



# LANKA COMMODITY BROKERS LTD

## TEA MARKET REPORT

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SALE NO.11 OF 16<sup>TH</sup>/17<sup>TH</sup> MARCH 2021

### COMMENTS

The National Tea Production for February, 2021 has been released and stands at 22,379,398 kgs which records a positive variance of 4,166,105 kgs over the corresponding month in 2020. The Jan/Feb production of 2021 is 45.5 m/kgs, and is ahead of last year's figure by 5.3 m/kgs. This year's higher output for Jan/Feb has largely been possible due to the surplus of 5.3 M/kgs recorded by Low Elevational teas as against declines of -216,480 kgs for High Elevational teas and -8,907 kgs for Mid Growns.

This week's tea auction (Sale # 11) was conducted on March 9 & 10 (Tue/Wed) and, the offer quantity of 6.1 m/kgs was similar to the previous week. The Low Grown Leafy/ Semi Leafy/ Tippy & Small Leaf/ Premium Flowery catalogues totaled 2.7 m/kgs down 0.2 m/kgs from the previous sale, whilst Main Sale High & Medium category amounted to 0.68 m/kgs. The Ex Estate catalogue had approximately 1 m/kgs.

Once again there was less demand witnessed for Ex Estate teas, with the select best Western BOP's and BOPF's easing Rs. 20/- to 30/- per kg and their corresponding "below-best" counterparts losing Rs. 20/- and more for teas with a drop in leaf appearance. Nuwara Eliya BOP's / BOPF's with maintained quality were keenly sought after with intense demand from Japan and Germany. Uva/Uda Pussellawa BOP's and BOPF's were Rs. 10/- to 20/- lower, and more for poor leaf types. CTC PF1's from all elevations eased Rs. 10/- to 20/- per kg, and more towards the close while BP1's too were irregular. Buyers for China and Hong Kong showed fair interest at lower levels. Russia was more subdued for "Tea Bag" types.

There was fair demand for Low Growns. The better leafy OP1's ruled dearer while below-best varieties firm to selectively dearer and, OP/OPA's were fully maintained. In the semi-leafy catalogue, BOP1's were firm with well-made PEK/PEK1's firm to selectively dearer and poorer types irregularly easier. The best available FBOP's and FBOPF1's were firm but the balance ranged between firm to selectively dearer, and, irregularly lower for poorer leaf. Buyers for Iran were more selective, while Syria and other Gulf States were active. Russia and the CIS operated for leafy descriptions. Turkey was active. There was continued good interest at the bottom from Iraq and Libya.

This week's auction comprised of **11,051** lots with a total quantity of **6,177,705** kgs.

The catalogue wise breakdown was as follows:-

	<u>Lot</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	1,963	828,986
Low Grown Semi Leafy	1,727	836,701
Low Grown Tippy	1,985	1,034,261
High & Medium	1,430	686,624
Off Grade/BOP1A	2,177	1,193,649
Dust	547	545,466
Premium Flowery	344	57,029
Ex-Estate	<u>878</u>	<u>994,989</u>
<b>Total</b>	<b><u>11,051</u></b>	<b><u>6,177,705</u></b>

#### *In Lighter Vein*

#### *Calling the CEO*

A man joins a big corporate empire as a trainee. On his very first day of work, he dials the pantry and shouts into the phone, "Get me a coffee, quickly!"

It turns out that he didn't dial the pantry at all. The voice from the other side responded: "You fool! You've dialed the wrong extension! Do you know who you're talking to, Dumbo?"

"No," replied the trainee. "It's the CEO of the company, you fool!" The trainee pauses for a moment to think about an appropriate response.

He shouts back, "And do you know who YOU are talking to, you fool?!" "No," replied the CEO indignantly. "Good!" replied the trainee, and puts down the phone.

(Cont'd...2)

**LOW GROWNS - LEAFY**

**BOP1** : A few select best invoices held firm; balance was generally lower. Teas at the lower end tended irregular.

**OP1** : Teas in the select best category were maintained; balance too fully firm on last week levels. Stalky invoices held firm.

**OP** : Select best teas were lower by Rs.20/- per kg; balance was barely steady. Teas at the lower end tended irregular.

