-1400	-	880-970	-	680-720	-

TIPPY/SMALL LEAF

- BOP/BOPSP** : Select best BOPs gained. Best and below best too were firm to dearer. Teas at the bottom maintained.
- BOPF/BOPFSP** : A few select best maintained. Others were firm to dearer.
- FBOP/FBOP1** : Select best and best were firm to dearer. Below best and teas at the bottom gained Rs. 20/- per kg and more. FBOP1's in general were firm to dearer.
- FBOPF/FBOPF1** : Very tippy teas continued to attract good demand. Best and below best were firm to dearer. Teas at the bottom maintained.
- FBOPFSP/EXSP** : A few select best invoices maintained following quality. Best and below best teas were irregularly easier.

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	1000-1300	-	800-900	-	600-700	-
BOPF /BOPFSP	900-1000	-	750-850	-	600-700	-
FBOP/FBOP1	1500-1810	-	900-1200	-	700-800	-
FBOPF/FBOPF1	1200-1400	-	900-1050	-	700-800	-
FBOPFSP/EXSP	3000-3600	-	2200-2800	-	950-1300	-

Cont'd... (3)

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP : Best on offer Rs.40-60/- per kg dearer whilst the others firm on last levels.

FBOPF/FBOPF1 : Met with strong demand gained Rs.50-100/- per kg.

PEK/PEK1 : Select best PEK1 types were Rs.40-60/- per kg dearer whilst the others were firm 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	900-1200	-	780-900	-	600-750	-
FBOPF/FBOPF1	900-1100	-	800-900	-	650-780	-
PEK/PEK1	900-1050	-	800-900	-	650-800	-

HIGH GROWN

BOP: Best Westerns - Select high priced teas were irregular and barely steady. Others were firm and Rs. 20-30/- per kg dearer. Teas in the Below Best and Plainer categories gained Rs. 30-50/- per kg and more. Nuwara Eliya's continued to sell at attractive levels. Uva/Uda Pussellawa's were up to Rs. 100/- per kg dearer.

BOPF: Best Westerns - Select high priced teas were irregular, whilst the others gained Rs. 30-50/- per kg. Teas in the Below Best and plainer categories gained Rs. 50-60/- per kg and more. Nuwara Eliya's continued to sell well at firm to dearer rates. Uva/Uda Pussellawa's gained Rs. 20-40/- 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	750-800	-	770-850	-
Below Best Westerns	680-720	-	740-760	-
Plainer Westerns	600-670	-	670-730	-
Nuwara Eliyas	1250-1350	-	850-1000	-
Other Uda Pussellawas	600-620	-	640	-
Best Uva's	650-690	-	720-760	-
Other Uva's	620	-	650	-

MEDIUM GROWN TEAS

BOP: Irregular.

BOPF: Gained Rs.30-40/- per kg.

<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	450-900	-	560-740	-

CTC

PF1: High Grown PF1's – Neat leaf invoices were firm to marginally dearer, others were irregular. Medium Grown PF1's – Better sorts were Rs.10-30/- per kg dearer and poorer sorts were substantially cleaner. Select Invoices of Low Grown PF1's were substantially dearer whilst the others were Rs.10-20/- per kg dearer.

BP1: High Growns were irregular and barely steady. Medium Growns gained Rs.20-30/- per kg and Low Growns were sold around last.

<u>Quotations (Rs./Kg)</u>	PF1		BP1	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	530-630	-	550-650	-
Medium	410-650	-	380-630	-
Low	370-1250	-	410-590	-

Cont'd.... (P4)

OFF GRADES

Best liquoring FNGS/FNGS1 advanced Rs.20/-per kg. Clean Low Grown FNGS/FNGS1 were firm on last week levels.. Best BPs' held firm. Well-made BMs firm. Well-made BOP1A's were dearer by Rs.25-50/- per kg whilst the others and below best types held firm. Poorer types lost Rs.10/- 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)	550-670	-	450-550	-	430-570	-
Good Fannings (CTC)	525/600	-	500-550	-	500-550	-
Other Fannings (Orthodox)	N/A	-	300-370	-	300-370	-
Other Fannings (CTC)	N/A	-	N/A	-	N/A	-
Good BM's	625-650	-	625-650	-	625-650	-
Other BM's	500-550	-	500-550	-	500-550	-
Best BOP1As	475-525	-	500-550	-	600-700	-
Other BOP1As	450-500	-	500-525	-	525-600	-

