Tea Market Update

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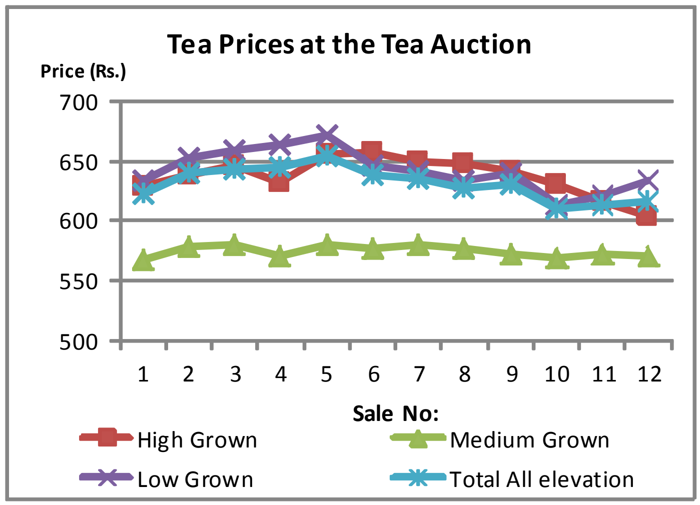
Tea prices remain buoyant amidst an oil price hike and deficit in global CTC tea production in first quarter 2018

Amongst a plethora of global news, stating accurate comments and correct opinions, is often unpredictable due to market forces suppressed by political landscape and individual behavior of ruling parties of apecific countries which is focused in retail or beverage industry. Clarity on the abundance of commodity landscape is far beyond the market forces. Sometimes, there is too much information or lack of information to predict trends.



The tea price rise has been consistent and steady for the first 3 months due to Western seasonal teas coming into play a general upward trend in Low and Mid grown teas as well. Sri Lanka was fortunate that international oil prices were strengthening and output of major tea producers/competitors remained below the last year level. Tea prices have continued to show stubborn resistance to any such moderation and exporters faced tough situations when offering to buyers for longer period.

Middle Eastern and CIS countries have certainly been a factor. Opinions differ as to how much impact unrest in the region has contributed to Ceylon tea price fluctuation. CTC Tea crop output in the major producers has suffered some setbacks during the quarter, with output in Kenya dropping after Malawi and other Eastern African countries took back control of global supply. Hence Mombasa price remained below the US$ 3.00/Kg .

General Overview

Economy

In the context of agricultural exports, earnings on tea exports increased in February 2018 due to higher prices, although volume exported shrank by 3.1 per cent.

Exports have maintained the positive momentum with export earnings growing during the first two months of 2018. However, this was outweighed by the increase in import expenditure, largely driven by gold and vehicle imports, which resulted in a widening of the trade deficit. The imposition of the Customs duty on gold imports is expected to help narrow the trade deficit to some extent.

The continued slowdown in food inflation alongside the favorable base effect caused headline inflation, based on the Colombo

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Tea Industry

663 tea factories operated in the first quarter and produced 73.83 Million kilograms backed by improved fair weather. The table below show the first three highest tea manufacturers in the quarter.

Factory Number	Factory Name	Net qty. sold (Kgs)
MF1465	BROMBIL	932966
MF1217	GALPADITENNE	927602
MF0181	Ceciliyan	883026

Prices of green leaf increased to over Rs. 90 per kilogram in low grown and Westerns. It helped to follow good caring practices for tea bushes and maintain a better flush harvesting round.

Higher prices were gained during the quarter in all three elevations.

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Tea Production

Table 1 - Tea Production during the first quarter 2018 / 2017 (Units :Mkg)

Category	Jan-Mar (MKg.)		Change	
	2018	2017	Qty	%
High	16.31	14.60	1.71	11.72
Medium	10.44	10.01	0.43	4.31
Low	47.08	41.95	5.13	12.23
Total	**73.83**	**66.56**	**7.27**	**10.93**
Processing Method				
Orthodox	67.30	61.45	5.85	9.51
CTC	5.87	4.50	1.37	30.54
Green Tea	0.66	0.61	0.05	8.84
Total	**73.83**	**66.56**	**7.27**	**10.93**

The cumulative tea production of 73.83MKgs shows an increase of 7.27MKgs as against 66.56MKgs compared to the same period in 2017. An elevation wise tea production comparison reveal that contributions made by the plantation in the High, Medium and low Grown increased during first quarter in 2018 as against the same period in previous year.

