



THE WEEKLY AGRO WATCH



Zambia National Farmers' Union, Farmers Village, Showgrounds P.O Box 30395 Tel 260-1-252649 Fax: 260-1-252648 E-mail: znfu@zamnet.zm web: www.znfu.org.zm

28th November, 2016 Vol.3. No.48

Trade Deficit rises by 49.6%

Zambia recorded a trade deficit in October 2016 valued at K1,609.4 million according to data from the Central Statistical Office (CSO). This means that the country imported more in October than it exported in nominal terms. The October deficit is 49.6% more than the September 2016 deficit and the highest on record over the last 12 months. It is however lower than the October 2015 deficit which was pegged at K2,585.4 million.

WARMA Gives Farmers up to 31st December 2016 to Register All Water Facilities

WARMA Management is urging all farmers with unregistered water facilities on farms to register by 31st December 2016. This follows ZNFU request to WARMA to allow farmers with unregistered water facilities to comply with the law given that most farmers had missed the advert by government in 2015. Registration fee for each dam or water structure is ZMW500. All applications **MUST be with WARMA** by the 31st of December 2016.

For those members who had already made applications to WARMA and are waiting for water permits, kindly **re-submit your applications to WARMA or ZNFU Head Office** but without the registration fee. Kindly find below a check list to facilitate your water permit application. Please treat this matter with urgency as the amnesty by WARMA is only valid up to the end of this year 2016.

WATER RESOURCES MANAGEMENT AUTHORITY APPLICATION FOR A WATER PERMIT

CHECKLIST

<input type="checkbox"/>	Application Fee (K500)	
<input type="checkbox"/>	Two copies of application forms	
<input type="checkbox"/>	A copy of Engineer's Report (To be done by WARMA)	
<input type="checkbox"/>	Title deed or a letter from the Chief if customary land	
<input type="checkbox"/>	Design Report of hydraulic structure	
<input type="checkbox"/>	Design drawing of hydraulic structure	For storage Permit
<input type="checkbox"/>	Hydraulic structure wholly on owner's property	
<input type="checkbox"/>	Does an application need an EIA?	
<input type="checkbox"/>	Is application advertised in the papers?	
<input type="checkbox"/>	Has Application been considered by WARMA TC?	

	Has Application been considered by WARMA Board?											
	Approved			Denied			Deferred					
	Has client been written to?											
	Notified						Granted					
Remark	-----											

	Submitted by -----											
	Received by-----											
	Verified by-----											
	Date -----											

Exchange Rates

CURRENCY	28/11/2016						22/11/2016					
	US Dollar		RAND		GB Pound		US Dollar		RAND		GB Pound	
	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell
FNB	9.78	9.97	0.71	0.72	12.21	12.46	9.78	9.97	0.69	0.71	12.22	12.46
Standard Chartered Bank	9.78	9.98	0.70	0.72	12.23	12.47	9.67	9.88	0.69	0.70	12.11	12.35
ZANACO	9.78	9.97	0.70	0.71	12.23	12.47	9.68	9.87	0.68	0.69	12.10	12.33
Bank of Zambia	9.86	9.90	0.708	0.711	12.22	12.28	9.78	9.97	0.69	0.71	12.22	12.46

Parity Prices

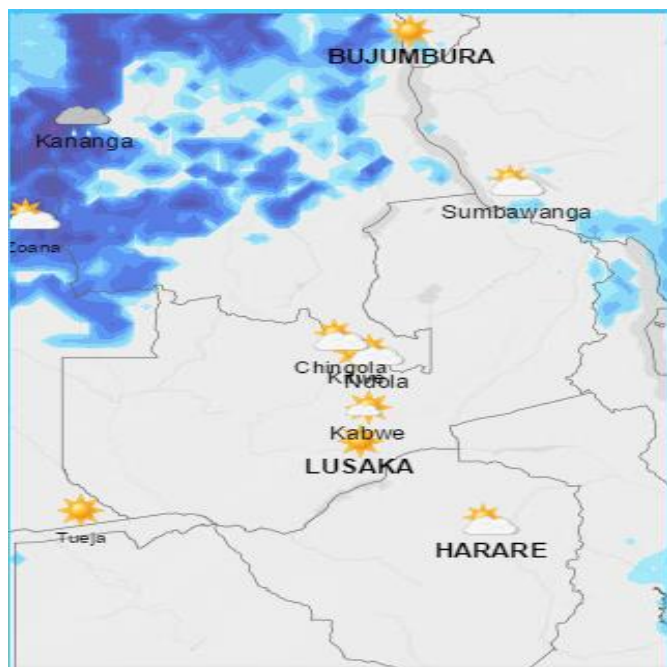
Domestic Import Parity Prices as at 25/11/2016					
US\$/ZAR=14.13 US\$/ZMW=9.97					
Parity Prices		U\$/ZMW	Maize	Soya	Wheat
Lusaka		9.97	458.92	636.43	447.77
Town	Ex-Lusaka freight (ZMW)	\$	\$	\$	\$
Chipata	275	27.58	486.50	664.01	475.35
Mkushi	225	22.57	481.49	659.00	470.34
Ndola	250	25.08	484.00	661.51	472.85
Kitwe	250	25.08	484.00	661.51	472.85

Note: Import parity based on December delivery

Export Parity Price Ranges (EPP)Harare-Lusaka as at 21/11/16	
Soya Beans	456.75-525
Wheat	388.5-437.25
Maize	261.7-300.75

Weather Forecast

The table below summarizes the weather forecast for some selected towns for the period 29th November to 5th December, 2016.



