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Zimbabwe

Grain and Feed

Update

2007

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Report Highlights:

Zimbabwe is expected to produce about 850,000 tons of corn from the 1.3 million hectares planted in 2006. This is 50,000 tons less than the 900,000 tons produced on the same area in 2005. The country thus faces another year of grain shortages needing about 350,000 tons of imports. Zimbabwe already struggles with foreign exchange shortages and the high international grain prices will aggravate the problem. Preparation for winter wheat production is expected to start soon.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Pretoria [SF1]
[RH]

Summary

Only the northern parts of the country have been receiving consistent rains and the corn crop condition is generally good. Rainfall in the southern parts of the country has been low and erratic, and crop condition is poor.

The country faces another season of grain shortages, with the 2006/7 production estimated at 850,000 MT from 1.3 million hectares.

Preparations for wheat production are yet to start. Two newly released summer wheat varieties that can be planted early (mid-January to early April) have the potential to increase the wheat production, but fertilizer shortage and limited tillage capacity remain major production constraints.

Exchange rate: Z\$250 =US\$1 (official)
 Z\$4,500 =US\$1 (parallel market)

Corn

PSD Table

Country Zimbabwe

Commodity Corn

1000 HA2004 Revised 2005 Estimate 2006 Forecast

1000 MTUSDA

Official Post

EstimatePost

Estimate

New USDA

Official Post

EstimatePost

Estimate

New USDA

Official Post

EstimatePost

Estimate

New

Market Year Begin 05/200505/2005 05/200605/2006 05/200705/2007

Area Harvested 1200 1200 1200 1300 1300 1300 1300 1300 1300 1300

Beginning Stocks0 0 0 0 0 0 0 0 0 0

Production 550 550 550 900 900 900 850 850 850

MY Imports 1033 1002 1033 200 200 200 350 350 350

TY Imports 731 731 731 671 900 671 300 600 300

TY Imp. from U.S. 0 0 0 0 0 0 0 0 0 0

Total Supply 1583 1552 1583 1100 1100 1100 1200 1200 1200

MY Exports 0 0 0 0 0 0 0 0 0 0

TY Exports 0 0 0 0 0 0 0 0 0 0

Feed Consumption 75 75 75 75 75 75 75 75 75 75

FSI Consumption1508 1477 1508 1025 1025 1025 1125 1125 1125

Total Consumption 1583 1552 1583 1100 1100 1100 1200 1200 1200 1200

Ending Stocks 0 0 0 0 0 0 0 0 0 0

Total Distribution1583 1552 1583 1100 1100 1100 1200 1200 1200

Production

The corn crop is at different stages. In areas where corn was planted early (mid to late November), the crop is at the reproductive stage (silking to cob-filling). It is estimated that about 20% of the corn crop was planted early. In most parts of the country corn was planted late (mid-December and January) due to erratic and poorly distributed rainfall in the first half of the season. Consequently, most of the corn crop in the country varies from mid and late vegetative stages to reproductive (pollination and silking) stages. Unless the rainfall period

extends into April, the late-planted crop will produce low yields. This is because cob filling, the stage where moisture demands of the crop at the peak, will coincide with the rainfall tail-off period in March.

The southern parts of the country (Matebeleland South, Matebeleland North, Masvingo and Midlands) are experiencing low rainfall and the condition of corn crops in these areas is poor, with some crops exhibiting symptoms of wilting. Unless rainfall improves, corn yields in these areas will be low. Crop condition in parts of Manicaland that had been dry will improve after cyclone Favio brought about heavy rains in the area in the later part of February. The traditional grain belt in the northern part of the country (Mashonaland West, Mashonaland Central and some parts of Mashonaland East) are experiencing good rainfall and the crop condition is generally good.

Fertilizer availability remains critical and is affecting quality of the crop. Some of the crops were planted without basal fertilizers and the majority of corn crops are in need of top-dressing (nitrogen) fertilizers.

Estimates for production are for a lower crop size than the 2005/6 season. At this stage a crop of about 850,000 MT from 1.3 million hectares is forecasted, but a lot still depends on the rainfall quantity and temporal distribution.

Consumption

The 2005/06 harvested corn crop estimated at 900,000 MT is lower than the national requirement of about 1.6 million MT.

Currently corn is in short supply in the southern parts of the country, (particularly in Matebeleland South) and this shortage is pushing up the corn meal prices.

In mid February, the government removed the huge subsidy on corn to millers and increased the price from Z\$600/MT to Z\$58,000. Prior to this, the government had been buying corn from farmers at Z\$52,500/MT and selling to millers for Z\$600/MT. The price of corn meal has also risen significantly from an average of Z\$380/kg to Z\$620/kg. These high prices coupled with the high inflation that jumped from 1281% in December 2006 to 1593% in January 2007 will reduce purchasing capacity of consumers and will affect consumption patterns.

Trade

Zimbabwe has been importing corn from South Africa in order to augment local corn production as shown on the table below.

