LCBL
Commodity House

TEA MARKET REPORT

SALE NO: 19 of MAY 18 & 19, 2022

LANKA COMMODITY BROKERS LTD

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COMMENTS

The current financial difficulties faced by all businesses in Sri Lanka and the critical impact on the very livelihood of the people with the lack of fuel, Cooking Gas, Power and a host of essential commodities is badly affecting the Tea Supply Chain. The acute shortage of Diesel and regular power outages have virtually brought manufacture down to its knees, whilst the latest news is of the shortage of firewood for the Driers following the lack of fuel for transportation. The post auction work in the value chain too is under severe strain with buyers unable to keep to shipping timelines on account of disruptions to regular workhours and a plethora of other issues which include power disruptions, lack of fuel and curtailed banking hours.

Sri Lanka has once again recorded a very poor Tea Production of a mere 22.9 Mkgs for April, 2022 which is a decline of 7.1 Mkgs on the corresponding figure for last year's April. During the cumulative period of the current year (Jan/April), the total harvest is only 86.2 Mkgs and is lagging behind the previous year's production by a huge 18.3 Mkgs. The non-availability of chemical fertilizer to the Tea Plantations is solely responsible for this drastic decline in crop which has significantly brought down the valuable foreign exchange earnings that this plantation crop brings in to Sri Lanka. More details appear elsewhere in this report.

This week's tea auction (Sale # 19) was conducted on May 18 & 19, 2022 (Wed/Thurs), with a weight of 6.7 mkgs, which was an increase of 0.6 mkgs over the previous auction. The Low Grown Leafy, Semi Leafy, Tippy & Small Leaf/ Premium Flowery catalogues totaled 2.8 mkg, whilst the Main Sale High & Medium segment had a weight of 0.92 mkg. The Ex Estate category had 1 mkg.

Ex Estate teas encountered a lower market this week. A few select best Western High BOP's gained on last following special interest while other BOP's together with BOPF eased Rs. 100/- and more. Nuwara Eliya's were firm to irregularly lower whilst Uda Pussellawa BOP's and BOPF's eased Rs. 100/- and even more for teas with poorer leaf. A few Uva BOP's and BOPF's in the "Best" category were dearer, but, the balance eased Rs. 50/- to 100/-, and, sometimes more. CTC Teas – PF1's in the "Best" category of all elevations declined Rs. 50/- to 100/- and more as the sale progressed, while others too were sharply lower. BP1's – High Growns were lower up to Rs. 40/- while Mediums eased Rs. 50/- to 100/-. Low Growns commenced firm, but, lost sharply towards the close. There was fair demand from Japan, Germany and other European markets for select liquoring teas with maintained interest from China, Taiwan and Hong Kong.

Good demand was seen for Leafy Teas whilst Semi Leafy teas and Tippy Small Leaf grades enjoyed fair demand. Select best OP1's and below-best varieties held firm but teas showing a drop in standard were irregular and lower. A selection of well-made OP's/OPA's maintained previous levels but poorer teas were easier. Stylish BOP1's were irregular and mostly easier while poorer teas dropped further. Best Pek/Pek1's were barely firm; others were all lower. True to grade FBOP's and FBOPF1's were firm to marginally lower while below-best teas were generally firm. Mixed varieties however were much lower. There was maintained interest from Middle Eastern buyers whilst the CIS shippers were active for the clean and stylish leafy teas. Demand from Russia was maintained. Turkey was more selective on Pekoe grades while Syria too was not as forceful as before. Libya supported the secondary leafy grades. Iraq was active on bottom level teas.

This week's auction comprised of 11,589 lots with a total quantity of 6,776,969 kgs.

The catalogue wise breakdown was as follows:-

	Lot	Qty.(Kgs)
Low Grown Leafy	2,133	976,798
Low Grown Semi Leafy	1,526	698,992
Low Grown Tippy	2,003	1,095,517
High & Medium	1,666	929,356
Off Grade/BOP1A	2,475	1,408,775
Dust	547	538,478
Premium Flowery	349	65,508
Ex-Estate	890	1,063,545
Total	**11,589**	**6,776,969**

In Lighter Vein

The Secret Box

An elderly pastor was searching in his closet for his collar before church one Sunday morning. In the back of the closet, he found a small box containing three eggs and 100 $1 bills.

He called his wife into the closet to ask her about the box and its contents. Embarrassed, she admitted to having hidden the box there for their entire 30 years of marriage. Disappointed and hurt, the pastor asked her, "Why?" The wife replied that she hadn't wanted to hurt his feelings. He asked her how the box could have hurt his feelings. She said that every time during their marriage that he had delivered a poor sermon, she had placed an egg in the box. The pastor felt that three poor sermons in 30 years was certainly nothing to feel bad about, so he asked her what the $100 was for.

She replied, "Each time I got a dozen eggs, I sold them to the neighbors for a dollar."

LOW GROWN TEAS

LEAFY/SEMI LEAFY

BOP1 : Select best types maintained last levels whilst the others were irregular and mostly lower.

OP1 : Best on offer maintained last levels, others declined by Rs.30-50/- per kg.