DUST

Select best liquoring High Grown D1's maintained on last levels whilst the secondary and below best types were firm on last levels. Poor varieties maintained on last level. Low Grown Clean D/D1s eased by Rs.30-50/-per kg. PD's from all elevations were irregularly lower by Rs.20-40/- 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 Primary Dust 1(Orthodox)	800-960	-	550-610	-	550-635	-
Good Primary PD (CTC)	690-710	-	650-710	-	750-820	-
Other Primary Dust (Orthodox)	260-270	-	260-280	-	280-300	-
Other Primary Dust (CTC)	N/A	-	260-290	-	260-280	-
Secondary Dust	240-270	-	240-260	-	240-270	-
Poorer Dust	230-250	-	180-250	-	190-250	-

World Crop Statistics (MKGS)

Country	Month	2019	2020	Difference +/-	To-date 2019	To-date 2020	Difference +/-
SRI LANKA	Jan.	23.20	21.90	-1.30	23.20	21.90	-1.30
BANGLADESH	Jan.	0.495	0.175	-0.32	0.495	0.175	-0.3
KENYA	Jan.	48.38	53.63	5.25	48.38	53.63	5.3
SOUTH INDIA	Jan.	14.22	16.01	1.8	14.22	16.01	1.79

Country	Month	2018	2019	Difference +/-	To-date 2018	To-date 2019	Difference +/-
MALAWI	Dec.	6.4	5.0	-1.4	50.6	48.2	-2.4
NORTH INDIA	Dec.	35.8	48.9	13.1	113.7	170.7	57.0
UGANDA	May	7.30	6.10	-1.2	28.18	21.95	-6.23

DETAILS OF TEAS AWAITING SALES

	<u>Sale of 21st/22nd April' 2020</u>		<u>Sale of 28th/29th April' 2020</u>	
	Lots	Qty. (Kgs)	Lots	Qty. (Kgs)
Low Grown Leafy	2,839	1,191,259	2,414	1,050,710
Low Grown Tippy	1,487	730,073	1,231	649,075
High & Medium	1,551	779,427	1,333	667,926
Off Grade/BOP1A	2,143	1,190,654	1,828	1,042,781
Dust	532	524,922	442	407,700
Premium Flowery	188	28,528	153	30,441
Ex-Estate	<u>760</u>	<u>787,176</u>	<u>606</u>	<u>629,177</u>
Total	<u>9,500</u>	<u>5,232,039</u>	<u>8,007</u>	<u>4,477,810</u>

Weekly Private Sale Figures (From 06.04.2020 to 11.04.2020) - 126,948.00 Kgs.
 Cumulative - 1,196,599.60 Kgs.

CATALOGUES

Sale No.15 of 21st/22nd April, 2020

The Main Sale & Ex-Estate Sale catalogues closed on **2nd April, 2020** at **04.30 p.m.** on schedule.

Sale No.16 of 28th/29th April 2020

The Main Sale & Ex-Estate Sale catalogues closed on **9th April, 2020** at **04.30 p.m.** on schedule.

Sale No.17 of 04th/05th May 2020

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **23rd April, 2020** at **04.30 p.m.** but sale will be closed before the scheduled date when the number of lots if reached.

Cont'd.... (P6)

SALE NO.15

BROKER'S ORDER

Auction of 21st/22nd April, 2020

Leafy/Tippv/BOPIA/ Premium Flowery

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

High & Medium/Off Grades/Dust

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

Ex-Estate

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

Crop & Weather

For the period 06th – 13th April, 2020

Western/Nuwara Eliya Regions - Both regions reported bright mornings and evening showers. The Department of Meteorology predicts misty mornings and afternoon showers in the week ahead.

Uva/Udapussellawa Regions - Clear mornings and evening showers were reported in both regions during the course of the week. Rainfall (above 50 mm) is expected during the week ahead in both regions according to the Department of Meteorology.

Low Growns - Bright mornings and wet evenings were reported in both the Ruhuna and Sabaragamuwa regions. The Department of Meteorology forecasts misty mornings in the days to come in the Sabaragamuwa Region.

Crop Intake - All planting regions showed a moderate increase in the crop intake.

WE CONGRATULATE

HATTON PLANTATIONS PLC

For obtaining certificate of conformity for Food Safety Management System of

OUBAHKELLE TEA FACTORY, LINDULA

in compliance with the requirements of

ISO 22000:20018

18th April, 2020

-/tp