

FRIDAY BRIEF

WEEK 18, 2018

HIGHLIGHTS

- It's 2.4 Million Metric Tonnes of Maize ...
- Regional Pressure for Maize
- Zambia will export Maize; We're Brothers' Keepers
- We Shall Consult with ZNFU, Stakeholders; Govt.

IN DETAIL....

IT'S 2.4 MILLION METRIC TONNES OF MAIZE ...

After months of speculation following a poor rainfall pattern in the southern part of the country and a reduction in area planted for the staple crop, Zambia is expected to produce 2,394,907 metric tonnes of maize for the 2017/2018 farming season.

This is down from the 3,606,549 metric tonnes posted in the 2016/2017 season.

According to figures released today Friday 4th May 2018 by the minister of agriculture Mr. Michael Katambo at a stakeholders' meeting in Lusaka, the slowdown comes at the back of prolonged dry spells between November 2017 and end of January 2018, that affected the southern half of the country where rainfall performance was below normal during this period, army worms' invasion and stalk borers attacking maize fields countrywide resulting in the drop in a 33.6 percent drop in production.

The national average yield rate for maize has declined to 1.72 metric tonnes per hectare from 2.19 metric tonnes per hectare last season.



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The area under maize reduced by 15.3 percent to 1,392,546 hectares this season from 1,644,741 hectares last season. Area expected to be harvested also reduced by 24.3 per cent to 1,086,006 metric tonnes from 1,433,944 metric tonnes.

Mr. Katambo said small and medium scale farmers are expected to contribute 2,290,076 metric tonnes to the total production, while the large-scale farmers are expected to produce 104,831 metric tonnes of maize.

The minister, however, assured the nation that the country has sufficient maize stocks, and should be sitting on 3,239,151 metric tonnes for the 2018/2019 marketing season, which figure includes the 844,244 metric tonnes carry over stock from last season.

Of this amount, the Food Reserve Agency (FRA) is holding 601,700 metric tonnes, the Grain Traders' Association is holding 27,482 metric tonnes, Millers' Association of Zambia 29,437 large scale farmers are holding 36,044.29 metric tonnes and small and medium scale farmers are holding 149,581 metric tonnes.

The minister said the total consumption for human and industrial consumption is 2, 879, 838 metric tonnes, leaving the country with a surplus of 341, 313 metric tonnes of maize.

REGIONAL PRESSURE FOR MAIZE

The Indaba Agricultural Policy Research Institute (IAPRI) says supply of maize in the region will be moderate due to reduced production.

Presenting the 2017/2018 Crop Forecast Survey Results and 2018/2019 National Food Balance Sheet during a Stakeholders Meeting in Lusaka on Friday, Researcher Rhoda Mofya-Mukuka says South Africa, which is projected to produce some 13, 420, 785 Metric Tonnes of maize and Zambia 2,394,907 Metric Tonnes are expected to lead maize supplies into the region, but pressure will be on Zambia because it produces non-GMO crop.

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South Africa is expected to produce 6,629,660 Metric Tonnes of commercial white maize and 6,197,150 Metric Tonnes of yellow maize and 593,975 Metric Tonnes non-commercial. The southern African country is down on production by 23.5% reduction from 2017.

Malawi is expected to produce 2,791,741 Metric Tonnes against her domestic requirement of 3,228, 000 Metric Tonnes.

Ms. Mofya- Mukuka says Malawi will still be a net importer this year due to reduced crop production of 19 per cent, which crop was destroyed by Army Worms.

She says, whose domestic requirement is 2,615, 000 Metric Tonnes is also projected to have a reduction in production compared to the 2,156,000 Metric Tonnes that country produced during 2016/2017 season.

Ms. Mofya-Mukuka says major markets for Zambian maize will be DR Congo, Malawi and Zimbabwe.

She says reduced crop production in the region is on account of hot and dry conditions experienced late December 2017 through much of January 2018, which caused moisture stress and wilting of crops in Botswana, South Africa, southern Malawi, southern and central Mozambique, Zambia and Zimbabwe.

ZAMBIA WILL EXPORT MAIZE; WE'RE BROTHERS' KEEPERS

Minister of agriculture Michael Katambo says government will consult with stakeholders to see what excesses will be exported to countries expected to record low crop production such as Malawi and Zimbabwe.

