



THE WEEKLY AGRO WATCH



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6th September, 2014

Industry Updates

Resurgence of African Swine Fever in Lusaka

A total of 162 pigs were slaughtered at Chikupi Vocational Training centre in Lusaka's shimabala area by a combined team of ZNFU and the Ministry of Agriculture and Livestock staff after tests showed that pigs on the farm had African swine fever. However, samples collected from about 5 surrounding farms were negative. The Ministry of Agriculture has continued conducting tests on pigs in the area with results of more samples collected expected to be ready early this week.

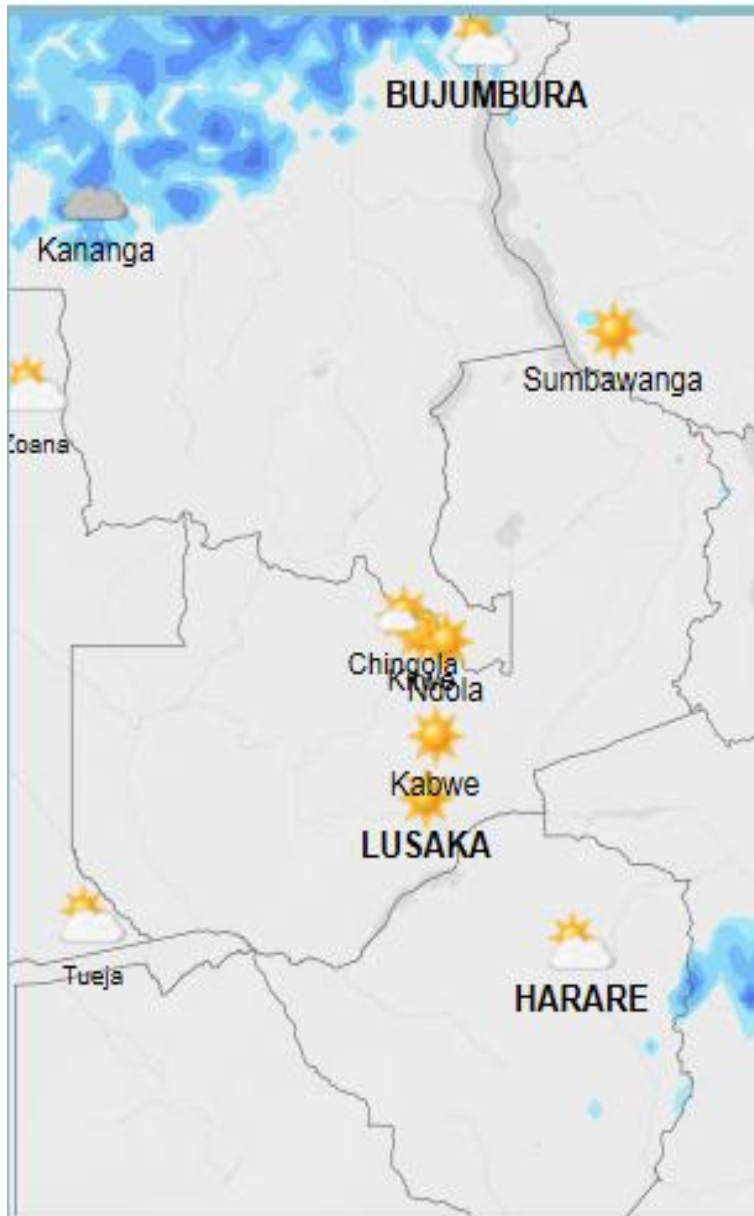
Exchange Rates

Over the last month, the kwacha lost its stability grip and was seen to be depreciating, in line with the fall in international copper prices. Reduced Chinese buying has been the major factor behind the drop in copper prices. It is hoped that the reduced copper prices will attract more demand and cause a ripple effect of slight strengthening of the kwacha.

CURRENCY	06/10/2014						30/09/2014					
	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	6.23	6.36	0.56	0.57	9.96	10.16	6.2	6.33	0.56	0.58	10.1	10.3
Standard Chartered	6.24	6.36	0.55	0.56	9.98	10.17	6.21	6.33	0.56	0.57	10.09	10.29
ZANACO	6.24	6.36	0.55	0.56	9.92	10.18	6.19	6.32	0.55	0.56	10.02	10.28
Bank of Zambia (BOZ)	6.28	6.30	0.557	0.559	10.04	10.07	6.2465	6.2665	0.5534	0.5554	10.1493	10.183

Weather Update

The table summarizes the weather forecast for some selected towns for the period 6th October to 12th October 2014.



TOWN	WEATHER SUMMARY
Ndola	<p>Fair, partly cloudy to clear skies.</p> <ul style="list-style-type: none"> ➤ Average Temperatures: 30-33°C. ➤ Light, moderate to gentle breeze with no precipitation throughout the week.
Mkushi	<ul style="list-style-type: none"> ➤ Mostly clear skies throughout the week. ➤ Average Temperatures: 28-33°C <p>Light and gentle breeze with no precipitation throughout the week.</p>
Kabwe	<ul style="list-style-type: none"> ➤ Mostly clear skies throughout the week ➤ Average Temperatures: 28-34°C ➤ Moderate to gentle breeze with no precipitation throughout the week.
Lusaka	<ul style="list-style-type: none"> ➤ Mostly sunny skies throughout the week save for the 7th which will be partly cloudy. ➤ Average Temperatures: 27-34°C ➤ Light to gentle breeze with no precipitation throughout the week.
Mazabuka	<ul style="list-style-type: none"> ➤ Clear sunny skies throughout the week ➤ Average Temperatures: 29-36°C <p>Light to moderate breeze with no precipitation throughout the week.</p>
Choma	<ul style="list-style-type: none"> ➤ Clear sunny skies throughout the week. ➤ Average Temperatures: 27-34°C ➤ Light to gentle breeze with no precipitation throughout the week.