Backed by higher average price in Colombo Tea Auction and favorable weather in low grown areas , CTC tea production increased considerably compared to orthodox and green tea production.

Chart 1 – Cumulative and Monthly tea production in first quarter 2018/2017

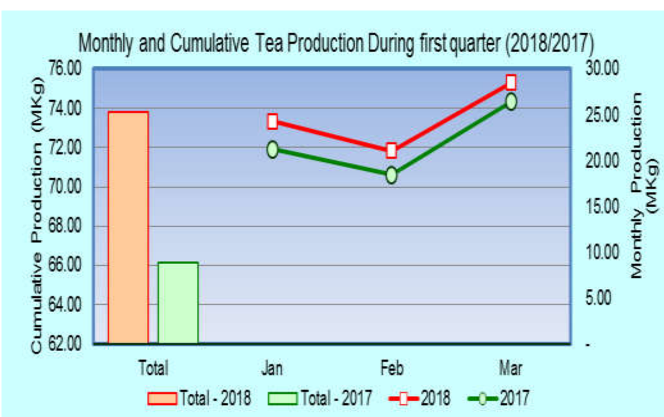

Chart-1 illustrates monthly, as well as the cumulative crop details for the first three months in 2018 and 2017. It reflects that the first three months' crop figures in 2018 are marginally higher when compared to previous year figures due to Western and Low grown tea areas of the country experiencing early rains.

Table 2 - District wise tea production comparison as at March 2018/2017 (Kg)

ADMIN. DISTRICT	2018	2017	Growth	Growth %
COLOMBO	181,652	132,581	49,071	37.01
HAMBANTOTA	39,675	41,470	(1,795)	-4.33
MATALE	337,056	281,346	55,710	19.80
KEGALLE	2,732,721	1,550,214	1,182,507	76.28
KALUTARA	4,824,800	4,516,231	308,569	6.83
KANDY	7,859,555	7,822,450	37,105	0.47
BADULLA	5,936,936	6,286,818	(349,882)	-5.57
MATARA	9,134,074	8,472,117	661,957	7.81
GALLE	10,502,892	9,523,666	979,227	10.28
RATNAPURA	17,147,022	15,010,270	2,136,752	14.24
NUWARA ELIYA	15,530,407	12,919,165	2,611,242	20.21
Total	**74,226,790**	**66,556,328**	**7,670,462**	**11.52**

When comparing the tea production in various districts, the above table 2 depicts that, Ratnapura district was ranked as the first place, with 2.14MKgs growth in production compared to last year figure of 15.01MKgs.Nuwara Eliya district registered the second highest tea production; with also increased output to 15.53MKgs compared to last year same period.

Tea production of Kegalle district improved significantly to 2.73MKgs from 1.55MKgs recorded during last year same period with a growth of 76.28%.

Tea Marketing

Demand for Western High teas increased during mid quarter but prices declined later amid rain which started early causing low quality offering at Colombo Auction. Tea crop registered a slight decrease while prices improved as per a similar pattern compared to last year same period. Rebounding of Iraq and Syria tea market enquiries, helped low grown teas to fetch higher unit prices compared to mid grown. The low grown share consisted of 65% of total offerings at Colombo Tea Auction.

RTD manufactures in overseas enquired for more liquoring grades like low grown leafy teas which helped to maintain price momentum without fluctuations. Tea crop decrease in Kenya and low quality CTC tea offering in India resulted, Sri Lanka CTC tea prices improving unusually at Colombo auction .

