



THE WEEKLY AGRO WATCH



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2nd February, 2016 Vol.3.No.5

The Weekly Agro Watch Highlights

- Rain fall activity is forecast to increase during the period 3rd February to 11th February, 2016 in selected districts.
- CME wheat price for March 2016 delivery makes a slight gain.
- Crude oil prices in retreat by 5.3%.

Exchange Rates

CURRENCY	02/02/2016						29/01/2016					
	US Dollar		RAND		GB Pound		US Dollar		RAND		GB Pound	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
FNB	11.16	11.38	0.70	0.72	16.05	16.38	10.98	11.20	0.66	0.67	15.94	16.26
Standard Chartered Bank	11.16	11.34	0.70	0.71	16.05	16.38	10.91	11.13	0.65	0.67	15.86	16.17
ZANACO	11.20	11.40	0.70	0.71	-	-	10.97	11.16	0.65	0.66	15.94	16.22
Bank of Zambia	11.25	11.27	0.70	0.70	16.07	16.10	11.03	11.05	0.66	0.67	16.07	16.11

Parity Prices

Domestic Import Parity Prices as at 02/02/2016

US\$/ZAR=16.02 US\$/ZMW=11.38

Parity Prices		US\$/ZMW	Maize	Soya	Wheat
Lusaka		11.38	468.4	630.59	482.79
Town	Ex-Lusaka freight (ZMW)	\$	\$	\$	\$
Chipata	275	24.17	492.57	654.76	506.96
Mkushi	225	19.77	488.17	650.36	502.56
Ndola	250	21.97	490.37	652.56	504.76
Kitwe	250	21.97	490.37	652.56	504.76

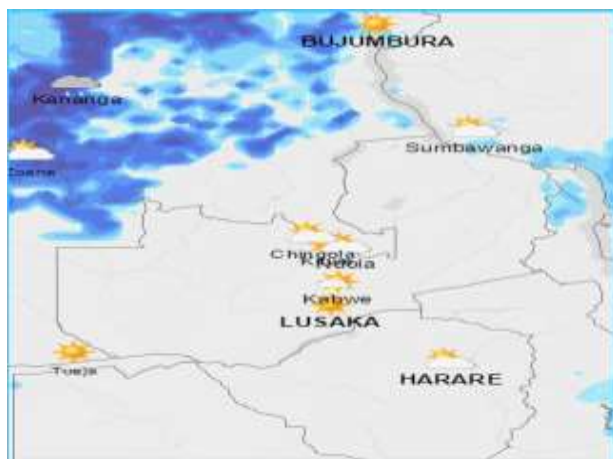
Export Parity Price Ranges (EPP) Harare-Lusaka

Soya Beans	505-544.5
Wheat	300.75-427.5
Maize	217.87-256

Note: Wheat export parity price calculations were based on Zimbabwe's Grain Marketing Board Prices while computation of soya beans and maize prices was based on offers by private sector players.

Weather Forecast

The table below summarizes the weather forecast for some selected towns for the period 3rd February to 11th February, 2016. All the selected districts are forecast to have general increase in in rain activity while upper average temperatures are expected to reduce.



TOWN	WEATHER SUMMARY
Ndola	<ul style="list-style-type: none"> ➤ Normal to heavy rain is expected throughout the period under review (3rd to 11th February) ➤ Average daily Temps: 18-26°C
Mkushi	<ul style="list-style-type: none"> ➤ Light to heavy rain is expected throughout the period under review. Notably a 31.1mm of rain is forecast on 10th February. ➤ Average daily Temps: 18-26°C
Kabwe	<ul style="list-style-type: none"> ➤ Light to heavy rain is expected throughout the period under review with reduced rainfall activities from 10th to 11th February. ➤ Average daily Temps: 18-26°C
Lusaka	<ul style="list-style-type: none"> ➤ Reduced rain activities is expected with chances of heavy rains on 7th and 8th. ➤ Average daily Temps: 18-26°C

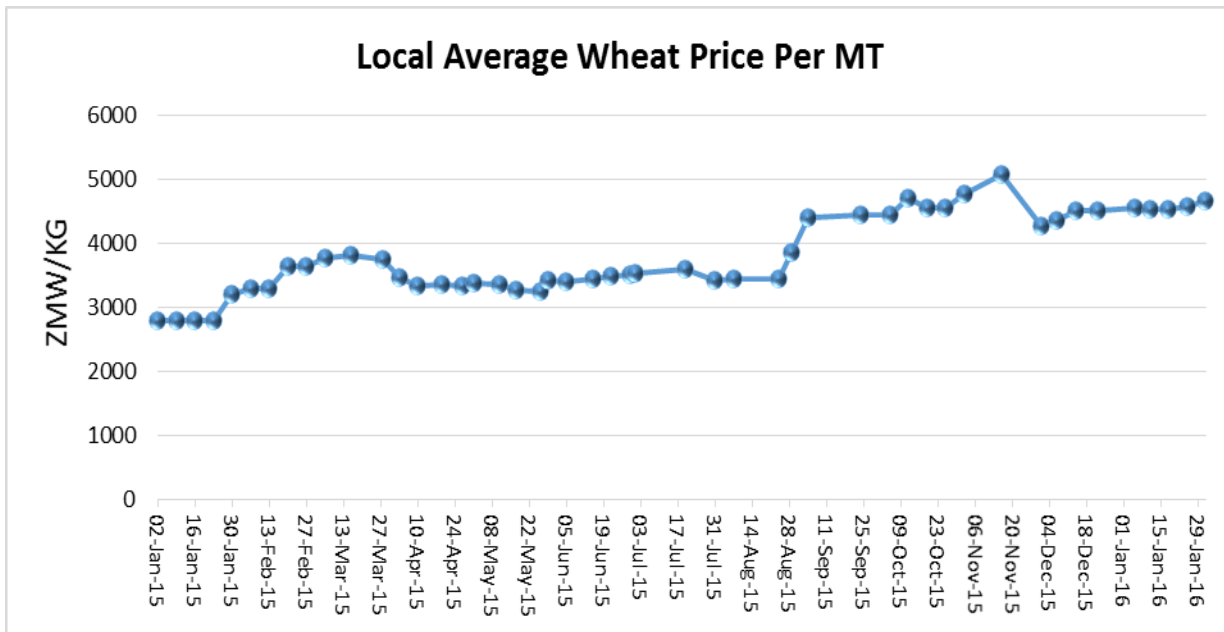
Mazabuka	<ul style="list-style-type: none"> ➤ Reduced or no rain activities is forecast for the period under review except from 6-8th when light to heavy rains are expected. ➤ Average daily Temps: 19-28°C.
Choma	<ul style="list-style-type: none"> ➤ Light to normal rain from 3rd to 7th February are expected while the rest of the period is forecast to have no rain activities. ➤ Average daily Temps: 18 to 26°C
Livingstone	<ul style="list-style-type: none"> ➤ Reduced rain activities is forecast throughout the period under review. Light rains expected on 5th, 10th and 11th. ➤ Average daily Temps: 19-31°C
Mongu	<ul style="list-style-type: none"> ➤ Light to normal rains expected throughout the period under review. However, Reduced rain activities on 4th and 7th February. ➤ Average daily Temps: 19-29°C.
Mansa	<ul style="list-style-type: none"> ➤ The whole period (3rd to 11th Feb) under review, rain activity is forecast from normal to heavy. ➤ Average daily Temps: 18-26°C.
Kasama	<ul style="list-style-type: none"> ➤ The whole period (3rd to 11th) under review, rain activity is forecast from normal to heavy. Chances of having rains on 8th and 9th are low. ➤ Average daily Temps: 17-24°C.
Solwezi	<ul style="list-style-type: none"> ➤ The whole period (3th to 11th) under review, rain activity is forecast from normal to heavy. Average daily Temps: 18-27°C.
Chipata	<ul style="list-style-type: none"> ➤ Light to heavy rain is forecast. Reduced rain activities from 7th to 8th February. ➤ Average daily Temps: 19-26°C.

