



Commodity House

TEA MARKET REPORT

SALE NO: 25 of June 28 & 29, 2022

LANKA COMMODITY BROKERS LTD

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COMMENTS

Mainly bright weather has been reported from the Western and Uva/Uda Pussellawa districts, whilst Nuwara Eliya has had evening showers throughout the week. The Low Grown region too experienced sunny conditions but the Department of Meteorology has predicted heavy showers in the Ruhuna and Sabaragamuwa regions in the week ahead. Crop intake across all plantation districts has shown a further decline.

This week's tea auction (Sale # 25) was conducted on June 28 & 29, 2022 (Tue/Wed/), with a weight of 5.4 mkg which was a drop of 0.5 mkg over the previous auction. The Low Grown Leafy, Semi Leafy, Tippy & Small Leaf/ Premium Flowery catalogues totaled 2.33 mkg, whilst the Main Sale High & Medium segment had a weight of 0.75 mkg. The Ex Estate category had 0.67 mkg.

Ex Estate teas met with strong demand following the limited availability. Selected Western BOP's gained Rs. 50/- to 100/- whilst their corresponding BOPF's were irregularly firm. Improved, coloury Western BOP's in the below-best category appreciated Rs. 100/- to 200/- with their BOPF's counterparts registering gains of Rs. 80/- to 100/-. Nuwara Eliya BOP's and BOPF's continued to sell well at around last levels. Select high priced Uva/Uda Pussellawa BOP's of last week eased up to Rs. 50/- per kg whilst others were mainly firm. A range of improved Uda Pussellawa BOPF's gained substantially following air mail enquiry whilst neater Uva's gained up to Rs. 100/-. CTC Teas – High grown PF1's in the "best" category were Rs. 20/- to 40/- dearer, whilst others at times gained more. Medium PF1's with coloury liquors appreciated up to Rs. 50/- and more, whilst the remainder was largely firm. Low Grown select PF1's which gained 100/- to 200/- at the commencement, advanced substantially more as the sale progressed. High Grown BP1's were firm, while Mediums were irregular, and, mostly unsold. Low Grown BP1's with maintained leaf appearance advanced up to Rs. 100/-. There was good demand from Japan, Germany and other European markets for the better liquoring teas with added competition from buyers for China, Taiwan and Hong Kong. Russian interest was more widespread.

Good demand was seen for Leafy Teas whilst Semi Leafy teas and Tippy Small Leaf grades met with fair demand. Select best OP1's were barely steady, whilst, a range of clean and improved below-best teas ruled fully firm to dearer, with poorer sorts barely maintaining last levels. A range of well-made OP's/OPA's were fully firm to dearer. Other OP's/OPA's where quality was seen to be inferior saw easier prices. BOP1's were fully firm. Best and below-best Pek/Pek1's were fully firm to selectively dearer. Stylish FBOP's and FBOPF1's together with cleaner below-best types were dearer on last. There was useful demand from Middle Eastern buyers whilst the CIS shippers were active for the better made leafy teas. Demand from Russia was improved. Turkey was active for Pekoe grades. Libya continued to pursue the secondary leafy grades. Iraq was active on bottom level teas

This week's auction comprised of 10,358 lots with a total quantity of 5,459,831 kgs.

The catalogue wise breakdown was as follows:-

	<u>Lot</u>	<u>Qty.(Kgs)</u>
Low Grown Leafy	2,104	892,240
Low Grown Semi Leafy	1,223	511,118
Low Grown Tippy	1,757	857,982
High & Medium	1,493	746,963
Off Grade/BOP1A	2,353	1,310,098
Dust	409	398,222
Premium Flowery	424	70,287
Ex-Estate	<u>595</u>	<u>672,921</u>
Total	<u>10,358</u>	<u>5,459,831</u>

In Lighter Vein

Have You Met the Van Gogh Family?

Did you know the painter Vincent van Gogh had a very large family?

There's his dizzy aunt, Verti Gogh

The brother who ate prunes, Gotta Gogh

The brother who worked at a convenience store,

Stop N Gogh

The grandfather from Yugoslavia, U Gogh

His magician uncle, Wherediddy Gogh

His Mexican cousin, A Mee Gogh

The Mexican cousin's American half-brother, Gring Gogh

The nephew who drove a stage coach, Wellsfar Gogh

The constipated uncle, Can't Gogh

The ballroom dancing aunt, ang Gogh

The bird lover uncle, Flamin Gogh

The fruit loving cousin, Man Gogh

An aunt who taught positive thinking, Way to Gogh

The little bouncy nephew, Poe Gogh

A sister who loved disco, Go Gogh

And his niece who travels the country in an RV, Winnie Bay Gogh

I saw you smiling, there ya Gogh!