Table 3 –Teas Sold and prices fetched in first quarter 2018/2017 Unit: Qty-Mkg,, Rs/Kg

Elevation	2018 - Jan to Mar			2017 - Jan to Mar		
	Qty (MKg)	Price (SL Rs)	Price (US$)	Qty (MKg)	Price (SL Rs)	Price (US $)
High	14.35	628.22	4.06	14.63	619.12	4.11
Medium	11.62	572.44	3.70	11.87	614.83	4.08
Low	49.23	643.88	4.16	49.82	565.70	3.75
Total	**75.21**	**629.85**	**4.07**	**76.32**	**608.01**	**4.03**

During the first quarter of 2018, Tea export earnings continued to grow showing an increase in FOB prices. The prices in 2018 were higher than those in 2017 for High and Low elevations. The total national average of teas sold for the first quarter of 2018 was Rs.629.85 per kilogram in comparison to Rs.608.01 for the same period in previous year. The US$ equivalent average for the first quarter of 2018 shows a marginal increase from the corresponding averages of 2017.

Table 4: Teas sold and prices fetched by distribution channels (Qty:Mkg, Price Rs./Kg)

Different channels	First Quarter			
	2018		2017	
	Qty (MKg.)	Price (Rs./ Kg.)	Qty (MKg.)	Price (Rs./ Kg.)
Public Auction	73.98	628.24	75.16	607.26
Private Sales	0.78	732.42	0.73	654.72
Direct Sales	0.44	719.09	0.44	659.82
Total	**75.21**	**629.85**	**76.32**	**608.01**

Public auctions, direct sales and Private sales all gained a relatively higher average price as against previous year prices, However the quantities declined. The volume of public auction has dropped from 75.16MKgs to 73.98MKgs during the period under review.

CTC tea demand has unusually increased during first quarter. Hence, Kalubovitiyana and Cee Tea Hills tea factories in Southern Region fetched highest average prices surpassing orthodox low averages. However Green tea price averages were always below the black tea averages during the quarter for all elevations.

Organic Black tea category prices behaved unsatisfactorily in all elevations and prices improved just one Dollor above the Orthodox tea averages.

Below table 5. showed that, sub districts average price analysis for the first quarter of the year. Accordingly Mediums, Uda Pussellawa, and Uva region 's prices registered lower prices compared to other regions.

Table 5: Sub district Auction average price 2018/2017 (Price Rs./Kg)

Sub District	January to March			
	2018	2017	Price change per kg	Change %
Nuwara Eliya	659.44	605.22	54.22	8.96
Westerns (8 areas)	640.88	636.34	4.54	0.71
Mediums(9 areas)	566.73	557.31	9.42	1.69
Uda Pussellawa(2 areas)	569.57	574.92	-5.35	-0.93
Uvas(8 areas)	577.75	579.69	-1.94	-0.33
Low Growns(10 areas)	649.62	619.06	30.56	4.94
Average price	**629.86**	**608.01**	**21.85**	**3.59**

Table 6: Grade wise quantity sold and price comparison during the first quarter 2018

Grades	Sold Qty (Kgs)	Avg. Price
ORTH-FBOPF1/FBOPF	8,233,531	691.66
ORTH-FOP/OP1/OP	7,467,269	671.46
ORTH-BOPF	6,304,841	617.84
ORTH-FBOP1/FBOP	5,521,278	712.81
ORTH-FP/PEK	5,217,214	720.06
ORTH-OPA	5,062,960	591.07
ORTH-BP/BM	4,920,144	448.86
ORTH-PEK1	4,128,025	797.04
ORTH-DUST1	3,901,246	596.22
ORTH-BOP	3,360,470	665.90
ORTH-BOP1A	3,172,355	453.91
CTC TEA - PF1	3,013,127	605.57
ORTH-BOP1	2,068,736	738.30
ORTH-PF/FNG/FNGS1	1,943,950	520.98
ORTH-FBOPFSP/EXSP	929,516	957.33
ORTH-BOPS	716,448	660.24
OTHERS	9,246,839	524.59
Total	**75,207,946**	**629.85**

In respect of a grade wise analysis, prices of leafy grade offerings improved significantly.

Tea Exports

Ceylon tea exports increased marginally by 0.47 million kilograms during the first quarter compared to the corresponding period of 2017. According to the table 7 below; the unit FOB price increased by Rs.58.58 during the period under review.