TOWN	WEATHER SUMMARY
Ndola	<ul style="list-style-type: none"> ➤ Cloudy skies with light showers expected on 29/11 with normal rains the rest of the week. ➤ Average daily Temps: 18-28^oC
Mkushi	<ul style="list-style-type: none"> ➤ Rain showers forecast for 29/11, fairly to partially cloudy skies on 01/12 & 05/12, heavy rains on 03/12 and normal rains the rest of the week. ➤ Average daily Temps: 18-29^oC
Kabwe	<ul style="list-style-type: none"> ➤ Normal rains forecast for the 3rd & 4th with the rest of the week being mostly cloudy with some showers anticipated on 30/11, 01/12 & 02/12 ➤ Average daily Temps: 18-27^oC
Lusaka	<ul style="list-style-type: none"> ➤ Heavy rains forecast for 29/11 & 30/11, normal rains on 03/12 & 04/12 with partially cloudy skies the rest of the week. ➤ Average daily Temps: 18-28^oC
Mazabuka	<ul style="list-style-type: none"> ➤ Normal rains forecast for 29/11 & 03/12, showers on 30/11 and fairly to partially cloudy skies the rest of the week. ➤ Average daily Temps: 19-31^o

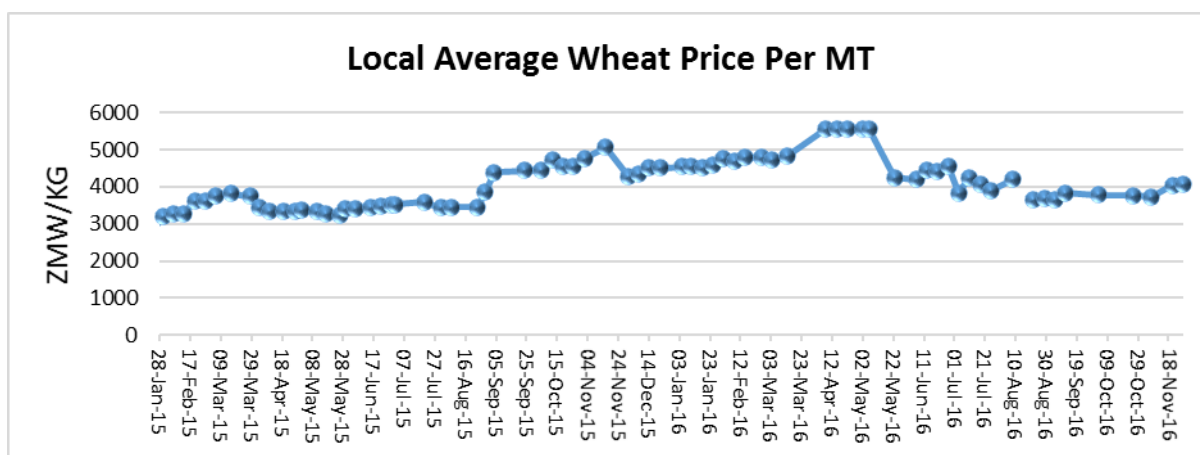
Choma	<ul style="list-style-type: none"> ➤ Normal rains forecast for the 29/11, 03/12 & 04/12 with the rest of the week being mostly partially cloudy. ➤ Average daily Temps: 17-30^oC
Livingstone	<ul style="list-style-type: none"> ➤ Mostly partially cloudy skies forecast for the week save for the 2nd & 4th when normal rains are anticipated and light showers on the 5th. ➤ Average daily Temps: 20-32^oC
Mongu	<ul style="list-style-type: none"> ➤ Heavy rains forecast for 29/11 & 30/11, partially cloudy skies on 01/12 & 02/12 and normal rains the rest of the week. ➤ Average daily Temps: 20-32^oC.
Mansa	<ul style="list-style-type: none"> ➤ Normal rains forecast for 29/01 & 04/12 with heavy rains the rest of the week. ➤ Average daily Temps: 18-27^oC.
Kasama	<ul style="list-style-type: none"> ➤ Partially cloudy to cloudy skies forecast for 29/11 & 01/12 with normal rains on 04/12 & 05/12 and heavy rains the rest of the week. ➤ Average daily Temps: 17-29^oC.
Solwezi	<ul style="list-style-type: none"> ➤ Normal rains forecast for 02/12 & 0/12 with heavy rains the rest of the week. ➤ Average daily Temps: 16-27^oC.
Chipata	<ul style="list-style-type: none"> ➤ Light showers forecast for 05/12, heavy rains on 03/12 and normal rains the rest of the week. ➤ Average daily Temps: 20-29^oC.

Source: Norway meteorological Institute

Wheat

Highlights

- The International Grain Council has uplifted its estimates for the global wheat harvest in 2017 by one million tons to a record 749 million tons. Reduced plantings in the United States and Kazakhstan were expected to be offset by increases in Russia and North Africa. International wheat prices are therefore expected to remain suppressed in 2017.
- Meanwhile UKAgroConsult has reported that Russian wheat prices have increased by about 9.5% over the last month due to increased demand mostly from Egypt and Turkey. Milling wheat with 12.5% protein content was last week priced at about US\$183-185/ton Fob from the Russian port for November-December delivery.
- South Africa's fourth wheat production estimates has been revised slightly upwards in its fourth production estimate to 1.77 million tons, 1.9% above last year's output.
- The International futures price of hard red wheat for December Delivery opened trading at US\$ 145.58/ton on 28th November 2016.
- Local wheat offer prices are still about US\$412/ton.



