



# THE WEEKLY AGRO WATCH



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11<sup>th</sup> April, 2016 Vol.3. No.15

## In this week's issue:

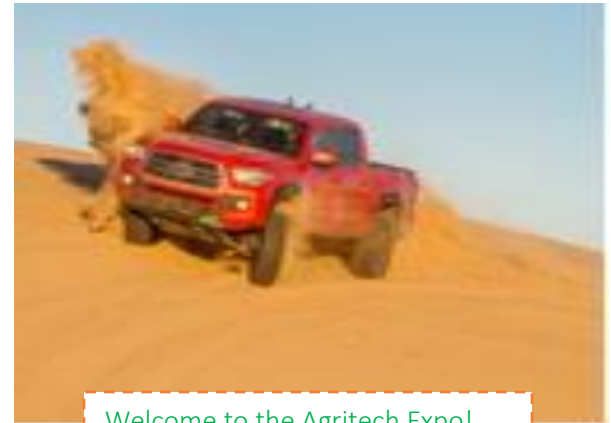
- *Kwacha appreciates further*
- *Zim's issuance of mealie meal import permit causes outcry*

## 1 MORE DAY AND ITS ON!!!

All roads lead to the Golden Valley Agricultural Research Trust (GART) in Chisamba for the 3<sup>rd</sup> edition of the Agritech Expo from Thursday 14<sup>th</sup> to Saturday 16<sup>th</sup> April 2016. All agricultural professional are

invited to attend.

Don't miss out as the Agritech Expo 2016 becomes the first event in Africa to feature a live Centre Pivot display. An adrenaline rush is also awaiting you with the all new energy park, 4 x 4 Test Track and Construction Zone.



Welcome to the Agritech Expo!

Thursday 14<sup>th</sup> April is a commercial farmers focus day. With over 130 local and international exhibitors, you will:

- Meet with a range of agricultural industry experts
- Test the latest machinery and equipment
- Compare farming technologies
- And network with other commercial players in an exclusive VIP business area

From live crop trials and machinery demonstrations, to livestock auctions and technical workshops - don't miss out on the opportunity to gain the knowledge needed to ensure that your farm is performing at its best! It's all Free!

So if you are passionate about agriculture, the Agritech Expo 2016 team is saying to you this weekend "Welcome Home!"

Register to attend by visiting [www.agritech-expo.com](http://www.agritech-expo.com)



## Exchange Rates

The Kwacha appreciated further and is currently trading below ZMW10/ dollar with some commercial banks predicting it will continue to trade below the K10 mark this week.

CURRENCY	12/04/2016						04/04/2016					
	US Dollar		RAND		GB Pound		US Dollar		RAND		GB Pound	
	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell
FNB	9.55	9.47	0.65	0.67	13.63	13.90	10.83	11.04	0.74	0.76	15.40	15.71
Standard Chartered Bank	9.61	9.80	0.66	0.67	13.68	13.95	10.83	11.04	0.74	0.75	15.40	15.71
ZANACO	9.67	9.85	0.66	0.67	13.77	14.02	10.85	11.05	0.74	0.75	15.43	15.70
Bank of Zambia (11/04/16)	9.78	9.80	0.663	0.664	13.93	13.97	10.92	10.94	0.74	0.75	15.58	15.61

## Parity Prices

### Domestic Import Parity Prices as at 11/04/2016

US\$/ZAR=15.12      US\$/ZMW=9.9

Parity Prices		U\$/ZMW Maize	Soya	Wheat
<b>Lusaka</b>		<b>9.9</b>	<b>476</b>	<b>561.62</b>
<b>Town</b>	<b>Ex-Lusaka freight (ZMW)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Chipata	275	27.78	503.78	589.40
Mkushi	225	22.73	498.73	584.35
Ndola	250	25.25	501.25	586.87
Kitwe	250	25.25	501.25	586.87

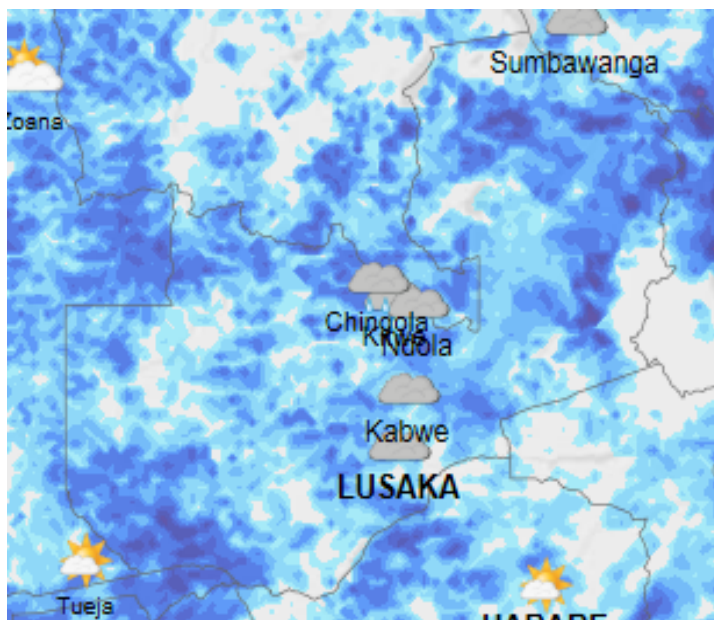
\*Note: import parity prices based on May delivery

### Export Parity Price Ranges (EPP) Harare-Lusaka as at 24/03/16

Soya Beans	466.5-525
Wheat	300-427.5
Maize	252-281.25

## Weather Forecast

The table below summarizes the weather forecast for some selected towns for the period 12<sup>th</sup> April to 18<sup>th</sup> April, 2016.



TOWN	WEATHER SUMMARY
Ndola	<ul style="list-style-type: none"> <li>➤ The 12<sup>th</sup> – 14<sup>th</sup> are expected to be partly cloudy with light rains of 0.5mm, 0.6mm &amp; 3.6mm forecast for the 15<sup>th</sup>, 16<sup>th</sup> &amp; 18<sup>th</sup> respectively. the 17<sup>th</sup> will be fairly cloudy.</li> <li>➤ Average daily Temps: 16-26°C</li> </ul>
Mkushi	<ul style="list-style-type: none"> <li>➤ Light daily showers of not more than 0.7mm forecast for most of the week save for the 17<sup>th</sup> &amp; 18<sup>th</sup> when it's expected to be fairly to partly cloudy.</li> <li>➤ Average daily Temps:17-26°C</li> </ul>
Kabwe	<ul style="list-style-type: none"> <li>➤ Showers of not more than 1.0mm forecast for most of the week save for the 12<sup>th</sup>, 17<sup>th</sup> &amp; 18<sup>th</sup> which are expected to have partly cloudy to clear skies.</li> <li>➤ Average daily Temps: 17-25°C</li> </ul>
Lusaka	<ul style="list-style-type: none"> <li>➤ 0.5-1.5mm of rain showers forecast for the 12<sup>th</sup>, 13<sup>th</sup>, 14<sup>th</sup>, 15<sup>th</sup>, 16<sup>th</sup> &amp; the 17<sup>th</sup>. The rest of the week will have partly cloudy to clear skies.</li> <li>➤ Average daily Temps: 16-25°C</li> </ul>

