



# THE WEEKLY AGRO WATCH



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In this week's issue:

- ❖ **NEW!!!! Poultry Industry Update**

## Zambia Maize Flow Price Pitched At K70

Government finally announced the long awaited maize flow price for the 2014/15 season pegging it at K70. 00. This translates into a K5. 00 increment from last season's price which had been stuck at K65. 00 for four (4) farming seasons. Minister of Agriculture and Livestock, Hon. Wilbur Simuusa made the announcement in a ministerial statement read in Parliament on Friday morning 20<sup>th</sup> June , 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= K6.1

Prices as at 23rd June ,2014/ per metric ton

	Mbala		Mansa		Lusaka		Mazabuka		Sesheke		Choma		Kabwe		Mkushi		Ndola/Kitwe		Kaoma	
	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	USD	K	
White Maize	1000	164	1000	163.9	1400	230	1300	213	1200	197	1250	205	1200	197	1200	197	1200	197	1440	236
Wheat					2650	434	2330	382			2330	382	2550	418	2500	410	2400	393		
Soybeans	2000	328			2750	451	2500	410	2100	322	2420	397	2500	410	2500	410	2500	410		
Sunflower					1700	279	1350	221		0	1350	221	1450	238	1300	213	1300	213		

## Import Parity Prices

The following import parity prices were compiled by ZNFU as at 20<sup>th</sup> June, 2014.

Domestic Import Parity Prices as at 20/06/2014					
		US\$/ZAR=10.70		US\$/ZMK=6.26	
Parity Prices		U\$/ZMK	Maize	Soya	Wheat
Lusaka		6.26	366.8	740.89	454.75
Town	ZMK	\$	\$	\$	\$
Chipata	275	43.93	410.73	784.82	498.68
Mkushi	225	35.94	402.74	776.83	490.69
Ndola	250	39.94	406.74	780.83	494.69
Kitwe	250	39.94	406.74	780.83	494.69

## Export Parity Prices

The following import parity prices were compiled by ZNFU as at 15<sup>th</sup> June, 2014.

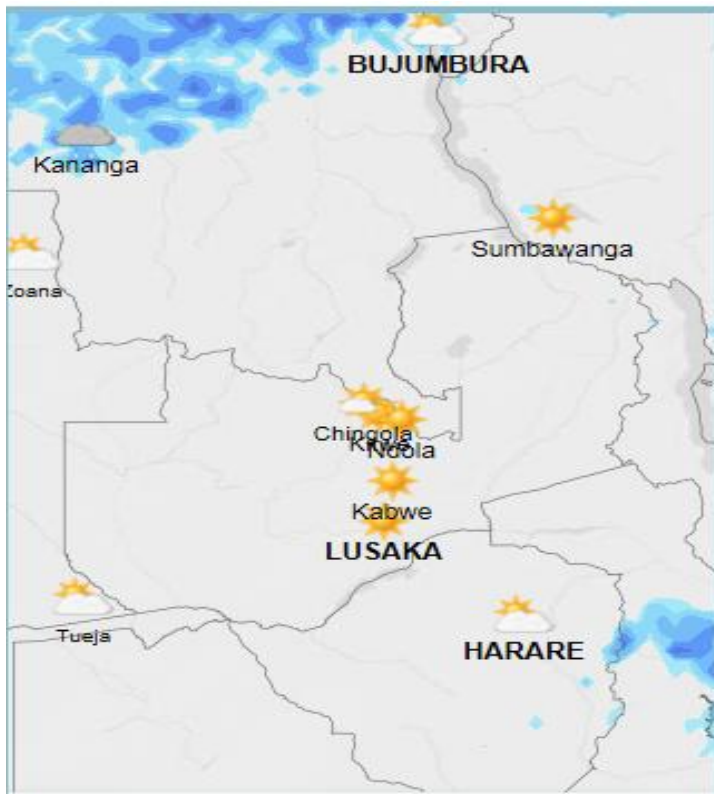
Export Parity Price (EPP)Harare-Lusaka as at 20/06/14 in US\$/ton	
Soya Beans	416.99
Wheat	380.76
Maize	262.45

## Exchange Rates

CURRENCY	23/06/2014						16/06/2014					
	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)	6.03	6.15	0.57	0.58	10.28	10.48	6.21	6.34	0.58	0.59	10.56	10.78
Standard Chartered Bank	6.03	6.15	0.57	0.58	10.27	10.47	6.22	6.34	0.58	0.59	10.57	10.78
ZANACO	6.02	6.15	0.56	0.58	10.22	10.48	6.21	6.34	0.58	0.59	10.50	10.77
Bank of Zambia (BOZ)	6.08	6.10					6.25	6.27	10.61	10.64	0.579	0.581

## Weather Update

The table summarizes the weather forecast for some selected towns for the period 25<sup>th</sup> to 01<sup>st</sup> June 2014.