Source: Norway meteorological Institute

Wheat

Highlights

- CME wheat futures prices for March 2016 delivery increased to US\$176.07/MT during the week ending 29th February 2016.
- Wheat average buying prices as captured by the grain Traders Association were pegged at USD417 per metric tonne during the week ended 29th December, 2016. The graph below show wheat price trends :



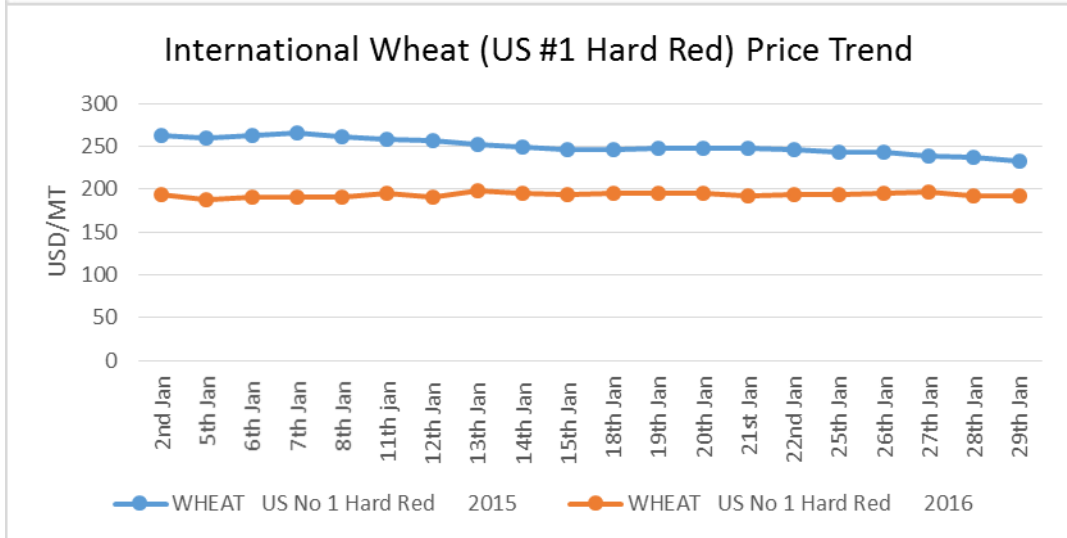
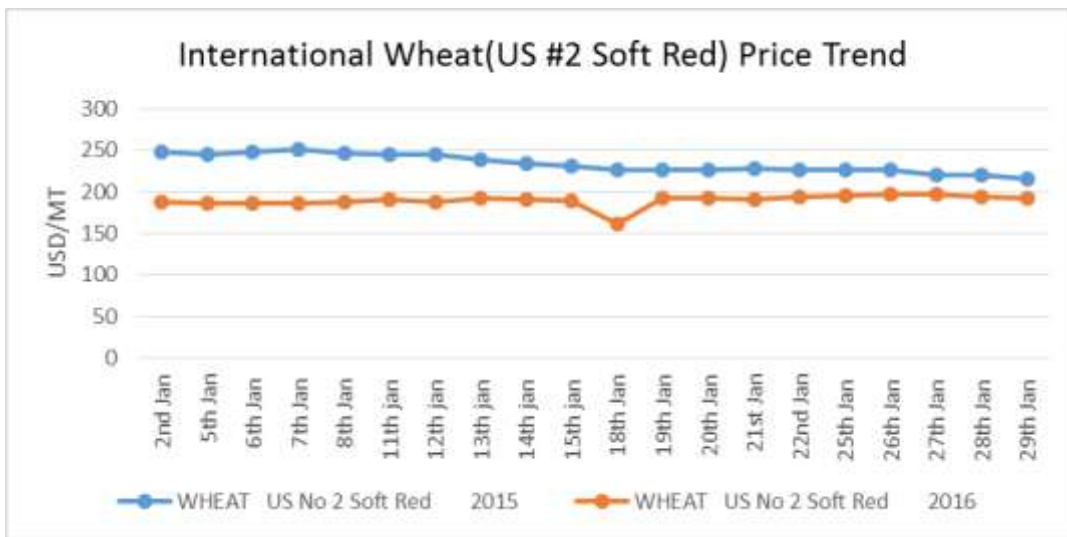
Source: ZNFU, 4455 Market Price Information System

Price trends

The Safex international soft red and hard red wheat prices averaged US\$ 195.3/MT and US\$ 194.1/MT respectively compared to US\$ 187/MT and US\$195/MT recorded respectively during the previous week. All prices are fob gulf. The graphs below show international price trends for soft and hard red wheat.