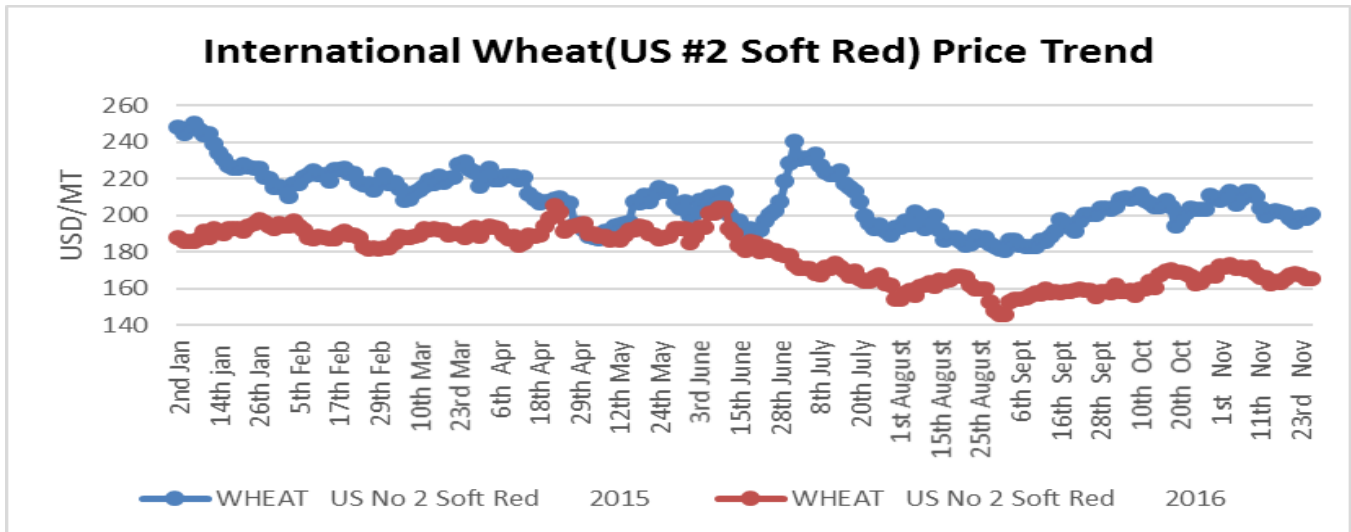
Source: ZNFU Market Price Information System

International Price trends

The Safex international soft red and hard red wheat prices averaged US\$166.52/MT and US\$152.54/MT during the week ending 25th November 2016. respectively. All prices are fob gulf.

ZNFU CORPORATE SPONSORS





Source: Safex

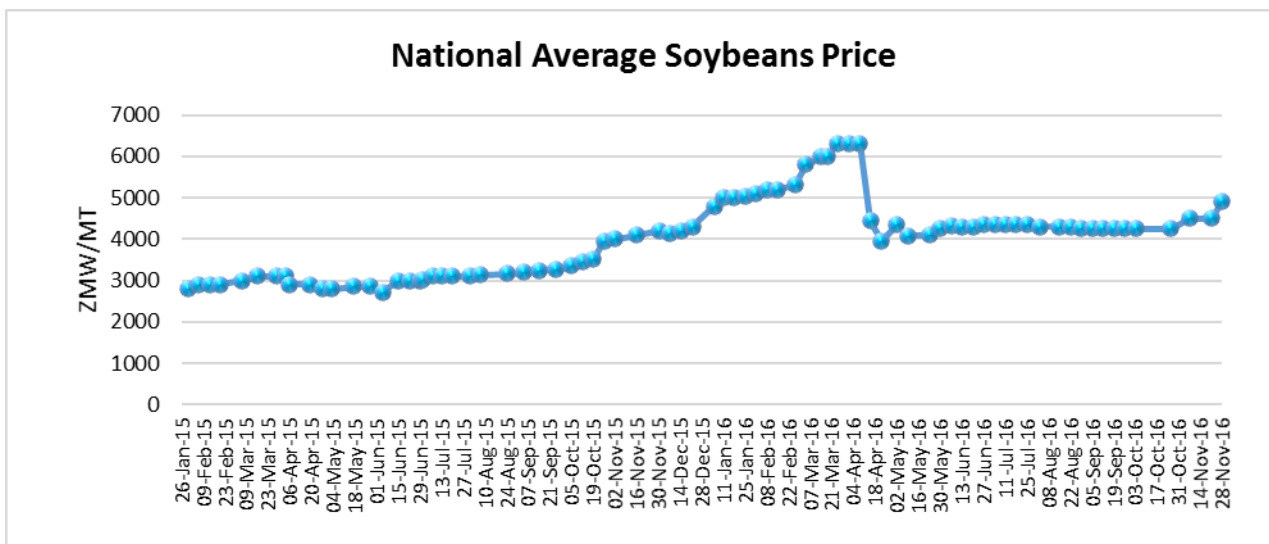
Soya Beans

Highlights

- Forecast by Rabobank are for Soya beans prices to be bullish in 2017 as high demand outstrips increases in output. China however remains critical to the world soya beans price equation as it holds about 21 percent of stocks and is currently the largest consumer. A move by China to offload its stocks would depress the international prices.
- U.S. soybean futures on CME for January 2017 delivery opened trading at US\$383.24/ton on 28th November 2016.
- Zambia’s local trader offer prices are in the range of ZMW4,000- 5,010/ton.

