



LANKA COMMODITY BROKERS LTD TEA MARKET REPORT

P.O.Box.2077, Colombo, No: 780, Maradana Road, Colombo 10, Sri Lanka.
Tel:94 11 5222300 Fax: 94 11 5377090 E-mail: lcbl@lcbl-sl.com Website: www.lcbl-sl.com



SALE NO.04 OF 25TH /26TH JANUARY, 2021

COMMENTS

This week's tea auction (Sale # 4) was held on January 25 & 26 (Mon/Tue) and, the offer quantity of 7.3 m/kgs was a drop of 0.5 m/kgs over the previous auction. The Low Grown Leafy/ Semi Leafy/ Tippy & Small Leaf/ Premium Flowery catalogues totaled 3.3 m/kgs, whilst Main Sale High & Medium category amounted to 1.2 m/kgs. The Ex Estate catalogue had 1.1 m/kgs.

Ex Estate teas met with weaker demand following quality and, with no fresh buying orders from China and Hong Kong, ahead of their New Year holidays which are celebrated next week. Downward price-pressure can therefore be expected to continue next week as well, with below best and plainer teas being the most vulnerable. China is an important buyer for Ceylon Tea and, their support for our quality teas has shown a steady growth over the past few years. The waning of demand from this market even for a limited period can therefore have an overall telling effect. A limited range of select best Western BOP's declined Rs. 20/- to 40/- whilst their corresponding BOPF's where supported by Air-Mail bids were firm, while others eased Rs. 30/- to 40/- per kg. Below best Western BOP's were sharply lower with price declines ranging from Rs. 30/- to 50/- but their corresponding BOPF's were easier to a lesser extent. Nuwara Eliya's were irregularly easier following quality. Uva/Uda Pussellawa's also met with subdued interest and eased Rs. 20/- per kg and more. The limited selection of High Grown CTC PF1's were mostly firm to at times irregular and easier while Medium elevation teas were much lower. A key multi-national liquoring buyer was again conspicuous by his absence. Buyers for the UK, Europe and Japan were selective. The "tea bag" sector operating for Russia was active at lower levels.

Low grows again met with fair demand. The best OP1's were irregular while others generally eased on last amidst selective interest from Saudi Arabia, Russia and Lebanon. Cleaner and well-made OPA's held firm but others were lower. The best, stylish BOP1's were about firm while others were all easier. Pekoe1's were firm to selectively dearer while, bold/mixed Pekoe's were again easier. The neater FBOP's /FBOPF1's met with less interest and were consequently lower, while below-best teas were firm. Buyers for Iran and the UAE were more subdued. Turkey was active.

This week's auction comprised of **12,353** lots with a total quantity of **7,398,787** kgs.

The catalogue-wise breakdown was as follows:-

	<u>Lot</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	2,317	1,098,869
Low Grown Semi Leafy	1,745	952,739
Low Grown Tippy	2,126	1,191,695
High & Medium	1,746	880,302
Off Grade/BOP1A	2,266	1,278,669
Dust	747	796,553
Premium Flowery	441	81,809
Ex-Estate	<u>965</u>	<u>1,118,151</u>
Total	<u>12,353</u>	<u>7,398,787</u>

In Lighter Vein

The Shocking Postcard

A long time ago, a wealthy man was having an affair with an Italian woman.

One night, during one of their rendezvous, she confided in him that she was pregnant.

Not wanting to ruin his reputation or his marriage, he paid her a large sum of money if she would go to Italy to have the child. If she stayed in Italy, he would also provide child support until the child turned 18.

She agreed, though she wondered how he would know when the baby was born. To keep it discrete, he told her to mail him a postcard, and write "Spaghetti" on the back. He would then arrange for child support.

One day, about 9 months later, he came home to his confused wife. "Honey," she said, "you received a very strange postcard today." "Oh, just give it to me and I'll explain it later," he said. The wife handed the card over and watched as her husband read the card... then promptly turned white and fainted.

Alarmed, she picked up the card on the floor and read aloud: "Spaghetti, Spaghetti, Spaghetti. Two with meatballs, one without."

LOW GROWNS - LEAFY

BOP1 : Select best invoices appreciated by Rs.40-50/- per kg; balance was irregularly and lower by Rs.10-20/- per kg. Teas at the lower end tended irregular.

OPI : Select best teas declined substantially; balance too were lower by Rs.30-40/- and at times were difficult of sale. Stallky teas were barely steady.

OP : Teas in the select best category held firm; balance declined by Rs.10-.15/- per kg. Teas at the lower end were maintained.

OPA : Select best teas declined by Rs.20-30/- per kg; balance too lower by Rs.10-20/- per kg. Poor sorts were generally lower.