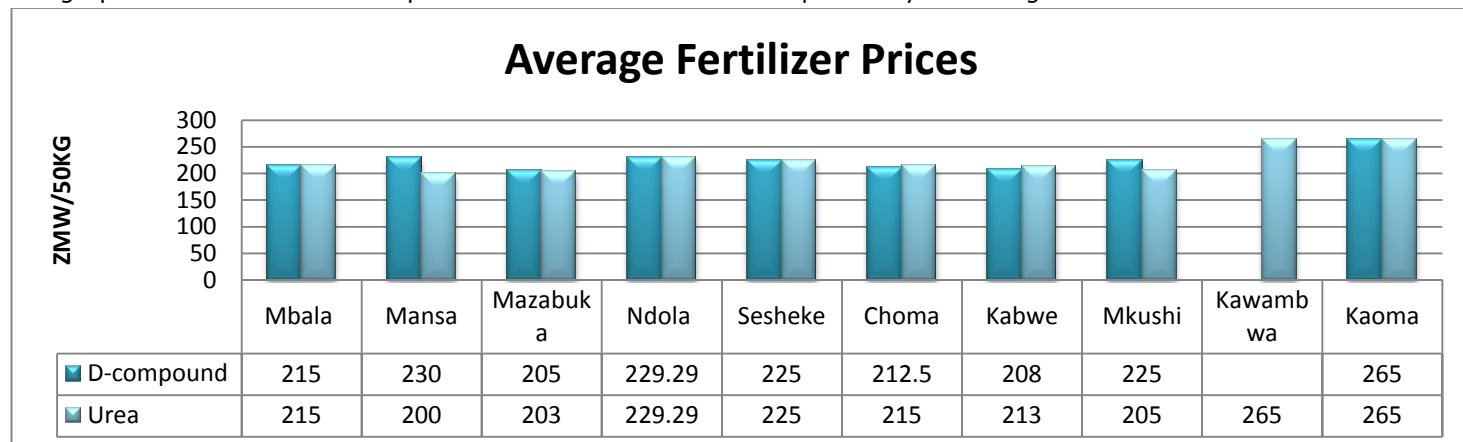


TOWN	WEATHER SUMMARY
<b>Ndola</b>	<ul style="list-style-type: none"> <li>➤ Clear sunny skies throughout the week except for the 28<sup>th</sup> and 30<sup>th</sup> when it will be partly cloudy.</li> <li>➤ Average Daily Temperatures: 21-25°C.</li> <li>➤ Light and gentle breeze throughout the week except for the 27<sup>th</sup> when it's expected to be calm</li> </ul>
<b>Mkushi</b>	<ul style="list-style-type: none"> <li>➤ Clear sunny skies throughout the week except for the 28<sup>th</sup> and 30<sup>th</sup> when it will be partly cloudy.</li> <li>➤ Average Daily Temperatures: 20-24°C</li> <li>➤ Light and gentle breeze throughout the week</li> </ul>
<b>Kabwe</b>	<ul style="list-style-type: none"> <li>➤ Clear sunny skies throughout the week except for the 28<sup>th</sup> and 29<sup>th</sup> when it will be fairly cloudy.</li> <li>➤ Average Daily Temperatures: 17-24°C.</li> <li>➤ Light and gentle breeze throughout the week</li> </ul>
<b>Lusaka</b>	<ul style="list-style-type: none"> <li>➤ Clear sunny skies throughout the week.</li> <li>➤ Average Daily Temperatures: 19-23°C.</li> <li>➤ Light and gentle breeze throughout the week.</li> </ul>
<b>Mazabuka</b>	<ul style="list-style-type: none"> <li>➤ Clear sunny skies throughout the week except for the 28<sup>th</sup> and 30<sup>th</sup> when it will be fairly cloudy.</li> <li>➤ Average Daily Temperatures: 21-25°C.</li> <li>➤ Light and gentle breeze throughout the week except for the 27<sup>th</sup> when it's expected to be calm.</li> </ul>
<b>Choma</b>	<ul style="list-style-type: none"> <li>➤ Clear sunny skies throughout the week except for the 30<sup>th</sup> when it will be partly cloudy.</li> <li>➤ Average Daily Temperatures: 18-22°C.</li> <li>➤ Light and gentle breeze throughout the week</li> </ul>