Mazabuka	<ul style="list-style-type: none"> <li>➤ About 0.5-0.9mm of rain is forecast for the 14<sup>th</sup>, 1.0mm on the 16<sup>th</sup> while the rest of the week is expected to have partly cloudy to clear skies.</li> <li>➤ Average daily Temps: 18-25°C.</li> </ul>
Choma	<ul style="list-style-type: none"> <li>➤ 0.5mm, 1.1mm &amp; 2.2mm of light rain forecast for the 13<sup>th</sup>, 14<sup>th</sup>, &amp; 15<sup>th</sup> while the rest of week will have partly cloudy to clear skies</li> <li>➤ Average daily Temps: 14 -25°C</li> </ul>
Livingstone	<ul style="list-style-type: none"> <li>➤ The week is expected to be have partly cloudy to clear skies with no rain.</li> <li>➤ Average daily Temps: 16-29°C</li> </ul>
Mongu	<ul style="list-style-type: none"> <li>➤ Partly cloudy to clear skies with no rainfall forecast</li> <li>➤ Average daily Temps: 17-30°C.</li> </ul>
Mansa	<ul style="list-style-type: none"> <li>➤ 0.3mm, 0.8mm and 0.5mm forecast for the 12<sup>th</sup>, 13<sup>th</sup> and 15<sup>th</sup> respectively. The rest of the week is expected to have partly cloudy to clear skies.</li> <li>➤ Average daily Temps: 17-26°C.</li> </ul>
Kasama	<ul style="list-style-type: none"> <li>➤ 0.6mm is expected on the 14<sup>th</sup> &amp; 17<sup>th</sup>. 0.8mm is forecast for the 18<sup>th</sup> while the rest of the week will partly cloudy to clear</li> <li>➤ Average daily Temps: 16-25 °C.</li> </ul>
Solwezi	<ul style="list-style-type: none"> <li>➤ 0.6mm forecast for the 12<sup>th</sup>, 13<sup>th</sup> and 15<sup>th</sup> while 1.2mm and 3.3mm are forecast for the 14<sup>th</sup> &amp; 18<sup>th</sup>. The rest of the week will be mostly partly cloudy</li> <li>➤ Average daily Temps: 15-26°C.</li> </ul>
Chipata	<ul style="list-style-type: none"> <li>➤ 2.4mm of rain is anticipated on the 13<sup>th</sup>, 0.5mm on the 14<sup>th</sup> and 0.7mm on the 15<sup>th</sup>. The rest of the week is expected to have partly cloudy to clear skies.</li> <li>➤ Average daily Temps: 18-26°C.</li> </ul>

Source: Norway meteorological Institute

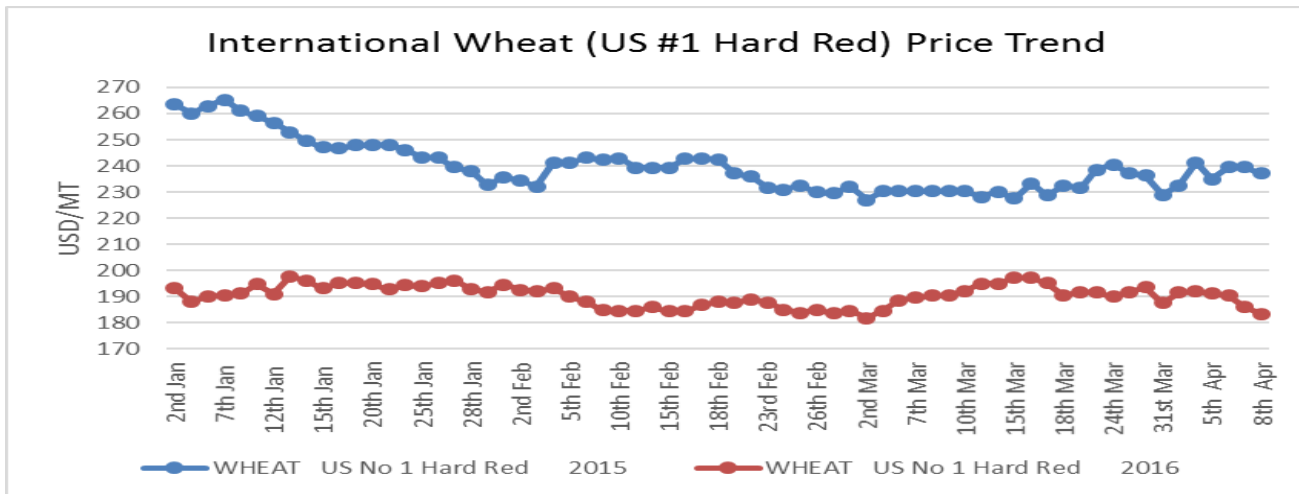
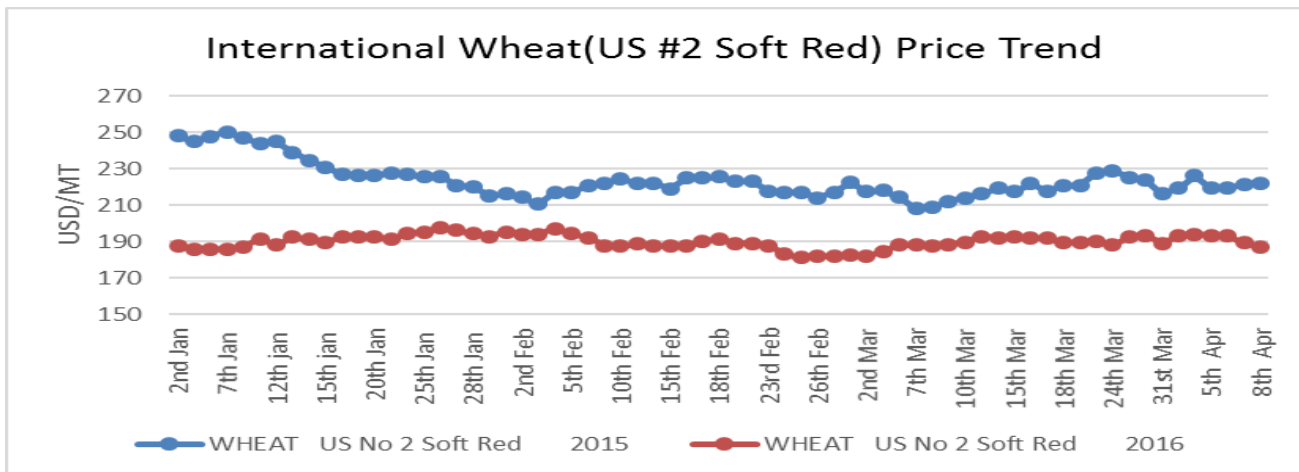
## Wheat

### Highlights

- On the local scene, some farmers are still holding on to wheat as they are not receiving any purchase offers. This does not only increase their storage costs but also raises concern on where they will store their maize and soya beans crop which they are about to harvest.
- CME wheat futures prices for May 2016 opened trading at US\$164.3/MT on 12<sup>th</sup> April 2016.

