



THE WEEKLY AGRO WATCH



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Vol. 9 31st March, 2014

Local Commodity Prices

The table below shows average commodity prices as captured by the ZNFU regional offices and 4455 Price information system:

Exchange rate :USD 1= K6.3																			
Prices as at 28th Mar ,2014/ per metric ton																			
	Mbala		Mansa		Lusaka		Mazabuka		Sesheke		Choma		Kabwe		Mkushi		Ndola/Kitwe		
	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	
White Maize	1300	206.3	1350	214.3	1800	285.7	1920	304.8	1300	206	1500	238.1	1500	238.1	1600	254	1850	293.7	
Wheat		0		0	2200	349.2													0
Soybeans	2200	349.2		0	2600	412.7												2500	396.8

Import Parity Prices

The following import parity prices were compiled by ZNFU as at 28th Mar, 2014.

Domestic Import Parity Prices as at 31/03/14					
		US\$/ZAR=10.61		US\$/ZMK=6.26	
Parity Prices		U\$/ZMK	Maize	Soya	Wheat
Lusaka		6.26	502.74	746.73	565.18
Town	ZMK	\$	\$	\$	\$
Chipata	275	43.93	546.67	790.66	609.11
Mkushi	225	35.94	538.68	782.67	601.12
Ndola	250	39.94	542.68	786.67	605.12
Kitwe	250	39.94	542.68	786.67	605.12

Export Parity Prices (Harare Lusaka)

The following export parity prices were compiled by ZNFU as at 31th Mar, 2014.

Export Parity Price (EPP) Harare-Lusaka		
Soya Beans	450.8	
Wheat	370.3	

Exchange Rates

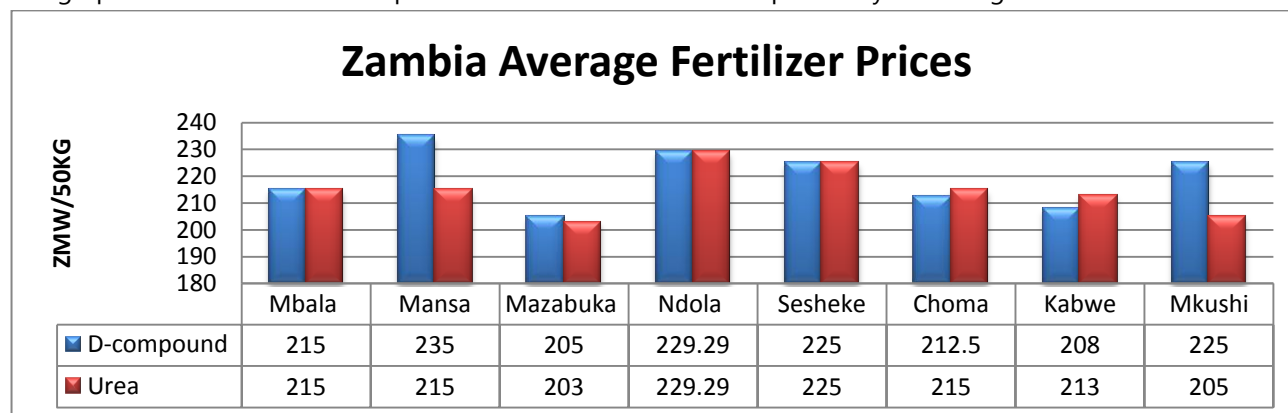
The following are exchange rates compiled from selected Zambian Banks. The exchange rates are indicative and may be subject to change without prior notice depending on market conditions.

CURRENCY	28/03/2014						21/03/2014					
	US Dollar		RAND		GB Pound		US Dollar		RAND		GB Pound	
	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
First National Bank (FNB)	6.248	6.54	0.597	0.624	10.449	10.931	6.341	6.469	0.587	0.587	10.47	10.682
Standard Chartered Bank	6.29	6.415	0.5954	0.6072	10.454	10.662	6.35	6.476	0.5851	0.5967	10.488	10.6964
ZANACO	6.275	6.475	0.5893	0.6114	10.376	10.766	6.3366	6.4634	0.5784	0.5933	10.409	10.6757
Bank of Zambia(Inter-Bank @ 15:30 Hrs)	6.1719	6.1819					6.1726	6.1826				

Commodity Highlights

FERTILIZER

The graph below shows fertiliser prices for selected districts as captured by ZNFU regional offices.

