



LANKA COMMODITY BROKERS LTD

TEA MARKET REPORT

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SALE NO.03 OF 16TH /17TH JANUARY, 2018

COMMENTS

There was good demand for the weight of 6.2 Mkgs on offer at this week's auction. Low Grown teas accounted for 3Mkgs whilst Ex-Estate quality teas amounted to 965, 551 Kgs.

Buying activity for Low Grown teas was sustained this week with the wider participation of buyers for the CIS and Russia, Saudi Arabia, Iran, Libya, the UAE and Turkey. The present demand levels are expected to continue throughout the first quarter as the economies of many countries are set to improve following the higher income from Crude Oil. Additionally, the supply side for teas of Low Grown description does not indicate a surge in production in the short to medium term and the current wave of weather has in fact had a negative impact on crop intakes which is likely to drive demand further.

The better liquoring High Grown Westerns in the Ex-Estate catalogue commenced firm but gained Rs.10/- and more as the sale progressed whilst brighter teas in the "below best" category also followed a similar trend. It was however a disappointing sale from the perspective of Nuwara Eliya's which were sharply easier and often unsold for want of suitable bids. The best available CTC teas were fully firm to Rs.10/- dearer with more demand from the "Tea Bag" sector. Buyers for Russia, Europe, Hong Kong and China were active. Japan was more selective.

This week's auction comprised of 11,205 lots with a total quantity of 6,218,136 Kgs.
The catalogue-wise breakdown was as follows:-

	<u>LOTS</u>	<u>QUANTITY</u>
Low Grown Leafy	3,849	1,713,397
Low Grown Tippy	2,205	1,208,209
High & Medium	1,199	584,978
Off Grades/BOP1A	2,048	1,071,057
Dust	567	574,462
Premium Flowery	504	100,482
Ex-Estate	<u>754</u>	<u>870,598</u>
Total	<u>11,205</u>	<u>6,218,136</u>

CROP & WEATHER **FOR THE PERIOD 09TH-16TH JANUARY 2018**

Western / Udapussellawa /Uva Regions have reported bright weather whilst Nuwara Eliya also experienced bright weather with occasional scattered showers throughout the week. Low Growns-Ruhuna and Sabaragamuwa experienced mixed weather conditions with scattered showers during mid-week.

Crop Intake: Western, Nuwara Eliya and Udapussellawa regions maintained whilst Uva's declined. Furthermore, in the Low Growns Ruhuna decreased, whereas, Sabaragamuwa showed an increase.

In Lighter Vein

This Big Shot has a chip on his shoulder

Joe grew up in Jamaica, then moved away to attend college and law school. He decided to come back to Jamaica because he felt he could be a Big Shot at home. He really wanted to impress everyone. So he returned and opened his new law office in New Kingston. The first day, he saw a man coming up the passageway. He decided to make a big impression on this potential client when he arrived. As the man came to the door Joe picked up the phone. He motioned the man in, all the while talking.

"No. Absolutely not. You tell those clowns in New York that I won't settle this case for less than one million. Yes, the Appeals Court has agreed to hear that case next week. I'll be handling the primary argument and the other members of my team will provide support. Okay, tell the DA that I'll meet with him next week to discuss the details."

The "conversation" went on for almost five minutes. All the while the man sat patiently as Joe rattled off instructions. Finally, Joe put down the phone and turned to the man, "I'm sorry for the delay but as you can see, I'm very busy. What can I do for you?" The man replied, "I'm from Cable & Wireless, the telephone company, I come to hook up your phone."

LOW GROWNS LEAFY

BOP1: Best teas declined Rs. 30-40/- and more as the sale progressed; balance was barely steady. Teas at the lower end were maintained.

OP1 : Select best invoices were irregularly lower; balance however maintained last week's levels. Stalky invoices declined by Rs. 30-40/- and more particularly the latter part of the sale.

OP : Teas in the best category advanced on average by Rs.20/- per kg; balance was irregularly lower by Rs. 10-20/- per kg. Teas at the lower end were maintained.

OPA : A few select teas were dearer by Rs.10-20/- per kg; balance was fully firm at the commencement of the sale but declined Rs.10-20/- as the sale progressed. Poorer sorts were firm.