Source: Norway meteorological Institute

COMMODITY HIGHLIGHTS

Local Commodity Prices

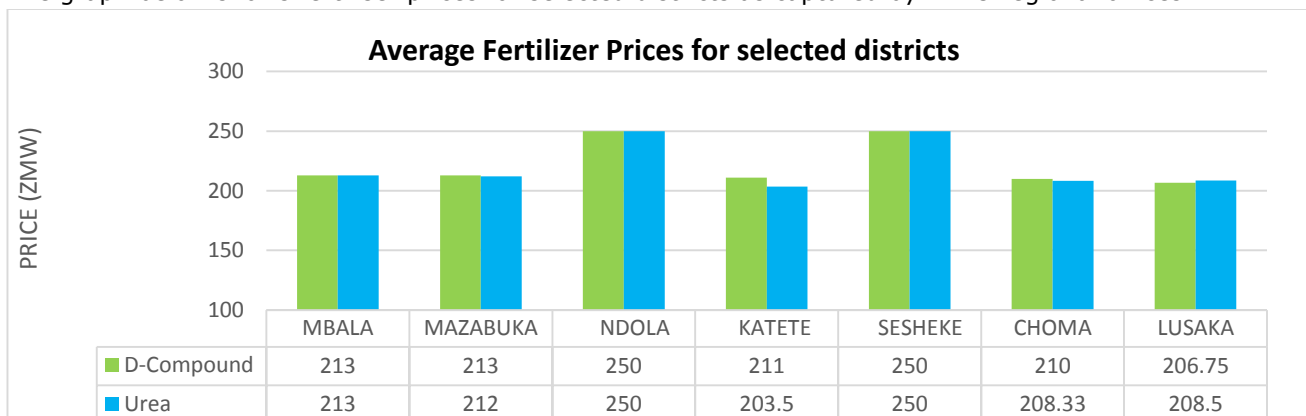
Grains

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 6 th October , 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	1000	159	1100	175	1380	219	1150	183	1100	175	1200	190	1200	190	1000	159	1100	175
Wheat		0		0	2780	441	2400	381		0	2400	381	2650	421		0		0
Soybeans	2000	317		0	2750	437	2500	397	2100	333	2400	381	2500	397	2000	317		0
Sunflower		0		0	2200	349	1000	159	1000	159	1150	183	1500	238		0		0

