



Commodity House

TEA MARKET REPORT

SALE NO: **13** of MARCH 28 & 29, 2023

LANKA COMMODITY BROKERS LTD

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COMMENTS

This week's Tea Auction, namely Sale # 13 of 2023 was held on March 28 & 29, 2023 (Tue/Wed), with a weight of 5.1 mtkgs, which was marginally lower than the previous week's quantity. The Low Grown Leafy, Semi Leafy, Tippy & Small Leaf/ Premium Flowery catalogues totaled 2.3 mtkgs, while the Main Sale High & Medium segment had 0.67 mtkgs. The Ex Estate category had 0.7 mtkgs.

There was good general demand for teas in the Ex Estate catalogue. A limited selection of better Western BOP's and BOPF's were dearer following special enquiry. Other Western BOP's in the "best" and "below best" categories tended lower following quality with prices declining up to Rs. 100/-, whilst, below-best BOPF's gained Rs. 50/- per kg, and, prices were mostly firm at the lower end. Nuwara Eliya BOP's were irregular while a few of their corresponding BOPF's were firm and dearer, with the balance unsold due to the lack of bids. Uva / Uda Pussellawa BOP's were firm around last. Uda Pussellawa BOPF's were firm to occasionally dearer, while Uva BOPF's with coloury liquors were firm. CTC Teas – High Grown PF1's were firm and marginally lower by the close, whilst Mediums as well as Low Grown sold around previous levels. There were hardly any High Grown BP1's on offer, while, Mediums were irregular. Low Grown sorts were firm. There was maintained demand from the Western Markets, while buyers for Japan, China and Taiwan were also fairly active. Russian interest was maintained. .

There was fair demand for Low Grown teas. Well-made OP1's were fully firm while poorer sorts too followed a similar trend. OP's and OPA's in general were lower to last while poorer types gained. A range of selected BOP1's in the "best" category was dearer following quality, whilst below-best types were lower. Better made Pekoes / PEK1's in general were easier, but poorer sorts maintained last levels. The better made FBOP's were easier, while, below-best teas were firm. Neater FBOPF1's together with below-best teas were easier, while bottom level sorts held firm. Buying interest from Iran was limited, once again. Buyers for Saudi Arabia, The UAE and other Middle Eastern countries were fairly active. Russia and the CIS were active on leafy grades. Türkiye and Syria supported the Pekoe grades at easier levels. Libya continued to bid on the secondary whole leaf grades, whilst Iraq was fairly active for bottom level teas.

This week's auction comprised of 10,495 lots with a total quantity of 5,155,690 kgs.

In Lighter Vein

The catalogue wise breakdown was as follows:-

The 16 Year Deal

	<u>Lots</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	2,004	726,100
Low Grown Semi Leafy	1,468	606,846
Low Grown Tippy	1,936	918,360
High & Medium	1,550	676,827
Off Grade/BOP1A	1,987	979,571
Dust	495	450,386
Premium Flowery	348	55,289
Ex-Estate	<u>707</u>	<u>742,311</u>
Total	<u>10,495</u>	<u>5,155,690</u>

On a warm summer night, a young lady entered the butcher shop with startling news for the butcher: The baby in her arms was his. Nonplussed, the butcher didn't know what to do, and eventually offered the only thing he thought he could - he offered to provide her with free meat until the boy was 16. She agreed. He had been counting the years off on his calendar, and one day the teenager, who had been collecting the meat each week, came into the shop and said, "I'll be 16 tomorrow." "I know," said the butcher with a smile, "I've been counting too, tell your mother, when you take this parcel of meat home, that it is the last free meat she'll get, and watch the expression on her face." When the boy arrived home, he told his mother what the butcher said. The woman nodded and said, "Son, go back to the butcher and tell him I have also had free bread, free milk, and free groceries for the last 16 years... then come back and tell me about the expression on his face!"

LOW GROWN TEAS

LEAFY/SEMI LEAFY

- BOP1** : Select best types maintained last levels, whilst the others were irregular and mostly lower.
- OP1** : Select best a few invoices maintained last levels. Others were Rs.50-70/- lower.
- OP** : Best on offer maintained last levels, Below Best and secondaries lost Rs.50-100/-.
- OPA** : Best on offer gained Rs.50-80/-, whilst the secondaries and Below Best typed were irregular and mostly lower.
- PEK/PEK1**: Most of PEKOE's were sold on last levels whilst the PEKOE1 grade lost Rs.100-200/-.

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	1750-3400	1600-3450	1200-1750	1000-1600	900-1200	800-1000
OP1	1500-3450	1300-3450	1200-1500	1100-1300	900-1200	850-1100
OP	1700-2000	1700-2050	1300-1700	1200-1700	900-1300	900-1200
OPA	1600-2250	1600-2100	1300-1600	1200-1600	950-1300	900-1200
PEK/PEK1	1850-2750	1700-2350	1400-1850	1200-1700	950-1400	900-1200

TIPPY/SMALL LEAF

- BOP/BOPSP** : Well-made BOP's together with Below Best declined. However, the teas at the lower end were firm on last.
- BOPF/BOPFS** : Few select Best BOPF sold around last levels, whilst the others declined. However, the teas at the lower end were firm on last levels.
- FBOP/FBOP1** : Well-made FBOP's together with Below Best declined. However, teas at the lower end sold around last levels. FBOP1's in general were firm to marginally easier
- FBOPF/FBOPF1** : High priced Tippy teas on special inquiry were firm, whilst others in general were lower. However, the leafier varieties were firm to dearer. Well-made FF1's together with Below Best were easier. However, teas at the lower end sold around last levels.
- FBOPFSP/EXSP** : Leafier tippy varieties gained in price and met with good demand whilst the Best and the Below Best sold on last levels.