ZNFU CORPORATE SPONSORS

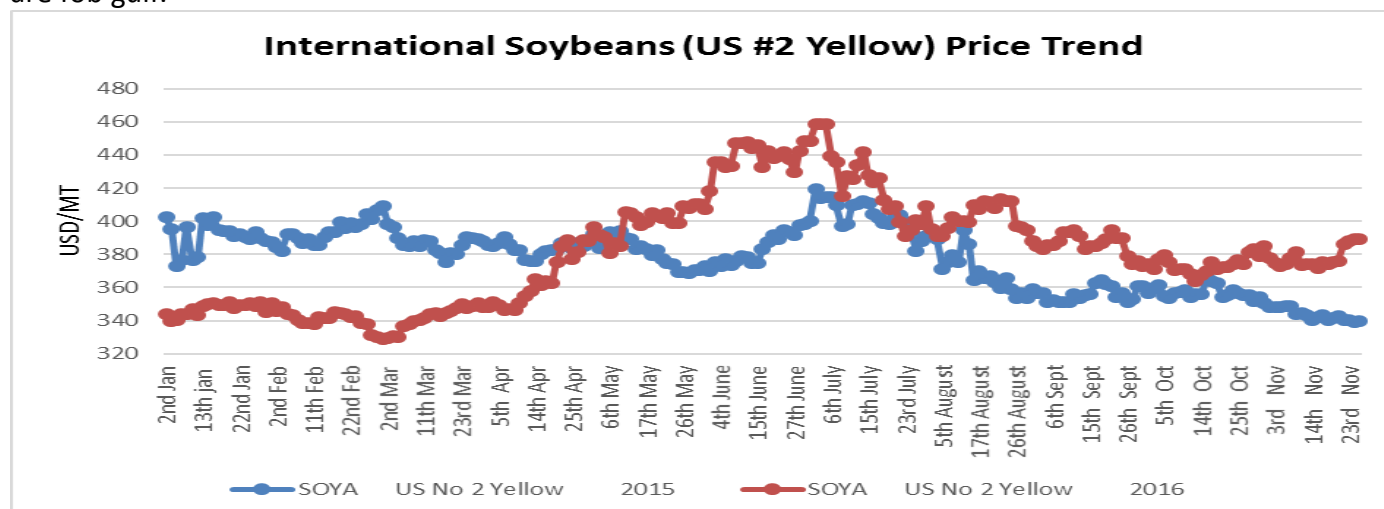




Source: ZNFU Market Price Information System

International Price trends

International spot prices for US No. 2 yellow soya beans on Safex averaged US\$3785.62/MT in the week ending 25th November 2016 posting a rise of 3.07% from the price recorded in the previous week. Prices are fob gulf.



Source: Safex

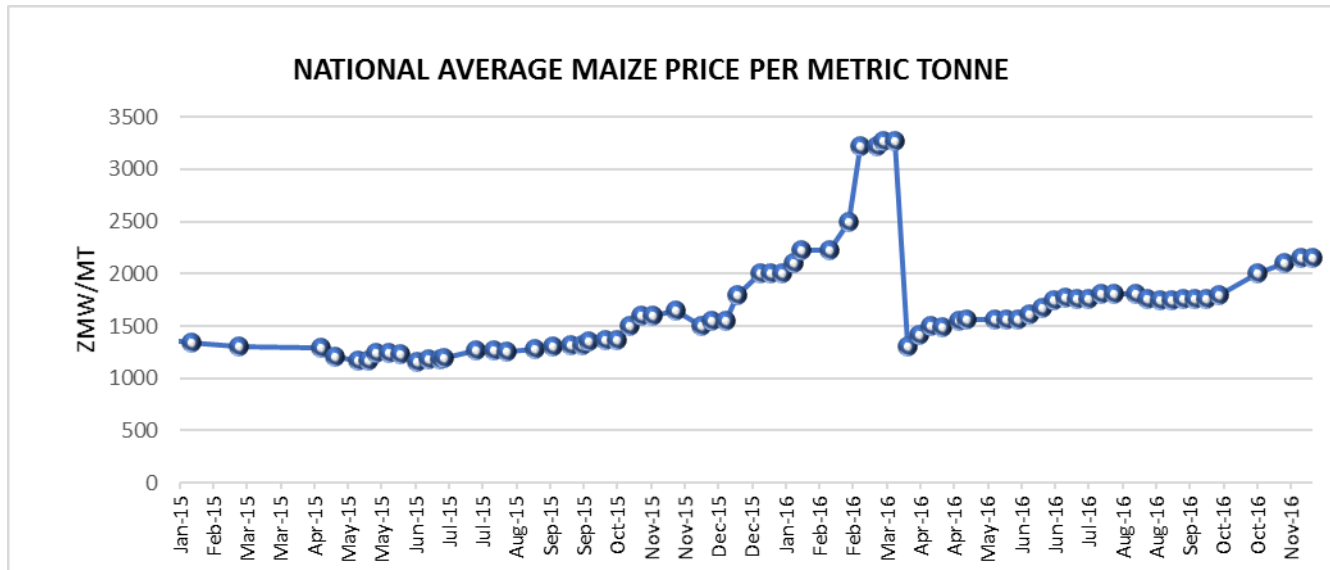
ZNFU CORPORATE SPONSORS



Maize

Highlights

- On the local scene, government has not yet communicated its decision on the maize supply tenders received through the Food Reserve Agency.
- Meanwhile, as November ends, distribution of seed under the Farmer Input support programme has not yet begun raising concern from the farmers.
- U.S. maize futures on CME for December 2016 delivery opened trading at US\$137.48/ton on 28th November 2016.
- The national local maize offer price by private traders has continued to average ZMW2,152/ton.



Source: ZNFU Market Price Information System

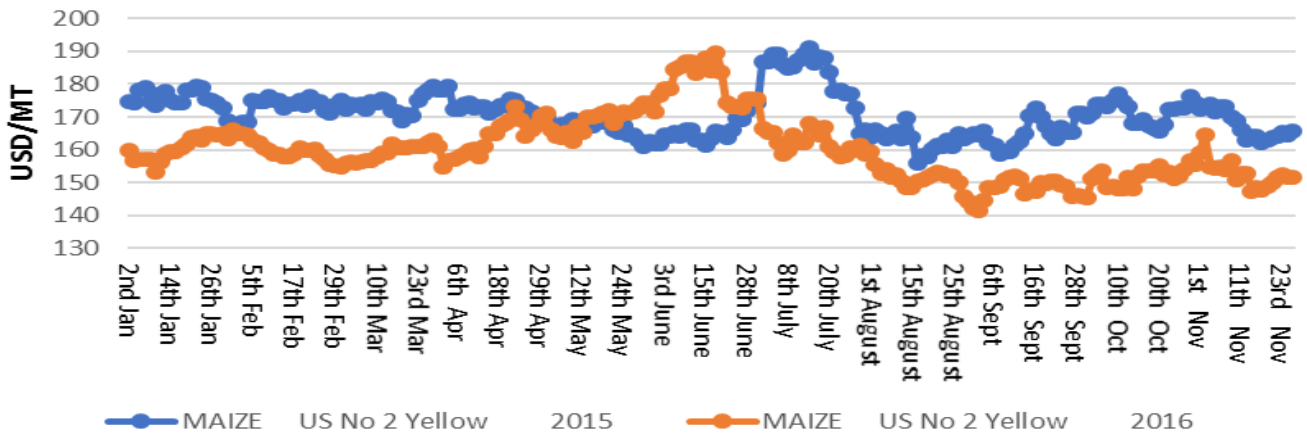
Price trends

International maize spot prices traded at an average of US\$ 1451.47/ton during the week ending 25th November 2016. All prices are fob gulf.