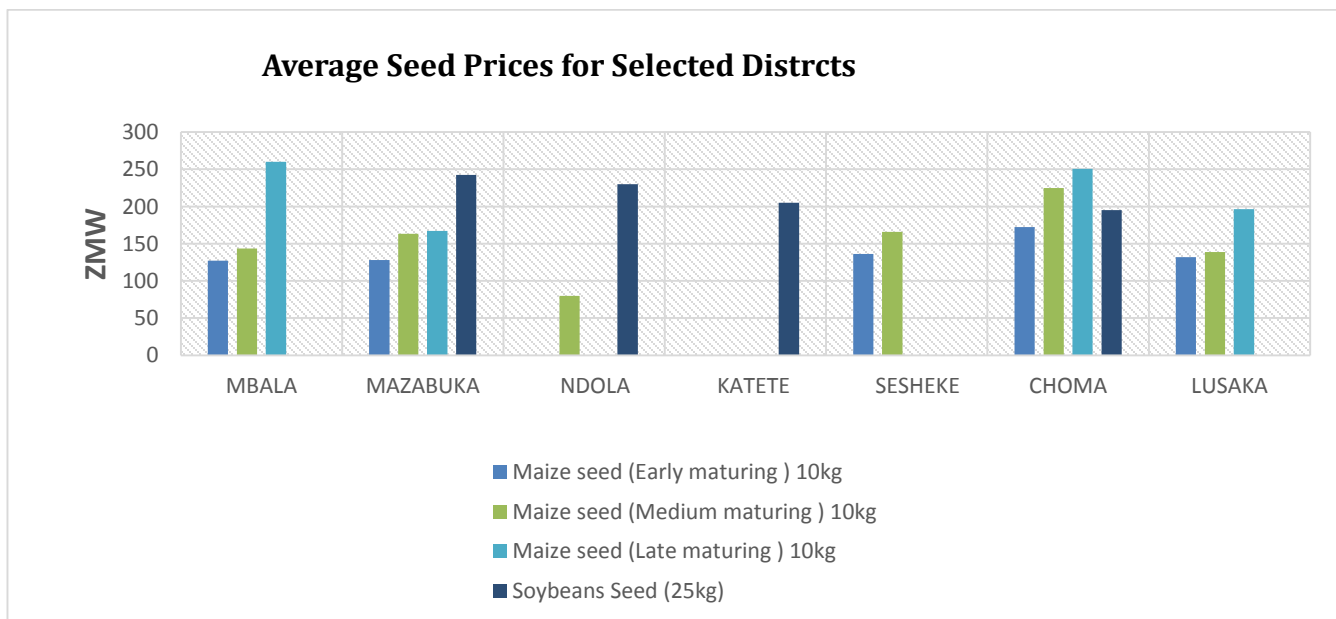
Fertilizer

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



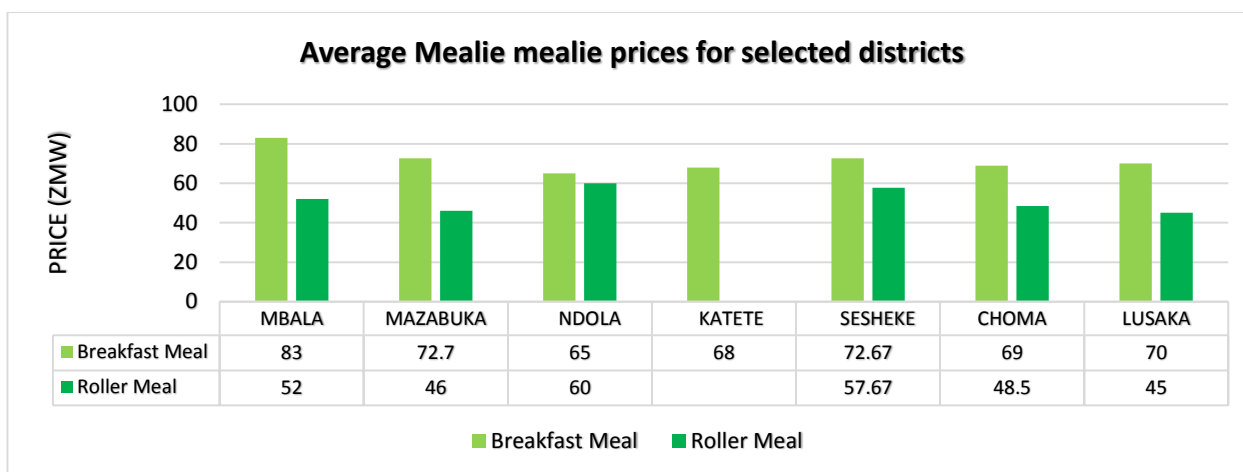
Source: ZNFU Regional Offices

Seed



Source: ZNFU Regional Offices

Mealie Meal

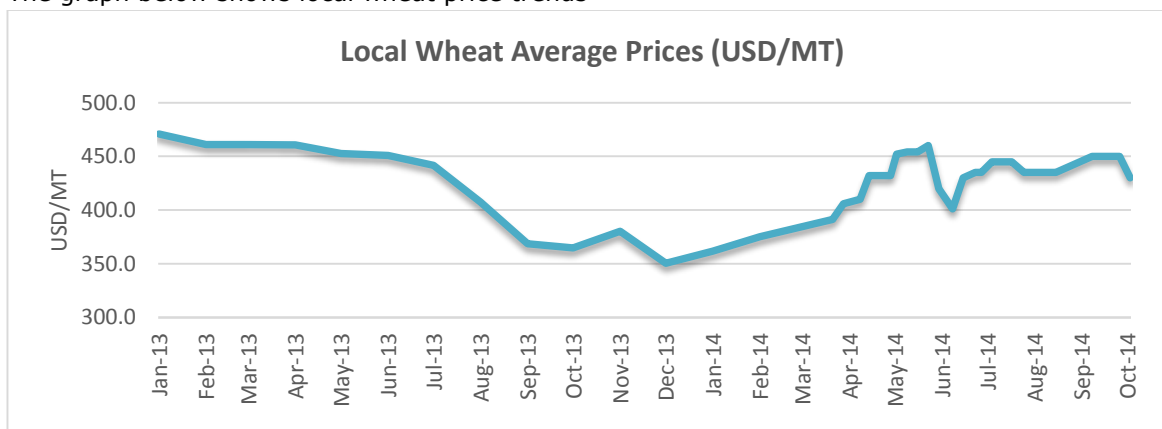


Source: ZNFU Regional Offices

WHEAT Highlights

- The South African crop estimates committee raised its estimate for the country's wheat production by 0.6 percent to 1.79 million metric tons of wheat in the 2014 season. This compares with 1.87 million tons produced last year. The increase has been attributed to increases in yields in the Free State province.
- In related news, South Africa's forecast for malting barley production was increased 1.5 percent to 317,893 tons.
- Monsanto's experimental genetically modified wheat has been discovered growing in a second US field in Montana, about a year after the discovery of the company's unapproved crop growing in Oregon disrupted US wheat exports.
- The Chicago wheat futures price for delivery in December was pegged at US\$180/MT on Monday 6th Oct. 2014.
- Locally, wheat prices are in the range of US\$430-445/MT.

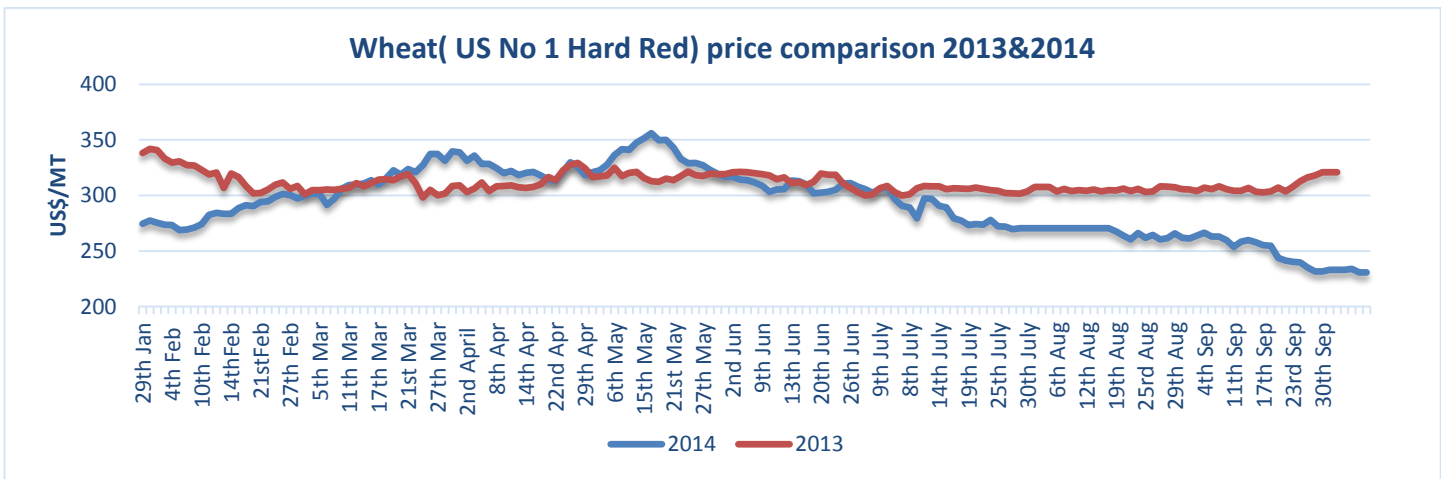
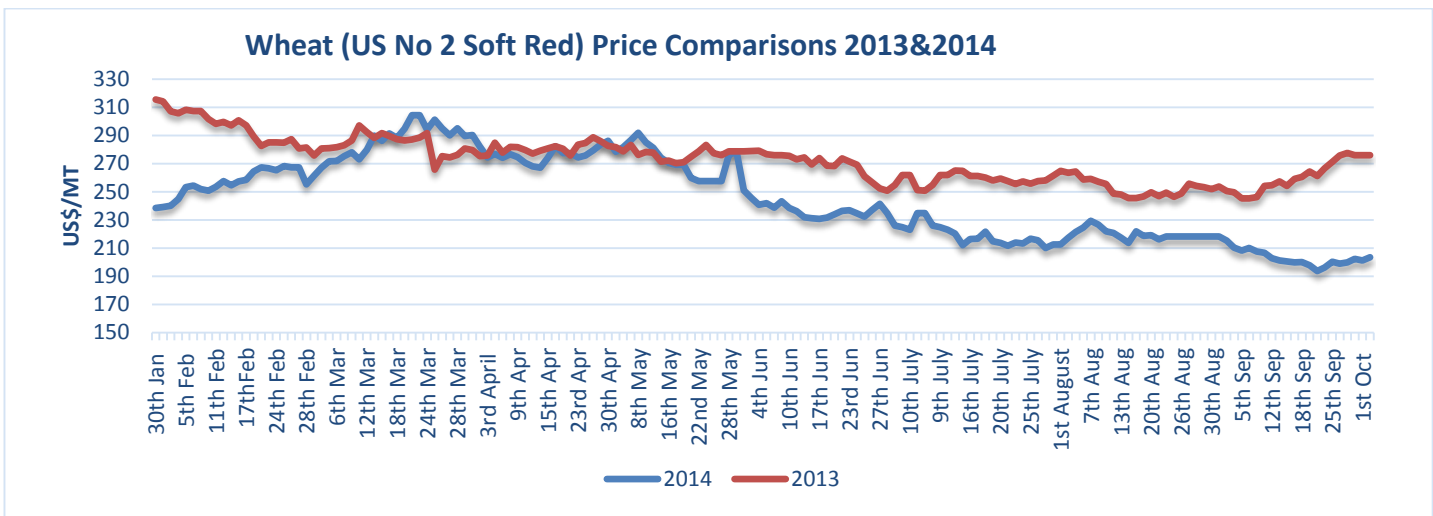
The graph below shows local wheat price trends