Quotations (Rs./Kg)	Best		Below Best		Others	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
BOP/BOPSP	1700-2000	1800-2500	1100-1650	1200-1800	850-1100	850-1200
BOPF /BOPFSP	1450-1900	1600-2200	1050-1550	1100-1600	900-1050	900-1100
FBOP/FBOP1	1500-2550	1500-2900	1200-1500	1200-1500	925-1200	900-1200
FBOPF/FBOPF1	1100-1600	1200-1750	900-1200	1000-1200	850-900	900-1000
FBOPFSP/EXSP	2400-3750	2500-5800	1100-2400	1200-2500	1000-1100	900-1100

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP : Select best well made FBOPs' were firm to dearer on last levels; secondary clean types too firm on last levels. Balance and the lower end types tended irregularly lower.

FBOPF/FBOPF1 : Except for the long well made FBOPF1 types, balance tended irregular.

PEK/PEK1 : Except for the shotty bold PEKOE types; well made PEKOE1s' and the Below Best mixed PEKOE/PEK0E1 types irregularly lower. Teas at the lower end maintained.

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	1500-1950	1400-1850	1000-1300	900-1400	800-1000	800-900
FBOPF/FBOPF1	1400-1550	1300-1600	850-1400	850-1300	700-850	750-850
PEK/PEK1	1650-1900	1600-2050	1150-1650	1200-1600	700-1150	750-1200

HIGH GROWNS TEAS

BOP: Best Western s - A few select invoices appreciated following special inquiry whilst the others were firm and tended easier following quality. In the Below Best category - brighter sorts were firm to marginally easier, whilst the others declined up to Rs.100/- per kg. Plainer sorts eased further. Nuwara Eliya's were irregular. Uda Pussellawa's were firm to dearer; particularly for teas at the lower end. Uva's sold around last.

BOPF: Best Western's - A few select invoices were dearer following special inquiry whilst the others were mostly firm. In the Below Best category brighter sorts were up to Rs.50/- per kg lower, whilst the others together with teas at the lower end of the market were generally firm. Nuwara Eliya's - Few select invoices were firm and dearer, whilst the others were mostly unsold due to a lack of suitable bids. Uda Pussellawa's were firm to marginally dearer, particularly for teas at the lower end of the market. Uva's - Coloury invoices were firm, whilst the lighter thinner liquoring teas were irregularly easier.

Quotations (Rs./Kg)	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	1460-1800	1500-2050	1500-1700	1500-1900
Below Best Westerns	1260-1440	1300-1480	1380-1480	1340-1480
Plainer Westerns	1160-1240	1180-1280	1200-1360	1280-1320
Nuwara Eliyas	1200-1650	1200-1700	1550	1460
Brighter UdaPussellawas	1280-1340	1200	1300-1360	1360-1440
Other Uda Pussellawas	1020-1200	1040-1080	1120-1260	1180-1320
Best Uva's	1300-1440	1300-1320	1380-1460	1400-1460
Other Uva's	1160-1260	980-1200	1260-1300	1260-1360

MEDIUM GROWN TEAS

BOP : Large Leaf teas continued to sell well, whilst the others were Rs.50-100/- per kg easier.

BOPF : Better sorts were Rs.20-40/- per kg easier, whilst the others were firm and tended dearer.

Quotations (Rs./Kg)	BOP		BOPF	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	900-1800	940-2000	960-1360	940-N/A

CTC TEAS

HIGH GROWN:

BP1 - Hardly any offerings

PF1 - Mostly firm though tended marginally easier towards the close.

MEDIUM GROWN:

BP1 - Irregular.

PF1 - Sold around last week's levels.

LOW GROWN:

BP1 - Generally firm.

PF1 - Sold around last week's levels.

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	1140-1340	1150-1340
Medium	980-1340	720-1220	800-1360	800-1360
Low	810-1700	810-1750	960-1750	830-1650

OFF GRADES

FGS/FGS1 : Select best Liquoring FNGS/FNGS1s lost Rs.20-40/- per kg whilst others held firm. Clean Low Grown well-made FNGS1s advanced Rs.20-30/- per kg whilst others followed a similar trend.

BM : Best and Below Best types advanced Rs.20-50/-. Poor types firm to dearer Rs.20-30/-.

BOP1A : Select best BOP1As lost Rs.100-125/-. Best teas held firm. Poorer types advanced Rs.20-30/-.

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)	800-1230	800-1270	750-900	750-880	720-860	720-830
Good Fannings (CTC)	600-820	600-850	720-820	720-880	720-820	720-880
Other Fannings (Orthodox)	590-770	580-750	700-770	700-780	700-780	700-780
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	800-850	740-820	800-850	740-830	800-880	750-840
Other BM's	790-840	720-770	790-840	720-770	780-840	720-770
Best BOP1As	800-880	800-880	880-920	880-920	1100-1250	1100-1300
Other BOP1As	850-880	800-830	850-880	800-830	825-880	800-830

DUST

DUST/DUST1 : High Grown select best Dust1s' maintained last levels whilst the Below Best types were firm to dearer. Lower end Dust1s' showed an irregular trend. High grown Dusts' declined Rs.50-80/- whilst mid grown teas too lost Rs.70-80/-. Low grown clean Dust//Dust1s'maintained last levels.

PD : High Grown PD's gained Rs.50-100/- whilst the mid grown PDs' were irregularly lower by Rs.20-40/-. Low grown's also showed an irregular market.

