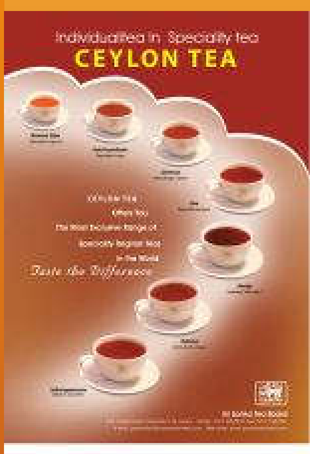
Tea Market Update

Volume 12 No 3 July—September 2016



Editor-Sampath Perera

E-mail
Sampath@pureceylontea.com

www.pureceylontea.com

Adverse Weather and Wage Hike Threatening on Ceylon Tea

Effects of adverse weather and trade union activities attributed to increasing cost of production is still continues and threaten the Sri Lanka's position in global tea market. The consequences starting from flooding in month of May reported severe condition for some of export facilities located around Colombo area. On the other way round drought in tea districts registered further bad influences of nature therefore resulted a lower crop resulting higher unit price in Colombo tea auction and hence the slight contracted registered of exports.

The Regional Plantation Companies (RPCs) were signed the Rs.730 daily wage tripartite agreement with the plantation trade unions and the Sri Lankan government recently. With statutory payments, total wages under the new agreement will be at Rs. 805 per day. An estate worker was previously paid Rs.620 a day for picking 18kg of tea leaves. However, the workers demanded Rs.1, 000 as daily wage with same amount of work load per day . RPC's point of view was that the agreement was not sustainable due low productivity, and stressed that a completely different model would be hammered out during the next wage negotiations in two years time hoping to solve labor shortage also. However next wage negotiations in 2018 would transform the RPC labor into entrepreneurs, with either a revenue share model, or the out-grower model practiced by the small holders.

Industry experts voiced that, the tea exports are on the decline because all over the world no commodity was getting a good price. Crash in the oil markets affected the Middle Eastern economies and with Russia been no exception in conflict our single biggest market also was affected. It is bit difficult for us to come back to the position in where we were three years before, with the oil prices remaining at this level for longer period.

Global tea market demand is likely to grow by 2% steadily thereby creating demand and but lower inventory levels for "premium" orthodox black tea specially at traditional markets. Indian exports, which were negatively impacted due to geopolitical instability and currency fluctuation amongst major consuming countries in the previous years, has seen signs of recovery of demand with slow gain on geopolitical issues. Hence these factors should have positive impact on prices.

Continue………………...page 5

General Overview

Economy

Earnings from exports grew by around 8.5 per cent in third quarter 2016, year-on-year, reversing the continuous declining trend observed since March 2015. However, the deficit in the trade balance expanded by 8.0 per cent, year-on-year, in the month of August 2016 as the increase in expenditure on imports was larger than the increase recorded in exports. on a cumulative basis, earnings from exports during the first seven months of 2016 contracted by 5.6 per cent, year-on-year, to US dollars 5,999 million mainly due to reductions in export earnings from transport equipment, petroleum products, tea and spices.

Hence, SL rupee depreciate at alarming level pushing upward trends on prices at import goods.

Tea Industry

During the third quarter in 2016, overall tea production and the exports were declined at a considerable volume. Main reason for this situation was the prevailing drought and unexpected climatic changes in the country.

In addition to that the reduction of fertilizer applications and rising of cost of productions were also affected. Total tea production for the quarter was dropped by 18.5% while the exports were reduced marginally at 0.79% when compared to last year.

However Colombo auction price registered at comparatively higher price than the previous quarters in 2016.

Continue……………….page5

Tea Production

The tea production during the third quarter of this year has been considerably reduced by 18.5% compared to last year same period attributed to the adverse weather prevailed at all tea districts. Hence all the tea growing districts showed a similar pattern of crop reduction deviating from normal crop pattern.

Proportionately, high grown crop decreased by 21% or 3.29Mkgs while low grown production decreased by 9.66Mkgs as against last year figures in same period. It is depicted in table 1. below.

