

## FRIDAY BRIEF

WEEK 44, 2018

### HIGHLIGHTS

- **OVER 950, 000 ZAMBIANS ARE FOOD INSECURE**
- **... AS KATAMBO ASSURES OF FOOD SECURITY WITH RED FLAG RAISED**
- **LAKE KARIBA RECEDES TO 68%**
- **KWACHA REMAINS STABLE**

### IN DETAIL ...

#### OVER 950, 000 ZAMBIANS ARE FOOD INSECURE

A total of 954, 100 people are food insecure in Zambia and may need emergency food assistance, the highest figure after 2016.

In 2016, a total of 980, 000 people were food insecure.

According to the Integrated Phase Classification (IPC) Vulnerability Assessment Committee results of 2018, a UN publication, this is despite the country recording 2,394,900 tons of maize production in 2018, and in spite of having a carry-over stock of 844,200 tons.

This figure is over and above the 70, 000 people assessed to be precariously in need of food aid in 2017.

Some of the areas noted as needing emergency food include Western Province, some parts of Southern and Eastern Provinces, Lusaka and Luapula Provinces.

The areas captured are those that experienced prolonged dry spells, floods and pests; which impacted massively on agricultural production.

At national level, these are the major factors that led to a drop in national food production figures from 3,606,549 tons the previous season - a 33.6% per cent drop, or 20per cent below the five-year average.

#### ... AS KATAMBO ASSURES OF FOOD SECURITY WITH RED FLAG RAISED

In spite of the Ministry of Agriculture instituting “restrictive measures” on export of maize by posting Zambia National Service (ZNS) soldier in strategic agricultural areas to avoid grain seepage, the Ministry says Zambians should not panic as the country has enough reserves.



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With the 2018 FRA maize marketing window coming to a close on 31<sup>st</sup> October, Minister of Agriculture Michael Katambo says the country has stocked up to 420, 000 metric tonnes of grain, having bought 172, 000 metric tonnes to a tune of K241 million.

Honourable Katambo says the country is food secure as the reserve mopped up are sufficient, with a lot more still in the hands of farmers and traders.

Mr. Katambo told the 113<sup>th</sup> ZNFU Congress on October 19, that there is a restriction of maize exports. He, however, said this does not amount to a Statutory Instrument (SI) being passed, but a mere administrative measure to ensure the country is food secure.

## LAKE KARIBA RECEDES TO 68%

The Lake Kariba levels dropped by 0.19m on 22<sup>nd</sup> October 2018 to close the week at 484.68m. Last year on the same date, the Lake level was 481.58m. water levels at Lake Kariba now stand at 68 per cent full.

This is as a result of receding waters at the back of searing temperatures; which in some cases has reached as high as 37 Degrees Celsius and 38 Degrees Celsius, especially in valley areas.

The Kariba Lake was created and designed to operate between levels 475.50m and 488.50m with 0.70m freeboard at all times.

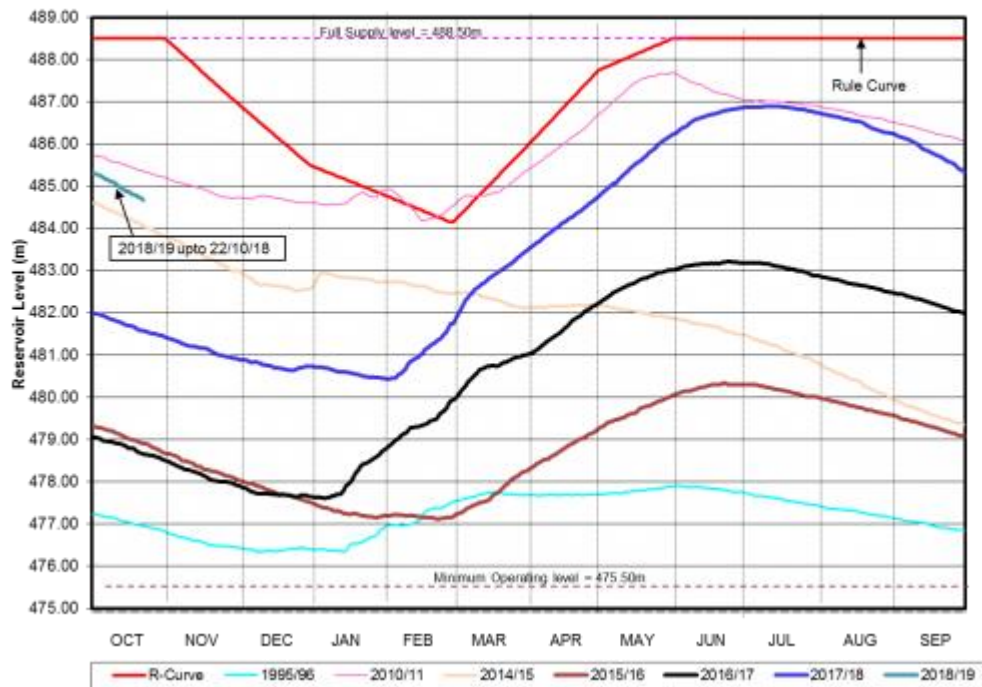
Below is a table and graph compiled by the Zambezi River Authority as at 22<sup>nd</sup> October 2018.