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)	1200-2000	1200-2000	800-1480	750-1500	750-1110	780-1550
Good Primary PD (CTC)	850-1460	750-1360	780-1440	750-1460	800-1240	730-1360
Secondary Dust	770-1440	750-1600	780-940	740-1120	700-980	700-1120

WESTERN MEDIUM

Craighead	BOP1	1950/-
New Rothschild	OP1	1750/-
*Dartry Valley	OP1	1700/-
*Dartry Valley	OP/OPA	1800/-
*Dartry Valley	PEK/PEK1	1900/-
*Harangalla	PEK/PEK1	1900/-
Craighead	PEK/PEK1	1900/-
Dehiwatte Super	PEK/PEK1	1900/-
Nayapane	BOP	1800/-
Nayapane	BOPSP	1600/-
*Vellai Oya	BOPF	1360/-
*Uplands	BOPFSP	1000/-
Craighead	FBOP/FBOP1	1950/-
Dartry Valley	FBOPF/FBOPF1	1550/-

WESTERN HIGH

Somerset	BOP	1800/-
Dessford	BOPSP	1600/-
Bogahawatte	BOPF/BOPFSP	1700/-
Weddemulla	BOP1	1120/-
Torrington	FBOP/FBOP1	1420/-
Inverness	FBOP/FBOP1	1420/-
Dartry Valley	FBOPF/FBOPF1	1550/-
Venture	OP/OPA	1650/-
Venture	OP1	1700/-
Torrington	PEK/PEK1	1700/-

NUWARA ELIYA

Court Lodge	BOP	1360/-
Mahagastotte	BOPF/BOPFSP	1550/-
Mahagastotte	FBOP/FBOP1	1900/-
Court Lodge	OP/OPA	1420/-
Mahagastotte	PEK/PEK1	1750/-

CTC TEAS**HIGH GROWN**

Ulugedara CTC	PF1	1360/-
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MEDIUM GROWN

New Peacock CTC	PF1	1360/-
*New Peacock CTC	PF1	1340/-
Delta CTC	BP1	1340/-
Donside CTC	BPS	1120/-
Aultmore CTC	BPS	980/-

LOW GROWN

Hingalgoda CTC	PF1	1750/-
Ceciliyan CTC	BP1	1700/-
*Ross Feld CTC	BPS	890/-

UVA MEDIUM

Demodera 'S'	BOP1	1950/-
Dickwella	OP1	1750/-
Tinioya	OP1	1750/-
Wewesse	OP/OPA	1700/-
Uva Moragolla	PEK/PEK1	1850/-
El Teb	BOP	1440/-
Uva Samovar	BOPSP	1220/-
El Teb	BOPF/BOPFSP	1440/-
Halpewatte Uva	FBOP/FBOP1	1800/-
Sarnia Plaiderie	FBOPF/FBOPF1	1420/-

UVA HIGH

Spring Valley	BOP1	1650/-
Glenanore	OP1	1900/-
Ellathota Uva	OP/OPA	1600/-
Misty Uva	PEK/PEK1	1800/-
Glenanore	PEK/PEK1	1800/-
Pita Rathmale	BOP	1360/-
*Battawatte	BOPSP	860/-
Bandara Eliya	BOPF/BOPFSP	1460/-
Aislaby	FBOP/FBOP1	1700/-
Aislaby	FBOPF/FBOPF1	1400/-

UDA PUSSELLAWA

Gordon	BOP1	1320/-
Alma	OP1	1700/-
Delmar	OP/OPA	1500/-
*Delma	PEK/PEK1	1850/-
*Mooloya	BOP	1360/-
*Mooloya	BOPF/BOPFSP	1360/-
Alma	FBOP/FBOP1	1420/-
Delmar	FBOPF/FBOPF1	1400/-

OFF GRADES

Maratenne	BP	1300/-
Hingalgoda CTC	PF	1300/-
Gunawardana	BM	1120/-
Golden Garden	BM	1120/-
Wattegodde	FNGS/FNGS1	1360/-
*Aldora	BOP1A	1600/-
Galatara	BOP1A	1550/-
*Chandrika Estate	BOP1A	1440/-
Aldora	BOP1A	1440/-

LOW GROWN LEAFY GRADES

*Sithaka	BOP1	3400/-
*Makandura	BOP1	3300/-
Pothotuwa	OP1	3450/-
Ceyenta	OP1	3450/-
*Makandura	OP1	3400/-
Sithaka	OP1	3400/-
Liyonta	OP	2000/-
Liyonta	OPA	2250/-
Green Lanka	OPA	2250/-
Liyonta	PEKOE	2750/-
*Makandura	PEKOE1	2500/-

LOW GROWN TIPPY GRADES

Sithaka	BOP	2000/-
Mulathiyana Hills	BOP	1950/-
*New Mount Carmel	BOP	1850/-
New Batuwangala	BOPSP	1650/-
*Ithalapanapitiya	BOPSP	1600/-
Suduwelipothahena	BOPSP	1600/-
*Sithaka	BOPF	1900/-
Sithaka	BOPF	1900/-
*Makandura	BOPFSP	1900/-
Gunawardana	FBOP	2550/-
*Makandura	FBOP	2500/-
*Sithaka	FBOP1	1650/-
Gunawardana	FBOPF	1600/-
Lumbini	FBOPF	1440/-
*Badura-Eliya	FBOPF	1380/-
*Sithaka	FBOPF1	1600/-
Pothotuwa	FBOPF1	1600/-
Ransegoda	FBOPF1	1600/-
Nilrich	FBOPF1	1600/-
Pothotuwa	FBOPF1	1600/-
Pothotuwa	FBOPF1	1600/-
*Hidellena	FBOPF1	1550/-
*Goorookoya Super	FBOPF1	1550/-
Houpe Special	FBOPF1	1550/-
Kiruwanaaganga	FBOPF1	1550/-
New Vithanakande	FBOPF1	1550/-

PREMIUM FLOWERY

Mahambana	FBOPFSP	3950/-
New Falcon Lanka	FBOPFEXSP	3750/-
Lihiniyawa	FBOPFEXSP1	4500/-