**OPA** : Select best invoices was declined by Rs.20-30/- per kg; balance was barely steady. Poorer sorts were generally lower.

**PEK/PEK1**: Well made stalky invoices declined Rs.20-30/- and more as the sale progressed; balance too declined. Best bold Pekoes fully firm to dearer by Rs.10-20/-; balance tended irregular, Teas at the lower end were generally lower.

**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>
<b>BOP1</b>	900-1300	900-1500	620-660	610-660	540-570	540-570
<b>OP1</b>	900-1400	900-1500	660-700	650-680	460-500	470-050
<b>OP</b>	650-680	650-680	580-630	580-630	480-500	430-520
<b>OPA</b>	650-680	650-680	570-630	580-630	430-500	430-520
<b>PEK/PEK1</b>	850-1000	860-1050	730-770	740-780	500-540	500-550

**TIPPY/SMALL LEAF**

**BOP/BOPSP** : Teas in the best category met with good demand.

**BOPF/BOPFSP** : In general were firm.

**FBOP/FBOP1** : Select Best and Best FBOP's held firm. Cleaner Below Best and cleaner teas at the lower end too were dearer, whilst the balance were firm on last. FBOP1's in general were firm.

**FBOPF/FBOPF1** : Very Tippy teas continued to attract good demand. Best and Below best appreciated. Balance irregular following quality. Select Best and Best FF1's together with cleaner below best appreciated; balance were firm on last.

**FBOPFSP/EXSP** : Invoices in the top category selectively dearer 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>
<b>BOP/BOPSP</b>	1000-1350	1000-1300	700-800	700-750	500-550	500-550
<b>BOPF /BOPFSP</b>	750-860	700-850	650-700	650-700	500-550	500-550
<b>FBOP/FBOP1</b>	1000-1250	900-1250	700-800	700-750	550-600	550-600
<b>FBOPF/FBOPF1</b>	900-1000	900-1040	800-900	800-900	550-600	550-600
<b>FBOPFSP/EXSP</b>	1500-3250	1500-3150	900-1500	900-1500	600-650	600-625

(Cont'd...3)

**MEDIUM GROWN LEAFY/SEMI LEAFY TEAS**

**FBOP** : Select best types declined Rs.20-30/- per kg whilst the others were irregular and mostly lower.

**FBOPF/FBOPF1** : Best on offer declined Rs.10-20/- whilst the others were Rs.30-40/- lower.

**PEK/PEK1** : Select best types maintained last levels whilst the others were irregularly lower by Rs.20-30/-.

<b>Quotations (Rs./Kg)</b>	<b>Best</b>		<b>Below Best</b>		<b>Others</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>
<b>FBOP</b>	800-1020	860-1060	700-800	760-860	600-700	680-760
<b>FBOPF/FBOPF1</b>	740-870	780-900	640-740	680-780	540-640	580-680
<b>PEK/PEK1</b>	900-1000	800-960	800-900	700-800	700-800	600-700

**HIGH GROWNS**

**BOP:** Best Western's declined Rs.20 per kg and more for teas in the high price bracket where quality was not maintained. Teas in the Below Best category declined Rs. 20-30 per kg, whilst the Plainer sorts declined Rs.20-30 per kg and more. Nuwara Eliya's continued to sell well with prices fluctuating following quality. Uda Pussellawa's were Rs.20-30 per kg lower. Uva's were barely steady.

**BOPF:** Best Westerns, where quality was maintained, declined Rs.20-30 per kg and more following quality. Teas in the Below Best category declined Rs.30 per kg, whilst the Plainer sorts were firm. Nuwara Eliya's continued to sell well with prices fluctuating following quality. Uda Pussellawa's were firm and Rs.10 per kg lower. Uva's were irregular following quality.

