



THE WEEKLY AGRO WATCH



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23rd February, 2015 Vol.7

Industry Updates

Look out for the Zambian Farmer T.V Program on ZNBC T.V. 1 every Monday, 18:25hrs.

BIRD FLU IN NIGERIA

The Nigerian Veterinary Medical Association (NVMA) yesterday issued concerns over the Highly Pathogenic Avian Influenza (HPAI) resurgence in the country. In a chat with journalists in Abuja, National President of the Association, Dr. Edgar Amos Sunday, called for the review and streamlining of the Animal Disease (Control) Decree of 1988 to suite contemporary realities. The NVMA further stressed that poultry meat and eggs should be hygienically processed and if well cooked, is safe for human consumption. The body also suggested that government's current policy against vaccination as a strategy in the control of bird flu should be sustained.

NVMA called on poultry farms to ensure strict monitoring and restriction of movement of people and items such as crates, bags and so on, especially between farms. The association also canvassed strict hygiene before and after handling poultry and cases of ill health in poultry should be reported immediately to the nearest veterinary clinic.

Other regions of the world that have been reported to have had cases of bird flue over the last year include Russia,U.K, Germany, Nertherlands, East Asia and North America. Some scientists have indicated that wild birds may be spreading the disease.

African swine fever re-surfaces in Lusaka

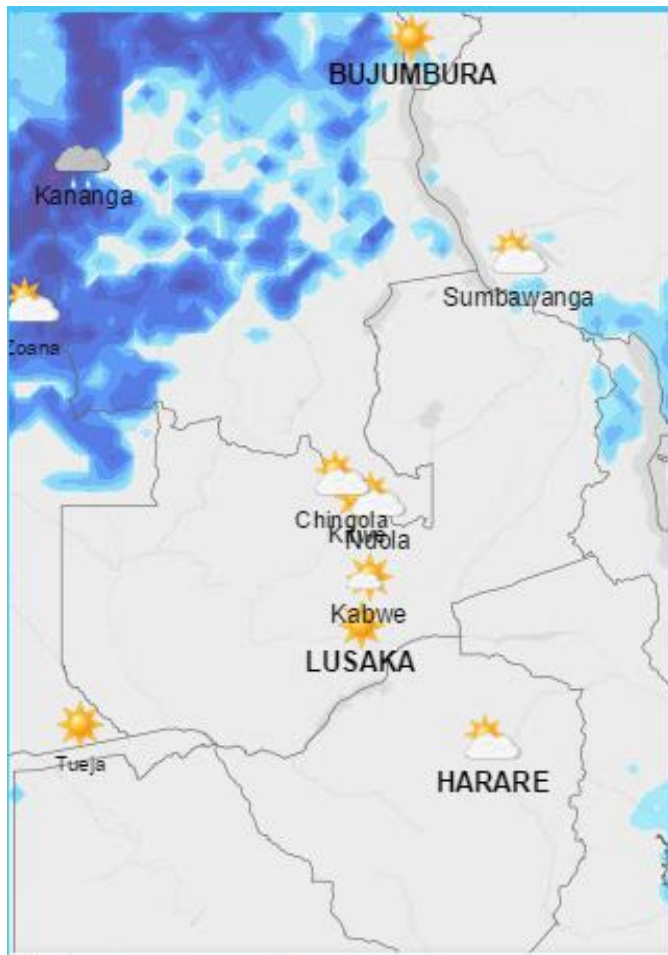
An Isolated case of African swine fever in Lusaka's Mimosa rea was recently identified with all the 77 pigs on the farm being slaughtered on Thursday, 19th February 2015. The Ministry of Agriculture and Livestock is however still surveying the area in order to curb any potential re-surgence.

Exchange Rates

CURRENCY	23/02/2015 (BoZ 20 th February 2015)						16/02/2015					
	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)	6.91	7.05	0.60	0.61	10.63	10.84	6.62	6.75	0.57	0.58	10.21	10.42
Standard Chartered Bank	6.92	7.06	0.60	0.61	10.65	10.86	6.65	6.78	0.57	0.58	10.26	10.46
ZANACO	6.92	7.05	0.59	0.61	10.59	10.86	6.63	6.77	0.57	0.58	10.19	10.45
Bank of Zambia	6.97	6.99	0.599	0.60	10.72	10.76	6.67	6.69	0.57	0.58	10.25	10.29

Weather Forecast

The table summarizes the weather forecast for some selected towns for the period 24th February – 2nd March 2015.