Table 1 - Tea production during the third quarter 2016 /2015(Unit: Million kg**).**

ategory	July-September (MKg.)		Change	
	2016	2015	Qty (MKg.)	%
Elevation				
High	12.38	15.67	-3.29	-20.97
Medium	9.37	10.99	-1.62	-14.71
Low	42.39	52.05	-9.66	-18.56
Total	**64.15**	**78.71**	**-14.56**	**-18.50**
Processing Method				
Orthodox	59.70	73.20	-13.50	-18.44
CTC	3.97	4.86	0.89	18.39
Green Tea	0.48	0.65	0.17	26.24
Total	**64.15**	**78.71**	**-14.56**	**-18.50**

The monthly tea production has been fluctuated during February to September at below the last year levels as shown in chart 1 below. Though the production was increased at peak period, crop registered below 25Mkgs level for 6 months of the first nine months. A slight improvement of production was recorded in August but the production was become the lowest during September.

Chart 1 - Cumulative and Monthly tea Production comparison- Jan-September 2016/2015

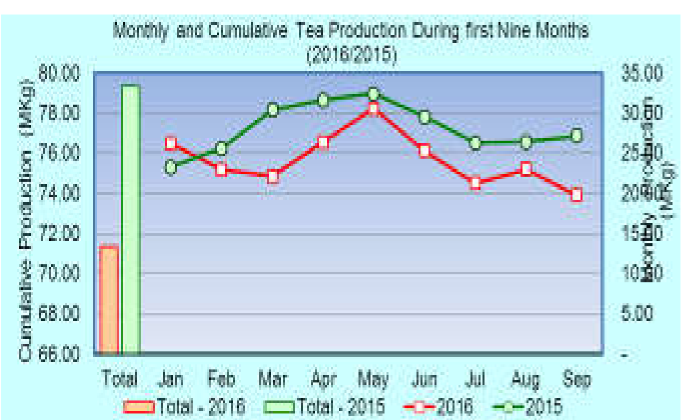


Table 2.- District wise tea production as at Sep 2016/2015 (MKgs)

Admin District	2016	2015	Growth	Growth %
Ratnapura	51.30	56.67	-5.37	-9.48
Nuwara Eliya	45.04	54.75	-9.71	-17.73
Galle	31.38	37.23	-5.85	-15.71
Matara	24.95	31.83	-6.88	-21.61
Kandy	25.03	25.27	-0.23	-0.93
Badulla	19.54	22.41	-2.87	-12.81
Kalutara	13.59	13.72	-0.13	-0.97
Kegalle	6.16	7.43	-1.28	-17.16
Matale	1.07	2.60	-1.53	-58.89
Colombo	0.41	0.61	-0.20	-32.27
Hambantota	0.16	0.18	-0.02	-11.95
Total	**218.63**	**252.70**	**-34.07**	**-13.48**

The gloomy and isolated showers occurred was resulted the highest drop in production in low grown regions rather than high and medium grown teas. Major tea growing districts which is belong to low grown region, Galle, Matara and Ratnapura have registered the severe drop in production due to low rain arrest the fertilizer application and other plant stressed conditions prevailed.

The largest drop in production in percentage was registered by Matale district which is 58.89% attributed to drought as well as prolonged poor cultural practices adopted by tea plantations where mostly managed by SLPC and JEDB. Furthermore, the production of tea has been significantly dropped in Nuwara Eliya districts in quantity term by 9.7 Mkgs or 17.7%.

Tea Marketing

Lower production and winter tea shipments activation, the Colombo tea auction average prices improved compared to last year same quarter. The lower production and fewer quality teas is the main reason for this good demand for teas and cost of production was also affected for the price escalation of teas.