PEK/PEK1: Well made shotty invoices were firm to lower by Rs.10/- per kg; balance however gained Rs.10-20/-. Best Pekoe's were maintained; balance was dearer by Rs. 10-20/-. Teas at the lower end were easier.

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	860-970	950-1060	720-760	720-760	575-625	575-625
OP1	1000-1300	1000-1350	750-780	770-800	450-500	475-525
OP	740-960	720-880	620-650	620-660	450-500	440-500
OPA	740-800	720-790	620-650	620-660	450-520	450-520
PEK/PEK1	780-900	780-940	730-770	720-760	580-630	600-650

TIPPY/SMALL LEAF

BOP/BOPSP : Select best and best maintained. Well made below best sorts were firm to dearer; others were irregular.

BOPF/BOPFSP: Few select best teas were firm to dearer. Best appreciated; others were irregular.

FBOP/FBOP1 : Select best FBOP's maintained. Best was dearer. Below best, particularly the bolder types appreciated substantially. Cleaner teas at the lower end appreciated; others were irregular. FBOP1's in general were dearer.

FBOPF/FBOPF1: Very tippy teas particularly the leafy types attracted good demand. Best too appreciated. Below best and lower end were easier. Select best FBOPF1's were firm to dearer. Best gained. Cleaner below best and lower end gained; others were irregular.

FBOPFSP/EXSP: There were a few best invoices on offer which showed a decline in price following less interest from buyers; balance was irregularly lower. Teas at the lower end sold at 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	800-870	800-880	500-570	500-560	390-420	380-410
BOPF /BOPFSP	800-850	800-830	410-440	400-410	375-385	370-380
FBOP/FBOP1	850-920	840-1100	650-740	630-700	530-620	450-600
FBOPF/FBOPF1	930-1350	900-1600	550-630	510-620	420-490	450-500
FBOPFSP/EXSP	2000-2600	2100-3300	720-750	720-750	680-700	700-710

MEDIUM GROWN LEAFY/SEMI LEAFY TEAS

FBOP : Select best well made FBOP's tended irregularly lower; others were firm on last levels. Secondary and the poorer sorts met with fair general demand.

FBOPF/FBOPF1: Well made neat leaf FBOPF1 types tended irregular whilst the secondary and the poorer sorts sold well. Neat leaf FBOPF types were firm on last levels.

PEK/PEK1 : Well made shotty PEK1 types were dearer as the sale progressed. Bold and the Secondary types too met with fair demand.

	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	775-840	800-880	750-775	730-800	675-750	590-730
FBOPF/FBOPF1	775-820	780-840	720-775	700-780	620-720	570-700
PEK/PEK1	800-870	800-850	750-800	730-800	575-750	540-730

HIGH GROWNS

BOP: Best Western BOP select invoices gained up to Rs.20/- per kg following special inquiry whilst the others were firm. In the below best category, brighter sorts gained Rs.10-20/- per kg whilst the others together with teas at the lower end of the market held firm. Nuwara Eliya's substantially lower and mostly unsold. Uva/Udapussellawas were barely steady.

BOPF: Best Westerns commenced firm and appreciated by Rs.10-20/- per kg as the sale progressed. Teas in the below best category which commenced firm and Rs.10/- per kg dearer appreciated further as the sale progressed. Plainer clean leaf sorts too followed a similar trend whilst the poor leaf teas continued irregular. Nuwara Eliya's substantially lower by up to Rs.50/- per kg. Uva/Udapussellawas were irregular.

<u>Quotations (Rs./Kg)</u>	<u>BOP</u>		<u>BOPF</u>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	680-730	670-720	710-770	700-770
Below Best Westerns	660-670	650-660	690-700	680-690
Plainer Westerns	630-650	630-640	630-680	625-670
Nuwara Eliyas	N/A	720-760	700-710	720-770
Other Uda Pussellawas	N/A	N/A	N/A	N/A
Best Uva's	620-700	630-710	620-690	610-660
Other Uva's	N/A	600	N/A	N/A

MEDIUM GROWN TEAS

BOP: Marginally easier.

BOPF: Clean leaf teas Rs.10/- per kg dearer, others lower by a similar margin.