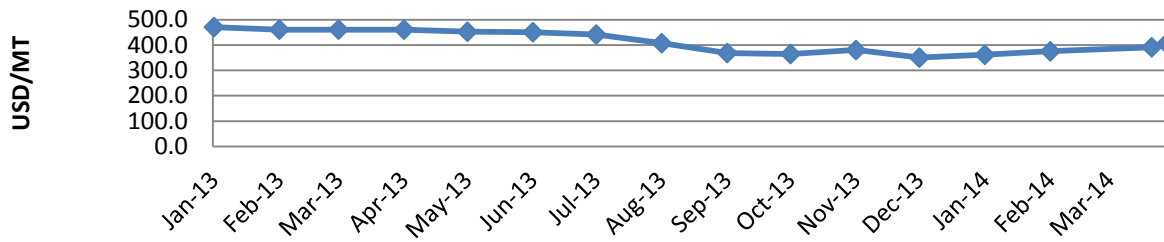


WHEAT

Highlights

- The government of Japan plans to import 4.93 million metric tonnes of wheat for food in the year beginning April 1, from 4.91 million tons recorded in the this fiscal year ending 31st march,2014.
- Domestic wheat output decreased 6 percent to 806,000 tons last year from 2012. Japanese demand is forecast at 5.71 million tons in the next fiscal year, rising 2 percent from a year earlier.
- Kenya with a net wheat annual consumption of 900,000 tonnes is likely to see increases in the cost of wheat flour due to an increase in the cost of shipment of the grain,reports that according to the millers association in the country shipment has gone up from Sh25,800 (\$300) to Sh29,670 (\$345) per tonne. Kenya produces 350,000 tonnes of wheat annually.
- The Chicago wheat futures price for delivery in May was pegged at US\$257.6/MT on Friday, 28th March midday.
- On the local market, wheat prices remain have began to gain slowly with the price now ranging between ZMW2.2-2.6/Kg. The graph below show wheat price trends as captured by the ZNFU 4455.

LOCAL WHEAT AVERAGE PRICE (JAN 13-MAR 14)