ZNFU CORPORATE SPONSORS



International Maize(US#2 Yellow) Price Trend



Source: Safex

Crude oil

- With the much-anticipated OPEC meeting just around the corner, Markets have continued to speculate on which countries might stay away from the decision to cut output. Indications are that Saudi Arabia is still not ready to cut its crude oil output. This has helped to keep the international crude oil prices on a downward momentum over the last few days.
- The Dubai Mercantile exchange Oman crude oil marker price for January delivery was settled at US\$45.28/barrel on 25th November 2016.
- Brent crude oil futures were pegged at US\$46.74 barrel by 10:45hrs CAT on 28th November 2016.

Brent Crude Oil Futures \$/barrel



Source: BBC, 2016.

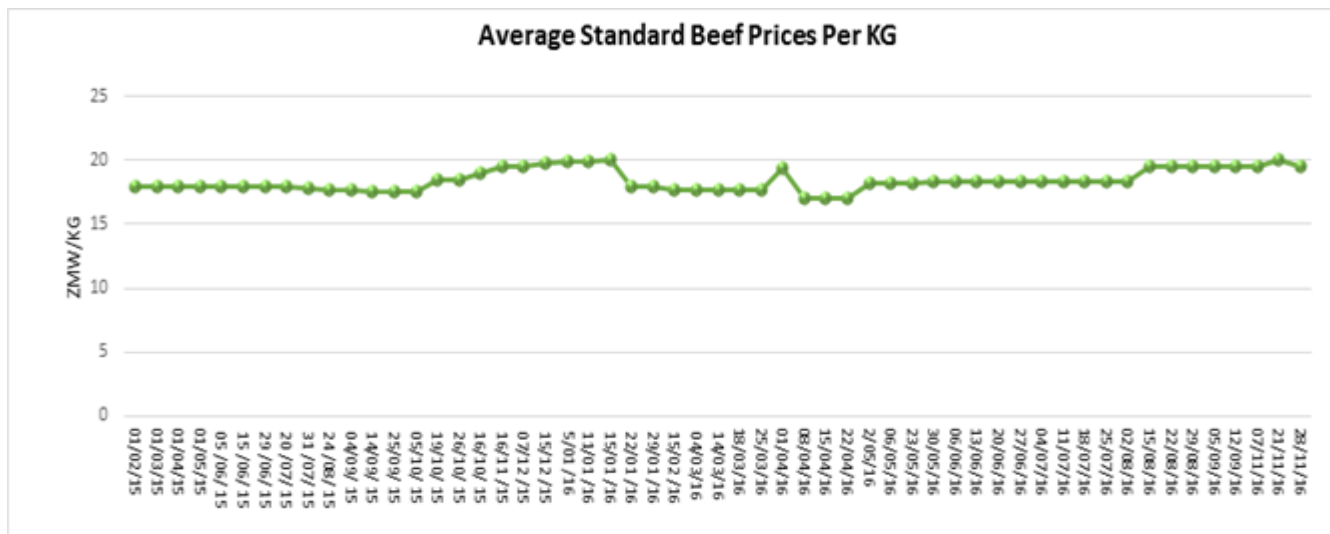
ZNFU CORPORATE SPONSORS



Beef

Highlights

- A proposal has been made to the Netherlands government that would help the country reduce its phosphates from 2017 as the Dutch phosphate limit has been exceeded over the last three years. This is according to the UK Agriculture and Horticulture Development Board (AHDB) on dairy. The plan which is set to be agreed upon next year would see a reduction in the Dutch cattle numbers by about 11%. This may result in increased beef imports from the Netherlands and reduced milk production. Over 70% of the meat from Netherlands is earmarked for the export market.
- Namibian Grade A beef prices for the week ending 21st November 2016 were in the range of ZAR29.96-37.74/Kg. Meanwhile auction prices for oxen and heifers were about ZAR 18.84/Kg and ZAR17.94/Kg on 16th November 2016.
- Dressed weight beef offer prices tipped downwards last week to back an average of ZMW19.5/kg as one of the buyers, on the ZNFU Market Information System, lowered their purchase price.



Poultry Updates for the Week Ending 25th November 2016

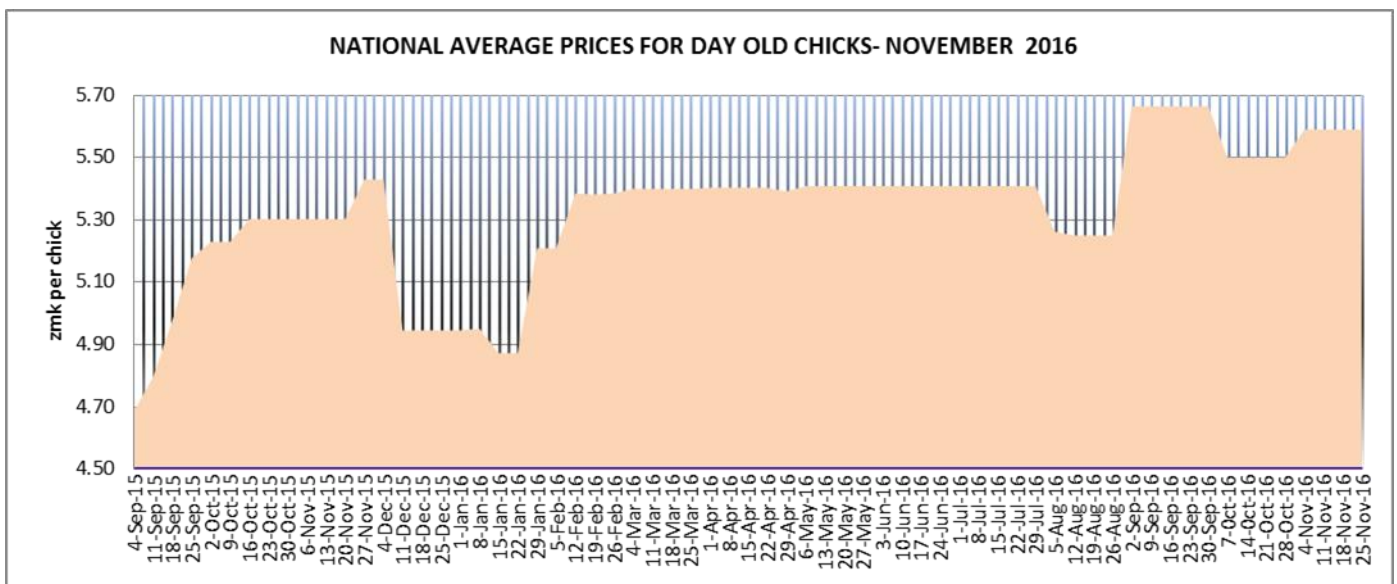
National Average Prices of Day Old Chicks

The prices for the day-old chicks remained unchanged as some of the hatcheries continue undertaking price promotions. The prices for the day-old broiler chick during the week averaged ZMK 5.59 per day old chick.