PEK/PEK1: Well made Pekoe1's appreciated by Rs.20-30/- per kg; balance tended irregularly. Best bold PEKOE's appreciated by Rs.20/- per kg; balance was generally lower. Teas at the lower end were fully firm on 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>
BOP1	800-1180	800-1100	600-680	600-630	500-540	500-540
OPI	700-1100	700-1200	600-630	600-630	300-420	300-400
OP	620-680	630-700	500-530	500-530	300-380	300-360
OPA	620-680	630-700	500-530	500-530	350-420	330-400
PEK/PEK1	880-1000	880-1000	780-830	780-830	540-600	540-600

TIPPY/SMALL LEAF

BOP/BOPSP : Few well-made BOPs maintained ; balance were easier. Best together with cleaner below best were firm on last; balance were lower following quality.

BOPF/BOPFSP : In general, BOPF were firm.

FBOP/FBOP1 : A few Select Best FBOP's sold around last levels; others were lower. Best together with Cleaner below best maintained; balance were easier. Teas at the lower end sold around last levels. Well made FBOP1's maintained. Others were lower following quality.

FBOPF/FBOPF1 : Tippy teas held firm. Best and cleaner below best sold around last levels. Others were irregular following quality. Few select best FF1s maintained. Balance were easier. Best together with below best were firm to selectively dearer. Balance were fully firm to dearer.

FBOPFSP/EXSP : A few Invoices in the top category appreciated and below best varieties held firm. Teas at the lower end sold at 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	900-1020	900-1000	700-750	700-750	500-550	500-550
BOPF /BOPFSP	700-800	700-790	600-650	600-650	450-500	450-500
FBOP/FBOP1	850-1050	850-1060	600-650	600-650	550-600	550-600
FBOPF/FBOPF1	900-1100	900-1000	650-680	650-700	500-550	500-550
FBOPFSP/EXSP	2000-3700	2000-3250	900-1200	900-1300	600-650	600-650

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP : Well made teas declined by Rs.10-20/- whilst the others were irregular and mostly lower.

FBOPF/FBOPF1 : Select best gained Rs.30-40/- whilst the others were firm on last levels.

PEK/PEK1 : Best on offer maintained last levels whilst the others were irregular and mostly 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	800-900	790-920	730-800	730-790	590-730	580-730
FBOPF/FBOPF1	750-1000	740-860	630-750	650-740	560-630	550-650
PEK/PEK1	820-960	820-940	700-820	700-820	600-700	625-700

HIGH GROWN

BOP: Best Westerns declined Rs. 20-40 per kg and more for select high priced teas of last week. Teas in the Below Best category declined up to Rs. 50 per kg, whilst the Plainer sorts were firm and Rs. 10-20 per kg lower. Nuwara Eliyas were irregular and easier following quality. Uda Pussellawas were up to Rs. 20 per kg lower. Uvas declined Rs. 20-30 per kg..

BOPF: Best Westerns – Few select invoices were firm and dearer following special inquiry, whilst the others declined Rs. 30-40 per kg. Teas in the Below Best category were firm and Rs. 10-20 per kg lower, whilst the Plainer sorts were firm and up to Rs. 10 per kg lower. Nuwara Eliyas were irregularly easier following quality. Uva/Uda Pussellawas were firm and Rs. 10-20 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	620-750	670-750	630-740	660-780
Below Best Westerns	600-610	630-660	610-620	620-650
Plainer Westerns	550-590	540-620	550-600	590-610
Nuwara Eliyas	610-750	580-800	720	550-720
Brighter Uda Pussellawas	600-610	580-590	600-610	600-620
Other Uda Pussellawas	540-550	550-570	550-590	560-590
Best Uva's.	560-630	580-610	600-620	600-640
Other Uva's	540-550	560-570	550-590	590

MEDIUM GROWN TEAS

BOP: Where quality was maintained prices were generally firm, whilst the others declined Rs. 20 per kg and more.

BOPF: Mostly 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	580-770	600-780	510-620	480-630

CTC

High Grown : BP1/ PF1 - Generally firm

Medium Grown : BP1/ PF1 - Irregular following quality.