<b>Quotations (Rs./Kg)</b>	<b>BOP</b>		<b>BOPF</b>	
	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>
Best Westerns	670-1,250	700-2100	680-860	700-880
Below Best Westerns	630-660	660-690	650-670	660-690
Plainer Westerns	580-620	640-650	610-640	620-650
Nuwara Eliyas	940-1,000	900-1450	630-850	550-810
Brighter Uda Pussellawas	590-680	630-650	600-640	620-650
Other Uda Pussellawas	560-580	580-590	530-590	570-590
Best Uva's.	680-700	670-710	640-690	620-680
Other Uva's	610-650	610-650	600-630	590

**MEDIUM GROWN TEAS**

**BOP:** Rs.20-40 per kg lower.

**BOPF:** Rs.20-30 per kg lower.

<b>Quotations (Rs./Kg)</b>	<b>BOP</b>		<b>BOPF</b>	
	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>
Best Westerns	600-830	570-810	570-650	560-660

**CTC**

**High Grown** : **BP1s** - Rs.20-30 per kg lower.

**PF1s** - Which commenced Rs.10-20/- per kg easier where up to Rs.30/- per kg lower by the close.

**Medium Grown** : **BP1s** - Rs.20/- per kg lower.

**PF1s** - Coloury sorts declined Rs.20/- per kg and more by the close, whilst thin liquoring teas were discounted.

**Low Grown** : **BP1s** - Irregular.

**PF1s** - Sold around last week's levels.

<b>Quotations (Rs./Kg)</b>	<b>PF1</b>		<b>BP1</b>	
	<b>This Week</b>	<b>Last Week</b>	<b>This Week</b>	<b>Last Week</b>
High	500-580	530-550	500-570	520-600
Medium	430-590	380-570	480-570	420-610
Low	450-740	480-660	480-660	450-760

**OFF GRADES**

Liquoring FNGS appreciated Rs.10/- per kg. Clean Low Grown FNGS/FNGS1s firm. Best BP's advanced Rs.20/-. Well made BMs firm. Lower end teas lost Rs.10-20/-. Select best BOPIA's firm. Best and below best types lost Rs.25-50/-. Lower end teas held firm.

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)	450-600	450-580	450-490	450-490	450-490	450-490
Good Fannings (CTC)	375-520	375-520	400-520	400-520	380-450	380-450
Other Fannings (Orthodox)	400-460	400-460	400-460	400-460	400-460	400-460
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	490-530	490-530	490-530	490-530	490-580	490-560
Other BM's	440-480	460-480	440-480	460-480	430-480	460-480
Best BOP1As	490-510	490-510	500-550	500-550	540-630	580-630
Other BOP1As	470-490	470-490	470-490	470-490	470-490	470-490

**DUST**

Select best liquoring High Grown D1's appreciated by Rs.20-30/- per kg and at times more. Secondaries and below best types too followed a similar trend. Poor varieties however were firm on last. Low Grown Clean Dust/Dust1's witnessed an irregular demand and gained Rs.10-20/- per kg. PD's from High & Medium elevations was lower by Rs.10-20/-. Low Grown PD's appreciated by Rs.20/- and at times more.

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)	580-760	570-780	580-690	550-640	480-500	480-600
Good Primary PD (CTC)	500-570	500-640	580-650	560-650	680-820	680-800
Secondary Dust	390-440	390-440	390-450	390-440	390-440	380-430

**World Crop Statistics (MKGS)**

Country	Month	2019	2020	Difference +/-	To-date 2019	To-date 2020	Difference +/-
<b>SRI LANKA</b>	<b>Dec.</b>	<b>21.89</b>	<b>25.80</b>	<b>3.91</b>	<b>300.12</b>	<b>278.48</b>	<b>-21.64</b>
BANGLADESH	Oct.	13.41	11.49	-1.92	79.35	68.94	-10.4
KENYA	Oct.	46.30	48.27	1.97	363.10	467.44	104.3
SOUTH INDIA	Dec.	18.1	20.3	2.2	219.0	221.5	2.50
NORTH INDIA	Dec.	48.2	53.6	5.4	1171.1	1034.1	-137.0
MALAWI	Dec.	4.90	5.20	0.3	48.20	45.20	-3.0
UGANDA	Nov.	4.79	0.18	-4.6	55.70	35.50	-20.20

Country	Month	2020	2021	Difference +/-	To-date 2020	To-date 2021	Difference +/-
<b>SRI LANKA</b>	<b>Jan.</b>	<b>21.93</b>	<b>23.04</b>	<b>1.11</b>	<b>21.93</b>	<b>23.04</b>	<b>1.11</b>

"Africa Tea Brokers Bulletin of Statistics"