<u>Quotations (Rs./Kg)</u>	<u>BOP</u>		<u>BOPF</u>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
Best Westerns	640-830	640-840	570-710	560-710

CTC

PF1: High Grown PF1s clean leaf teas Rs.10/- per kg dearer; others were irregular whilst Mediums were irregular and sold around last. Low Growns best available Rs.20/- per kg dearer; others generally firm.

BP1: High Growns BP1 gained Rs.20/- per kg and more for select invoices. Mediums Rs.20/- per kg dearer. Low Grown were Rs.10/- per kg dearer.

Quotations (Rs./Kg)

<u>Quotations (Rs./Kg)</u>	<u>PF1</u>		<u>BP1</u>	
	<u>This Week</u>	<u>Last Week</u>	<u>This Week</u>	<u>Last Week</u>
High	590-610	570-540	550-600	600-650
Medium	520-630	550-580	520-660	430-560
Low	410-940	410-960	400-620	285-630

OFF GRADES

Select best liquoring FNGS/FNGS1 were firm to lower by Rs.10-20/- whilst poorer types too followed a similar trend. Best BP's were irregularly lower. Cleaner BM's were firm to lower by Rs.10-25/-. Poorer types lost Rs.10-20/-. Best BOPIA's firm on last week's levels. Poorer types lost Rs.20-25/-.

QUOTATIONS (Rs/kg)	HIGH		MEDIUM		LOW	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
Good Fannings (Orthodox)	470-640	520-640	380-430	410-450	370-430	410-450
Good Fannings (CTC)	320-390	320-390	320-390	320-390	320-370	320-400
Other Fannings (Orthodox)	370-420	390-440	370-420	390-440	370-420	390-440
Other Fannings (CTC)	N/A	N/A	N/A	N/A	N/A	N/A
Good BM's	450-470	460-480	440-470	460-490	440-490	470-530
Other BM's	410-430	425-460	410-430	425-460	410-440	425-460
Best BOPIAs	440-470	450-475	500-540	500-550	550-600	550-610
Other BOPIAs	410-430	440-460	410-430	440-460	410-440	440-460

DUST

Select best liquoring DUST/DUST1's declined by Rs.20/- whilst the balance maintained last levels. The majority of High & Medium PD's firm on last levels whilst select best Low Grown PD's appreciated by Rs.10/. Select best Low Grown DUST/DUST1's were firm to dear by Rs.10/- whilst the balance were firm on last levels.

QUOTATIONS (Rs/kg)	HIGH		MEDIUM		LOW	
	This Week	Last Week	This Week	Last Week	This Week	Last Week
Good Primary Dust 1(Orthodox)	650-880	670-900	560-700	540-680	600-740	570-700
Good Primary PD (CTC)	630-700	630-700	640-690	630-680	560-800	550-790
Other Primary Dust (Orthodox)	400-530	400-530	330-350	330-350	630-750	630-750
Other Primary Dust (CTC)	340-420	340-420	350-400	350-400	370-470	370-470
Secondary Dust	390-410	390-410	330-390	330-390	340-390	340-390
Poorer Dust	390-410	390-410	300-350	300-350	340-390	340-390

World Crop Statistics (MKGS)

Country	Month	2016	2017	Difference +/-	To-date 2016	To-date 2017	Difference +/-
SRI LANKA	Nov.	27.71	24.77	-2.94	265.39	283.38	17.99
BANGLADESH	Oct.	10.41	10.78	0.370	65.44	59.33	-6.11
KENYA	Nov.	39.90	45.37	5.47	427.91	392.35	-35.56
MALAWI	Oct.	2.8	1.8	-1.0	36.8	37.8	1.0
NORTH INDIA	Nov.	109.70	98.40	-11.3	1006.30	992.60	-13.70
SOUTH INDIA	Nov.	19.2	20.5	1.3	197.1	216.2	19.10
UGANDA	July	4.02	2.63	-1.4	31.99	23.75	-8.24

