Zimbabwe Poultry Association
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Contents

Production News

Broilers: in 2016, broiler breeder trends were slightly improved compared to 2015 but still significantly lower than 2014 (Table 1 and Figure 1).

Local production of hatching eggs in 2016 increased by 7% compared to 2015 while imported hatching eggs decreased by 38% (Table 1).

Sales and retentions of day old chicks in 2016 was 74.8 million, being 1% and 5% lower than 2015 and 2104, respectively (Table 1 and Figures 2&3). Chick prices continued to decline from a peak of 74 cents per chick in June 2015 to 61 cents in June 2016 and recovered slightly to 63 cents in December 2016 (Table 1 and Figure 3).

The number of birds processed and broiler meat production in the formal sector in 2016 was 2% lower and 6% higher than 2015 and 2014, respectively (Table 1 and Figure 4). Notably, average live-weight decreased by 6% from 1.90kg/bird in 2015 to 1.78kg/bird in 2016 (Table 1). Broiler meat production trends were similar to the past 3 years and in 2016, increased to 3,719mt in June before crashing to 2,498mt in August (Figure 4). The increased production in the middle of the year culminated in stockholding of 1,759mt which contributed to the decline in prices and triggering subsequent crash in production (Figure 5). The dramatic fluctuations in production has been partly attributed to grey imports over the period April to October each year. Producer and wholesale prices remain soft and were 7 to 9% lower than prices in 2015 (Table 1 and Figure 6).

Total broiler meat production in 2016, inclusive of informal production (based on day-old chick sales), was estimated to be 118,000mt, with 70% from the small holder sector (Figure 7).

Layers: The layer industry remains in a state of flux on the back of a turbulent egg market. Layer breeder stocks in 2016 were slightly depressed compared to 2015 and markedly lower than 2014 stocks (Table 2 and Figure 8). Local production of hatching eggs increased by 15%, against a decline of 86% in imported eggs, resulting in a 18% reduction in total hatching eggs set in hatcheries (Table 2 and Figure 9). Similarly, sexed pullet sales and retentions declined by 13% (Table 2 and Figure 9). Furthermore, the price of sexed pullets was depressed at $1.16 per pullet in 2016 compared to $1.40 in June 2015.

Production of table eggs in the large-scale sector continues to recover from the lows of mid-2015. The number of birds in-production stabilised at 890,000 for the last six months of 2016 (Table 2 and Figure 1). Table egg production in the large-scale segment continues to increase from a low of 1.35 million dozen in April 2015 to 2.26 million dozen in December 2016 (Table 2 and Figure 11). However, the price of table eggs remained depressed in 2016 and averaged $3.16 per tray of 30 eggs (Table 2 and Figure 11).

Including the small to medium scale sectors, it is estimated that total egg production has declined from a peak of 5.0 million dozen achieved in June 2016, primarily due to the reduction of sexed pullet sales into the smallholder sector, resulting in a decline in production from this sector from 3.0 million dozen eggs in March to 2.2 million dozen in December (Figure 11).

Inputs and Raw Materials

Manufacture of poultry feeds continued to dominate the stockfeed industry during the fourth quarter of 2016 with a monthly average of 29,394mt (worth $16.8m) and accounted for 66% of all feeds produced by weight and 73% by monetary value (Figure 12). Over the period October to December 2016, the manufacture of broiler starter and layer feeds decreased compared to the same period last year.

broiler starter	-14%
grower	0%;
finisher	2%;
layer rearing	-37%;
layer production	-28%.

Except for wheat bran and methionine, prices of raws procured in the fourth quarter of 2016 increased compared to prices in the third quarter. Average weighted broiler and layer feed prices in the fourth quarter were $686 and $481/mt, respectively, being 4 and 2% higher than prices in the third quarter of 2016 (Figure 13).

The stockfeed industry continues to express grave concern regarding the ability to service foreign bills to procure essential feed inputs (maize, soya, essential amino acids, minerals and vitamins).

Market Watch
The broiler market is relatively firm going toward the end of January 2017 with little to no stockholding. Frozen chicken is retailing at $3.40 - $3.60/kg and with the imposition of VAT of 15% on meat, the formal market is likely to be undercut by the informal live bird market.

The market for day old chicks (DOC's) has declined by between 15 and 20% due to low income and the increase in price of feed. The retail and wholesale prices for DOC's are $65 and $70/100 chicks, respectively. Small amounts of hatching eggs are being imported and one breeder reported that they are exporting hatching eggs.

A tray of table eggs is wholesaling at $3.30 - $3.40 for loose standard eggs and $3.40 - $3.60/tray for large eggs. Generally, the market is flat.

The point-of-lay market is stable and birds are selling for $10.50.

Veterinary Report
Since the beginning of the year, several cases of Newcastle disease have been reported in urban and peri-urban areas around Harare and is believed to have originated from live bird markets. DVS urges breeders to maintain high bio-security measures to protect their flocks and to use vaccination as a complementary measure.

Urolithiasis associated with Infectious Bronchitis (IB) has been diagnosed in in-lay layers. It causes recurrent chronic infection and a decline in production as well as production of off-white thin-shelled eggs. In broilers, it may be induced by poor sanitary conditions and it lowers the feed conversion efficiency, leading to stunted growth. Trials are being carried out on IB strains to acquire a suitable vaccine to control it.

Testing is ongoing for Salmonella strains in collaboration with breeders. The Central Veterinary Laboratory is in the process of developing an I2 vaccine but the major challenge has been acquiring funds to develop adequate doses for the industry. The Toxicology Laboratory has re-opened to the public and is equipped with machinery to test for drug residues and screen for mycotoxins in meat and milk.

Kind regards,

Solomon Zawe
Chairman

Table 1. Zimbabwe Poultry Association: Broiler Monthly Average Production Returns, 2013 to 2016

	2013	**2014**	**2015**	**2016**
Female Parent Stock				
Chick Sales and Retentions	84,591	71,257	63,033	61,545
Growing	335,298	321,219	282,157	294,261
In Production	416,631	427,152	332,256	341,316
Hatching Eggs				
Produced (ea)	6,595,316	6,824,403	6,395,463	6,856,947
Imported (ea)	657,877	1,672,047	2,161,994	1,335,807
Total (ea)	7,253,193	8,496,450	8,557,457	8,192,754
Day Old Chicks				
Chick Sales and Retentions	5,367,944	6,531,167	6,327,201	6,236,559
Price per 100 chicks	79.37	69.83	69.37	62.30
Broilers				
Number slaughtered	1,719,340	1,738,026	1,851,737	1,817,258
Average live weight	1.54	1.87	1.90	1.78
Producer price, $/kg	2.12	2.04	1.95	1.82
Total dressed weight, tonnes	2,627	2,690	2,960	2,992
Wholesale - whole bird	3.38	3.26	3.13	2.85
Leg quarters	3.90	3.74	3.67	3.41
Breast	5.40	5.05	5.08	4.61
1kg IQF	3.34	3.12	3.05	2.77
2kg IQF	3.27	3.06	2.91	2.66
Stock Holding (tonnes)	744	688	868	1,053