Table 7 - Export Statistics for each month during first quarter 2018/2017 Units : Qty-MKg, FOB-Rs/Kg

Category	2018		2017		Change	
	Qty	FOB	Qty	FOB	Qty	FOB
January	21.00	818.73	20.17	755.62	0.83	63.11
February	21.75	841.66	22.45	765.36	-0.70	76.30
March	26.13	825.26	25.79	784.95	0.34	40.31
Total	**68.89**	**828.45**	**68.41**	**769.87**	**0.47**	**58.58**

Overall 68.89MKg of teas was exported in first quarter of the year as against 68.41MKg for same period last year. Tea exports data for the month of February indicated a deficit by 0.70%; last year's figure of 22.45MKg with this year's figure of 21.75MKg.

Table 8 – Tea Exports comparison during first quarter Units: Qty-MT, FOB—Rs/Kg, Value– Rs. Millions

Category	2018			2017			Change			% Change	
	Qty	FOB	Value	Qty	FOB	Value	Qty	FOB	Value	Qty	FOB
Bulk*	40,817.71	737.85	30,117.41	37,677.03	687.41	25,899.63	3,140.68	50.44	4,218	8.34	7.34
Packets*	20,100.02	821.39	16,509.88	22,954.11	741.17	17,012.89	-2,854.09	80.22	-503	-12.43	10.82
Tea Bags*	4,240.45	1,439.25	6,103.07	4,416.79	1,346.16	5,945.69	-176.34	93.09	157	-3.99	6.92
Instant Tea	632.74	1,309.59	828.63	526.39	1,178.87	620.55	106.35	130.72	208	20.20	11.09
Green Tea	581.91	1,616.89	940.88	539.66	1,512.47	816.22	42.25	104.42	125	7.83	6.90
Sub Total	**66,372.82**	**821.12**	**54,499.87**	**66113.98**	**760.73**	**50,294.98**	**258.84**	**60.39**	**4,205**	**0.39**	**7.94**
Re-Exports	2,513.02	1,022.08	2,568.52	2,293.59	1033.3	2,369.96	219.43	-11.22	199	9.57	-1.09
Total	**68,885.84**	**828.45**	**57,068.39**	**68407.57**	**769.87**	**52,664.93**	**478.28**	**58.58**	**4,403**	**0.70**	**7.61**

* Black Tea

The above table shows that Tea bags and Tea Packets registered slight decreases whilst Bulk Tea shows a growth. Total revenue earned Rs.57.07billion for the period January to March in 2018 show a substantial growth of Rs.4.4billion compared to Rs.52.66 billion during first quarter of 2017.

Unit average FOB value of Rs. 828.45 was a remarkable achievement, and encouraging factor for further development in the industry with aggressive promotion.

Table 9 -Top ten destinations of Pure Ceylon tea from Jan– March 2018/2017 Units: Qty - MKg

Country	2018	2017	Change		Total Exports %	
			Qty	%	2018	2017
Iraq	9.60	7.44	2.16	29.04	14.47	11.26
Turkey	8.99	7.18	1.80	25.12	13.54	10.87
Russia	8.90	8.40	0.50	5.96	13.41	12.71
Iran	5.46	6.03	-0.57	-9.45	8.23	9.13
UAE	2.84	3.86	-1.02	-26.47	4.28	5.84
Syria	2.67	2.04	0.63	31.01	4.03	3.09
China	2.40	1.88	0.52	27.54	3.62	2.85
Azerbaijan	2.26	2.61	-0.35	-13.44	3.40	3.94
Japan	1.92	1.92	0.01	0.28	2.90	2.90
Chile	1.64	2.02	-0.38	-18.76	2.47	3.05
Total Exports	**46.69**	**43.39**	**3.30**	**7.61**	**70.35**	**65.63**

Except re-export volume

During first quarter of 2018, first top ten countries absorbed 70.35% of total exports. Iraq has emerged as the largest importer followed by Turkey, Russia and Iran during first quarter of 2018. Syria remained in first ten countries with slight increase in Ceylon Tea imports while Chile registered lower quantities due to higher price gap among other origins. Understand 70 percent tea consumed in Iraq originated from Sri Lanka.