Responding to a question as to whether government will honour government to government agreements what with reduced production in especially the staple crop; Mr. Katambo said Zambia cannot ignore developments taking place in the region and where there are excesses consideration for exports may be taken.

He said Zambia was a keeper of brothers and government, together with stakeholders, will study the matter closely.





Zambia has over 340,000 metric tonnes of maize for potential commercial exports.

WE SHALL CONSULT WITH ZNFU, STAKEHOLDERS; Govt

Government says it will consult with the Zambia national farmers' union (ZNFU) and other stakeholders to ensure that the challenges faced during the 100 per cent roll out of the e voucher FISP programme are addressed.

Agriculture minister Honourable Michael Katambo acknowledged some difficulties faced during the 2017/2018 farming season, but said government is committed to the e voucher programme and will continue to implement it with due consultation.

He said government has plans to start the programme early, ensure that funds are also unlocked early by the treasury, and other teething challenges addressed.

He said government is committed to servicing the 1 million e-voucher beneficiaries, who should be weaned off after three years as a graduation process.

Mr. Katambo said the e voucher is here to stay.

INDUSTRY UPDATES

DRY SPELL AND REDUCED AREA PLANTED TO BLAME FOR CHANGE IN PRODUCTION

The Ministry of Agriculture on Friday, 4th May 2018, announced the results for the Crop Forecast Survey. The results indicated an expected decrease in marketable surplus for maize in all the provinces except Western province which showed an increase of 0.225%. The results also showed a general reduction in maize output by 33.6% and other crops such as soya beans (-13%), and sunflower (-5%) among others. This change in production, especially for maize, was mainly attributed to the prolonged dry spell experienced between November 2017 and end of January 2018, reduced area planted and low yield rates. The dry spell is reported to have affected 51 districts in the country.

The area planted for maize alone recorded a 15.3% reduction, and this has greatly affected the maize output for the 2017/18 farming season which is forecast to be 2,394,907 MT.



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The Ministry of Agriculture however did assure the nation that the country has enough maize stock for human consumption, industrial requirement (Feed and Breweries), Losses and Structural cross-border trade. The opening stocks for maize were announced at 844,244 MT bringing the anticipated total available maize to 3, 239, 151 MT. the national surplus stands at 341, 313 MT.

COMMODITY UPDATES

Maize Updates

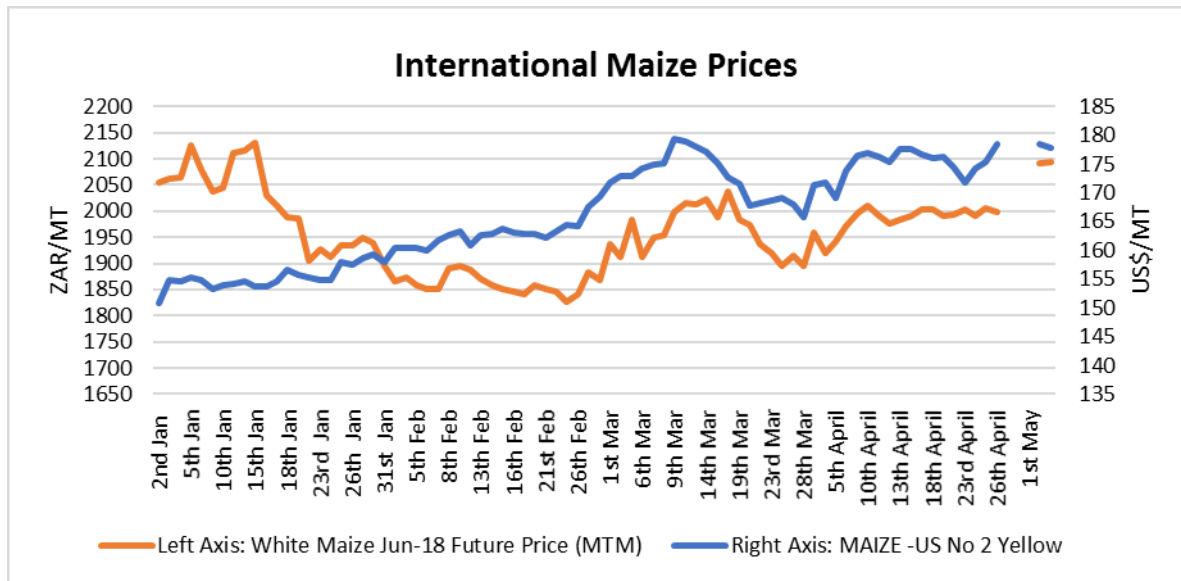
- The Zambian Ministry of Agriculture (MoA), during the Stock Monitoring Meeting held on Friday 4th May 2018, announced the Crop Forecast Survey (CFS) results which indicated an expected Maize production decline of 33.6%. This year, the country is expected to produce 2,394,907 MT of maize which is lower than the 3,606,549 MT in the previous farming season.
- The Indaba Agricultural Policy Research Institute (IAPRI) of Zambia has forecast that South Africa and Zambia will be the major Maize suppliers in the region. Zambia's major market for maize is expected to be the D.R.C, Malawi and Zimbabwe.
- ZAMACE this week recorded no maize offers or bids compared to last week when we saw two bids and six offers.

