

Market Report - week 21 (18 – 22 May 2020)

CTC

This week's **Mombasa** auction again brought us a generally easier market. Only the best categories of each grade seem to manage firm to dearer rates. A fair 24k packages came out, all leading to a 4cts lower all average hammer price. BP1s best traded firm to dearer, below best steady to easier, Rwanda types up to 65cts (!) easier and more for the high-priced lots, good medium types lost as did plainer types. Kazakh buyers were less active while Sudan buyers were selective. PF1s best steady to firm, but all other categories lost. Best PF1s experienced improved demand from Pakistan packers and Bazar. WoR types met good demand from their usual buyers. Whilst medium and plainer plantation types met less demand from the UK and from a large packer. PDs best traded steady to easier with selected best firm and again all other shedding between 5 and 10 cts. Pakistan and Yemen buyers were less active on the EoR PDs with Egypt buyers active on WoR PDs at easier rates. At the end of the day Global led the buyers list by taking 14% followed by Cgl 12, Chai 12, LAB 10, JF 7, etc. In the meantime, the auction quantities for the coming weeks are showing large volumes of tea ahead of us, also the weather conditions indicate that these large offerings aren't going to stop anytime soon.

The **Limbe** auction stays a small version of what it used to be. Again the 2820 packages on offer struggled to find a home, after the trading session 78% remained unsold while at the end of the day this reduced to 52%. The low quality teas on offer were mostly neglected. The weather conditions are cloudy and hot during the day, followed by cold circumstances during the night. Most tea estates are busy pruning which is bringing crop intake to very low levels. In the coming weeks many tea factories will close for further maintenance. In **Jakarta** most CTC teas were selling at steady to firm rates again experiencing heavy withdrawals. There was no auction in **Kolkata** this week. In the south, the Coonoor auction met good demand leading to firm to dearer rates while the plainer types traded sideways.

Orthodox

In **Colombo**, Sale 18 had 5.39m.kgs on offer with a mixed interest. Mostly the High Grown BOP's were sold at discounted levels whilst the BOPF attracted strong demand at firm to dearer levels. The select best and better LG OP1 and BOP1 followed a similar trend where we saw the OPA and PEK leaving the room at easier levels. The LG small leaf and tippy varieties steamed through at last week's levels. The favorable weather conditions are perfect for growing and resulting in an increased crop intake. The forecast is that decent rains will maintain up until August which we will see in the auction room with sales offerings of between 6.00-6.50m.kgs from sales 21 and onwards. In the auction room in **Jakarta** there were 7,360pkgs on offer with less demand as 37% remained unsold. Most of the invoices sold at steady to firm levels with the exception of several PF invoices which were let go at firm to dearer levels. The irregular weather remains with hot and dry morning and showers in the afternoon. In **Coonoor**, there was selective demand for the limited invoices of leafy grades. Primary whole leaf grades were barely steady, well-made clean Brokens firm and all others irregularly lower. All medium sorts were sold at lower levels with several remaining unsold. The dust grades on offer met fair demand. BOPD's sold around last whilst secondary and others sold at barely steady levels. In **Cochin** there was a fair demand with leafy teas selling at firm to dearer rates. Fannings sold at dearer levels and some very poor secondaries saw withdrawals. Dust met fair demand across all marks selling at slightly easier levels.

"We don't make mistakes, just happy little accidents." – Bob Ross

Auction qty. (pkgs)	week 22	week 23	week 24
Mombasa	191,405	186,024	N/A
Blantyre	No Closing	N/A	N/A
Colombo	N/A	N/A	N/A
Jakarta	5,620	N/A	N/A
Kolkata	N/A	N/A	N/A
Guwahati	109,545	N/A	N/A

Crop figures (m. kg)	Feb '20	Feb '19	Jan – Feb '20	Jan – Feb '19
South India	13.29	10.16	29.3	24.38
North India	1.24	4.64	1.24	4.64
Crop figures (m.kg)	Mar '20	Mar '19	Jan -Mar '20	Jan- Mar '19
Kenya	55.73	26.46	158.57	106.3
Sri Lanka	13.28	28.15	53.27	73.19
Crop figures (m.kg)	Apr '20	Apr '19	Jan -Apr '20	Jan- Apr '19
Malawi	6.38	7.37	27.05	28.55

All price movements quoted in USD per kilo

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