## Commodity Highlights

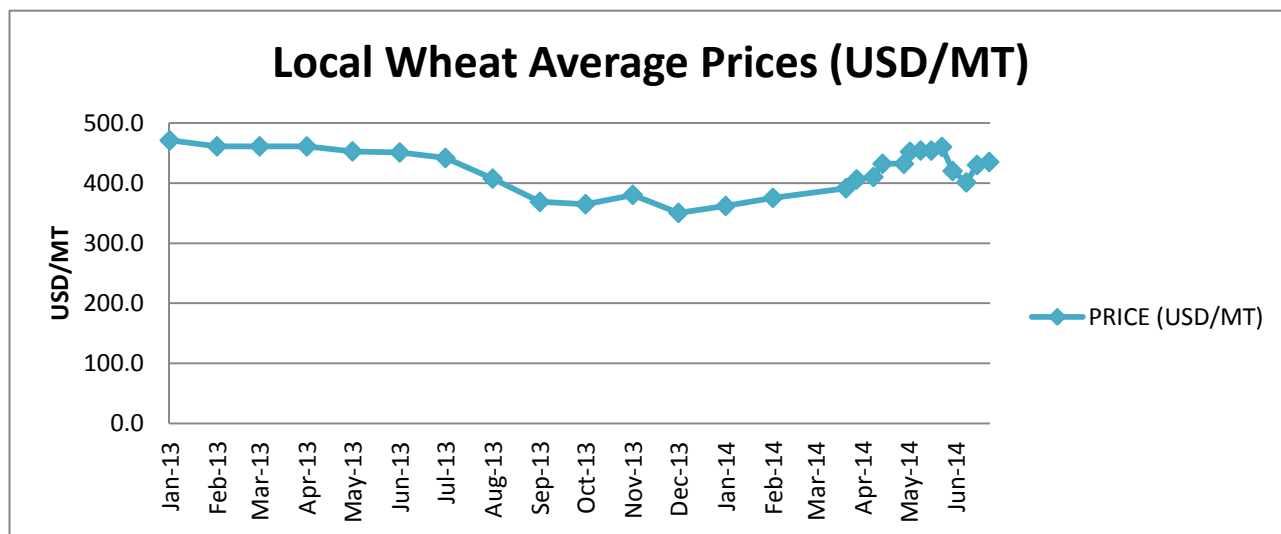
### Fertilizer

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



## WHEAT Highlights

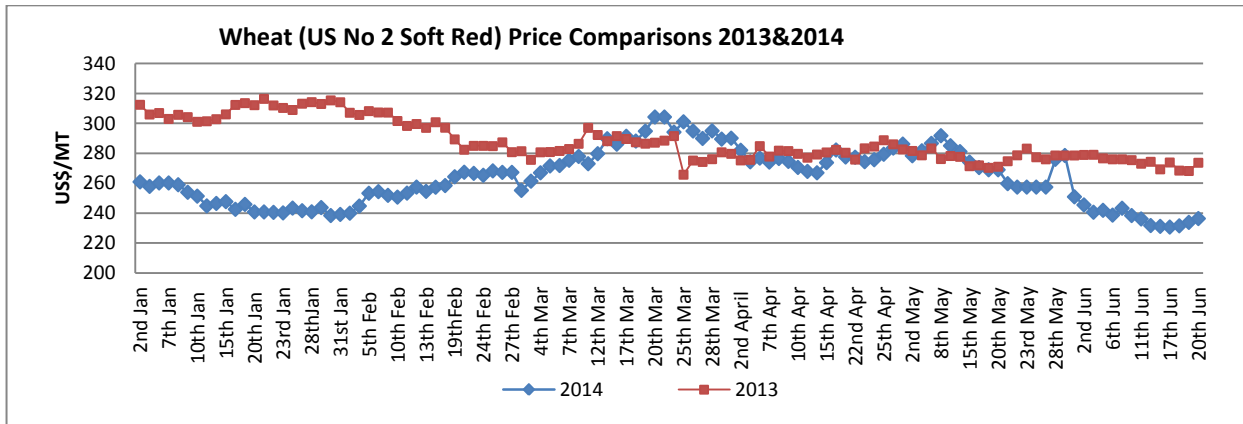
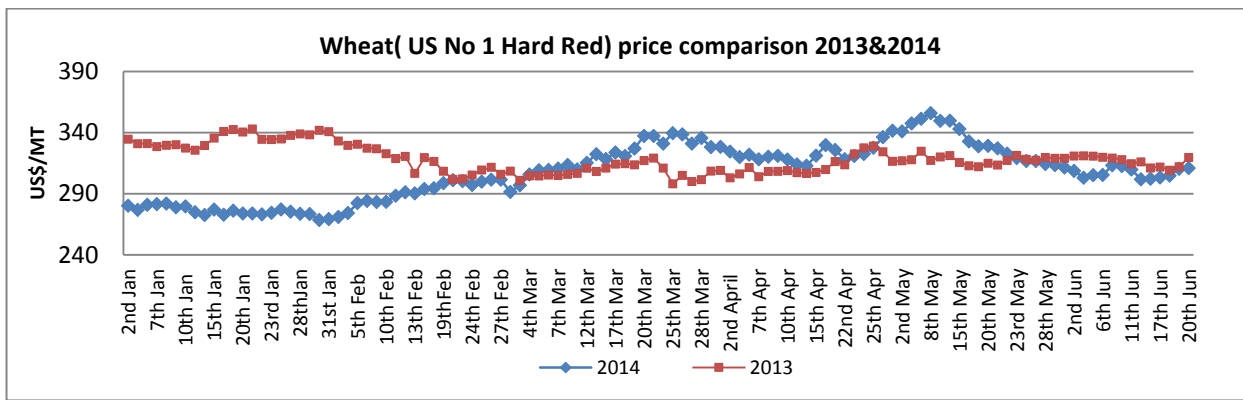
- Wheat futures in South Africa dropped to a 5-Month Low on Black Sea Imports. According to Reuters, it has become cheaper to import new-season Russian wheat than it is to buy local. Wheat for delivery in July dropped 0.9 percent to 3,790 rand (\$353) a metric ton by the midday close on the South African Futures Exchange on Thursday last week.
- In related news, South Africa is said to have imported 53,351 tons of wheat in the week to June 13 and that included 47,120 tons from the Ukraine and 20,066 tons from Russia according to the South African Grain Information Service on its website.
- The Chicago wheat futures for delivery in July settled at US\$ 233/MT this Monday morning 23<sup>rd</sup> June, 2014.
- Locally wheat prices are in the range of K2.4-2.8/KG. the graph below shows wheat price trends:



Source :ZNFU 4455

### Price trends

The Safex international soft red and hard red average wheat prices for last week settled at US\$233.16/MT and US\$307.52/MT respectively. Soft red prices fell dropped by 1.28 percent on average whilst hard red prices dropped by 0.19 percent when compared to the previous week. All prices are fob gulf.