Table 2. Zimbabwe Poultry Association: Layer Monthly Average Production Returns, 2013 to 2016

	2013	**2014**	**2015**	**2016**
Female Parent Stock				
Chick Sales and Retentions	6,538	2,750	4,586	2,284
Growing	25,475	21,843	19,456	19,247
In Production	50,656	41,173	27,969	25,123
Hatching Eggs				
Produced (ea)	888,319	813,477	522,126	575,743
Imported (ea)	13,350	54,030	220,740	30,317
Total (ea)	901,669	867,507	742,866	606,059
Price	0.27	0.27	0.28	0.27
Day Old Chicks				
Chick Sales and Retentions	200,519	194,438	267,774	168,242
Price per 100 chicks	119.78	128.92	133.02	116.15
Point of Lay				
Sales	16,191	11,789	29,276	10,904
Price per bird	9.78	10.48	10.09	8.27
Layers				
Growing	407,963	330,973	337,501	285,095
In-lay	1,090,607	1,009,925	818,571	886,071
Sale price of spent hens	4.17	4.05	3.85	3.33
Table Eggs				
Produced (doz)	2,050,442	1,819,507	1,563,120	1,858,380
Wholesale price per tray	3.89	4.21	3.78	3.18
Stockholding (doz)	232,315	178,686	202,453	235,771