LEAFY/SEMI LEAFY

- BOP1** : Select best types were fully firm to dearer. Others sold Rs.30-50/- per kg dearer.
- OP1** : Best on offer maintained last levels whilst others appreciated by Rs.30-60/- per kg.
- OP** : Select best types declined Rs.40-60/- per kg whilst others were irregular and mostly lower.
- OPA** : Best on offer maintained last levels; secondaries dropped RS.40-50/- per kg. Lower end showed a marked decline.
- PEK/PEK1** : Best on offer maintained last levels. Others were fully firm to dearer.

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	2600-4300	2500 - 4200	1500-2600	1400 - 2500	1000-1500	900 - 1400
OP1	2700- 2450	2200 - 4300	1800-2700	1500 - 2200	1100-1800	850 - 1500
OP	1400-2500	1500 - 2450	1000-1400	900 - 1500	700-1000	600 - 900
OPA	1500-2650	1700 - 2600	1100-1500	1200 - 1700	550-1100	650 - 1200
PEK/PEK1	1800-3000	1700 - 2950	1400-1800	1300 - 1700	1000-1400	800 - 1300

TIPPY/SMALL LEAF

- BOP/BOPSP** : Well-made BOP's together with cleaner below best appreciated. Balance firm on last.
- BOPF/BOPFS** : Select Best and BOPF were firm to selectively dearer whilst others sold around last levels.
- FBOP/FBOP1** : Select best and best together with cleaner below best were substantially dearer. Cleaner teas at the bottom too appreciated to a lesser extent. Balance were easier following quality. FBOP1's in general dearer.
- FBOPF/FBOPF1**: Very tippy teas continued to attract good demand and was substantially dearer. Best and cleaner below best too appreciated. Balance were firm. Select best and best FF1's together with cleaner below best appreciated. Balance were firm on last.
- FBOPFSP/EXSP** : Met with excellent demand with the very Tippy/Bright teas improving further over last weeks price levels whilst below best too appreciated..

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	1800- 2800	1800 - 2750	1550-1900	1500 - 1800	800-1450	800 - 1500
BOPF /BOPFSP	1900-2700	1800 - 2750	1500-1850	1500 - 1800	750-1500	800 - 1500
FBOP/FBOP1	3000 - 3700	3000 - 4350	1850-3000	1800 - 3000	900-1900	900 - 1800
FBOPF/FBOPF1	2500-4050	3000 - 4400	2200-3200	2000 - 3000	1000 - 2000	1000 - 2000
FBOPFSP/EXSP	6500-10500	6000 - 9150	3000-6500	3000 - 6000	2200 - 3200	2000 - 3000

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

- FBOP** - Well-made FBOP's on offer advanced following sharply. Below best and the poorer types were dearer on last levels.
- FBOPF/FBOPF1** - Neat well-made types appreciated Rs.50/- per kg and more. Below best and the poorer types too gained Rs.20-40/- per kg towards the close.
- PEK/PEK1** - Well-made shotty PEK/PEK1 types were firm to dearer on last levels. Secondary types too sold well.

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>
FBOP	1900 - 2950	1800 - 2800	1300 - 1900	1250 - 1800	1200 - 1300	1100 - 1250
FBOPF/FBOPF1	1900-2300	1800 - 2300	1300 - 1900	1250 - 1800	1100 - 1300	1000 - 1250
PEK/PEK1	1250-1950	1200 - 2100	1100 - 1250	1100 - 1200	900 - 1100	850 - 1100

HIGH GROWNS TEAS

BOP : Best Western's were mostly firm with select invoices gaining Rs. 50-100 per kg following special inquiry. In the Below Best category improved coloury sorts gained Rs. 100-200 per kg whilst at the lower end teas appreciated Rs. 50-100 per kg. Nuwara Eliya's continued to sell well. Uva/Uda Pussellawa's - Select high priced teas of last week declined Rs. 20-40 per kg, whilst the others sold well around last week's levels.