Source: ZNFU Market price information system

Price trends

The Safex international soft red s for last week settled at US\$199.05/MT and US\$233/MT compared to the previous week's price of US\$197/MT. Hard red prices on the other hand remained stable at US\$233/MT.

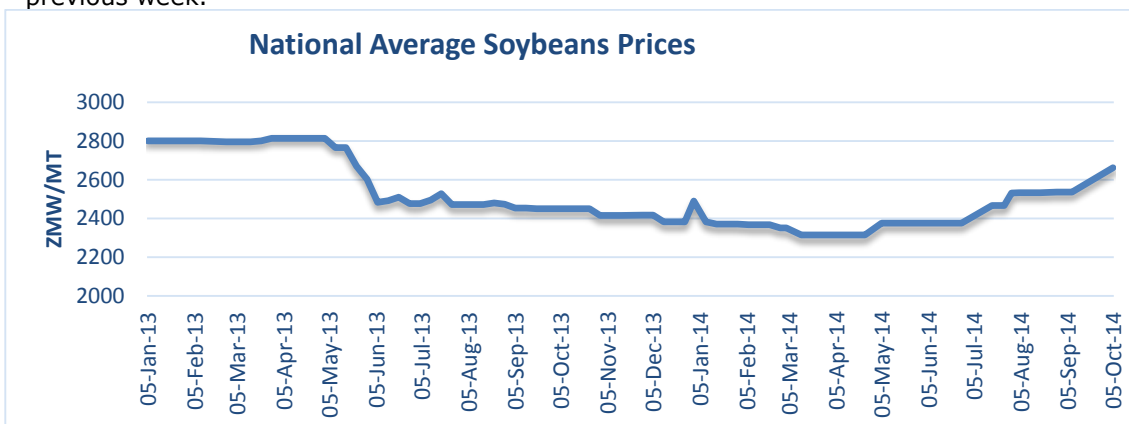


Source: Safex

SOYA BEANS

Highlights

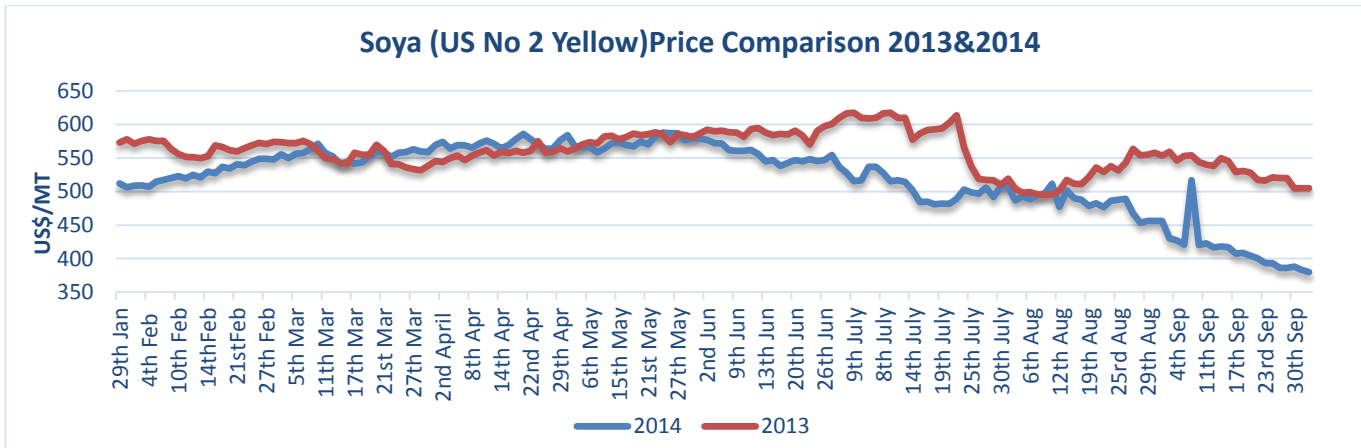
- Brazilian soybean exports are forecasts to hit record highs of 49million tonnes in the 2014-15 season. Agrimoney reports that the US Department of Agriculture's Brasilia bureau, forecast record exports on continued import demand by China and expectations of a weaker Brazilian currency in 2015. The bureau's estimate is 2.3m tonnes above the official UDSA forecast, and far above the 46.3m tonnes expected for the US, the top soybean growing country.
- The Chicago soybeans price for delivery in November was pegged at US\$340/MT on Monday afternoon, 6th October, 2014.
- Locally, the average price for soybeans in the past week increased slightly to K2.66/Kg from the K2.53 recorded the previous week.



Source: ZNFU 4455 market price information system

Price trends

International soya beans prices have continued to tumble. Last week's average international price of US No. 2 yellow soya beans on Safex settled at US\$391.21/MT below the previous' week's average of US\$397.79/MT. all prices are fob gulf.

