



Commodity House

TEA MARKET REPORT

SALE NO: 39 of OCTOBER 04 & 05, 2022

LANKA COMMODITY BROKERS LTD

P.O.Box.2077, Colombo, No: 70 & 72, Maligakanda Road, Colombo 10, Sri Lanka.

Tel:94 11 5222300 Fax: 94 11 5377090

E-mail: lcbl@lcbl-sl.com Website: www.lcbl-sl.com

COMMENTS

Sri Lanka has sold 193.9 Mkgs through the Tea Auctions and approved sales channels up to the end of September, 2022 at a composite average of Rs. 1177.51, compared to 233.4 Mkgs during the corresponding period in 2021 at an average of Rs. 614.19. The total sale average so far this year has been Rs. 563.22 ahead of the previous year, whilst auction turnover of Rs. 228.3 Billion surpasses last year's figure of 143.3 Billion by Rs. 84.9 Billion. Whilst the September monthly National Averages for all elevation categories are the highest on record so far, the prevailing strong market sentiment is expected to hold on in to October as well, in view of the moderate to low crop intakes prevailing at present.

This week's tea auction (Sale # 39), the first sale for the final quarter of 2022 was conducted on October 04 & 05, 2022 (Tue/Wed), with a weight of 4.7 mkgs. The Low Grown Leafy, Semi Leafy, Tippy & Small Leaf/ Premium Flowery catalogues totaled 2.1 mkgs, while the Main Sale High & Medium segment had 0.57 mkgs. The Ex Estate category had 0.6 mkgs.

There was good demand with mostly firm prices for Ex Estate teas. Best Western BOP's where quality was improved were Rs. 50/- dearer while others were irregular and lower by a similar margin. Other BOP's in the below-best and plainer categories were irregular and barely maintained last levels. The better liquoring Western BOPF's were firm around previous levels with price fluctuations following quality, while, below-best descriptions were generally firm. Nuwara Eliya BOP's were firm but there were no BOPF on offer from this region. Uda Pussellawa BOP's and BOPF's were irregular with prices declining where quality was inferior. Uva BOP's and BOPF's were largely firm. CTC Teas - The better made High and Medium Grown PF1's were firm, while, others were irregularly lower. Low Grown PF1's were mostly firm. There weren't any High Grown BP1's on offer, while Medium Grown teas were barely steady. Low Grown neater types held firm. There was more selective interest from Japan, Germany and other European markets for the better liquoring teas. Buyers for China and Taiwan were more active. Russian interest was maintained.

There was good demand for Leafy Teas and fair interest for teas catalogued in the Semi Leafy and Tippy/Small Leaf sections. Select best OP1's maintained while a range of below-best teas were fully firm to dearer. Well made OP's/OPA's were fully firm while teas at the lower end also held last levels. Select best BOP1's declined on last while below-best varieties were barely firm. Well made Pek/Pek1's were fully firm, while teas at the lower end too met with improved demand. The better made FBOP's together with below-best sorts were again easier, while, FBOPF1's followed a similar trend. There was maintained demand from buyers for Saudi Arabia, The UAE and other Middle Eastern countries. Demand from Russia and the CIS was widespread. Turkey and Syria were active on Pekoe grades. Libya operated for secondary whole leaf grades, whilst Iraq was active on bottom level teas.

This week's auction comprised of 9,525 lots with a total quantity of 4,740,777kgs.

The catalogue wise breakdown was as follows:-

	<u>Lots</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	1,758	669,596
Low Grown Semi Leafy	1,168	480,112
Low Grown Tippy	1,860	907,332
High & Medium	1,242	572,148
Off Grade/BOP1A	2,138	1,076,121
Dust	417	362,136
Premium Flowery	404	63,085
Ex-Estate	<u>538</u>	<u>610,247</u>
Total	<u>9,525</u>	<u>4,740,777</u>

In Lighter Vein

The Lonesome Stranger

Ned decided to go golfing in Scotland with his buddy, Carl, so they loaded up Ned's minivan and headed north. After driving for a few hours, they got caught in a terrible blizzard, so they pulled into a nearby farm and asked the attractive lady who answered the door, if they could spend the night. "I realize it's terrible weather out there and I have this huge house all to myself, but I'm recently widowed," she explained. "And I'm afraid the neighbors will talk if I let you stay in my house." "Don't worry," Ned said. "We'll be happy to sleep in the barn and if the weather breaks, we'll be gone at first light." The lady agreed, and the two men found their way to the barn and settled in for the night. Come morning, the weather had cleared, and they got on their way. About 2 years later, Ned got an unexpected letter from an attorney. It took him a few minutes to figure it out, but he finally determined that it was from the attorney of that attractive widow he had met on the golf weekend. He dropped in on his friend Carl and asked, "Carl, that night at the barn, in that farm we stayed at on our golf holiday in Scotland about 2 years ago, do you remember it?" "Sure I do," said Carl. "Did you, er, happen to get up in the middle of the night and pay the widow a visit at the house?" "Well, um, yes..." Carl said, a little embarrassed about being found out, "I have to admit that I did." "And did you happen to give her a false name?" Carl's face turned beet red and he said, "Yeah, look, I'm really sorry, buddy. I panicked a bit and gave her your name, actually. Why do you ask?" "Because I'm rich. She just died and left me everything."