Table 3–Teas Sold and prices fetched in third quarter 2016/2015

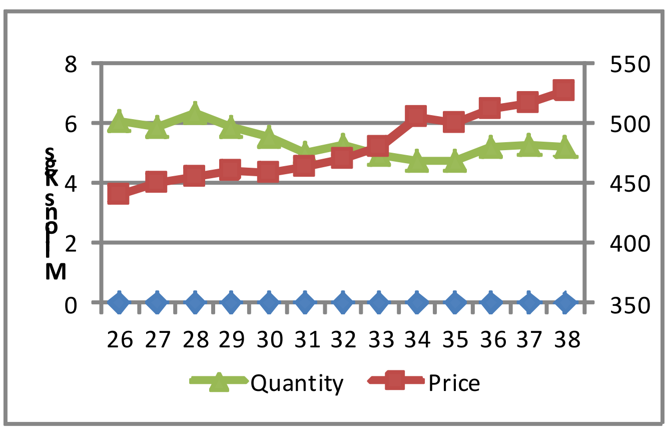
Elevation	2016 - July to Sept			2015 - July to Sept		
	Qty (MKg)	Price (SL Rs)	Price (US$)	Qty (MKg)	Price (SL Rs)	Price (US$)
High	13.86	438.21	3.01	17.71	380.68	2.81
Medium	11.33	421.68	2.90	12.48	349.70	2.58
Low	46.13	503.32	3.46	50.78	394.57	2.91
Total	**71.32**	**477.70**	**3.28**	**80.96**	**384.62**	**2.84**

Table 4 – Sub district auction average comparison during Jan- Sep. 2016/2015

Sub District	January to September			
	2016	2015	Price change per kg	Change %
Nuwara Eliya	417.13	403.46	13.67	3.39
Westerns (8 areas)	437.51	398.82	38.69	9.70
Mediums(9 areas)	396.65	365.25	31.40	8.60
Uda Pussellawa (2 areas)	381.95	330.24	51.71	15.66
Uva(8 areas)	414.06	362.86	51.20	14.11
Low Growns(10 areas)	461.14	419.35	41.79	9.97
Average price	**442.13**	**401.95**	**40.18**	**10.00**

Table 4 illustrates the prices fetched by the main sub districts during the first nine months as against the performance in 2015. All sub districts registered increase in tea prices , following Uva region averages recorded better performance than other regions due to "Uva season" quality production. Hence, Uda Pussellawa (15.7%) and Uva (14%) sub districts registered higher auction prices over previous year. Remaining other sub districts were also indicating marginal growth of prices. However the average price growth is recorded as 10%.

Table 5 –Average price movement at each sales at Colombo tea Auction in 3rd quarter



Thirteen auctions were held in Colombo during third quarter 2016. The 34th sale reported as the turning point with average price of Rs.504.51/Kg. The price variation of tea in sub elevations during the period under review reflects that the previous price pattern changed dramatically from 34th sale for low grown tippy teas and Uva high .Progress of price improvement, specially ORTH-FBOPF1/FBOPF, ORTH-PEK1and ORTH-FBOP1/FBOP prices registered all time high due to higher demand from Iranian buyers with fewer supply.

Green tea and CTC grades made fewer demand due to huge disposal in other auctions at lower rates.

All orthodox tea sales from all elevations register a lower level than the previous year since the production was dropped due to adverse weather. Subsequently average prices have been increase at the auction with increasing demand with winter shipments. However the auction averages for CTC grades were increased slightly due to increased production in other countries.

Table 6:Teas sold and prices fetched by Trading channels (Qty: Mkg, Price Rs./Kg)

Different channels	Third Quarter			
	2016		2015	
	Qty (MKg.)	Price (Rs./ Kg.)	Qty (MKg.)	Price (Rs./ Kg.)
Public Auction	70.22	476.16	79.81	382.15
Private Sales	0.66	571.87	0.74	533.05
Direct Sales	0.44	583.23	0.42	594.17
Total	**71.32**	**477.70**	**80.96**	**384.62**

As per the table 6, 71.32 MKg of tea were sold during the third quarter which is significantly lower than the previous year. Hence, average price per kg was significantly increased to Rs.477.70 at the auction. Average tea price for private sales has a moderate improvement while direct sales price was slightly dropped.

Table 7 –Grade wise quantity and price comparison during the 3rd quarter 2016.