THIS WEEK'S TOP PRICES

<u>WESTERN MEDIUM</u>			<u>UVA MEDIUM</u>			<u>LOW GROWN LEAFY GRADES</u>		
*Harangalla	BOP	830/-	Attampettia	BOP	750/-	New Vithanakanda	BOP1	970/-
*Dartry Valley	BOPA	830/-	Attampettia	BOP SP	750/-	Sithaka	OP1	1300/-
Dombagsthalawa	BOP SP	790/-	*Halpewatta Uva	BOPI	820/-	Liyonta	OP1	1300/-
*Vellai Oya	BOPF / BOPFSP	710/-	El Teb	BOPF/BOPFSP	650/-	Galabode Group	OP	+++ 960/-
Craighead	BOP1	940/-	Aigburth	FBOP /FBOP1	800/-	*Makandura	OP	900/-
Craighead	FBOP/FBOP1	840/-	Dickwella	FBOPF / FBOPF1	765/-	*Lucky Kottawa	OP	880/-
*Harangalla	FBOPF /FBOPF1	820/-	Glen Alpin	OP/OPA	680/-	*Lucky Weerapana	OP	880/-
Craighead	FBOPF /FBOPF1	820/-	Tinioya	OP/OPA	680/-	*Makandura	OPA	800/-
*Dartry Valley	OP/OPA	720/-	Tinioya	OP1	840/-	Navinda	OPA	800/-
*Dartry Valley	OP1	870/-	*Halpewatte Uva	PEK / PEK1	820/-	Mulathiyana Hills	OPA	800/-
*Dartry Valley	PEK/PEK1	870/-				Liyonta	PEKOE	875/-
<u>WESTERN HIGH</u>			<u>UVA HIGH</u>					
Waltrim	BOP	730/-	Bandaraeliya	BOP	710/-	Uruwala	PEKOE	860/-
Bearwell	BOP SP	700/-	Craig	BOP SP	580/-	Lakvinka	PEKOE	860/-
Glentilt	BOPF / BOPF SP	770/-	Oodooerre	BOP1	750/-	Peak View Super	PEKOE	860/-
Wedamulla	BOP1	750/-	Bandaraeliya	BOPF/BOPFSP	690/-	Sihara	PEKOE	860/-
Wedamulla	FBOP/ FBOP1	730/-	Battawatte	FBOP/ FBOP1	750/-	Allen Valley	PEKOE	860/-
Queensberry	FBOPF/FBOPF1	770/-	*Battawatte	FBOPF/FBOPF1	750/-	*Homadola	PEKOE	850/-
Inverness	OP/OP	610/-	Uva Kallie	OP/OPA	690/-	Bulathsinghala Tea	PEKOE1	900/-
Wedamulla	OP1	740/-	Mount Uva	OP1	740/-	*Garden Leaf	PEKOE1	890/-
Queensberry	PEK / PEK1	770/-	Haputhale super	PEK/PEK1	770/-	Pothatuwa	PEKOE1	890/-
<u>NUWARA ELIYA</u>			<u>UDA PUSSELLAWA</u>			<u>LOW GROWN TIPPY GRADES</u>		
LoversLeap	BOPF/BOPFSP	710/-	Kirklees	BOP	670/-	Pothatuwa	BOP	850/-
Kenmare	FBOP/ FBOP1	760/-	*Alma	BOPA	780/-	Kelani	BOPSP	870/-
Mahagastotte	FBOPF/FBOPF1	680/-	Lucky Land	BOP SP	620/-	Pothatuwa	BOPF	850/-
Mahagastotte	PEK / PEK1	760/-	High Forest	BOPF/BOPFSP	670/-	Peak View Super	BOPFSP	840/-
<u>CTC TEAS</u>			<u>OFF GRADES</u>			Suduwelipothahena		
<u>HIGH GROWN</u>			Alma			BOPFSP		
Dunsinane CTC	PF1	610/-	Alma	FBOP /FBOP1	720/-	Sithaka	FBOP	920/-
*Florence	PF1	610/-	Alma	FBOPF/ FBOPF1	780/-	Hidellana	FBOP	920/-
*Florence	BP1	590/-	Gampaha	OP/OPA	680/-	*Wathurawila	FBOP	900/-
Mount Vernon CTC	BP1	590/-	*Alma	OP1	785/-	Gunawardana	FBOP1	900/-
Dunsinane CTC	BPS	590/-	*Alma	PEK /PEK1	775/-	Nelumdalla	FBOP1	900/-
<u>MEDIUM GROWN</u>			Kothmale Hills			Andaradeniya		
Delta CTC	PF1	630/-	*Kothmale Hills	BM	610/-	*Lucky Kottawa	FBOPF	1300/-
Delta CTC	BP1	660/-	Mahambana	BM	610/-	*Lucky Pinnaduwa	FBOPF	1200/-
Aultmore CTC	BPS	590/-	Pabegama	BP	750/-	*Ranmir	FBOPF	1200/-
<u>LOW GROWN</u>			Norwood			Brombil		
Hingalgoda CTC	PF1	940/-	Hingalgoda	FNGS/FNGS1	690/-	*New Galagawa	FBOPF1	1000/-
Ceciliyan	BP1	620/-	*Chandrika Estate	BOPIA	650/-	<u>PREMIUM FLOWERY</u>		
Suduwelipothahena CTC	BP1	620/-	Ceyenta	BOPIA	650/-	*Makandura	FBOPF SP	2450/-
Lakmie CTC	BP1	620/-	Morawakkorale	BOPIA	650/-	Mahadawa	FBOPF EX SP	2600/-
Ceciliyan CTC	BP1	650/-				Lumbini	FBOPF EX SP	2600/-
Nildalukanda CTC	BPS	560/-				New Vithanakanda	FBOPF EX SP1	2500/-
Nildalukanda CTC	OF	620/-				*Peak Paradise	FBOPF EX SP1	2400/-
						<u>DUST</u>		
						<u>HIGH GROWN</u>		
						Mattakelle	DUST1	880/-
						<u>LOW GROWN</u>		
						Hingalgoda CTC	PD	800/-
						New Vithanakanda	DUST1	740/-