LOW GROWN TEAS

LEAFY/SEMI LEAFY

- BOP1** : All-round showed an irregular market condition, and dropped by Rs.100-200/-.
- OP1** : Best on offer declined by Rs.150-200/- whilst the others were irregular and mostly lower.
- OP** : Select best types declined Rs.50-100/-; others were firm on last levels.
- OPA** : Best on offer maintained last levels. Secondaries and below best types declined by Rs30-50/-.
- PEK/PEK1** : Well made shotty Pekoes maintained last levels; others declined by Rs.40-60/-.

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	2400-3250	2600 - 3850	1700-2400	1900 - 2600	1400-1700	1500 - 1900
OP1	2500-3100	2600 - 3500	1200-2500	1400 - 2600	700-1200	750 - 1400
OP	1700-2250	1800 - 2650	1500-1700	1600 - 1800	700-1500	800 - 1600
OPA	1500-2400	1500-2350	1100-1500	1600 - 1800	700-1100	800 - 1600
PEK/PEK1	2200-2750	2200 - 2750	1700-2200	1700 - 2200	1400-1700	1400 - 1700

TIPPY/SMALL LEAF

- BOP/BOPSP** : Irregular market eased by Rs.200/-.
- BOPF/BOPFS** : Few select best BOPF's sold on last levels whilst the others were irregularly lower.
- FBOP/FBOP1** : Select best FBOP's declined by Rs.100-200/- whilst cleaner below best and lower end teas sold on last levels. FBOP1's showed an irregular market following quality.
- FBOPF/FBOPF1** : Tippy teas together with best declined. However, cleaner Below Best at the lower end were irregular following quality; balance on offer were easier. Select Best and Best FF1's too eased a following quality.
- FBOPFSP/EXSP** : Overall lower market prevailed.

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	2400-3300	2500 - 2900	2000-2400	2000 - 2500	1700-2000	1500 - 2000
BOPF /BOPFSP	2300-3300	2400 - 2900	1800-2300	2000 - 2400	1500-1800	1400 - 2000
FBOP/FBOP1	2500-3300	2700 - 3550	2000-2500	2200 - 2700	1700-2000	1700 - 2200
FBOPF/FBOPF1	2400-3100	2500 - 3200	2000-2400	2000 - 2500	1300-2000	1300 - 2000
FBOPFSP/EXSP	5000-10000	5500 - 8350	3000-5000	3000 - 5500	2000-3000	2000 - 3000

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

- FBOP** : Best FBOP's on offer declined fairly sharply, whilst the below best types too were discounted Rs.50-100. Teas at the bottom sold well.
- FBOPF/FBOPF1** : Neat well made FF1's on offer lost substantially. Below best types too declined Rs.50/- and more. Teas at the lower end were firm to dearer.
- PEK/PEK1** : Bold shotty PEK/PEK1 types tended irregular. Below best types were firm on last levels. Teas at the lower end 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	1600-3150	1800 - 3200	1500-1600	1500 - 1800	1450-1500	1450 - 1500
FBOPF/FBOPF1	1900-2650	2100 - 2800	1600-1900	1550 - 2100	1500-1600	1400 - 1550
PEK/PEK1	1600-2450	1600 - 2350	1400-1600	1450 - 1600	900-1400	850 - 1450

HIGH GROWNS TEAS

- BOP** : Best Western's, where improved, were firm and Rs. 50/- per kg dearer, whilst the others were firm and lower by a similar margin. Teas in the Below Best category where improved, appreciated Rs. 50-100/- per kg whilst the others together with the Plainer sorts were barely steady. Nuwara Eliya's were mostly firm. Uda Pussellawa's were irregular following quality. Uva's sold around last weeks levels whilst prices tending to fluctuate following quality.
- BOPF** : Best Western's sold around last week s levels with price fluctuations following quality. Teas in the Below Best and Plainer categories sold around last week's levels. Nuwara Eliya's had hardly any offerings. Uda Pussellawa s were firm and irregular following quality. Uva's sold around last week s levels.