Grades	Sold Qty (Kgs)	Avg. Price
ORTH-FBOPF1/FBOPF	7,474,950.00	576.12
ORTH-BOPF	5,624,770.00	447.40
ORTH-FOP/OP1/OP	5,927,207.90	493.12
ORTH-FBOP1/FBOP	5,191,005.90	570.19
ORTH-FP/PEK	5,666,997.00	516.64
ORTH-OPA	5,897,677.00	417.81
ORTH-BP/BM	5,425,309.00	366.15
ORTH-BOP	3,156,414.00	494.17
ORTH-PEK1	3,635,435.00	584.59
ORTH-BOP1A	3,703,342.00	344.85
ORTH-DUST1	2,998,780.00	430.22
ORTH-BOP1	1,668,055.00	579.33
CTC-PF1	2,595,810.00	463.07
CTC-PD	768,577.00	399.87
CTC-BP1/BPS	865,849.00	374.43
OTHERS	10,715,238.00	460.22
Total	**71,315,416.80**	**477.70**

Tea Exports

As shown in table 7 below, the average FOB price for July has marginally increased while August and September months have recorded a remarkable increment on FOB price. The export quantity for July was reduced by 3666.53 MT than the previous year. But total exports for August and September have been exceeded the last year quantities by showing a marginal growth.

Table 7 - Export comparison for each month during the third quarter 2016/2015 Units: FOB-Rs./Kg,

Category	2016		2015		Change	
	Qty (MT)	FOB	Qty (MT)	FOB	Qty (MT)	FOB
July	25,070.34	598.29	28,737	588.56	-3,666.66	9.73
August	24,531.15	619.57	21,188	579.86	3,343.15	39.71
September	24,692.89	648.71	24,626	599.5	66.89	49.21
Total	**74,294.37**	**622.07**	**74,551**	**589.7**	**-257**	**32.37**

Table 8 below reveals that there is a significant improvement of ready to drink (RTD) teas by 51.22% and shows a remarkable contribution to value addition category exports revenue than the previous year. Green tea, packets and tea bags exports have also been increased while bulk tea exports recorded a marginal decrease of 4.66%.

Table 8 - Tea Exports during Jan –Sep of the year (Qty— MT, FOB –Rs./Kg, Value -Rs. Million)

Category	2016			2015			Change			% Change	
	Qty	FOB	Value	Qty	FOB	Value	Qty	FOB	Value	Qty	FOB
Bulk	133,728	519.20	69,431	140,263	512.64	71,904	-6,535	6.56	-2,473	-4.66	1.28
Packets	64,660	610.56	39,479	62,214	597.57	37,177	2,445	12.99	2,301	3.93	2.17
Tea Bags	15,365	1,175.94	18,069	14,484	1,132.26	16,399	882	43.68	1,669	6.09	3.86
Instant Tea	1,422	1,230.29	1,750	1,439	1,012.45	1,457	-17	217.84	293	-1.18	21.52
Green Tea	1,891	1,338.65	2,532	1,795	1,200.76	2,156	96	137.89	376	5.35	11.48
Sub Total	**217,067**	**604.7**	**131,260**	**220,196**	**586.27**	**129,094**	**-3,129**	**18.43**	**2,167**	**-1.42**	**3.14**
Re-Exports	5,690	1,112.07	6,328	5,902	957.31	5,650	-212	154.76	678	-3.59	16.17
Total	**222,757**	**617.66**	**137,588**	**226,097**	**595.95**	**134,743**	**-3,341**	**21.71**	**2,845**	**-1.48**	**3.64**
RTD**	15,734	98.63	1,552	10,404	87.45	910	5,330	11.18	642	51.22	12.78

It is important to note that , Re-exports registered lower quantities though we unable to meet general demand of usual inquiries for specialty orthodox tea due to lower production.

It reveals that buyers moved to “specialty tea” producer countries to fulfill their requirements with lower price range deviating from reputed intermediary suppliers. Average FOB price of tea bag segment decreased slightly, but quantity registered better improvement compared to last year same period.

Table 9 - Top ten destinations of Ceylon tea from Jan-Sep 2016/2015 Units : Qty - MKg

Country	2016	2015	Change		Total Exports %	
			Qty	%	2016	2015
Iraq	27.04	21.51	5.53	25.73	12.5	11.8
Russia	26.48	27.32	-0.84	-3.09	12.2	12.3
Iran	26.02	19.44	6.58	33.83	12.0	9.3
Turkey	20.49	26.02	-5.53	-21.24	9.4	12.0
UAE	14.68	17.86	-3.18	-17.83	6.8	6.7
Syria	8.86	7.45	1.41	18.93	4.1	3.6
Libya	7.86	7.14	0.72	10.15	3.6	3.5
Azerbaijan	7.71	8.45	-0.74	-8.78	3.6	4.0
Japan	5.74	6.24	-0.50	-8.00	2.6	2.5
China	5.61	5.22	0.39	7.42	2.6	2.4
Total Exports	**150.49**	**141.43**	**9.06**	**6.41**	**68.34**	**68.10**