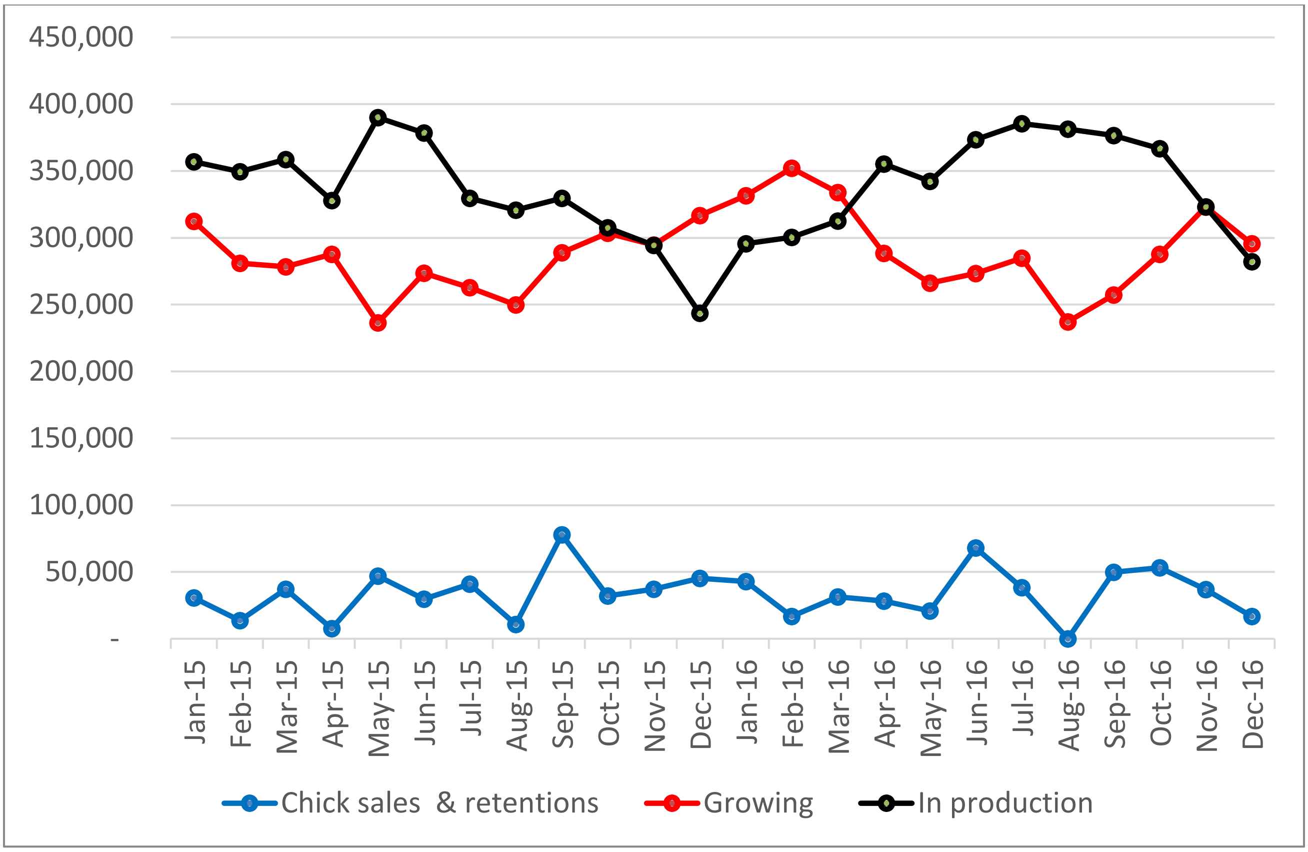

Figure 1. Broiler breeder production trends, 2015 to 2016

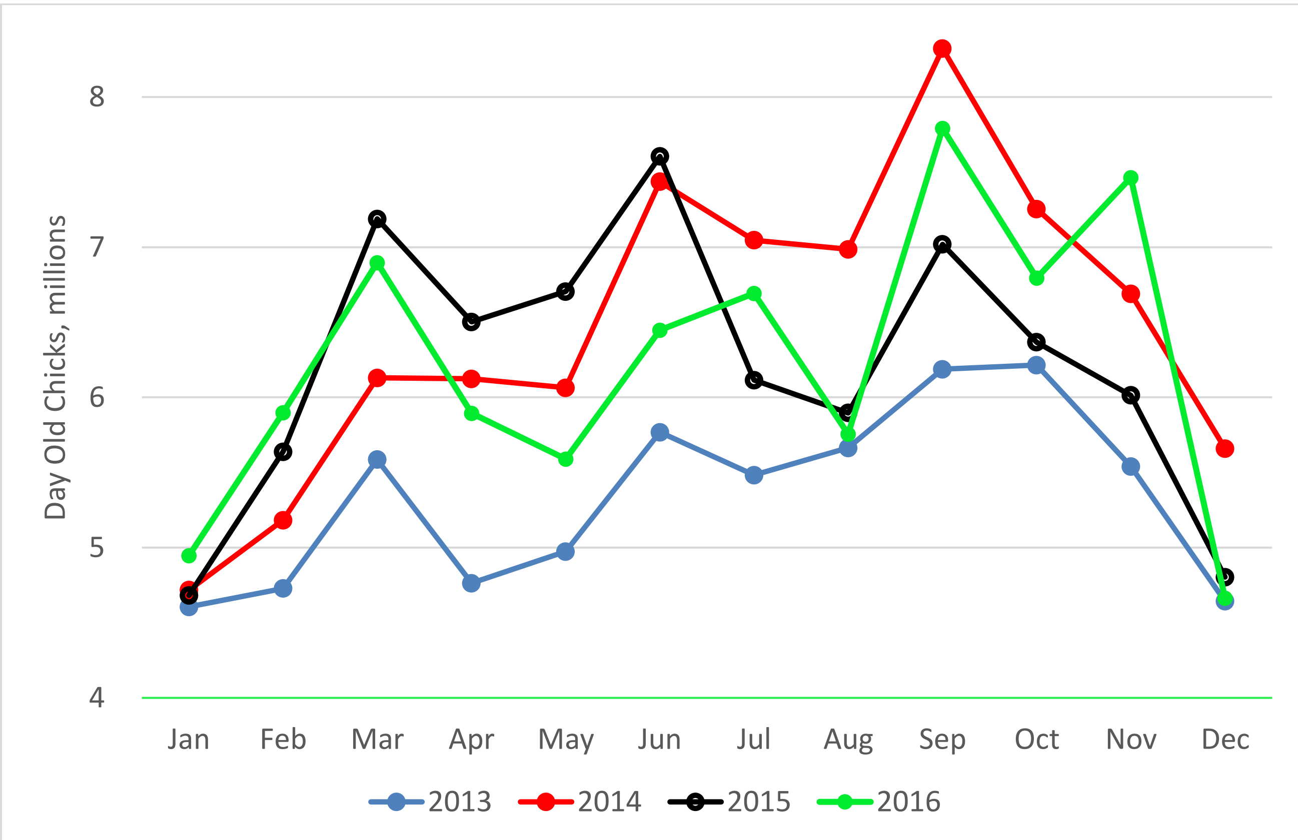

Figure 2. Broiler Day Old Sales and Retentions, 2015 to 2016

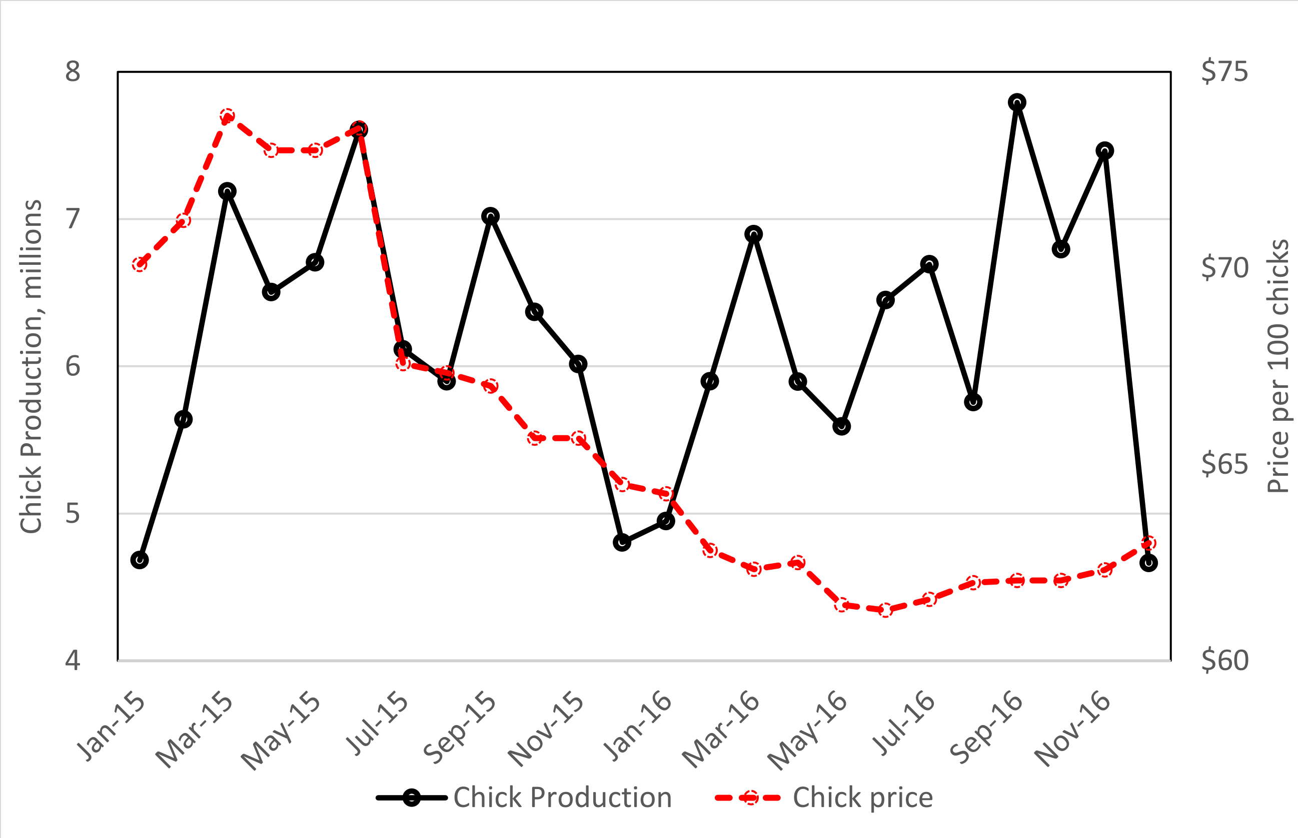