Quotations (Rs./Kg)	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	1750-1900	1750 - 1800	1700-1850	1700 - 1850
Below Best Westerns	1600-1700	1500 - 1700	1600-1650	1500 - 1650
Plainer Westerns	1500-1550	1300 - 1480	1500-1550	1340 - 1480
Nuwara Eliyas	1750	1600 - 1850	1650	N/A
Brighter UdaPussellawas	1550-1650	1600 - 1650	1600-1750	1550 - 1650
Other Uda Pussellawas	1280-1380	1180 - 1440	1400-1550	1300 - 1500
Best Uva's	1550-1650	1550 - 1700	1600-1750	1550 - 1650
Other Uva's	1360	1440 - 1500	1320-1550	1340 - 1500

MEDIUM GROWN TEAS

BOP : Irregular.

BOPF : Better teas were firm; whilst the others were up to Rs. 50/- per kg dearer.

Quotations (Rs./Kg)	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	1100-2550	1100 - 2700	1000-1340	1080 - 2350

CTC TEAS

HIGH GROWN:

BP1 - Hardly any offerings.

PF1 - Better sorts were firm, whilst the others were irregular following quality.

MEDIUM GROWN:

BP1 - Barely steady.

PF1 - Better sorts were firm, whilst the others were irregular following quality.

LOW GROWN:

BP1 - Firm around last level.

PF1 - Mostly firm.

Quotations (Rs./Kg)	BP1		PF1	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	NOT QUOTED	Not Quoted	1300-1850	1140 - 1700
Medium	700-1400	700 - 1360	890-1950	800 - 1800
Low	770-1260	710 - 1240	780-1900	840 - 1900

OFF GRADES

FGS/FGS1 : Select best Liquoring FNGS/FNGS1's lost Rs.20-50/- whilst others too were firm on last levels. Clean Low Grown well-made FNGS1's lost Rs.50-100/- per kg, and others too advanced Rs.25-50/-.

BM : Well-made BM's lost Rs.100 -150/- per kg. Best types were firm on last. Below best advanced Rs.25-50/- and poorer types held firm.

BOP1A : Select best BOP1A's lost Rs.25-50/-. Below best teas were irregularly lower. Poorer types 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)	900-1420	900-1480	640-790	640 -790	700-1000	700-1050
Good Fannings (CTC)	580-650	580-680	580-650	580-630	550-680	550-630
Other Fannings (Orthodox)	550-670	550-690	550-710	550-710	550-730	550-710
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	700-850	700-850	720-800	700-870	720-1000	720-1150
Other BM's	650-750	640-730	650-780	640 -770	650-820	640-800
Best BOP1As	750-900	750-900	900-950	900-1000	1250-1800	1250-1850
Other BOP1As	700-820	700-820	700-820	700-820	700-800	700-820

DUST

DUST/DUST1 : High Grown liquoring D1's gained Rs.30-40/- whilst their secondaries and below best types sold firm on last levels. Low Grown clean D1's were irregular and mostly lower. However, a few select invoices were fully firm to dearer.

PD : All-round showed an irregular market condition and declined by Rs.40-80/-; others were firm on last levels.

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)	1200-1900	1500 - 2100	750-1400	1100 - 1480	700-1300	1300 - 1950
Good Primary PD (CTC)	850-1380	950 - 1320	1000-1380	1100 - 1420	700-1100	1100 - 1700
Secondary Dust	750-1450	850 - 1000	700-1400	750 - 850	850-1320	650 - 700

WESTERN MEDIUM

*Ancoombra	BOP	2550/-
Craighead	BOP	2550/-
Doombagastalawa	BOPSP	2400/-
Kenilworth	BOPSP	2400/-
*Ancoombra	BOPF/BOPFSP	2200/-
Doombagastalawa	BOP1	2650/-
Nayapane	BOP1	2650/-
Craighead	FBOP/FBOP1	3150/-
Craighead	FF/FF1	2650/-
New Beddegama	OP/OPA	1750/-
Randenigala Super	OP/OPA	1750/-
*Hatale	OP/OPA	1700/-
*Orange Field	OP/OPA	1700/-
*Harangalla	OP/OPA	1700/-
New Rothschild	OP1	2500/-
Craighead	PEK/PEK1	2450/-

WESTERN HIGH

Great Western	BOP	1900/-
Bogahawatte	BOP SP	2500/-
Great Western	BOPF/BOPFSP	1850/-
Torrington	BOP1	2500/-
Bogahawatte	FBOP/FBOP1	2650/-
St. Andrews	FBOPF/FBOPF1	2550/-
Bambrakelly	OP/OPA	1700/-
Torrington	OP/OPA	1700/-
Venture	OP1	2000/-
St. Andrews	PEK/PEK1	2200/-
Torrington	PEK/PEK1	2200/-