### Price trends

The Safex international soft red and hard red wheat prices averaged US\$ 191.36/MT and US\$ 188.64/MT during the week ending 8<sup>th</sup> April respectively. All prices are fob gulf. The graphs below show international price trends for soft and hard red wheat:



Source: Safex

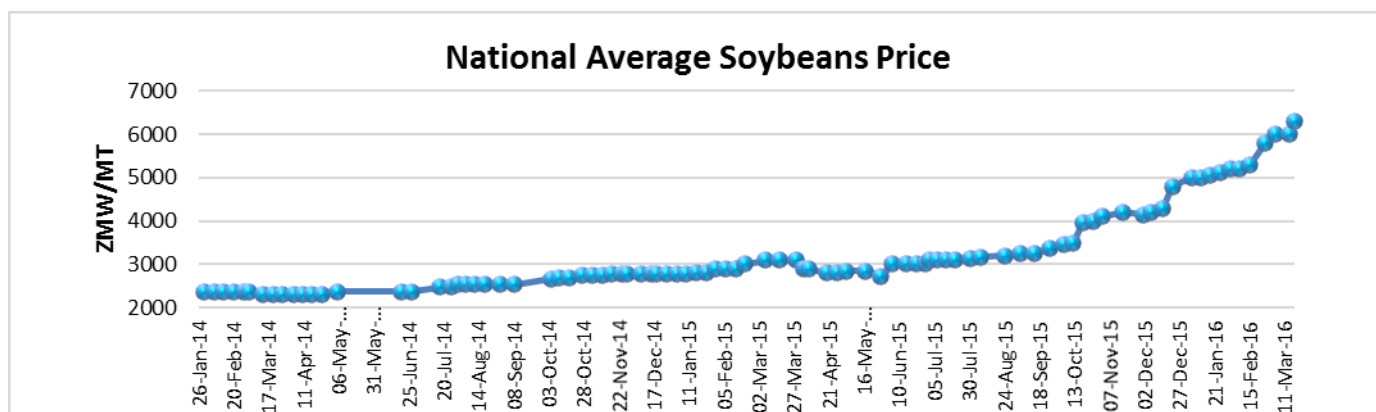
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## Soya Beans

### Highlights

- The Argentine government is anticipated to reduce its export taxes on soya beans grain and soya oils and meals by five percent from the current 30% for beans and 27% for oils and meals. The country last December completely eliminated export taxes on its maize, wheat and sunflower thereby increasing the competitiveness of the crops on the international markets.
- Meanwhile, Brazil's soya beans exports in March 2016 were recorded at 8.3million tons, 50% more than the exports recorded in March 2015. China has been the country's single largest importer of the commodity.
- CME Soya futures price for May 2016 delivery opened trading at US\$340.76/MT on 12<sup>th</sup> April 2016.
- Local Soya beans spot prices were still hovering around ZMW5, 900-6,400/MT last week according to information captured on the ZNFU market price information system.



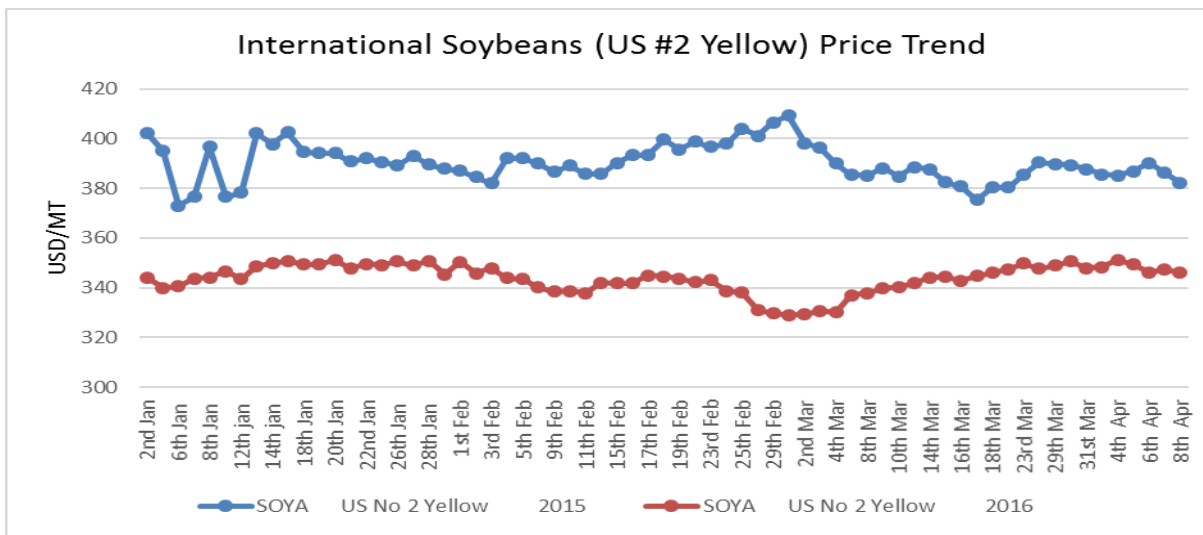
Source: ZNFU, 4455 Market Price Information System

### Price trends

International spot prices for US No. 2 yellow soya beans on Safex averaged US\$348.1/MT in the week ending 8<sup>th</sup> April 2016, 0.24% below the average price of US\$348.95/MT recorded in the previous week. Prices are fob gulf.

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Source: Safex

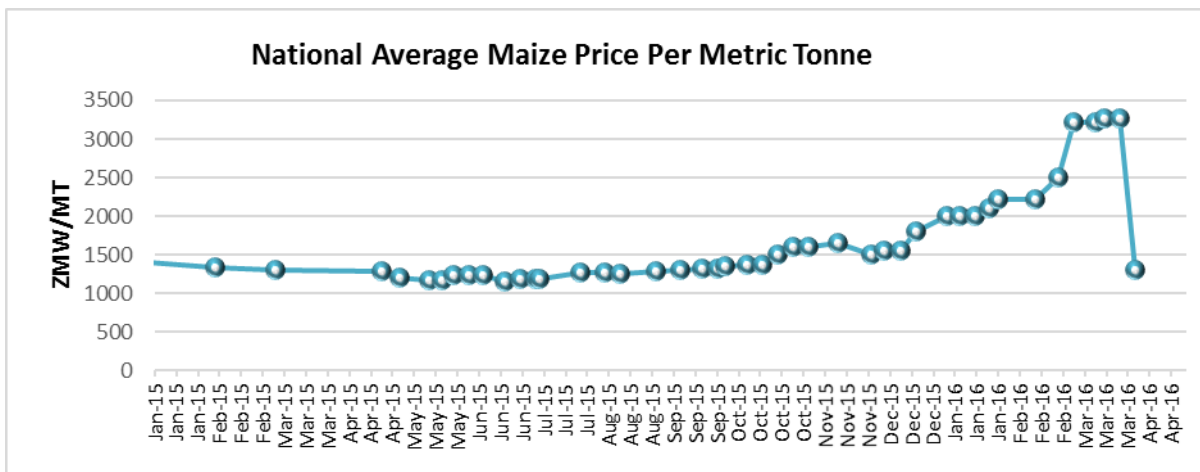
## Maize

### Highlights

- The issuance of permits for the importation of about 140,000MT of mealie meal by the Zimbabwean government has stirred an uproar from the millers. According to the Commercial Farmers Union of Zimbabwe, the country of origin for most of the imports, as captured on the permits, was South Africa.
- On the local scene, the maize market players are anxiously awaiting the next signal from government as the one week maize and maize export ban comes to expiration on 12<sup>th</sup> April 2016.
- The CME Corn futures price for March 2016 delivery opened trading at US\$140.54/MT on 12<sup>th</sup> April 2016.
- The offer price on the ZNFU market information system was in the range of ZMW 1,300/MT to ZMW 1,800/MT in the week ending 9<sup>th</sup> April 2016.