OP : Select best types dropped Rs.20-30/- per kg whilst others were Rs.50-60/- per kg.

OPA : Best on offer declined Rs.30-40/- per kg, others were Rs.50-60/- per kg.

PEK/PEK1 : Commenced firm on last levels, however declined as the sale progressed.

Quotations (Rs./Kg)	Best		Below Best		Others	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
BOP1	2800-4250	2400-4300	1200-2800	1500-2400	800-1200	1000-1500
OP1	2700-4400	2500-4350	1800-2700	2200-2500	1200-1800	1600-2200
OP	1200-2700	1400-2500	1000-1200	1100-1400	600-1000	800-1100
OPA	1400-2700	1600-2800	1000-1400	1100-1600	650-1000	850-1100
PEK/PEK1	1700-2400	1800-2700	1200-1700	1200-1800	900-1200	1100-1200

TIPPY/SMALL LEAF

BOP/BOPSP : Select best and Best BOP's together with Below Best selectively dearer. Balance irregular following quality.

BOPF/BOPFSP : Well-made BOPF's maintained, whilst balance too were dearer by Rs.50/- per kg and more.

FBOP/FBOP1 : Well made FBOP's together with cleaner Below Best marginally lower. Balance irregular following quality, FBOP1's in general were fully firm.

FBOPF/FBOPF1 : Well made FBOPF/FBOPF1's were firm to selectively dearer. However, cleaner Below Best and cleaner teas at the lower end held firm whilst mixed varieties were much lower.

FBOPFSP/EXSP : Very tippy teas continued to attract good demand whilst Below Best maintained last levels.

Quotations (Rs./Kg)	Best		Below Best		Others	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
BOP/BOPSP	1400-2300	1800-2300	1200-1900	1200-1800	850-1200	900-1200
BOPF /BOPFSP	1600-2150	1600-2300	1100-1600	1200-1600	850-1100	900-1200
FBOP/FBOP1	1800-3000	1800-3300	1400-1800	1400-1800	900-1400	1000-1400
FBOPF/FBOPF1	1800-3650	1800-3000	1500-1800	1400-1800	900-1500	1000-1400
FBOPFSP/EXSP	4000-6950	3500-6500	2200-4000	2000-3500	1500-2200	1400-2000

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP - Except for the well made few select FBOP's which held firm, the balance tended irregularly lower. Secondary and Poorer sorts too met with less demand.

FBOPF/FBOPF1 - Neat well-made FBOPF1's were firm on last levels whilst below best and poorer types lost Rs.20-40/- per kg particularly towards the close.

PEK/PEK1 - Best shotty well-made PEK/PEK1 types were substantially lower. Below best and poorer types too lost in value.

Quotations (Rs./Kg)	Best		Below Best		Others	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
FBOP	1300-2950	1350-2900	1100-1300	1200-1350	1000-1100	1150-1200
FBOPF/FBOPF1	1400-2200	1450-2250	1200-1400	1200-1450	950-1200	1000-1200
PEK/PEK1	1350-2050	1150-2300	1100-1350	1000-1150	900-1100	850-1000

HIGH GROWNS TEAS

BOP: Best Western's - Few select invoices were firm following quality and special inquiry whilst the balance declined Rs. 50-100 per kg. Teas in the Below Best category declined Rs. 100 per kg and more, whilst the poorer sorts declined further Nuwara Eliya's were firm to irregularly lower. Uda Pussellawa's declined Rs. 100 per kg and more. Uva's - Better sorts gained Rs. 20-50 per kg following special inquiry whilst the others declined by a similar margin.

BOPF: Best Western's declined Rs. 50-100 per kg. Teas in the Below Best were Rs. 100-200 per kg easier, whilst the others and poorer sorts declined further and were mostly discounted. Nuwara Eliya's were irregularly lower. Uda Pussellawa's declined Rs.50-100 per kg. Uva's, where quality was maintained, were firm to irregularly lowe4 whilst the others declined Rs. 50-100 per kg.

Quotations (Rs./Kg)	BOP		BOPF	
	This Week	Last Week	This Week	Last Week
Best Westerns	1200-1600	1500-1850	1180-1320	1300-1550
Below Best Westerns	940-1140	1200-1480	1000-1100	1150-1280
Plainer Westerns	790-890	770-1180	840-1000	940-1140
Nuwara Eliyas	1000-1850	1950	1000	N/A
Brighter UdaPussellawas	N/A	840-1080	N/A	940-1020
Other Uda Pussellawas	720-790	750-760	810-850	860
Best Uva's.	1100-1300	1120-1300	940-1040	1000-1060
Other Uva's	920	900-1020	920	920-980

MEDIUM GROWN TEAS

BOP : Sold well around last week's closing levels.

BOPF : Declined Rs.40-60/- per kg.

Quotations (Rs./Kg)	BOP		BOPF	
	This Week	Last Week	This Week	Last Week
Best Westerns	920-1950	900-2000	830-1140	870-1300

CTC TEAS

HIGH GROWN:

BP1 – Declined Rs.20/- per kg and more.

PF1 - Better sorts declined considerably whilst the others were Rs.50-60/- per kg easier.