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<b><u>WESTERN MEDIUM</u></b>			<b><u>UVA MEDIUM</u></b>			<b><u>LOW GROWN LEAFY GRADES</u></b>		
Dartry Valley	BOP	830/-	Elteb	BOP	680/-	Pothotuwa	BOP1	1900/-
<b>*Ancoombra</b>	<b>BOP</b>	<b>750/-</b>	Mossville	BOPSP	780/- *	Ceciliyan	OP1	2400/-
Doombagastalawa	BOPSP	830/-	<b>Halpewatte Uva</b>	<b>BOPSP</b>	<b>730/-</b>	Sunrise	OP	870/-
Vellai Oya	BOPF/BOPFSP	650/-	Dickwella	BOPF/BOPFSP	740/-	Sunrise	OPA	1180/-
<b>*Uplands</b>	<b>BOP1</b>	<b>890/-</b>	Demodara 'S'	BOP1	880/-	Liyonta	OPA	1180/-
Craighead	FBOP /FBOP1	1020/-	Sarnia Pladarie	FBOP/FBOP1	940/-	Pambegama	PEKOE	1140/-
<b>*Dartry Valley</b>	<b>FBOPF/FBOPF1</b>	<b>870/-</b>	Dickwella	FBOP/FBOP1	940/-	Pothotuwa	PEKOE1	1300/-
<b>*Harangala</b>	<b>FBOPF/FBOPF1</b>	<b>860/-</b>	Tinioya	FBOPF/FBOPF1	790/-	<b><u>LOW GROWN TIPPY GRADES.</u></b>		
Uplands	OP/OPA	850/-	Sarnia Pladarie	OP/OPA	760/-	Brombil	BOP	1180/-
<b>*Orange Field</b>	<b>OP1</b>	<b>810/-</b>	Halpewatte Uva	OP1	820/-	<b>*Peak Paradise</b>	<b>BOPSP</b>	<b>1350/-</b>
New Rothschild	OP1	810/-	<b>*Halpewatte Uva</b>	<b>PEK/ PEK1</b>	<b>960/-</b>	<b>*Andaradeniya Sup</b>	<b>BOPSP</b>	<b>860/-</b>
Craighead	PEK/PEK1	1000/-	<b><u>UVA HIGH</u></b>			<b>*Allen Valley</b>	<b>BOPSP</b>	<b>830/-</b>
Nayapane	PEK/PEK1	1000/-	Aislaby	BOP	750/-	<b>*Hidellana</b>	<b>BOPF</b>	<b>850/-</b>
<b><u>WESTERN HIGH</u></b>			Uva Highlands	BOPSP	680/-	<b>*Geekiyanaheha</b>	<b>BOPF</b>	<b>720/-</b>
Somerset	BOP	1250/-	Bandaraeliya	BOPF/BOPFSP	690/-	<b>*Ihalapanapitiya</b>	<b>BOPFSP</b>	<b>860/-</b>
Queensberry	BOPSP	750/-	Oodoowerre	BOP1	820/-	<b>*Peak Paradise</b>	<b>BOPFSP</b>	<b>840/-</b>
Great Western	BOPF/BOPFSP	860/-	<b>*Battawatte</b>	<b>BOP1</b>	<b>790/-</b>	Pothotuwa	FBOP	1250/-
Weddemulla	BOP1	810/-	Aislaby	FBOP/FBOP1	900/-	Nilkandura	FBOP1	1120/-
Torrington	FBOP/FBOP1	900/-	Inverness	FBOPF/FBOPF1	830/-	Navinda	FBOP1	1040/-