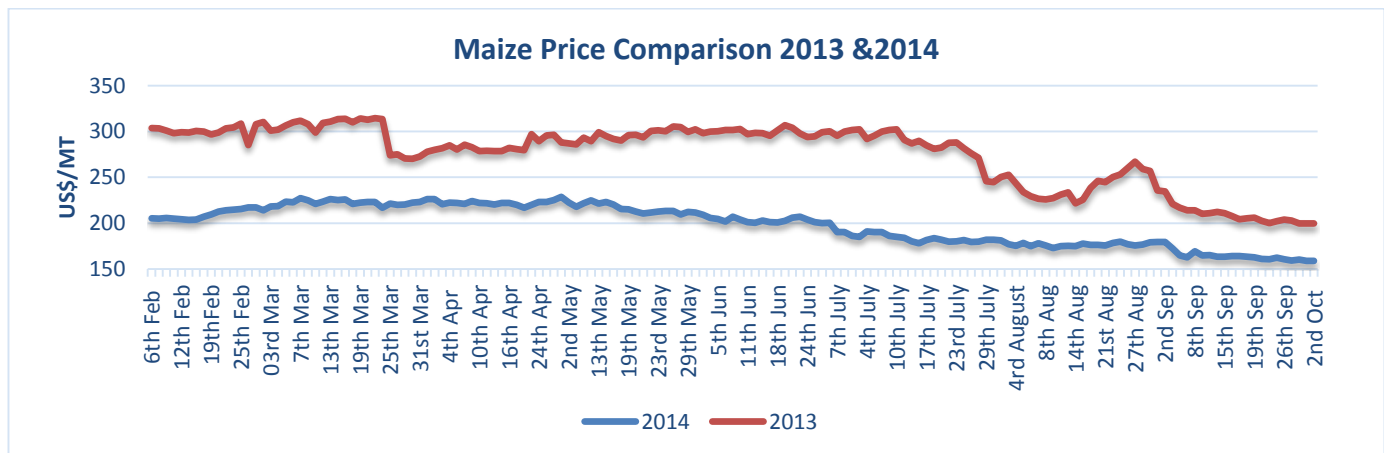


Maize Highlights

- The South African crop estimates committee left its forecast for the country's maize production for 2014 unchanged at 14.307 million tonnes, this was just slightly lower than market expectations of 14.39 million tonnes, according to a Reuters poll of traders conducted last week .
- Ukraine's maize harvest is forecast lower by about 13 percent to around 27 million tonnes in 2014 due to excessively hot weather in the late summer. However, Reuter's reports that domestic and export prices of maize may fall in Ukraine despite the smaller output, to between \$119- \$123/MT ex-farm in central regions, with export prices of around \$158 FOB Black Sea for October-November delivery from the prices of between \$194- \$200/MT per FOB Black Sea at the same date in 2013. Domestic prices were around \$140 to \$150 per tonne ex-farm as of early October 2013.
- The Chicago maize futures price for delivery in December was pegged US\$129/MT on Monday, 6th October afternoon.
- Locally, maize prices are still under pressure with some farmers still stranded with their maize as the market uptake of the grain slows down. Prices are ranging between K1.1-1.4/Kg, this is as captured by the ZNFU 4455 price information system.

Price trends

The average international price on Safex price of US No. 2 Yellow maize for last week settled at US\$159.51/ton, down 1.29 percent from the previous week. All prices are fob gulf.



COTTON Highlights

- Pakistan announced a government support price for seed cotton on 2nd October 2014. According to Cotlook, the announcement has pushed up cotton prices from 2,250/2500 rupees per 40Kg bag, depending on quality, to 3,000 Rupees. Lack of a time frame on the price support has left ginners uncertain of the direction to take.
- Meanwhile the Brazilian government has embarked on a price support programme, known as PEPRO (*Prêmio Equalizador Pago ao Produtor*) with the aim of facilitating cotton to markets when prices are depressed. 501,000 tons of cotton is earmarked for support under the auction. (PEPRO) program grants a premium to the farmer or cooperative which sells its products at public auction, where the government pays the difference between the Reference Value established by the government and the value of the premium (maximum value paid by the government as guarantee of the Reference Value).
- Cotton prices on Cotlook settled at 70.15cents/pound (\approx US\$1.57/kg) at 15:32 hrs Cat on 6th October while cotton for December delivery settled at 63.41 cents/pound (\approx 1.40/kg)



BEEF

Highlights

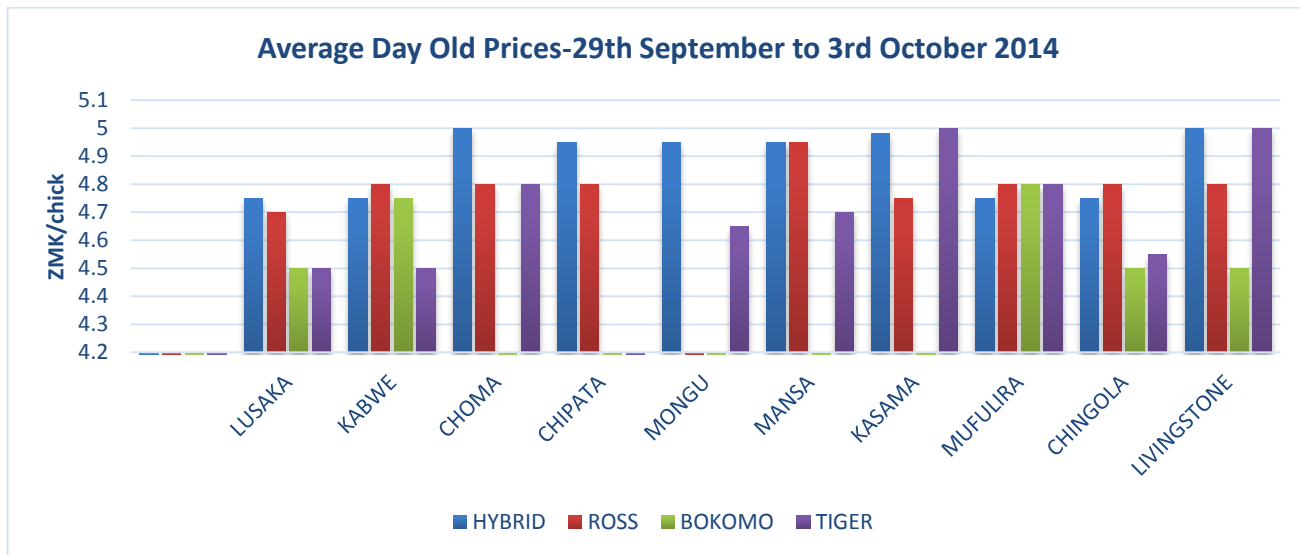
- As Russia continues its search of alternative suppliers after banning the EU and United States imports, global meat news has quoted Zimbabwe as one of the latest countries quoting the Russian market for its beef. The Zimbabwean government has been cited to be expecting a Russian Technical Team to examine the country's beef export systems and checks.
- On the Namibian market, weaners and heifers were auctioning for about R17.63/Kg and R16.56/kg respectively as at 29th September 2014. Meanwhile Class A1 beef in abattoirs was going for about R33-33.52/Kg on 29th September 2014.
- According to the South Africa Feedlot Association, grain fed beef carcass cost ZAR33.06/Kg while live animal cost ZAR19.46/Kg on average in the week ending 27th September 2014.
- Local beef prices were trading in the range of ZMK14-27/kg, dressed weight, during the week ending 3rd October 2014. The national average price on the ZNFU 4455 price information system was pegged at ZMK18.2/Kg.
- The cme live cattle prices for December delivery settled at 166.10 cents/ pound (\approx US\$3.65/kg) on 6th October 2014.