MEDIUM GROWN:

BP1 – Declined Rs.50-100/- per kg.

PF1 – Better sorts which commenced Rs.50-100/- per kg lower, declined further towards the close.

LOW GROWN:

BP1 - Better sorts which commenced firm on last week's closing levels, declined substantially towards the close.

PF1 - Best available sold at last week's closing levels whilst the others declined Rs.100-150/- per kg and more following quality.

Quotations (Rs./Kg)	BP1		PF1	
	This Week	Last Week	This Week	Last Week
High	670-840	770-890	790-1120	810-1340
Medium	650-800	770-840	730-1020	830-1280
Low	730-1280	720-1320	820-1850	720-1950

OFF GRADES

FGS/FGS1:

Select best Liquoring FNGS/FNGS1s lost sharply by Rs.50-100/- per kg whilst poorer sorts too followed a similar trend. Clean Low Grown FNGS1's too declined by Rs.40-50/- per kg.

BM:

Well-made BM's were irregularly lower by Rs.50-75/-. Best types lost Rs.70-100/- per kg. Lower end teas too were lower by Rs.100-150/-.

BOP1A :

Select best BOP1A's (PEK/PEK1types) lost Rs.100-200/- per kg and Best and Below Best teas were irregularly lower by Rs.75-120/- per kg.

QUOTATIONS (Rs./kg)	HIGH		MEDIUM		LOW	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
Good Fannings (Orthodox)	720-920	820-1020	600-850	700-950	660-880	760-980
Good Fannings (CTC)	550-700	650-800	550-700	650-800	550-700	650-800
Other Fannings (Orthodox)	425-720	525-820	425-700	525-800	430-600	530-700
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	800-840	900-940	800-850	900-950	800-890	900-990
Other BM's	520-700	620-800	520-700	620-800	500-700	600-800
Best BOP1As	800-850	900-950	870-900	970-1000	1200-1740	1300-1840
Other BOP1As	620-690	720-790	620-700	720-800	620-700	720-800

DUST

DUST/DUST1:

Liquoring High Grown D1's were substantially dearer by Rs.200-300/- and more, others too were lower by as much as Rs.100-200/- per kg and more. Low Grown Clean Dust/Dust1 were substantially dearer by Rs.100/- per kg and more whilst below best teas were firm on last levels.

PD:

PD's from High & Medium elevations were maintained last levels and more whilst Low Grown PD's were easier by Rs.50-60/- per kg and more.

QUOTATIONS (Rs./kg)	HIGH		MEDIUM		LOW	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
Good Primary Dust1 (Orthodox)	980-1500	950-1100	800-900	900-1060	1000-1550	1000-1460
Good Primary PD (CTC)	850-1080	850-1090	900-1120	900-1100	900-1420	950-1500
Secondary Dust	580-630	600-680	650-680	650-700	600-700	600-700

WESTERN MEDIUM

Harangalla	BOP	1950/-
Windsorforest	BOPSP	1850/-
Vellai Oya	BOPF	1140/-
Harangalla	BOP1	2850/-
Rilagala	FBOP/FBOP1	2950/-
***Hatale**	**FBOP/FBOP1**	**2800/-**
Cooroondoowatte	FF/FF1	2200/-
***Uplands**	**OP/OPA**	**1850/-**
***Hatale**	**OP/OPA**	**1800/-**
Dehiwatte Super	OP/OPA	1800/-
Cooroondoowatte	OP/OPA	1800/-
***Orange Field**	**OP/OPA**	**1750/-**
*** Harangalla**	**OP/OPA**	**1750/-**
Craighead	OP1 +++	3150/-
Craighead	PEK/PEK1	2050/-

WESTERN HIGH

Great Western	BOP	1600/-
Queensberry	BOP SP	1650/-
Ingestre	BOPF/BOPFSP	1320/-
Somerset	BOPF/BOPFSP	1320/-
Torrington	BOP1	2180/-
Torrington	FBOP/FBOP1+++	2500/-
Torrington	FBOPF/FBOPF1	1900/-
Weddemulla	OP/OPA	1850/-
Weddemulla	OP1	2100/-
Weddemulla	PEK/PEK1	1750/-
Inverness	PEK/PEK1	1750/-

NUWARA ELIYA

Lovers Leap	BOP	1850/-
Court Lodge	BOPF/BOPFSP	1000/-
Kenmare	BOPF/BOPFSP	1000/-
Court Lodge	FBOP/FBOP1	2300/-
Lovers Leap	FBOP/FBOP1	2300/-
Lovers Leap	PEK /PEK1	2400/-

CTC TEAS

HIGH GROWN

Dunsinane CTC	PF1	1120/-
Mount Vernon CTC	BP1	840/-
Mount Vernon CTC	BPS	780/-

MEDIUM GROWN

New Peacock CTC	PF1	1020/-
***New Peacock CTC**	**PF1**	**1000/-**
Donside CTC	BP1	800/-
Delta CTC	BP1	800/-
Donside CTC	BPS	670/-