Day	This Year	%Full	Last Year	%Full
16/10/2018	484.87	70	481.7	45
17/10/2018	484.83	69	481.69	45
18/10/2018	484.81	69	481.68	44
19/10/2018	484.78	69	481.63	44
20/10/2018	484.74	69	481.6	44
21/10/2018	484.72	68	481.59	44
22/10/2018	484.68	68	481.58	44

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**KARIBA RESERVOIR**  
Comparison of Daily Reservoir Levels



## AGRO-WATCH

### EXCHANGE RATE

### ZAMBIA REMAINS STABLE



The Kwacha continued on a bearish streak in yesterday's trading session as corporate activity stayed low. Early morning quotes saw the local unit pegged in a wider band of K11.7200/11.800 per dollar. As anticipated, the kwacha got a knock from a globally stronger United States dollars exacerbated by a dwindle in supply flows. This saw the local unit close at K11.8500/11.900 per dollar, posting K1.5 depreciation on the day.

During the month of November, the currency was fairly volatile, making more swings when compared to the previous month, driven in part by



demand and supply flows in the market. The currency hit a high at K11.4500/\$ and a low of K12.5000/\$. The kwacha looks poised to break the K12.000/\$ psychological barrier as corporate supply remains low. However, given these high USD/ZMW levels, it would attract dollar sellers to cap the fall: Source-Zanaco daily newsletter

Source: Bank of Zambia

CURRENCY	1/11/2018						2/11/2018					
	US Dollar		RAND		GB Pound		US Dollar		RAND		GB Pound	
	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell	Buy	Sell
FNB	11.71	11.94	0.802	0.82 2	15.08	15.45	11.76	11.995	0.82	0.84	15.26	15.63
Barclays Bank	11.76	11.99	0.809	0.82 5	15.14	15.44	11.74	11.97	0.82	0.84	15.27	15.57
ZANACO	11.74	11.96	0.797	0.81 3	15.08	15.37	11.74	11.96	0.80	0.82	15.08	15.37
Bank of Zambia	11.82	11.87	0.81	0.82	15.27	15.34	11.83	11.88	0.82	0.83	15.37	15.44

Exchange Rates

## NEWS FROM ASSOCIATIONS

### POULTRY ASSOCIATION OF ZAMBIA

#### NAMIBIA'S BROILER INDUSTRY CONTRIBUTES 0.71% TO GDP

Despite the uncertainty around the current legislation, Namibia's broiler industry has performed exceptionally well, contributing 0.71% to Namibia's overall Gross Domestic Product. This is according to an economic impact assessment report commissioned by the local poultry association and conducted by Cirrus Capital. The firm stressed that while the 0.71% figure may seem insignificant, it is important to note that the Namibian economy has grown on average 4.05% a year since 1990.

Therefore, Cirrus Capital is of the view that the Namibian broiler industry has great potential for the country in terms of job creation, food security, and industrialisation, but it faces many challenges. Currently the industry has the benefit of import restrictions, a measure aimed at establishing a local



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industry, however the South African Poultry Association has dragged the matter to court where it is currently bogged down. Membership of the Southern African Customs Union also makes dealing with anti-competitive behaviour and dumping very difficult.

“Uncertainty around the current legislation hampers the development of the industry, as new entrants fear their investment may be jeopardized,” Cirrus Capital said in a statement this week. According to Cirrus, the industry could grow to 2% under the right conditions including clear, concise and supportive legislation and increased consumption of poultry products. Namibia lags far behind South Africa in annual per capita consumption of chicken, with roughly 13kg consumed locally compared to South Africa’s 38kg. Local consumption stands at 2 500 tonnes per month, of which Namibia produces 1 900 (67%). Restrictions limit imports to a maximum of 1 500 tonnes per month, but the current protection sees importers trying to obtain the most quota instead of joining the local industry and moving from imports to local poultry purchases.