International Price Trends

- The U.S gulf spot prices of yellow maize was quoted at US\$ 177.89/MT on 3rd May 2018 while the white maize futures for June delivery on SAFEX settled at ZAR 2095/MT (≈US\$166.27/MT).

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Source: Safex, 2018

Soya Beans Updates

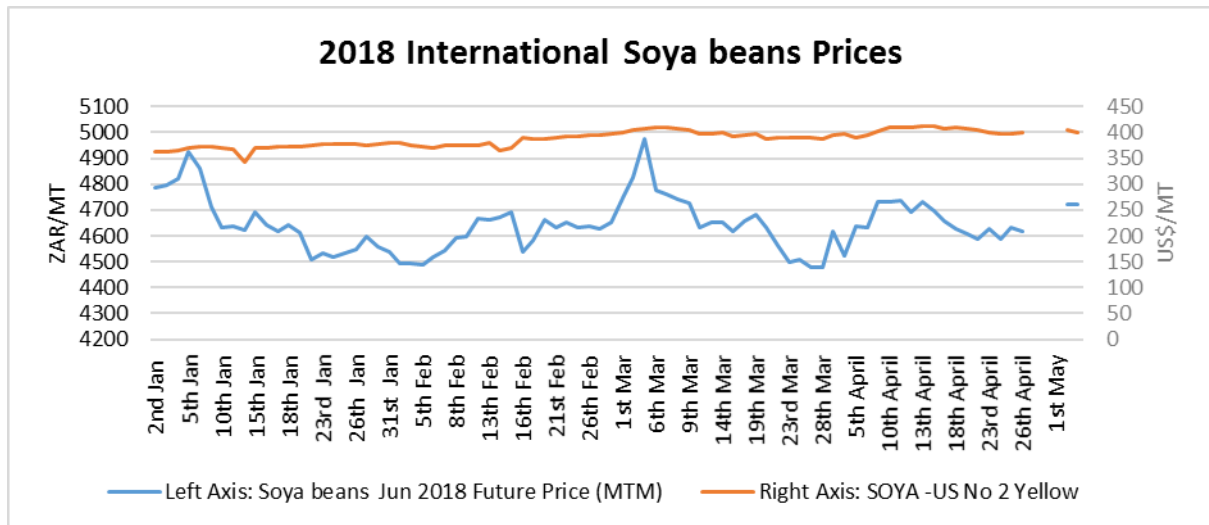
- The MoA in Zambia has forecast a 13.9% decline in Soya beans production from 351,416 MT produced last farming season to 302,720 MT this season. The reduction in soya beans production was attributed to reduced area planted and a reduction in the national average yield of the crop.
- Soya beans prices fell on Thursday following the news that China had effectively halted US orders of the legume amid a trade standoff between the world’s largest economies. The soya beans prices fell by 0.61% to US\$10.26 a bushel after a report that China was turning to other countries for soya beans. (Source: cnbc news)

International Price Trends

- The U.S gulf spot price of Soya beans was pegged at US\$ 400.13/MT on 3rd May 2018 while the Soya beans futures for June delivery on SAFEX settled at ZAR 4720/MT (≈US\$374.60/MT).