LOW GROWN

Kalubowitiyana CTC	PF1	1900/-
Ceciliyan CTC	BP1	1280/-
Ross Field CTC	BPS	750/-

UVA MEDIUM

Dickwella	BOP	2100/-
***Halpewatte Uva**	**BOPSP**	**1600/-**
Demodara 'S'	BOPSP	1600/-
Dickwella	BOPF/BOPFSP	1950/-
Demodara 'S'	BOP1	2450/-
***Halpewatte Uva**	**FBOP/FBOP1**	**2300/-**
Dickwella	FF/FF1	1950/-
Demodara 'S'	FF/FF1	1950/-
Wewesse	OP/OPA	1880/-
Halpewatte Uva	OP1	2450/-
Dickwella	PEK/PEK1	1800/-
***Halpewatta Uva**	**PEK/PEK1**	**1550/-**

UVA HIGH

Uva Highlands	BOP	1800/-
Ranaya	BOPSP	1200/-
Spring Valley	BOPSP	1200/-
Spring Valley	BOPF/BOPFSP	1380/-
Glenanore	BOP1	2300/-
Glenanore	FBOP/FBOP1	2300/-
Oodoowerre	FBOPF/FBOPF1	1850/-
Glenanore	OP/OPA ++	1950/-
Glenanore	OP1	2500/-
Glenanore	PEK/PEK1	1700/-

UDA PUSSELLAWA

Kirklees	BOP	1100/-
Alma	BOPSP	1200/-
***Delmar**	**BOPSP**	**1140/-**
Kirklees	BOPF/BOPFSP	1000/-
Delmar	FBOP/FBOP1	1750/-
Blairlomond	FBOPF/FBOPF1	1750/-
Delmar	OP/OPA	1600/-
Gonapitiya	OP1	1850/-
Blairlomond	PEK/PEK1	1650/-

OFF GRADES

Kotmale Hills	BP	1700/-
Telbedde	BP	1700/-
Hingalgoda CTC	PF	1320/-
Kurunduwatta	BM	1380/-
Clydesdale	FNGS/FNGS1	1200/-
Wathurawila	BOP1A	1320/-

LOW GROWN LEAFY GRADES

Pothotuwa	BOP1	4250/-
New Vithanakande	OP1 ++	4400/-
Lumbini	OP1 ++	4400/-
New Athuraliya	OP	2700/-
Liyonta	OPA	2700/-
Nilwala	PEKOE	2350/-
Rajjuruwatta Sup	PEKOE1	2400/-
Kuttapitiya Sup	PEKOE1	2350/-
***Andaradeniya Sup**	**PEKOE1**	**2250/-**
***Makandura**	**PEKOE1**	**2250/-**

LOW GROWN TIPPY GRADES

Pothotuwa	BOP	2300/-
New Batuwangala	BOP	2300/-
Matuwagala Super	BOP	2300/-
***Makandura**	**BOP**	**2250/-**
Stream Line	BOPSP	2200/-
***Sithaka**	**BOPF**	**2100/-**
***Hidellana**	**BOPF**	**2050/-**
Stream Line	BOPFSP	2150/-
Katandola	BOPFSP	2150/-
***Mahaliyadda**	**BOPFSP**	**2050/-**
Katandola	BOPFSP	2050/-
***Allan Valley**	**BOPFSP**	**2000/-**
New J.S.P	FBOP	3750/-
***Sithaka**	**FBOP**	**3000/-**
***Sithaka**	**FBOP1**	**2750/-**
Lumbini	FBOP1	2650/-
***Hidellana**	**FBOP1**	**2600/-**
***KDU Super**	**FBOPF**	**3650/-**
Rotumba	FBOPF	3200/-
***Makandura**	**FBOPF**	**2950/-**
***Sithaka**	**FBOPF1**	**2600/-**
Hiniduma SH	FBOPF1	2600/-

PREMIUM FLOWERY

Brombil	FBOPFSP	6500/-
Graceland	FBOPFSP	6500/-
Graceland	FBOPFEXSP	6950/-
Brombil	FBOPFEXSP1 +++	6950/-

Dust

Kelani	DUST1	1550/-
Ceciliyan CTC	PD	1420/-

*** Sold by Lanka Commodity Brokers Ltd / +++All Time Record Price / ++ Equal All Time Record Price**

COLOMBO AUCTION – WEEKLY GROSS SALE AVERAGES

SALE NO.18 OF 13TH MAY, 2022

	2022			2021	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	1197.06	1200.86	870.47	565.03	581.32
Western High Grown	1164.11	1192.49	865.32	594.41	629.02
High Grown	1176.22	1195.52	866.85	584.59	616.12
Uva Medium	1324.92	1354.87	912.32	580.15	593.85
Western Medium	1135.91	1173.75	776.13	546.32	574.95
Medium Grown	1204.09	1238.54	817.39	558.11	580.38
Low Grown (Orthodox)	1,657.91	1659.24	1041.48	656.33	678.54
Combined L.G. (Orthodox + CTC)	1,615.33	1620.76	1014.06	649.94	668.62
Total	1438.54	1454.82	949.76	617.08	643.15