A survey conducted in the retail market shows that the shelf price of imported poultry products is only slightly lower than that of local products (or in some instances more expensive), thus the benefit of imported poultry does not pass through to the consumer. The domestic market has also ensured other types of poultry products, including fresh chicken, chicken livers, cleaned feet, etc., could enter the Namibian market. Many of these products are very cheap sources of protein for Namibian households.

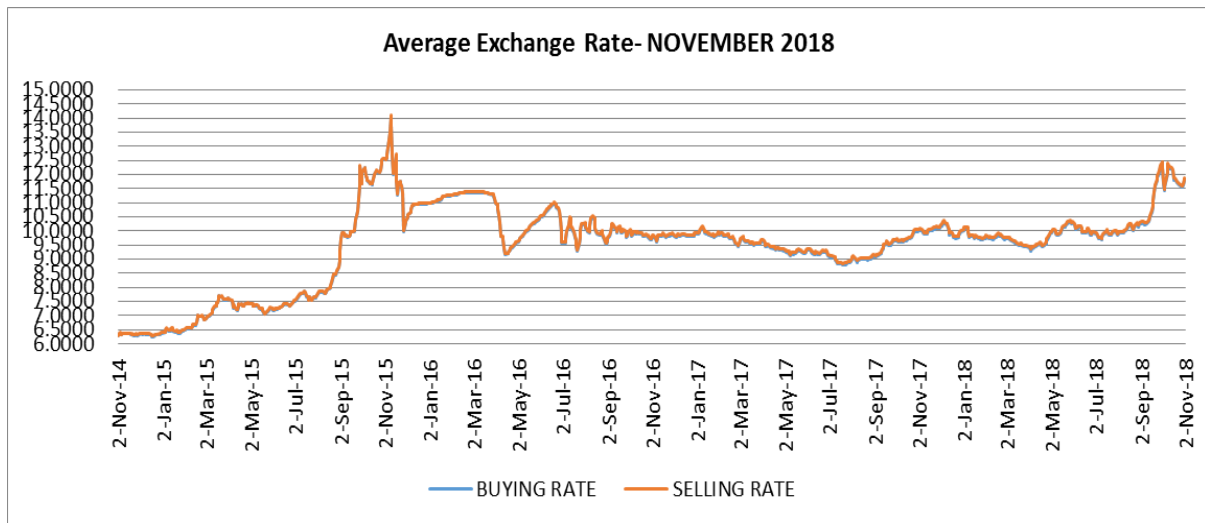
“Domestic demand for chicken meat is on the rise and the increase in demand is currently catered for by imports. However, local SMEs have started adding capacity too and Namibia could be self-sufficient by the end of 2019,” Cirrus Capital added. Production input costs are higher in Namibia than South Africa, and Namib Poultry Industries (NPI) has streamlined its processes to be exceptionally efficient as the risk of water shortages in the long term has been reduced by the investment of N\$11 million in a reverse osmosis filtration system.

“NPI directly contributed N\$201 million to the Namibian economy in its 2017 financial year or 0.12% of the GDP. The local industry also contributed indirectly through its input purchases and employment, as well as by substituting local production for what would otherwise be imported. Taking these into account, the total contribution in 2017 amounts to N\$888 million or 0.71% of GDP. While this figure may seem insignificant, the Namibian economy has grown on average 4.05% a year since 1990. This means that NPI alone makes up around 18% of a single year’s growth,” Cirrus reported. The firm stressed that it is important that the industry is supported and developed further, adding that without a supportive legislative framework, it remains risky for new players to enter the market. “Government must catch up with private sector development in terms of the legislation it writes and the finalization of the Namibia Board of Trade Bill,” Cirrus Capital urged. Source: <https://economist.com.na/39524/agriculture/broiler-industry-contributes-0-71-to-gdp-in-2017/>