Source: Safex

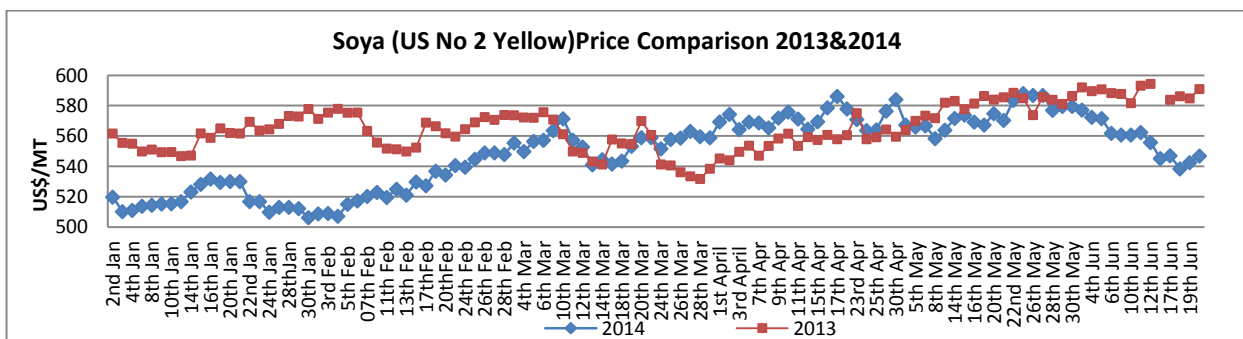
## SOYA BEANS

### Highlights

- Dwindling Indian demand for palm oil may expand stockpiles in Indonesia and Malaysia, the biggest growers, and pressure palm oil prices which have already dropped 8.4 percent this year.
- Bloomberg reports that the Solvent Extractors' Association of India says shipments of crude and refined palm oils slid 14 percent to 647,756 metric tons last month from a year earlier, Crude soybean oil imports more than tripled to 174,209 tons, while sunflower oil purchases more than doubled to 178,753 tons.
- Zambia in the recent past also recorded increased importation of crude palm oil and the further drop in world prices could see the continued importation of the oil.
- Meanwhile, Chinese soybean imports may increase in June to as much as 7.5 million tons, a near record and up from 6.9 million tons at the same time last year, Oil World has said.
- The Chicago wheat futures for delivery in July settled at US\$ 524/MT this Monday morning 23<sup>rd</sup> June, 2014.
- On the local market, Soybeans prices on the local market remain average ranging between K1.8-2.75/Kg.

### Price trends

Last week's average international price of US No. 2 yellow soya beans on Safex settled at US\$543.68/MT, 2.38 percent below the previous' week's average of US\$556.93/MT.