Dust

Bearwell	DUST	1440/-
Mattakelle	DUST1	2000/-
New Peacock CTC	PD	1460/-

COLOMBO AUCTION – WEEKLY GROSS SALE AVERAGES

SALE NO.12 OF 22ND MARCH, 2023

	2023			2022	
	Weekly	Month to Date	Year to Date	Weekly	Year to Date
Uva High Grown	1,186.56	1,183.52	1,226.69	839.47	666.88
Western High Grown	1,389.58	1,373.56	1,451.14	796.00	727.02
High Grown	1,334.85	1,323.65	1,391.97	808.26	710.43
Uva Medium	1,117.11	1,111.27	1,218.58	926.92	697.31
Western Medium	1,131.76	1,118.04	1,199.29	772.80	637.98
Medium Grown	1,127.22	1,115.97	1,204.95	818.22	655.01
Low Grown (Orthodox)	1,326.99	1,311.51	1,506.38	1,047.95	801.32
Combined L.G. (Orthodox + CTC)	1,307.03	1,284.17	1,480.19	1,013.73	781.79
Total	1,282.00	1,266.65	1,421.29	934.69	745.38

Private Sale Figures (20.03.2023 – 25.03.2023) - 118,193.00 kgs

Cumulative - 1,191,208.20 kgs

DETAILS OF TEAS AWAITING SALE

	<u>Sale of 03rd /04th Apr. '23</u>		<u>Sale of 18th /19th Apr. '23</u>	
	<u>Lots</u>	<u>Qty. (Kgs)</u>	<u>Lots</u>	<u>Qty. (Kgs)</u>
Low Grown Leafy	2,014	770,159	2,004	775,667
Low Grown Semi Leafy	1,514	664,457	1,565	685,759
Low Grown Tippy	1,750	850,087	1,853	868,026
High & Medium	1,487	669,387	1,406	630,230
Off Grade/BOP1A	2,186	1,110,820	2,094	1,004,456
Dust	572	522,657	563	529,107
Premium Flowery	214	38,785	225	41,578
Ex-Estate	<u>721</u>	<u>778,764</u>	<u>684</u>	<u>713,470</u>
Total	<u>10,458</u>	<u>5,405,116</u>	<u>10,394</u>	<u>5,288,293</u>

FUTURE CATALOGUES CLOSURE

Sale No. 16 of 25th /26th April, 2023

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **30th March, 2023 at 04.30 p.m.**

Sale No.17 of 02nd /03rd May, 2023

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **06th April,, 2023 at 04.30 p.m.**

Sale No.18 of 09th /10th May, 2023

The Main Sale & Ex-Estate Sale catalogues are scheduled to be closed on **20th April, 2023 at 04.30 p.m.**

BROKER'S SELLING ORDER

SALE NO. 14

Auction of 03rd /04th April, 2023

Leafy/Semi Leafy/Tippy/BOP1A/ Premium Flowery

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

High & Medium/Off Grades/Dust

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

Ex-Estate

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

Crop & Weather

For the period of 20th to 26th March, 2023

Western/Nuwara Eliya Regions:

The Western Region reported bright mornings and evening showers, whilst bright weather was reported in the Nuwara Eliya Region throughout the week. The Department of Meteorology expects evening showers in the Kandy District and Nuwara Eliya Region in the week ahead.

Uva/ Udapussellawa Region:

Bright mornings with occasional evening showers were experienced in both the Uva and Udapussellawa regions. Afternoon or evening showers are expected in the week ahead in the Uva Region according to the Department of Meteorology.

Low Grown:

The Low Grown Region reported clear weather throughout the week. According to the Department of Meteorology, afternoon or evening showers are expected in the week ahead.

Crop Intake: All planting regions maintained the crop intake.

HOLIDAY NOTICE

Dilmah Ceylon Ltd

Please note that the warehouse of the above buyer will be closed for year-end stock count **from 31st March to 02nd April, 2023.**

Please do not send any deliveries during this period, and
Teas will be **accepted only on the 03rd April, 2023 onward.**

WORLD CROP STATISTICS (MKGS)

Country	Month	2022	2023	Difference +/-	To-date 2022	To-date 2023	Difference +/-
BANGLADESH	Jan.	0.051	0.036	-0.02	0.051	0.036	-0.02
SRI LANKA	Feb.	18.22	18.71	0.49	41.09	37.96	-3.13

Country	Month	2021	2022	Difference +/-	To-date 2021	To-date 2022	Difference +/-
KENYA	Nov.	50.70	49.20	-1.50	485.30	478.00	-7.3
NORTH INDIA	Dec.	50.80	48.0	-2.80	1108.00	1110.40	2.40
SOUTH INDIA	Dec.	15.00	14.40	-0.60	235.00	230.10	-4.90
MALAWI	Aug.	2.09	1.99	-0.10	38.40	35.70	-2.7
TANZANIA	June	1.80	1.76	-0.04	16.56	20.37	3.8
UGANDA	July	5.65	2.77	-2.9	45.86	33.32	-12.54

“Africa Tea Brokers Bulletin of Statistics”

OTHER MARKETS**MALAWI MARKET REPORT****SALE NO.13 HELD ON 29/03/2023**

Less selective demand continued this week at firm rates where sold for the 6300 packages on offer.

BP1 – Were firm on last.

PF1 – Better and bright liquoring lines continued getting much interest at firm rates, balance taken out.

PF1SC– Held firm where sold.

PD - Were taken out under bids due to producers limit.

D1 - Were not supported.

Secondaries – Secondaries tended firm where sold, balance taken out under bids

WEATHER/CROP FOR THE WEEK ENDING 26TH MARCH, 2023

Partly cloudy, warm to hot and sometimes overcast. Rains were experienced in the planting districts but reduced in intensity.