* Sold by Lanka Commodity Brokers Ltd

+++ All Time Record Price

++ Equal All Time Record Price

COLOMBO AUCTION - GROSS SALE AVERAGES

SALE NO.02 OF 10TH JANUARY, 2018

	2018			2017	
	<u>Weekly</u>	<u>Month</u>	<u>Year</u>	<u>Weekly</u>	<u>Year</u>
		<u>To-date</u>	<u>To-date</u>		<u>To-date</u>
Uva High Grown	588.35	586.73	586.31	586.22	578.82
Western High Grown	655.75	652.66	651.29	641.82	627.54
High Grown	638.02	634.92	633.88	628.24	616.81
Uva Medium	559.18	557.92	557.24	565.06	562.96
Western Medium	582.94	576.08	574.46	551.69	549.47
Medium Grown	575.84	570.81	569.40	555.00	552.75
Low Grown	652.42	643.57	643.22	590.82	589.52
Total	639.19	631.48	630.99	592.05	588.69

DETAILS OF TEAS AWAITING SALES

	<u>Sale of 23rd/24th Jan.'18</u>		<u>Sale of 29th/30th Jan.'18</u>	
	Lots	Qty.(Kgs)	Lots	Qty.(Kgs)
Low Grown Leafy	4,221	2,091,659	4,126	2,035,309
Low Grown Tippy	2,567	1,533,009	2,507	1,510,459
High & Medium	1,182	601,380	1,280	633,439
Off Grade/BOP1A	2,249	1,250,641	2,134	1,207,722
Dust	665	698,341	655	674,482
Premium Flowery	548	120,125	595	126,357
Ex-Estate	<u>1,009</u>	<u>1,199,127</u>	<u>922</u>	<u>1,071,816</u>
Total	<u>12,441</u>	<u>7,494,282</u>	<u>12,219</u>	<u>7,259,584</u>

Weekly Private Sale Figures (From 08/01/2018- 13/01/2018) - 56,756.00 Kgs

Cumulative - 123,167.50 Kgs

CATALOGUES

Sale No.05 of 29th/30th January, 2018.

The Main Sale catalogue closed on **12th January, 2018** at 04.30 p.m., and Ex-Estate Sale catalogue closed on **11th January, 2018** at 3.00 p.m.

Sale No.06 of 06th/07th February, 2018.

The Main Sale catalogue is scheduled to close on **19th January, 2018** at 04.30 p.m., and Ex-Estate Sale catalogue is scheduled to close on **18th January, 2018** at 3.00 p.m., **but sale will be closed before the scheduled date when the numbers of lots are reached.**

Sale No.07 of 12th/14th February, 2018.