Figure 3. Broiler Day Old Chick Production and Prices, 2015 to 2016

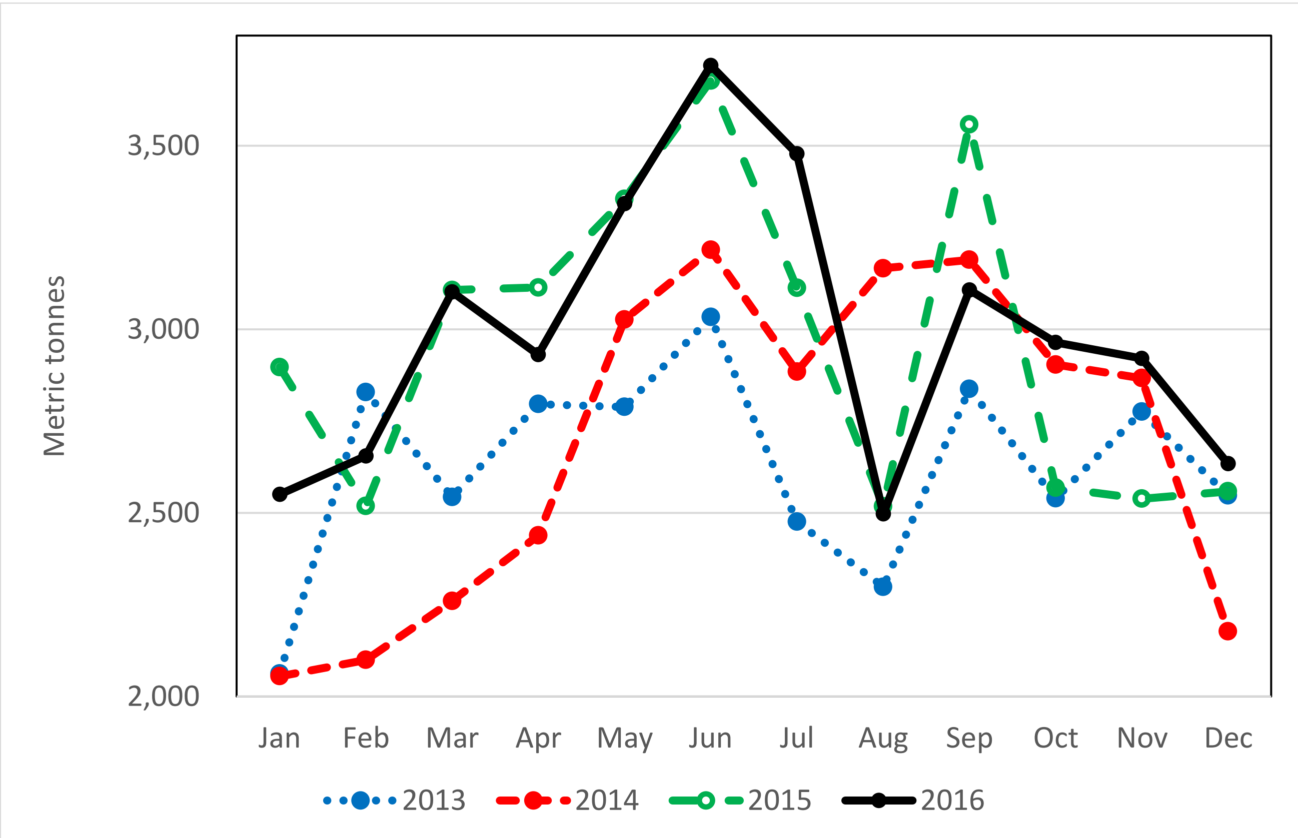

Figure 4. Formal broiler meat production, 2013 to 2016.

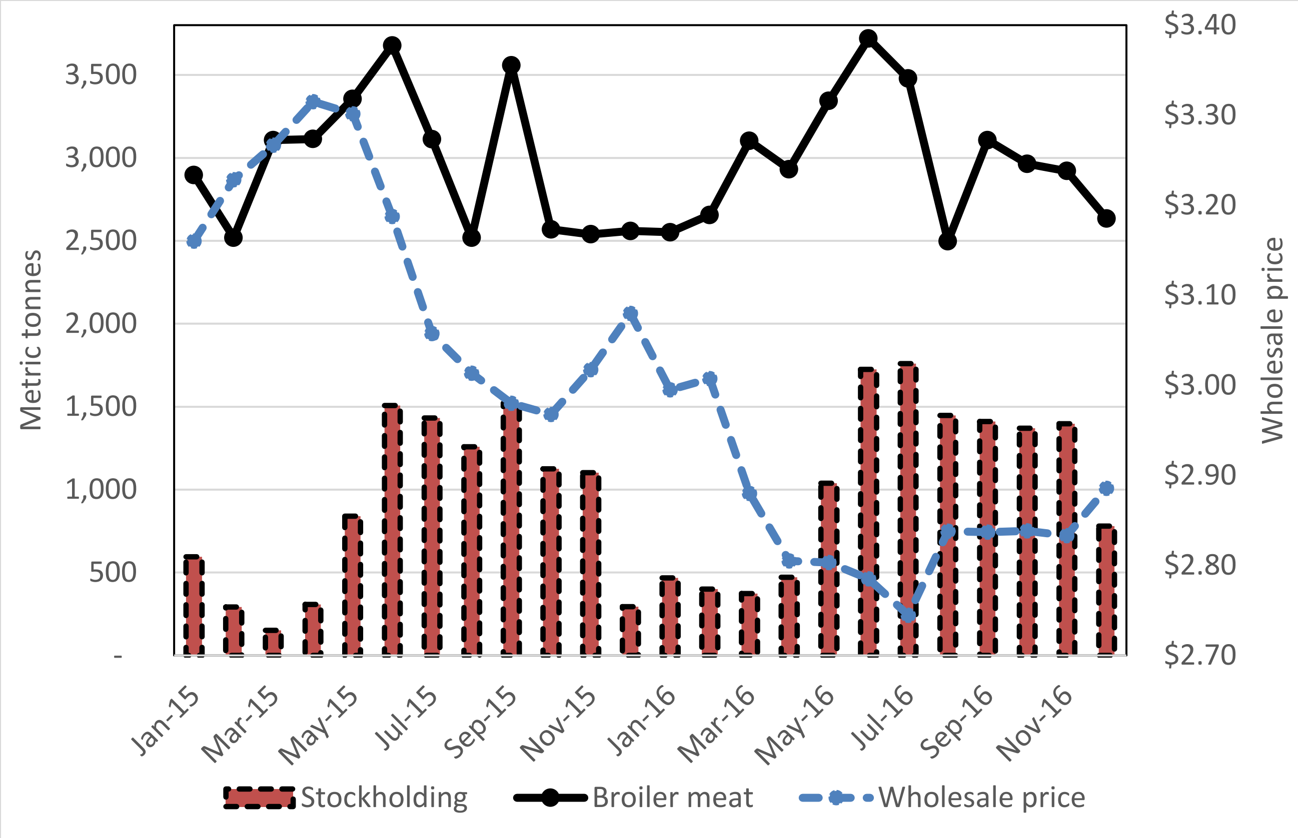

Figure 5. Formal meat production, stockholding and wholesale prices, 2015 to 2016