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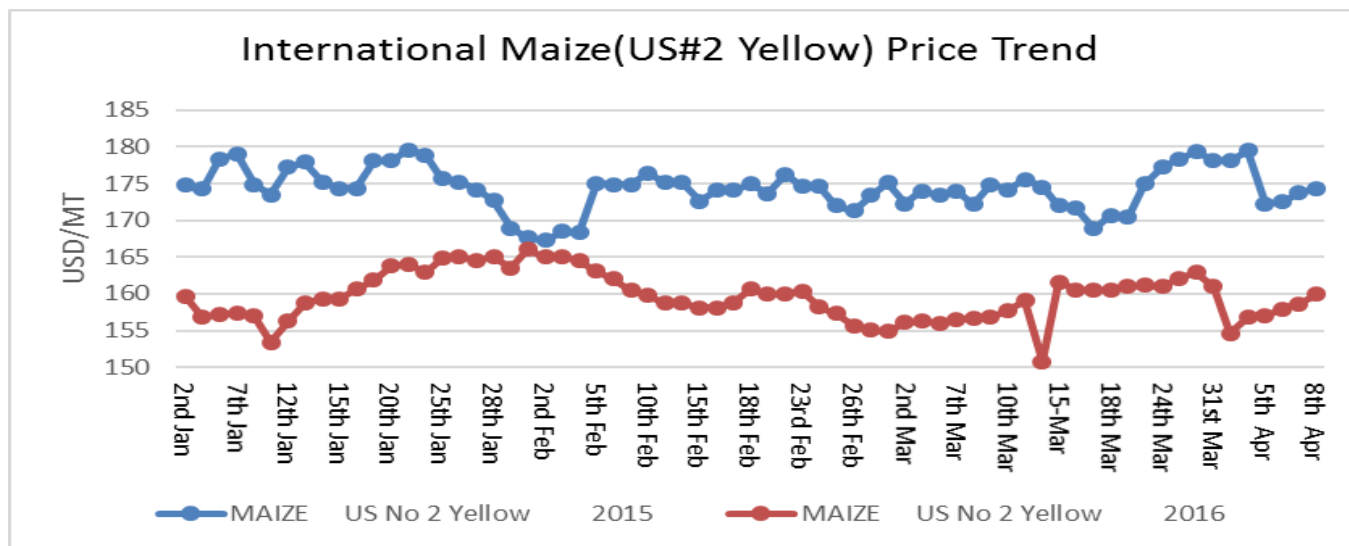




Source: ZNFU, 4455 Market Price Information System

### Price trends

International maize spot prices traded at an average of US\$ 158.05/ MT during the week ending 8<sup>th</sup> April 2016, 1.32% lower than the previous week's average. All prices are fob gulf.



Source: Safex

### Crude oil

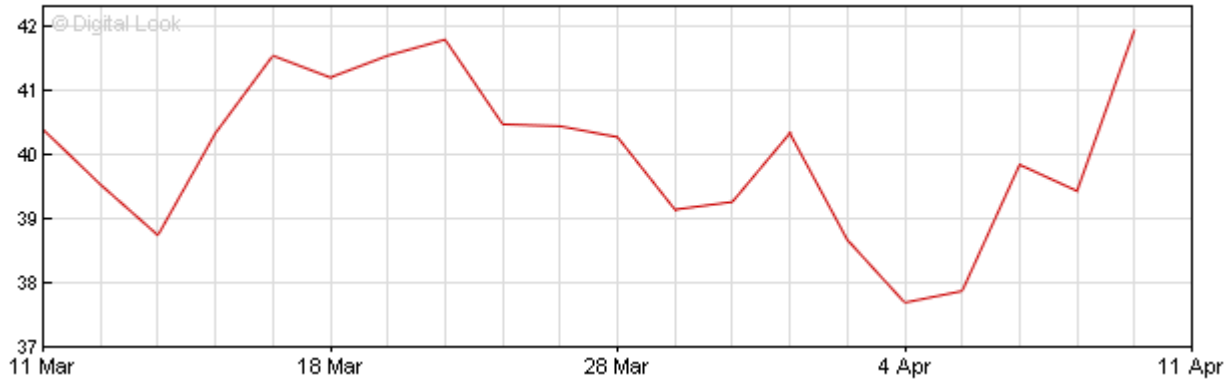
- International crude oil prices showed some appreciation end of last week and into the fresh week. By 16:45 CAT on 11<sup>th</sup> April 2016, the Brent futures price was US\$42.39/barrel while the spot price closed Friday's trading session at US\$41.89/barrel.

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- The Dubai Mercantile exchange crude oil marker price for June 2016 delivery was settled at US\$38.48/barrel on 8<sup>th</sup> April 2016, down from the settlement price of US\$35.5/ barrel on 1<sup>st</sup> April 2016.

### Brent Crude Oil Futures \$/barrel



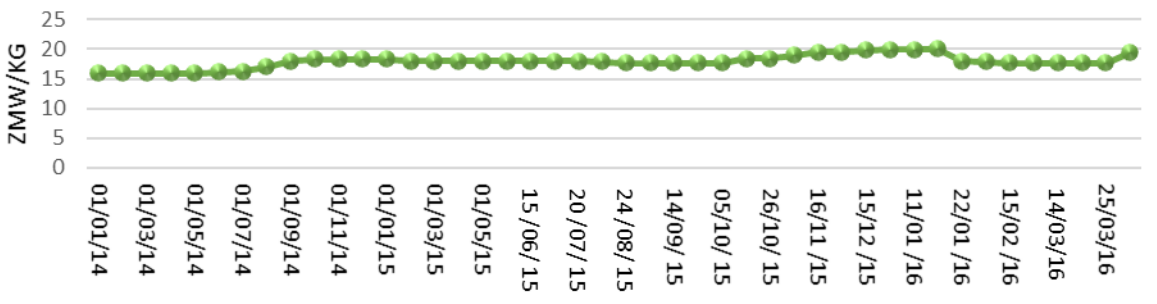
Source: BBC News, 2016.

## Beef

### Highlights

- Namibian grade A beef prices in abattoirs, captured by the Namibian Meat board, was trading in the range of ZAR30-37/kg during the week ending 1<sup>st</sup> April 2016. The auction price for heifers and weaners was ZAR15.83/kg and ZAR 17.85/kg respectively.
- Dressed weight beef prices in Zambia were still in the range of ZMW15-24/kg during the week ending 10<sup>th</sup> April 2016. This is as monitored by the ZNFU 4455 system.