In the same vein, the prices for the day-old pullets remained unchanged last week. The prices for ISA brown and Lohman Brown day old pullets averaged ZMW 9.45 and ZMW 6.8 per day-old chick respectively. The prices for red-bro birds were also maintained at ZMW 6.0 per bird. The graph below shows the national average price trend for the broiler day old chick.

ZNFU CORPORATE SPONSORS





Source: Poultry Association of Zambia

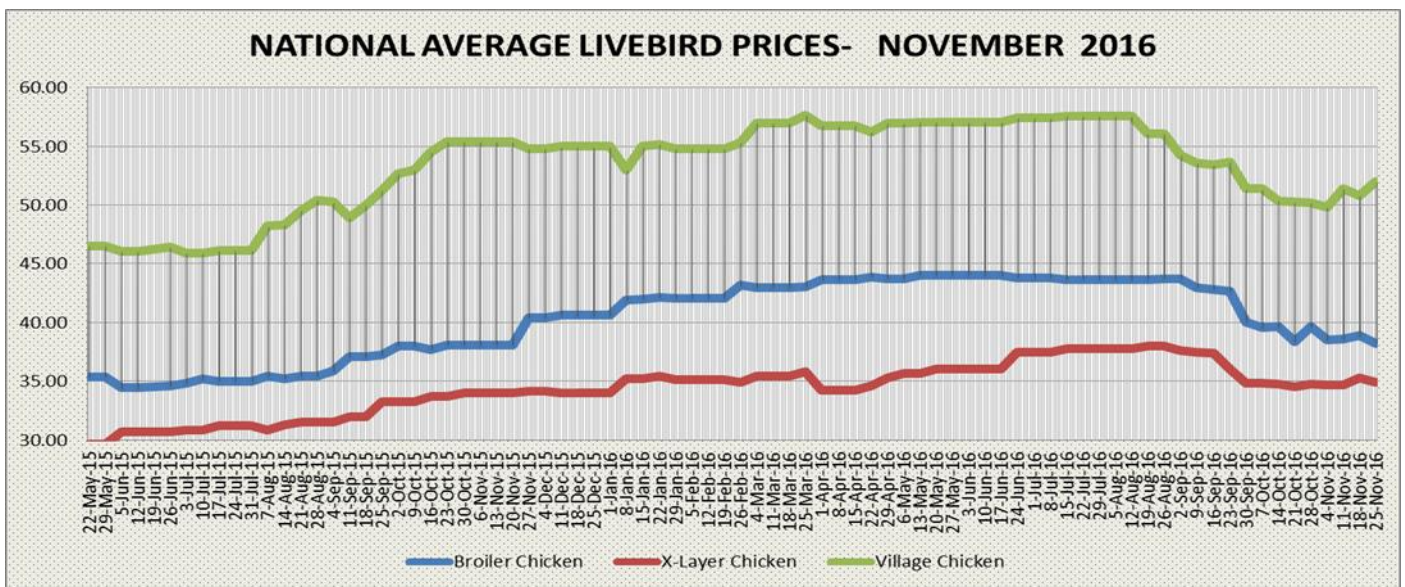
National Average Live Bird Prices

The national average prices for live chicken in the open markets showed some signs of price decline during the course of the week. The live broiler bird prices were averaging ZMW 38.24/bird last week which is ZMW0.63 lower than the price of ZMW 38.87 recorded in the previous week. The ex-layer prices were trading at ZMW 34.90/bird, which is ZMW 0.40 lower than the price of ZMW35.30 the previous week.

On the other hand, the village chicken posted an increment of ZMK 1.2, and were selling at a national average price of ZMK 52.00/bird compared with ZMK 50.8/bird recorded the previous week. In Lusaka’s Soweto, Mtendere and SOS markets, the broiler prices drastically reduced averaging between ZMK28 to ZMW35 kwacha per bird. It has to be noted that these prices differ from one district to another.