NUWARA ELIYA

Mahagastotte	BOP	1750/-
Lovers Leap	BOP	1750/-
Mahagastotte	BOPF/BOPFSP	1650/-
Court Lodge	FBOP/FBOP1	2050/-
Court Lodge	PEK/PEK1	1750/-

CTC TEAS**HIGH GROWN**

Dunsinane CTC	PF1	1850/-
---------------	-----	--------

MEDIUM GROWN

*New Peacock CTC	PF1+++	1950/-
Delta CTC	BP1+++	1400/-
Ringwood CTC	BPS	760/-

LOW GROWN

Kalubowitiyana CTC	PF1	1900/-
Ceciliyan CTC	PF1	1900/-
Ceciliyan CTC	BP1	1260/-
Canora CTC	BPS	730/-

UVA MEDIUM

Dickwella	BOP	2600/-
Sarnia Plaiderie	BOPSP	2550/-
Haputale Super	BOPF/BOPFSP	2550/-
Wewesse	BOP1	3100/-
Demodera 'S'	BOP1	3100/-
Sarnia Plaiderie	FBOP/FBOP1	2650/-
*Halpewatta Uva	FBOP/FBOP1	2600/-
Dickwella	FF/FF1	2600/-
Halpewatte	FF/FF1	2600/-
Uva Samovar	OP/OPA	1750/-
Tinioya	OP/OPA	1750/-
Dickwella	OP1	2200/-
Sarnia Plaiderie	PEK/PEK1	2350/-

UVA HIGH

Glenanore	BOP	2350/-
Ranaya	BOPSP	2450/-
Bandaraeliya	BOPF/BOPFSP	1650/-
Pitaratmakie	BOPF/BOPFSP	1650/-
Uva Highlands	BOP1	2550/-
Glenanore	FBOP/FBOP1	2550/-
Glenanore	FBOPF/FBOPF1	2600/-
Mount Uva	OP/OPA	1800/-
Glenanore	OP/OPA	1800/-
Ampittiakande	OP1	2550/-
Mount Uva	PEK/PEK1	2300/-

UDA PUSSELLAWA

Luckyland	BOP	1650/-
Delmar	BOPSP	2400/-
Mooloya	BOPF/BOPFSP++	1750/-
Delmar	BOP1	2200/-
Alma	FBOP/FBOP1	2600/-
Alma	FF/FF1	2500/-
Alma	OP/OPA	1650/-
Alma	OP1	1900/-
Alma	PEK/PEK1	2250/-

OFF GRADES

Hidellana	BP	2000/-
*Chandrika Estate	BP	1900/-
*Aldora	BP	1900/-
Dikwella	BP	1900/-
Cee Tee Hills CTC	PF	1200/-
Wathurawila	BM	1850/-
Galaboda Group	BM	1850/-
Kuruduwatta	BM	1850/-
Allen Valley	BM	1750/-
Morawakkorale	BM	1750/-
*Avissawella	BM	1650/-
Somerset	FNGS/FNGS1	1600/-
*Chandrika Estate	BOPIA	1850/-
*Aldora	BOPIA	1800/-
Aldora	BOP1A	1800/-
Anningkanda	BOP1A	1800/-
*Garden Leaf	BOPIA	1750/-

LOW GROWN LEAFY GRADES

New Vithanakande	BOP1	3250/-
Pothotuwa	OPI	3100/-
Lumbini	OP	2250/-
Liyonta	OPA	2400/-
Liyonta	PEKOE	2750/-
New Sunils	PEKOE1	2600/-

LOW GROWN TIPPY GRADES

Pothotuwa	BOP	+++	3300/-
Stream Line	BOPSP		2650/-
*Sithaka	BOPF	+++	3300/-
Brombil	BOPF	+++	3300/-
*Aldora	BOPF		2250/-
Ceciliyan	BOPF		2250/-
Stream Line	BOPFSP		2700/-
Kiruwanganga	BOPFSP		2700/-
Brombil	BOPFSP		2700/-
Wathurawila	BOPFSP		2600/-
*Wewelkandura Su	BOPFSP		2550/-
*Sithaka	FBOP		3300/-
Pothotuwa	FBOP		3300/-
Ceciliyan	FBOP		3100/-
Adams View	FBOP		3100/-
*Mahaliyadda	FBOP		3000/-
*Hidellana	FBOP		3000/-
Brombil	FBOP1		2900/-
Rotumba	FBOP1		2750/-
*Andaradeniya Su	FBOP1		2700/-
Rotumba	FBOPF		3100/-
Gangaboda	FBOPF1		3000/-