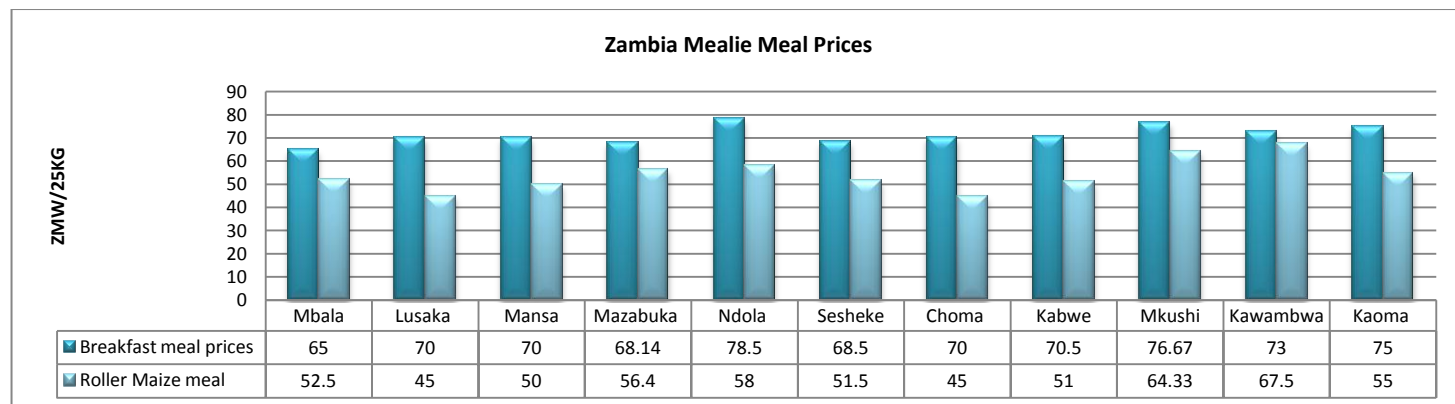


Source: Safex

## Maize

### Highlights

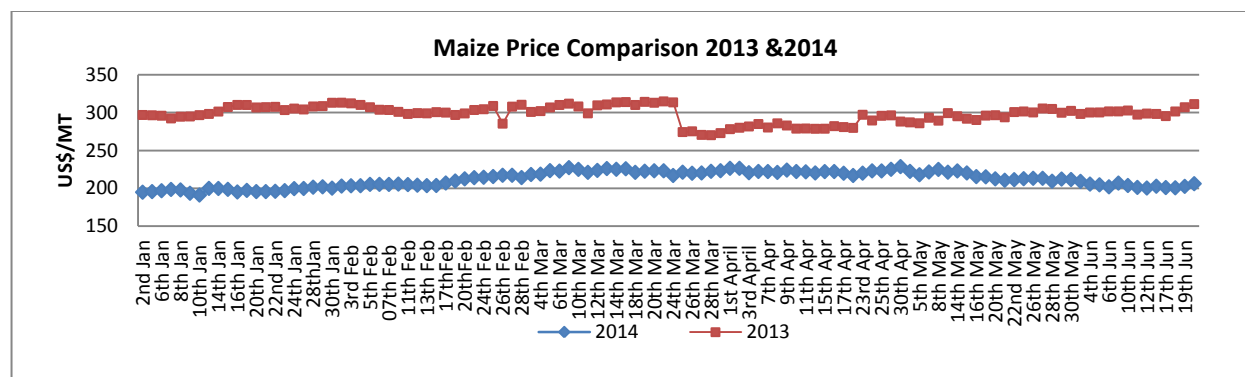
- Maize futures in the U.S rose today extending a weekly gain on the backdrop of concerns that excessive rain in Midwest will cause crop conditions to deteriorate for the world's biggest grower and exporter. Maize for December delivery rose 0.8 percent to touch \$4.5725/bushel, the highest since June 6. Futures climbed 1 percent last week, the first increase since the period ended May 9.
- The Chicago maize futures for delivery in July settled at US\$ 180/MT this Monday morning 23<sup>rd</sup> June, 2014.
- On the domestic market, Maize prices hovered between K0.80-1.4/KG in the past week.
- The graph below shows average Mealie meal prices for selected districts.



Source: ZNFU Regional offices

### Price trends

The average international price on Safex price of US No. 2 Yellow maize for last week settled at US\$202.54/ton, slightly lower than the previous week's average price of US\$202.95/ton.

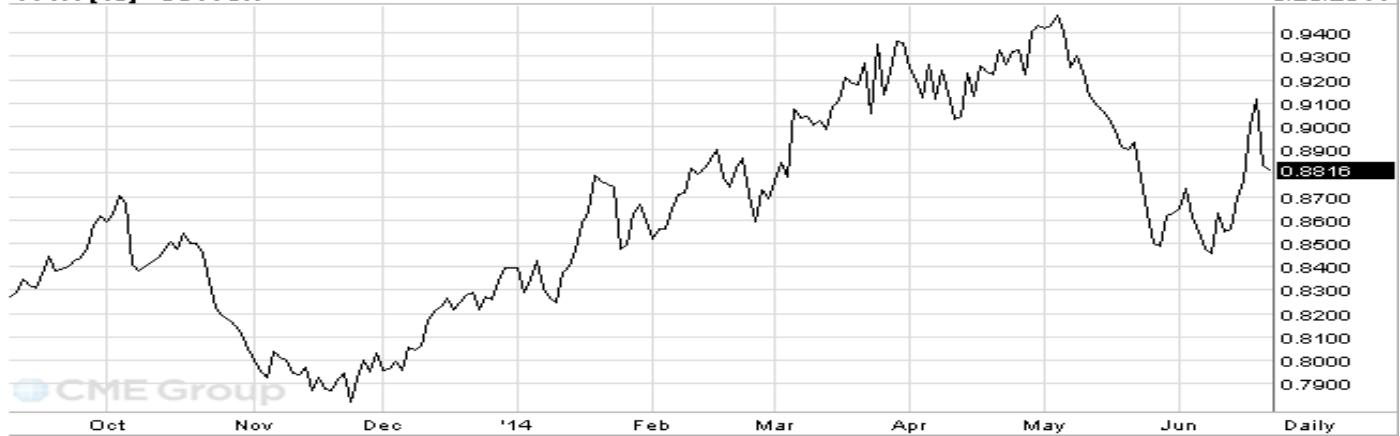


Source: Safex