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Source: Safex

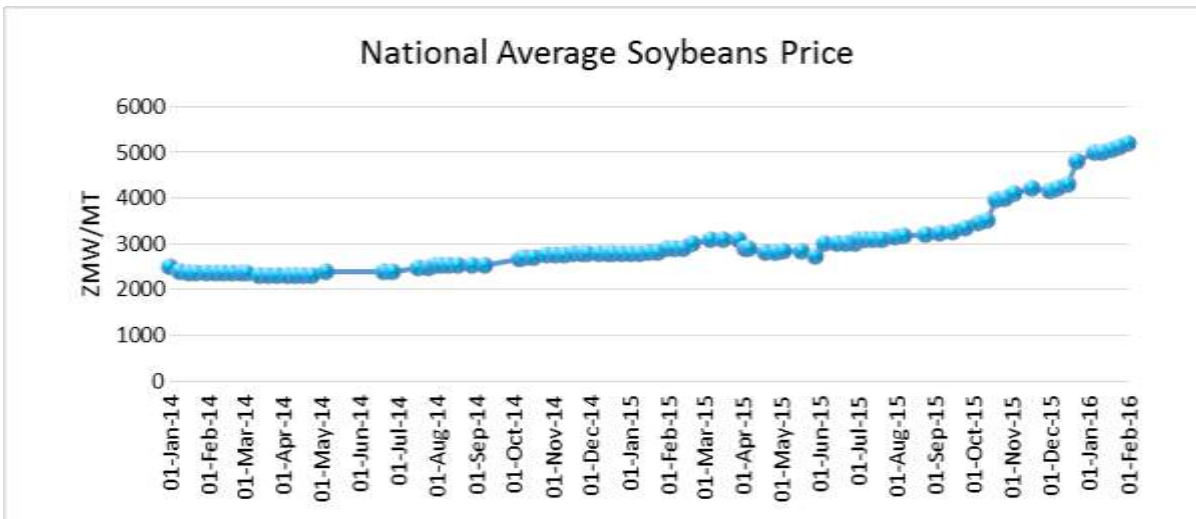
Soya Beans

Highlights

- CME Soya futures price for March 2016 delivery recorded a marginal increase to reach US\$324.15 from US\$323.12/MT reported last week.
- Local soybeans prices have remained firm with an average price of K5200/MT being recorded in the week ending 29th January 2016.as shown in the graph below;

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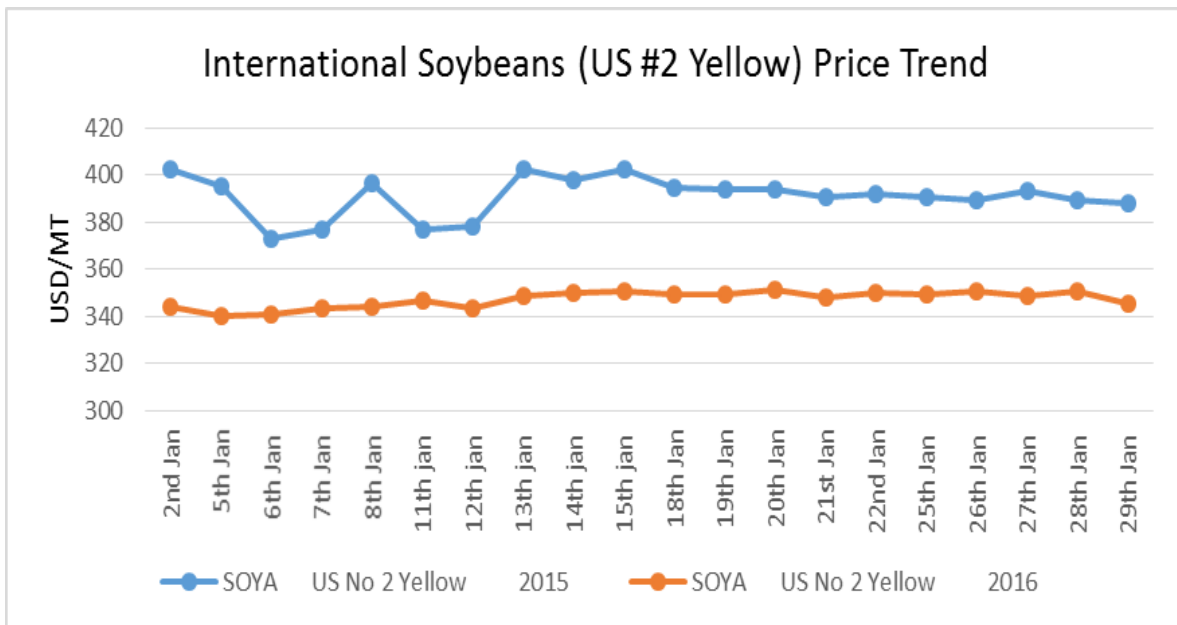




Source: ZNFU, 4455 Market Price Information System

Price trends

International spot prices for US No. 2 yellow soya beans on Safex settled at US\$349/MT lower than the average price of US\$ 350/MT recorded during the previous week as shown in the graph below. All prices are fob gulf.



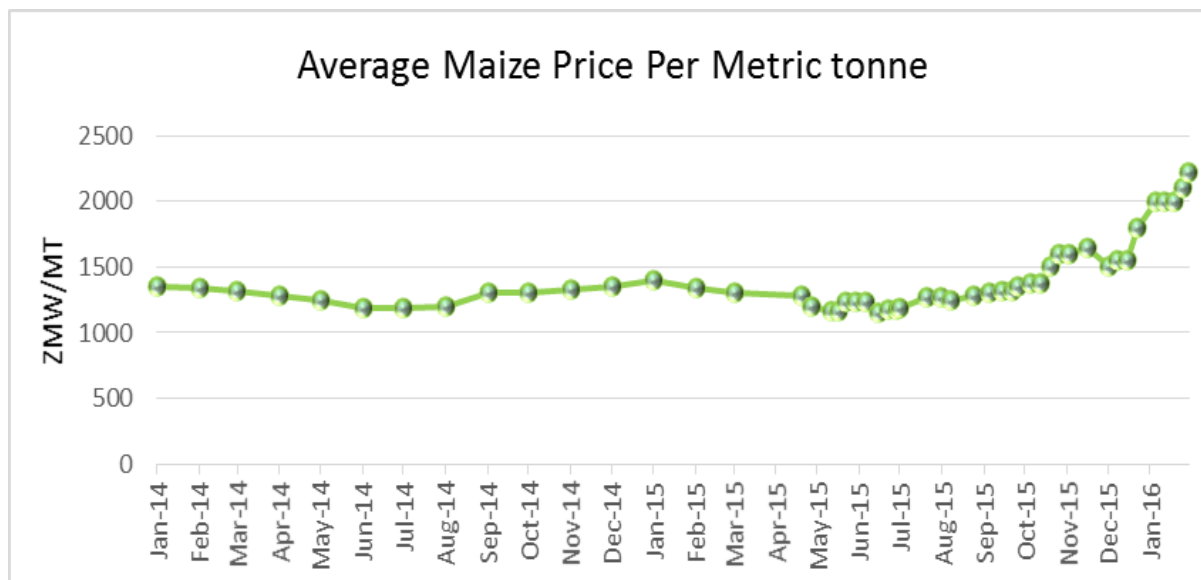
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Maize

Highlights

- CME Corn futures price for March 2016 delivery recorded a marginal gain to US\$ 146.45/MT US\$140.54/MT compared to US\$139.4/MT reported last week.
- Average maize prices have continued their upward trend reaching an average of K2220/MT during the week ended 29th January 2016. The continued erratic rain in some parts of the country and the region have supported maize prices which have remained robust.