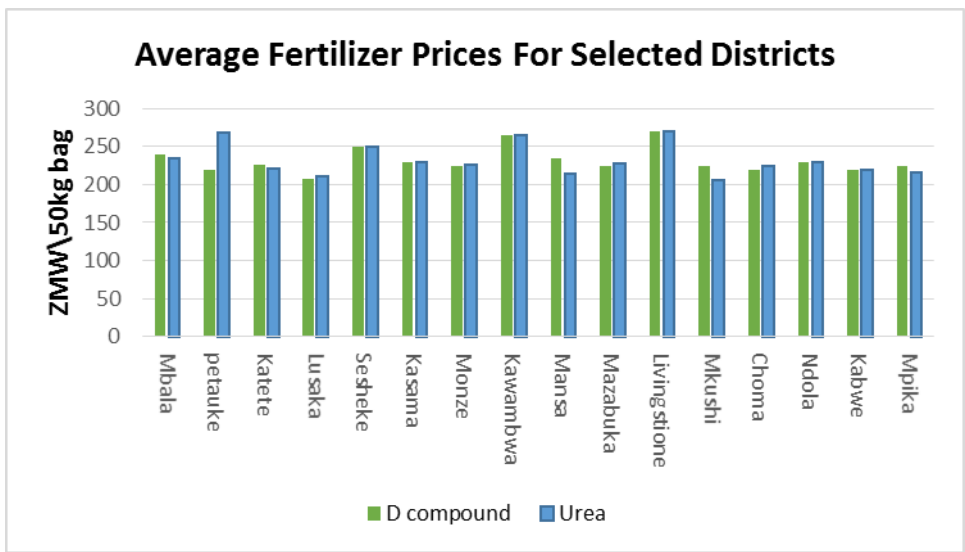
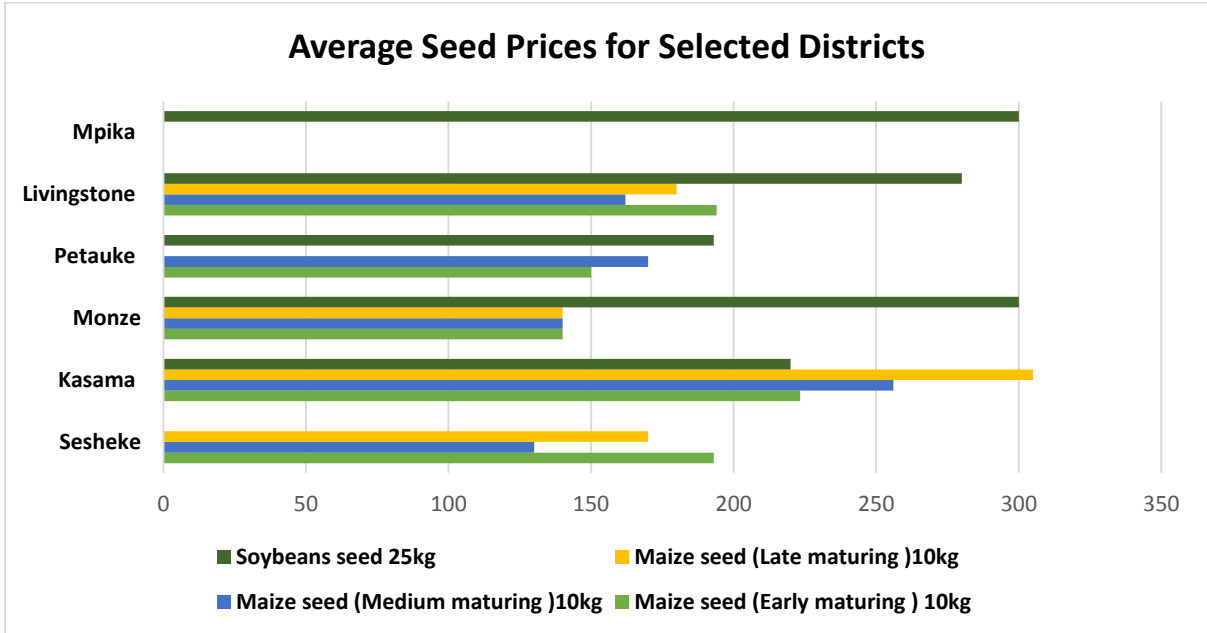
TOWN	WEATHER SUMMARY
Ndola	<ul style="list-style-type: none"> ➤ Heavy rains forecast throughout the week. ➤ Average daily Temps: 17-27°C
Mkushi	<ul style="list-style-type: none"> ➤ Heavy rains expected on the 25th, 26th & 28th with normal rains the rest of the week. ➤ Average daily Temps: 18-24°C
Kabwe	<ul style="list-style-type: none"> ➤ Normal rains forecast for the 24th, 25th and 1st march with heavy rains the rest of the week. Average daily Temps: 18-25°C
Lusaka	<ul style="list-style-type: none"> ➤ Normal rains forecast for the 24th, 28th & 2nd March with heavy rains the rest of the week. ➤ Average daily Temps: 17-24°C
Mazabuka	<ul style="list-style-type: none"> ➤ Light rain showers forecast for the 24th with normal rains on the

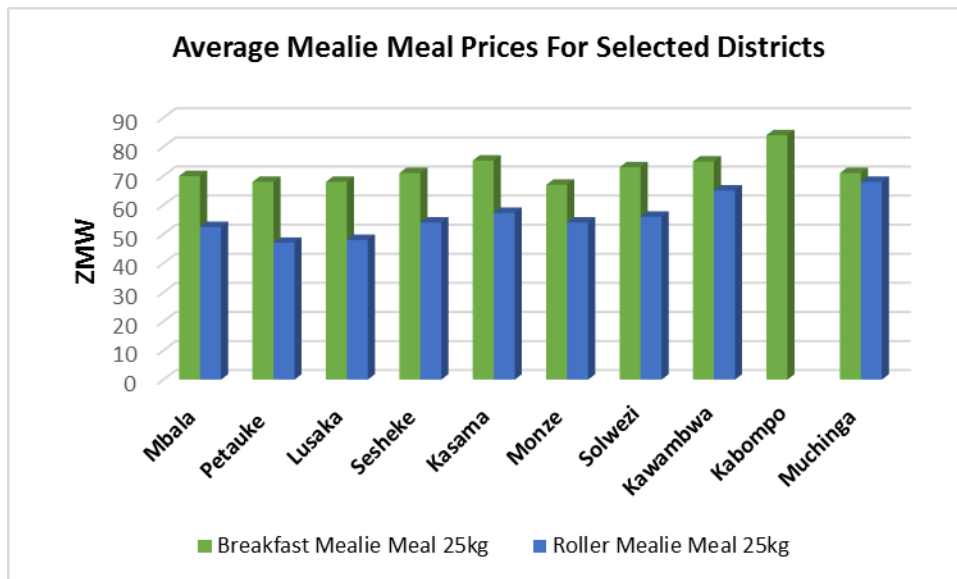
	<ul style="list-style-type: none"> ➤ 25th and heavy rains the rest of the week. ➤ Average daily Temps: 19-25°C.
Choma	<ul style="list-style-type: none"> ➤ Normal rains forecast for the period 24th – 26th with light rain expected on the 27th and heavy rains the rest of the week. ➤ Average daily Temps: 17-26°C
Livingstone	<ul style="list-style-type: none"> ➤ The 24th will have clear sunny skies while the 26th & 27th will be partly cloudy. The rest of the week is forecast to have normal rainfall save for the 2nd of March when night rains are expected. ➤ Average daily Temps: 21-31°C
Mongu	<ul style="list-style-type: none"> ➤ Normal rains are forecast for most of the week except for the 25th when light rain showers are anticipated and the 26th Feb & 1st March when heavy rains are expected. ➤ Average daily Temps: 20-27°C.
Mansa	<ul style="list-style-type: none"> ➤ Normal rains forecast for the 25th & 28th with heavy rains the rest of the week. ➤ Average daily Temps: 18-28°C.
Kasama	<ul style="list-style-type: none"> ➤ 25th will be partly cloudy with the 26/02, 28/02 and 02/03 having normal rains while heavy rains are anticipated the rest of the week. ➤ Average daily Temps: 16-27°C.
Solwezi	<ul style="list-style-type: none"> ➤ Normal rains forecast for the 25/02, 27/02 and 01/03 with heavy rains the rest of the week. ➤ Average daily Temps: 17-27°C.
Chipata	<ul style="list-style-type: none"> ➤ Light rain showers expected on 2nd March and normal rain on 25/02 & 26/02 with heavy rains the rest of the week. ➤ Average daily Temps: 18-26°C.