## COTTON

### Highlights

- Farmers and cotton stakeholders in Tanzania, represented by the Tanzania Cotton Growers Association (TACOGA), Tanzania Cotton Association (TCA), and the Tanzania Cotton Board (TCB) have agreed on a minimum price of Tsh750 (US\$ 0.446)/kg of cotton for the new marketing season that began on June 18, 2014, according to an East African Business Week report.
- Tanzania is expected to produce 250,000 tons for the ongoing cotton season 2014-15, in 2012-13, Tanzanian farmers produced around 360,000 tons of cotton, about 57 percent more than 255,000 tons produced in 2011-12.
- The graph below shows cotton futures price trends ;



Source: CME

## BEEF

### Highlights

- On the Namibian market, Grade A0 beef was trading in the range of R30—32.49 per Kg for the week ending 23<sup>rd</sup> June 2014 as captured by the meat board of Namibia.
- Beef prices on the New York market are still rising with market players attributing this to fewer animal available for sell .The CME live cattle price for August 2014 delivery as of 24<sup>th</sup> June settled at 148.20 cents/pound ( US\$ 3.26/kg).
- On the domestic market, prices for standard beef traded higher in the week ending 20<sup>th</sup> may and were in the range of K14-20/kg, this is as captured by the ZNFU 4455 price information system.