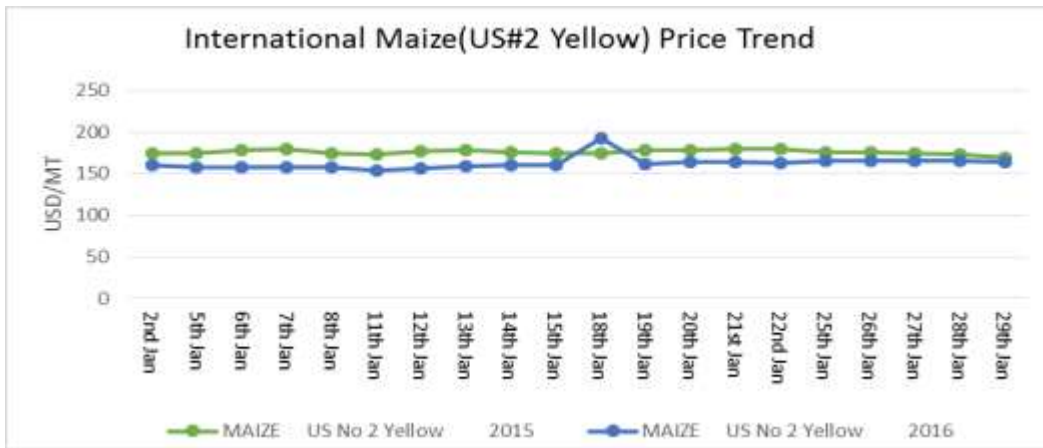
Source: ZNFU, 4455 Market Price Information System

Price trends

- International maize spot prices traded at an average of US\$164.6/MT lower than the US\$169/MT recorded in the week ending 29th January 2015 as shown in the graph below. Prices are fob gulf.

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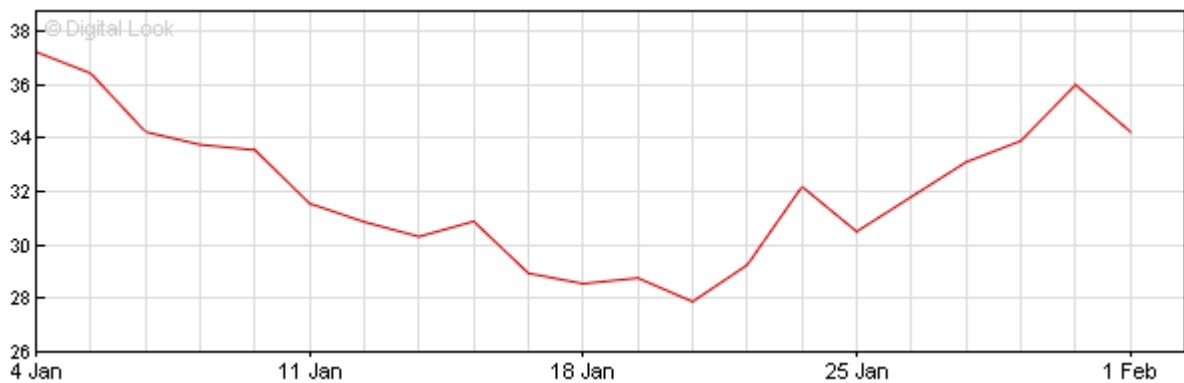




Source: Safex

Crude oil

- Brent Crude oil prices are in retreat again hitting US\$32.44/ barrel as Opec officials cast doubt on supply cut.



Source: BBC News, 2016.

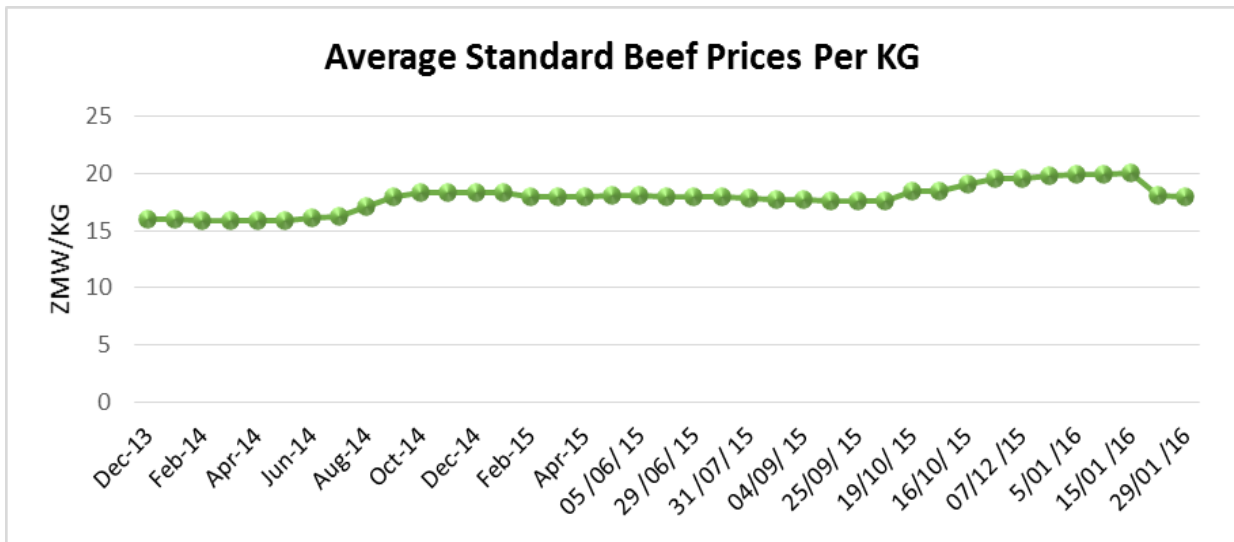
Beef

Highlights

- Local average beef prices dipped during the week ended 29th January 2016 to K17.9/KG.