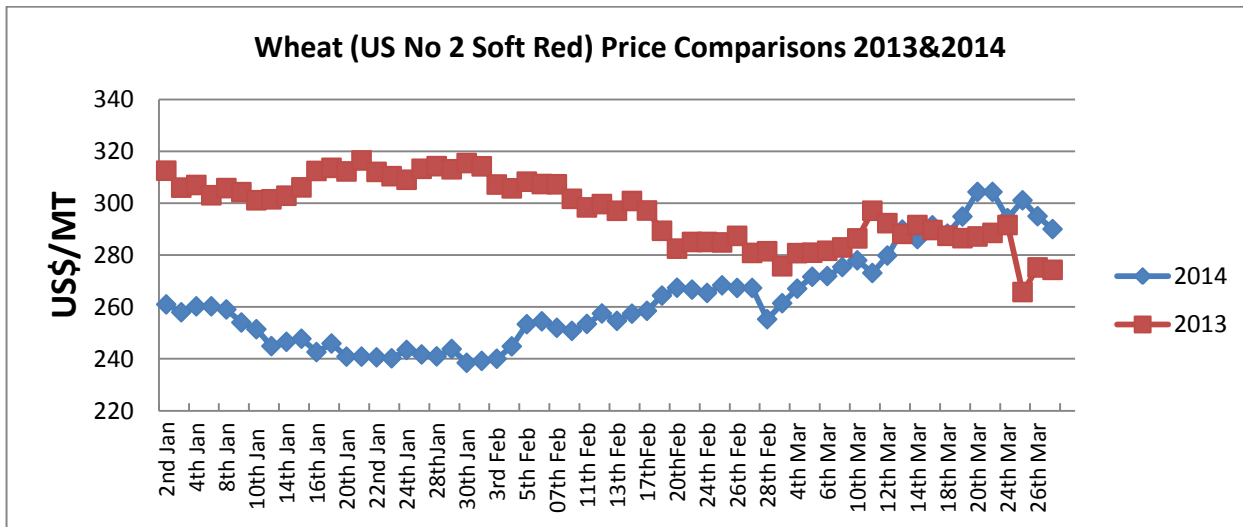
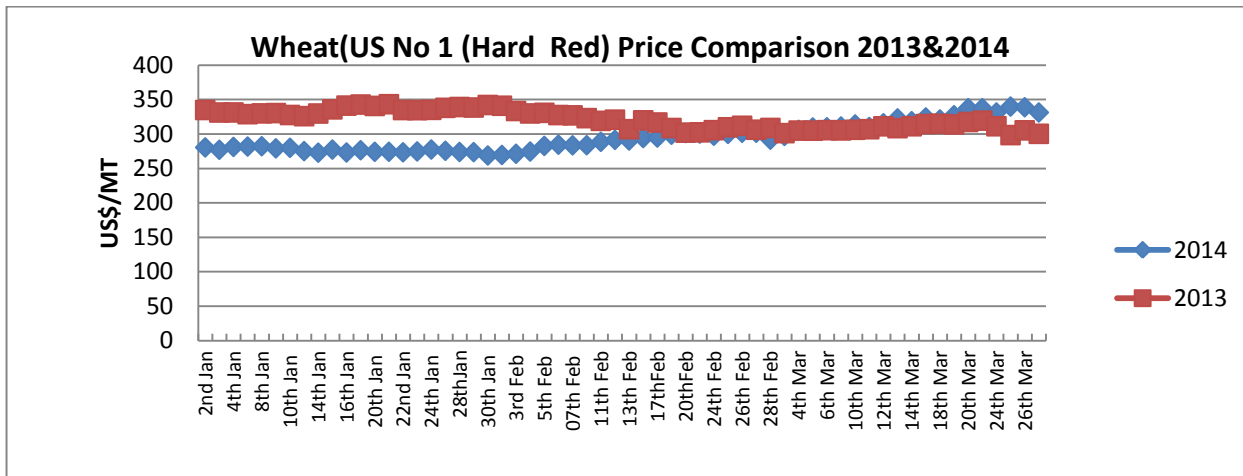


	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	21-Mar-14	28-Mar-14
PRICE (USD/MT)	470.8	461.0	461.0	460.8	452.7	450.8	441.7	407.3	368.7	364.8	380.3	350.3	361.8	375.3	391.3	406

Source :4455 ZNFU

Price trends

The Safex soft red and hard red average wheat prices for the previous week settled at US\$296.92/MT and US\$335.61/MT respectively compared to the US\$279.21/MT and US\$314.46/MT recorded last week respectively.