Meanwhile China has shown a fairly significant growth of 27.54% in Ceylon tea imports, which is mostly bulk leafy teas for RTD tea manufacture.

Economy…..………….from page 1.

Consumer Price Index (CCPI), is said to decelerate further in March 2018. During the first two months of 2018, a similar downward movement has been observed in National Consumer Price Index (NCPI) based inflation as well.
The Sri Lankan rupee depreciated by 3.2 per cent against the US dollar. Further, when considering cross currency movements, the rupee also depreciated against other major currencies except for the Australian Dollar and the Indian Rupee during the period under review.

Fac.Number	Factory Name	Rs./ Kg
MF1517	Nilmini Watta(Organic)	1143.02
BF0188	Kalubowitiyana(CTC)	799.68
MF0188	St. Coombs(Orthodox)	766.64
MF1430	Finlay Green Teas (Green Tea)	749.11

Tea Industry…..………….from page 1.
The above table shows that the highest average price fetched different tea manufacture tea factories during the quarter. Export average prices registered above the U$D 5/ Kg during the period.

Govt. stamps Rs.1.5 b subsidy for plantations

- Tea, coconut, rubber smallholders to get Rs.900m, Rs.500m, and Rs.100m respectively
- Ministry says it plans to continue subsidy if handout bears fruit
- Decision comes after nearly a year of discussion; distribution to be completed before end June

After strong appeals, the Sri Lankan Government has allocated a fertilizer subsidy of Rs.1.5 billion for the tea, rubber, and coconut industries, the Plantation Ministry was quoted in a recent statement.
The appeal, which was made by Hon. Plantation Minister Naveen Dissanayake after intense lobbying by the sector, particularly smallholders, was responded to by the Government this week. The subsidy will be distributed to the apex bodies of the relevant industries with Rs.900 million being given to the Tea Small Holdings Development Authority, Rs.500 million to Coconut Growers Association and Rs.100 million to the Rubber Development Department.
"All these funds have been allocated for the year 2018 and if the fertilizer distribution results in tangible benefits for the industries, then measures will be taken to provide the subsidy in the coming years as well," the statement added.
Under the latest plans, the Government hopes to distribute the Rs.1.5 billion subsidy to plantation owners by 30 June 2018.Tea smallholders will get Rs. 15,000 per hectare and even smallholders who have as little as 20 perches of tea will be covered under the newly announced subsidy. Coconut growers who own land between a quarter of an acre to five acres are eligible to get Rs. 9,000 as the fertilizer subsidy.

They can obtain applications for the subsidy from the district officers and coconut development officials, the statement noted. Rubber estate owners with land between 20 perches and two hectares are covered under the subsidy and can get a maximum amount of Rs. 5,000 from the subsidy scheme.
In March 2016, the Plantation Minister explained a plan to negotiate a subsidy scheme with the Government. However, at the time the focus was on getting Rs. 2 billion as the subsidy with smallholders with a hectare of land or less expected to receive Rs. 12,000 for tea, Rs.10,000 for coconut and Rs. 5,000 for rubber.
As in many developing countries, fertilizer subsidies represent a major component of agricultural policy in Sri Lanka. This is particularly true of the paddy sector. With rice being the staple food in Sri Lanka, successive governments have provided significant fertilizer subsidies for paddy with the primary aim of

increasing paddy production. Since 2005, the fertilizer subsidy has accounted for 2%-2.5% of total government expenditure and the subsidy is given for all three major fertilizers (Urea, Murate of Potash – MoP, and Triple Super Phosphate – TSP).The Government in 2015 attempted to restructure the subsidy and give cash directly to farmers.

Regional Educational Fairs

Education Fair – Matale

The ministry of Plantation Industries has organized regional educational fairs in tea growing areas with the major purpose of Celebrating 150 Years Anniversary of Tea Industry

The final Education Fair had been held at the Science College ground, Matale from 28th -29th March 2018 in order to Celebrate the 150th anniversary of Ceylon Tea. Sri Lanka Tea Board had conducted a liquid tea service as well as an information counter during the event. Hon. Deputy Minister Lakshman Wasantha Perera, Ministry of Plantation Industries highlighted the event with his participation in the opening ceremony.