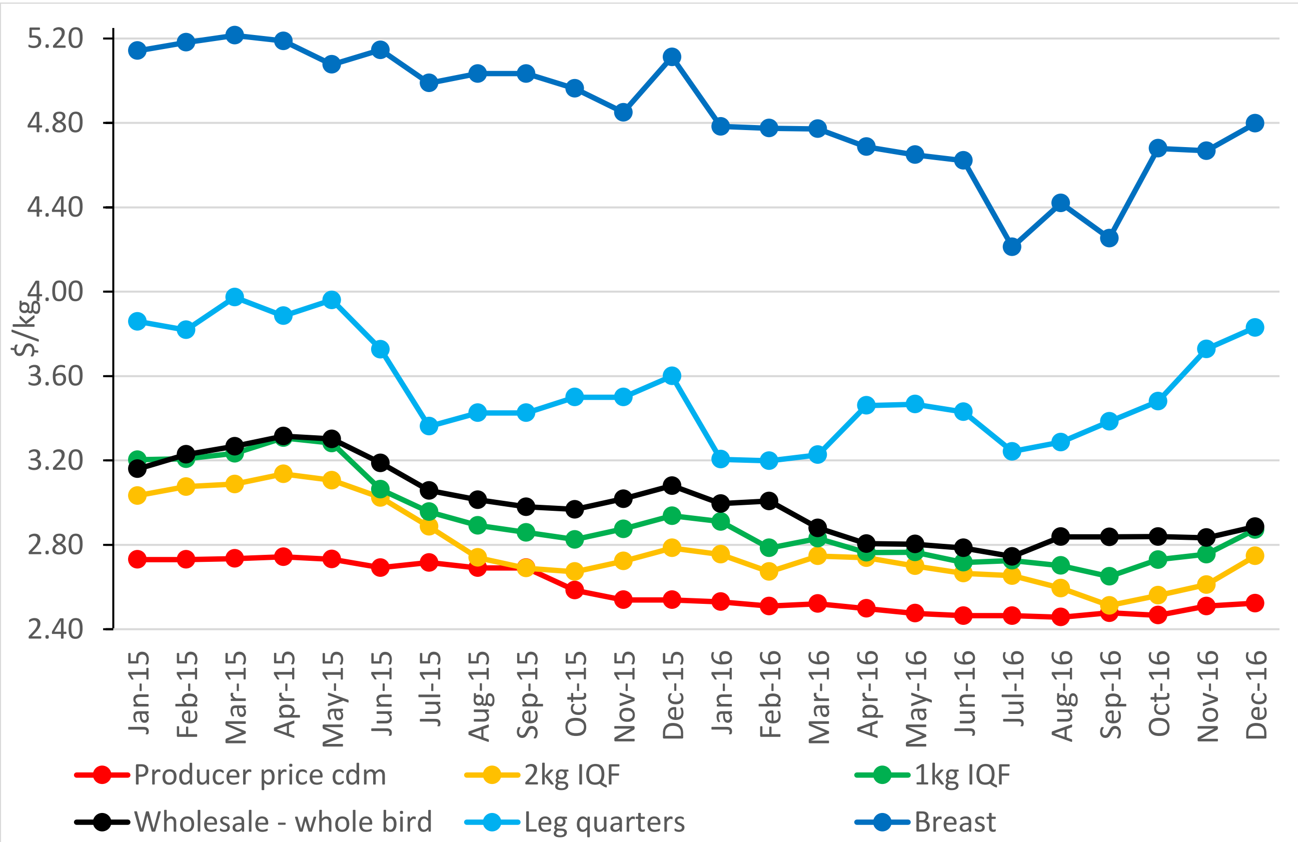

Figure 6. Broiler meat wholesale price trends, 2015 to 2016

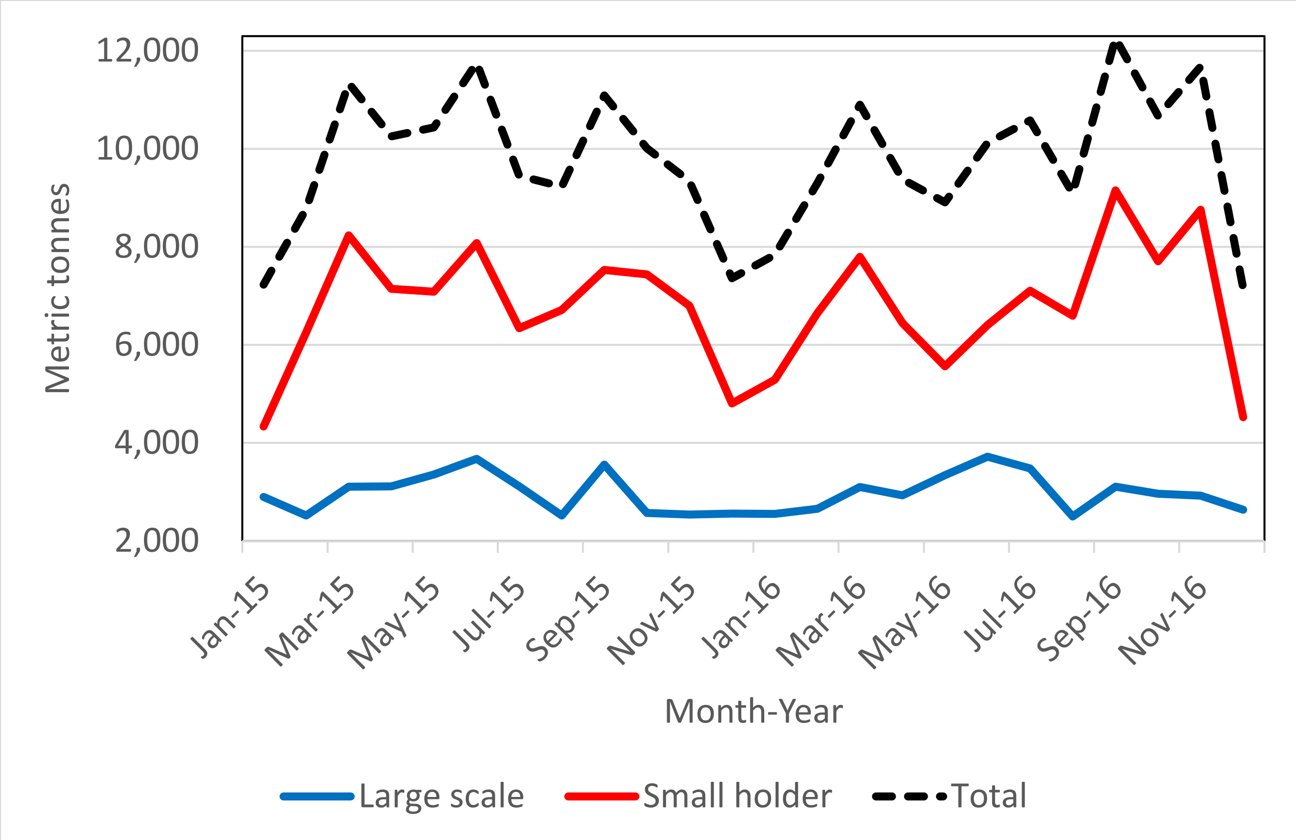

Figure 7. Estimated total broiler meat production, 2015 to 2016