Source: Safex

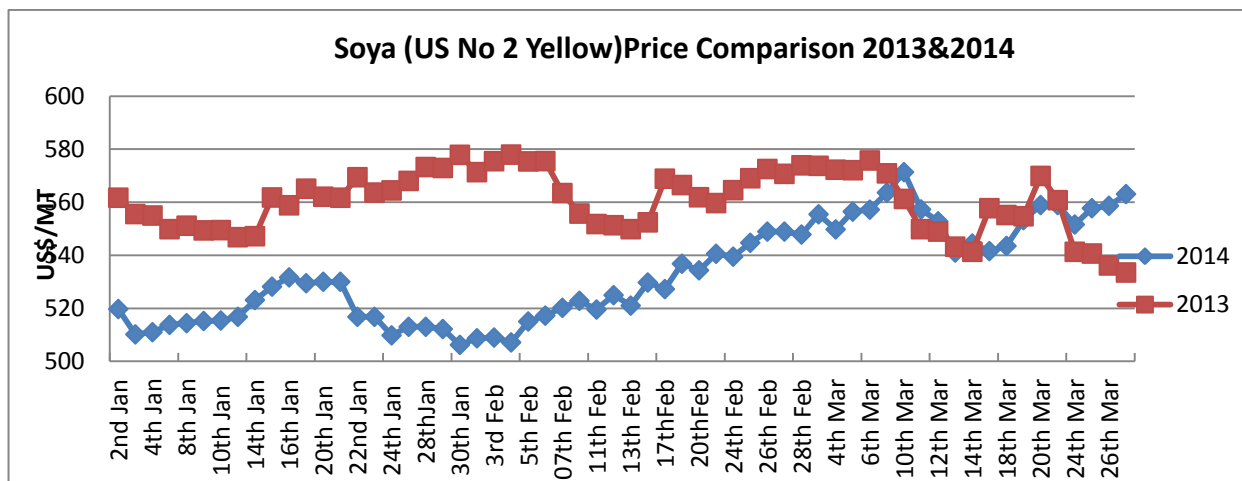
SOYA BEANS

Highlights

- In U.S Soybeans advanced for a fourth day to the highest level in a week on speculation that inventories in the U.S., the largest grower, have decreased as exports rose.
- The contract for May delivery climbed as much as 0.3 percent to \$14.445 a bushel on the Chicago Board of Trade, the highest since March 20 according to Reuters news.
- However, the Chicago soybeans futures prices for delivery in May settled at US\$ 528.74/MT on Friday,28th March afternoon.
- Standard Chartered rated soybeans a top bullish bet in agricultural commodities, foreseeing futures staying at \$14 a bushel for most of the next year reflecting rising production costs, and growing needs for soymeal in the livestock sector, particularly in the pork industry according to Agrimoney news.
- In South Africa soybean futures prices traded mixed during the past week: May-14 traded 0.88% (R54/t) lower at R 6,097/t and July-14 traded 0.45% or (R128t) lower at R6,177/t according to ABSA's Agri trend.
- Local soybeans prices are in the range of K2.0-2.8/Kg for non contract beans.

Price trends

The average price of US No. 2 yellow soya beans on Safex settled at US\$558.02/MT higher than last week's average of US\$557.23/MT period.