### Average Standard Beef Prices Per KG



Source: ZNFU, 4455 Market Price Information System

## POULTRY UPDATES FOR THE WEEK ENDING 10<sup>TH</sup> APRIL 2016

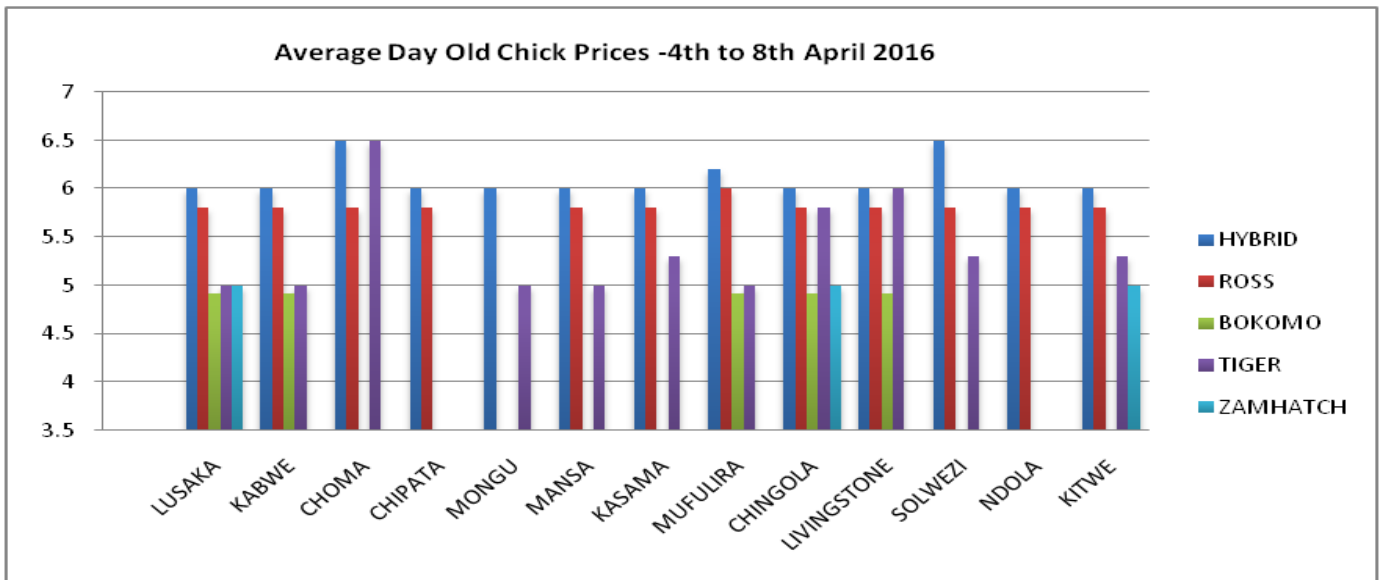
### AVERAGE DAY OLD CHICK PRICES

The graph below shows the price of different breeds of day old chicks in selected towns. Prices of day old chicks were stable during the course of the week in the towns displayed.

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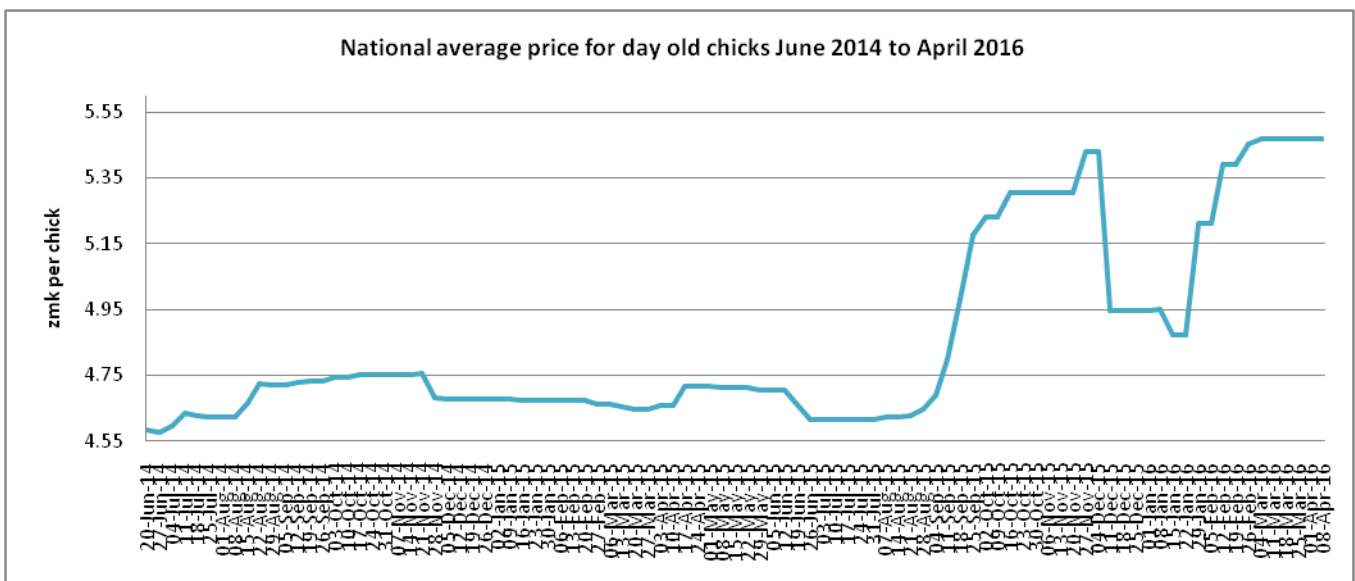






Source: Poultry Association of Zambia

The graph below shows the national average price trend for day old chicks from June 2014 to April 2016. The graph also shows that the national average price of day old chicks has been at ZMW5.46 the past 6 weeks.