Low Grown : BP1s - Continued to sell around last week's levels. PF1s – Firm to marginally 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	490-620	550-630	480-600	480-620
Medium	410-640	400-700	410-610	430-610
Low	360-830	360-860	460-640	450-640

OFF GRADES

Liquoring FNGS lost Rs.10-20/-. Clean Low Grown FNGS/FNGS1s appreciated. Best BP's advanced Rs.10-20/- per kg. Well made BMs dearer by Rs.20/- per kg. Lower end teas advanced Rs.20/- per kg. Select best BOPIA's dearer Rs.25-50/-. Below best/Poorer sorts advanced Rs.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)	470-590	470-600	440-490	400-480	440-490	400-480
Good Fannings (CTC)	350-600	350-510	380-600	380-420	380-400	320-400
Other Fannings (Orthodox)	420-460	400-420	420-460	400-420	420-460	390-420
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	470-510	450-480	470-510	450-480	470-540	450-530
Other BM's	450-460	440-460	450-460	440-460	450-460	440-460
Best BOP1As	470-520	450-500	490-570	450-530	490-650	450-630
Other BOP1As	440-470	430-460	440-470	430-460	440-470	430-460

DUST

Select best liquoring High Grown D1's declined by Rs.30-40/- and at times more. Secondaries and below best types too followed a similar trend. Poor varieties were firm on last. Low Grown Clean Dust/Dust1's lost Rs.10-20/-. PD's from High & Medium elevations witnessed an irregular demand and declined by Rs.20-30/-. Low Grown PD's too were lower by Rs.20-30/- 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)	600-750	640-840	600-670	600-650	600-670	600-700
Good Primary PD (CTC)	530-640	530-600	530-610	550-610	600-710	600-710
Secondary Dust	400-440	420-460	400-440	400-450	400-440	420-460

World Crop Statistics (MKGS)

<i>Country</i>	<i>Month</i>	<i>2019</i>	<i>2020</i>	<i>Difference +/-</i>	<i>To-date 2019</i>	<i>To-date 2020</i>	<i>Difference +/-</i>
SRI LANKA	<i>Nov.</i>	24.02	24.80	0.78	278.22	249.90	-28.32
BANGLADESH	<i>Oct.</i>	13.41	11.49	-1.92	79.35	68.94	-10.4
KENYA	<i>Oct.</i>	46.30	48.27	1.97	363.10	467.44	104.3
SOUTH INDIA	<i>Nov.</i>	21.8	21.4	-0.3	200.9	201.2	0.30
NORTH INDIA	<i>Nov.</i>	117.6	127.6	9.9	1122.8	980.5	-142.3
MALAWI	<i>Sep.</i>	2.11	2.78	0.7	39.70	36.40	-3.3
UGANDA	<i>Nov.</i>	4.79	0.18	-4.6	55.70	35.50	-20.20

"Africa Tea Brokers Bulletin of Statistics"

(Cont'd...5)

COLOMBO AUCTION - GROSS SALE AVERAGES

SALE NO.03 OF 20th JANUARY 2021.

	2021			2020	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	583.50	586.29	582.74	463.54	449.75
Western High Grown	622.15	637.17	633.92	570.87	563.03
High Grown	612.32	623.96	620.68	547.36	535.47
Uva Medium	600.70	596.72	601.58	508.60	480.63
Western Medium	585.09	583.97	583.48	498.59	489.03
Medium Grown	590.41	588.02	589.17	500.66	487.07
Low Grown (Orthodox)	688.72	683.78	683.78	650.27	640.49
Combined L.G. (Orthodox + CTC)	679.72	675.38	675.15	635.94	625.46
Total	651.51	649.78	649.59	601.00	586.59

DETAILS OF TEAS AWAITING SALES

	<u>Sale of 01st/2nd Feb.'2021</u>		<u>Sale of 09th/10th Feb.'2021</u>	
	Lots	Qty. (Kgs)	Lots	Qty. (Kgs)
Low Grown Leafy	2,336	1,062,241	2,100	923,865
Low Grown Semi Leafy	1,799	939,342	1,821	941,683
Low Grown Tippy	2,102	1,145,374	1,996	1,050,297
High & Medium	1,574	761,630	1,283	610,140
Off Grade/BOP1A	2,323	1,313,916	2,388	1,343,549
Dust	664	680,619	556	553,486
Premium Flowery	405	73,260	386	70,811
Ex-Estate	860	992,368	793	892,392
Total	<u>12,063</u>	<u>6,968,750</u>	<u>11,323</u>	<u>6,386,223</u>

Private Sale Figures (18.01.2021 – 23.01.2021) - 81,216.50 Kgs
 Cumulative - 264,480.50 Kgs

(Cont'd....7)

CATALOGUES

Sale No.06 of 09th/10th February, 2021

The Main Sale & Ex-Estate Sale catalogues closed on 21st January 2021.

Sale No.07 of 16th/17th February, 2021

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **29th January 2021 at 04.30 p.m.** but sale may close before the scheduled date when the number of lots if reached.

Sale No.08 of 23rd/24th February, 2021

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **05th February 2021 at 04.30 p.m.** but sale may close before the scheduled date when the number of lots if reached.