Private Sale Figures (09.05.2022 - 14.05.2022) - 53,222.00 Kgs

Cumulative - 1,138,862.50 Kgs

DETAILS OF TEAS AWAITING SALE

	Sale of 24th/25th May'22		Sale of 31st May/01st June'22	
	Lots	Qty. (Kgs)	Lots	Qty. (Kgs)
Low Grown Leafy	2,102	946,518.0	2,125	942,836
Low Grown Semi Leafy	1,436	645,675.0	1,608	726,615
Low Grown Tippy	1,884	986,502.0	1,961	1,026,309
High & Medium	1,718	930,281.0	1,843	988,811
Off Grade/BOP1A	2,549	1,446,067.0	2,474	1,409,715
Dust	465	456,857.0	512	532,836
Premium Flowery	360	69,045.0	403	74,763
Ex-Estate	802	943,027.0	852	996,064
Total	**11,316**	**6,423,972.0**	**11,778**	**6,697,949**

CATALOGUES

Sale No. 21 of 31st May/1st June, 2022

The Main Sale & Ex-Estate catalogues closed on 14th May, 2022 at 04.30 p.m.

Sale No. 22 of 07th/08th June, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 19th May, 2022 at 04.30 p.m.

Sale No.23 of 13th/15th June, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 26th May, 2022 at 04.30 p.m.

BROKER'S SELLING ORDER

SALE NO.20

Auction of 24th/25th May, 2022

Leafy/Tippy/BOP1A/Premium Flowery

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

High & Medium/Off Grades/Dust

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

Ex-Estate

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

Crop & Weather

For the period of 09th to 15th May, 2022

Western/Nuwara Eliya Regions: Rain was reported in both regions with the strong winds in the Nuwara Eliya Region. The Department of Meteorology expects heavy showers in the Western Region and strong winds in the Nuwara Eliya Region in the week ahead.

Uva/Udapussellawa Region: Both regions reported gloomy weather conditions with light evening showers throughout the week.

Low Growns: Showery conditions were reported in the Low Grown Region throughout the week. Isolated showers are expected in the Ruhuna and Sabaragamuwa regions in the week ahead according to the Department of Meteorology.

Crop Intake: The Western, Uva and Udapussellawa regions maintained the crop intake, whilst the Nuwara Eliya and Low Grown Region reported an increase.

WORLD CROP STATISTICS (MKGS)

Country	*Month*	*2021*	*2022*	*Difference +/-*	*To-date 2021*	*To-date 2022*	*Difference +/-*
SRI LANKA	***March***	***28.80***	***22.01***	***-6.79***	***74.51***	***63.09***	***-11.42***
BANGLADESH	*Jan.*	0.28	0.50	0.22	0.28	0.57	0.29
NORTH INDIA	*Feb*	2.18	1.8	-0.37	2.18	1.81	-0.37
SOUTH INDIA	*Feb*	15.32	14.60	-0.72	31.21	30.45	-0.76
MALAWI	*Jan.*	7.00	4.80	-2.20	7.00	4.80	-2.2

Country	*Month*	*2020*	*2021*	*Difference +/-*	*To-date 2020*	*To-date 2021*	*Difference +/-*
KENYA	*Dec.*	54.10	52.50	-1.60	569.50	537.80	-31.7
TANZANIA	*Dec.*	2.37	2.16	-0.21	33.65	28.46	-5.2
UGANDA	*Dec.*	6.11	5.90	-0.2	70.33	66.39	-3.94

"Africa Tea Brokers Bulletin of Statistics"

- O T H E R   M A R K E T S -

BANGLADESH AUCTION

SALE NO.03 OF MONDAY 16TH MAY, 2022

CTC LEAF: 25,410 packages of Current Season teas on offer once again met with a fair demand with more withdrawals.

BROKENS: Well made good liquoring Brokens met with a good demand and sold well but prices were easier by Tk.6/- to Tk.8/- and prices for these ranged between Tk.212/- and Tk.217/-. Smaller Brokens met with a similar trend and eased by upto Tk.12/- and these realised rates between Tk.207/- and Tk.214/-. However, there were a few withdrawals in this category. Plain types met with much less demand and sold between Tk.175/- and Tk. 185/- and there were heavy withdrawals in this category.

FANNINGS: Good liquoring Fannings were well supported but prices dropped by Tk.10/- to Tk.12/- and prices ranged between Tk. 212/- and Tk.220/-. Plain types were discounted further and often sold between Tk.175/- and Tk.182/- with quite heavy withdrawals.

CTC DUST: 6,557 packages of Current Season teas on offer met with good demand. Good liquoring varieties sold at irregularly easier market. Plain and BLF categories met with less demand at easier rates with several withdrawals.

COMMENTS: There was only a handful of bright liquoring teas backed by neat appearance which elicited good demand and were generally steady to touch dearer. All others met with a discriminating market and recorded a fairly sharp drop in price following quality. Blenders lent a fair support whilst there was some interest from the Loose tea buyers for selective lines. Dusts were an easier market.