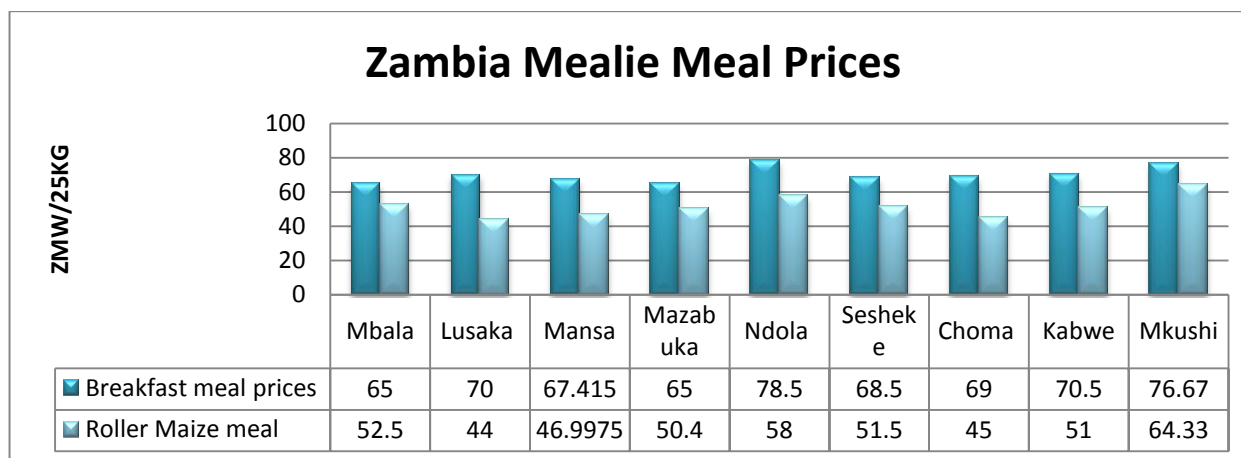
Source: Safex

Maize

Highlights

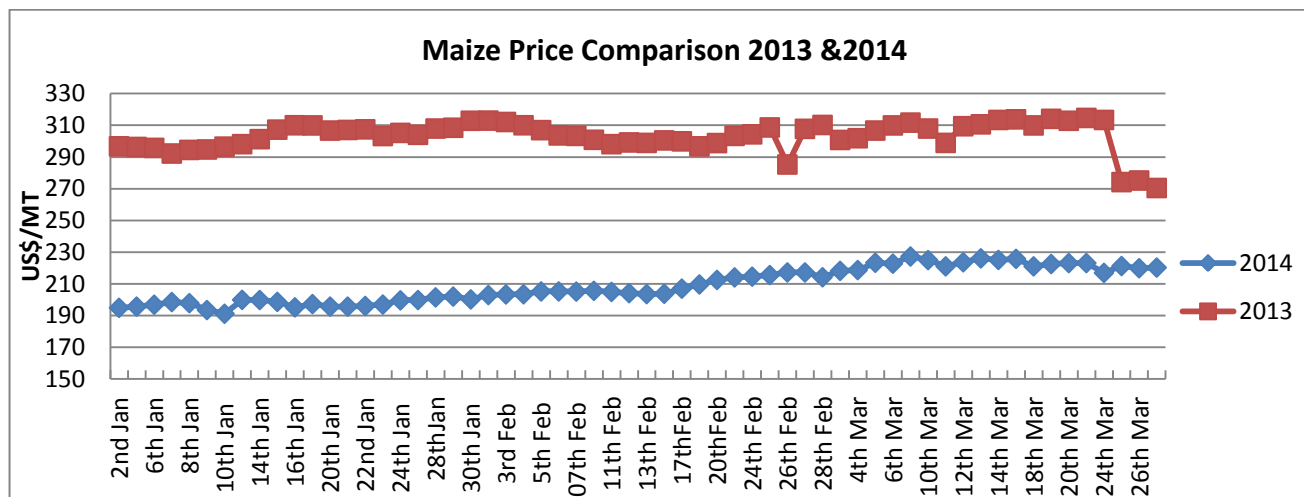
- The South African crop estimates committee raised its forecast for the country's output of the maize grain this season by 4.5 percent. According to the committee, Local farmers may grow 12.95 million metric tons of maize. That compares with last month's 12.4 million-ton forecast by the body and would be 11 percent more than the 11.7 million tons produced last year (2013).
- The committee raised its estimate for output of white maize by 7 percent to 7.01 million tons and that for the yellow type by 1.6 percent to 5.95 million tons.
- White maize for delivery in July fell 1.5 percent to 2,098 rand (\$196) a ton by the close of trading in Johannesburg on Thursday 27th march.
- Doane Advisory Services said that US corn plantings this spring would hit a four year low of 90.9 million acres. That's at the low end of other trade forecasts. Goldman Sachs currently estimates the US 2014 maize acreage at 93.5 million versus Allendale's 92.349 million and the USDA Outlook Forum figure of 92.0 million. Plantings last year were 95.4 million.
- The Chicago maize futures price for delivery in May was pegged at US\$193/MT on Friday, 28th March midday .
- On the local market, maize prices remain high on the commercial market with the commodity fetching prices as high as K96 per 50kg bag in Mazabuka. The national average maize price as captured by the ZNFU 4455 also remained higher at K1.5/KG than the FRA floor price offer of K 1.3/KG.

- The graph below shows Mealie meal prices for selected districts as captured by ZNFU regional offices. Roller Mealie meal price increased in Mazabuka from the K45 per 25kg in the previous weeks to K50.4 per 25 Kg.



Price trends

The average Safex price of US No. 2 Yellow maize for the previous week settled at US\$220.27/MT lower than last week's average of US\$ 224.58/MT.



Source: Safex

COTTON

Highlights

- China's, will lower its bidding price for sales of state cotton reserves from April 1, in an effort to boost the sales, the China Cotton Association said. The bidding price will be lowered to 17,250 Yuan (\$2,800) per tonne from April 1, down from 18,000 Yuan per tonne for standard-quality cotton now, the association said.
- In related news, China will require local mills to buy more of the fibre from its bloated state reserves in exchange for import allowances this year in a move aimed at reducing burgeoning state inventories that now account for 60 percent of global stocks according to Reuters, the government will give mills one tonne of import quota under a sliding tariff system for every four tonnes of cotton purchased from the state reserves during auctions from April 1. The ratio was set at 1-to-3 last year.
- Mozambique is likely to produce 110,000 tons of cotton in the current marketing year 2013-14, this is according to the daily newspaper Noticias .Cotton production in Mozambique grew from 41,000 tons in 2009-10 to 65,000 in 2010-11

and reached 184,141 tons in 2011-12. However, the production fell to 67,392 tons in 2012-13, against the target of 100,000 tons.