BOPF : Best Western's were irregularly firm following quality. In the Below Best and Plainer categories, coloury sorts Gained Rs. 80-100 and more for select invoices. Nuwara Eliya's continued to sell well around last weeks levels. Uda Pussellawa's gained up to Rs. 200 per kg whilst the Uva's appreciated by Rs, 100/= per kg.

Quotations (Rs./Kg)	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	1400 - 1550	1400 - 1600	1300 - 1550	1200 - 1380
Below Best Westerns	1200 - 1380	1150 - 1380	1160 - 1280	1080 - 1180
Plainer Westerns	900 - 1180	820 - 1140	980 - 1140	860 - 1060
Nuwara Eliyas	2200 - 2300	1650 - 2200	1180 - 1200	1160 - 1220
Brighter UdaPussellawas	1480 - 1500	1460 - 1550	1100 - 1160	890 - 1040
Other Uda Pussellawas	1220 - 1320	720 - 1300	1000 - 1080	800 - 850
Best Uva's	1400 - 1500	1420 - 1650	1100 - 1280	960 - 1040
Other Uva's	1220 - 1380	1240 - 1360	1040 - 1080	890 - 920

MEDIUM GROWN TEAS

BOP : Continued to sell although at irregular rates following quality.

BOPF : Gained Rs.40-80/- per kg.

Quotations (Rs./Kg)	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	940 - 2450	900 - 2050	810 - 1160	760 - 1040

CTC TEAS

HIGH GROWN:

BP1 – Mostly firm for the limited availability.

PF1 - Best available gained Rs.20-40/- per kg on average whilst the other coloury sorts gained Rs.50-100/- per kg.

MEDIUM GROWN:

BP1 - Irregular and mostly unsold due to the lack of suitable bids.

PF1 – Select coloury sorts gained Rs.50-100/- per kg whilst the others were firm and dearer to a lesser extent.

LOW GROWN:

BP1 - Gained up to Rs.100/- per kg.

PF1 - Which appreciated Rs.100-200/- per kg at the commencement of the sale gained substantially more as the sale progressed.

Quotations (Rs./Kg)	BP1		PF1	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	620 - 940	660 - 890	810 - 1200	820 - 1080
Medium	500 - 850	550 - 560	670 - 1000	710 - 1040
Low	400 - 1120	640 - 940	720 - 2550	710 - 2150

OFF GRADES

FGS/FGS1:

Select best Liquoring FNGS/FNGS1s' firm on last levels whilst others advanced Rs.25-50/- per kg. Clean Low Grown well made FNGS1's appreciated Rs.50-75/- per kg and others were a little irregularly lower.

BM:

Well-made BM's appreciated Rs.100-200/-. Best types were a little irregular. Lower end teas however appreciated Rs.10-20/- per kg.

BOPIA :

Select best BOP1A's firm on last and Best types advanced Rs.50-100/- per kg. Below best teas were fully firm to dearer.

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)	820-980	800-920	620-700	600-730	680-1000	720-960
Good Fannings (CTC)	570-840	570-820	570-870	570-870	570-730	570-730
Other Fannings (Orthodox)	540-700	520-680	540-680	520-680	520-670	520-680
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	620-700	620-750	600-680	600-680	800-1200	700-1000
Other BM's	520-580	520-580	520-600	520-580	520-670	520-650
Best BOP1As	700-740	700-770	700-770	700-750	1000-1400	1000-1400
Other BOP1As	560-620	560-640	580-620	560-640	600-680	620-720

DUST**DUST/DUST1:**

Liquoring High Grown D1's were fully firm to dearer; others also following a similar trend. Low Grown Clean Dust/Dust1's fully firm to dearer whilst below best teas were firm on last levels.

PD:

PD's from High & Medium elevations appreciated by Rs.10-30 and at times more whilst Low Grown PD's were fully firm to dearer.

