



Save the leaf—it's precious.

In the sixth Cochin dust sale of the year, 84% of the offerings were sold at an average price of \$1.80 (+1¢, 0.5%). While there was healthy cross-sectional demand—84% of the quantity sold—markets again failed to reflect this in the average sale price, as Tata Global Beverages did not operate.

	Sale No. 5 28 Jan 2014 (previous sale)	Sale No. 6 4 Feb 2014 (this sale)	Sale No. 7 4 Feb 2014 (next sale)
Total Qty. Offered	1,110,070 kgs	990,710 kgs	995,366 kgs
Total Qty. Sold	873,378 kgs (79%)	833,532 kgs (84%)	—
Total Qty. Unsold	236,692 kgs (21%)	157,178 kgs (16%)	—
Average Price	\$1.79	\$1.80	—

Key Observations

1. In the *Best* category, good liquoring teas, especially the finer grades with a clean, black appearance, sold dearer (+5–8¢). The rest, including popular marks, sold at barely steady levels with some withdrawals. *Medium* and *Plain* categories held steady to firm and sometimes dearer following appearance (+1–3¢).
2. Local and upcountry traders made a return after two weeks of hiatus. Among the majors (Active: AVT, KSCS; Selective: Unilever; Absent: Tata Global Beverages), good-liquoring varieties were much sought after. Exporters continue to be active, but their mantra remains, as always, “small, clean, and cheap”—with a strong emphasis on the latter.
3. In South India, for December 2013, crop quantity was 6.3% lesser year-on-year (19.78 M kgs vs. 21.11 M kgs), while North Indian production was steady. Yet, median prices in USD are substantially lower (–4.65%, –12.00%, –15.30% on *Good*, *Medium*, and

Plain categories, respectively). While *Good* CTCs are relatively insulated because of domestic demand, medium and plainer teas—their fate solely in the hands of exporters—are more elastic than ever to global cues, which were rather unfavorable last quarter.

Forecast

Unprocessed green leaf is trading up to 40¢ per kilogram in the Central Travancore and Nilgiri plantation districts. For these prices to be viable, average sale prices of the teas made from these leaves must be at least a 6x multiple (\$2.40) when they hit the market in the first week of March, a 33% increase month-on-month.

As limited competition among buyers keeps prices deflated momentarily, this will attract speculator interest, reducing the dramatic surge when the market finally accounts for the dwindling crop intake. Has anyone ever heard of a more efficient method called Future Contracts? Shhh.

Sale History

Week-on-week and year-on-year comparative low-high prices in US Dollars in the Cochin dust market.

Best CTC Dusts

	Sale No. 6 2014	Sale No. 5 2014	Sale No. 6 2013	Sale No. 6 2012
PD	1.56 - 1.87	1.51 - 1.85	1.91 - 2.06	1.48 - 1.90
RD	1.72 - 2.13	1.66 - 2.07	1.95 - 2.63	1.76 - 2.11
SRD	1.93 - 2.28	1.87 - 2.28	1.99 - 2.59	1.82 - 2.17
SFD	1.98 - 2.50	1.95 - 2.47	2.01 - 2.61	1.90 - 2.31

Good CTC Dusts

	Sale No. 6 2014	Sale No. 5 2014	Sale No. 6 2013	Sale No. 6 2012
PD	1.46 - 1.71	1.46 - 1.71	1.88 - 1.99	1.48 - 1.54
RD	1.59 - 1.74	1.53 - 1.71	1.88 - 2.06	1.42 - 1.72
SRD	1.72 - 1.90	1.63 - 1.80	1.91 - 2.06	1.50 - 1.76
SFD	1.79 - 2.02	1.72 - 1.95	1.88 - 2.05	1.58 - 1.86

Medium CTC Dusts

	Sale No. 6 2014	Sale No. 5 2014	Sale No. 6 2013	Sale No. 6 2012
PD	1.32 - 1.45	1.27 - 1.40	1.82 - 1.91	1.38 - 1.48
RD	1.37 - 1.54	1.30 - 1.48	1.84 - 1.95	1.40 - 1.50
SRD	1.38 - 1.67	1.35 - 1.64	1.82 - 1.97	1.40 - 1.54
SFD	1.46 - 1.67	1.46 - 1.63	1.84 - 1.95	1.42 - 1.56

Plain CTC Dusts

	Sale No. 6 2014	Sale No. 5 2014	Sale No. 6 2013	Sale No. 6 2012
PD	1.27 - 1.35	1.24 - 1.30	1.63 - 1.80	1.18 - 1.38
RD	1.30 - 1.38	1.15 - 1.30	1.63 - 1.82	1.22 - 1.42
SRD	1.32 - 1.43	1.25 - 1.38	1.63 - 1.84	1.30 - 1.46
SFD	1.30 - 1.43	1.22 - 1.38	1.71 - 1.84	1.30 - 1.48

Export Catalog

Brooklyn Beverages' prices are fully pegged to the performance of our grades at the most recent Cochin Tea Auction, Dust Sale No. 6, 4 Feb 2014. Prices per kilogram (Ex Kochi) are good till the next auction sale, 11 Feb 2014. Because auction prices are in the public domain, buyers are assured of transparency and a commitment from us to constantly strive for quality. For FOB Kochi pricing, see the FOB Upcharge Estimate to the below right.

Black Tea

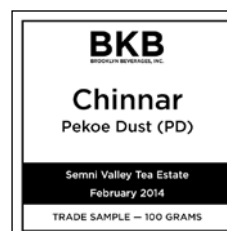
Grade	Sack	Mark	Density (cc)	Price	Change
Pf1/Fngs/D2 (Mixed)	55 kg	Brooklyn	175 - 195	\$1.58	-2¢
Pekoe Dust (PD)	55 kg	Periyar/Haileyburia	185 - 200	\$1.43	-2¢
		Chinnar	180 - 195	\$1.82	-2¢
Red Dust (RD)	57.5 kg	Periyar/Haileyburia	180 - 190	\$1.46	-2¢
		Chinnar	165 - 190	\$1.84	-4¢
BOPF-CTC	52 kg	Periyar	205 - 220	\$1.55	+1¢
		Chinnar	195 - 225	\$1.91	-3¢
Super Red Dust (SRD)	61 kg	Periyar	165 - 180	\$1.56	-2¢
		Chinnar	160 - 175	\$1.98	none
Super Fine Dust (SFD)	63 kg	Periyar/Haileyburia	155 - 165	\$1.65	-2¢
		Chinnar	150 - 160	\$2.27	-5¢

Green Tea

Grade	Per Sack	Mark	Price
BOPD	55 kg	Haileyburia	\$1.12
BP	52 kg	Haileyburia	\$1.20

FOB Upcharge Estimate

	1x 20 Foot Container	1x 40 Foot Container
Warehousing	12,432.00₹	24,864.00₹
Inland Freight	15,000.00₹	20,955.00₹
THC	7,800.00₹	10,900.00₹
B/L Fee	2,000.00₹	2,000.00₹
Custom Clearance	16,500.00₹	21,500.00₹
Subtotal	53,732.00₹	80,219.00₹
Service Tax (12.5%)	6,716.50₹	10,027.38₹
Total (INR)	60,448.50₹	90,246.38₹
Total (USD)	\$990.96	\$1,479.45
Total Weight (kg)	11,000	22,000
Cost per Kilogram	\$0.09	\$0.07



Ask for Samples

The difference is not only in the price but also in the taste.