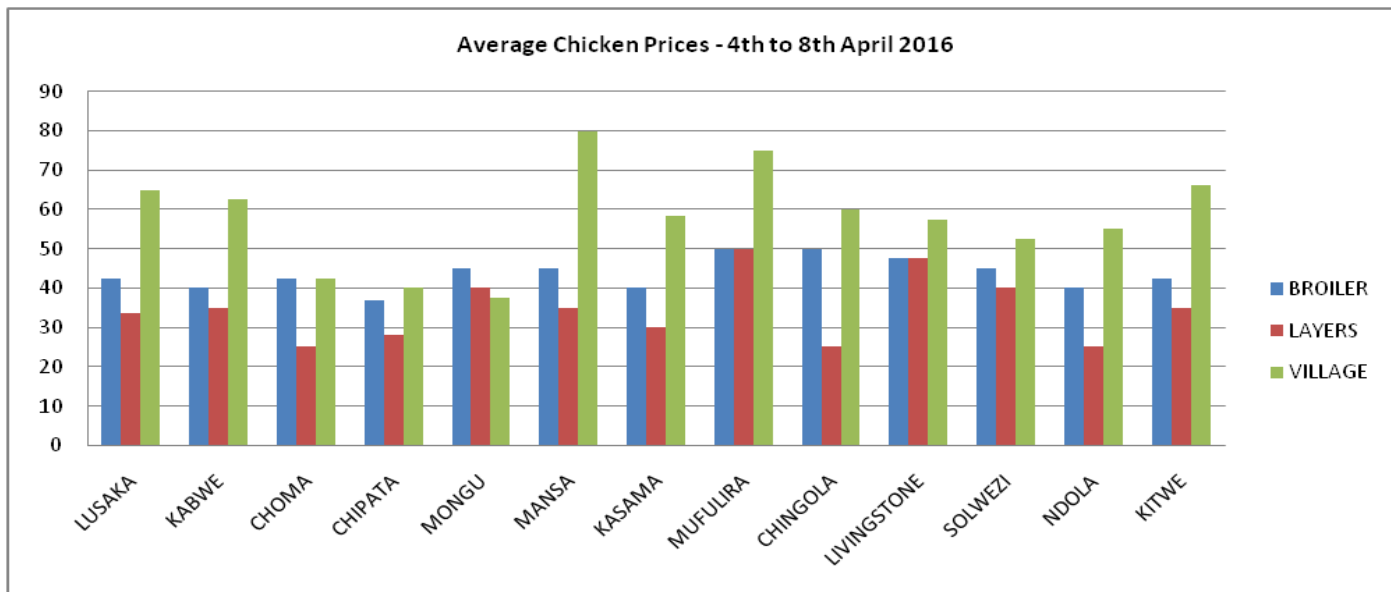
Source: Poultry Association of Zambia

## AVERAGE LIVE BIRDS PRICES

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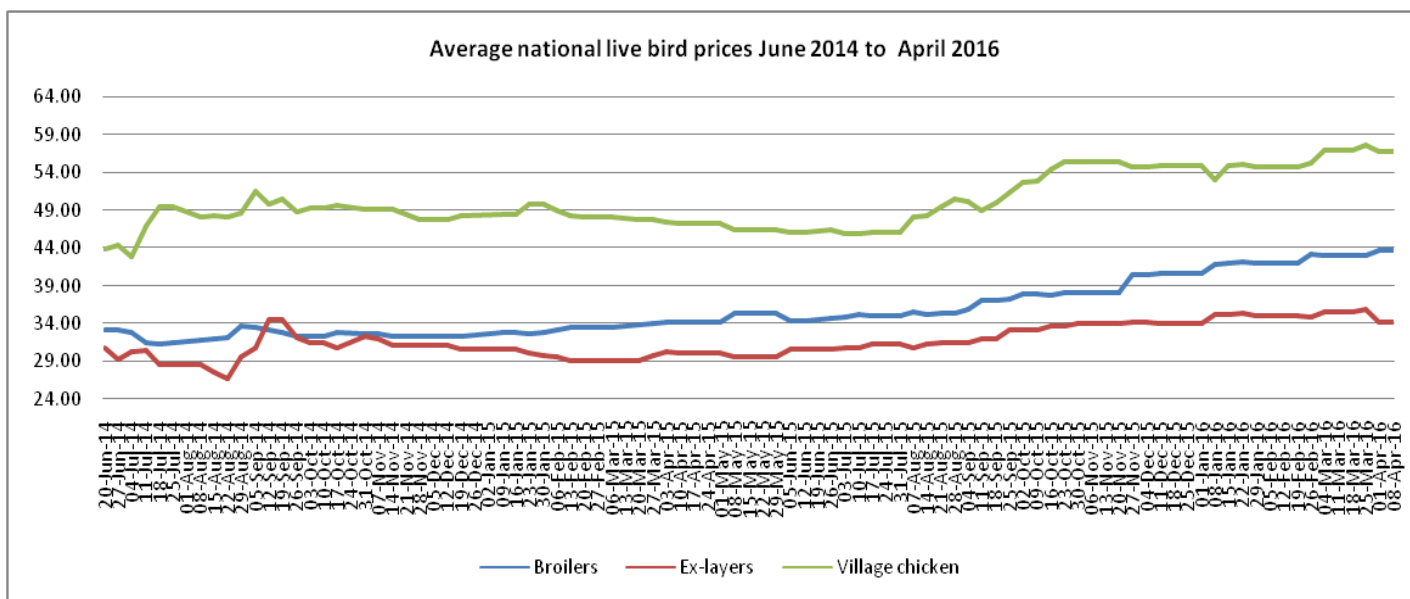


The graph below shows the average live bird prices in Lusaka, Choma, Kabwe, Chipata, Mongu, Mansa, Mufulira, Chingola, Solwezi, Ndola, Kitwe and Livingstone. Live bird prices were stable during the course of the week with no notable changes.



Source: Poultry Association of Zambia

The graph below shows the national average price trends for broilers, ex-layers and village chickens. The national average price for broilers, ex-layers and village chickens during the course of the week was ZMW43.62, ZMW34.21 and ZMW56.76 respectively.