Except re-export volume

Iraq has become the largest importer for Sri Lanka for these nine months. Libya could be able to become as the seventh largest export destination which was not in the top ten largest destinations by the second quarter of 2016. Iraq, Iran, Syria, Libya and China have achieved a growth as export destinations for Sri Lanka while Russia, Turkey, UAE, Azerbaijan and Japan show a marginal deceleration.

Sri Lanka’s top 20 exporters shipped 63 percent of total exports and they earned Rs.86 billion. From this quantity, they represent only by 37% of value added exports.

Trade Fair Participation

Sri Lanka Tea Board Participation at World Food Moscow 2016 - 12th –15th September

The Sri Lanka Tea Board with Ceylon Fresh Teas (Pvt) Ltd, Ceylon Tea Land (Pvt) Ltd, Ceylon Tenny Tea (Pvt) Ltd, Prestige Ceylon Teas (Pvt) Ltd, Unitrades (Pvt) Ltd and Empire Teas (Pvt) Ltd participated the exhibition.

Malaysia International Food and Beverage Fair 2016—27th –29th July

Malaysia Fair

1) Sunshine Tea (Private) Limited
2) Michael White & Company (Pvt) Ltd
3) Hidellana Tea Factory (Pvt) Ltd

SLTB Pavilion at the World Food Istanbul 2016 scheduled was held from 1st to 04th September 2016, in Istanbul , Turkey.

Sri Lanka Tea Board participated World Food Istanbul 2016 was held in Istanbul, Turkey, from 1st to 4th September 2016. SLTB reserved a total space area of 36 SQMT for the stand, space scheme ,04 Nos of booths (03 individual privet sector booths) .

Participants are;

1. Tea Tang (Pvt) Limited
2. Ceylon Tea Land (Pvt) Limited
3. Venture Teas (Pvt) Limited (Not participated due on Sri Lanka Tea Board

Fine Food Australia 2016 - Melbourne, Australia - (12th -15th September 2016)

The Sri Lanka Tea Board organized a Country pavilion


Fine Food

for Ceylon Tea at Fine Food 2016 with a 36 sq. m. floor area consisting of four booths with three private sector exporting companies, namely - **Euro-Scan Exports (Pvt) Ltd, Maltras International (Pvt) Ltd, Shan Teas (Private) Ltd**

COTECA International Fair 2016 was held from 7th to 9th September

The COTECA 2016 was the place to be as the one of business platform that unites the three sectors coffee, tea and cocoa in one place, it was Europe´s top trade fair for market leaders from around the world.

Following two Sri Lankan tea export companies were represented Ceylon Tea Pavilions such as;

1. Expo Lanka (Pvt) Ltd.

A. F. Jones Exporters Ceylon (Pvt) Ltd

Global Tea Scene

Global Tea Production

Kenya and Bangladesh have achieved a considerable growth of tea production during first nine months in 2016. In addition to that N.E. India, Tanzania and Uganda also obtained a slighter growth of tea production. Sri Lanka indicates 26,983kg of drop in tea production than the previous year. However a 4.15% of production improvement is shown in the global context.

Table 10 -Global tea production up to September compared with 2016/2015 (Mt.)

Country	Months	2016	2015	Growth	Growth%
NE India	8	578,110	562,370	15,740	2.80
South India	8	139,000	159,330	-20,330	-12.76
Bangladesh	8	44,970	34,240	10,730	31.34
Sri Lanka	8	198,606	225,589	-26,983	-11.96
Kenya	8	308,093	234,615	73,478	31.32
Malawi	8	32,569	32,591	-22	-0.07
Tanzania	6	20,367	19,331	1,036	5.36
Uganda	6	25,816	25,726	90	5.36
Total		**1,347,531**	**1,293,792**	**53,739**	**4.15**

Source : INTTEA

Sri Lanka has been ranked at the top in the world in the tea auctions ranking list achieving the highest average price of US$ 3.06 per kilogram which also a slight improvement of US$ 0.02 than in 2015.