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## EXCHANGE RATE



## PRICES FOR THE DOCS REMAINED UNCHANGED



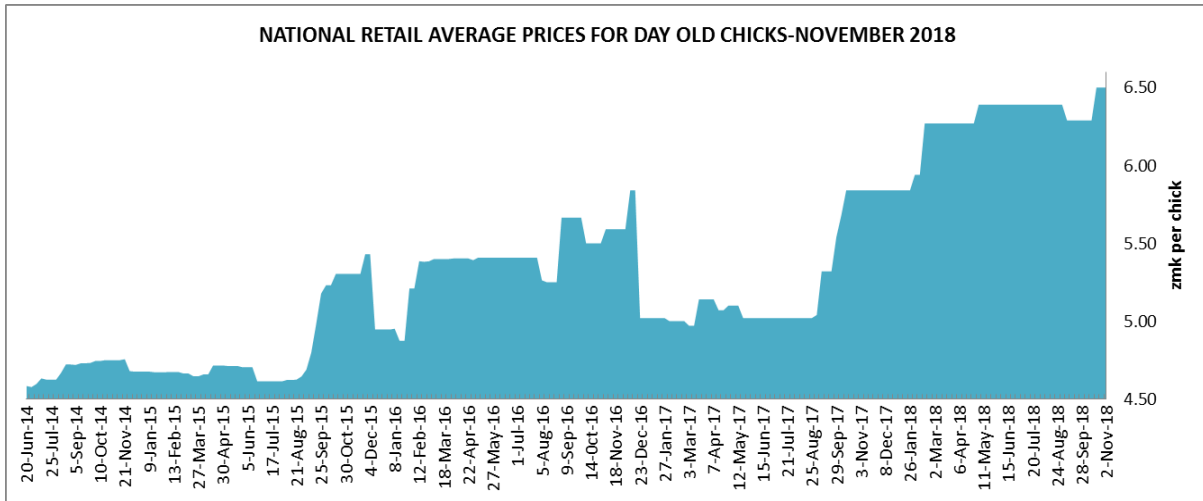
The average day old chick prices remained unchanged and still trading at ZMK6.5 from which is the same price as last week

There are no movements equally on the prices of pullets which are also trading at ZMK10.24. The supply of DoC is back to normal in all the districts.

The graph captures the national average price trend for the day old broiler chicks. For the pullet most of the bookings for between December 2018 and January 2019

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Source: PAZ

## LIVE BIRD PRICES REMAINS STABLE AMID IMPROVED SUPPLY

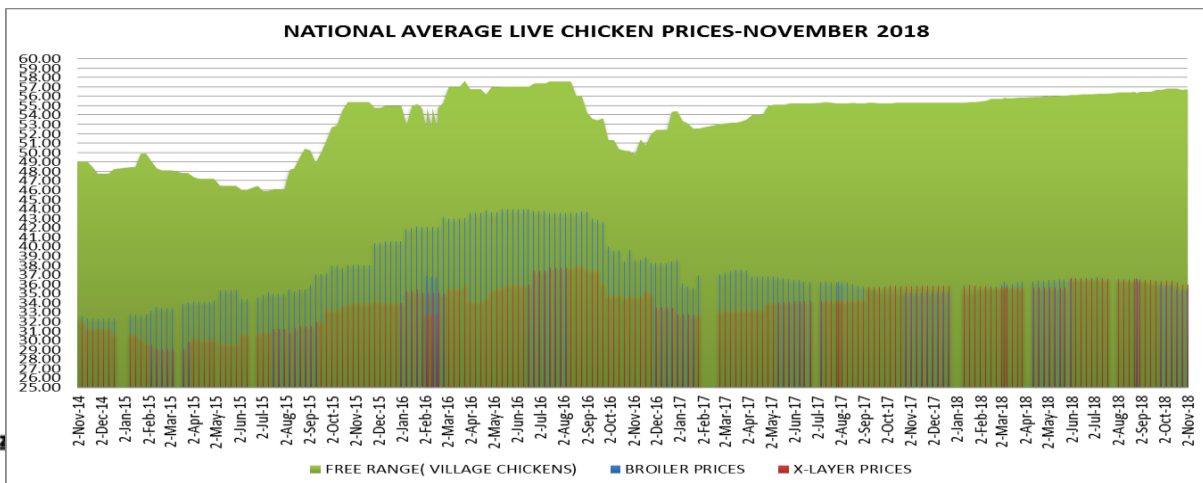


The national average prices for the broiler chickens remained stable during the course of the week. This is mainly attributed to oversupply of chicken in the market, low spending levels amongst the consumers among other factors.

The national live broiler bird prices are averaging ZMK35.50 from ZMK 35.3 recorded in the last two weeks

The X-layer prices also remained unchanged and still trading at ZMK 36.00 same price recorded last week.