POULTRY

AVERAGE DAY OLD CHICK PRICES

The graph below shows average prices of day old chicks for selected towns during the week ending 3rd October 2014. The price of day old chicks in all towns displayed has been stable during the course of the week.



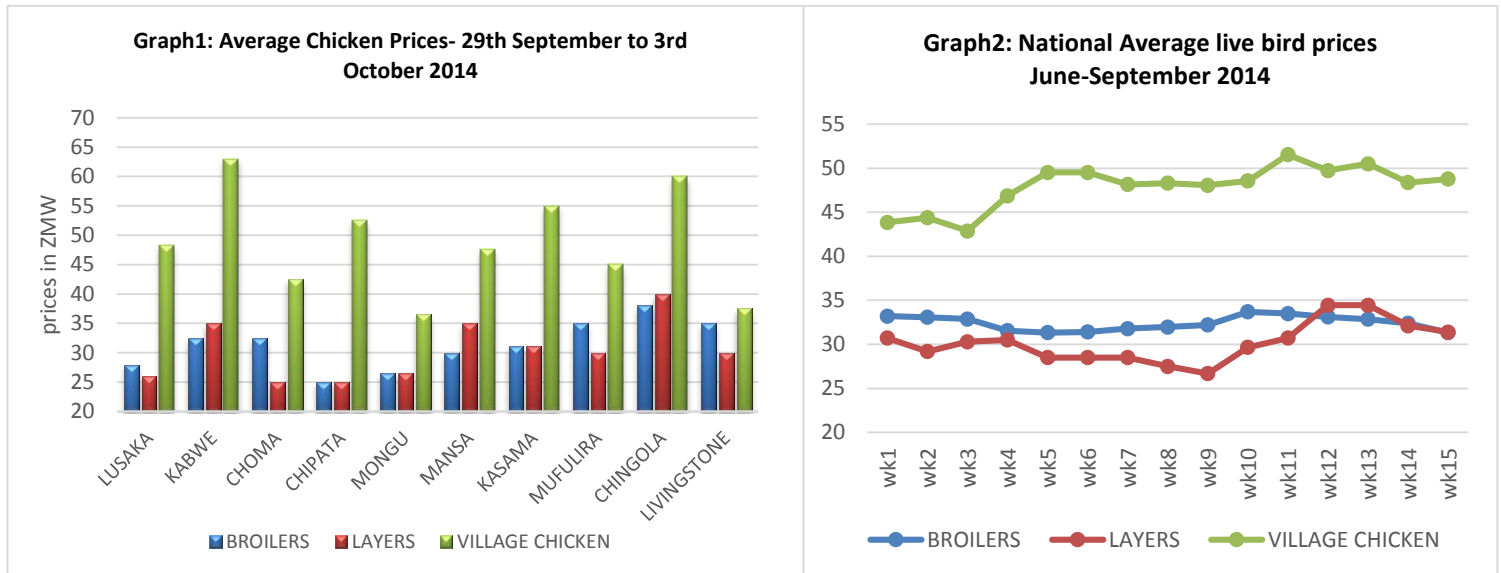
Source: Poultry Association of Zambia

AVERAGE LIVE BIRDS PRICES

Graph 1 below shows the average live bird prices in selected towns. Compared to the previous week, the average price of Broilers in Lusaka and Mufulira reduced slightly by 1.4% and 4% price reduction respectively. No significant price changes have been recorded for layers except for Mongu where the average price declined from 28 to 26.5 representing 5.3% price reduction. The price of village chicken in Mongu also declined from 40 to 36.5 representing 8.7% price reduction. On the other hand Mansa has

experienced an average increase in the price of village chicken from ZMW40 to ZMW47.5 representing 18% price increase. Prices in the rest of the towns were stable during the week ending 3rd October.

Graph 2 on the other hand shows the national average price trends for broilers, layers and village chickens. Generally, prices of live birds have been on a downward path since September 2014. The graph also shows that the price of village chickens which has been significantly higher than the price of broiler and layers throughout the period being considered.