Chittagong auction has reached to second place by replacing Mombasa auction price to fourth place in the ranking list. The third highest average auction price of US$ 2.42 is held by Kolkata auction.

Table 11 - Average prices in major auction centers as at September 2016/2015/2014(Qty:MT)

Auction Centers	2016		2015		2014		Change 2016 / 2015	
	Qty (MT)	US$/Kg	Qty (MT)	US$/Kg	Qty (MT)	US$/Kg	Qty (MT)	US$/Kg
Kolkata	94,026	2.42	92,114	2.45	91,411	2.65	1,912	(0.03)
Cochin	34,292	1.75	41,804	1.53	39,431	1.70	(7,512)	0.22
Chittagong	48,331	2.62	39,576	2.39	44,387	2.11	8,755	0.23
Mombasa	321,632	2.26	262,515	2.67	290,949	2.03	59,117	(0.41)
Jakarta	23,812	1.65	16,353	1.52	19,965	1.68	7,459	0.13
Colombo	**219,646**	**3.06**	**243,246**	**3.04**	**255,814**	**3.61**	**(23,600)**	**0.02**
Guwahati	94,658	2.06	90,495	2.18	81,387	2.39	4,163	(0.12)
Malawi	8,154	1.55	7,712	1.54	8,378	1.43	442	0.01
World	**844,552**	**2.44**	**793,815**	**2.59**	**831,722**	**2.59**	**50,737**	**(0.15)**

Malawi auction price was recorded as the lowest although it achieved a slight improvement than the previous year. However the world average auction price was declined from US$ 2.59 in 2015 to US$ 2.44 in 2016.

Table 12 - Exports comparison during Jan–September in 2016/2015—Unit: MT

Country	Months	2016	2015	Change %
Kenya	Aug	351,155	278,438	26.12
China	Aug	217,239	202,439	7.31
Sri Lanka	Sep	217,067	220,196	-1.42
Taiwan	Jul	2,876	2,752	4.51
Bangladesh	Jun	247	345	-28.41
Indonesia	Jul	29,208	40,290	-27.51
Malawi	Jul	18,615	23,104	-19.43
Tanzania	Mar	9,567	8,884	7.69
India	Jul	115,130	112,720	2.14
Uganda	Jun	20,879	23,967	-12.88
Total		**981,983**	**913,135**	7.54

A slighter reduction of exports was registered by Sri Lanka while Indonesia, Malawi and Uganda received a considerable decrease in their exports. As shown in table 12 above, Kenya has gained 26.12% of export growth as agianst previous year. China, Taiwan, Tanzania and India have also registered a marginal growth.

NEWS in brief

Adverse Weather ……………..from page 1.

The daily plucking average of a Sri Lankan plucker is approximately 18kg of tea leaves. However, the corresponding figure for competitors are; Kenya – 48kg, South India – 38kg and North India – 26kg. According to the International Tea Committee Bulletin (2016), annual tea production was declined in Sri Lanka (since 2013) and Kenya (since 2014) while improved in India.

At present, Sri Lanka's cost of production rates among the highest in the world at Rs. 575 per kilo, as compared with Rs. 450 per kilo in 2015. Therefore planters are experiencing a large loss of Rs.80 – Rs.100 per kilo. The RPCs have accrued nearly Rs. 15 billion in losses over the past 3 years due to rising labour costs and poor international prospects for tea.

Russia, Middle East and Ukraine that account for over 70% of exports of Ceylon Tea are all experiencing serious economic and political issues which have led to a fall in demand as well as substantial quantities of tea remaining unsold at the auctions.

Tea Industry…………………..from page 1.

Main reason for this situation was the prevailing drought and unexpected climatic changes in the country. In addition to that the reduction of fertilizer applications and rising of cost of productions were affected. Total tea production for the quarter was dropped by 18.5% while the exports were reduced marginally at 0.79% when compared to last year. However Colombo auction price framed at comparatively higher price than the previous quarters in 2016.

