

LANKA COMMODITY BROKERS LTD



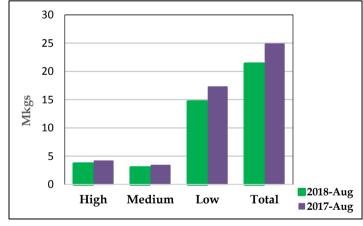


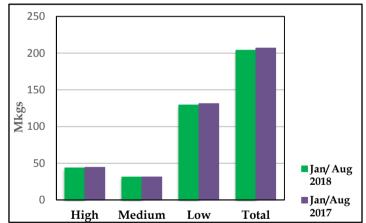
Dry weather throughout August coupled with unusually warm temperatures have had a negative impact on tea production as can be seen from the following figures. The crop of 21.3 Mkgs for August, 2018 is a massive decline of 3.4 Mkgs (14.04%) when compared to the corresponding month last year. During the period Jan/August, 2018 a total harvest of 203.6 Mkgs has been made from all elevations which is 3 Mkgs lower to the crop attained during the same period last year. The sharp drop in production seen last month has now completely eliminated the cumulative gain of 0.4 Mkgs seen as at end July compared to Jan/July, 2017 and, the current shortfall (Jan/Aug, 2018) stands at 3 Mkgs with 2/3rd of it coming from the Low Grown plantations.

Given below are more comprehensive details relating to tea production.

Sri Lanka Tea Production-August 2018 vs. 2017 (In Kgs)

	2018- August	2017- August	+/-	%	Jan/Aug 2018	Jan/Aug 2017	+/-	0/0
High	3,679,101	4,177,946	(498,846)	(11.94)	43,594,691	44,271,984	(677,293)	(1.53)
Medium	3,015,776	3,401,523	(385,747)	(11.34)	31,025,289	31,343,720	(318,431)	(1.02)
<u>Low</u>	14,675,191	<u>17,281,482</u>	(2,606,291)	(15.08)	129,066,993	131,079,734	(2,012,740)	<u>(1.54)</u>
<u>Total</u>	<u>21,370,068</u>	<u>24,860,951</u>	(3,490,883)	(14.04)	203,686,973	206,695,438	(3,008,465)	<u>(1.46)</u>





During the period January to August, 2018 the larger crop harvests have been from the following regions.

1	Ratnapura	35,366,575.00	11	Hatton/Dickoya	4,567,339.00
2	Galle	29,861,212.00	12	Agarapathana	4,373,357.00
3	Kalutara	15,313,116.00	13	Pussellawa/Hewaheta	4,111,765.00
4	Gampola/Nawalapitiya/Dolosbage	11,306,223.00	14	Upcot/Maskeliya	4,011,213.00
5	Matara	10,349,706.00	15	Kadugannawa	3,951,204.00
6	Deniyaya	9,493,986.00	16	Morawake	3,886,540.00
7	Kelani Valley	5,818,578.00	17	Kegalle	3,796,140.00
8	Demodara/Haliella/Badulla	5,744,925.00	18	Bogawantalawa	3,736,565.00
9	Nanuoya/Lindula/Talawakelle	5,689,654.00	19	Kandy/Matale/Kurunegala	3,322,097.00
10	Balangoda/Rakwana	5,227,550.00	20	Patana/Kotagala	3,015,600.00