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Source: Safex, 2018

Wheat Updates

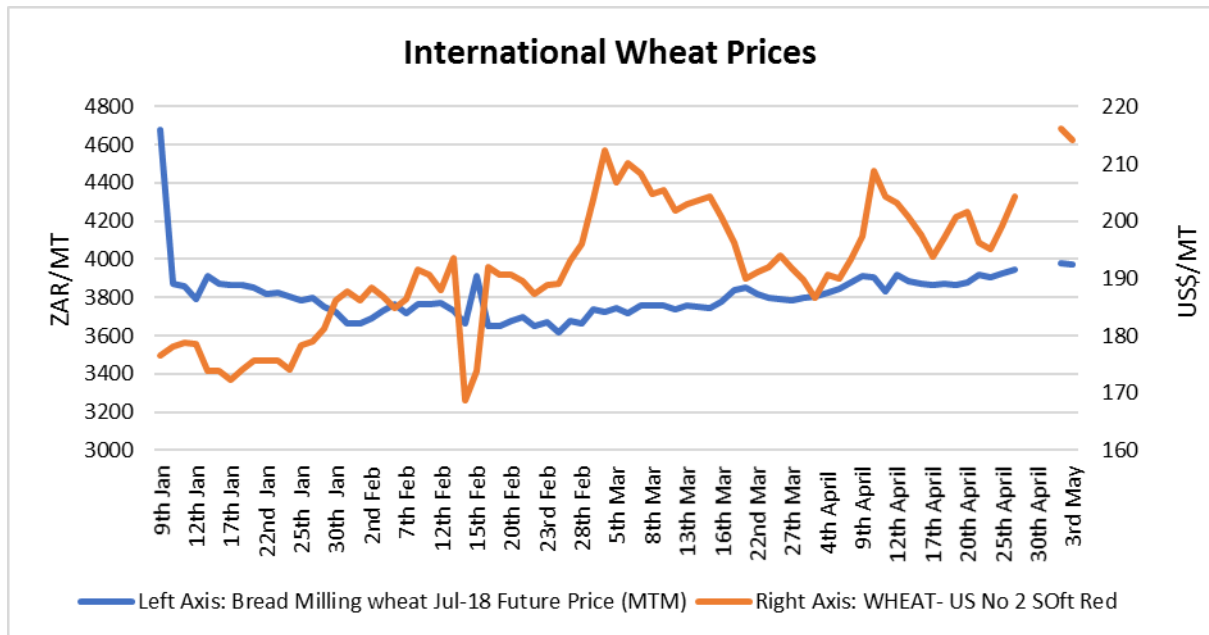
- According to the Zambian MoA, preliminary estimates show that the country will produce 114,462 MT of wheat from an estimated area planted of 21,709 Ha. This shows an expected decline in wheat production of 40.9% from a production of 193,713 MT last year.
- The South African Grain Information Service (SAGIS) recorded wheat exports to Zambia amounting to 177 tons during the week ending 27th April 2018.

International Price Trends

- The U.S gulf spot price of wheat averaged US\$214.12/MT on 3rd May 2018 while the bread milling wheat futures for July delivery on SAFEX settled at ZAR 3976/MT (≈US\$315.55/MT).

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Source: Safex, 2018

ALERTS! ALERTS! ALERTS! ALERTS!



ZAMBIA NATIONAL FARMERS' UNION

SALE OF MOTOR VEHICLE BY TENDER

ZNFU is inviting sealed bids from the public to purchase eight (8) motor vehicles with details below;

SER	VEHICLE TYPE	ENGINE	COLOUR	REG.
1	Toyota Hilux	2KD-7487025	White	ABR7743
2	Ford Ranger	WLAT963799	White	ABT5158
3	Toyota Hilux	2KD-5849639	Gold	ALG8144
4	Toyota Hilux	2KD-5813122	Silver	ALG4591
5	Toyota Hilux	2KD-A050711	White	ALK5448
6	Toyota Hilux	2KD-5811020	Gold	ALG3993
7	Nissan Patrol	TB48-0488020	White	ALE8785
8	Toyota Land Cruiser	1HZ-0687720	White	ALE 9148



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The bids must be clearly marked “Sale of motor Vehicle by Tender”, and address to ZNFU, Plot No. 2374 Tiyende Pamodzi Road, Show grounds. Telephone: 00260 211 252649/254431.

Bid forms can be collected from the ZNFU head office after paying a non-refundable fee of K100.