Source: Norway meteorological Institute

COMMODITY HIGHLIGHTS

Local Fertilizer Prices

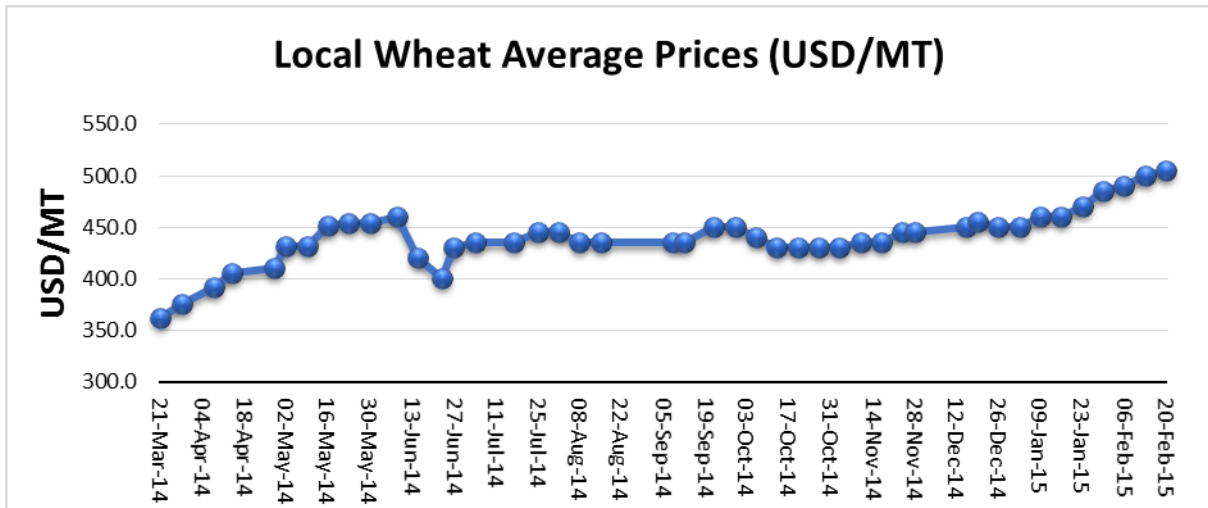




Wheat

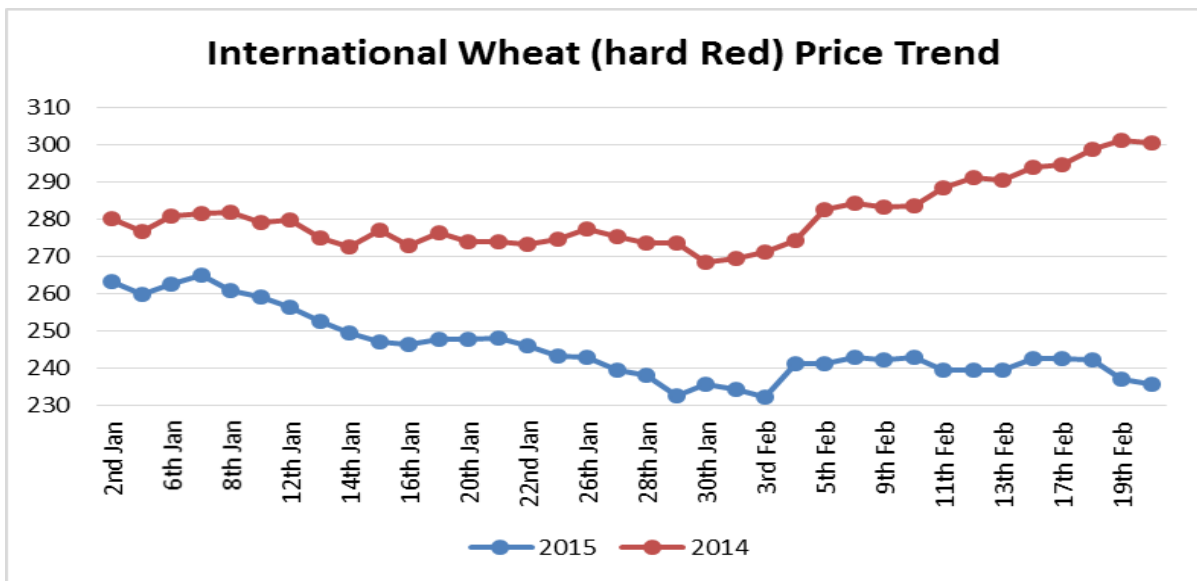
Highlights

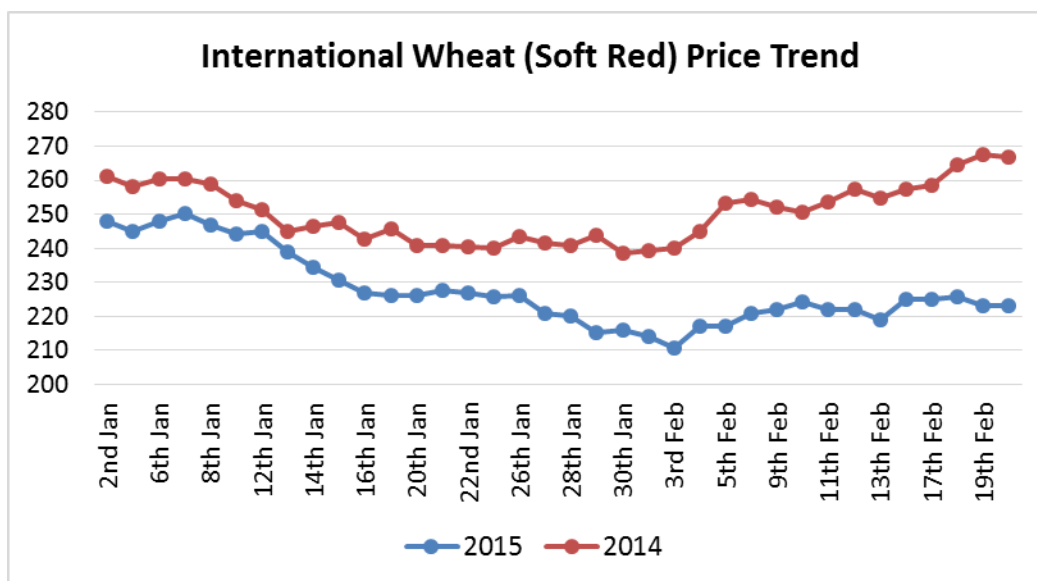
- USDA projections indicate that wheat imports by sub-Saharan Africa will increase by 25 million tons between 2014/14 and 2021/15 to 180 million tons due to rising per capita consumption by the developing countries.
- French exports to non-EU countries have been forecast up to 9.8 million ton from January's forecast of 8.8 million tons for the 2014/15 season according to the UK bases Home Grown Cereals Authority (HGCA) data. Meanwhile Egypt has cancelled a tender only open to US wheat due to high price. Indications are that Egypt can source wheat from France and Romania at a price lower than the US wheat by about US\$50/ton.
- The United Kingdom's wheat production for 2014 was 16.6 million tons, 39 percent above the previous year's output. The UK government has attributed this increase in production to an increase in yields from an average to 7.4tons/ha in 2013 to 8.6tons/ha in 2014. UK's human and industrial consumption requirements are estimated at 7.992 million tons.
- On the Zambian scene, wheat stakeholders last week agreed to recommend to government an import of 60,000 tons of wheat due to an increase in both the local and international demand of Zambian flour. The Minister of Agriculture and Livestock, however, allowed an importation of 75,000 tons of wheat.
- The Chicago wheat future price for delivery in March 2015 settled at US\$ 187.47/MT by end of day on 20th February 2015.
- The depreciation of the kwacha has seen local wheat offer prices by trader's edge higher to US\$515/ton in the week ending 20th February 2015.