Weekly imports of corn from South Africa (May 2006 to date)

2006, Week	White Corn (MT)	Yellow corn (MT)	Total (MT)
04/29 – 05/05	4,158	117	4,275
05/06 – 05/12	4,308	118	4,426
05/13 – 05/19	4,032	29	4,061
05/20 – 05/26	9,473	0	9,473
05/27 – 06/02	7,896	0	7,896
06/03 – 06/09	4,679	0	4,679
06/10 – 06/16	1,710	0	1,710
06/17 – 06/23	7,654	0	7,654
06/24 – 06/30	5,604	0	5,604

07/01 – 07/07	5,857	0	5,857
07/08 – 07/14	17,391	0	17,391
07/15 – 07/21	2,945	0	2,945
07/22 – 07/28	1,100	0	1,100
07/29 – 08/04	0	0	0
08/05 – 08/11	100	0	100
08/12 – 08/18	0	0	0
08/19 – 08/25	0	0	0
08/26 – 09/01	0	0	0
09/02 – 09/08	241	0	241
09/09 – 09/15	63	0	63
09/16 – 09/22	0	0	0
09/23 – 09/29	0	0	0
09/30 – 10/6	0	0	0
10/07 – 10/13	1,157	0	1,157
10/14 – 10/20	3,524	0	3,524
10/21 – 10/27	1,701	0	1,701
10/28 – 11/03	1,690	0	1,690
11/04 – 11/10	2,660	0	2,660
11/11 – 11/17	1,429	0	1,429
11/18 – 11/24	281	0	281
11/25 – 12/01	1,001	0	1,001
12/02 – 12/08	643	0	643
12/09 – 12/15	588	0	588
12/16 – 12/22	173	0	173
12/23 – 12/29	322	0	322
2007			
12/30 – 01/05	924	0	924
01/06 – 01/12	316	0	316
01/13 – 01/19	498	0	498
01/20 – 01/26	34	0	34
01/27 – 02/02	0	0	0
02/03 – 02/09	0	0	0
02/10 – 02/16	0	0	0
Total to date	94,152	264	94,416

The table below shows a month-by-month comparison of corn imports between MY2005/6 and the current marketing year.

Monthly corn imports in MY 2005/6 and MY2006/7

Month	Corn imports (MT)	
	MY 2005/6	MY 2006/7
May	76,567	30,131
June	99,281	19,647
July	95,274	27,293
August	87,327	100
September	97,237	304
October	77,650	8,072
November	102,209	5,371
December	77,356	1,726
January	64,501	1,772
February	96,739	
Total	874,141	94,416

Compared to MY2005/6, the rate and quantity of current corn imports has slowed down significantly due to a shortage of foreign currency. In 2005/06 Zimbabwe imported 1.3 million MT from South Africa at an average of 112,000 MT per month, but this season's total corn imports to date are only 94,416 MT at an average of 10,500 MT per month.

The government has also entered into a 100,000 MT contract from Zambia. By the 11th February, 6,288 MT of this amount had been dispatched to Zimbabwe.

Wheat

PSD Table

Country Zimbabwe

Commodity Wheat

1000 HA2004 Revised 2005 Estimate 2006 Forecast

1000 MTUSDA

Official Post

EstimatePost

Estimate

New USDA

Official Post

EstimatePost

Estimate

New USDA

Official Post

EstimatePost

Estimate

New

Market Year Begin

			07/2004	07/2004		07/2005	07/2005		07/2006	07/2006
Area Harvested	35	35	35	35	35	35	35	45	35	
Beginning Stocks	100	0	100	100	0	100	100	0	100	
Production	105	105	105	120	120	120	135	135	135	
MY Imports	130	130	130	125	90	125	125	100	125	
TY Imports	130	130	130	125	90	125	125	80	125	
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	0
Total Supply	335	235	335	345	210	345	360	235	360	
MY Exports	0	0	0	0	0	0	0	0	0	
TY Exports	0	0	0	0	0	0	0	0	0	
Feed Consumption	0	0	0	0	0	0	0	0	0	0
FSI Consumption	235	235	235	245	210	245	260	235	260	
Total Consumption	235	235	235	245	210	245	260	235	260	260
Ending Stocks	100	0	100	100	0	100	100	0	100	
Total Distribution	335	235	335	345	210	345	360	235	360	

Production

Wheat production in 2006 is estimated at 135,000 MT from an area planted of 45,000 hectares.

Preparations for winter wheat production are yet to start. Two new summer wheat varieties have been commercially released and if adopted could result in increased wheat production. The recommended planting dates of these new wheat varieties are from Mid-January to early April. Maturity and harvest is in September to October before the onset of the rains. In 2006 wheat production and quality was adversely affected by the onset of the rains at harvesting.

Until the recent release of the summer varieties, wheat production has been restricted to winter with the recommended planting dates being early to late May. The availability of the summer wheat varieties effectively extends the window by making it possible to grow wheat under rain-fed conditions. The potential effect of this new development could be to extend the wheat production both spatially and temporally.

However, the limited availability of fertilizers and low tillage capacity remains a serious challenge to wheat production.

Consumption

The Grain Marketing Board (GMB) is currently allocating 5,000 MT per week (or 260,000 MT per annum) to bakers because of limited availability of the commodity. This is inadequate to cater for the country's requirements of about 350,000 MT.

Trade

Wheat imports have also been slow. The country has so far imported a total of 14,504 MT comprising 4,462 MT from South Africa and 10,042 MT from Argentina