PREMIUM FLOWERY

Maratenne	FBOPFSP	7500/-
*Garden Leaf	FBOPFEXSP	10000/-
*Peak Paradise Su	FBOPFEXSP1	5850/-

Dust

Great Western	DUST/DUST1	1900/-
Delta CTC	PD	1380/-
Dunsinane CTC	PD	1380/-

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

COLOMBO AUCTION – WEEKLY GROSS SALE AVERAGES**SALE NO.38 OF 28th SEPTEMBER, 2022**

	2022			2021	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	1,458.63	1,404.86	1,045.16	518.07	548.91
Western High Grown	1,564.46	1,557.89	1,034.49	602.99	598.86
High Grown	1,519.95	1,496.12	1,038.11	567.99	583.46
Uva Medium	1,551.41	1,507.14	1,111.99	525.55	567.13
Western Medium	1,332.38	1,240.56	924.16	494.10	537.03
Medium Grown	1,406.80	1,331.97	983.88	504.50	546.28
Low Grown (Orthodox)	1,799.96	1,763.45	1,328.69	645.50	654.80
Combined L.G. (Orthodox + CTC)	1,754.66	1,712.46	1,301.50	637.65	646.57
Total	1,653.37	1,615.24	1,193.87	602.05	616.16

Private Sale Figures (26.09.2022 - 01.10.2022) - 84,515.00Kgs

Cumulative - 3,151,401.83 Kgs

DETAILS OF TEAS AWAITING SALE

	<u>Sale of 11th/12th Oct.'22</u>		<u>Sale of 18th/19th Oct.'22</u>	
	<u>Lots</u>	<u>Qty. (Kgs)</u>	<u>Lots</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	1,841	708,428	1,829	707,614
Low Grown Semi Leafy	1,269	539,021	1,254	522,954
Low Grown Tippy	2,032	1,019,813	2,078	1,057,051
High & Medium	1,506	716,629	1,553	766,704
Off Grade/BOP1A	2,342	1,261,653	2,218	1,188,474
Dust	417	382,874	431	393,878
Premium Flowery	440	69,048	417	69,118
Ex-Estate	<u>613</u>	<u>707,057</u>	<u>698</u>	<u>805,207</u>
Total	<u>10,460</u>	<u>5,404,523</u>	<u>10,478</u>	<u>5,511,000</u>

FUTURE CATALOGUES CLOSURE

Sale No.42 of 25th/26th October, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 06th October, 2022 at 04.30 p.m.

Sale No.43 of 01st/02nd November, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 13th October, 2022 at 04.30 p.m.

Sale No.44 of 08th/09th November, 2022

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on 20th October, 2022 at 04.30 p.m.

BROKER'S SELLING ORDER

SALE NO.40

Auction of 11th/12th October, 2022

Leafy/Tippy/BOP1A/Premium Flowery

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

High & Medium/Off Grades/Dust

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

Ex-Estate

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

Crop & Weather

For the period of 26th September to 02nd October, 2022

Western/Nuwara Eliya Regions:

The Western Region reported gloomy weather with showers, whilst sporadic showers were reported in the Nuwara Eliya Region throughout the week. The Department of Meteorology expects occasional showers in the Western Region, whilst sporadic showers with strong winds are expected in Nuwara Eliya Region in the week ahead.

Uva/Udapussellawa Region:

Dull weather with showers were reported in the Udapussellawa Region, whilst the Uva Region reported occasional showers throughout the week. Heavy showers are expected in the Uva Region in the week ahead according to the Department of Meteorology.

Low Grown:

Overcast weather with occasional showers were reported in the Low Grown Region throughout the week. According to the Department of Meteorology, sporadic showers are expected in the Ruhuna and Sabaragamuwa regions in the week ahead.

Crop Intake:

The Western, Uva, Udapussellawa and Low Grown regions maintained the crop intake, whilst a slight increase was reported in the Nuwara Eliya Region.

WORLD CROP STATISTICS (MKGS)

<i>Country</i>	<i>Month</i>	<i>2021</i>	<i>2022</i>	<i>Difference +/-</i>	<i>To-date 2021</i>	<i>To-date 2022</i>	<i>Difference +/-</i>
SRI LANKA	<i>Aug.</i>	23.87	18.28	-5.59	211.97	171.38	-40.59
BANGLADESH	<i>Aug.</i>	14.39	10.76	-3.63	52.15	49.09	-3.06
KENYA	<i>June</i>	43.50	43.30	-0.20	274.01	270.40	-3.6
NORTH INDIA	<i>Aug.</i>	155.00	166.4	11.40	638.90	642.10	3.20
SOUTH INDIA	<i>Aug.</i>	16.60	14.30	-2.30	161.30	152.50	-8.80
MALAWI	<i>April</i>	6.40	7.10	0.70	28.60	26.00	-2.6
TANZANIA	<i>Mar.</i>	3.33	7.89	4.56	9.41	13.04	3.6
UGANDA	<i>Mar.</i>	5.56	4.35	-1.2	18.49	15.91	-2.58

Holiday Notice

Our Head Office ONLY will be
closed for business
on **Monday, October 10, 2022**,
as an additional holiday
in lieu of Holy Prophet's Birthday
falling on
Sunday, 09th October, 2022.