Global Tea Scene

Tea Production

World cumulative tea production showed a slight increase in this quarter, though Sri Lanka and Kenya tea producers performed a higher growth. India covered their deficit in tea production in South India by excessive production of North India. Table 10 depicts the crop.

Table 10 -Global tea production comparison in first quarter 2018/2017 (MT.)

PRODUCTION	Month	2018	2017	Growth (Kg)
N E INDIA	3	53,260	49,570	3690
SOUTH INDIA	3	38,130	39,340	(1210)
BANGLADESH	3	1,925	1,325	600
SRI LANKA	3	74,227	66,556	7671
KENYA	3	99,760	90,094	9666
MALAWI	3	20,784	19,364	1420
TANZANIA	3	11,112	10,456	656

Table 11- Average prices in major auction centers as at March 2018-2017 (Qty: MT)

Auction Centers	2018		2017		Change 2018 / 2017	
	Qty (MT)	US$/Kg	Qty (MT)	US$/Kg	Qty (MT)	US$/Kg
Kolkata	27,620	2.04	39,620	1.92	(12,000)	0.12
Cochin	11,385	1.93	11,400	1.92	(15)	0.01
Chittagong	15,293	2.48	18,291	1.76	(2,998)	0.72
Mombasa	115,953	2.76	93,841	2.82	22,112	(0.06)
Jakarta	-	-	-	-	-	-
Colombo	**74,433**	**4.09**	**75,469**	**4.04**	**(1,036)**	**0.04**
Guwahati	30,188	1.81	33,809	1.68	(3,621)	0.13
Malawi	2,326	1.86	3,242	1.75	(916)	0.11
World	**277,198**	**2.88**	**275,672**	**2.77**	**1,526**	**0.12**

Source: ITC

Colombo continued to lead the auction center that fetched the best prices during the first quarter due to its quality and variety of teas available. The average price had reached the US$ 4.00 per kilogram mark. The price difference between Colombo and Mombasa which is in second place is come to 1.33 US$/Kg. Mombasa auction prices had declined while other auction centers prices indicate price increase compared to the same period of 2017.

Table 12. Country wise tea Exports Comparison (2018-2017) Unit: MT

Country	Period of months	2018	2017	Growth	Change%
Kenya	3	115,845	119,728	-3,883	-3.24
China	3	84,858	85,942	-1,084	-1.26
Sri Lanka	3	66,373	66,114	259	0.39
Taiwan	3	1,665	1,523	142	9.32
India	3	65,220	60,560	4,660	7.69
Bangladesh	3	144	1,504	-1,360	-90.43
Malawi	3	11,711	8,958	2,753	30.73
Total		**34,5816**	**344,329**	1,487	0.43

The currently available exports data depicts that tea exports among major producer countries have slight decreased. While in India, Sri Lanka and Malawi tea exports have improved considerably. Hence, global tea exports end up with positive value.
Other tea producers of East Africa reported severe shortages in exports compared to last year : period due to huge disposal of Kenyan teas with low F.O.B. value. It is depicted in table 12.

Though Bangladesh tea production improved, exports declined due to higher demand for local consumption. Chittagong auction prices were adversely affected due to cheap teas coming from Assam region in Bangladesh border.

Global analysts in tea industry predicted that consumption and production would keep rising over the last year volumes as well as next decade. This may be primarily driven by robust demand in temperate countries where mostly coffee loving nations converting to tea.

Trade Fair Participation

Gulf Food – Dubai (18^{h} – 22^{nd} Feb. 2018)

Gulf Food 2018 Trade Exhibition was held in Dubai World Trade Center ,Dubai from 18th to 22nd February 2018. Sri Lanka Tea Board participated this exhibition along with 18 nos of private sector companies.