Price trends

The Safex international soft red and hard red wheat averaged US\$224.42/ton and US\$240.14/ton respectively in the week ending 20th February 2015. In comparison to the previous week, soft red recorded a price increments of 1.14 while hard red prices fell by 0.21 percent on average.



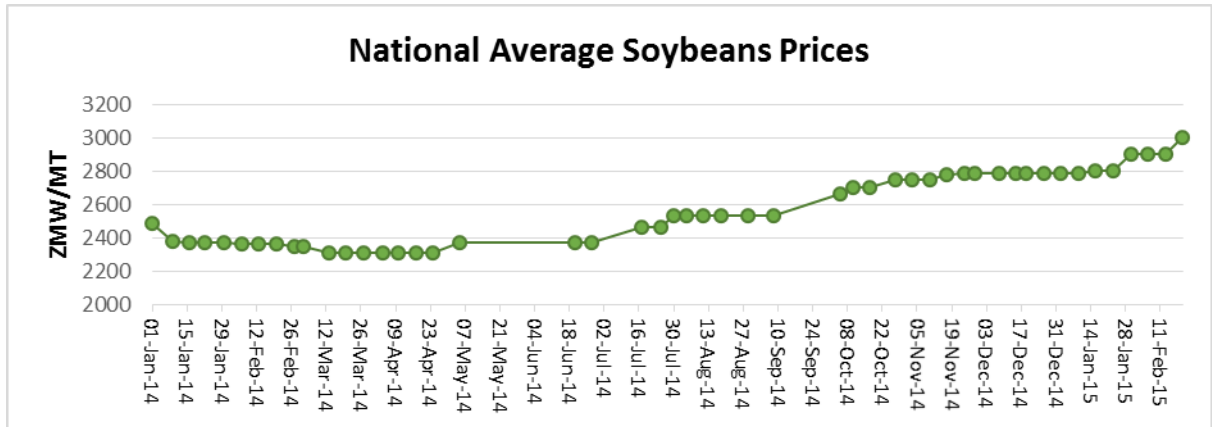


Source: Safex

Soya Beans

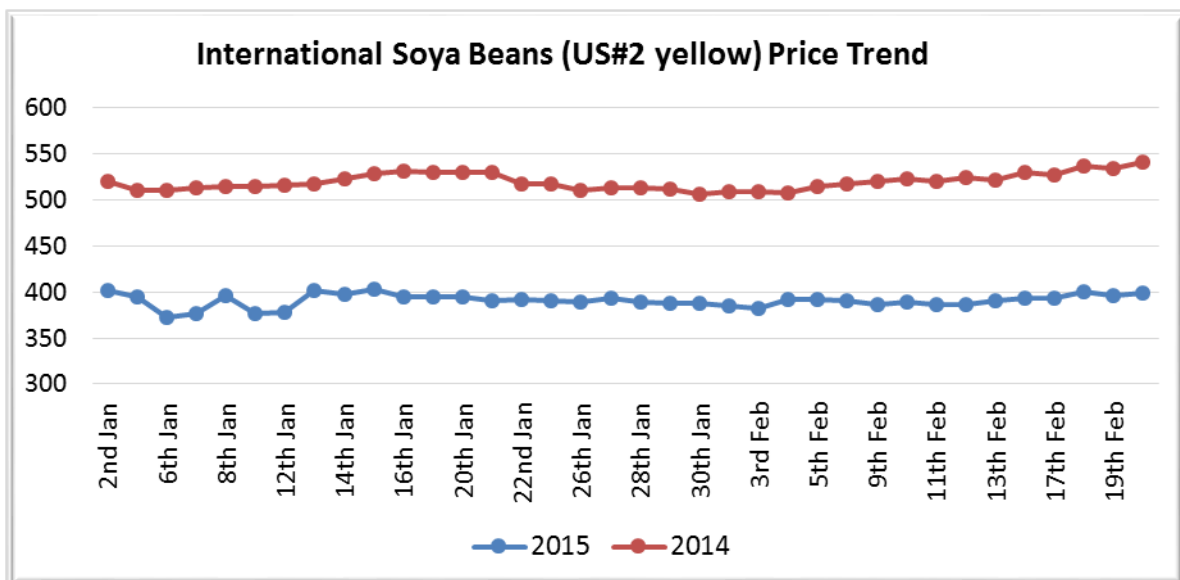
Highlights

- The U. S government has projected that global trade in soya beans will rise rapidly over the next 10 years with Brazil, Argentina and other South American states recording the largest increase in exports. This will result the U.S share of global exports reducing from the current 41 percent to about 33 percent in 2024/25. China on the other hand is expected to continue its rapid growth in soy beans imports and consequently its position as the world's largest importer.
- Data from the Malaysian Palm oil board (MPOB) indicates that the country's crude palm oil production has been declining since August 2014 to hit 1.161 million tons in January 2015. On a year-on year comparison, this is lower than the January 2015 production by about 23 percent. This could be partially attributed to the declining crude oil prices as the MPOB's data further shows that prices of crude oil were steadily falling between March and December 2014.
- Soya beans for March delivery closed trading on Chicago Mercantile Exchange at US\$367.14/ton on 20th February 2015.
- Local soya beans offer prices by traders were averaging ZMK3000/ton in the week ending 20th February 2015.



Price trends

International prices of US No. 2 yellow soya beans on Safex during the week ending 13th February averaged US\$396.18, 2.2% above the previous week's average price of US\$387.58/MT. All prices are fob gulf.