Quotations – This Week – (In Taka)

Brokens	This Week	Last Week	Fannings	This Week	Last Week	Dust	This Week	Last Week
Large	198-208 N	208-215	**Best**	212-220	225-230	**PD**	202-261	214-258
Medium	195-200	212-222	**Good**	202-210	210-225	**RD**	140-240	160-240
Small	207-214	185-195	**Medium**	197-204	210-218	**D**	169-387	178-303
Plain	175-185	130-145	**Plain**	175-182	175-195	**CD**	184-320	205-344
BLF	125-140	208-215	**BLF**	128-140	130-145	**BLF**	140-212	160-215

COURTESY: NATIONAL BROKERS LTD

SOUTH INDIAN ROUNDUP FOR THE WEEKENDING

14th MAY – 2022

KOCHI

CTC LEAF

Demand: Good Demand. All grades are selling around last levels.

ORTHODOX LEAF:

Demand: Good demand.

Market: Whole leaf & primary brokens showing dearer tendency whereas secondary brokens & fannings a lower tendancy.

Buying Pattern: Middle East and CIS buyers operated.

DUST

Demand: Less general demand.

Market: Good liquoring & popular varieties eased in value by Rs.3 to Rs.4. Plainers sorts met with selective enquiry & declined by a similar value.

Buying Pattern: Major blenders were active with useful support from packeteers & Internal buyers operated selectively. Upcountry buyers operated on bolder grades. Best mediums witnessed fair support from internal & regional packeteers.

COONOOR

CTC LEAF

Demand: Fairly good.

Market: Marker opened with an easier trend across all types and categories by Rs.3/- to Rs.5/-. However as the sale progressed better enquiry was forthcoming for the Brighter types which has appreciated in prices. The Mediums rather met less demand and thereby witnessed a price drop by Rs.3/- to Rs.5/-. The Plainers have either sold as further dropping levels and also suffered fair withdrawals.

The overall sale percentage is 74% at an average of Rs.85.45.

Buying Pattern: Fairly good participation from the Packeteers and Blenders. Internal rendered fair support. Exporters had fair operation on the Bolder Brokens and Fannings.

ORTH LEAF

Demand: Good.

Market: Market generally was fully firm to mostly dearer by Rs.10/- to Rs. 20/- and more upto Rs. 30/- on the tippy teas. The Secondary Brokens too had better enquiry and went on to be sold at fully firm levels.

The overall sale percentage is 82% at an average of Rs. 134.82.

Buying Pattern: Strong Export enquiry was forthcoming with Shah Brothers and Girnar had shared the maximum quantity. On the Internal front Kushal Teas and Bardia Badhu have shared the quantity.

CTC DUST

Demand: Strong.

Market: Market tended fully firm to dearer with the Best and Bright liquoring types have appreciated in prices, considerably in the Red dusts. The fairly blacker types on the Medium categories have met with better enquiry from the Exporters which also appreciated in prices.

The overall sale percentage is 90% at an average of Rs. 91.72.

Buying Pattern: A very strong Export enquiry was forthcoming with the Internal and Major Blenders supporting well.

ORTH DUST

Demand: Strong.

Market: Market witnessed a fully firm to dearer trend with prices appreciating on the popular primary clonals which were cleaner. The Secondaries and Tertiaries also met with good demand and sold at fully firm to dearer levels.

The overall sale percentage is 91% at an average of Rs. 110.95.

Buying Pattern: Yet again strong Export enquiry was witnessed along with some Regional Blenders.

COIMBATORE

CTC LEAF

Demand: Fair demand.

Market: Better medium brokens/ BOPF's were irregular and lower by Rs.2/- with few withdrawals. Mediums/plainer teas were lower by Rs.2/- to Rs.4/- with some withdrawals.

Buying Pattern: Blenders, packeteers and internal buyers were active, Exporters selective.

ORTH LEAF:

Demand: Strong demand.

Market : Whole leaf dearer by Rs.5/- to Rs.10/-. Well made brokens were dearer by Rs.10/- sometimes more following quality. Secondary brokens/BOPF's were fully firm to dearer by Rs.3/- to Rs.5/-.

Buying Pattern: Exporters were active.

CTC DUST

Demand: Good general demand.

Market: Better mediums and popular sorts were lower by Rs.2/- to Rs.3/- sometimes more in finer grades. Mediums lower by Rs.2/- to Rs.3 with few withdrawals. Plainers wre irregular and lower by Rs.2/-.

Buying Pattern: Internal and exporters were active. Others selective.

ORTH DUST

Demand: Good demand.

Market : Primary dust were firm to dearer by Rs.2/- to Rs.5/-. Others firm to occasionally dearer.

Buying Pattern: Exporters were active.

Source: Paramount Tea Marketing (SI) Private Limited

INTERNATIONAL TEA NEWS

Low prices, market access brew storm for EA tea industry

TUESDAY MAY 17 2022

A worker packs tea for export in Mombasa. Key markets for the region's tea are not fully opened. PHOTO | FILE

Summary

- .Observers worry that besides dealers not fully harnessing the quality of tea produced in the region, they are now going slow on production fearing it would lead to a glut.

