

COMMODITIES

TEA

Contrary to the expectations Sri Lanka's May 1976 crop figures reflected only a marginal increase in comparison to the month of May 1975. For the first 5 months of this year the crop totalled Rs. 86.2 Mn. kilos as against Rs. 101.6 Mn. kilos in the same period last year. Leading brokers forecast that it is unlikely that

this shortage of over Rs. 15 Mn. kilos will be wiped out during the course of next 6 months. With a drop in crop and the possibilities of shipments to the London auction being stepped up, the offerings in Colombo, once the current rush of backlog teas are auctioned, will be comparatively small and therefore are expected to meet with excellent demand.

CROP FIGURES FOR MAY 1975 & 1976 AND JAN. TO MAY 1976 AND 75

	May 1976 kgs.	Jan./May '76 kgs.	May '75 kgs.	Jan./May '75 kgs.
High Grown:	12,066,603	34,776,633	10,994,321	40,236,746
Medium Grown:	9,497,525	29,353,730	9,059,321	35,651,258
Low Grown:	4,865,017	22,118,310	5,986,769	25,785,946
TOTAL	26,429,145	86,248,673	26,040,411	101,653,950

COCONUT

Sri Lanka's coconut crop this year is expected to show a considerable decline in relation to 1975 according to Coconut Marketing Board estimates. It is expected that the crop, particularly during the months of August to about April next year, will show a marked decline. The production of coconut oil which has been running upto April at a level somewhat higher than last year, recorded a marked decline in the month of May. The estimated production in May was only 5429 MT compared with nearly 9800 MT in May last year. The total oil production during January-May 1976 at 36,743 MT represents a drop of nearly 4000 MT from the levels recorded for the same period last year. The copra arrivals fell far short of the expectations of oil millers. The copra auctions which had ceased to operate since mid-1975 resumed on 26th May.

The international markets for desiccated coconut continued to show a firmness. The transacted prices of Sri Lanka's DC moved up from US \$365 to \$390 per MT (f.o.b. Colombo) in May. In order to ensure that overseas transactions do not exceed the supplies available for export, the Coconut Marketing Board intervened to regulate the sales volume.

The demand for bristle and twisted fibre continued to show a buoyancy. The transacted volume of twisted fibre (including hand twisted) amounted to over 3000 MT as against about 2500 MT of mattress fibre in bales.

The total export earnings from coconut products during January-May amounted to Rs. 176 million compared with Rs. 204 million during the

corresponding period last year. The decline in earnings was entirely a result of lower export prices. The export volume of practically all coconut products recorded an improvement in relation to last year's levels.

Coir fibre exports (all grades) totalled 6346 MT in May and this included 3694 MT of mattress fibre (in bales) and 1473 MT of twisted fibre. During Jan-May, the exports totalled 37,058 MT as against 25,903 MT for the same period last year. This represents an improvement of 43%. All grades of fibre shared in this recovery.

The export volume of coconut shell charcoal during Jan-May amounted to 8318 MT representing an increase of nearly 2000 MT or 30% in relation to the same period last year. However, the export earnings at Rs. 2.9 million represent a significant decline from last year and this was entirely a result of the drop in export prices. The average export value per ton was only Rs. 351 as against Rs. 858 last year. Further details in table below.

EXPORTS OF COCONUT PRODUCTS JANUARY TO MAY 1975 AND 76

	1975		1976	
	Volume (MT)	Value (Rs. Thousand)	Volume (MT)	Value (Rs. Thousand)
1. Coconut Oil	23,222	92,525	24,694	67,920
2. D.C.	16,280	66,704	18,349	54,768
3. Copra	304	1,686	432	2,265
4. Fresh Nuts	1,300,650 (number)	1,711	2,473,850 (number)	2,883
5. Sub-Total Kernel Products	299.28 (million nut equi- valents)	163,626	326.92 (million nut equivalents)	127,836
6. Mattress Fibre	15,409	17,292	21,904	8,912
7. Bristle Fibre	3,555	6,407	4,631	17,805
8. Twisted Fibre	5,803	8,336	8,753	13,501
9. Coir Yarn/Twine	1,136	2,205	1,750	3,606
10. Coconut Shell Charcoal	6,401	5,491	8,518	2,921
11. Coconut Shell Flour	200	149	389	200
12. Coconut Shells	677	228	1,217	253
13. Coconut Shell Activated Carbon	02	11	133	653
14. Coconut Ekels	1,022	752	745	479
15. Total Value of By-Products		41,051		48,310
16. Total Value of All-Products		203,677		176,146