The Main Sale catalogue is scheduled to close on **26th January, 2018** at 04.30 p.m., and Ex-Estate Sale catalogue is scheduled to close on **25th January, 2018** at 3.00 p.m., **but sale will be closed before the scheduled date when the numbers of lots are reached.**

BROKER'S ORDER - SALE NO. 04

Auction of 23rd/24th January, 2018 - Main Sale

Leafy/Tippy/BOP1A/ Premium Flowery

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

High & Medium/Off Grades/Dust

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

Auction of 24th January, 2018 - Ex-Estate

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

LCBL APPROXIMATE SELLING TIME

Tuesday 23rd January, 2018

High & Medium : 08.30 a.m.
Low Grown Tippy : 02.15 p.m.
Low Grown Leafy : 02.30 p.m.
BOP1A : 03.15 p.m.
Premium Flowery : 03.45 p.m.

Wednesday 24th January, 2018

Ex Estate : 10.15 a.m.
Off Grade : 12.00 noon.
Dust : 12.45 p.m.

QUALITY OF MADE TEA
TEA COMMISSIONER CIRCULAR NO.TC/CIR (204)-3-2018 DATED 10TH JANUARY, 2018

To All Registered Manufacture of Tea

ADVISORY CIRCULAR QUALITY OF MADE TEA

All manufacture of tea are reminded that the Sri Lanka Tea Board will be closely monitoring teas being presented for sale at the Colombo Tea Auction and for export under the powers vested by the Tea Tax and Control Act No.16 of 1959, to ensure that they meet the quality standards expected of Ceylon tea by importing countries.

In particular, the following Maximum Residue Limits (MRLs) will be strictly enforced:

Hexaconazole	: not more than 0.01 parts per million by weight.
MCPA	: not more than 0.05 parts per million by weight.

The TRI has advised that Hexaconazole should be applied only to nurseries and immature/ pruned fields, and not in plucking fields. Therefore, if residues of Hexaconazole are detected in made tea in excess of the above MRL, the tea will be treated as contaminated.

Manufactures are also warned in exercise strict monitoring and control of their supply chain to ensure that only substances approved by the TRI are used, and even then in accordance with the respective guidelines, at every stage of the growing or manufacturing process.

The Sri Lanka Tea Board will also be taking action against any manufacture whose tea is found to contain extraneous matter. Sacks of tea from lots catalogued for auction will be cleaned under the supervision of the Tea Board and the relevant broker. Brokers will be notified on a weekly basis of the details of noncompliance, and if any extraneous matter is detected, all teas presented for auction by that manufacturer will be removed from the catalogue and the manufacturer will be suspended from presenting tea for auction until the Tea Commissioner is satisfied that the deficiencies in the manufacturing-process of the factory have been satisfactory addressed.

Manufactures are advised that no further warning will be issued in these respects.

COLOMBO TEA TRADERS' ASSOCIATION

Important CTTA Circular for the urgent attention of all Producer Clients

BY-LAW NO. 36 - OBJECTIONS/COMPLAINTS/CLAIMS

The Committee has considered it necessary to reiterate its concerns expressed in Circular No. 05 of 2014, dated January 20, 2014, Circular No. 28 of 2014, dated August 18, 2014 and the Circular No. 32 of 2015, dated November 06, 2015, on the captioned subject.

The incidence of complaints on quality variances, grade classifications and packaging descriptions, resulting in claims, has reached alarming levels and is seriously jeopardizing the credibility of the entire auction system. Teas accepted for sale through the Colombo Tea Auction are sold entirely on trust and are presumed to be a true representation in quality and related standards of description and packaging of the internationally renowned brand, "CEYLON TEA". It is the entire responsibility of the Brokers and Sellers to ensure the authentic representation of each and every invoice in the form of the pre-auction sample and the post-auction delivery.

In such provocative circumstances, the Committee decided, at its meeting in January 2018, to avail itself of the provision in By-Law No.36.(f), which states: "***In the case of habitual offenders, the Association, at its discretion, from time to time, shall determine a more stringent punitive measure for imposition.***" Consequently, the following punitive measures will be implemented with effect from first sale of January 2018.