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 Dust1 (Orthodox)	900-1550	950-1650	850-1020	850-1140	900-1850	900-1500
Good Primary PD (CTC)	800-940	800-920	800-940	800-940	950-2700	900-2400
Secondary Dust	580-670	580-680	600-700	600-720	650-850	650-850

WESTERN MEDIUM

Nayapane	BOP	+++	2450/-
*Harangalla	BOP		2350/-
*Hatale	BOPSP		2200/-
*Vellai Oya	BOPE/BOPFSP		1160/-
Dartry Valley	BOP1		2800/-

UVA MEDIUM

Dickwella	BOP	+++	2200/-
*Halpewatte Uva	BOPSP	+++	2300/-
Dickwella	BOPE/BOPFSP+++		2350/-
Demondara 'S'	BOP1	+++	3450/-
Dickwella	FBOP/FOBOP1+++		2900/-

LOW GROWN LEAFY GRADES

Pothotuwa	BOP1		4300/-
*Sithaka	BOP1		3950/-
Pothotuwa	OP1		4250/-
*Hidellana	OP		2500/-
Green Lanka	OPA		2650/-



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

COLOMBO AUCTION - WEEKLY GROSS SALE AVERAGES

SALE NO.24 OF 22ND JUNE, 2022

	2022			2021	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	1085.50	1011.38	907.39	516.05	564.38
Western High Grown	1033.79	993.03	901.30	554.65	612.02
High Grown	1050.77	999.48	903.20	542.57	598.47
Uva Medium	1185.69	1140.68	972.20	539.34	577.89
Western Medium	907.55	914.91	827.22	506.21	559.31
Medium Grown	995.09	985.38	871.34	516.91	564.77
Low Grown (Orthodox)	1,480.17	1457.05	1150.93	626.70	667.60
Combined L.G. (Orthodox + CTC)	1,447.39	1419.13	1122.31	619.28	658.56
Total	1273.69	1234.12	1031.18	582.69	629.82

Private Sale Figures (20.06.2022 – 25.06.2022) - 74,532.04 Kgs

Cumulative - 2,177,652.08 Kgs

DETAILS OF TEAS AWAITING SALE

	<u>Sale of 05th/06th July'22</u>		<u>Sale of 11th/12th July'22</u>	
	<u>Lots</u>	<u>Qty. (Kgs)</u>	<u>Lots</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	1,928	806,940	2,080	872,115
Low Grown Semi Leafy	1,215	516,321	1,360	574,718
Low Grown Tippy	1,638	812,305	1,832	904,578
High & Medium	1,323	650,233	1,432	692,054
Off Grade/BOP1A	2,386	1,295,171	2,434	1,361,284
Dust	402	351,349	398	359,710
Premium Flowery	353	83,588	421	72,583
Ex-Estate	<u>509</u>	<u>559,890</u>	<u>520</u>	<u>573,889</u>
Total	<u>9,754</u>	<u>5,075,797</u>	<u>10,477</u>	<u>5,410,931</u>

FUTURE CATALOGUES CLOSURE

Sale No.28 of 19th/20th July, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 30th June, 2022 at 04.30 p.m.

Sale No.29 of 26th/27th July, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 07th July, 2022 at 04.30 p.m.

Sale No.30 of 02nd /03rd August, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 14th July, 2022 at 04.30 p.m.

BROKER'S SELLING ORDER

SALE NO. 26

Auction of 05th & 06th July, 2022

Leafy/Tippy/BOP1A/Premium Flowery

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

High & Medium/Off Grades/Dust

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

Ex-Estate

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

Crop & Weather

For the period of 20th to 26th June, 2022

Western/Nuwara Eliya Regions:-

Bright weather was reported in the Western Region, whilst the Nuwara Eliya Region reported clear weather and occasional evening showers throughout the week. 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:-

Clear weather was reported in both regions throughout the week.

Low Grown:-

The Low Grown Region reported sunny weather throughout the week. Heavy showers are expected in the Ruhuna and Sabaragamuwa regions in the week ahead according to the Department of Meteorology.

Crop Intake:

All regions reported a decline in the crop intake.

WORLD CROP STATISTICS (MKGS)

Country	Month	2021	2022	Difference +/-	To-date 2021	To-date 2022	Difference +/-
SRI LANKA	May	31.10	26.03	-5.07	135.64	112.56	-23.08
BANGLADESH	May	6.15	7.42	1.27	12.07	14.48	2.41
KENYA	Mar.	48.70	46.30	-2.40	141.00	135.80	-5.2
NORTH INDIA	April	52.40	71.2	18.80	101.50	125.20	23.70
SOUTH INDIA	April	22.30	20.60	-1.70	73.10	67.70	-5.40
MALAWI	March	7.90	7.10	-0.80	22.20	18.90	-3.3

Country	Month	2020	2021	Difference +/-	To-date 2020	To-date 2021	Difference +/-
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

- OTHER MARKETS -**BANGLADESH AUCTION****SALE NO.09 OF MONDAY 27TH JUNE, 2022**

CTC LEAF : 43,300 packages of Current Season teas on offer met with quite a good demand at irregular rates.