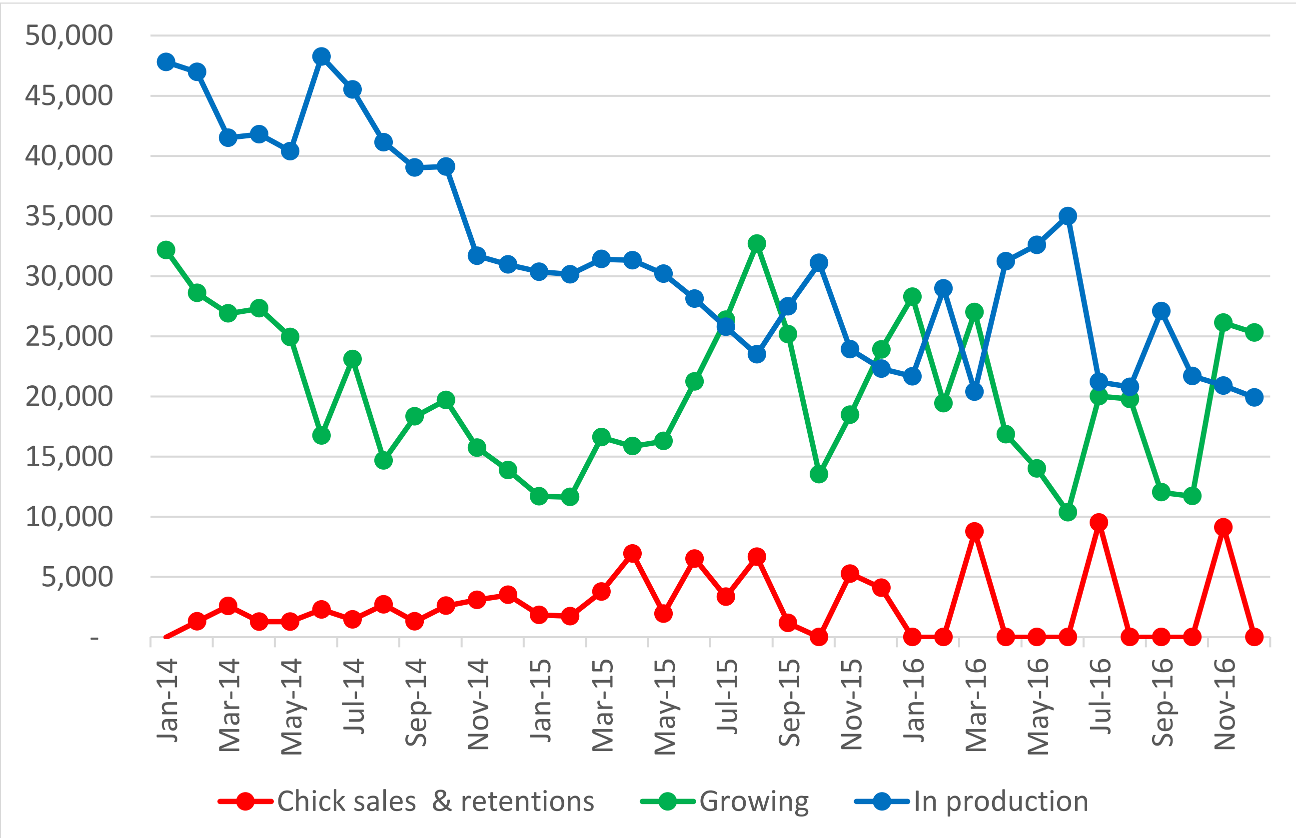

Figure 8. Layer breeder production trends, 2014 to June 2016

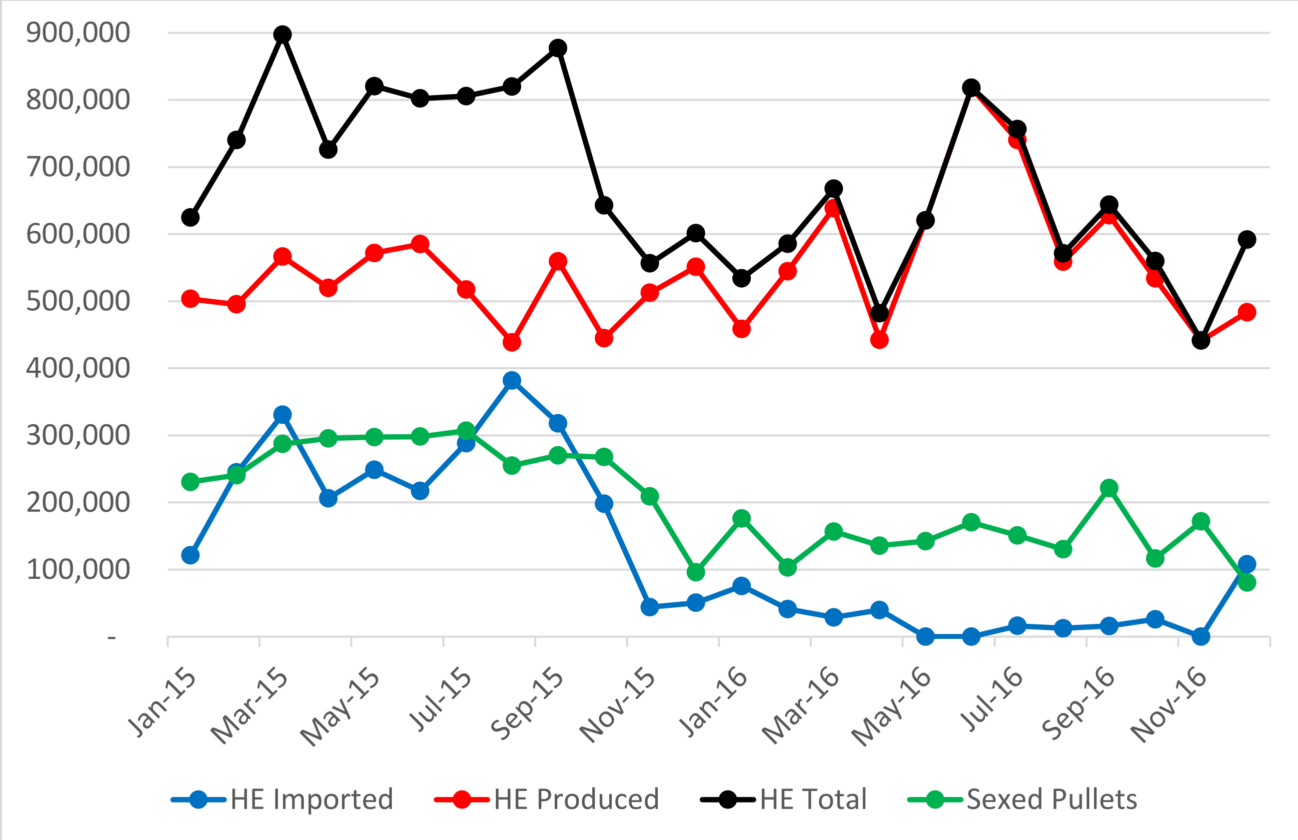

Figure 9. Layer hatching egg (HE) and sexed pullet trends, 2015 to 2016

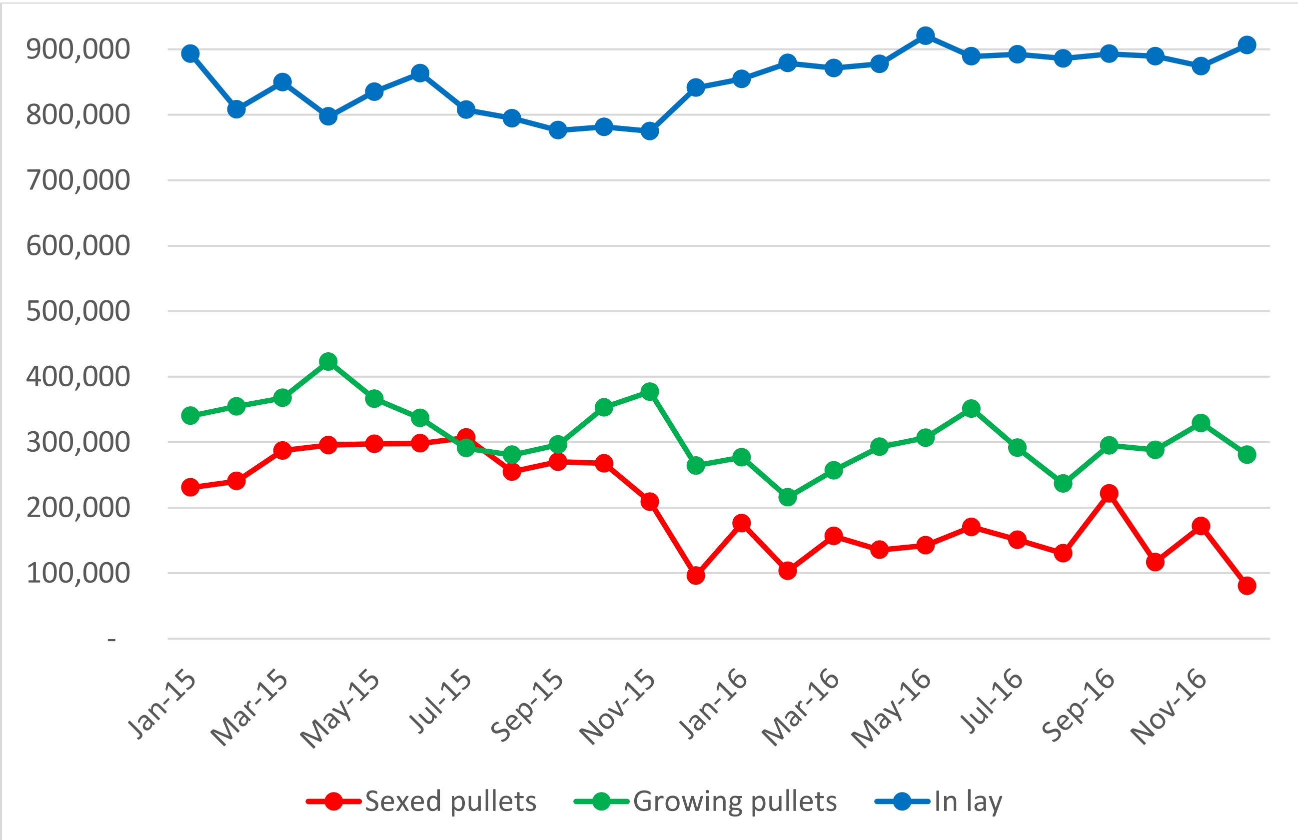