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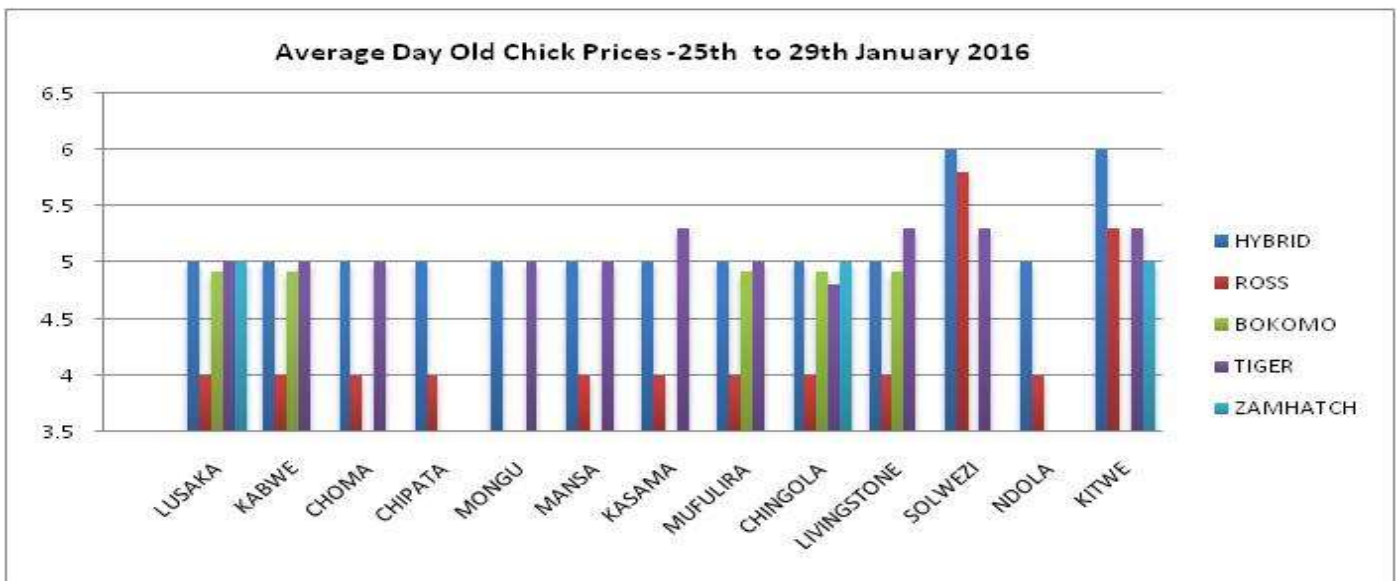




Source: ZNFU, 4455 Market Price Information System

POULTRY

The graph below shows the price of different breeds of day old chicks in selected towns. Prices of day old chicks were adjusted upwards in some of the towns displayed while prices remained static in some towns with indications of price increments beginning February 2016.

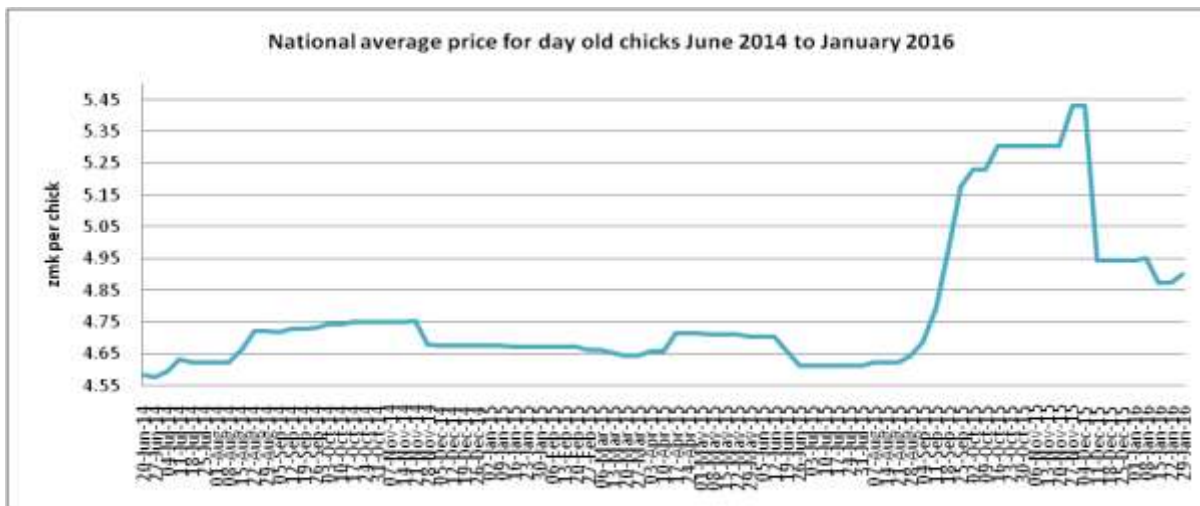


Source: Poultry Association of Zambia

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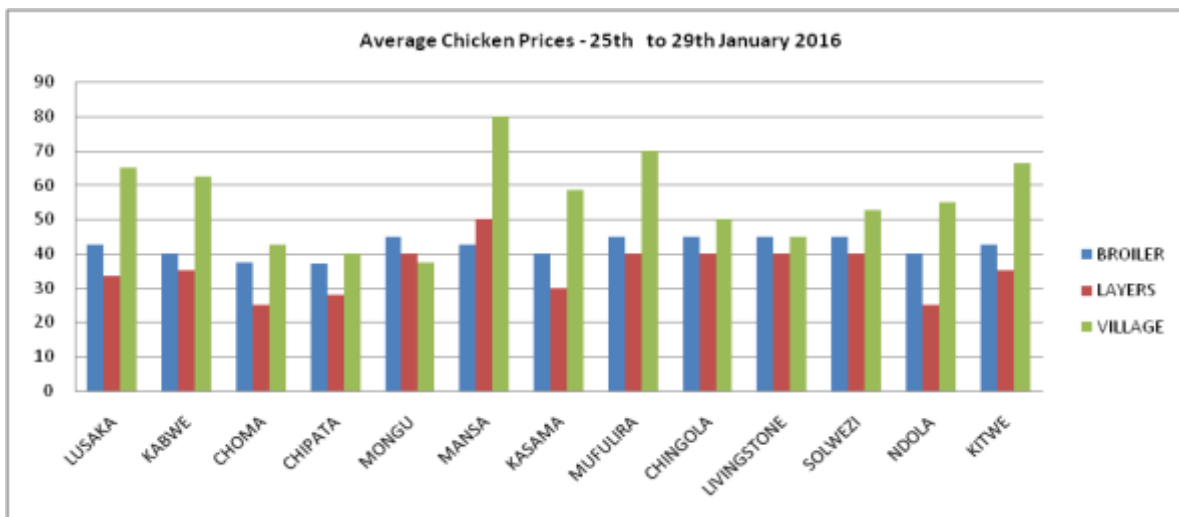
The graph below shows the national average price trend for day old chicks from June 2014 to January 2016. The graph shows that the national average price for day old chicks went up to ZMW4.90 per chick during the course of the week.



Source: Poultry Association of Zambia

AVERAGE LIVE BIRDS PRICES

The graph below shows the average live bird prices in Lusaka, Choma, Kabwe, Chipata, Mongu Mansa, Mufulira, Chingola, Solwezi, Ndola, Kitwe and Livingstone. The average price of ex-layers in Lusaka declined from ZMW35 to ZMW32.5 representing 4% reduction in price while the average price of ex-layers in Livingstone increased from ZMW35 to ZMW40 representing a 14% increase in price. On the other hand, the average price of village chicken in Solwezi declined from ZMW57.5 to ZMW52.5 representing 8.7% reduction in price.