Source: Safex

Maize

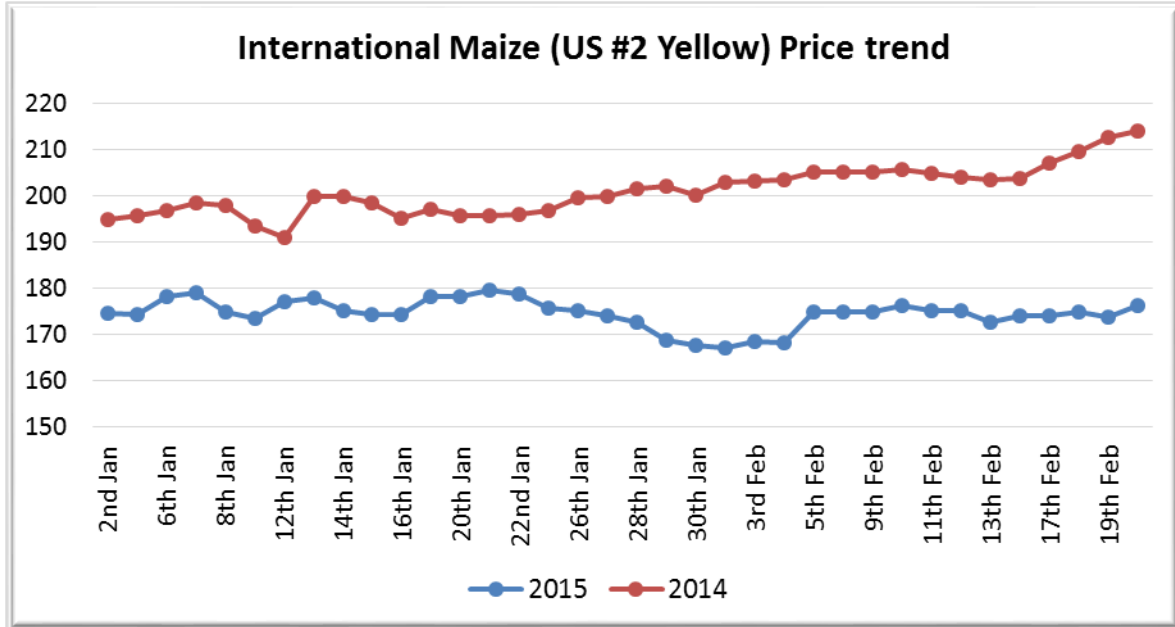
Highlights

- Hot dry weather in South Africa's major maize producing regions, the Free State and North West Province may dwindle the country's 2015 maize production prospects further. Preliminary indications by the country's Department of agriculture were that the area planted for the 2014/15 crop was 1.18 percent below the previous year's hectareage. South Africa's 2014 maize production of 14.25 million tons is the highest output on record over the last 33 years.
- The Chicago maize future price for delivery in March 2015 was posted at US\$ 151.57/MT on 20th February 2015.

- Local maize offer prices averaged ZMK1, 450/ton on the ZNFU market price information system in the week ending 20th February 2015.

Price trends

During the week ending 20th February, international fob prices as recorded by Safex averaged US\$174.58/ton down by 0.13% in comparison to the previous week.



Source: Safex

Cotton

Highlights

- Nigeria's cotton farmers are sitting on huge cotton stocks as the ginners offer prices have not been attractive to the farmers. According to Cotlook, Nigeria's 2014/15 cotton lint output is projected at 40,000 tons ($\approx 105,000$ tons of seed).
- Expectations are that the low cotton prices will lead to a reduction in cotton plantings by about 5 percent according to the USDA while Cotlook predicts a 7.5 percent drop in the 2015/16 year. The US government has further predicted a renewed cotton consumption demand by China which will result in reduced world cotton stock levels. A re-bounce in cotton prices is therefore expected in the 2015/16 year.
- CME prices for March delivery settled at 64.67 cents/pound (\approx US\$1.42/kg) on 20th February 2015 while Cotlook prices were pegged at 71.05 cents/pound (\approx US\$1.56/kg).



Source: CME

Beef

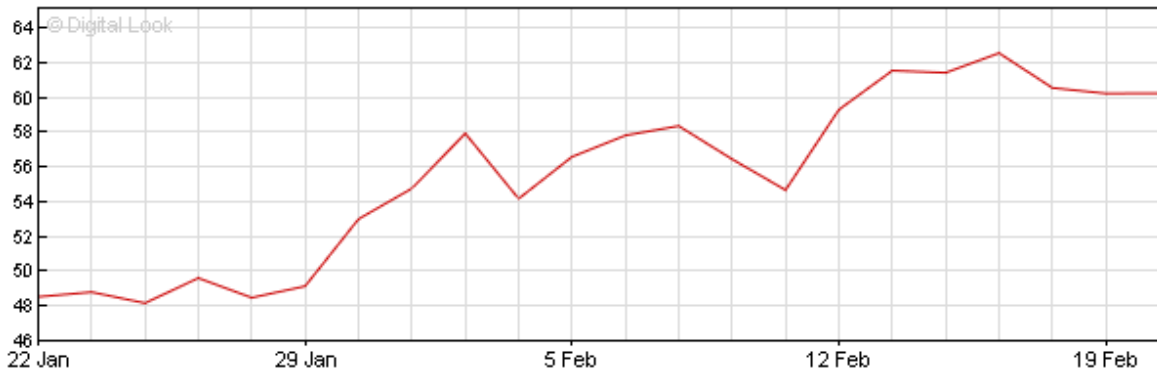
Highlights

- Argentina is working on stretching its beef supply tentacles and command more market share on the global beef industry. The South American state is hoping to make progress in supplying the U.S, Russia, Vietnam, China, Canada, Mexico, the European Union, South Korea, Japan and the Philippines. These countries account for over 50 percent of the global bovine meat demand.
- According to the South African feedlot Association, Live cattle and beef carcass was going for ZAR19.30/kg and ZAR33.04/ kg respectively in the week ending 8th February 2015.
- Weaners and heifers, on the Namibian market, were auctioning for about R19.01/Kg and R17.68/kg respectively as of 13th February 2015. Meanwhile beef in abattoirs was trading at about R28.9-34.52/Kg for class A meat while class C meat was going for ZAR23.44-28.50/Kg on 16th February 2015.
- Local beef offer prices by most buyers were averaging ZMK117.97/kg in the week ending 20th February 2015.

Crude oil

- Crude oil prices took a retreat last week on news of U.S crude oil inventory levels reaching record highs. At 425.6 million barrels, the U.S crude oil inventories were at the highest levels, during the week ending 13th February 2015, in 80 years.
- Brent crude oil futures settled at US\$60.08/barrel while WT prices were around US\$50.75 by end of day on 20th February 2015.
- Oman's settlement price for April 2015 contract settled at US\$57.23/barrel on the Dubai Mercantile Exchange (DME) by end of day on 20th February 2015.