Crop intakes were down on last.



SOUTH INDIAN ROUNDUP

FOR THE WEEK ENDING – 25TH MARCH, 2023

KOCHI

CTC LEAF

Demand : Good Demand, all grades sold steady to easier levels.

ORTHODOX LEAF

Demand : Good Demand.

Market : The Whole leaf grades sold at easier levels in line with quality. Primary and secondary broken also suffered easier.

Buying Pattern : CIS & Tunisia buyers operated.

DUST

Demand : Fair Demand.

Market : Some of the popular marks sold around last levels others lower by Rs.2 to 3. Plainer sorts sold at barely steady levels.

Buying Pattern : Major packeteers active, Internal buyers operated,, Exporters operating on plainer sort bolder grades.

COONOOR

CTC LEAF

Demand : Good.

Market : Market opened on an easier trend with the Best and Brighter types trading lower by Rs.5/- to Rs.10/-. The Better and Medium types were trading at barely steady to easier by Rs.1/- to Rs.2/- whilst the well made, blacker Fannings were trading at firm to dearer by Rs.1/- to Rs.2/-. The sale had also witnessed fair withdrawals towards the later part of the sale.

The overall sale percentage is 77% at an average of Rs. 109.30

Buying Pattern: Fairly good Internal operation was being noticed with the Major Blenders lending fair support. Export was also seen rendering fair support with Girnar Food and Beverages being little strong.

ORTH LEAF

Demand : Strong

Market : Generally an easier trend with teas trading at Rs. 5/- to Rs. 10/- lower across all grades and categories, however the Fannings were trading at barely steady levels.

The overall sale percentage is 94% at an average of Rs. 139.57.

Buying Pattern: Fairly good Export enquiry was forthcoming with Girnar Food and Beverages supporting well, along with Internal buyers.

CTC DUST**Demand :** Strong**Market :** The buoyant demand for the dust market witnessed this week too. Though the market sentiment was strong that did not reflect in prices. Teas were rather trading at barely steady to lower on the Mediums and on the Bolder dusts. Others were rather irregular.**The overall sale percentage is 94% at an average of Rs. 120.08.****Buying Pattern:** A stronger Export enquiry was witnessed alongwith the Major Blenders. Internal was also seen absorbing a fairly decent quantity. Anjaneya Enterprises had continued to support on the brighter liquoring types.**ORTH DUST****Demand :** Strong**Market:** Market for the primary dust grades were easier by Rs. 5/- and more upto s. 15/- on some of the popular marks. The Secondaries and Tertiaries were rather trading at barely steady to easier levels by Rs. 2/- to Rs. 3/-.**The overall sale percentage is 94% at an average of Rs. 112.51.****Buying Pattern:** Stronger Export enquiry was forthcoming with Internal rendering fair support.**COIMBATORE****CTC LEAF****Demand :** Good general demand.**Market :** Better medium teas were lower by Rs.2/- with some withdrawals. Medium teas were irregular and lower by Rs.2/-. Plainer teas bolder brokens were barely steady. BOPF 's were lower by Rs.2/-.**Buying Pattern :** Blenders, packeteers and exporters were active. Internal selective.**ORTH LEAF****Demand :** Less demand.**Market :** Whole leaf brokens were lower by Rs.10/- to Rs.12/- sometimes more. BOPF were firm to dearer by Rs.5/- sometimes more.**Buying Pattern :** Exporters were active.**CTC DUST****Demand :** Good general demand.**Market :** Better medium and popular sorts were barely steady to lower by Re.1/- to Rs.2/- with some withdrawals. Medium teas were irregular and lower. Plainer teas were irregular and lower by Rs.3/- to Rs.4/- sometimes more.**Buying Pattern :** All sections were selective.**ORTH DUST****Demand :** Strong demand.**Market :** Dearer by Rs.5/-**Buying Pattern :** Exporters were active.*Source: Paramount Tea Marketing (SI) Private Limited***28th March, 2023**
- /ra.

INTERNATIONAL TEA NEWS

State of the U.S. Tea Industry: a Review of 2022 and a Look Forward into 2023

By Peter Goggi Mar 1, 2023

[state of the industry tea industry U.S. Tea Association tea trends](#)



(Photo by: Wombatzaa / BigStock.com)

2022 was a year in which COVID-19 finally began to take a backseat. Consumers emerged from their homes and the economy began to open more fully. Unfortunately, inflation – driven by supply chain costs, shipment imbalances, low unemployment and government spending – reached levels not seen for 40 years, averaging eight percent for 2022 (1981 was 10.33 percent). This level of inflation certainly impacted cost of goods and apparent growth rates in dollar terms.

Overall, the tea market grew in 2022 in both imports and dollars. In reviewing tea import figures for the year, total tea imports were 4.3 percent up in volume terms. Black tea imports exceeded 2021 by more than 5.1 percent with green tea softening slightly by less than two percent year-on-year. Surprisingly, 2022 organic imports were down by about 40 percent vs. 2021.

As we have been reporting over the last few years, consumers continued to turn to tea during COVID. Further, subsequent qualitative work indicated the at-home consumption remained high, while the likelihood for consumers to consume tea out of home declined. The hybrid way of working, with many workers continuing to split time between the office and home, will help sustain gains in consumption trends.

Tea has demonstrated it is capable of acting as an enabler for de-stressing, as well providing a feeling of “centeredness,” particularly for Gen Zs and Millennials. Not only did they increase their consumption, but research after COVID indicated that about 70 percent would continue to drink tea at the higher rate. This is great news and highlights the importance of tracking demographic behavior as both a marketing tool and to provide insight for product development, brand and product messaging and optimizing communication pathways.