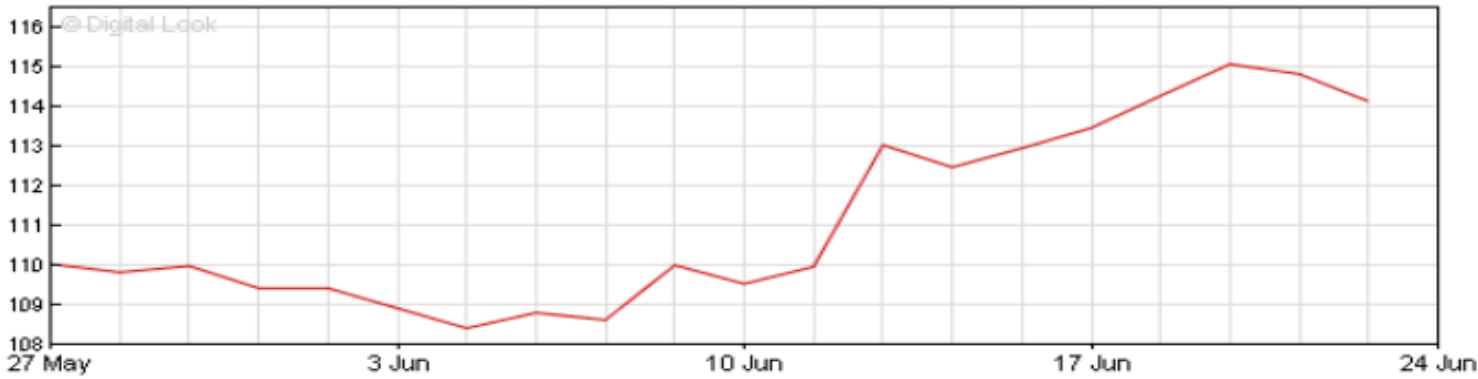
Source: CME Group

## Crude Oil

### Highlights

- The Islamic insurgent in Iraq have continued influencing the international crude oil prices. By end of last week, Brent prices had hit a nine month high of US\$115/barrel but came down at the start of the new week as the market players became less anxious about the political situation in Iraq.
- By end of day Monday, Brent prices settled at US\$114.05/barrel while WTI futures at US\$106.1/barrel.