ZNFU CORPORATE SPONSORS





Source: Poultry Association of Zambia

Average Whole Dressed Chicken Prices - Lusaka

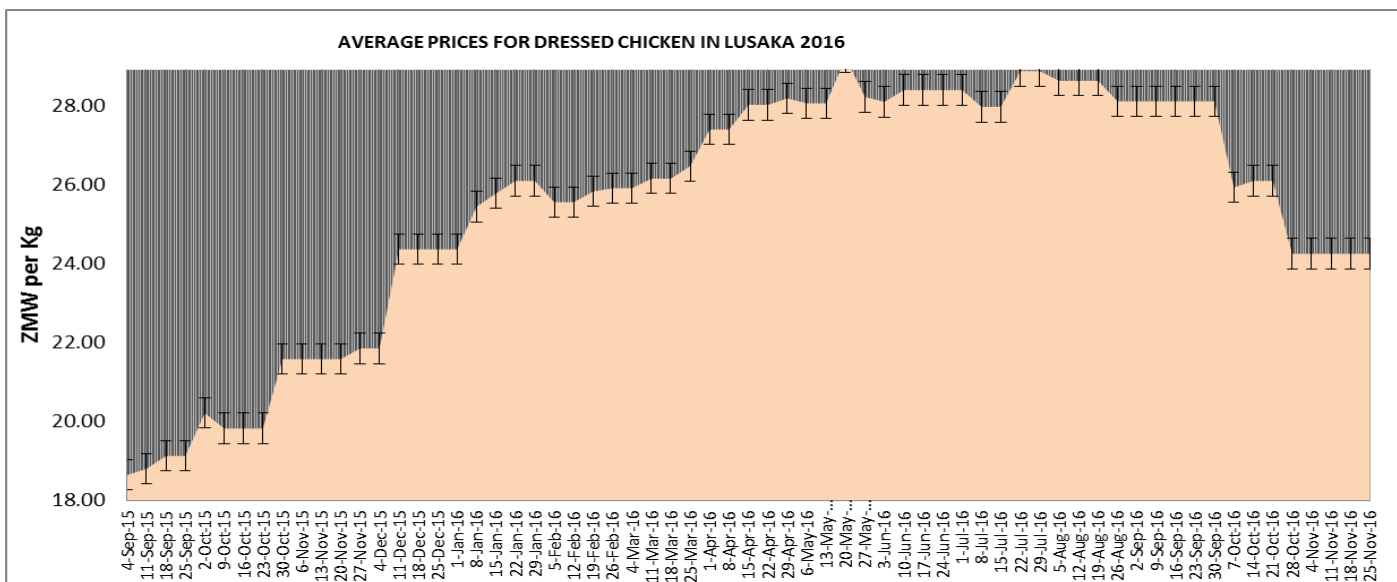
There were no significant movements in the prices of frozen chickens in some selected super markets around Lusaka last week. The average price for the whole frozen chicken in Pick n' Pay was still averaging ZMW 24.99 per kg.

The lowest priced whole frozen chicken was selling at ZMW20.99 per kg whilst the highest priced whole frozen chicken was going for ZMW28.99 per kg. The price of frozen chicken in SPAR was in the range of ZMW20.99 per kg - ZMW33.80 per kg respectively. The average price for frozen whole chicken in Shoprite outlets was still trading at ZMW19.99 per kg for the lowest priced and ZMW28.49 per kg for the highest priced.

Frozen whole chicken in Zambeef and Melissa supermarket outlets was still trading at ZMW22.99 per kg and ZMW29.45 per kg respectively. The graph below shows the average price trend for the whole frozen chicken in Lusaka.

ZNFU CORPORATE SPONSORS





Source: Poultry Association of Zambia

Average Prices for The Point of Lay

The prices for the point of lay are ranging between ZMK 67 and 75 per bird depending on the supplier. Different producers of point of lay continued running promotions for November and December 2016.

Depending on the number of birds purchased, Yielding tree the largest supplier of point of lay chickens in Zambia is offering incentives to active PAZ members; 10% discount for purchases above 1,000, 15% discount for purchases Over 2,500 and 20% discount for 5,000 birds and above.

It has to be noted that sales volume for the point of lay has drastically reduced owing to the challenges facing the egg industry in terms of price reduction which has translated into reduced profit margins for the layers' farmers.

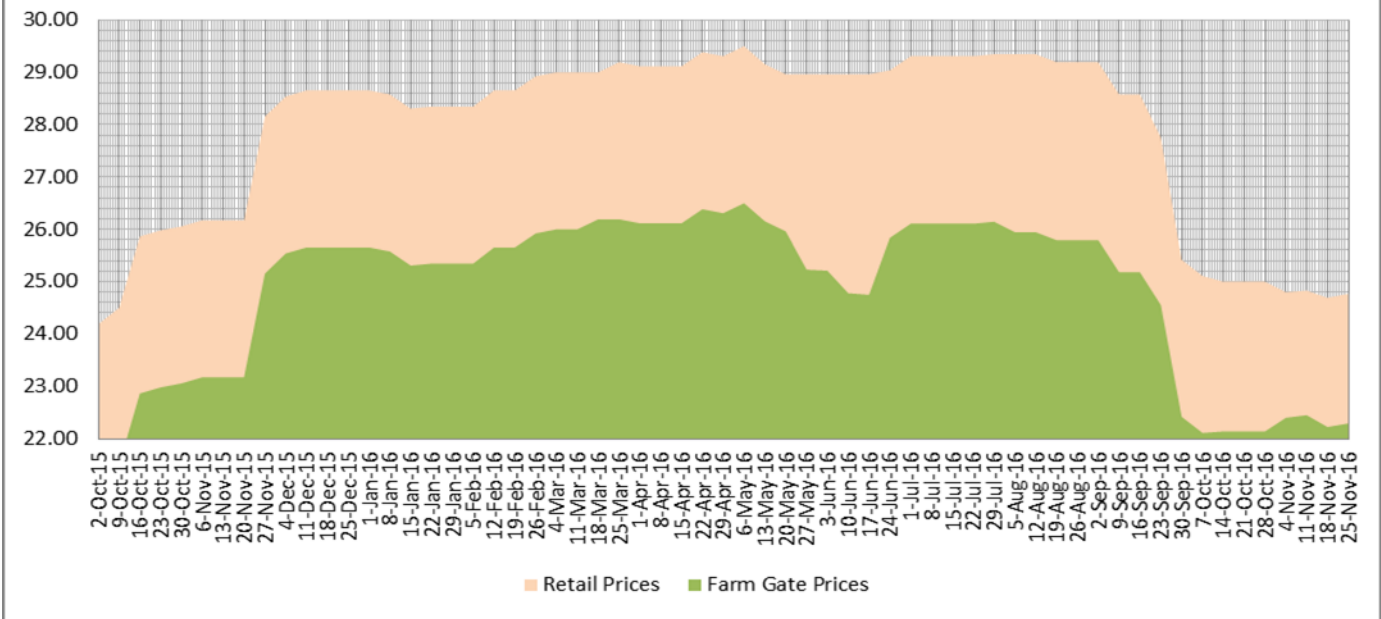
National Average Egg Prices

The national average egg price continues to hold firm in the past four weeks with retail prices trading at a national average price of ZMK 24.80 per tray. The farm gate price on the other hand gained a ZMK 0.3 per tray and was trading at an average price of ZMK 22.74 per tray compared with a ZMK 22.4/tray obtained the previous week. The delivery prices at Soweto, which is the biggest market in Lusaka, were averaging ZMW 16/ tray for pullet eggs, ZMW 18/tray for medium eggs and ZMW 21/tray for large eggs. The retail prices at the same market were averaging ZMW 18/tray for pullet eggs, ZMW 21/tray for medium and ZMK 25/tray for large eggs. On the other hand, the retail egg prices in the chain stores in Lusaka were still about ZMK 27.99 per tray for mixed tray of 30 eggs, ZMK 34.99/tray for medium and ZMK 35.99/tray per tray for large eggs. The quail eggs remained unchanged an average price of ZMK17.49 per tray.