Further, consumers are looking for specific health and wellness benefits from their food and beverages, placing that above sustainability, according to [Tastewise's 2023 trend report](#). While health and wellness and international flavors have been trending in food and drink for years, this report shows preferences are evolving and consumers are zeroing in on specific niches that interest them.

These trends complement tea's strong position as a plant-based, healthful drink, consumed for its variety of benefits, rooted in its high flavonoid content. In fact, several new research papers were published in 2020 and 2021 illustrating tea's extraordinary ability to act as a booster of human immune systems, followed by an important study in 2022 highlighting tea's high content of a class of key bio-actives, flavan-3-ols.

Consumers clearly discovered their own personal "tea ceremonies" during COVID, whether using a family recipe or a "mom's" kettle or a certain mug, and continue to embrace these "for myself" moments as a way to cope with the stress of the work day. And we know that the process of making tea, in and of itself, calms and relaxes. This coupled with tea's natural ability to induce a "relaxed but ready" mental state, heightens the feeling of serenity and internal quiet – mental states that were at a premium during this past year.

Literally thousands of published scientific journals continue to document tea's ability to positively impact human health. Whether potentially interfering with cancer mechanisms, enhancing heart health, slowing neurological decline, positively impacting weight management and preventing diabetes, or improving bone health and lastly boosting immune functionality, tea is good for you and tastes great!

Inventory imbalances continued in 2022. The Federal Maritime Commission (FMC) and Biden administration did step in and helped to defuse the unconscionable levels to which ocean freight companies raised their rates. As a reminder, some export regions, particularly Asia, saw the cost of a FEU (40 foot equivalent unit) going from US\$3,000 to US\$17,000. The Tea Association of the U.S.A.'s participation in a Freight Coalition consortium assisted us in helping to apply pressure and provide notice to key players in the government and maritime bureaucracies to act on consumers behalf.

Tariffs on tea from China continued as a holdover from President Trump's administration and continued under President Biden. We continue to advocate for removal of this tariff on Chinese tea, although to date, there seems to be no interest in removing them by this Administration.

Our work in Washington D.C. continued with the Tea Association communicating its positions on behalf of the industry in the areas of tariffs, labeling (country of origin and nutritional), dietary guidelines, healthy definition for tea and port congestion issues. Support and defense of the tea industry continues to be our primary our mission.

In all efforts, the Tea Association of the U.S.A. attempts to ensure cohesive messaging across borders by liaising with the Tea & Herbal Association of Canada and the UK Tea & Infusions Association. Of late, this includes addressing such topics as heavy metals; HTIS classifications and modifications; Prop 65 actions; sustainability issues and nano-plastics in tea bags. Sustainability continues to be an important driver for consumers, customers and industry supply chains.

Foodservice Improves; Specialty Tea Continues Growth; RTD Is Recovering Its Shares; Traditional/Grocery Works to Hold on to Previous Gains

We all know how devastated the foodservice market was during COVID. Thankfully, stay-at-home orders, prohibition of indoor dining and social distancing requirements that kept people far away from their favorite restaurants, deli's and convenience stores are generally no longer. Fortunately, this sector began to come back in 2021 as vaccination rates increased, domestic travel resumed and federal and state governments eased restrictions, and continued in 2022.

As one key foodservice operator reported...

“We witnessed the food service bouncing back post-COVID, despite the huge increases in sea freight. As you are aware, the unprecedented freight costs that we witnessed in the past from origins such as China, Vietnam, Argentina, who are the main supply sources for the food service iced tea, did not in any way dampen the appetite for iced tea consumption.

“Our customers were willing to pay these costs and keep their customers happy. For example the sea freight from China to Long Beach/L.A. was approximately US\$2,000 prior to COVID. This peaked to US\$ 20,000 per FCL last season. From paying a mere 10 USC /kg we ended up paying a dollar on a kilo for low priced teas. The demand was further driven by relatively lean inventories with packers and end customers.

“Overall, we saw demand ultimately approaching levels not seen since the outbreak of COVID. Furthermore, food service restaurants that served quality food products (we saw long lineups at these outlets), where premium quality tea was served, gained market share. A most welcome outcome from our perspective compared to others, who are driving prices down and compromising on quality.”

Fortunately, some segments of the market won't change its upward trajectories! Specialty tea continues its rise in both pounds and dollars. Led by Millennials and Gen Zs, consumers across all demographics continued to consume tea for its variety of origins, types and flavors. Tea generates interest in terroirs, flavors, origins, bush to brand and sustainability, particularly in these high quality, higher priced teas. Artisanal teas remain of high interest and continue to grow at a fast clip. Consumers are becoming more engaged with their teas and want to learn more and more about where their teas come from; how they are harvested and manufactured; how the product supports the livelihoods of those making it; and, how friendly the product is to the environment. Specialty tea buyers, in particular, seek to engage with their products of choice.

Ready-to-drink (RTD) tea category continued its dollar growth, but volume was a challenge in 2022. Estimates are that 2022 exhibited circa seven to eight percent growth in dollars, but a decline of some and less than one percent gallonage. Challenges for RTD remain clear: Competition across other categories, e.g., health, refreshment and hydration, will challenge this category's ability to innovate and compete in order to continue volume and dollar growth. We continue to see separation and segmentation between premium, high quality RTDs and the value, carbonated soft drink (CSD) replacement segment. Innovation, flavor variety and healthful positioning will continue to be legs of growth.

Traditional tea (grocery/DMM [Drug/Mass Merchandisers]) fought hard to maintain the gains from 2020 and 2021. Communication to consumers through traditional media and social media was at a much higher level than previous years, and that speaks to the improved bottom lines and need for re-investment in brands. As an industry, we are challenged to continue educating the consumer in the difference between true teas (*Camellia sinensis*) from herbals and other botanicals, neither of which have the same level of AOX or overall healthful qualities. Our messaging across all forms of tea through our social media initiatives highlight the benefits of “true tea” and should be amplified by all tea companies.