The prices for the free range chickens averaged ZMK 56.77 from the ZMK 56.71 recorded in the same period.



Source: Poultry Association of Zambia

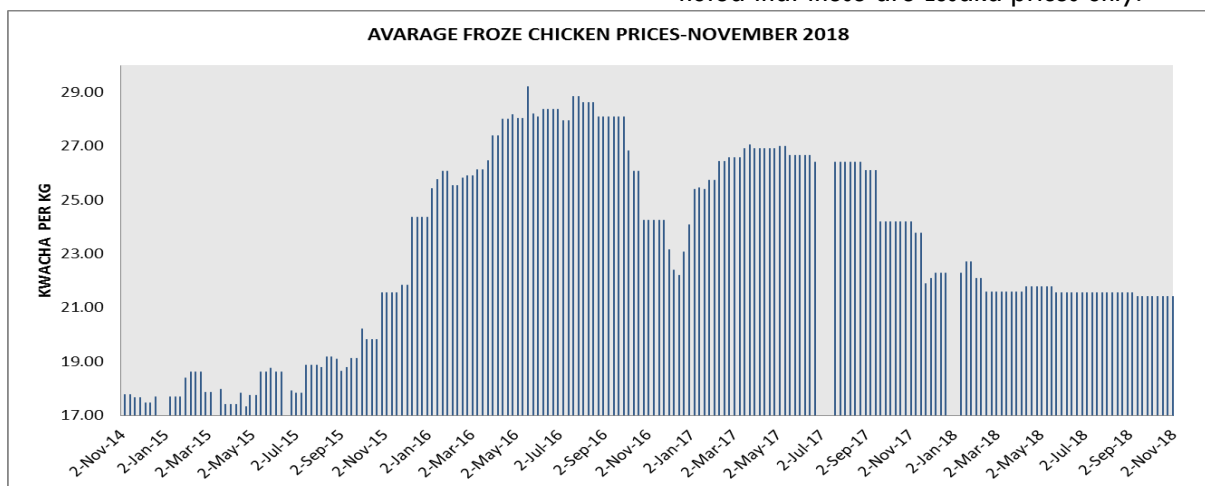


## WHOLE DRESSED CHICKEN PRICES REMAINS UNCHANGED



There were no movements on prices of frozen chickens and pieces during the course of the week. The average price for the whole frozen chicken in Lusaka is still trading at about ZMK21.43 which is the same price that has been trending in the last three weeks. The lowest price in some chain stores is still trading at ZMK 18.99 per kg while the highest is on ZMK 27 per kg. The chicken sizes are ranging between 1.1kg to 1.6kg in different stores.

Please note that the prices are obtained from Pick n Pay, Shoprite, Zambeef, Melisa supermarket and Cheers Stores. Different outlets have different pricing models hence the figures displayed is an average price for all the sampled chainstores. It should also be noted that these are Lusaka prices only.



Source: Poultry Association of Zambia

## AVERAGE PRICES FOR THE POINT OF LAY REGISTERS SOME MOVEMENTS



The prices for the point of lay registered some movements during the course of the week. The average price is now ranging between ZMK69 to ZMK80 per bird depending on the supplier.

Yielding Tree, one of the major suppliers of point of lay is offering good incentives to the farmer based on volumes. The point of lay will be available in December 2018



Great Guowei Farm has point of lay selling at competitive prices. The point of lay will be ready in December 2018