Figure 10. Layer production stock trends, 2015 to 2016

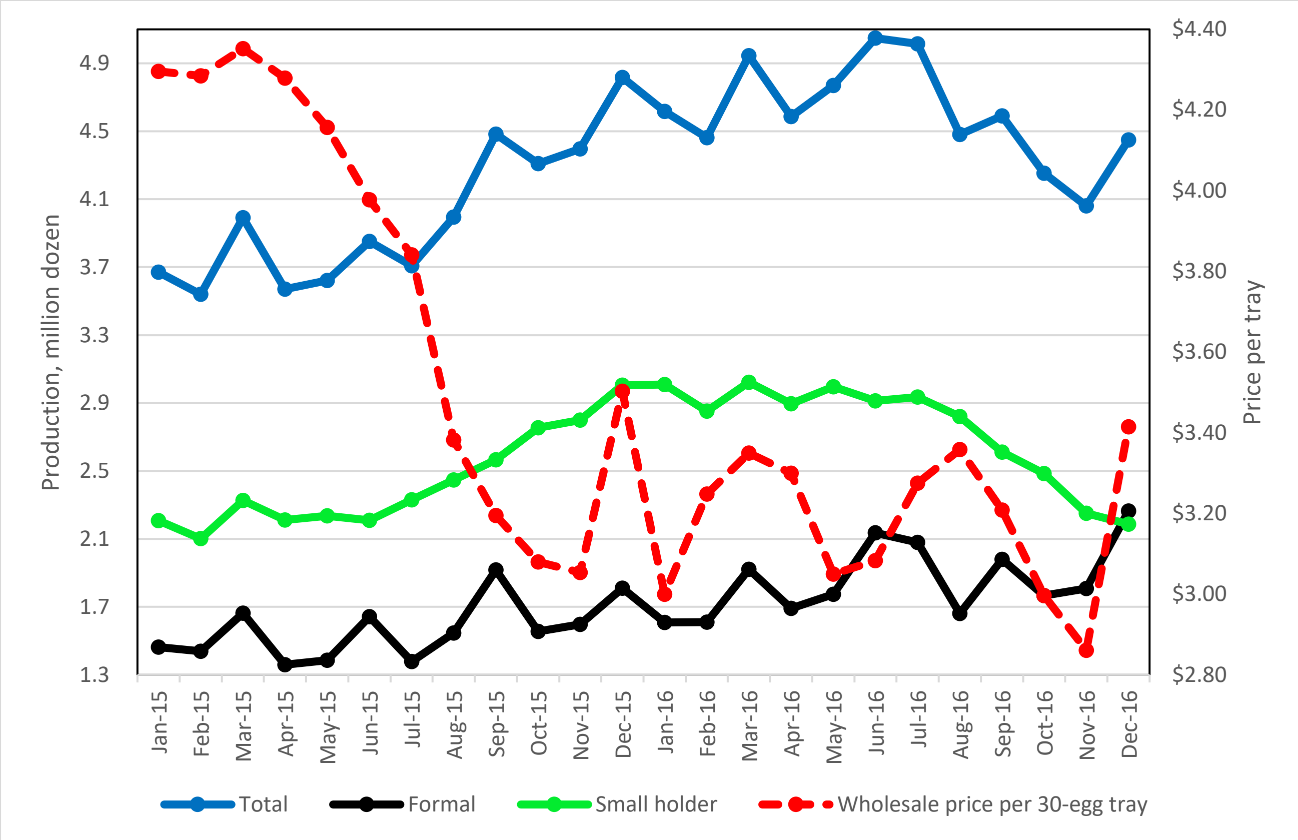

Figure 11. Egg production and price trends, 2015 to 2016

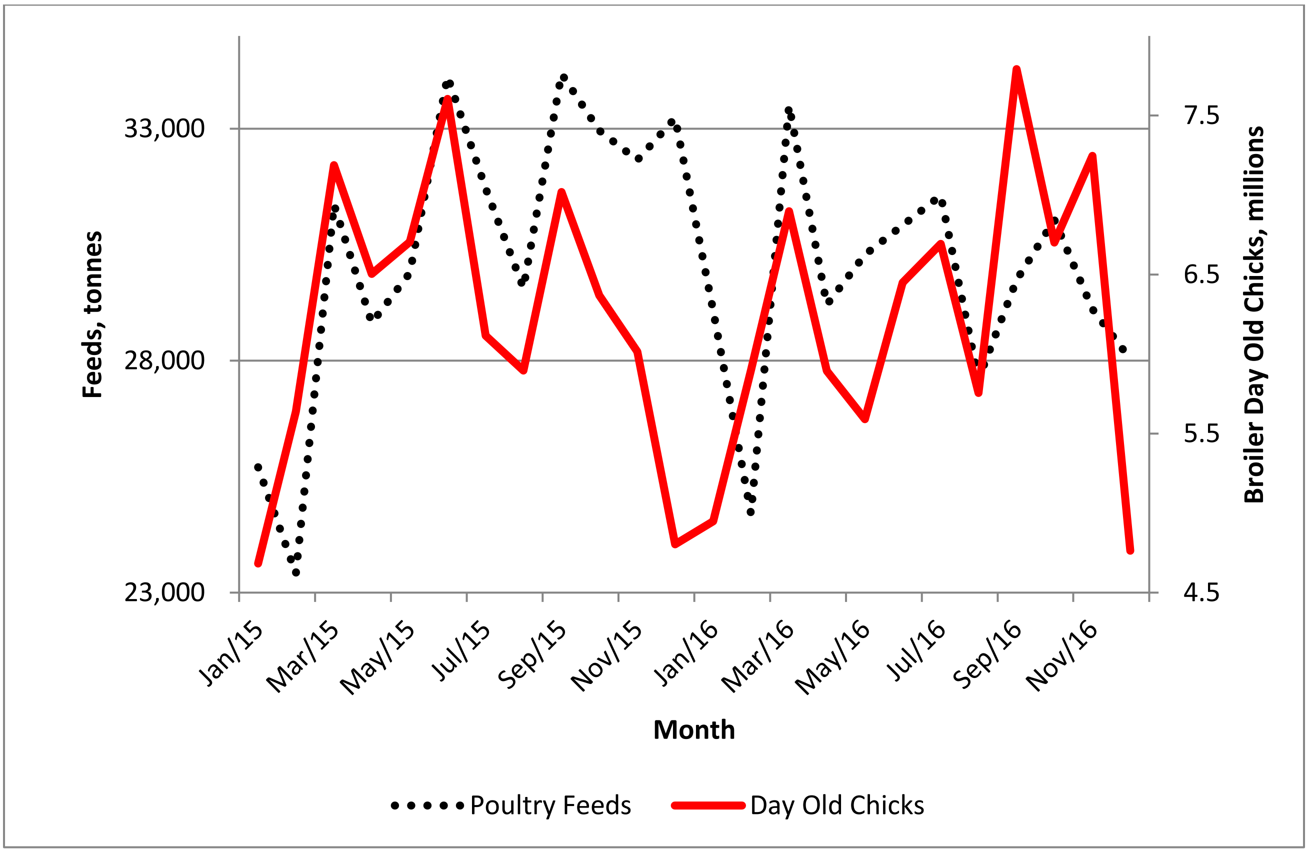