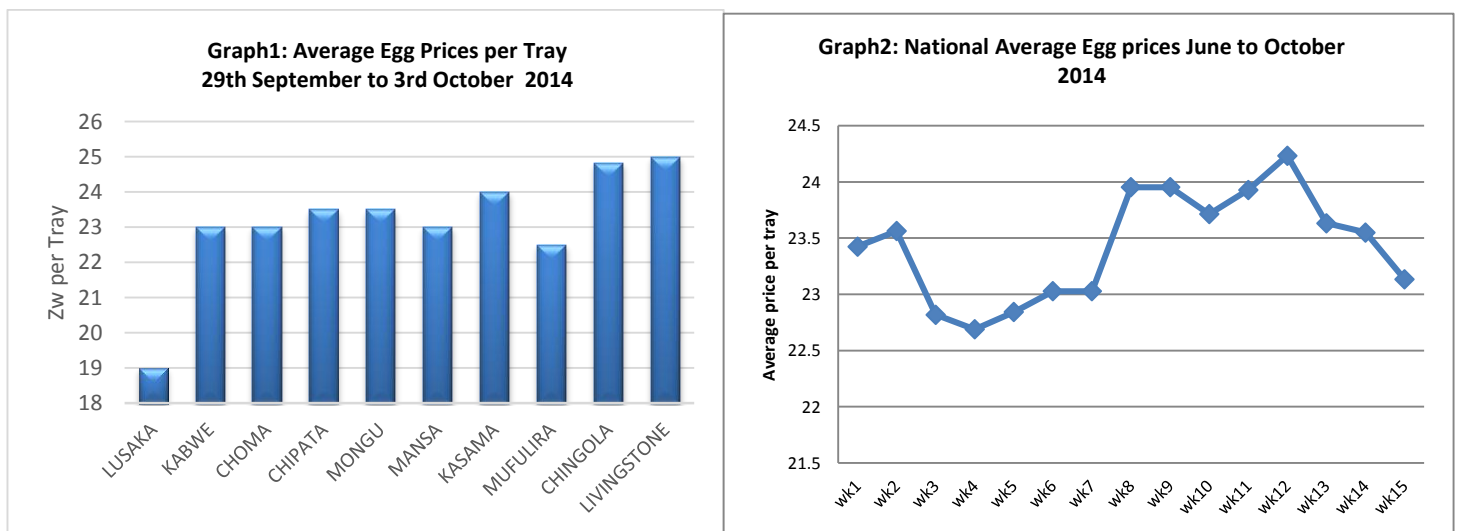


Source: Poultry Association of Zambia

AVERAGE EGG PRICES

Graph 1 below shows average retail prices of table eggs in selected provincial centres around the country. Compared to last week the average retail price of eggs has declined in Mansa, Mongu, Mufulira and Lusaka. The price has dropped from ZMW26 to ZMW23 in Mansa, from ZMW24 to ZMW23.5 in Mongu, from ZMW23 to ZMW22.5 in Mufulira and from ZMW19.17 to ZMW19 in Lusaka. Prices in other towns have remained static during the course of last week.

Graph 2 shows the price trend for eggs over a period of three months from mid-June to September 2014. The graph shows that the average retail price of eggs has been declining every week since week 12 when the average price was ZMW24.23. The national average price of eggs is now at ZMW23.13 in week 15 as can be seen from the graph. The reduction in prices fundamentally has to do with the increased supply of eggs as more players come into the market.



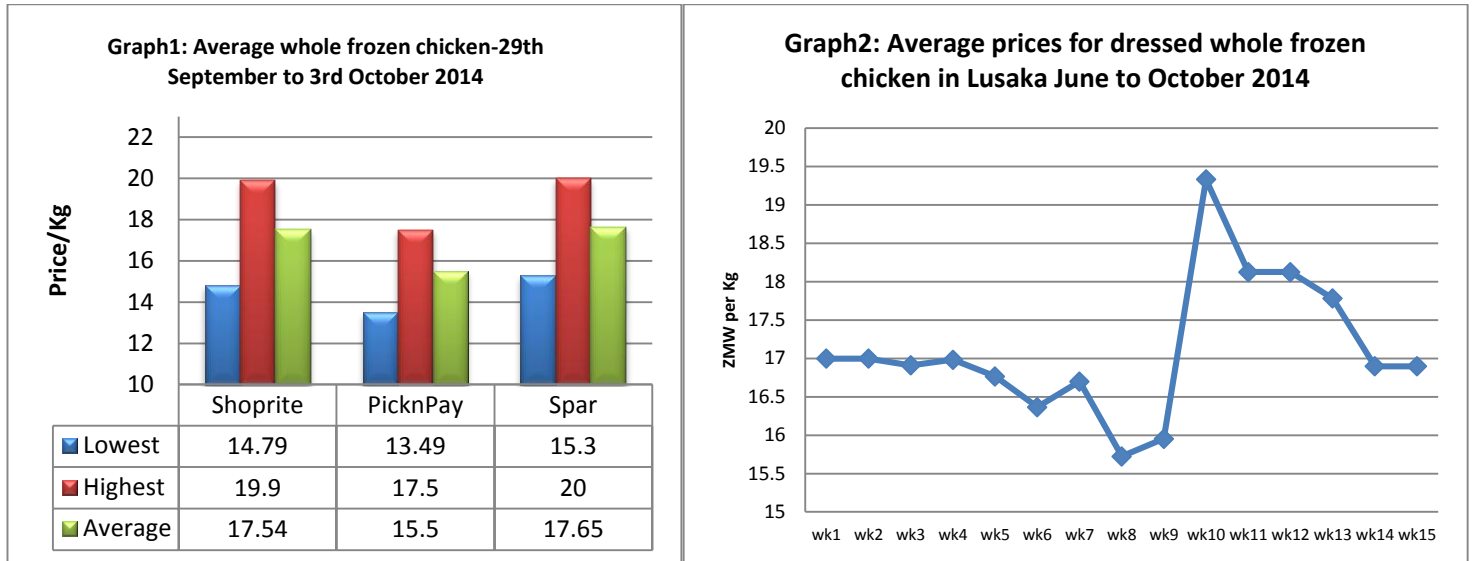
Source: Poultry Association of Zambia

AVERAGE WHOLE DRESSED CHICKEN PRICES

Graph 1 below shows average prices of whole frozen chickens in the three chain stores around in Lusaka. Compared to last week the average price of whole dressed frozen chickens in all three stores has been stable, with Spar maintaining the highest average

price among the three stores at ZMW17.65 per kg. The highest priced chicken in Spar is going at ZMW20 per kg while the lowest is going at ZMW15.30 per kg.