Brent Crude Oil Futures \$/barrel



Source: BBC Business, 2015

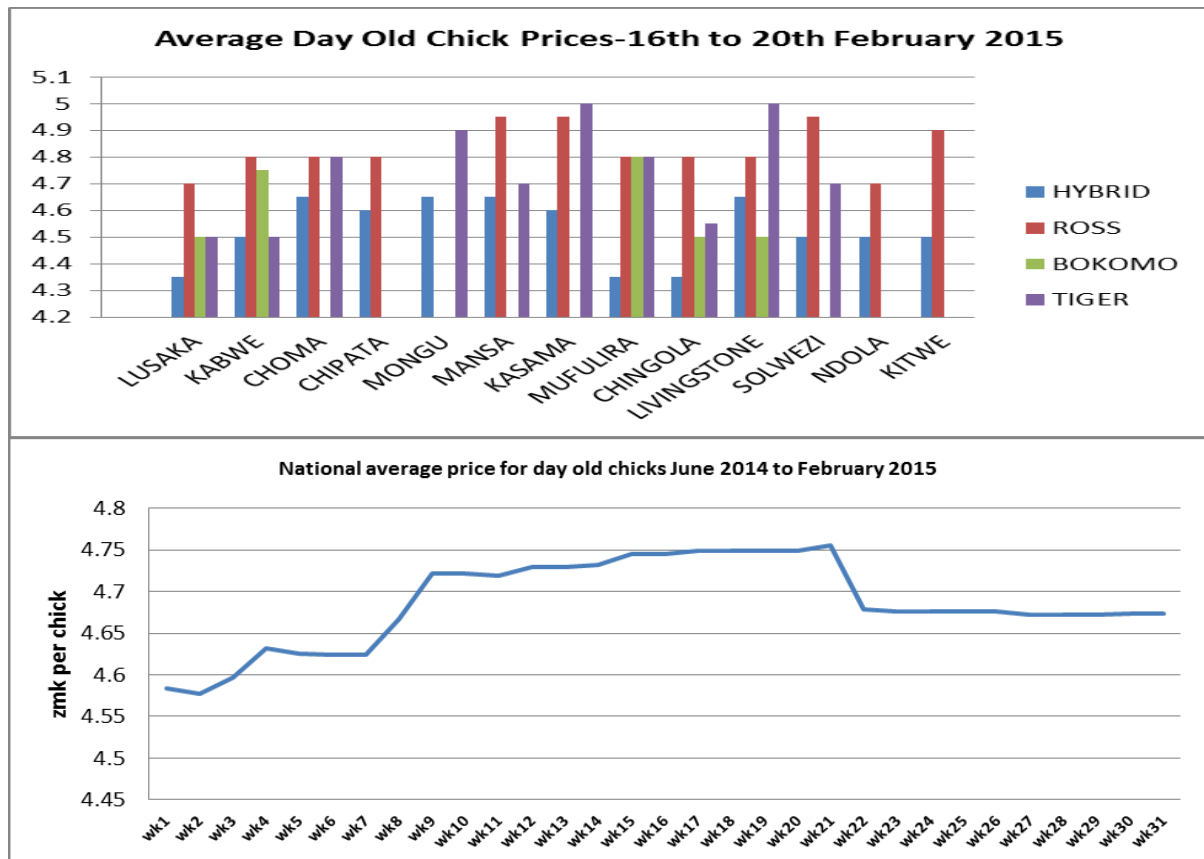
POULTRY

DOMESTIC POULTRY PRICES FOR WEEK ENDING 20TH FEBRUARY 2015

AVERAGE DAY OLD CHICK PRICES

Graph 1 shows the price of different brands of day old chicks in selected towns. Compared to the previous week the price of day old chicks was static with no notable changes.

Graph 2 shows the national average price trends for day old chicks for the past eight months from June 2014 to February 2015. The graph further shows that the price of day old chicks has been very stable at a national average of ZMW4.67 since week 27.

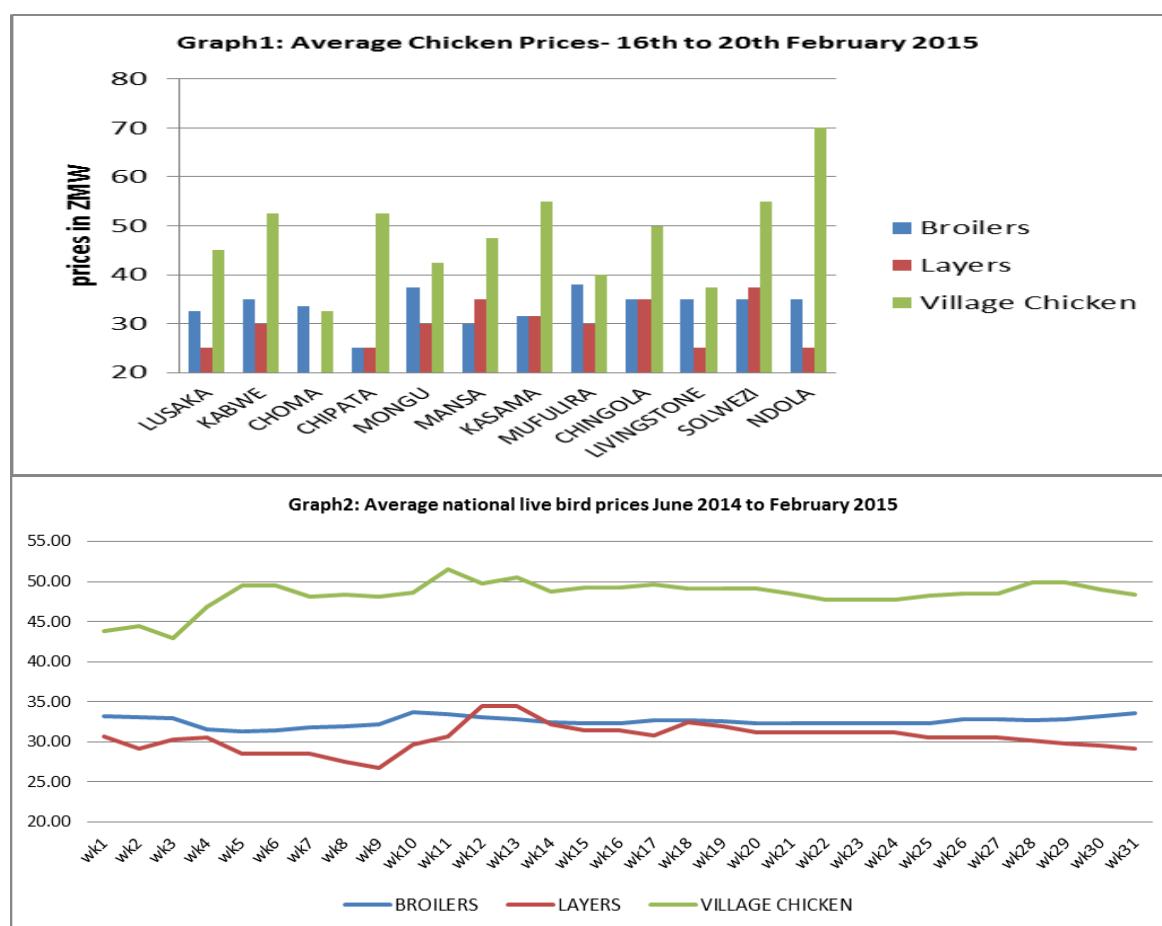


Source: Poultry Association of Zambia

AVERAGE LIVE BIRDS PRICES

Graph1 below shows the average live bird prices in selected towns. Compared to the previous week, the price of broilers in Kabwe and Mufulira rose from ZMW32.5 to ZMW35 and from ZMW35 to ZMW38 representing 7.7% and 8.6% increase in price. On the other hand the price of layers in Kabwe experienced a downswing from ZMW35 to ZMW30 representing a 14% price reduction. The price of village chicken in Kabwe declined from ZMW63 to ZMW52.5 representing 16.6% reduction in price while the price of village chicken in Mufulira rose from ZMW38 to ZMW40 representing a 5% price increase.

