

## Market Report - week 24 (14 – 18 June 2021)

### CTC

In **Mombasa**, there was fair demand in the auction this week with teas selling at easier levels across the board. The easier market can partially be attributed to the large closing total of 205k packages for sale 26. However, this week there was 185k packages on offer with outlots standing at 13% compared to 15% percent last week. The all average hammer dropped a significant 8usc to close at \$1.74. Best EoR BP1 met improved demand at irregularly steady to easier rates. The below best met good demand at irregularly steady to easier rates and selected quality types were steady. WoR BP1 sold at irregularly steady to easier rates. Medium BP1's continued to sell at irregularly steady to easier rates owing to reduced Sudan interest. In addition, EPK's also depreciated, Nandi and Limuru types also eased and met irregular demand. KTDA EoR PF1's continued on the downward trajectory. WoR PF1's were steady to slightly easier. Medium PF1's also depreciated with the majority losing up to 10usc. EPK's and Nandi types also eased, whilst some Williamsons held their value. Plainer PF1's were irregularly steady to easier. Rwanda PF1's were irregularly steady to easier and Burundi PF1's were mostly easier apart from quality types which were dearer. In the dust auction an easier market prevailed with KTDA EoR PD's selling at steady to easier rates. WoR PD's also sold at easier rates. Both EoR and WoR D1's lost the gains of last week and eased. The medium and plainer types maintained their easier trend. On the weather front, EoR on the whole was cool and dry and WoR there was reduced and erratic rainfall in the afternoons with the morning dry and sunny. Crop EoR is gradually declining and WoR maintained. In **Malawi**, there was continued good demand with 56% of teas on offer selling. Of the two BP1 lots on offer, both sold at 14usc easier rates. PF1 Sc continued their good demand at steady to 1usc easier rates. With PF1 seedlings, PGI marks witnessed good support and EPM's did as well at 1usc easier rates. Other marks were neglected. PF's met good demand at 3usc below valuation. PDs met selective demand at discounted rates except PGI's types that appreciated due to keen attention from one buyer. D1's met good demand at 4-6usc easier rates. Offgrade fngs met good demand at steady to 1usc easier rates and Offgrade dust met good demand at 6usc dearer rates. On the weather front, in Mulanje it was hot during the day and cold at night, with some light showers on the 7th and 8th of June. In Thyolo the weather conditions were virtually the same. Crop intakes continue to drop seasonally. In **Jakarta**, there was low demand for the 7,560 packages on offer with 59% remaining unsold. Prices tended selectively steady to firm, especially for West Java PD/Fannings. In **South India**, the CTC teas in the Coonoor auction met lower and fair to less demand at lower to irregular rates. In Coimbatore there was less demand at easier rates and in Cochin there was fair demand at easier rates. In **North India**, in the Kolkata auction 70% of teas on offer sold, with strong demand for the best Assams. The better types appreciated with the remainder irregular to easier.

### Orthodox

In **Colombo**, another large auction with 7.50m.kgs attracted good demand with more widespread interest across all grades compared to last week. The HG offerings saw a slight dip but remained just above the 1m. mark. BOP sold at firm to 20cts dearer levels. Good BOPs were hard to come by, so the buyers who were looking for the better invoices were selective and paid up. The Medium Grown segment, with 1.08m.kgs, was met with an overall improved demand. The larger percentage of the below best category teas across all grades were sold at easier levels with the exception of OPs and OPAs, which improved by 5-10cts. Better FBOPs and FF1s sold at fully firm levels to 5cts higher. LG leafy teas comprised of 2.02m.kgs with the OPA attracting particularly good demand. Best types were firm, below best and bottom types were 5-10cts dearer. The full range of BOP1s met good demand and were sold at fully firm to marginally dearer levels. Even though the demand was mostly circling on the better teas, the select best OP1s failed to live up to their expectations and fell by 15-20cts. Best sold at 5-10cts dearer, below best and bottom were fully firm to 5cts dearer. The select best Pekoe1 were marginally dearer, the balance along with the bold Pekoes were firm. 1.19 Mn kg of LG small leaf grades met with fair general demand. Better FBOP's, FF1s and very tippy types were fully firm. Below best and bottom FBOP's eased by about 5cts. Off grade teas had 1.46 Mn kg on offer. The High Grown liquoring FGS1 from the western region were firm whilst the teas from the eastern slopes were easier. Poorer sorts were firm. Ceylon Tea exports for month of May 2021 has recorded 23.79 Mn kg, a marginal increase from last year's May export figure of 22.66 Mn kg. Turkey still taking the lead, followed by Iraq, Russia, UAE and China. The auction quantities in the coming 2 weeks remain around the 7.2m.kg mark and quantities are expected to remain around this level for the coming 4 weeks. The quality in all 3 elevations is dropping and the crop intakes in the western and Uva region have eased for different reasons whilst Nuwara Eliya and Low Grown areas are maintained. In **Kolkata**, the first sale with second flush teas on offer met strong demand for select best teas, good demand for the mediums and poor demand for the plainer types. A total of 94% has been sold. In **South India**, only a small quantity was on offer, which attracted a tempered demand at overall lower levels.

*"Only the mediocre are always at their best."* - Jean Giraudoux



Auction qty. (pkgs)	week 25	week 26	week 27
<b>Mombasa</b>	198,013	205,736	193,154
<b>Blantyre</b>	8,660	9,280	N/A
<b>Colombo</b>	196,001	193,349	N/A
<b>Jakarta</b>	7,400	7,560	N/A
<b>Kolkata</b>	60,549	82,964	N/A
<b>Guwahati</b>	131,643	169,198	N/A

Crop figures (m. kg)	Jan '21	Jan '20		
<b>Sri Lanka</b>	21.9	21.9		
Crop figures (m. kg)	Feb '21	Feb '20	Jan – Feb '21	Jan – Feb '20
<b>Kenya</b>	43.39	49.20	92.29	102.83
Crop figures (m. kg)	March '21	March '20	Jan -March '21	Jan-March '20
<b>Malawi</b>	7.9	6.7	22.2	20.6
Crop figures (m. kg)	April '21	April '20	Jan -April '21	Jan-April '20
<b>N. India</b>	51.4	23.8	100.5	57.6
<b>S. India</b>	22.0	15.3	72.8	55.9

*All price movements quoted in USD per kilo*

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