

Market Report - week 38 (20 – 24 September 2021)

CTC

While auction quantities are slowly creeping up, this week's **Mombasa** auction met improved demand. The 123,777 pkgs on offer experienced improved absorption with 22% outlots versus 26% in the foregoing week. The all-average hammer price also gained 6cts to USD 2.10h. EoR BP1s traded irregularly firm to 15cts dearer, where Kazak and Sudan buyers seemed to be especially hungry for tea. Below Best BP1s traded irregularly steady to easier with poor quality types taken out. Good mediums traded irregularly firm to 4cts dearer. Medium types traded irregularly firm and plainer types traded steady to 5cts easier. The EoR PF1s on offer continued their upwards trend and were almost fully absorbed. Pakistan packers were the main driver of this segment leading to irregularly firm to 6cts dearer rates. Below best PF1s gained 3-10cts, with a large global packer taking the lead for their preferred marks with support from UK packers. Good mediums traded irregularly firm to 7cts dearer, mediums traded irregularly steady to easier, and plainer types traded steady to easier following quality. The dust section met good demand, best PDs traded up to 18cts dearer, below best traded firm up to 8cts dearer, mediums traded irregular with quality types trading firm to 18cts dearer, and the lower teas slightly eased. Plainer PDs traded irregularly firm to dearer. In the meantime, tea growing conditions are slowly changing. A few areas EoR received light to moderate rainfall with daytime temperatures increasing, however, crop still remains steady. Some areas WoR experienced moderate to heavy rainfall, combined with increasing temperatures. Their crop is seasonally picking up. Although Pakistan packers were showing strong demand, Bazar traders remained on their famous fence, resulting in selective demand. Price levels are still on the high side for them while the crop should seasonally improve. Afghanistan traders remain quiet. In **Malawi**, this week's Limbe auction met good demand due to the good quality teas on offer. BP1s were neglected due to poor quality, PF1 sc met good demand at 6cts below valuations, and PF1 seedlings met good demand at steady rates. PDs traded sideways and D1s traded steady. Offgrade fngs appreciated 5-7cts and offgrade dust sold below valuations. The weather conditions changed when the cold front arrived last weekend. Not only did the temperatures drop, but there were also chiperoni showers. Green leaf intake on some estates improved but one major producer reported a declining intake. Auction quantities are holding up quite well for the time of the year. In **Jakarta**, Java CTC met improved demand at firm to dearer rates. Especially PF1s gained up to 23cts for some selected marks. In **Kolkata**, the market met good demand, and well-made Assams traded steady while mediums traded sideways. The **Guwahati** auction also met good demand, with well-made types trading steady, mediums traded choppy while browner types experiencing less demand with outlots.

Orthodox

In **Colombo**, teas from all elevations met good demand yet again, with total offerings standing at 6.2 m.kg in this week's auction. In the High Grown category, better western BOPs sold at dearer levels, while the plainer sorts maintained. Better BOPFs also sold at dearer levels. Plainer BOPFs maintained with the poorest on offer being discounted. Nuwara Eliya teas were restricted this week, where BOPs sold at firm to easier levels. Corresponding BOPFs eased. Seasonal Uva invoices attracted less demand with quality in decline. Balance Uva/Udupussellawa BOP/BOPFs met with good demand and gained in the process. Low Grown CTC BP1/PF1's maintained and so did the High & Medium Grown CTC BP1s. Corresponding PF1s maintained and were at times easier. In the Medium Grown, OP1s in all categories maintained. However, the corresponding BOP1s gained across all categories. FBOPs and FBOPF1s followed a similar trend. Regarding Low Grown leafy types, OP1s/BOP1s gained overall. Better OPAs sold at dearer levels, while balance OPAs along with OPs maintained. Low Grown small leaf grades met good demand. All FBOPs/FBOPF1s maintained. Tippy sorts gained on last levels. BOPs/BOPFs maintained. In offgrades, better High Grown liquoring FGS1s gained, while others maintained. Better Low Grown FGSs/FGS1s maintained, while others eased marginally. BMs maintained. BOP1As eased across all categories. On the weather front, Western Nuwara Eliya, Uva, and Udupussellawa regions reported bright mornings with scattered afternoon showers. The Low Grown regions experienced mixed weather. In the meantime, Western and Udupussellawa regions reported a decline in the crop intake, while the Nuwara Eliya, Uva, and Low Grown regions maintained. In **Jakarta**, the market trend was steady to firm for orthodox teas. Sumatra BOPF and BT were selectively firm to dearer. In **Kolkata** the market opened strong and about 90% of teas on offer sold. Select few tippy teas sold readily while clean, better liquoring whole leaf and brokens sold irregular. The remainder were irregularly lower in line with quality. In South India, **Coonoor** saw fair demand across leaf and dust types, and prices moved up overall across the board. In **Coimbatore**, whole leaf types were barely steady and along with brokens. Fannings suffered heavy withdrawals. There was good demand for leaf types in **Cochin**, where prices were barely steady to easier for all varieties.

"Middle age is when you're sitting at home on a Saturday night and the telephone rings and you hope it isn't for you." – Ogden Nash

Auction qty. (pkgs)	Week 39	Week 40	Week 41
Mombasa	125,879	127,099	133,643
Blantyre	6,420	6,160	N/A
Colombo	159,079	162,948	N/A
Jakarta	7,760	10,300	N/A
Kolkata	196,837	N/A	N/A
Guwahati	174,430	N/A	N/A



Crop figures (m. kg)	June '21	June '20	Jan-June '21	Jan-June '20
Kenya	43	46	274	301
	July '21	July '20	Jan-July '21	Jan-July '20
India	157	141	623	511
Sri Lanka	26.2	26.5	187	156
	August '21	August '20	Jan-August '21	Jan-August '20
Malawi	2.1	1.3	38	34

All price movements quoted in USD per kilo

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