Internationally, producer countries of origin continue to protect and advertise their teas through geographic designations and by trademarking their unique terroirs. The adoption of wine-like appellation marketing and protection serves to differentiate one region from another as well as proactively communicating to the consumer the benefits of geography, elevation and climate as key ingredients to tea quality.

Market Growth

Each year, we try to estimate the size and growth of the various tea markets. We derive many of these estimates qualitatively with some quantitative validation. Further, we note that the consumer price index (CPI) for food inflation in 2022 was 9.9 percent and an incredible challenge for U.S. consumers. Please use these figures as a guide.

	1990	2019	2021	2022 Est.
Traditional Market (Supermarket, Drug and Mass Merchandisers)	\$0.87 Billion	\$2.26 Billion	\$2.3 Billion	\$2.4 Billion
R-T-D	0.20 “	6.14 “	6.3 “	6.7 “
Foodservice	0.50 “	1.59 “	.96 “	1.1 “
Specialty Segment	0.27 “	2.68 “	3.3 “	3.4 “
Total Sales	\$1.84 Billion	12.67 Billion	12.86 Billion	13.6 Billion

2023 PREDICTIONS

Tea will continue to grow across all sectors, led by specialty and foodservice. Whole leaf teas/specialty tea will continue its penetration with consumers in this segment. Individual terroirs and countries will continue to attract interest.

The “Power of Tea” Continues to Shine

- Cardiovascular health, immune boosting properties and improvement of mood are the most popular reasons as to why people drink tea according to a qualitative survey by Seton Hall University.
- Black tea continues to emerge from under the shadow of green tea’s health aura with ownable health properties – cardiovascular health, physical health, immune system boost, bio-active compound, satisfy thirst/hunger, pick-me-up.
- Green tea continues to drive consumer interest, specifically: emotional/mental health, immune system boost, consume when feeling ill, stress relief.
- Foodservice will continue its return to pre-pandemic levels.
- Consumers will continue to enjoy tea and the new levels of tea consumption will be maintained, helping Grocery/DMM sales to resist declines vs. pandemic gains.
- RTD will continue to grow.
- Specialty continues its growth in both dollars and volumes, as unique offerings from tea growing “appellations” become more widely known.

THE TEA MARKET WILL CONTINUE TO FACE THE FOLLOWING CHALLENGES IN 2023:

1. Sustainability

The Tea Association of the U.S.A., sees sustainability as a three-pronged strategy – ecological sustainability, social sustainability and economic sustainability.

The tea industry has demonstrated a strong commitment to ecological sustainability and continues on its journey for a sustainable supply chain.

Concurrently, our industry has successfully embarked on a path of making our product even more sustainable. I venture to say that tea is one of the most ecologically sustainable agricultural products in the world. However, this path comes with its own toll, and the sad fact is that the cost of sustainability efforts almost always fall on the shoulders of the producer, the segment that can least afford it. Further, the promise of increased margins and consumers willing to spend more money on sustainably sourced products have been empty, at best. And all our efforts may be blunted by climate change.

Economic sustainability continues to be a challenge. Producers and smallholders are generally not making money. The realized prices of tea have not moved since the 1950s, when taking inflation into account. This marginalizes workers at origin and drives the industry to an unsustainable economic model, impacting the ability for tea workers to maintain the social fabric in the towns and villages where they live. Meanwhile, large retailers advertise and speak about sustainability, yet do nothing about allowing the price of the product in their stores to rise, disallowing the opportunity for the producers to realize a reasonable margin. The time is come to put pressure on retailers to ensure that EVERY player in the supply chain receives fair value for the work they do.

It is a cultural imperative that parents want a better life for their children, and what underpins the ability to make that happen is for there to be steady and fair wage growth for the family to thrive. However, throughout the tea industry we've seen a flight from tea estates to the cities by the most recent generations. Clearly, lack of job growth and the ability to provide a better life are driving reasons. Having said that, I continue to believe that the biggest contributor to this migration is the cellphone. This device provides virtually anyone in the world access to the globe. Whether learning a language, discovering different cultures and lifestyles or, more importantly, being able to imagine greater potential for oneself, the mobile provides a window on alternatives to current realities.

This migration from rural to urban highlights another consequence of low prices... the lack of available labor. We've already seen the results of this in Japan, where the average age of tea producing villages has gone from the mid-50s to the low 70s. And 80 percent of towns and villages have lost people. Analogous movements are being witnessed in virtually all traditional tea growing areas.

2. Supply and Demand

The global picture is not pretty, as production went from 4,299 million kgs in 2011 to 6,455 M kgs in 2021 an increase of approximately 50 percent. Meanwhile, population in 2011 was seven billion. In 2021 it is estimated to be 7.9 billion, only a 12.8 percent increase (statistics courtesy of the International Tea Committee). Supply continues to outstrip demand and history has proven that if tea prices rise, the producers will manufacture more tea to take advantage of the higher prices. Certain origins continue to expand tea plantings, completely ignoring the impact on tea surplus. Further, producers, by skipping pruning cycles or plucking a little further down on the bush, have an almost immediate ability to turn on a volume tap of 20 percent more tea. The result of higher availability and poorer quality: lower prices. Escaping the clutches of this boom/bust cycle will be one of the keys to the long-term survival of the business. There are only two solutions: drive consumption or reduce production. Note that these solutions are not exclusive and should be done in tandem.

The unremunerative pricing of tea undercuts all sustainability efforts and creates an unsustainable future for the industry.