ZNFU CORPORATE SPONSORS



NATIONAL RETAIL AND FARM GATE EGG PRICES -NOVEMBER 2016



Source: Poultry Association of Zambia

Average Prices of Selected Stockfeed and Stockfeed Ingredients

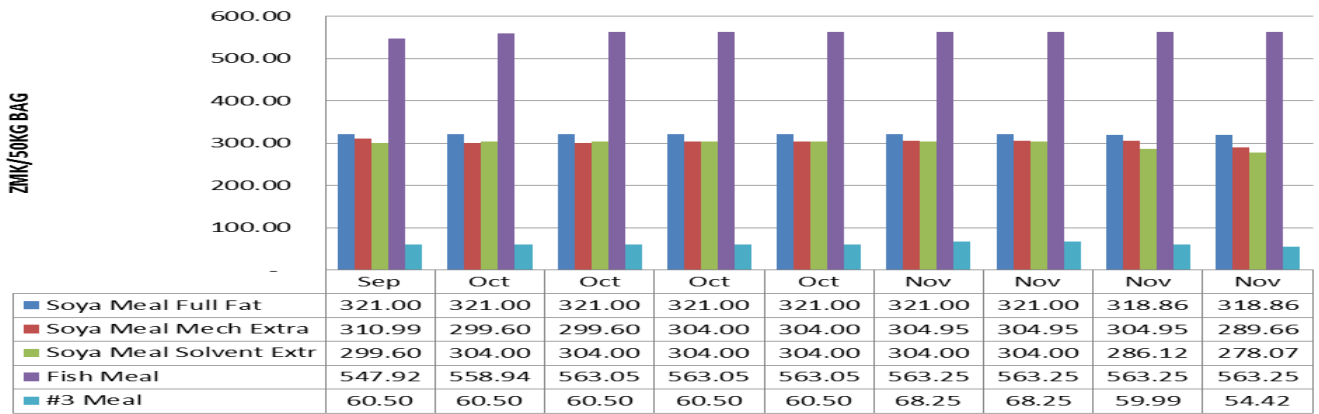
The national average prices for broiler starter, grower and finisher were trading at ZMW 256.8, ZMW 248.27, and ZMW 240.68 per 50Kg bag respectively. Layer feed was trading at ZMW 193 and ZMW 223 per 50Kg bag for pullet developer and pullet starter respectively.

The chart below outlines the prices of some of the ingredients for poultry stockfeed as captured at Livestock Services last week. Number three meal was trading at ZMW 54.42 per 50kg bag compared with the K59.99 obtained in the previous week, representing a 9.3% price reduction. Soyameal full fat registered a 15% price reduction from ZMW 304.95 to ZMW 289.66 per 50kg bag last week. A similar trend was also noted in the price of soyameal solvent extracted which registered a 8.05% price reduction from ZMW 286.12 to ZMW 278.07 per 50kg bag last week. These indicative prices are from Livestock Services limited and may change from time to time.

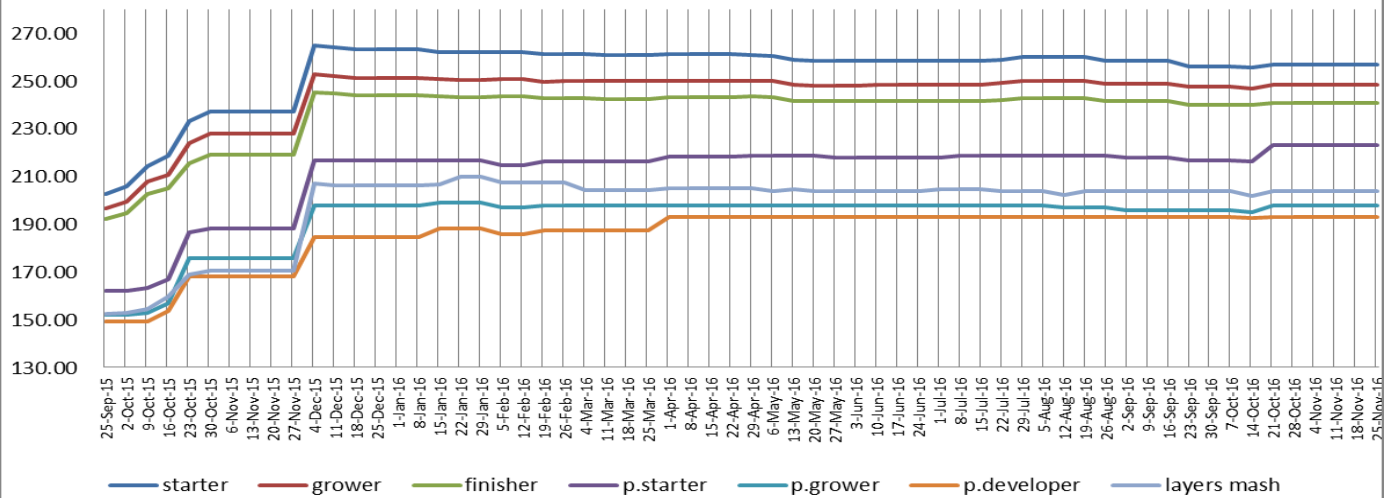
ZNFU CORPORATE SPONSORS



POULTRY STOCKFEED INGREDIENTS



NATIONAL AVERAGE STOCKFEED PRICES - NOVEMBER 2016



Source: Poultry Association of Zambia

ZNFU CORPORATE SPONSORS