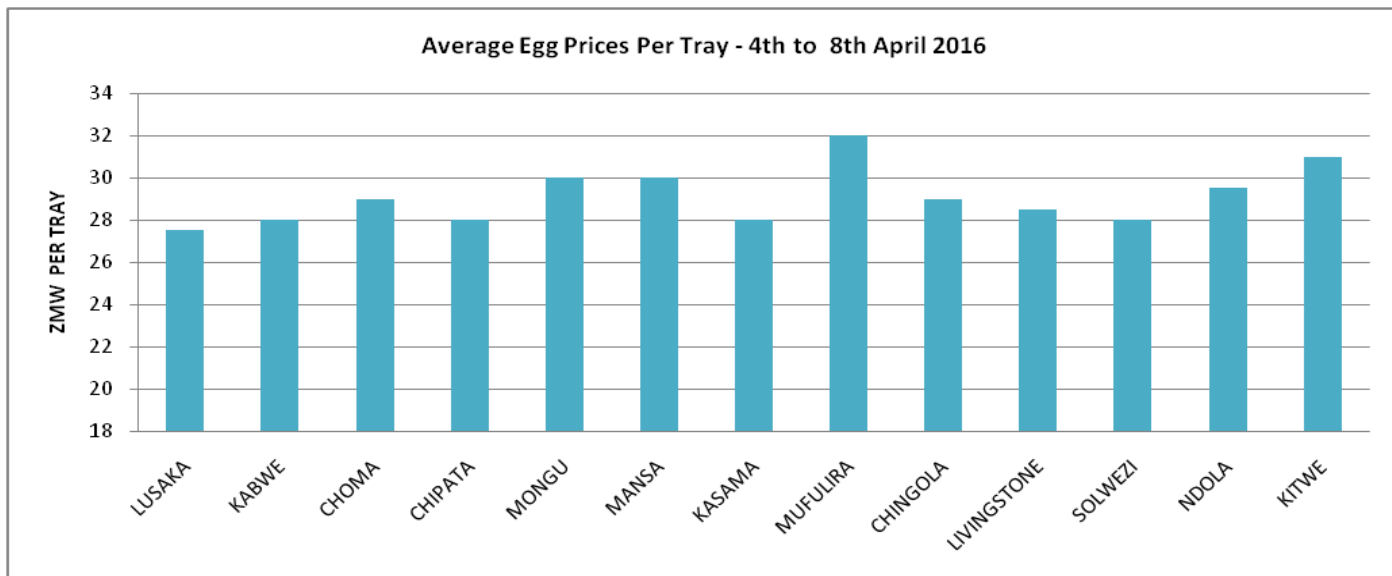
Source: Poultry Association of Zambia

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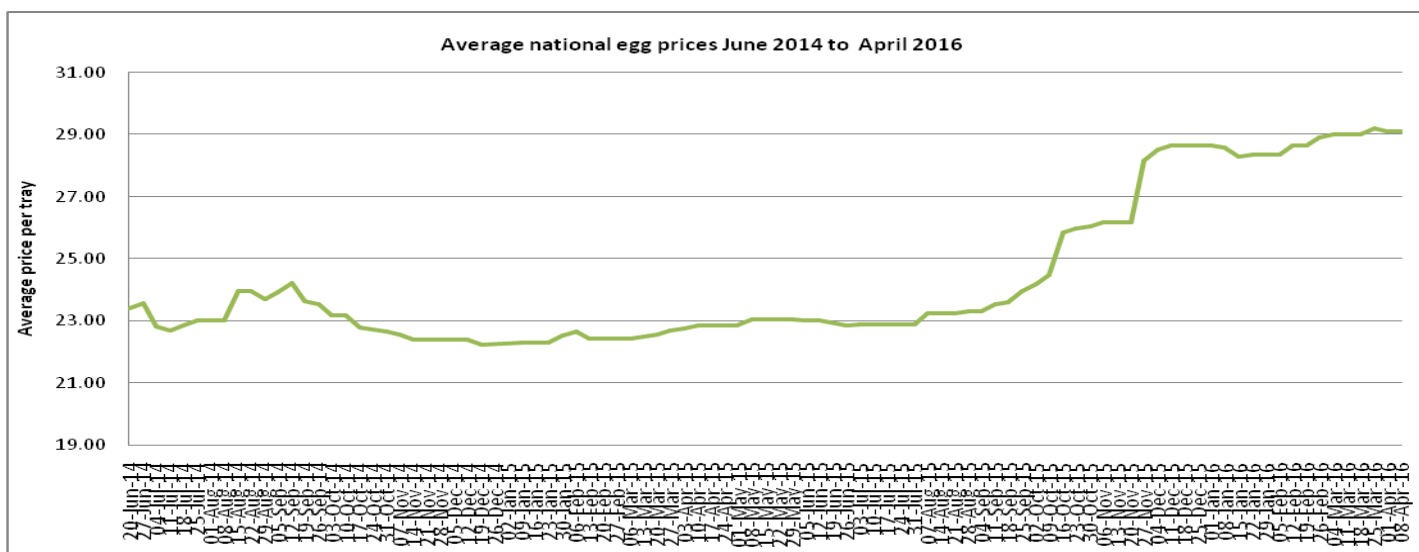
## AVERAGE EGG PRICES

The graph below shows average retail prices of table eggs in selected towns around the country. The graph shows that the highest average price for a tray of eggs was ZMW32 while the lowest was ZMW27.5.



Source: Poultry Association of Zambia

The graph below shows the price trend for a tray of eggs from mid-June 2014 to April 2016. The graph shows that the average price of eggs was ZMW29.12/tray last week, the highest since mid-June 2014.



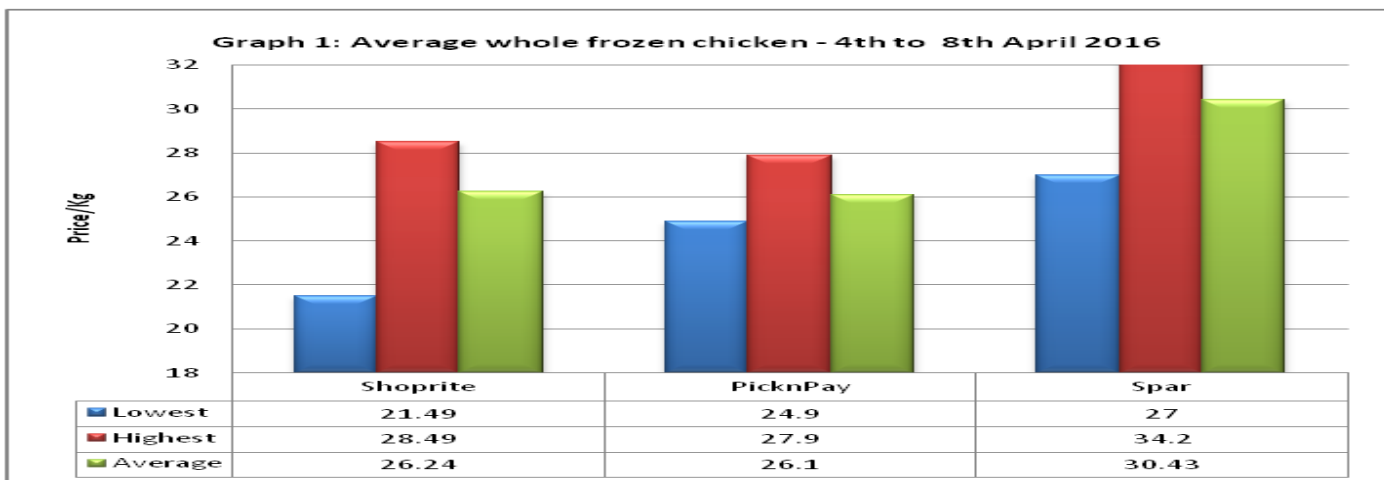
Source: Poultry Association of Zambia

## AVERAGE WHOLE DRESSED CHICKEN PRICES

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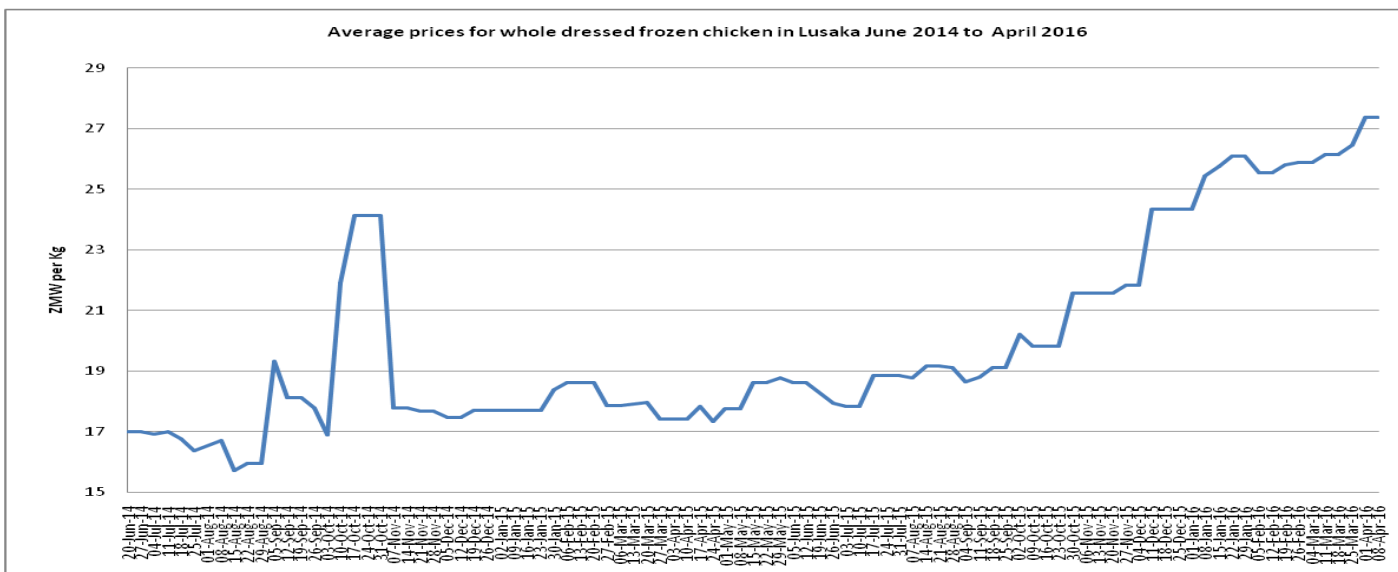