CHOLIMBA Farm in Mkushi has point of lay on sale and will ready in December 2018

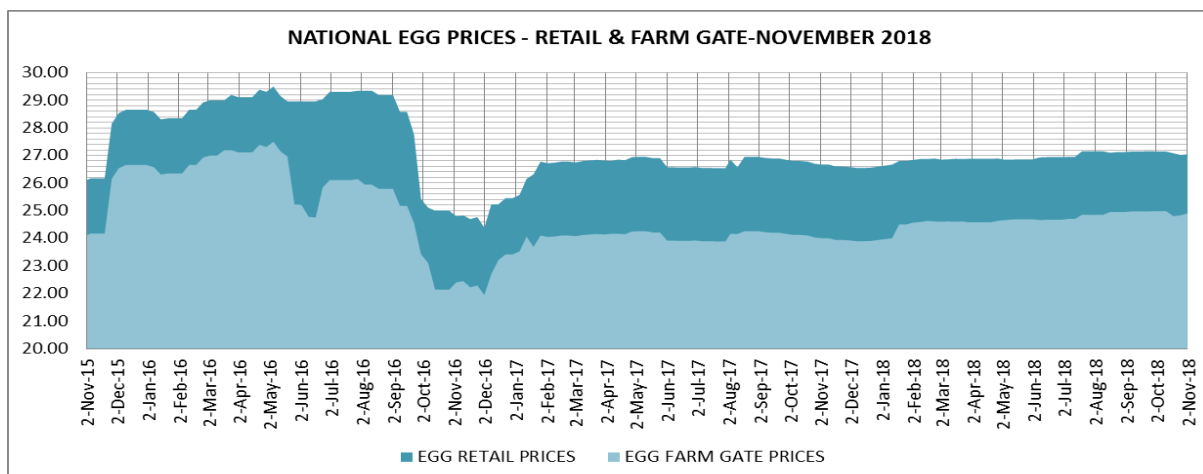
Base-Farm Pullet rearers also have birds available at competitive prices and ready for collection. A total of 16,000 birds available now.

For the beginners who are interested in getting battery cages, cage price ranges between ZMK2700 to ZMK8000 depending on the capacity and also the sources of the cages.

## NATIONAL RETAIL AVERAGE EGG PRICES REMAINS UNCHANGED



There was no significant price change in the egg subsector during the course of the week. The retail prices in markets that are operating within Lusaka averages between ZMK 24.83 to ZMK27.02 per tray for large eggs, and medium eggs while smaller eggs are trading between ZMK19.5 and ZMK22.7 farm gate price. No change on the prices of pullet eggs which are still trading between ZMK18 and ZMK19 per tray. Further, retail prices in some Chainstores have also remained unchanged, averaging between ZMK25 to ZMK36 per tray of 30 eggs depending on the supplier and packaging.



Source: Poultry Association of Zambia

## AVERAGE STOCK FEED PRICES REMAINS UNCHANGED



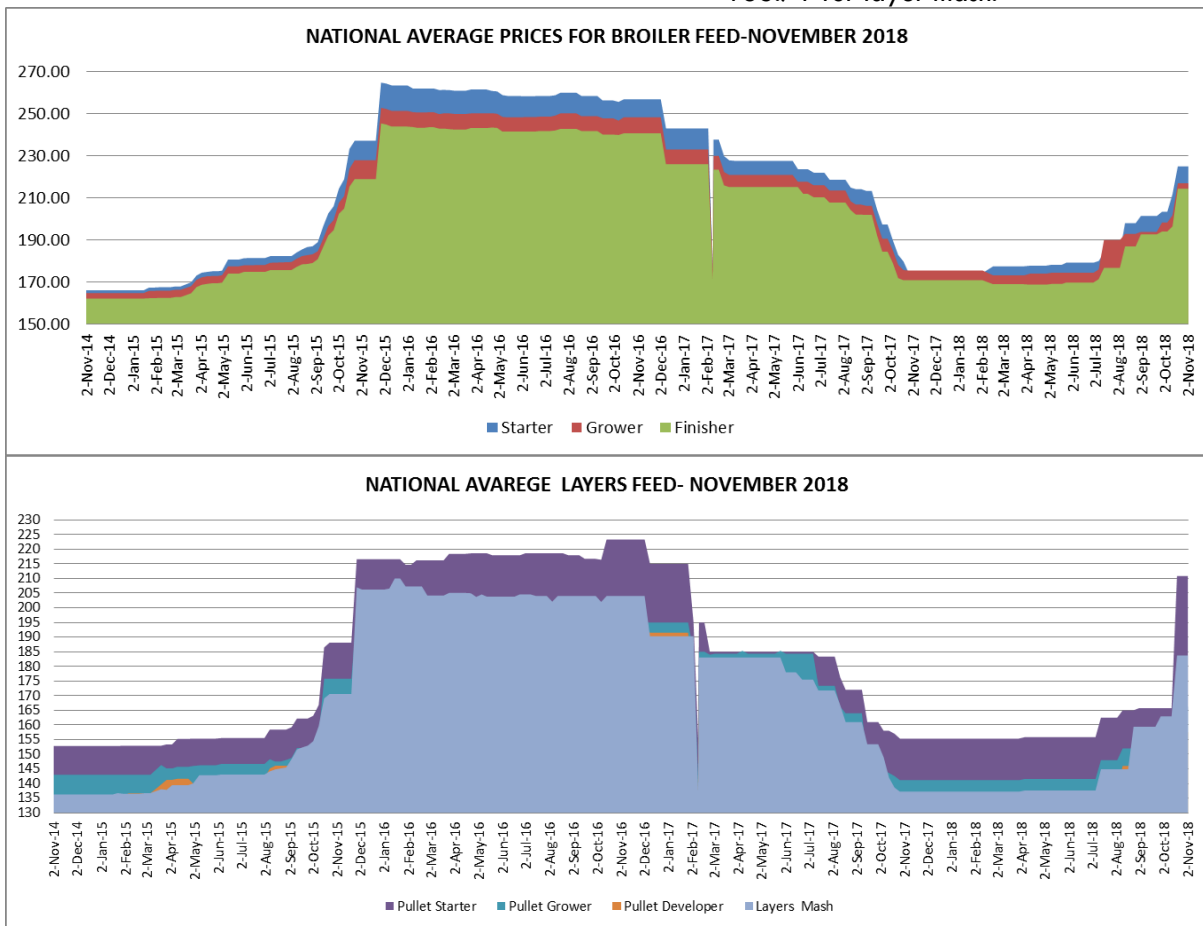
The national average prices for broiler and layer feed remained unchanged in the last two weeks. Broiler starter is still