Rwanda's tea prices at the Mombasa auction continued to fetch premium prices, having been on a recovery trajectory from $2.94 per kilogram in 2021 to $3/kg in January 2022, and heading towards pre-pandemic prices of $3.05/kg of January 2020.

At the weekly tea auction held last week, about 12.7 million kilograms of tea were offered for sale, according to data by the East Africa Tea Trade Association (EATTA), which runs the auction.

East Africa's tea sector is threatened by underperformance, as its two key markets – Russia and Ukraine – remain closed.

Observers worry that besides dealers not fully harnessing the quality of tea produced in the region, they are now going slow on production fearing it would lead to a glut that would push down prices that have been recovering after a pandemic slump.

Rwanda's tea prices at the Mombasa auction continued to fetch premium prices, having been on a recovery trajectory from $2.94 per kilogram in 2021 to $3/kg in January 2022, and heading towards pre-pandemic prices of $3.05/kg of January 2020.

Rwanda has grown its exports to 35.2 million kilograms a year.

In the early months of 2022, its tea exports rose by 7.3 percent, reflecting a gradual reopening of markets.

According to Charles Kenge Iruta, acting sales and marketing manager of Rwanda Mountain Tea, the recovery is attributed to growth in volumes and the country's high quality tea, which has attracted demand from international buyers.

But Mr. Iruta says Rwanda's key markets are not fully opened and now the Russian invasion of Ukraine threatens further logistical disruptions as both countries are some of the biggest consumers of tea.

"Some destinations have not yet opened; we still face shipping challenges. Cargo bookings are very difficult to nail down for different destinations. Some shipping companies have increased freight costs, which has led to some destinations closing," he said.

US Dollar shortage

Sudan, one of Rwanda key markets, has been facing political turmoil since October last year when a transitional government was toppled. Importers have largely been reluctant to commit to deals as the country is also facing a dollar shortage.

But if Rwandan producers feel their quality hasn't been fully rewarded, their peers in the region have suffered both in market access and quality.

At the Mombasa Tea Auction, Tanzanian tea fetched the lowest price due to its quality followed by Ugandan tea, Burundi and Kenyan tea.

At the weekly tea auction held last week, about 12.7 million kilograms of tea were offered for sale, according to data by the East Africa Tea Trade Association (EATTA), which runs the auction.

Of the total tea offered, only 9.4 million kilograms were sold, compared to 10.9 million kilograms during the same period last year.

The tea auction recorded a decrease in prices, with a kilogram selling at an average price of $2.30, compared to $2.38/kg during the previous sale, but an increase from $1.82/kg during the same period last year.

In Kenya, the turmoil has been such that even a set price has been defied by markets. Last year in July, the Kenya Tea Development Agency set a minimum reserve price for processed tea at the Mombasa auction to prevent it from falling below $2.43 per kilo. But the price has remained below this figure since it was set.

EATTA managing director Edward Mudibo said low prices were a result of oversupply in spite of a recent drought.

"We are having more unsold tea of about 25 percent of the total supply. We suspect most of traders were hoarding their teas when there were strict Covid-19 containment measures and now they are flooding the market," Mr. Mudibo said.

The move by government to set a minimum price was a response to farmers' reluctance to supply due to low prices that reached an all-time low of $1.80/kg in July 2021, almost at par with the cost of production of $1.70/kg.

While setting the minimum price, the government capped the cost of producing a kilo of made tea at $0.84/kg.

Ukraine war

Now, tea traders are also worried the prolonged invasion of Ukraine by Russia may hurt tea exports, thereby putting pressure on the already declining prices of the beverage.

"Despite low prices in Kenya, we are also cautious of supplying more as some markets might be affected due to strained logistics to reduce purchases of tea from Mombasa Tea Auction, which is second world tea market after India," said Dinesh Khan, a Mombasa-based tea broker.

In Tanzania, officials say the Russia invasion of Ukraine will have little impact as long as Dar can get its tea to the usual big markets.

Tea Board of Tanzania Director-General Nicholaus Mauya says Russia and Ukraine do not buy much Tanzanian tea.

"We have not been affected by the Russia-Ukraine war. In reality, our tea market in those warring states remains marginal", Mr. Mauya told The East African.

The leading buyers of Tanzania's tea are the United Kingdom, Africa, Germany, Pakistan, the United Arab Emirates and the US.

About 80 percent of Tanzanian tea is exported to foreign markets and the remaining 20 percent is processed and consumed locally.

Tea is among leading agricultural products in Tanzania with annual sales of Tsh140 billion ($60 million).

Poor agronomy

But Tanzania has suffered from old farming practices that have caused yields to fall to as low as 35,000 tonnes a year against a potential of nearly twice this figure.

The government is encouraging modernized farming and providing agricultural extension services to smallholder farmers to boost output.

It targets to raise production to 60,000 tonnes and improve its quality, the tea board says.

Uganda, the second largest producer of tea in Africa after Kenya, has an average annual output of 65,000 metric tonnes exported from the country.

However, Uganda tea continues to fetch lower prices at the Mombasa auction than its East African neighbors. For instance, in January, a kilogram of Uganda's tea was sold for $1.3, far below Kenya's $2.38, Rwanda's $3.23 and $2.47 for Burundi tea.