SALE NO.05

BROKER'S SELLING ORDER

Auction of 01st/02nd February, 2021

Leafy/Tippy/BOP1A/ Premium Flowery

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

High & Medium/Off Grades/Dust

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

Ex-Estate

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

Crop & Weather

For the period 18/01/2021 to 24/01/2021

Western/Nuwara Eliya Regions: Bright weather was reported throughout the week in both regions..

Uva/Udupussellawa Regions: Clear weather was experienced in both regions, with the Udupussellawa Region reporting scattered evening showers during the week. Misty conditions are expected in the Central Region during the mornings in the week ahead according to the Department of Meteorology. **Low Growns:** Bright weather was reported in both the Ruhunu and Sabaragamuwa regions throughout the week. The Department of Meteorology predicts afternoon showers in the Sabaragamuwa Region in the week ahead.

Crop Intake

Western, Nuwara Eliya and Ruhunu regions maintained the crop intake, whilst the Uva, Udupussellewa and Sabaragamuwa regions showed a decline.

(Cont'd...8)

SOUTH INDIAN ROUND-UP FOR THE WEEK ENDING 16TH JANUARY, 2021

CTC LEAF

KOCHI

Demand: Fair demand. Bolder Broken were selling at barely steady levels. Smaller broken and fannings sold at easier levels by Rs 5 to 8 and sometimes more.. Good demand from Internal and Upcountry buyers. Export buyers lent fair support.

LEAF-ORTHODOX:

Demand: Good demand.

Market: Well made high grown whole leaf met with better enquiry and were selling at dearer levels, broken and fannings were selling at irregularly around last levels. Medium whole leaf and broken also witnessed good demand but were selling at irregular levels and sometimes eased in value smaller broken and fannings witnessed improved enquiry and realized prices which were fully firm and appreciated in value.

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

DUST

Demand: Good demand.

Market: Best liquoring popular and better mediums eased in value by Rs.5 to 10 and sometimes more and as the sale progressed they started selling at barely steady levels. Plainer categories witnessed good demand and eased in value by Rs.5 to 6 on the finer grades but the bolder grades had better enquiry and tended fully firm.

Buying Pattern: Major blender AVT and KSCSC were active. Best mediums fetched with fair support from regional packeteers. Domestic buyers were active in their purchases. Exporters were selective.

COONOOR

CTC LEAF

Demand: Good.

Market: Market tended easier by Rs. 3/- to Rs. 5/- on the Mediums, Better Mediums and Plainers. However the Brighter liquoring types were trading at fully firm to dearer levels.

The overall sale percentage is 84% at an average of Rs. 130.32

Buying Pattern: Good Internal operation with equally good support from the Major Blenders. Export has been lending fair support.

ORTH LEAF

Demand: Fairly good.

Market: Generally an easier market with teas selling at Rs. 5/- to Rs. 10/- lower and sometimes more on the Broken.

The overall sale percentage is 74% at an average of Rs. 151.87.

Buying Pattern: Fairly good Internal operation with Exporters lending fairly good support.

CTC DUST

Demand: Good.

Market: Market opened strongly for the Best and Brighter types by Rs. 5/- to Rs. 10/- dearer and more following quality. Others were easier by Rs. 3/- to Rs. 5/-. As the sale progressed the Plainers have suffered fair withdrawals. **The overall sale percentage is 71% at an average of Rs. 137.38.**

Buying Pattern: Good Internal participation was witnessed. The Major Blenders and Packeteers were also lending fair support. Export was seen active on the Mediums and Plainers.

ORTH DUST

Demand: Fairly good.

Market: Barely steady and irregularly lower on the Bolder Primary dusts. Popular Primary grades were selling at fully firm to dearer levels. The Secondaries and Tertiaries were rather trading at easier levels.

The overall sale percentage is 75% at an average of Rs. 133.73.

Buying Pattern: Fairly good Internal participation with select buying from the Exporters.

COIMBATORE

CTC LEAF

Demand: Good general demand.

Market: Better medium smaller broken/BOPF were irregular and lower by Rs.2/- to Rs.3/-. However bolder broken were firm to dearer by Rs.2/- sometimes more. Medium / plainer teas were lower by Rs.2/- to Rs.5/- sometimes more.

ORTH LEAF: Fair demand. Whole leaf were lower by Rs.2/-. Secondary broken were lower by Rs.2/- to Rs.3/-. BOPF's were barely steady.

CTC DUST

Demand: Fair demand.

Market: Better medium / liquoring teas were lower by Rs.5/- to Rs.10/- with heavy withdrawals. Medium teas were lower by Rs.3/- to Rs.5/- with some withdrawals. Plainer teas were irregular.

ORTH DUST Less demand. Lower by Rs.2/- to Rs.8/- with heavy withdrawals.

Source: Paramount Tea Marketing (SI) Private Limited.

26th January, 2021

-/ra.