Graph 2 on the other hand shows the national average price trends for broilers, layers and village chickens. The graph shows that while the national average price for village chickens and layers continued to decline in week 31, the average national price of broilers rose. The average national price of village chicken, layers and broilers was ZMW48.33, ZMW28.13, and ZMW33.58 respectively.



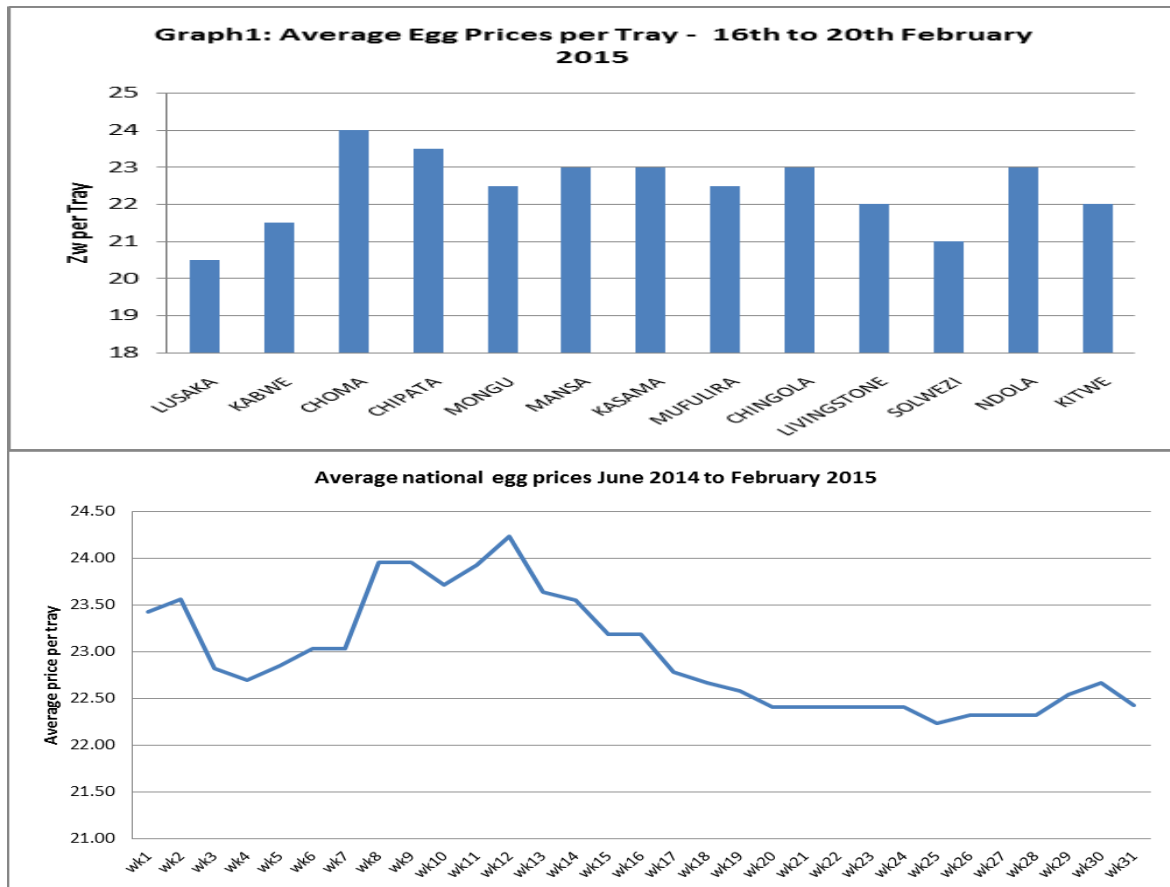
Source: Poultry Association of Zambia

AVERAGE EGG PRICES

Graph1 below shows average retail prices of table eggs in selected provincial centres around the country. The price of eggs in Solwezi significantly reduced from ZMW24 to ZMW21 owing to the market in Solwezi being flooded with eggs coming in from the

Copperbelt as well as from within North Western Province. On the other hand, the price in Kabwe rose from ZMW21 to ZMW21.5 representing a 2% increase in price.

Graph 2 shows the price trend for eggs over a period of eight months from mid-June 2014 to February 2015. The graph shows that national average price for a tray of eggs declined from ZMW22.67 in week 30 to ZMW22.42 in week 31.

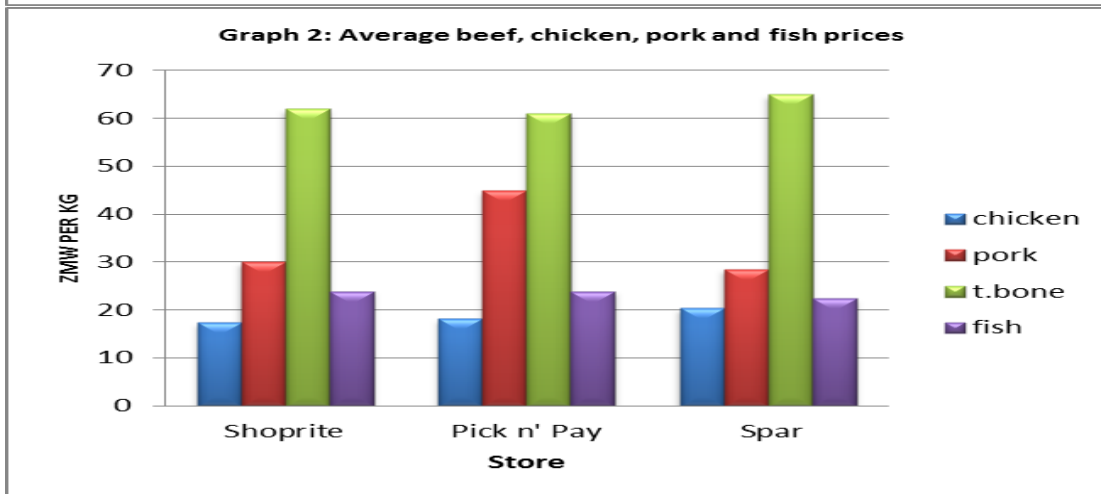
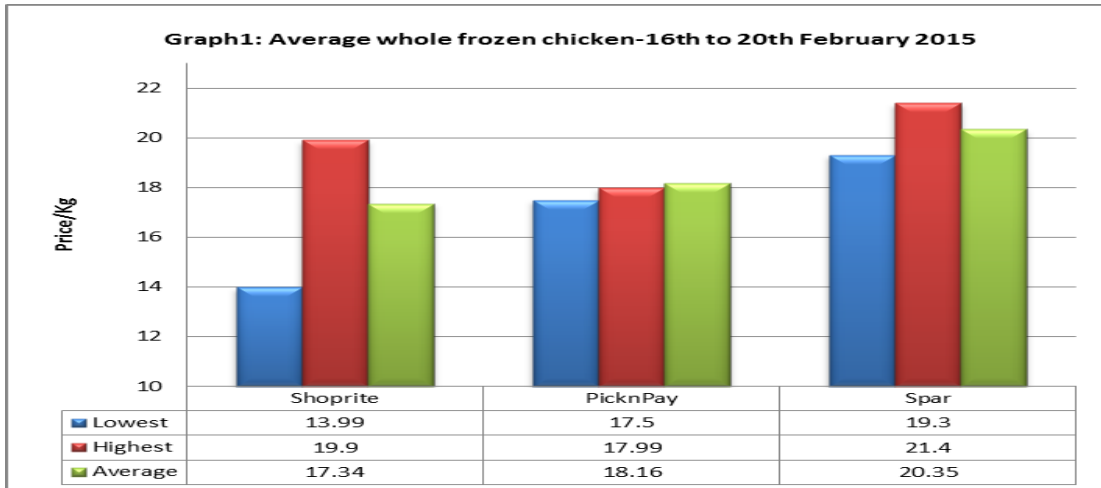