- A. A penalty of Rs.10,000/- will be imposed on bag to bag variances per lot to be paid to the Buyer who raised the claim.
- B. In case of deliberate tampering with a consignment, 25% of the total value of the lot, to be recovered by the Broker from the Producer and 20% will accrue to the Buyer whilst 5% to be credited to the Association.
- C. The factory of the relevant selling mark that is detected to have deliberately tampered with a consignment, will be suspended from selling tea through the Auction for a minimum period of 6 months, in the event its culpability is confirmed, following an inquiry.

All Brokers shall declare to the Association a summary of claims submitted to them by Buyers on a monthly basis, specifically in respect of punitive measures A and B.

SUB DISTRICT AVERAGE PRICES DURING THE MONTH OF DECEMBER 2017

SUB DISTRICTS		MONTH	CUM@	SUB DISTRICTS		MONTH	CUM@
	(A) NUWARA ELIYA	688.78	598.57		(D) UDA PUSSELLAWA		
	(B) WESTERNS			1	Uda Pussellawa/Halgranoya	570.47	562.96
1	Ramboda	561.56	530.84	2	Maturata	604.87	548.64
2	Pundaluloya	601.78	580.18		(E) UVAS		
3	Agarapatana	639.73	598.93	1	Koslanda/Haldumulla	668.84	650.56
4	Nanuoya/Lindula/Talawakelle	687.43	630.95	2	Haputale	631.83	596.9
5	Patana/Kotagala	666.28	608.23	3	Bandarawela/Poonagalla	552.19	563.12
6	Hatton/Dickoya	668.53	620.59	4	Malwatte/Welimada	517.92	573.73
7	Bogawantalawa	685.61	627.70	5	Demodara/Haliella/Badulla	571.80	585.6
8	Upcot/Maskeliya	675.15	620.75	6	Ella/Namunukula	522.63	533.56
	(C) MEDIUMS			7	Passara/Lunugalla	554.43	568.32
1	Watawala/Ginigathhena/Norton Bridge	606.80	574.02	8	Madulsima	536.30	535.43
2	Pussellawa/Hewaheta	565.32	551.08		(F) LOWGROWNS		
3	Kotmale	631.79	636.81	1	Deniyaya	671.17	679.36
4	Gampola/Nawalpitiya/Dolosbage	559.13	567.55	2	Galle	654.11	663.36
5	Nilambe/Hantane/Galaha	513.76	533.41	3	Kalutara	586.62	612.87
6	Kadugannawa	472.73	499.43	4	Kegalle	629.77	622.63
7	Madulkelle/Knuckles/Rangala	473.37	513.65	5	Kellani Velli	644.32	644.79
8	Hunnasgiriya/Matale/Yakdessa	466.28	481.92	6	Kandy/Matale/Kurunegala	505.51	510.71
9	Balangoda/Rakwana	576.68	588.73	7	Matara	683.35	686.03
	<i>Source: Sri Lanka Tea Board</i>			8	Morawaka	654.12	667.75
				9	Ratnapura	632.95	632.94
				10	Balangoda	600.56	602.81

OTHER MARKETS

MOMBASA TEA AUCTION MARKET REPORT - SALE 03 OF THEC 15TH -16TH JANUARY, 2018

Good and improved general demand for the 179, 439 packages (11.3M/Kgs) on offer closely following quality. 9.96% were neglected.

The Best BP1s available appreciated by up to USC18 with Brighter categories irregular and ranged between firm to USC8 dearer to easier by up to USC20 while Medium sorts were irregular varying between firm to USC22 dearer to easier by a similar margin. USC20 with Plainer descriptions mostly easier by USC8-USC12 and some teas were unsold but a few select improved lines gained up to USC20.

Best PF1s in the market saw more competition appreciating by USC8-USC28 while Brighter varieties were firm to USC12 DEARER WITH Medium sorts irregular ranging between firm to USC20 above previous levels to easier by up to USC16. Plainer categories ranged between firm to USC4 dearer while improved lines gained further with quality but others were difficult of sale and discounted by USC5-USC11 where sold.

Best DU1ST1s on offer eased marginally while brighter varieties saw an irregular enquiry varying between USC7 dearer to mostly easier by up to USC6 with Medium categories firm to USC18 dearer. Plainer sorts advanced by USC2-USC16 but Plainest were difficult of sale.