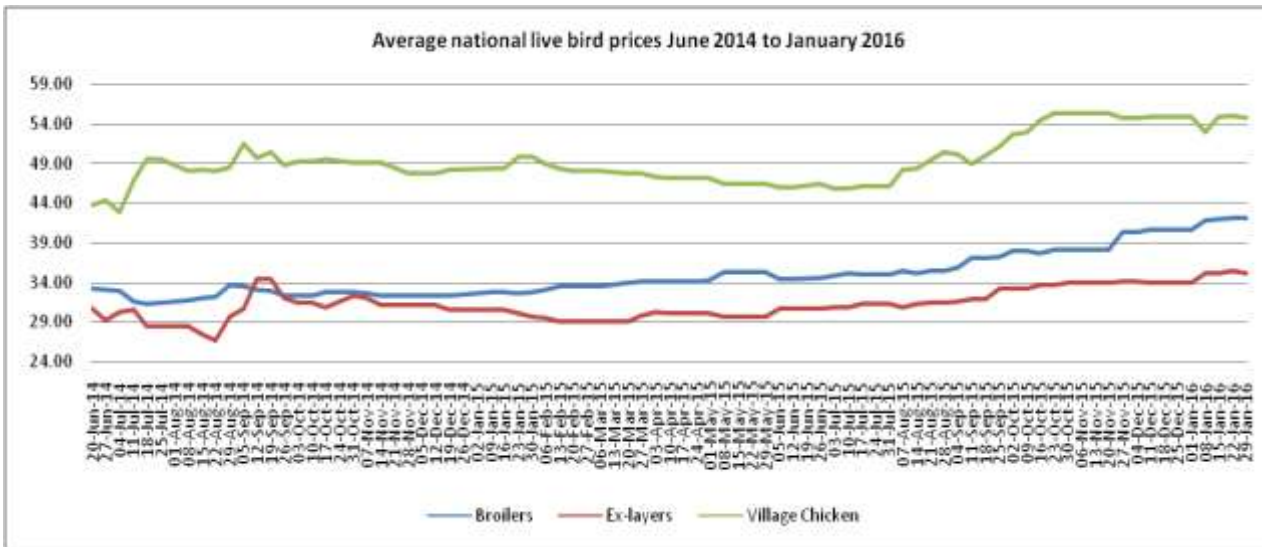


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Source: Poultry Association of Zambia

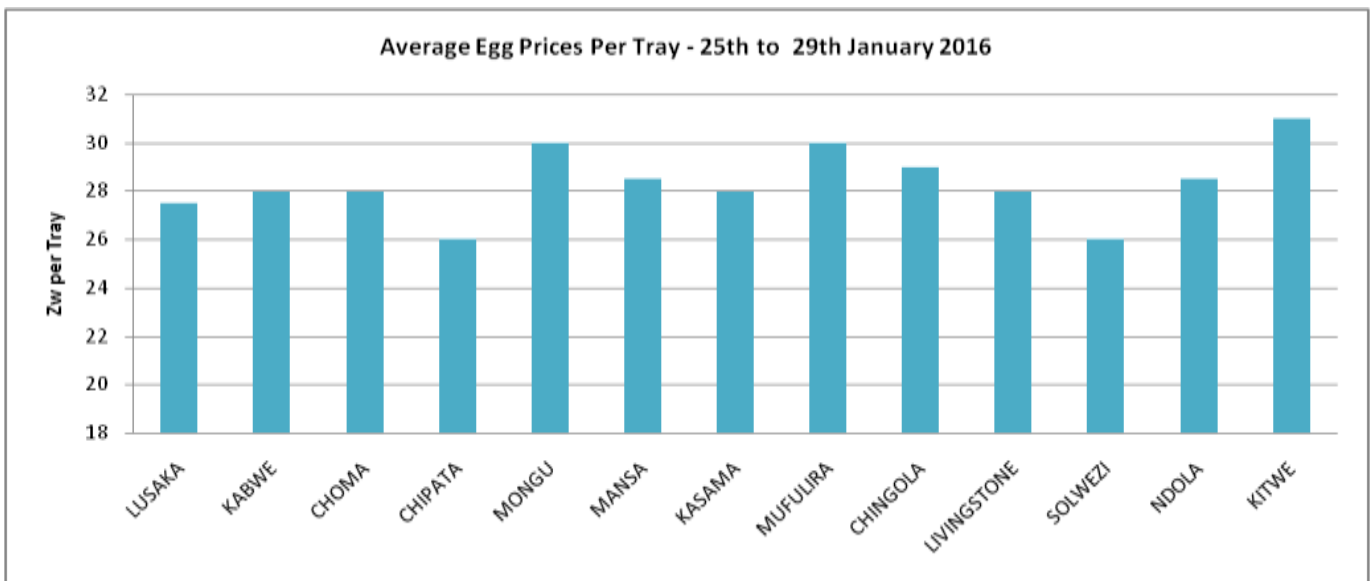
The graph below shows the national average price trends for broilers, ex-layers and village chickens at ZMW42.07, ZMW35.10 and ZMW54.79 respectively.



Source: Poultry Association of Zambia

AVERAGE EGG PRICES

The graph below shows average retail prices of table eggs in selected towns around the country. The average price of table eggs in the selected towns remained static during the course of the week with no notable changes.