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trading at ZMK225 compared with ZMK 203.95 recorded three weeks ago. Broiler Grower is tradig at ZMK217 compared with ZMK198.36 recorded in the same period.

Finisher is averaging ZMK 214 compared with ZMK 193.07 recorded in the same period

In the same vain, the layer feed prices have been stable in the last two weeks. Layer feed is now trading at an average price of ZMK 210 for starter, ZMK 166.15 for pullet grower, ZMK 157.49 for pullet developer and finally ZMK 183.71 for layer mash.



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## UPCOMING EVENTS

### NORTHERN PROVINCE INVESTMENT EXPO

19<sup>th</sup> to 23<sup>rd</sup> November

### WORLD ANTIBIOTICS WEEK

12<sup>th</sup> To 16<sup>th</sup> November 2018

Venue to be advised

### EGG PRODUCTION

3<sup>rd</sup> November 2018

Livestock Services

### PRINCIPAL OF HOME FEED MIXING

7<sup>th</sup> November 2018

Livestock Services

### BROILER PRODUCTION

10<sup>th</sup> November 2018

Livestock Services

### SUSTAINABLE VILLAGE CHICKEN PRODUCTION

17<sup>th</sup> November 2018

Livestock Services

## ALERTS! ALERTS! ALERTS! ALERTS!

### FOR SALE

Holstein/Friesian Dairy Animals

**Incalf Heifers** - K22,000 Each, **Bulling Heifers** - K19,000 Each, **1<sup>st</sup> Calvers** - K20,000 Each

Quantity Discount 3% For 3 Or More Animals - Prices Valid @ Exchange Rate of K11.5 To \$1

**PHONE :**

**KATHELIJN, KAMFINSA AREA, KITWE; 0966-924179 AND 0979-247258;**

**EMAIL: [ksmulders13@gmail.com](mailto:ksmulders13@gmail.com)**

### WANTED USED DAIRY PARLOR

Herring bone swing over any system 10 to 20 cow stands

Eugene Meintjes Kamfinsa Dairy Farm **0965-994403**

Email: [kamfinsa@gmail.com](mailto:kamfinsa@gmail.com)

will dismantle and collect





**CATTLE SALE! CATTLE SALE! CATTLE SALE!**

## Silverlands Ranching Ltd

Excellent Heifers ready to serve this breeding season (Dec 2018-Feb 2019)

All progeny from imported Bonsmara Bulls from some of the best herds in South Africa.

Dams are proven ranch cows selected over generations for fertility and performance.

Weight 270 kgs and above @ k16/kg live (per heifer approx k4300-k4500)

CONTACT:

**FERGUS FLYNN – SILVERLANDS RANCHING LIMITED**

TEL: 0978 635012 / 0960283494, Email: [Fergusf@silverlandszam.com](mailto:Fergusf@silverlandszam.com) or [fergusoaflynn@gmail.com](mailto:fergusoaflynn@gmail.com)

Sandys Creations Garden Centre, 31/32, Farm 4300,

Kafue Road, Chilanga, Zambia

P.O. Box CA01 Castle,

Lusaka, Zambia

## SALE: USED SISAL BAGS

Sisal cotton bags available

Over 10,000 bags available

Price K8 per bag, negotiable for bulk buying

Contact: no 3 Nkanchibaya Road, Rhodes Park Lusaka

Mobile: Caesar Kaluba

0967964982 or 0966446057

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## TRACTOR SALE! TRACTOR SALE! TRACTOR SALE!