1 J.V.Gokal (Pvt) Limited
2 Nature Ceylon Trading (Pvt) Limited
3 Vintage Teas (Pvt) Limited
4 Stassen Exports (Pvt) Limited
5 Unitreads (Pvt) Limited
6 Bogawantalawa Tea Marketing (Pvt) Limited
7 Ranfer Teas (Pvt) Limited
8 Expo Teas (Pvt) Limited
9 Suncrest Teas (Pvt) Limited
10 The Tea and Herb (Pvt) Limited
11 Ceylon Fresh Teas (Pvt) Limited
12 Enrich Tea & Food (Pvt) Limited
13 Finlays Colombo (Pvt) Limited
14 Heritage Teas (Pvt) Limited
15 Sunshine Teas (Pvt) Limited
16 CEYEM Commodities (Pvt) Limited
17 Union Commodities (Pvt) Limited
18 Ceylon Tea Land (Pvt) Limited

Sri Lanka Tea Board Participation at FOODEX, Tokyo -Japan 2018 (6^{th} to 9^{th} March 2018)

Sri Lanka Tea Board organized a National Group stand for Sri Lanka Tea Industry at Foodex Tokyo 2018 Trade show in Japan. Under the Tea Board umbrella following companies had participated.

Prodexpo, Moscow - Russia (5^{th} - 9^{th} February 2018)

A business delegation of representatives of leading Sri Lankan tea companies had attended the exhibition as participants displaying their products at the Ceylon Tea Stand organized by the Sri Lanka Tea Board and the Embassy of Sri Lanka in Russia.
05 private sector tea export companies took apart at the

PRODEXPO 2018 under SLTB pavilion.

- Nature Ceylon Trading (Pvt) Ltd
- Unitrades (Pvt) Ltd
- Ceylon Fresh Teas (Pvt) Ltd
- U.H.E Exports (Pvt) Ltd
- Ceylon Tea Land (Pvt) Ltd

Research Update

MEDICALNEWSTODAY

Drinking tea may alter women's gene expression By Honor Whiteman

It seems that we can't get enough of tea; statistics show that almost 80 percent of households in the United States drink it. But do you know what this popular beverage does once it passes our lips? New research sheds some light on how tea affects gene expression.

According to new research, drinking tea may lead to epigenetic changes in women.

Study leader Weronica Ek, of Uppsala University in Sweden, and colleagues found that drinking tea appears to trigger epigenetic changes in women that are associated with cancer and the metabolism of the hormone estrogen.

However, whether these epigenetic changes protect against cancer or drive the disease remain to be seen. The researchers recently published their findings in the journal Human Molecular Genetics.

Epigenetics refers to the study of changes in gene expression that can be passed to future generations. It looks at how external factors, such as environment and lifestyle, affect which genes are switched on and off, and how this influences one's own health and the health of offspring.

Previous research has shown that what we eat and drink can affect the expression of genes. One study published last year, for example, found that a typical Western diet may lead to epigenetic changes by altering gut bacteria.

For this latest study, Ek and colleagues set out to investigate whether consumption of tea and coffee - two of the most popular beverages in the U.S. - might lead to epigenetic changes in men and women.

Tea caused epigenetic changes in women, but not men
To reach their findings, the researchers analyzed the data of 3,096 adults across four European cohorts.

The team looked at the participants' tea and coffee consumption and assessed their blood samples for DNA methylation, which is an indicator of changes in gene expression.

In each cohort, the researchers looked at how tea and coffee intake affected the gene expression of men and women, together and separately.

The results revealed no DNA methylation changes in either sex as a result of coffee consumption.

Tea consumption, however, was associated with alterations in DNA methylation across 28 genomic regions among women. In particular, the researchers found that tea intake appeared to alter the expression of DNAJC16 and TTC17, which are genes associated with estrogen metabolism and cancer.

Tea consumption did not lead to any changes in DNA methylation among men, the team reports.

"Previous studies have shown that tea consumption reduces estrogen levels which highlights a potential difference between the biological response to tea in men and women," says Ek. "Women also drink higher amounts of tea compared to men, which increases our power to find association in women."

Overall, the researchers believe that their findings indicate that tea consumption may trigger epigenetic changes in women that are related to cancer, though they caution that further research is needed to determine whether this effect is positive or negative.

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