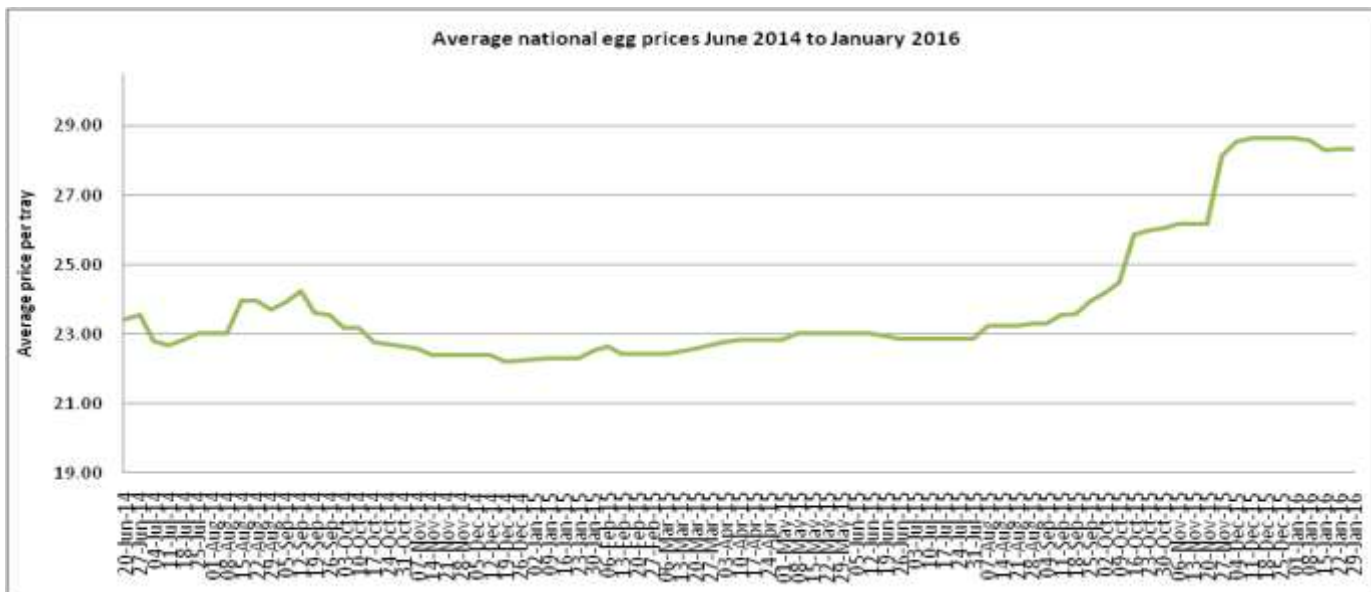


Source: Poultry Association of Zambia

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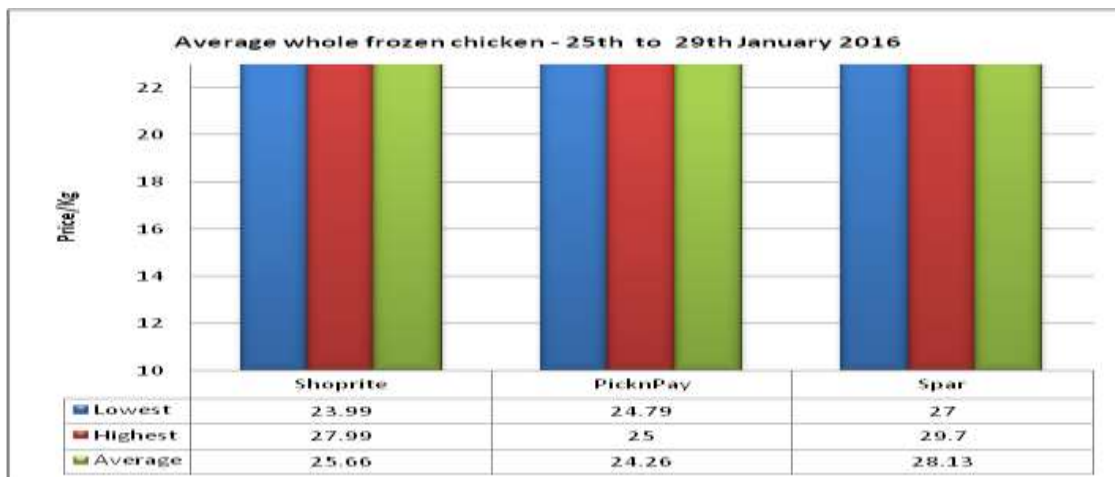
The graph below shows the price trend for a tray of eggs from mid-June 2014 to January 2016. The graph shows that the national average price of eggs is at ZMW28.35.



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 Lusaka. Spar has the highest average price at ZMW28.13 with the lowest and highest going for ZMW27 and ZMW29.70 respectively. On the other hand, Pick n' Pay has the lowest average price of frozen whole chicken at ZMW24.26 with the lowest going at ZMW24.79 and the highest going for ZMW25. In Shoprite, the average price is ZMW25.66 with the lowest going for ZMW23.99 and the highest going for ZMW27.99.

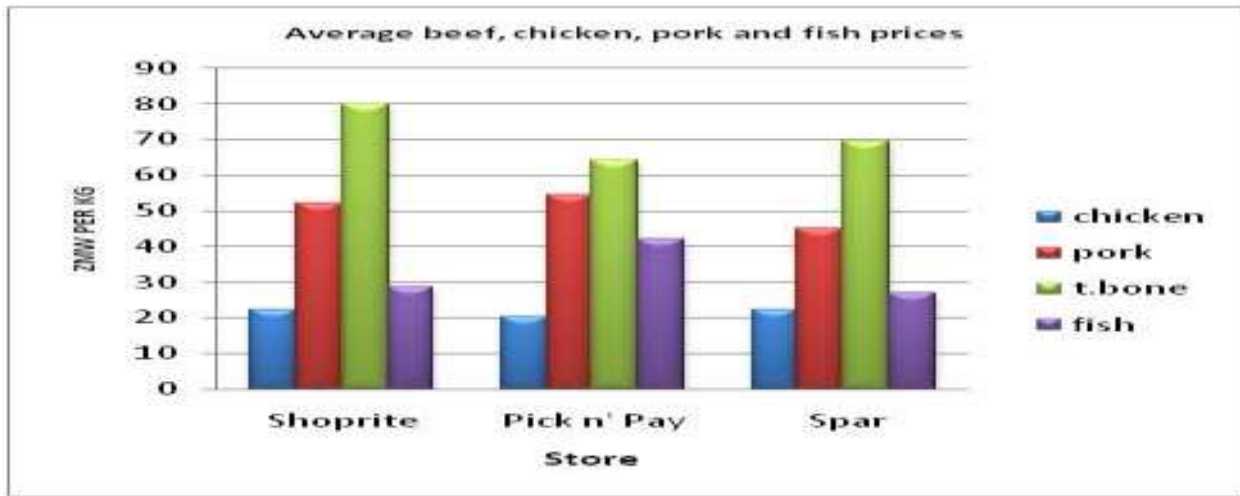


Source: Poultry Association of Zambia

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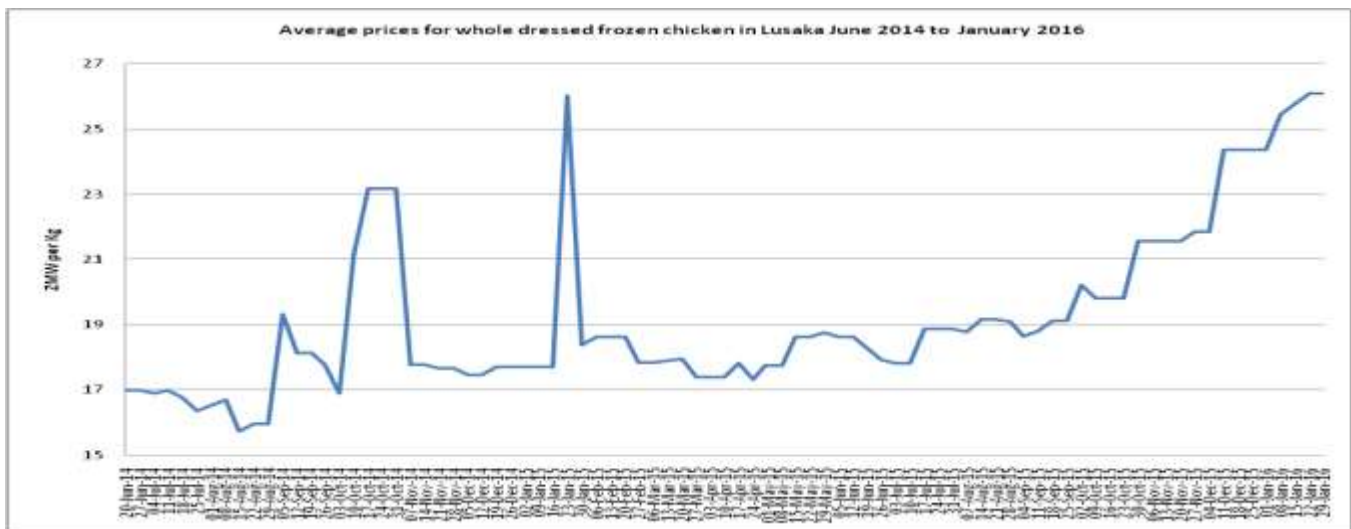