A Fortima HP 130 Brand new tractor with full accessories is up for Sale!!!

**Special features:** 4 wheel Drive, Fully Airconditioned Cabin with Stereo, Hydraulic Steering and ballast weight in front.

Accessories: 6 roll seed planter, 32 disc harrow with hydraulics, and 5 disc plough

Total asking price: **US\$41,000 only** ... For further information, kindly call Mr. Tembo on

**0976 821 284 or 0967 646 827 (WhatsApp)**

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## AUCTION SALE! AUCTION SALE!



Nanga Farms Plc a company incorporated under the laws of the republic of Zambia will be conducting an auction sale. The principal activities of Nanga Farms Plc are sugar cane growing and livestock rearing.

Viewing of items will be open to the public from 12th November, 2018 to 17th November, 2018.

Bid Forms and Offers are to be collected and made via sealed bids at the communications office by close of business on the 17th of November 2018.

A comprehensive list with quantities and reserve amounts for items is available upon request from the contact details below;

**Contact Details :**

[Dkanje@zamsugar.zm](mailto:Dkanje@zamsugar.zm)  
[Smundia@zamsugar.zm](mailto:Smundia@zamsugar.zm)  
Cell:+260 978 772211

1. Air cons		15. Ox-cut Trailers	Runners
2. Amazon fertilizer	Scrap	16. Hitachi pump and Regulator	
3. Bob cat	Scrap	17. Toyota Hilux	Non-runners
4. Compressor	Scrap	18. Pivot Transformers	Scrap
5. Compressor tank	Scrap	19. Valment tractors	Non-runners
6. Deep freezer		20. Valtra Tractors	Non-runners
7. Drawbar ball hitch		21. Welding Machines	Scrap
8. Drawbar hitch		22. Plastic Tanks	Scrap
9. Fertiliser hopper (applicator)	Scrap	23. caterpillar spares	
10. Motor Bikes	Non-runners	24. john deer spares	
11. Honda Pumps	Scrap	25. Mitsubishi spares	
12. Kardex deck		26. Nissan spares	
13. Lawn Mowers		27. gud filters	
14. Nissan Vehicle	Non-runners	28. Miscellaneous stock items	



## Nanga Farms Plc





## WEATHER

### SEVEN DAYS WEATHER FORECAST 3<sup>RD</sup> NOVEMBER TO 9<sup>TH</sup> NOVEMBER 2018

#### GENERAL SITUATION

During the period 3rd to 5th November, 2018, the weather will be characterized with relatively dry airflow from the south east affecting the Southern parts of Zambia and relatively moist and unstable airflow from the North-West (Congo air) affecting the Northern parts of Zambia. This will result into mainly sunny, windy and hot weather conditions to the South and occasional showers over the Northern parts.

However, from the 6th of November 2018, to the end of the forecast period; relatively dry and stable airflow from the south east will be affecting most parts of Zambia except for the extreme northern parts of the country that will be under the influence of unstable Congo airflow. This will give cloudy weather conditions with rainfall activities especially over the Western and extreme Northern parts of Zambia.

#### DETAILED FORECAST FROM 3RD TO 5TH NOVEMBER 2018

Lusaka and the western districts of Central province: Mainly sunny, windy at times and warm at first, becoming hot tending to be very hot in the valley areas and warm in the evening. The nights will be clear, windy at times and warm. The Rest of Zambia: Partly cloudy and warm at first becoming cloudy with a likelihood of showers in the afternoon especially over the Western, North-Western and Luapula provinces. The nights will be partly cloudy, windy at times and warm. Register to get daily Weather updates by requesting through [info@zmd.gov.zm](mailto:info@zmd.gov.zm)

#### DETAILED FORECAST FROM 6th TO 9th NOVEMBER 2018

Western, North-western, Copperbelt, Luapula and Northern Provinces: Partly cloudy and warm with a likelihood of morning rain, becoming cloudy and hot with showers and thunderstorms by afternoon. The nights will be partly cloudy and warm with rain in few places. The rest of Zambia: Mainly sunny and warm in the mornings, becoming partly cloudy and hot. The nights will be warm with few clouds.

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

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