Figure 12. Poultry feed production and broiler day old chick production, 2015 to 2016

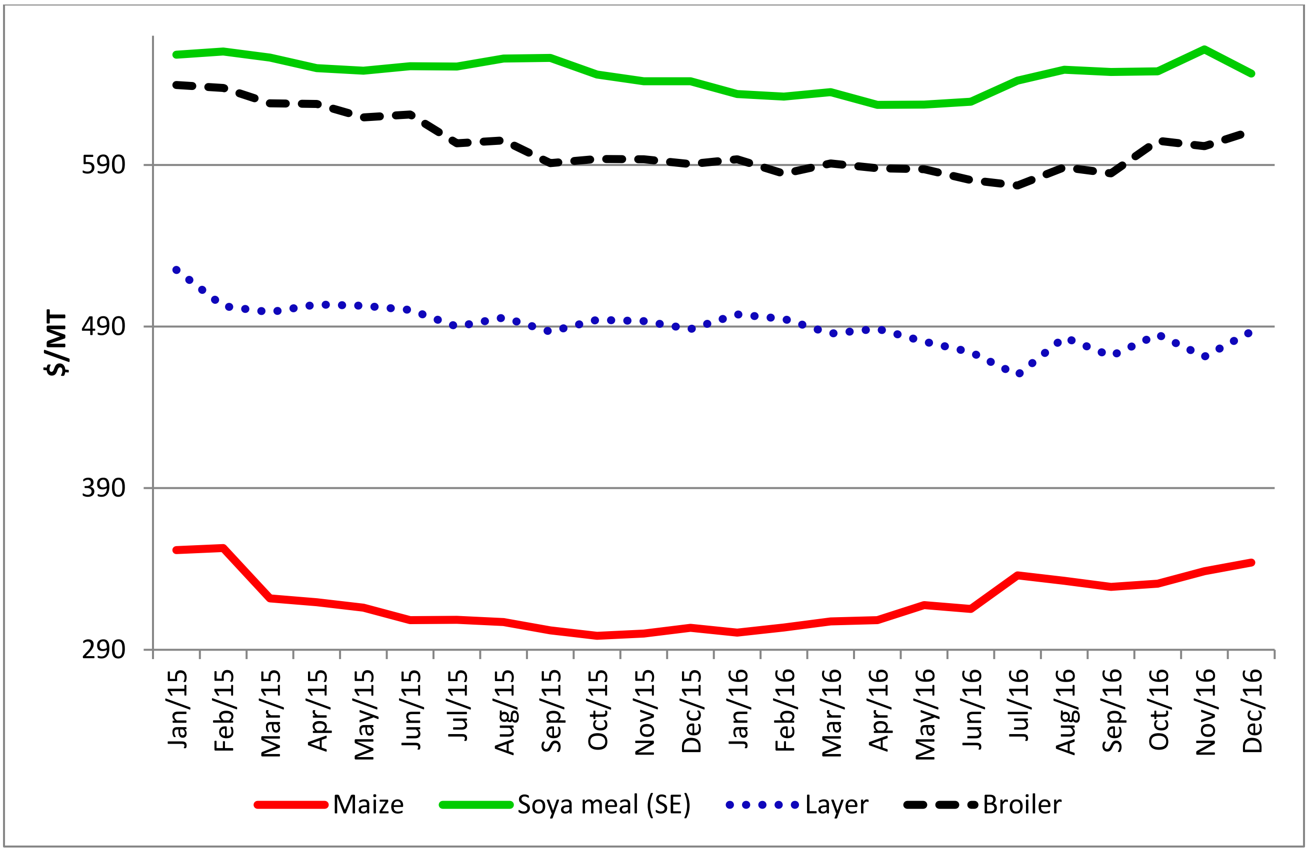

Figure 13. Prices of maize, solvent extracted soya meal and weighted broiler and layer feeds, 2012 to 2106