Graph 2 below compares the average price of frozen whole chicken to the average price of pork, tbone and fish in the three chain stores in Lusaka.



Source: Poultry Association of Zambia

The graph below shows the average price trend for whole frozen chicken in Lusaka from June 2014 – January 2016. The graph shows that the average price of frozen whole chickens in Lusaka is ZMW26.08. This is comparable to the average price recorded in January 2015.



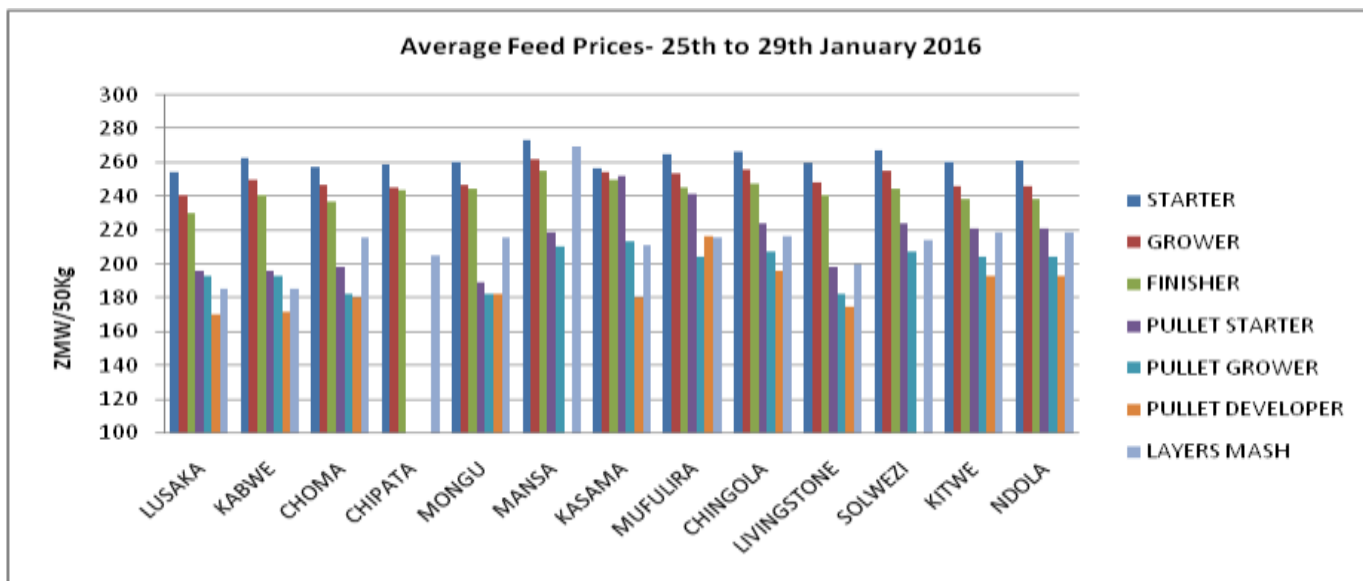
Source: Poultry Association of Zambia

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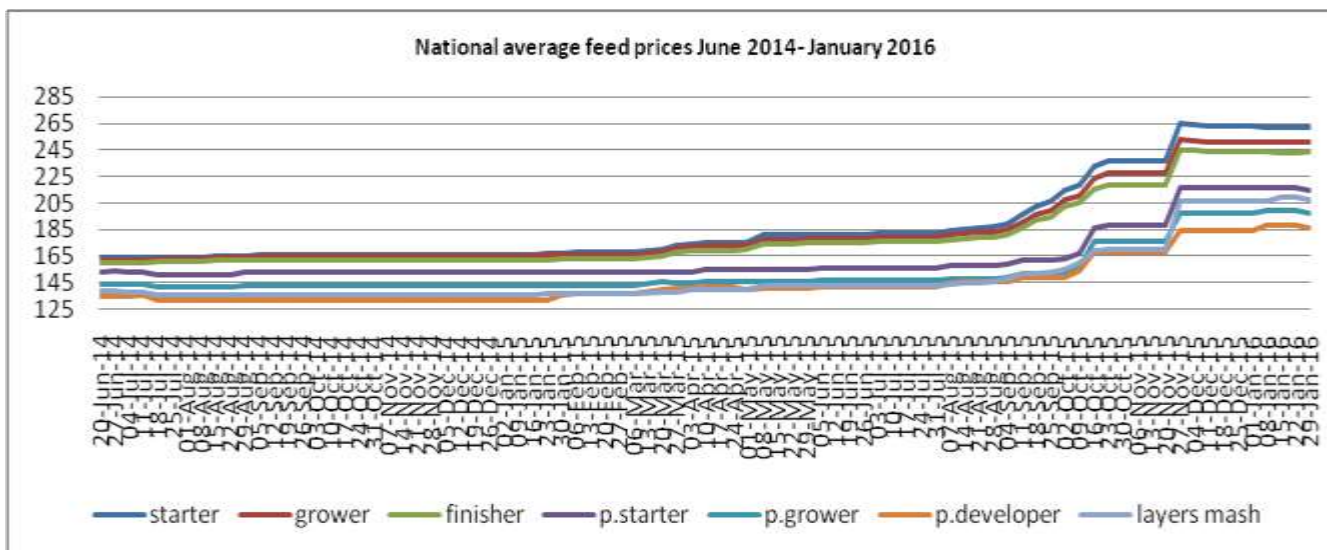
AVERAGE FEED PRICES

The graph below shows the average feed prices in selected towns. There were a few downward price adjustments during the course of the week for some types of feed. This may be attributed to relatively stable exchange rate during the past one month.



Source: Poultry Association of Zambia

The graph below shows the national average price trend of feed prices from June 2014 to January 2016. The graph shows a slight decline in the national average price of the layer feeds.



Source: Poultry Association of Zambia

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