However, our Sample Room and Warehouse
located at No.46 Aniyakanda Stores
will be open for business.

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

BANGLADESH AUCTION

SALE NO.22 OF MONDAY 03RD OCTOBER, 2022

CTC LEAF: 49,857 packages of Current Season teas were on offer. Strong demand continued.

BROKENS: All well made good liquoring Brokens were again a stronger market and prices appreciated further by Tk.5/- and more following competition. Good varieties sold well at firm to slightly dearer rates in line with quality. Medium varieties met with a fairly good demand and sold at around last levels. Browner Plainer types were again a selective market and were mostly easier in line with quality with fair withdrawals. BLFs once again met with less demand at around last levels with fair withdrawals.

FANNINGS: Best liquoring Fannings continued to meet with a strong demand and were dearer by Tk.5/- and more following competition. Good and medium varieties also sold well at mostly firm to occasionally dearer rates. Plainer types met with limited interest only and were mostly easier following quality with fair withdrawals. BLFs once again met with less demand at around last levels with fair withdrawals.

CTC DUST: 10,937 packages of Current Season Teas on offer met with good general demand. Good liquoring Dusts sold well at around last levels. Their Mediums tended slightly dearer with competition. Plain and BLF Dusts witnessed a decline in price levels with more withdrawals. Blenders lent strong support with fair interest from the Loose tea buyers.

COMMENTS: There was a slightly larger weight of browner, plainer varieties which met with a selective demand and witnessed fair withdrawals. However, a handful of good and best liquoring types continued to attract more competition this week and prices appreciated further. Blenders were more active whilst Loose tea buyers lent less support.

Good liquoring Dusts met with more competition.

Quotations – This Week – (In Taka)

Brokens	This Week	Last Week	Fannings	This Week	Last Week	Dust	This Week	Last Week
Large	222 - 227N	220 - 225N	Best	242 - 255	240 - 255	PD	210 - 265	200 - 286
Medium	224 - 232	222 - 232	Good	232 - 240	232 - 237	RD	150 - 295	188 - 372
Small	225 - 234	225 - 235	Medium	225 - 230	220 - 230	D	153 - 275	204 - 382
Plain	190 - 205	190 - 205	Plain	190 - 205	195 - 205	CD	170 - 314	160 - 310
BLF	130 - 165	130 - 170	BLF	130 - 165	130 - 170	BLF	150 - 170	148 - 169

SOUTH INDIAN ROUNDUP

FOR THE WEEKENDING – 01ST OCTOBER, 2022

KOCHI

CTC LEAF

Demand : Good demand, All grades sold irregular around last levels.

ORTHODOX LEAF

Demand : Good demand.

Market : Well made whole leaf sold steady to dearer levels, larger brokens sold irregular around last levels.

Buying Pattern : Middle East and CIS buyers operated.

DUST

Demand : Fair Demand.

Market : Popular marks and better medium teas sold easier by Rs2 to Rs 4 and with fair amount of withdrawals. Plainer sorts realized prices around last levels.

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

COONOOR

CTC LEAF

Demand : Good.

Market : Market had opened irregularly and mostly easier. However as the sale progressed there was improved enquiry from the Major Blenders on the Better and Medium types which helped the prices being stabilized and firming up. The latter part of the sale again witnessed fairly less demand to be dropped in percentage of sale and prices.

Buying Pattern : The Major Blenders continued their support on the Better and Medium types. Export was lending fairly good support with Internal being only fair.

ORTH LEAF

Demand : Fair.

Market : Irregular and mostly steady to easier with odd lines trading at fully firm to dearer levels.

Buying Pattern : Export was being the mainstay with the Major Blenders lending some support. Internal has been rendering fair support.

CTC DUST

Demand : Fair.

Market : Generally an easier market with the Best and Better types dropping by Rs. 3/- to Rs. 5/- and others by Rs 2/- to Rs. 3/-. However, the cleaner blacker types were rather trading at fully firm to dearer occasionally. The browner and fibrous teas continue to be outlised.

Buying Pattern : Fairly good Export enquiry was forthcoming with Girnar and Asian Tea seen active. Internal was rather subdued with the Major Blender lending some support.