Subsequently F.O.B. prices were increased during July to September and it shows a higher value compared to last year F.O.B. prices. This upward price movement is threatening the position of Ceylon tea in the global tea market. However it will be continued during the next quarter as the adverse climatic condition for crop is not recovered yet. Further, continuing economic slowdown in Russia as well as conflicts, dropping of oil prices and embargoes in Syria, Iran and Libya are also affecting to decelerate demand for Ceylon tea.

Oil price recovery seen reviving demand for Sri Lanka tea

ECONOMYNEXT – The recovery in crude oil prices after big producers agreed to cut production should augur well for Sri Lankan tea, demand for which has revived given a shortfall in crops and the onset of winter buying, a top tea trader has said.

Prices at the Colombo auctions have risen in recent weeks after a prolonged slump that was part of the global collapse in commodity prices.

But global tea trading company Van Rees said the outlook for Sri Lankan tea looked better with demand expected from major oil producing countries now that oil prices have recovered.

"In Sri Lanka, it seems the only way is up, this week's auction again traded firm to dearer with only some seasonal High Grown teas trading easier," the company said in a report.

"Relative stable currencies in Ceylon tea drinking countries, a firm mineral oil market and the start of winter buying make the demand side very healthy. Bright and dry weather conditions and trade union actions create a tight supply situation."

Van Rees said most of the tea growing areas in Sri Lanka are facing severe droughts, with no signs of improvement expected until mid-October.

August had the lowest monthly tea production of 2016, with the total production in the year-to-date the lowest since 2009.

"This, combined with excellent demand, created a firm to dearer market for all grades," Van Rees said.

It said the deal by the Organization of the Petroleum Exporting Countries (OPEC) to limit production and the expected oil price increase should support the buying power of traditional Sri Lankan tea buyers.

Crude oil prices have recovered to around $50 a barrel on expectations of a production cut after OPEC, led by Saudi Arabia, agreed last month to cut production to around 32.5 to 33 million barrels per day.

Oversupply had sent oil prices from $115 a barrel in June 2014 to as low as $27 in January this year.

Research Update

What We Learnt about Tea

Latest research has suggested that on tea intake may lower the incidence of metabolic disorders and exert a protective effect on health. These effects have been credited to their antioxidant content and phenolic compounds. Among individual polyphenol classes, phenolic acids and stilbenes were heavily linked with metabolic syndromes, lignans and stilbenes with waist circumference, phenolic acids with blood pressure and triglycerides and flavonoids with fasting plasma glucose.

Further, another research has concluded that white tea consisted of antioxidant, antidiabetic and neuroprotective phytochemicals, such as EGCG, caffeine and L-theanine, in low concentrations. Also it suggested the benefits of consuming white tea were down to the additive or synergistic effects of all those compounds. Therefore white is more effective when continuously consumed over the day, as is typically the case with tea drinking, as opposed to receiving it in a single or double dose (pill / tablet form).

The composition of polyphenols, caffeine and bioactivities of white tea compared to green tea and black tea is determined by how it is collected and processed.

White tea is prepared exclusively from tips or leaf buds harvested before being fully opened while green tea is prepared from mature leaves. In white tea and green tea production the fresh plant material quickly steamed in order to prevent the oxidation of flavanols. Black tea is prepared from mature tea leaves but fresh plant material is allowed to fully ferment for about two hours, before heating stops oxidation of flavan-3-ols, the main class of tea polyphenols.

In addition White tea provides a greater assistance on following health issues compare to other types of teas.

Greater Bone Density...

Numerous studies have shown that regular drinkers of white tea had greater bone density than non drinkers of white tea. If you suffer from arthritis or osteoporosis, better grab yourself some white tea and have a couple of cups a day.

Boosts Immune System...

Also studies have shown that animals that were given white tea were more resistant to the bacteria Salmonella. Furthermore, the antioxidants that is abundant in white tea helps to booster the immune system in animals and humans.

Fights Against Blood Pressure...

Drinking white tea several times a day on a consistent basis can actually lower the pressure of your blood and protect the body against one of its common health enemies, stroke. This only works when you drink the tea every day, a couple of times a day.

Sri Lanka Tea Board
574,Galle Rd, Colombo – 03.

A sip of serendipity

Tel :2587814,2582122 Fax : 2587341
Email : sampath@pureceylontea.com