In the Secondary catalogues BPs appreciated while PFs were dearer. Clean well sorted coloury Fanning's gained while similar DUSTs advanced. Other Fanning's were steady while similar DUSTs held value. BMFs were well absorbed.

Afghanistan was strong and dominant with more enquiries from Yemen, other Middle Eastern Countries, Bazaar and Sudan. Egyptian Packers lent useful support. Pakistan Packeers, Kazakhstan, other CIS Nations, Russia and UK maintained activity while Iran were less active. Somalia were active at the lower end of the market.

	BP1	PF1	PD
Best	308-454	335-415	344-416
Good Medium	300-360	315-366	340-355
Lower Medium	162-258	152-302	190-308
Plainer	130-222	129-244	145-274

JAKARTA AUCTION MARKET REPORT- SALE NO.03

Not available at the time of printing.

Cont'd.... (10)

SOUTHINDIAN ROUNDUP FOR THE WEEK ENDING 13TH JANUARY, 2018

KOCHI

CTC LEAF Good demand. Market was steady on Best broken . Fannings tended dearer . Internal and Upcountry buyers were active with fair support from Exporters on plainer types.

LEAF-ORTHODOX

Demand: Good general demand.

Market: Market ruled at dearer levels for the whole leaf grades, best Nilgiri broken were fully firm to dearer following quality. However, Medium larger Broken and Fannings were barely steady .Plainer types were selling at steady levels.

Buying Pattern: CIS/Middle East exporters were active. Upcountry buyers lent active support on whole leaf grades.

DUST

Demand: Good general demand.

Market: Good liquoring popular grades and better mediums were selling at fully firm to dearer levels by Rs. 2 to 3 and sometimes more following quality with competition. However, the bolder grades ruled at steady levels. Plainer sorts were tending dearer.

Buying Pattern: Major blender AVT and KSCSC were active on the best mediums. Domestic buyers were very active in their purchases. Exporters were selective on their purchase.

COONOOR

CTC LEAF

Demand: Good

Market: Generally an easier market with most of the teas selling at Rs. 2/- to Rs. 3/- lower with fair outlots on the Bolder Broken. However the Brighter liquoring types have had a better enquiry and sold at fully firm to dearer levels.

Buying Pattern: Fairly good Internal enquiry with some of the Packeteers supporting well. On the Export front SSK was seen operating on the Bolder grades and others were operating at comfortable levels on all grades.

ORTH LEAF

Demand: Good

Market: Irregular and mostly lower upto Rs. 5/-. Some of the high-priced popular marks have dropped even further. However better enquiry was forthcoming for the Whole Leaf grades which were selling at steady to firm levels.

Buying Pattern: Strong Export enquiry with equally good Internal support.

CTC DUST

Demand: Good

Market: Market opened being steady to lower by Rs. 2/- to Rs. 3/- with more drop seen on the Better mediums. However the brighter liquoring sorts have sold at fully firm to dearer levels.

Buying Pattern: Fairly good Internal buying with equally good support from the Packeteers and Exporters.

ORTH DUST

Demand: Fairly good

Market: Irregular and lower by Rs. 2/- to Rs. 5/- and sometimes upto Rs. 15/-, following quality. However there has been considerable amount of outlots on the Secondaries and Tertiaries.

Buying Pattern: Fair operation from both Internal and Export buyers.

COIMBATORE

CTC LEAF

Demand: Fair demand.

Market: Better smaller broken and BOPF's were lower by Rs.2 to 3/-. Medium broken were steady. BOPF's were lower by Re.1/- to Rs.2/-. Plainers fully firm to dearer by Rs.3/- to Rs.4/- sometimes more.

ORTH LEAF

Fair demand. Whole leaf firm to dearer by Rs.4/- to Rs.5/- sometimes more following quality Others irregular with heavy withdrawals.

CTC DUST

Demand: Good general demand.

Market: Better liquoring and popular marks were fully firm to occasionally dearer. Mediums irregular and lower by Re.1/- to Rs.2/-. Plainers dearer by Rs.2/- to Rs.3/- with some withdrawals.

ORTH DUST

Fair demand. Barely steady with some withdrawals.

Source: Paramount Tea Marketing (SI) Private Limited.

January 17, 2018

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