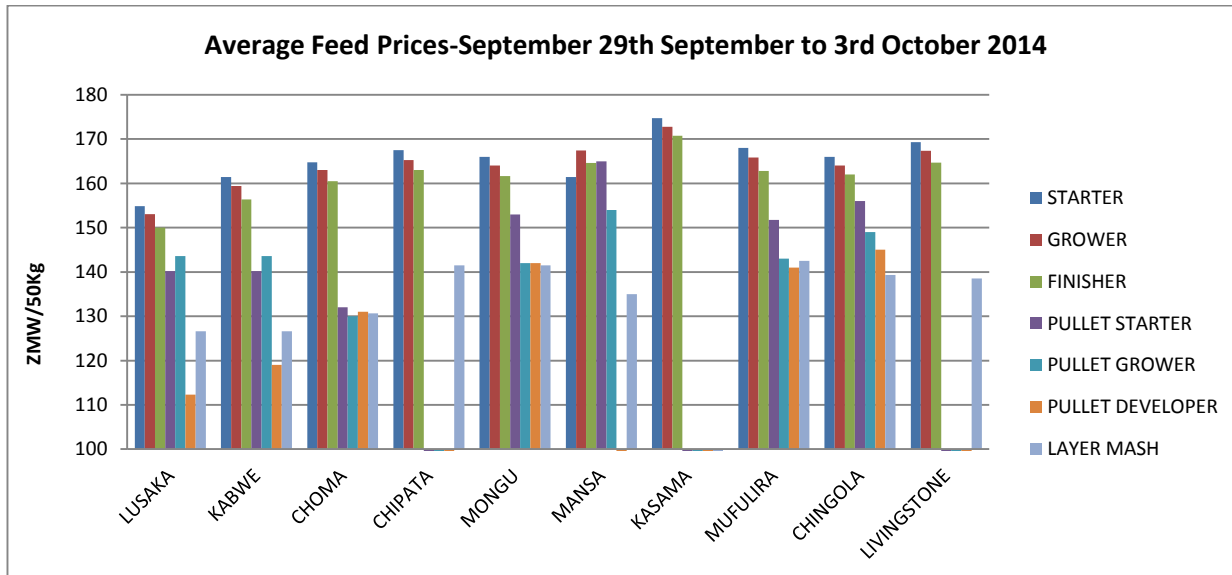
Graph 2 shows the average price trend for whole frozen dressed chicken from mid -June – September 2014. The graph shows that average price has declined from ZMW19.93 per Kg in week 10 to ZMW16.89 per kg in week 15. The lowest price obtained during the three month period was ZMW15.72 per kg in week 8 while the highest was ZMW19.93 per kg in week 10.



Source: Poultry Association of Zambia

AVERAGE FEED PRICES

The average feed prices have remained relatively stable over the past three months. The graph below shows the average poultry stock feed prices with Lusaka posting the lowest prices in comparison to other towns. Kasama is posting the highest prices for all broiler feeds. The graph further shows that pullet feeds are generally lower than broiler feeds



Source: Poultry Association of Zambia

Note: All prices on the poultry section are retail prices.

ZRA Data on Selected Agricultural Commodities

Commodity	Unit		MAR	APR	MAY	JUN
Edible oils /products	Metric tons					
Cooking oil		Import	1617.8	1868.52	1536.28	1456.28
		Export	52	893.33	557.05	1177.23
Crude palm oil		Import	2794.8	-	588.82	2375.44
		Export				15.5
crude Sunflower		Import	-	34.96	-	-
		Export				
Crude Soya oil		Import	875.5	1202.31	700.37	842.71
		Export				
Soya cake		Import	-	40.05	1	30.06
		Export	8330.52	7726.64	1029.43	1320.86
Sunflower cake		Imports				
		Exports				240
Soybeans		Imports	0.003	240.25	347.04	-
		Exports	4849.12	2933.31	697.76	10745.28
Fresh Bananas		Import	218.2	182.99	117.3	163.64
		Export				
Grains /Cereals						
Wheat flour		Import	17.38	1.12	2.29	35.02
		Export		1586.18	1089.05	-
Wheat grain		Imports	0.24	0.101	3.83	-
		Exports	4343.14	569.28	236.7	430.6
Maize grain		Import	0.55	-	0.35	-
		Export	4353.32	7027.53	3593.94	10320.38
Mealie meal		Import	28.76	6.14	67.5	
		Export	88	5345.2	2852.62	1458.32
Wheat seed		Import		0.02		
		Export			15	
Maize Bran		import		0.05	26.04	
		Export	5469.77	8193.79	9113.71	4099.65
Wheat Bran		Import	0.04	-	0.04	-
		Export	-	546.74	954.11	207.54
Maize seed		Import	-	3.5	-	304.63
		Export	-	350	50	3382.17
Barley		Import	482.02	456.73	698.12	591.14
		Export	1037	1390	1770	2342
Livestock/Livestock products						
Whole chicken		Import	369.42	457.42	262.57	-
		Export			0.2	
Mechanically deboned Chicken		Import		52.08	380.1944347	
		Export				
Beef		Import		23.25	82.52	71.21

		Export				
Pork		Import	36.56	22	59.79	3.36
		Export		0.13	0.51	580
Stock feed		Import	317.88	435.86	349.88	273.5
		Export				
Breeding Goats		Import	-	-	17.8	-
		Export				
Cattle weaners		Import	-	-	90	-
		Export				
Dairy products						
Cheese		Import	53.24	49.66	69.42	69.02
		Export				
Yoghurt		Import	7.06	22.44	39.72	13.73
		Export				
Full cream Milk		Import	45.66	180208.26	18 340.71	95 470.67
		Export	194	7.86	167.97	38.33
Powdered Milk for reconstitution		Import	159.61	298.75	259.38	125.69
		Export			1.5	
Others						
Onions		Import	1232.33	1.3	1011.4	380.8
		Export				
Potatoes seed		Import	125.17	26.2	72.69	102
		Export				
Potatoes		Import	249.16	451.82	430 717.60	633.73
		Export				
Rice		Import	899.98	1707.18	1497.67	606.096
		Export				
Fertilizer		Import	20358.53	28690.35	17205.35	21480.47
		Export				
Honey		Import	0.26	0.29	0	0.4
		Export				
Industrial Sugar		Import	128.1	10.25	46.75	794.97
		Export				
Household Sugar		Import	32.3	170.07	-	12.91
		Export	-	15058.67	26781.25	26101.36
Cotton cake		Import	-	-	-	-
		Exports	1548.24	1972.21	596.92	204
Cotton seed		Import	-	-	-	-
		Export	360	1121.37	150.56	

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