ORTH DUST

Demand : Good.

Market : An irregular market and mostly selling around last levels with some popular Primary leaner teas selling at fully firm to dearer levels.

Buying Pattern Fairly good Export enquiry was forthcoming with Girnar and Madhu Jayanthi being active. On the Internal front Santosh Tea Industries was rendering fair support.

COIMBATORE**CTC LEAF**

Demand : Good general demand.

Market : Better medium teas were fully firm to occasionally dearer. Medium teas were steady with some withdrawals. Plainer teas were barely steady to lower by Rs.2/- sometimes more.

Buying Pattern : Blenders and packeteers were active. Others selective.

ORTH LEAF

Demand : Fair demand.

Market : Whole leas were firm with few withdrawals. Well made brokens were lower by Rs.2/- with some withdrawals. Secondary brokens / BOPF's were barely steady.

Buying Pattern : Exporters were active. Others selective.

CTC DUST

Demand : Good general demand.

Market : Better medium / popular sorts were lower by Rs.2/- sometimes more with few withdrawals. Medium teas were firm to ocassionally dearer by Rs.2/- to Rs.3/-. Plainer teas were firm, however as sale progressed the plainer finer grades gained by Rs.3/- to Rs.5/-.

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

ORTH DUST

Demand : Good demand.

Market : Fully firm.

Buying Pattern : Exporters were active.

Source: Paramount Tea Marketing (SI) Private Limited

05th October, 2022

- /mk

INTERNATIONAL TEA NEWS

Snapshot of an Industry in Flux: Tea and the Supply Chain in 2022

By Jill Rheinheimer Sep 28, 2022

[Tea production, Tea products, Supply chain & Tea Sustainability](#)



As we emerge into new realities, we must take stock of where we are now and confront the unfinished business of early 2020. What were we doing prior to the pandemic – before “[supply chain](#)” became part of our everyday language, when life wasn't described as “unprecedented”? The problems we faced then still await resolution, only now they're coupled with pandemic fallout, global inflation and repercussions of [Russia's invasion into Ukraine](#).

The tea industry, of course, is not immune, and challenges persist, despite an overall increased interest in tea. Continued illness and death from the coronavirus, labor shortages and [transportation issues](#) are compounded by uncooperative weather, [political upheaval](#) and other major events. Relentless problems have exacerbated already precarious conditions in many places. Here are a few snapshots within the tea industry, which remains in flux.

India

India's overall production for 2021 – although higher than 2020 – remained under that of 2019, mostly because Assam and West Bengal produced too little tea. The situation hasn't improved, with heavy rains in June causing floods in Assam. Consequently, tea production for the first six months of 2022 is 20 percent lower than that for 2021. Unpredictable weather driven by climate change is unlikely to go away, which portends continued flooding in Assam and compounds the problems of Darjeeling's aging gardens.

Recent state-mandated wages for Assam would seem straightforward yet also demonstrate the complexity of the tea industry. Owners of small tea gardens argue that they can't afford these increases and are requesting subsidies; other growers contend that workers already make more than their counterparts in other areas of the world; and government officials have been accused of using these wage hikes as bargaining chips before last year's election. The West Bengal government also raised wages for tea workers, but the small increase is unlikely to do much for Darjeeling's poorly paid workers.

Nepal

In neighboring Nepal, tea exports have been falling, even though its orthodox tea was trademarked two years ago. For a short time in mid-2021, Nepal stepped in when tea production in India and Sri Lanka sharply fell, but generally Nepal exports nearly all of its orthodox tea, along with about half of its CTC tea, to India (the tea is also tested in India because Nepal lacks its own facilities). However, India is now discouraging the movement of Nepali tea into India, proposing duties and certification standards. India argues that Nepali tea is of poor quality – yet India has also been criticized for blending Nepali tea with that from Darjeeling and passing it off as Darjeeling.

Bangladesh

Badly paid with abject working conditions, striking workers in Bangladesh's tea industry were finally promised higher wages along with other improvements in benefits. Although tea producers maintain that they already provide sufficient benefits and lament their high production costs, the workers receive little in wages, lack basic benefits such as healthcare or educational opportunities, and face soaring costs of their own.

Sri Lanka

With Sri Lanka in continuing crisis, workers are leaving the colonial-era tea estates to seek better wages and living conditions. Flooding, landslides and years of tea production that degraded the soil meant that tea growers weren't in a good position when chemical fertilizers were banned for part of 2021. They had little access to organic fertilizers, and when the ban was reversed late in the year, the price of chemical fertilizers had gone up twenty-fold due to the Russia-Ukraine war. The current fuel shortage in Sri Lanka is also keeping production costs high. During the first six months of 2022, the country's tea production fell 18 percent.