**Graph 1** shows average prices of whole frozen chickens in the three chain stores around Lusaka. This week, Pick n' Pay has the lowest average price for frozen whole chicken per kilogram at ZMW26.10 with the lowest going at ZMW24.90 and the highest going for ZMW27.90. Spar had the highest average price per kilogram at ZMW30.43 with the lowest and highest going for ZMW27 and ZMW34.20 respectively. On the other hand, Shoprite had the lowest average price at ZMW26.24 with the lowest going for ZMW21.49 and the highest going for ZMW28.49.



Source: Poultry Association of Zambia

The graph below shows the average price trend for whole frozen chicken in Lusaka from June 2014 – April 2016. The average price for frozen whole chickens in Lusaka during the course of the week was ZMW27.38 per kilogram.



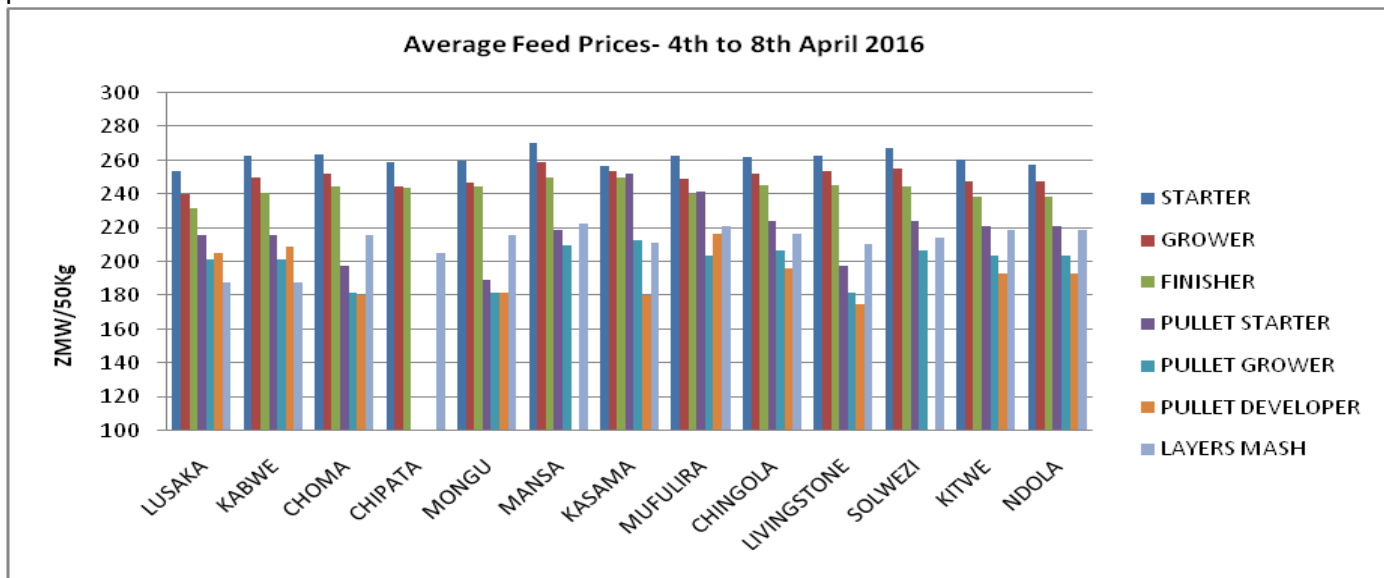
Source: Poultry Association of Zambia

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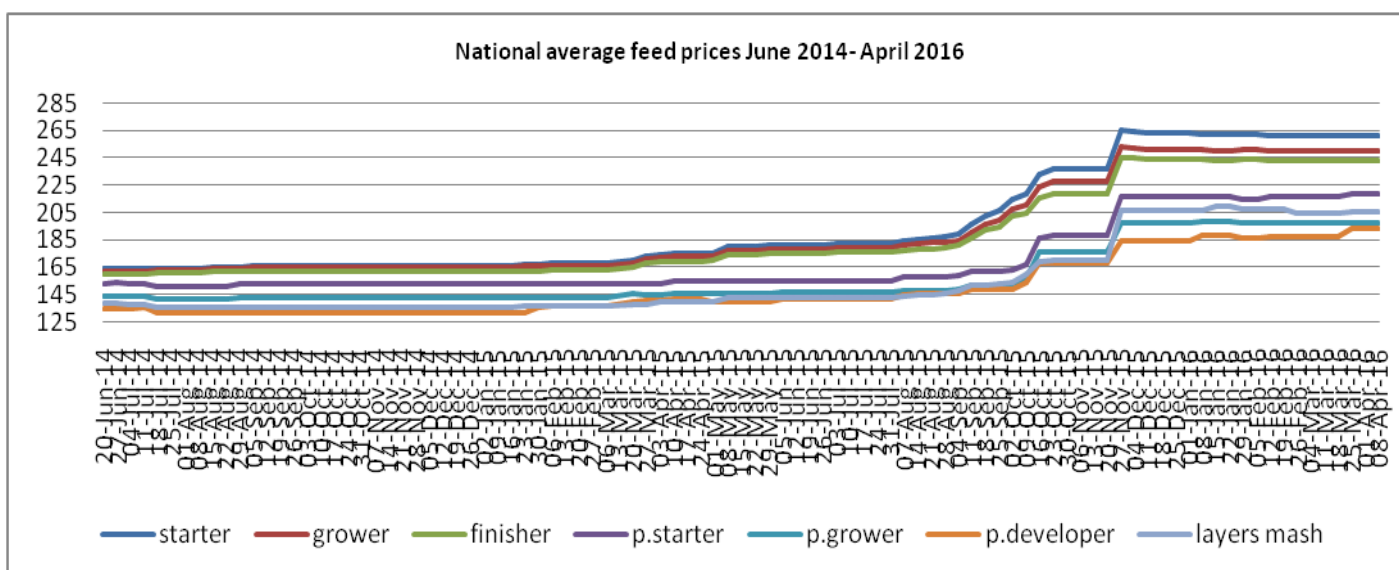
## AVERAGE FEED PRICES

The graph below shows average feed prices in selected towns. Feed prices have been relatively stable the past few weeks.



Source: Poultry Association of Zambia

The graph below shows the national average price trend of feed from June 2014 to April 2016. The graph shows that prices of poultry feeds remained flat during the course of the week.



Source: Poultry Association of Zambia

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