Torrington	FBOPF/FBOPF1	770/-	Mt.Uva	OP/OPA	660/-	<b>*Hidellana</b>	<b>FBOP1</b>	<b>980/-</b>
Ury	OP/OPA	660/-	<b>*Battawatte</b>	<b>OP/OPA</b>	<b>650/-</b>	Co-op Cola	FBOPF	1000/-
Venture	OP1	800/-	Oodoowerre	OP1	750/-	Nilkandura	FBOPF	1000/-
Venture	PEK /PEK1	920/-	Glenanore	PEK/ PEK1	890/-	Sirimewenna	FBOPF1	900/-
<b><u>NUWARA ELIYA</u></b>			Uva Highlands	PEK/ PEK1	890/-	<b>*Ihalapanapitiya</b>	<b>FBOPF1</b>	<b>850/-</b>
Lovers Leap	BOP	800/-	<b>*Battawatte</b>	<b>PEK/ PEK1</b>	<b>870/-</b>	<b><u>PREMIUM FLOWERY.</u></b>		
Lovers Leap	BOPF/BOPFSP	850/-	<b><u>UDA PUSSELLAWA</u></b>			Green House	FBOPFSP	2350/-
Mahagastotte	BOPF/BOPFSP	850/-	Mooloya	BOP	680/-	Yalta	FBOPFEXSP	3250/-
Court Lodge	FBOP/FBOP1	890/-	<b>*Mooloya</b>	<b>BOPF/BOPFSP</b>	<b>640/-</b>	New Vithanakanda	FBOPFEXSP	2900/-
Kenmare	BOP1	650/-	Gordon	FBOP/ FBOP1	800/-	<b>*New Galagawa</b>	<b>FBOPFEXSP</b>	<b>2450/-</b>
Kenmare	FBOPF/FBOPF1	760/-	Gampaha	FBOPF/ FBOPF1	730/-	Yalta	FBOPFEXSP1	2400/-
Kenmare	OP/OPA	660/-	Gordon	OP/OPA	620/-	H.P.P Tea	FBOPFEXSP1	2250/-
Kenmare	OP1	790/-	Gordon	OP1	730/-	<b>*K.D.U Super</b>	<b>FBOPFEXSP1</b>	<b>2150/-</b>
Mahagastotte	PEK/PEK1	850/-	<b>*Delmar</b>	<b>PEK/PEK1</b>	<b>770/-</b>	<b><u>DUST- High</u></b>		
<b><u>CTC TEAS</u></b>			<b><u>OFF GRADES</u></b>			Matakelle	DUST1	760/-
<b><u>HIGH GROWN</u></b>			Bridwell	FNGS	640/-	Dunsinane	PD	570/-
Dunsinane CTC	PF1	580/-	Hingalgoda CTC	PFGS	650/-	<b><u>DUST- Med</u></b>		
Dunsinane CTC	BP1	570/-	<b>*Ihalapanapitiya</b>	<b>BM</b>	<b>700/-</b>	Delta	DUST1	690/-
<b><u>MEDIUM GROWN</u></b>			Nilgiri	BP	670/-	Delta	PD	650/-
Rothschild	PF1	590/-	<b>*Goorookoya</b>	<b>BOPIA</b>	<b>720/-</b>	<b><u>DUST- Low</u></b>		
Delta CTC	PF1	590/-	Galaxy	BOPIA	720/-	<b>*Bogoda</b>	<b>DUST1</b>	<b>560/-</b>
Duckwari	PF1	590/-	<b>*Garden Leaf</b>	<b>BOPIA</b>	<b>710/-</b>	Ceciliyan	PD	820/-
Delta CTC	BP1	570/-	<b><u>LOW GROWN</u></b>					
Hingalgoda CTC	PF1	740/-						
Ceciliyan CTC	BP1	660/-						