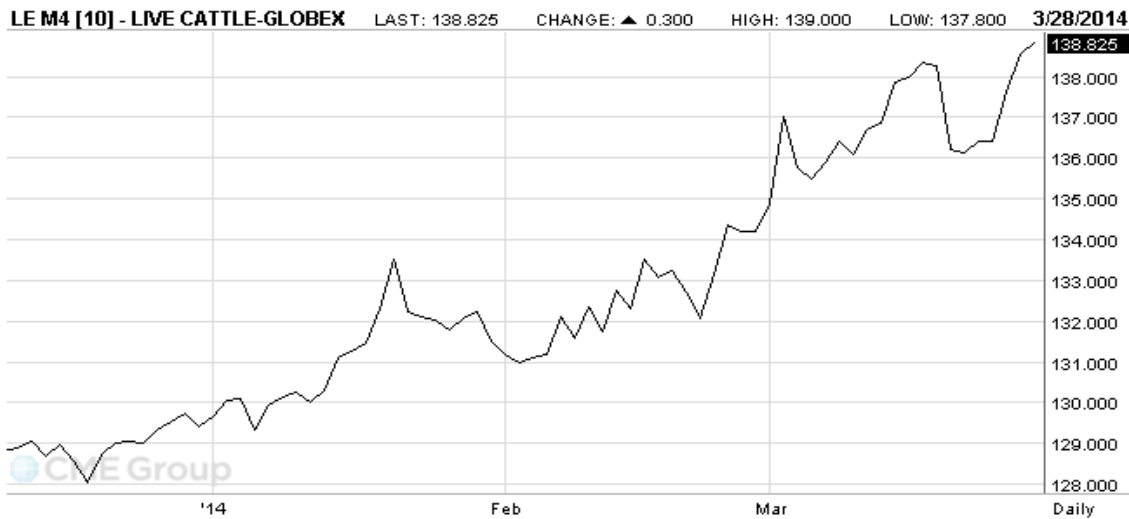
- The graph below shows the cotton futures price trend captured by CME;



BEEF

Highlights

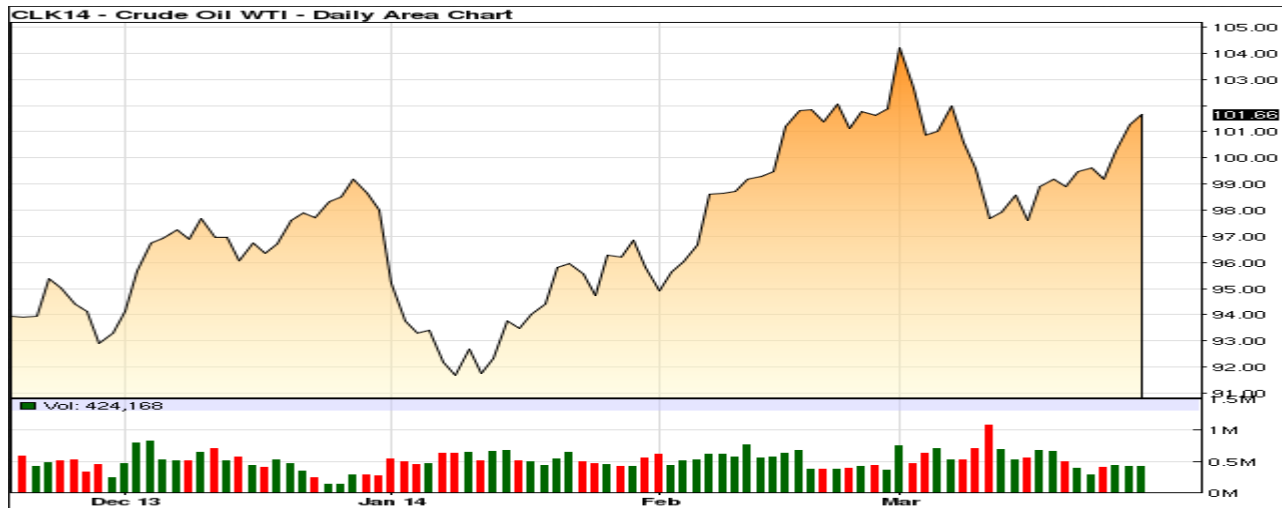
- U.S. food prices are expected to rise more rapidly this year after a very tame 2013, led by gains in beef among others, thus Farm cattle and wholesale beef prices rose in February, by 1.1 percent and 2.4 percent respectively
- The price of beef in Argentina has increased 20% since the start of 2014 due to heavy rainfall, according to latest market report by UK commodities analyst Mintec.
- In South Africa, prices of different meat classes in the previous week were as follows: Class A prices increased by 0.41% to R31.70/kg and Class C prices increased by 0.71% to R22.60/kg according to ABSA's Agri trend.
- The CME live cattle price for June 2014 delivery as of 28th March 2014 afternoon was 138.83 cents /pound (US \$3.05) compared to 136.15 cents/pond (US \$3.02/kg) reported last week .
- On the domestic market, prices for standard beef traded in the range of K12-20/kg, this is as captured by the ZNFU 4455 price information system.