Source: Poultry Association of Zambia

AVERAGE WHOLE DRESSED CHICKEN PRICES

Graph 1 below shows average prices of whole frozen chickens in the three chain stores around in Lusaka. Spar was still posting highest average price for frozen whole chickens among the three stores at ZMW20.35 with the lowest and highest price of frozen whole chicken going for ZMW19.30 and ZMW21.40 respectively. Shoprite had the lowest average price at ZMW17.34 with the lowest going for ZMW13.99 and the highest going for ZMW19.90. The average price for frozen whole chicken in Pick n' Pay was ZMW20.35 with the lowest and highest pegged at ZMW17.50 and ZMW17.99 respectively.

Graph 2 shows the average prices for beef, chicken and Pork products in the three chain stores in lusaka. The graph shows that chicken was the cheapest protein in all the three stores followed by fish, pork and t.bone.



Source: Poultry Association of Zambia

Graph3 shows the average price trend for whole frozen dressed chicken in Lusaka from June 2014 – February 2015. The graph shows that the average price of whole dressed frozen chicken was static in week 30 and 31 at ZMW18.61.

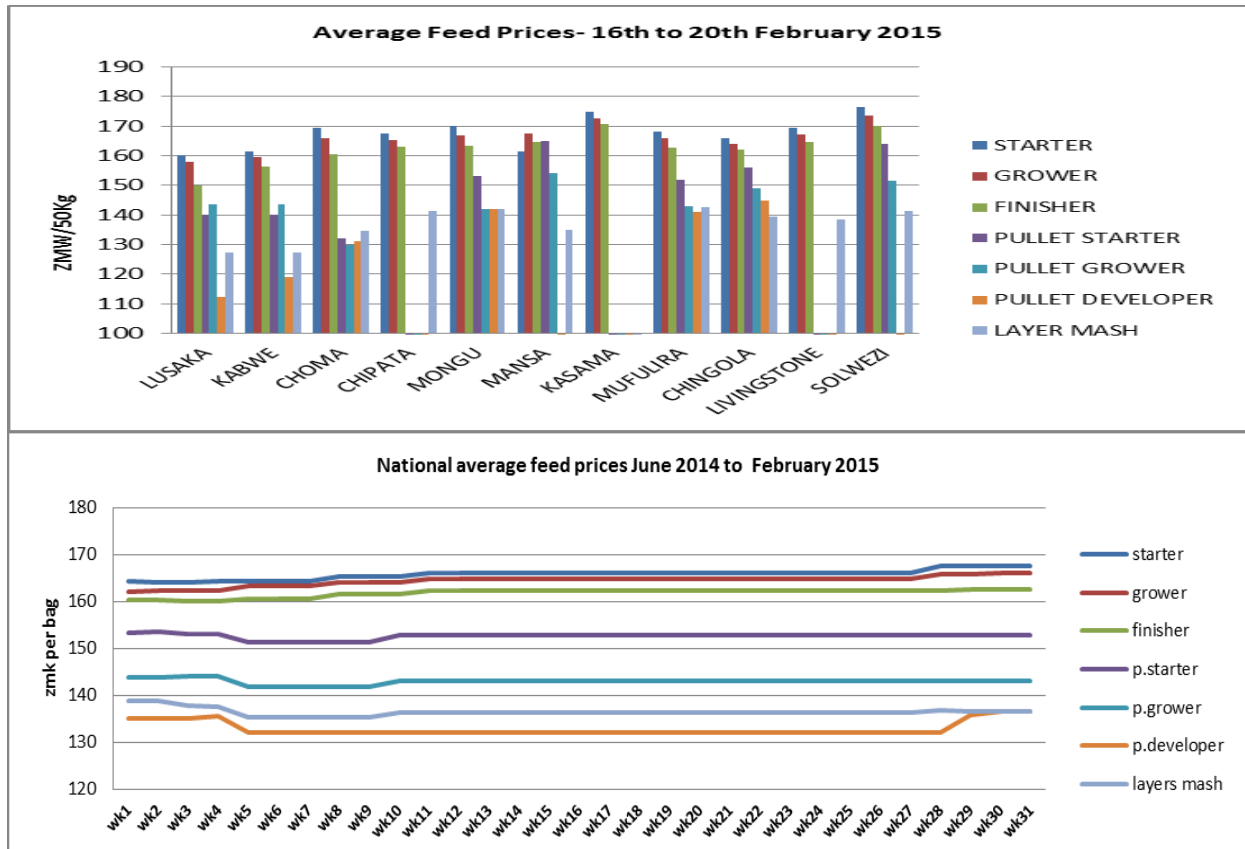


Source: Poultry Association of Zambia

AVERAGE FEED PRICES

Graph 1 show average weekly feed prices in selected towns. The graph shows that the average poultry stock feed prices were lowest in Lusaka and Kabwe and Highest in Kasama and Solwezi. The graph further shows that pullet feeds were generally lower than broiler feeds. No price statistics for pullet feeds were captured for Kasama while only layer mash prices were captured in Chipata and Livingstone.

Graph 2 shows the national average price trend of feed prices for a period of eight months from June 2014 to February 2015. No significant changes was registered in the average price of feed during the course of the week.



Source: Poultry Association of Zambia

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