BROKENS : Best Brokens met with a good demand but were a little easier following quality. Good Brokens continued to meet with a fairly good demand but prices were often easier than last. Medium and other varieties met with a fairly good demand and were mostly steady particularly better liquoring types. Plain and BLF varieties saw fair demand but were often easier with some withdrawals.

FANNINGS : Best Fannings met with a fairly good demand and were about firm to touch dearer. Good Fannings were a fairly firm market and sold well in line with quality. Medium and plainer types met with fair demand and mostly sold at slightly easier rated with a few withdrawals. Plain and BLF varieties saw fair demand but were often easier with some withdrawals.

CTC DUST : 11,268 packages of Current Season teas on offer met good demand. Good liquoring varieties sold well at around last levels. Their Mediums met with competition and sold at firm to slightly dearer rates closely following quality. Plain and BLF Dusts were an easier market and saw more withdrawals compared to last. Blenders lent strong support with fair interest from the Loose tea buyers.

COMMENTS : A larger weight of tea was on offer which met with a good demand from the Blenders who were the mainstay of the market. Bright liquoring teas sold well in line with quality whilst others barely maintained last levels especially plain varieties.

Our catalogue: (Sale 09) Avg: Tk 206.23, Sold 85.5% & (Sale 08) Avg: Tk 213.27, sold 83.5%.

Quotations – This Week – (In Taka)

Brokens	This Week	Last Week	Fannings	This Week	Last Week	Dust	This Week	Last Week
Large	NQTA	NQTA	Best	210 - 215N	210 - 220N	PD	180 - 246	190 - 260
Medium	195 - 205	198 - 205	Good	200 - 207	200 - 205	RD	153 - 358	185 - 369
Small	195 - 205	195 - 205	Medium	192 - 197	190 - 195	D	160 - 360	195 - 370
Plain	175 - 190	180 - 195	Plain	175 - 190	180 - 195	CD	180 - 368	176 - 347
BLF	120 - 145	125 - 140	BLF	120 - 140	125 - 140	BLF	153 - 202	176

SOUTH INDIAN ROUNDUP FOR THE WEEKENDING

25th JUNE, 2022

KOCHI

CTC LEAF

Demand: Fair demand. All grades sold around last levels.

ORTHODOX LEAF

Demand: Good demand.

Market: High grown, medium whole leaf & larger brokens selling at fully firm levels. Smaller brokens & fannings irregular with some withdrawals.

Buying Pattern: Middle East and CIS buyers operated.

DUST

Demand: Better general demand.

Market: Prices for the good liquoring popular varieties seen so far are fully firm to dearer. The plainer sorts met with some export enquiry & realized prices around last levels.

Buying Pattern: Major Blenders were active & internal buyers operated.

COONOOR

CTC LEAF

Demand: Sluggish.

Market: Market was easier on the Best and Better types. Others were barely steady to occasionally dearer. However some of the blacker and cleaner types have sold at fully firm to dearer levels. The sale witnessed heavy outlist.

The overall sale percentage is 24% at an average of Rs. 87.26.

Buying Pattern: Fair enquiry was forthcoming from the Major Blenders with select participation from the Internal and Export buyers.

ORTH LEAF

Demand: Strong.

Market: Market was firm to dearer on the Whole leaf grades and Primary Brokens. Others were barely steady to easier.

The overall sale percentage is 89% at an average of Rs.122.28.

Buying Pattern: Good Export enquiry with fair internal operation.

CTC DUST

Demand: Sluggish.

Market: High-priced teas were irregularly dearer following quality. Others were barely steady to occasionally dearer by Rs.2/- to Rs.3/-. As the minimum base prices was fixed at Rs.85/-, the dust also witnessed heavy withdrawals, however few invoices of such minimum price was sold.

The overall sale percentage is 37% at an average of Rs. 90.29.

Buying Pattern: Exporters rendered fair support. Internal were very selective.

ORTH DUST

Demand: Fairly good.

Market: Market was irregular around last levels.

The overall sale percentage is 77% at an average of Rs. 99.40.

Buying Pattern: Exporters were fairly active with some support Internal buyers.

COIMBATORE**CTC LEAF**

Demand: Fair general demand.