Kenya

Although Kenya produces more black tea than any other country, the industry struggled in the second half of 2021, with tea exports down and the price of tea lower than the cost to produce it. To sustain the industry, the Ministry of Agriculture instituted a minimum selling price in August of 2021, and smallholder tea farmers have apparently benefited so far in 2022. Still, overall exports fell by 16 percent by volume even though exports to Russia had increased from January to May. To mitigate high production costs, Kenya continues to explore other options, such as machine harvesting and alternative fertilization methods. Small-scale farmers produce around 60 percent of Kenya's tea, with commercial and multinational operations, some established during British colonial rule, accounting for the rest. Recently, two tribes sued the United Kingdom in the European Court of Human Rights, charging colonial abuse that included taking – and keeping – land in tea-growing Kericho.

South Africa

The rooibos industry in South Africa has been in the news for several reasons. This herbal tea has a deep history, and now is enjoying global enthusiasm. A five-year drought was damaging, but the industry rebounded with the drink being marketed as a "premium tea," and, in 2021, rooibos was given "protected designation of origin" by the European Union.

Significantly, the Khoi and San people of South Africa are finally being acknowledged for their critical role in bringing rooibos to the world. Despite sharing their knowledge and expertise, they were not party to the profits as rooibos' popularity grew. To partially redress this, a trust fund for the Khoi and San peoples was established, with rooibos producers paying into the pilot program.

Turkey

The world's most prolific tea drinkers by capita, the Turks broke their own record last year, consuming 4 kilograms of tea per person. With such a robust domestic market, Turkey keeps more of its tea than it exports. However, as worldwide demand for tea has increased, Turkey is filling in, especially as Sri Lanka's tea production declines. In the first months of 2022 (January to April), Turkey exported 54 percent more tea by volume than during the same period last year, and exported to nearly 100 countries.

Japan

Japan continues to innovate to keep tea culture alive (e.g., packaging powdered green tea in cigarette-like boxes to be sold in old vending machines) and boost the industry. As tea producers face rising fuel and fertilizer costs, new manure-based fertilizers have been developed. To address carbon dioxide emissions, experiments have begun in two tea gardens. Waste generated from the gardens will be made into biochar before being mixed back into the soil, in the hope that less carbon dioxide is produced during decomposition.

China

Black tea continues to be attractive to young people in China, even though the country is the world's top green tea producer. And although China also produces many fine black teas itself, it has started to import Darjeeling tea.

Still, the tea industry within China is robust and well poised to recover from setbacks. Its steady domestic market ensures that tea workers remain in demand and enables the industry to expand and to mass-produce bulk tea for export. U.S. tariffs on tea from China are still in place, however, despite calls from American tea organizations to end them, especially as tea has grown more popular in the States.

Transportation Industry

The current forecast is for the ocean freight industry is less dire than it's been, although ports remain congested, especially in North America and northern Europe, which is also impacted by the ongoing Russia–Ukraine war. Reliability in the past few months barely cleared 40 percent; for comparison, pre-pandemic reliability ranged from mid-70 percent to mid-80 percent. Still, improvements in the shipping industry, together with high jet fuel prices, have prompted a drop in air freight volume as cargos return to transport by ship.

Other bottlenecks remain, however. In the United States, there's an ongoing shortage of trucks and drivers and the narrowly averted rail shutdown. In many places around the world, river transportation has slowed or stalled as lengthy droughts have reduced rivers to abysmally low levels.

Thoughts

Continued disruptions in tea production and transportation, along with increasing prices, are particularly troubling for small- and micro-businesses in the United States. They can't predict when their tea orders may actually reach their doorstep, and, meanwhile, their expenses are soaring. They may be loath to pass too many of their costs on, particularly if they specialize in high-quality – and already pricey – tea because customers can easily shop elsewhere.

As tea drinkers (and professionals in the tea industry), we depend on tea-producing countries to grow and process our tea, and we trust that those countries can get that tea to us. Further, we want that tea – or most of it anyway – affordable. But is this sustainable in today's world – which is increasingly unbalanced economically, is beset by unpredictable weather that puts all agriculture (not just tea) at risk, and is torn apart by war?

Some countries, such as Japan, look for ways to combat climate change and bring innovation to the industry. Other tea producers, such as Sri Lanka and Bangladesh, simply don't have the resources; they're just trying to survive. However, for the best outcome for both people and tea, things will have to change. Whether as business owners or consumers, our buying choices may make a real difference for that grower who owns a small garden, for the gardens that are striving for sustainable practices, for those who are trying to provide fair terms for their workers, for those who continue to work for diversity and quality of product. With tea the second-most consumed beverage in the world, we must ensure that the industry remains robust.