

Market Report - Week 4 (23 – 27 January 2023)

CTC

Reduced and irregular general demand was witnessed in **Mombasa**. On offer this week we had 239K pkgs which was the largest offering to-date for this centre. Similar to last week, absorption for the dust sale was less while for the leafy grades was slightly improved. This week we came out with 89K pkgs (41%) vs 87K (37%) last week. The All Avg hammer for the sale shed 7cts to close at \$2.05. Best BP1's were irregularly firm with selected lots gaining. Below best sold at irregularly steady to easier rates with support from Sudan, CIS and Iran with Pakistan packers quiet. Plantation types continued to sell at easier meeting selective interest from Sudan, Iran and CIS. Foreign BP1 sold at slightly easier levels meeting selective interest from Sudan, Iran and CIS. Better KTDA EoR PF1's were steady to slightly easier while the below best shed upto 10cts on a/c of absence of some of the Pakistan packers along with bazar. However, others markets like UK, Afghan and Iran lent steady support to this segment with good absorption. The issue of Pakistan USD crisis still looms and containers continue to incur heavy demurrages. Blacker WoR PF1 received improved support from Afghan, Iran, UK and selected Pakistan packers. Mediums started on an easier note with some marks shedding between 15-25cts but gained and firmed up as the sale progressed. There was improved support on the lower mediums. Support was widespread from UK, Iran, Afghan, Pakistan packers, Russia, Japan and Sudan. The plainer types were easier with some marks touching the one-dollar mark. Rwanda PF1's were about steady to easier following quality. They met steady demand from CIS, UK, Egypt and Sudan with Pakistan quiet. Burundi PF1's were irregularly steady to easier with Indo taking the lead on this segment. KTDA EoR PD/D1s managed to hold firm at last week's prices to slightly dearer for the best flavory types. Yemen, UK and CIS buyers maintained their activity on them. Afghan buyers also joined in on the better type which meant increased competition leading to improved prices. WoR PDs met with selective activity at reserve prices with UK, Yemen and Egypt buyers active. D1 counterparts were irregular with better leaf types going at firm prices courtesy of Yemen while balance remained steady to easier. Medium types continued to receive reduced activity and slid further south trading at steady to 14cts easier. Sunny and dry conditions prevailed over much of the country. Light rainfall was recorded in isolated areas over the Highlands East of the Rift Valley. The days were sunny and the nights partly cloudy. Both daytime (maximum) temperatures and night-time (minimum) temperatures increased over some stations. Crop harvest is at previous levels for both side of the Rift. The volume 2,740pkgs on offer in **Malawi** met hardly any demand at all. Only 160ps BP1 and Off grade Fngs sold. The rest was ignored or didn't meet reserve prices. Tropical storm Cheneso which is active in the Indian ocean coast of Mozambique has been enhancing the main rain bearing systems leading to rains every day since last week. Factories are churning out tea at full speed and warehouses are filling up. In **Jakarta**, CTC teas met fair demand at generally firm rates. The **Kolkata** auction met good demand, quality teas met competition while the remainder traded sideways, poor leaf teas eased. In **Coonoor** ctc teas met strong demand at firm to dearer rates while the **Coimbatore** auction also met good demand at firm levels. **Cochin** followed a similar trend.

Orthodox

The **Colombo** auction met selective demand at generally easier rates. Select best BOPs were firm to USC 15 easier, whilst corresponding BOPFs were also easier by a similar margin. Below best and plainer BOPs varieties were USC 5-10 easier, whilst corresponding BOPFs were firm to easier by USC 15. Nuwara Eliya BOPs were firm to USC 10 easier. BOPFs were firm to USC 15 easier. Better Uva BOPs were firm to SC 10 easier, whilst other Uva BOPs were firm to USC 10 lower. Better BOPFs sorts were firm whilst others declined USC 15-20. Better OP1s were firm. Others maintained. FBOPs were eased by USC 12-27. BOP1s were easier by USC 13. Better FF1s declined USC 12. Others were also easier by USC 15-25. Well-made OP/ OPAs were firm on last week's levels. Other OPAs were irregularly easier by USC 12-27. Better Pekoe/ Pekoe1s were firm to dearer by 12-25 USC. Better OP1s were lower by USC 10-15, whilst other OP1s were USC 5-10 easier. Better BOP1s were shed USC 5-7, others were also easier by USC 20-22. Select best OP/OPAs were USC 5-10 easier. Best and below best OP/OPAs were firm to dearer by USC 5. Bottom sorts were firm. Well-made PEK/PEK1s were dearer by USC 11-14 while the other types were dearer by USC 15-25. Select best & best LG FBOPs were firm to easier by USC 5-10, other types were also lower by USC 10-20. Cleaner FF1s were easier by USC 5-10. Poorer types were firm on last week levels. FFs were overall lower by USC 20-30. BOP/BOPF overall lower by USC 10-20. Very tippy teas overall lower by USC 20-30. Better high grown liquoring FGS1 were firm to easier by USC 5, whilst other FGS1s were firm. Low grown FGS in general were firm on last weeks levels. The poorer teas were selectively easier by USC 5-10. Best BMs were marginally easier by USC 8-11. Other BMs firm to selectively dearer by USC 5-10. BPs Best and poorer types were overall easier by USC 20-25. BOP1As in general showed a dearer demand ranging from USC 5-25. High grown primary Dust1s firm to dearer by USC 20, whilst secondaries were dearer by USC 10. Low grown Dusts were firm. In the meantime, weather conditions are bright and dry in all planting districts. Most HG areas reported a maintaining crop intake whilst tea growing areas at a lower altitude reported a declining leaf intake. This week's reported December crop figures makes up the balance of a turbulent year at Sri Lanka. While supply is tightening, demand also doesn't seem to be very enthusiastic. Many Ceylon tea consuming countries seem to be well stocked, including Russia. In **Jakarta** demand remained slow while the auction was mainly dominated by buyers for the local market. Most orthodox traded steady to firm, where sold. 58% of the teas on offer remained unsold. Weather conditions are normal for the time of year, high temperatures combined with daily rainfall have been reported from Java & Sumatra. Auction quantities remain low while also absorption remains low. In **Kolkata**, the market met strong demand with good liquoring teas trading firm tending dearer while poor leaf types traded sideways. In the **South**, wintery conditions prevail with auctions experiencing good demand at firm rates.

"It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change."—Charles Darwin



Auction qty. (pkgs)	Week 5	Week 6	Week 7
Mombasa	226,680	253,008	231,520
Blantyre	2,980	2,320	N/A
Colombo	131,308	120,428	N/A
Jakarta	5,800	5,020	N/A
Kolkata	N/A	N/A	N/A
Guwahati	N/A	N/A	N/A

Crop figures (m. kg)	October '22	October '21	Jan-Oct '22	Jan-Oct '21
India	161	193	956	993
	November '22	November '21	Jan-Nov '22	Jan-Nov '21
Kenya	49.2	50.7	478	485
	December '22	December '21	Jan-Dec'22	Jan-Dec '21
Sri Lanka	19.5	20.5	252	299
Malawi	4.6	3.8	48	51

All price movements quoted in USD per kilo

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