## COLOMBO AUCTION - GROSS SALE AVERAGES

SALE NO.10 OF 10<sup>th</sup> March 2021

	2021			2020	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	598.92	593.71	580.11	519.33	493.28
Western High Grown	660.27	666.28	633.20	575.47	577.56
High Grown	646.58	650.22	619.69	559.69	557.52
Uva Medium	629.64	613.27	594.72	571.18	531.50
Western Medium	607.39	600.78	582.85	527.78	511.75
Medium Grown	612.23	603.51	586.11	541.31	516.97
Low Grown (Orthodox)	699.40	693.08	685.59	656.48	647.49
Combined L.G. (Orthodox + CTC)	687.63	681.03	675.74	638.00	629.75
<b>Total</b>	<b>668.11</b>	<b>662.97</b>	<b>650.18</b>	<b>605.00</b>	<b>597.49</b>

## DETAILS OF TEAS AWAITING SALES

	<u>Sale of 23<sup>rd</sup> /24<sup>th</sup> March 2021</u>		<u>Sale of 30<sup>th</sup>/31<sup>st</sup> March 2021</u>	
	<b>Lots</b>	<b>Qty. (Kgs)</b>	<b>Lots</b>	<b>Qty. (Kgs)</b>
Low Grown Leafy	1,984	844,590	2,092	898,182
Low Grown Semi Leafy	1,742	874,848	1,901	958,185
Low Grown Tippy	1,984	1,051,253	2,051	1,088,194
High & Medium	1,526	722,157	1,613	797,738
Off Grade/BOP1A	2,877	1,130,740	2,152	1,182,478
Dust	553	549,612	527	543,774
Premium Flowery	343	55,386	356	56,038
Ex-Estate	<u>882</u>	<u>1,006,766</u>	<u>914</u>	<u>1,036,822</u>
<b>Total</b>	<b><u>11,101</u></b>	<b><u>6,235,352</u></b>	<b><u>11,606</u></b>	<b><u>6,561,411</u></b>

Private Sale Figures (08.03.2021 – 13.03.2021) - 120,444.50 Kgs

Cumulative - 1,036,661.00Kgs

(Cont'd...7)

## CATALOGUES

### Sale No.13 of 30<sup>th</sup>/31<sup>st</sup> March, 2021

The Main Sale & Ex-Estate Sale catalogues closed on **11<sup>th</sup> March 2021** at **04.30 p.m.**

### Sale No.14 of 06<sup>th</sup>/07<sup>th</sup> April, 2021

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **18<sup>th</sup> March, 2021** at **04.30 p.m.** but sale may close before the scheduled date when the number of lots if reached.

### Sale No.15 of 20<sup>th</sup>/21<sup>st</sup> April, 2021

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **25<sup>th</sup> March, 2021** at **04.30 p.m.** but sale may close before the scheduled date when the number of lots if reached.

## SALE NO.12

### BROKER'S SELLING ORDER

#### **Auction of 23<sup>rd</sup>/24<sup>th</sup> March, 2021**

#### Leafy/Tippy/BOPIA/ Premium Flowery

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

#### High & Medium/Off Grades/Dust

1. Ceylon Tea Brokers PLC
- 2. Lanka Commodity Brokers Ltd**
3. Bartleet Produce Marketing (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 Ltd

#### Ex-Estate

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

## **Crop & Weather**

### **For the period 08/03/2021 to 14/01/2021**

**Western/Nuwara Eliya Regions:** The Western and Nuwara Eliya regions reported sunny mornings and occasional evening showersthroughout the week. The Department of Meteorology expects rain in the Western Region and rainwith misty conditions in the Nuwara Eliya Region in the week ahead. **Uva/Udapussellawa Regions:** Both regions experienced clear mornings and evening showers. The Haputale and Madulsima regions reported rainy weather throughout the week. Isolated showers are expected in the weekahead by the Department of Meteorology. **Low Grown:** Bright mornings and occasional evening showers were reported in the Low Grown Region. Heavyshowers are expected in the Ruhuna and Sabaragamuwa regions by the Department of Meteorology in the week ahead.

**Crop Intake:** The Western, Nuwara Eliya and Uva regions maintained the crop intake, whilst the Udapussellawa Region and a few sub-districts in the Agarapatana Region reported a slight increase. The Low Grown Region maintained the crop intake, whilst a few sub-districts in the Ruhuna Region reported a slight decrease.

(Cont'd...8)

## OTHER MARKETS

### BANGLADESH AUCTION- SALE NO.42 HELD ON MONDAY 15<sup>TH</sup> MARCH, 2021

**CTC LEAF:** 5,395 packages of Current Season and 3,172 packages of New Season Teas on offer met with a fairly strong demand at mostly firm rates.

**BROKENS:** A small weight of clean Brokens met with quite a strong demand and were mostly firm. All others sold well in line with quality.

**FANNINGS:** Likewise, a nominal weight of clean Fannings met with quite a strong demand and were mostly firm. The remainder sold at firm rates following quality.

**CTC DUST:** 1,906 packages of Current Season, 99 pac., dull and plain CDs were withdrawn without bids. New Season Dusts met with good competition and sold in range between Tk.239/- and Tk.316/-.

**COMMENTS:** This was the last sale of the season where a small weight of tea was offered. The sale attracted strong interest from all sections of the market. Dusts sold well.