CRUDE OIL

Highlights

- The price of oil rose Friday amid signs of stronger economic growth in the U.S. and possible disruptions to Nigerian crude exports.
- Benchmark U.S. crude for May delivery was up 20 cents to \$101.48 a barrel in electronic trading on the New York Mercantile Exchange. The contract gained \$1.02 to \$101.28 on Thursday.



Source: oil price

Average Stock Feed Prices

	Unit	Kabwe	Livingstone	Mkushi	Mazabuka
BROILER FEEDS					
Broiler Starter	50kg	163.125	171.6	172.2	162
Broiler Grower	50kg	159.75	169.3	169.5	160.75
Broiler Finisher	50kg	155.25	166.3	168	158.75
Broiler Withdrawal/Post finisher	50kg				
LAYER FEEDS					
Pullet Starter	50kg	138.5			
Pullet Grower	50kg	129			
Pullet Developer	50kg	121.5			105
Layer 96	50kg	121.66667	138		
Layer 95	50kg	128	141		113.75
Layer 100	50kg	123			131.5
Layer 105	50kg	121	135.5		105
Layer 115	50kg	116			107.75
PIG FEEDS					
Pig Creep	50kg				
Pig Weaner	50kg	168			137
Pig Grower	50kg	148.16667			136
Pig Finisher	50kg				107
Sow and Boar Mash	50kg	121			118
Pig Lactating Soar	50kg	162			113
CATTLE FEEDS					
Calf Starter	50kg				128
Dairy 19(Urea)	50kg	101			129
CONCENTRATES					
Broiler Starter Concentrate	50kg				212.5
Broiler Grower Concentrate	50kg				130
Broiler Finisher Concentrate	50kg				126
Pig Weaner Concentrate	50kg				239
Pig Grower Concentrate	50kg	151.5			254
Pig Finisher Concentrate	50kg				145
Sow and Boar Mash Concentrate	50kg				157
Pig Lactating Soar Concentrate	50kg				157
BRAN					
Wheat bran	25kg				
Maize bran	25kg			16	21

Weather information

Agro meteorological Conditions(11-20 March)

The dekad under review saw a significant reduction in rainfall activities especially over much of Southern Province; this has led to a further deterioration in the soil moisture levels. Early planted maize crops are reported to be in their maturity stage while some of the late planted maize is in their reproductive stage. With the lessened moisture levels, this is likely to disturb the reproduction process as this stage requires some good moisture level. However, the yield prospects are good for this season except for a few cases especially over some parts of southern Province where late planting was done due to the delayed onset of the season.

Forecast from 31st March – 3rd April, 2013

Northwestern, Copperbelt, Luapula, Northern, Muchinga Eastern including the northern districts of Western Province will be cloudy with a chance of morning rains, afternoon showers and thunderstorms in places while the rest of the country will be mainly sunny at first, becoming partly cloudy with a chance of afternoon showers in few places

Note:Please let us know your comments and views on items contained within this issue or any other issues of the Agro Watch by sending an email to us on info@znfu.org.zm