End of February, Rwandan tea fetched $3.02 a kilo while Kenya's tea sold at $2.72, Burundi $2.44, Uganda $1.27 and Tanzania's at $1.15 for the same quantity.

Underperformance of Ugandan tea, however, could be improved with better agronomical practices as experts say Uganda has only exploited about 10 percent of its potential for tea growing, with about 52,000 acres under cultivation.

The Mombasa Tea Auction has remained the only market for East African countries as the Dar es Salaam Tea Auction has failed to take off.

The Mombasa Tea Auction is the largest tea auction in the world with 75 percent of the volume of tea traded through the auction centre. Close to 32 percent of the tea exported to the world passes through Mombasa.

19th May, 2022.

-/tp

LANKA COMMODITY BROKERS LTD

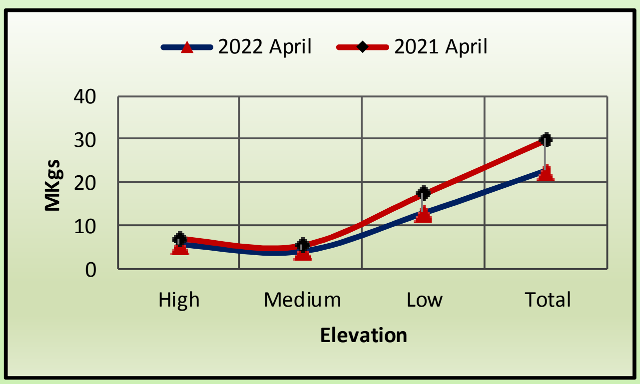
SRI LANKA TEA PRODUCTION- APRIL, 2022

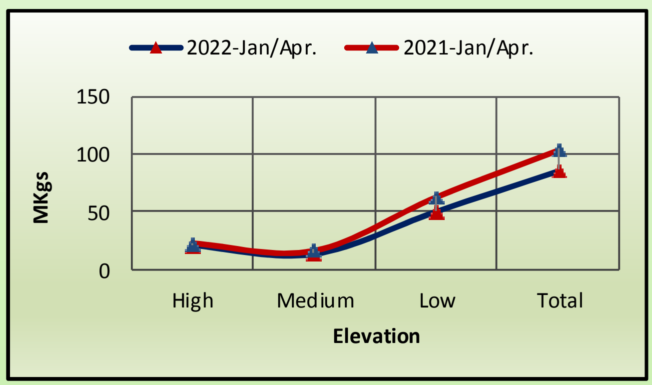
Sri Lanka has once again recorded a disappointing Tea Production of 22.9Mkg for the month of April 2022 which shows a decline of 7.1Mkg over the tea crop of 30.0Mkg achieved in the same month in 2021. All three elevation categories have shown declines with the High & Medium elevations showing drops of 1.2Mkg and 1.4Mkg respectively. The Low Grown production was lower by 4.4Mkg when compared to April 2021. During the year-to-date period (January to April) of the current year, the production of 86.2Mkg over the comparative figure of 104.5 Mkg for 2021 is a significant drop of 18.3 Mkg. The lack of fertilizer inputs continues to plague the industry with falling tea crops, and, drastically impacting on the valuable foreign exchange the tea industry brings in to the country.

Given below are more comprehensive details relating to tea production.

Sri Lanka Tea Production-April 2022 vs. 2021 (In Kgs)

	2022-April	2021-April	+/-	%	Jan/ Apr 2022	Jan/Apr 2021	+/-	%
High	5,701,102	6,983,142	(1,282,040)	(18)	20,682,006	23,053,838	(2,371,832)	(10)
Medium	4,155,560	5,567,591	(1,412,031)	(25)	14,342,262	17,539,525	(3,197,263)	(18)
Low	13,052,927	17,482,026	(4,429,099)	(25)	51,207,898	63,952,374	(12,744,476)	(20)
Total	22,909,589	30,032,759	(7,123,170)	(24)	86,232,166	104,545,737	(18,313,571)	(18)





During the period January to April, 2022 the larger crop harvests have been from the following regions.

1	Ratnapura	13,577,134.00	11	Kelani Valley	2,389,855.00
2	Galle	11,198,341.00	12	Bogawanthalawa	1,962,492.00
3	Gampola/Nawalapitiya/Dolosbage	6,135,051.00	13	Kegalle	1,804,556.00
4	Kalutara	5,218,927.00	14	Pussellawa/Hewaheta	1,758,413.00
5	Matara	4,160,382.00	15	Morawaka	1,750,065.00
6	Deniyaya	3,967,186.00	16	Upcot/Maskeliya	1,598,735.00
7	Demodara/Haliella/Badulla	2,974,131.00	17	Agarapathana	1,543,412.00
8	Nanuoya/Lindula/Talawakelle	2,929,004.00	18	Kadugannawa	1,498,601.00
9	Balangoda/Rakwana	2,719,910.00	19	Balangoda	1,496,517.00
10	Hatton/Dickoya	2,616,059.00	20	Haputale	1,233,778.00

May 19, 2022
JRA : sr