Kindly bring the bids in sealed envelopes and deposit them in the Tender box stationed at the Reception of ZNFU offices.

The closing date for receipt of bids is Wednesday 23rd May 2018 at 15:30hrs. Successful bidders will be notified before or by Monday, 28th May 2018. Payment must be made by cash or bank certified cheque to ZNFU before collection of the vehicle.

Viewing of the vehicles will be from Monday 14th May 2018 to Wednesday 23rd May 2018

Kindly note that:

1. ZNFU will not accept late bids and /or bids sent by email
2. ZNFU will however, accept bids sent by registered mail provided they reach ZNFU office before 15:30hrs on Wednesday 23rd May 2018
3. ZNFU reserves the right to accept or reject bids without assigning a reason thereto.

PROPOSED MERGER INVOLVING BLACKSTAR, NICO AND ANDERSON AND MERCURY DIAMOND LIMITED

The Competition and Consumer Protection Commission (CCPC) on April 25 2018 received an application from Chibesakunda & Co. Advocates regarding the merger involving Blackstar Agricultural Limited (Blackstar), Nico Anderson Farming Land (Nico Anderson) and Mercury Diamond Limited (Mercury).

The parties submitted that the proposed transaction involved the acquisition of two pieces of real estate by Mercury from Blackstar and Nico Anderson.

CCPC is seeking comments on this transaction and its likely effects on the agricultural sector in general, and specifically the development of the cash crop and dairy sector in Zambia and the benefits of such a transaction in Zambia.

CCPC will appreciate your comments at the earliest possible time, in order for the Commission to take your views into account.





For further details, kindly get in touch with the **CCPC Executive Director**

Mr. Chilufya Sampa on; 0211 222 787 or 0211 222 775 or fax 0211 222 789

Email: zcomp@ccpc.org.zm

FROM THE EASTERN REGION

KATETE

WORLD VISION ZAMBIA TRAINS FARMERS IN AFLATOXIN MANAGEMENT AND BULK MARKETING

World Vision Zambia international is supplementing the government of Zambia in reducing poverty among rural farmers' household.

The organization has been helping farmers in vulamukoko with numerous agriculture actives.

In line with its focus to help farmers, World Vision Zambia has formed Commercial Producers Groups (CPGs) in the area who are trained in various agriculture practices, among which included training in aflatoxin management and marketing linkages, which was conducted on 24th – 27th APRIL 2018.

A total of **962 (537 females and 425 males)** in **24** CGPs were trained successfully in post-harvest management of groundnuts and marketing linkages.

Farmers are interested in affiliating these groups to ZNFU through the Katete District Farmers' Association (DFA) so that they can be helped with marketing linkages for groundnuts market.

Facilitation for the training was done by the Ministry of Agriculture (MoA) and ZNFU staff.

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WEATHER

ZAMBIA EVENING WEATHER FORECAST: FRIDAY (04/05/2018)

GENERAL SITUATION

A shallow layer of relatively moist but stable airflow from the south-east will be affecting most parts of Zambia, however in the middle levels moist and unstable winds from the north-west will affect much of the country.

RAINFALL REPORTED TODAY AT 08:00 HRS (04/05/2018) IN MILLIMETERS

Kasempa 7, Mumbwa 2, Lusaka City Airport 1, Kafironda, Msekera and Kafue Polder reported less than a millimetre (Trace).

FORECAST FOR TONIGHT: FRIDAY (04/05/2018)

North-western, Copperbelt, Central and Lusaka provinces: Mostly cloudy, windy at times and warm with a chance of rain tending to be mild to cool by dawn.

The rest of Zambia: Partly cloudy, slightly windy and mild becoming cool by dawn.

FORECAST FOR THE WEEKEND: SATURDAY (05/05/2018) & SUNDAY (06/05/2018)

Western and Southern Provinces: Mostly clear, windy at times and mild, becoming partly cloudy and warm with a chance of showers.

The rest of Zambia: Mostly cloudy, windy at times and mild, becoming warm in the afternoon with showers and thunderstorms.

Nights will be mostly cloudy, windy at times and mild with a chance of rain, becoming cool by dawn.

OUTLOOK TO MONDAY: (07/05/2018)

Warm to mild weather conditions to prevail.

Produced by Zambia Meteorological Department, Ministry of Transport and Communications.

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