## Brent Crude Oil Futures \$/barrel

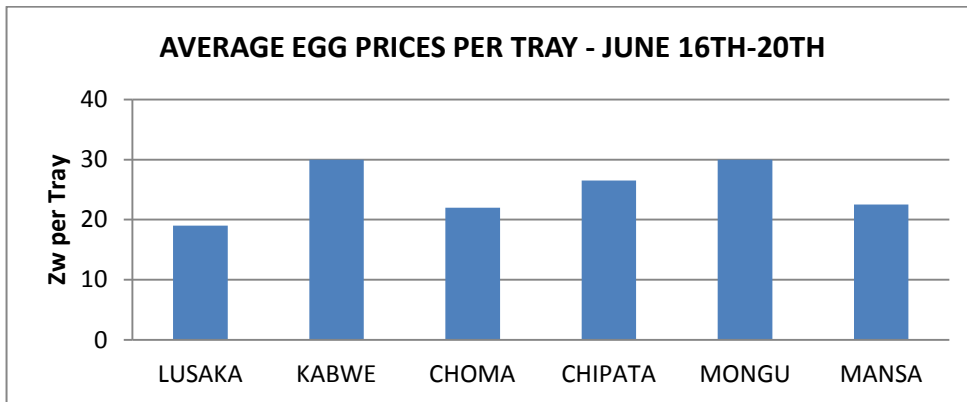


Source: BBC Business

## Poultry Industry Update

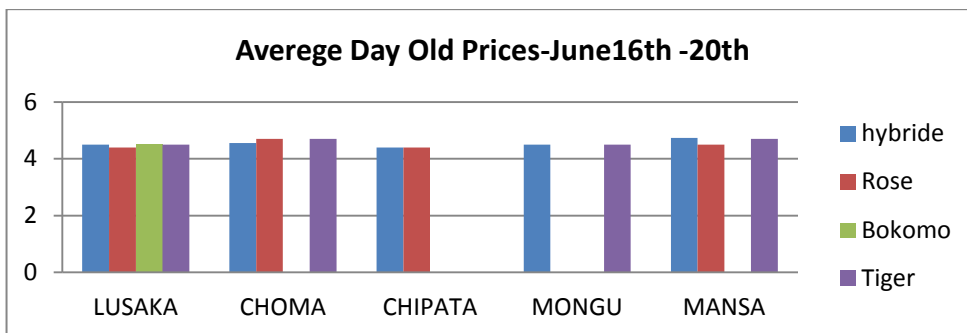
### Average Egg Prices

For the week ending 20<sup>th</sup> June 2014, Mongu and Kabwe recorded the highest prices for a tray of eggs at ZMK30. Choma and Mansa had the lowest prices with a tray going for about ZMK22 on average.



### Average Day Old Chick Prices

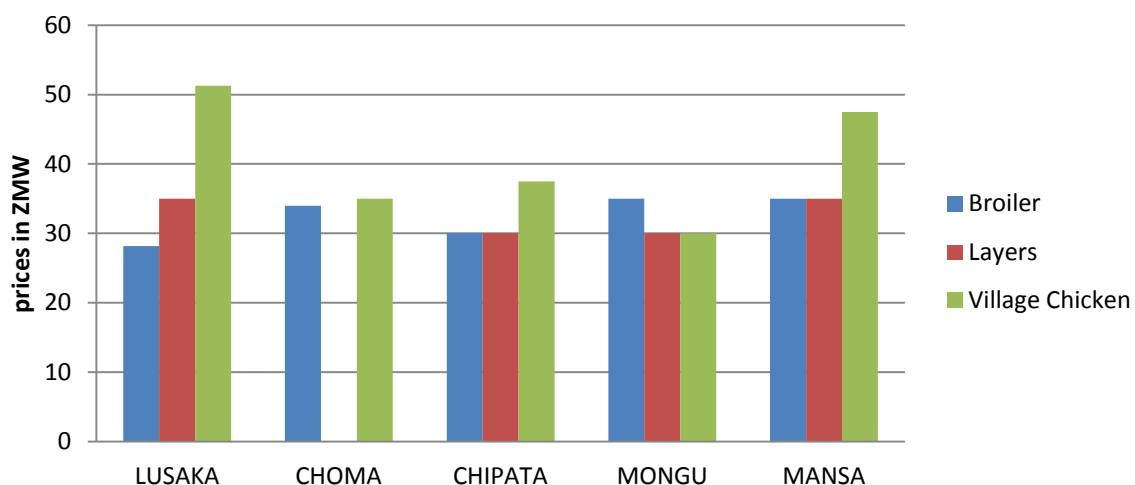
The table below shows selected prices for day old chicks in different towns.



### Average Chicken Prices

The table shows the average live bird chicken prices for broilers, layers and village chicken. Lusaka is posting the lowest prices for broilers at an average of ZMW 28.21 per bird.

**Average Chicken Prices- June 16th to 20th**



## Average Stock Feed Prices

	Unit	Kabwe	Livingstone	Mkushi	Mazabuka	Kawambwa
<b>BROILER FEEDS</b>						
Broiler Starter	50kg	163.125	171.6	172.2	162	168.98
Broiler Grower	50kg	159.75	169.3	169.5	160.75	166.18
Broiler Finisher	50kg	155.25	166.3	168	158.75	163.18
Broiler Withdrawal/Post finisher	50kg					
<b>LAYER FEEDS</b>						
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	123.00
Layer 105	50kg	121	135.5		105	121.00
Layer 115	50kg	116			107.75	
<b>PIG FEEDS</b>						
Pig Creep	50kg					
Pig Weaner	50kg	168			137	
Pig Grower	50kg	148.16667			136	160
Pig Finisher	50kg				107	
Sow and Boar Mash	50kg	121			118	
Pig Lactating Soar	50kg	162			113	
<b>CATTLE FEEDS</b>						
Calf Starter	50kg				128	
Dairy 19(Urea)	50kg	101			129	
<b>CONCENTRATES</b>						
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	
<b>BRAN</b>						
Wheat bran	25kg					
Maize bran	25kg			18	21	22