Market: Better medium / popular sorts were firm to occasionally dearer with few withdrawals. Medium brokens were lower by Rs.2/- to Rs.5/. Plain teas were lower by Rs.3/- to Rs.4/- with some withdrawals. As the sale progressed BOPF's were further lower.

Buying Pattern: All sections were selective.

ORTH LEAF:

Demand: Good demand.

Market : Whole leaf were dearer by Rs.2/- sometimes more following quality. Brokens were lower by Rs.5/- to Rs.6/- sometimes more. BOPF's were lower by Rs. 2/-.

Buying Pattern: Exporters were active. Internal selective.

CTC DUST

Demand: Good general demand.

Market: Better medium and popular sorts bolder grades were firm to dearer by Rs.2/- sometimes more. However finer grades were lower by Rs. 2/- to Rs.4/- with few withdrawals. Medium teas were barely steady to firm. Plain teas were irregular and lower.

Buying Pattern: Internal selective. Others active.

ORTH DUST

Demand: Good demand.

Market : Fully firm.

Buying Pattern: Internal were selective. Exporters active.

Source: Paramount Tea Marketing (SI) Private Limited

29th June, 2022.

-/tp

INTERNATIONAL TEA NEWS

KENYA

SMILING TO THE BANK

Small scale tea growers expecting huge bonus, Munya

The main bonus will be paid in full by July 8.

In Summary

- “This year’s bonus is projected to be the highest to be paid to tea farmers across the tea growing counties since 2016,” according to Agriculture Cabinet Secretary Peter Munya.
- The CS further noted that in April, the 42 KTDA-managed tea factories paid a mini bonus for green leaves delivered between July 2021 to December 2021 totaling approximately Sh3 billion.

*A worker offloads
green tea leaf
at Matunwa tea
factory
in Nyaira which was
opened
by Agriculture CS
Peter Munya*



Image: ANGWENYI GICHANA

Small-scale tea growers affiliated with the Kenya Tea Development Agency are expecting the highest tea bonus, agriculture Cabinet Secretary Peter Munya has said. “This year’s bonus is projected to be the highest to be paid to tea farmers across the tea growing counties since 2016,” he said.

The main bonus will be paid in full by July 8 in line with the tea reforms introduced in the Tea Act, 2020. The reforms made provisions for the balance due to the tea grower to be fully remitted within three months of the end of the financial year. Previously farmers received their bonus in October.

Munya says that monthly payments to farmers are also being made by the 1st week of every month as opposed to the 3rd week. “In July 2021, a mini-bonus for the last financial year amounting to Sh1.3 billion paid to the smallholder tea growers,” he added.

The setting of the reserve price has enabled KTDA to enhance the initial green leaf monthly payments to the smallholder tea grower from Sh17 to between Sh20 and Sh21 per kilogram.



***Agriculture CS Peter Munya opens Matunwa tea factory in Nyamira
Image: ANGWENYI GICHANA***

Munya also noted that the price stabilization framework for the tea industry will cushion tea growers from price fluctuations that were making tea farming unsustainable. Implementation of the Task Force on the Design, Development, and Implementation of the Tea Industry Price Stabilization Framework will be done during the financial year 2022-2023.

The report was launched in March and recommends the establishment of a Tea Fund to be used to cushion tea farmers against adverse price shocks, input subsidy to smallholder tea farmers, support the construction of warehousing facilities at the factory level, promote value addition either at the factory level or through the common user facility and invest any surplus funds for its sustainability.

In 2022-23, the government has made a budgetary provision for the supply of subsidized fertilizer to tea farmers in order to lower the cost of production, noted the CS.

To further reduce the cost of production, the ministry through the Tea Board of Kenya has finalized guidelines to guide the use of mechanical tea harvesting in order to save on Labour costs.

“Piloting of Mechanical Tea Harvesting within the smallholder tea sub-sector is currently ongoing and will be done alongside training of the farmers who will then train others. Once rolled out fully, it will create employment for many of the youthful generations in the tea growing areas.”



*Green tea leaf at matunwa Tea factory in Nyamira county
Image: ANGWENYI GICHANA*

According to the CS KTDA is currently engaging tea brokers in order to administratively reduce brokerage and management agency fees which are projected to save tea farmers over Sh1 billion annually and will result in more earnings for tea growers.

KTDA is also set to restructure its operations to reduce costs and wastage and pass that cost saving to the farmer in form of reduced Management Agency fees.

At the moment, the funds will be set aside in an Escrow Account and later paid to the farmers.