**Our catalogue (Sale 40):**Our catalogue ( Sale 42 ): Avg: Tk 204.06, Sold 75.6% & ( Sale 41 ) Avg: Tk 196.03, sold 95.9%.

### Quotations – This Week – (In Taka)

Brokens	This Week	Last Week	Fannings	This week	Last Week	Dust	This Week	Last Week
<b>Large</b>	NQTA	180-185N	<b>Best</b>	205-215	205-220N	<b>PD</b>	184-220	188-219
<b>Medium</b>	185-195	180-190	<b>Good</b>	190-200	195-200	<b>RD</b>	188-226	185-279
<b>Small</b>	190-200	188-195	<b>Medium</b>	185-190	185-193	<b>D</b>	180-207	197-250
<b>Plain</b>	175-180	175-180	<b>Plain</b>	175-180	175-180	<b>CD</b>	177-228	150-250
<b>BLF</b>	170-177	170-177	<b>BLF</b>	170-177	170-177	<b>BLF</b>	195	154-200

**COURTESY: NATIONAL BROKERS LTD**

## INTERNATIONAL TEA NEWS

### Rising import of cheap, poor quality tea under lens

Kolkata: India, despite being the world's second-largest producer of tea with a sizable surplus in its production-consumption ratio, has imported 47% more leaves at 23.4 million kg (mkg) in 2020 against 15.9 mkg in 2019. The country has been witnessing its import bill shoot up every year as some traders and packers continue buying cheap and low-quality leaves from not-so-famous tea-producing nations, such as Argentina, Indonesia and Vietnam, and, in turn, spoiling the reputation and price discovery of Indian tea.

Atul Asthana, MD and CEO, Goodricke Group, told TOI: "Importing poor quality tea spells disaster for the ailing industry. India's own tea production is increasing at a faster rate than the consumption growth, resulting in a surplus of tea stock. On top of that, import of poor-quality tea is going to further create an imbalance in the supply-demand equation."

Tea Inc has spent Rs 403.2 crore for importing 23.4 mkg tea in 2020, while in 2019, the expense stood at Rs 239.1 crore for 15.9 mkg. Tea buys from Vietnam, Indonesia and Nepal have almost doubled in 2020 against that of 2019, according to the latest Tea Board data.

"We have to find out the real reason behind the import of such low-priced and substandard tea. It is a pity that a giant and renowned tea producer like India is buying the morning cuppa from countries like Kenya (6.9mkg in 2020), Vietnam (1.6mkg), Indonesia (0.84mkg) and Argentina (0.6mkg). Questions of proper quality check as per FSSAI norms and detection of 'country of origin' arise here," said Sujit Patra, secretary, Indian Tea Association (ITA), the premier planters' body.

Industry experts are skeptical of the fact that not all batches of the imported leaves are re-exported, and seldom is any duty paid for the 'retained' tea. In a letter to the Tea Board and the ministry of commerce and industry, the Indian Tea Exporters' Association (ITEA) had drawn the government's attention to the increase in duty-free tea imports, which are only meant for re-export. ITEA has demanded spot checks on use of tea imports and invoices.

"While some tea imports from cheap tea-producing nations are genuinely used for blending and re-export as 'multi-origin tea', a portion of the duty-free imports is being offloaded in the Indian market or being re-exported as 'Indian' or 'Assam' tea, taking advantage of evading the 100% usual import duty on tea. This is nothing but a form of adulteration. It spoils true price discovery and the image of Indian tea," pointed out Anshuman Kanoria, chairman, ITEA.

Industry sources said that some exporters have been claiming and receiving MEIS subsidy from the government also on re-export of imported tea although this is not allowed as per the Foreign Trade Policy (FTP). According to the ITA secretary, 50% value addition norm for re-export is too less for low-priced imported teas and it should be minimum 100% to make the level-playing field vis-a-vis indigenous tea.

ITEA has sought proper vigil on the use of imported leaves in India and initiate an investigation into possible violations in re-export of the duty-free imported leaves. "All genuine exporters are being driven out of markets by such importers, some of whom may also be fudging books to dump duty-free imports into the Indian market by evading duty, resulting in a huge loss to the exchequer," added Kanoria.

**17<sup>th</sup> March 2021**

*-/mk*