3. Free and Unencumbered Trade

International trade is becoming much more of a challenge to the entire supply chain. We have all seen the impact of the global shipping supply chain, the piling up of containers at the ports, increased freight rates, lack of trucks and truck drivers and poorly positioned empty containers at origin. We have also seen ocean carriers and ports use this disruption to their favor and increase costs to an almost unconscionable level.

Further, we continue to see barriers to trade through: lack of harmonization of crop chemical tolerances; political vs. science-based regulatory decisions (e.g., glyphosate); country of origin labeling; and tariffs. Free trade is a basic building block that we must have in order to fully return to economic growth and stability. Our industry must work together to properly address these issues.

4. The Goodness of Tea

The number of positive attributes regarding tea continues to be buttressed by research and demonstrates why this great product should be consumed by EVERYONE! More research continues to be published highlighting the power of tea.

The U.S. dietary guidelines are due for updating and the Tea Association of the U.S.A. will be submitting comments in an effort to include tea in this important government publication and recommendation.

WHAT THE INDUSTRY NEEDS TO DO

So, where are we? Too much tea being produced; prices too low; we are leaders in ecological sustainability, but social and economic legs are struggling; retailers continue to push down pricing; costs are being pushed up the supply chain.

This is not about painting an ugly picture. It is about realistic assessment of our challenges, which can then help frame our actions to mitigate the problems.

As an industry, we need to continue to meet in multiple forums to discuss honestly and openly our excess supply. The Food and Agriculture Organization, tea associations, tea boards, tea producers and governments need to collaborate and create pathways for crop/surplus reduction, while striving to protect the lifeblood of tea producers, and, in particular, smallholders.

Efforts must continue to drive tea consumption. Tea and Health is THE platform from which powerful messaging can be developed to incent and motivate consumers to drink tea. In April of 2022, the USTA hosted the 6th International Scientific Symposium on Tea & Human Health. This virtual meeting highlighted the power of tea, and most importantly, the outputs of that meeting have driven consumer engagement to the tune of more than five billion impressions through both conventional and social media. If we all help to drive this message, think of the potential influence we could have on driving tea consumption! Additionally, bio-actives research points to more positives in tea's positive impact on human health.

Costs of sustainability efforts must be shared throughout the supply chain, not borne just by producers. Is there a mechanism currently? No... but this has to be addressed. If consumers want sustainable products, they must pay. If retailers want to sell sustainable products, they need adjust their margins. If packers want to pack sustainable products, they must pay OR they must support sustainability programs through pricing mechanisms.

Leverage existing associations and councils as representatives and speakers for the industry. I continue to be shocked at how easily some companies withdraw from associations based solely on cost, yet, it is these very groups that most effectively represent the industry and protect brands; interpret governmental regulations and provide a single point of contact for both internal and external communication. My thanks go to Tea & Herbal Association of Canada and UK Tea & Infusions Association, who work tirelessly with us on joint efforts to represent the industry.

I remain firmly optimistic going forward. Tea has so much to offer to its consumers. Tea's supply chain is resilient; producers generally want to produce good product and consumers want to receive good value.

Peter F. Goggi is president of the [Tea Association of the U.S.A, Inc.](#), Tea Council of the USA and Specialty Tea Institute. Goggi began his career at Unilever and spent more than 30 years working with Lipton Tea as part of Royal Estates Tea Co. He was the first American-born tea taster in the history of T.J. Lipton/Unilever and was featured on The History Channel's Modern Marvels. His career at Unilever included research, planning, manufacturing and procurement, and his final position was director of commodities procurement, sourcing over \$1.3 billion of raw materials for all operating companies in the Americas. At the Tea Association, goggi has implemented and updated their strategic plans; has continued to drive the tea and health message of the Tea Council; and helped to guide the tea industry on its path to growth. Goggi also serves as the U.S. representative on FAO's International Governmental Group for Tea, and he continues to drive communication and understanding of the multiple issues faced by the tea industry – locally, regionally and internationally.

Vietnam's Tea Exports Rise in 2022

By [Dan Bolton](#)

March 22, 2023

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Vietnam's Tea Exports, 2012–2022

	Volume (metric tons)	Value (USD)
2022*	154,000*	\$249,000,000*
2021	139,000	224,000,000
2020	129,000	190,000,000
2019	127,715	245,000,000
2018	134,000	235,000,000
2017	120,000	203,000,000
2016	116,000	197,000,000
2015	107,000	178,000,000
2014	97,000	166,000,000
2013	93,000	151,000,000
2012	90,000	140,000,000

*Through end of November. (Source: International Trade Center)

Vietnam's tea exporters gained momentum in 2022, thanks in part to unexpected Russian demand for black tea and higher sales to buyers in the United States.

In the first 11 months of 2022, Vietnam earned \$249 million on the sale of 154,000 metric tons of tea, up 11.1% in value and 10.7% in volume compared to all of 2021, according to the International Trade Center. Vietnam's tea exports generated \$224 million in 2021 on sales of 139,000 metric tons.

Exports to the U.S. grew to \$21.6 million in 2022, up 25% in value on an 11% increase in volume. The double-digit growth may represent, in part, transshipments of Chinese tea via Vietnam to avoid tariffs.

Unit value declined to \$1.62 per kilogram, down 4% from \$1.68 in 2021. But this is still well above Vietnam's average export price of \$1.10 per kg in 2021. The world average price was \$2.20 in 2022. Sri Lanka earned prices averaged \$4.46 per kg for exports of black tea, while rival black tea supplier China reported an average export price of \$2.27 per kg.

Vietnam's shipments of green tea accounted for 55,200 metric tons, about one-third of its total tea exports, and were valued at \$104 million in 2022. Export prices for Vietnamese green tea averaged \$1.88 per kg in 2022, according to Vietnam's Ministry of Industry and Trade.