



# Zimbabwe Poultry Association

Old Show Office, Exhibition Park, Samora Machel Ave, Harare

P O Box BE 209, Belvedere, Harare

Ph: +263 (24) 2756 600 / 2772 915 / 2777 391

Email: [admin@lit.co.zw](mailto:admin@lit.co.zw)

## Newsletter June 2021

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### Production News

**Broiler Breeders:** Stocks of growing and in-production broiler breeder birds continued to improve and peaked at a record high of 925,670 birds in June 2021 (Table 1, Figures 1 and 2), surpassing the previous peak of 877,639 achieved in June 2013 and clearly demonstrates the response of breeders to meet increasing demand for broiler day old chicks (DoCs).

Table 1. Monthly average number of broiler breeder stocks (thousands), January 2020 to June 2021

Breeders	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Growing	238	249	292	278	282	366
In-Production	427	375	415	451	480	448

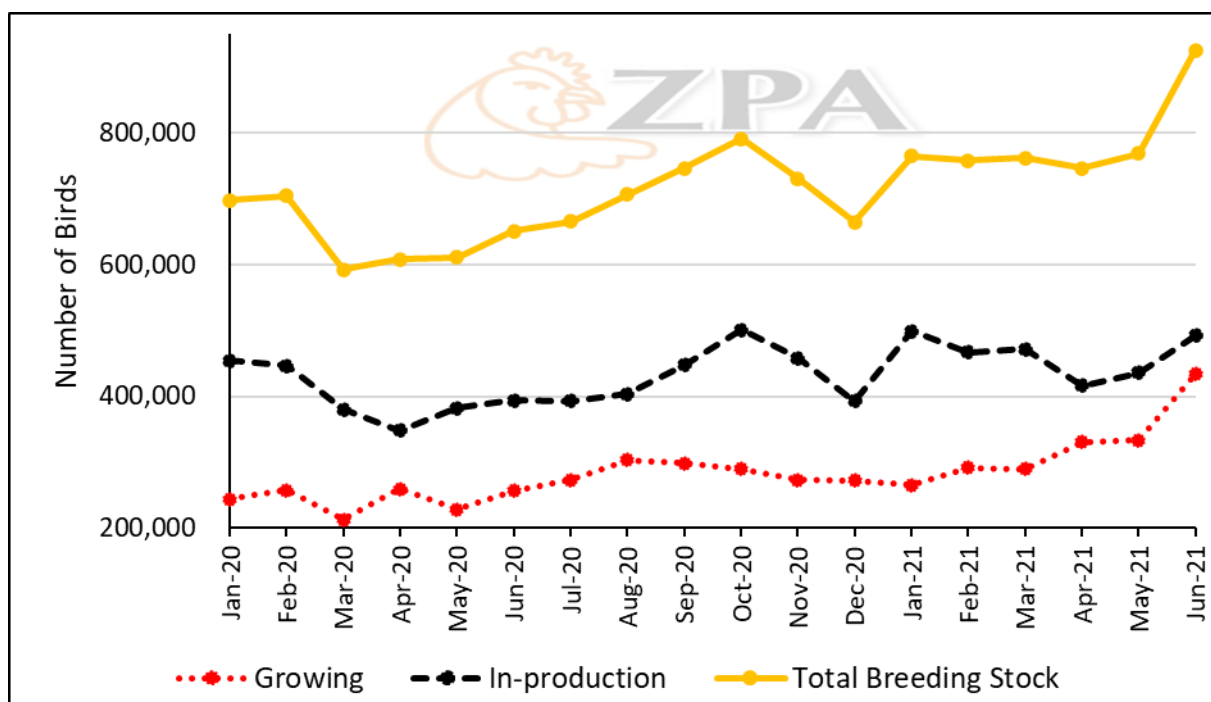


Figure 1. Broiler breeder stocks, January 2020 to June 2021

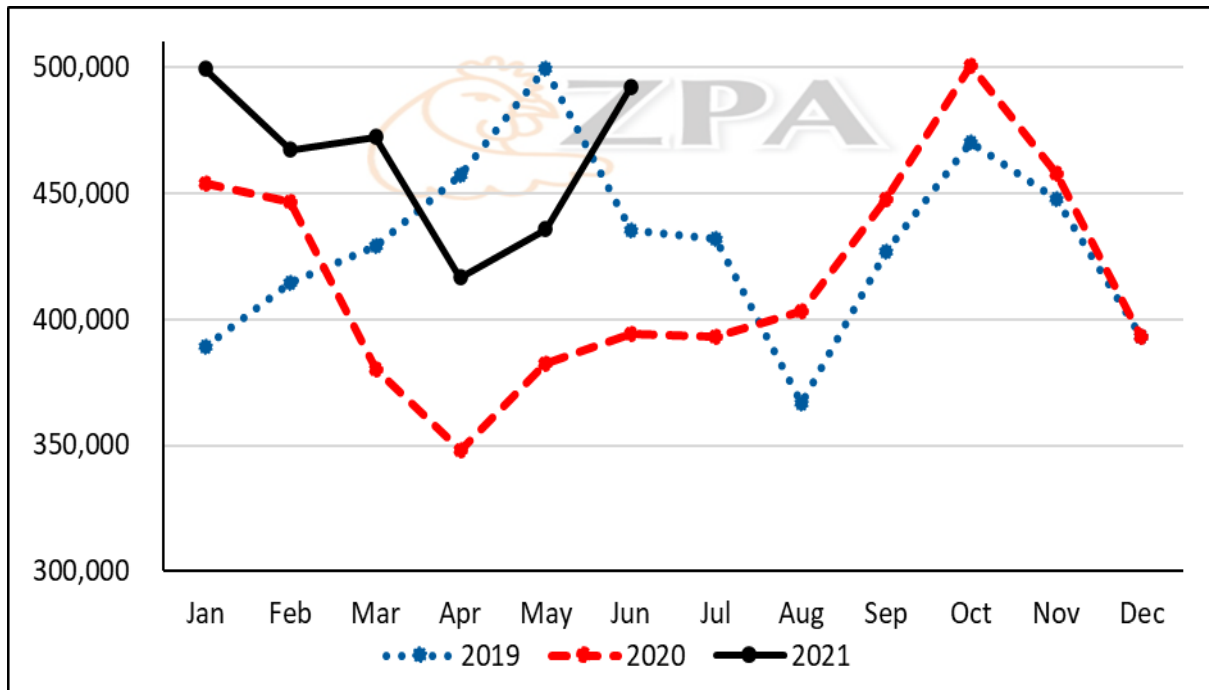


Figure 2. Broiler breeder in-production stocks, January 2019 to June 2021

**Broiler Hatching Eggs:** Local production of hatching eggs averaged 8.5 million per month in Q2 (April to June) of 2021, being 4% higher than Q1 (January to March). In addition, imports of hatching eggs in Q2 averaged 1.3 million per month, being 136% higher than Q1. As result, total hatching eggs averaged 9.8 million per month which was 12% higher than Q1 of 2020 and the highest Q2 average (Table 2, Figures 3 & 4). Breeders produced a total of 49.9 million broiler hatching eggs over the first six months of the year, surpassing the previous high of 47.1 million eggs over the first six months of 2019.

Table 2. Monthly average number of locally produced, imported and total broiler hatching eggs (millions), January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Produced	8.4	6.5	8.3	8.6	8.1	8.5
Imported	0.4	0.3	0.4	0.4	0.5	1.3
Total	8.8	6.8	8.7	9.0	8.7	9.8

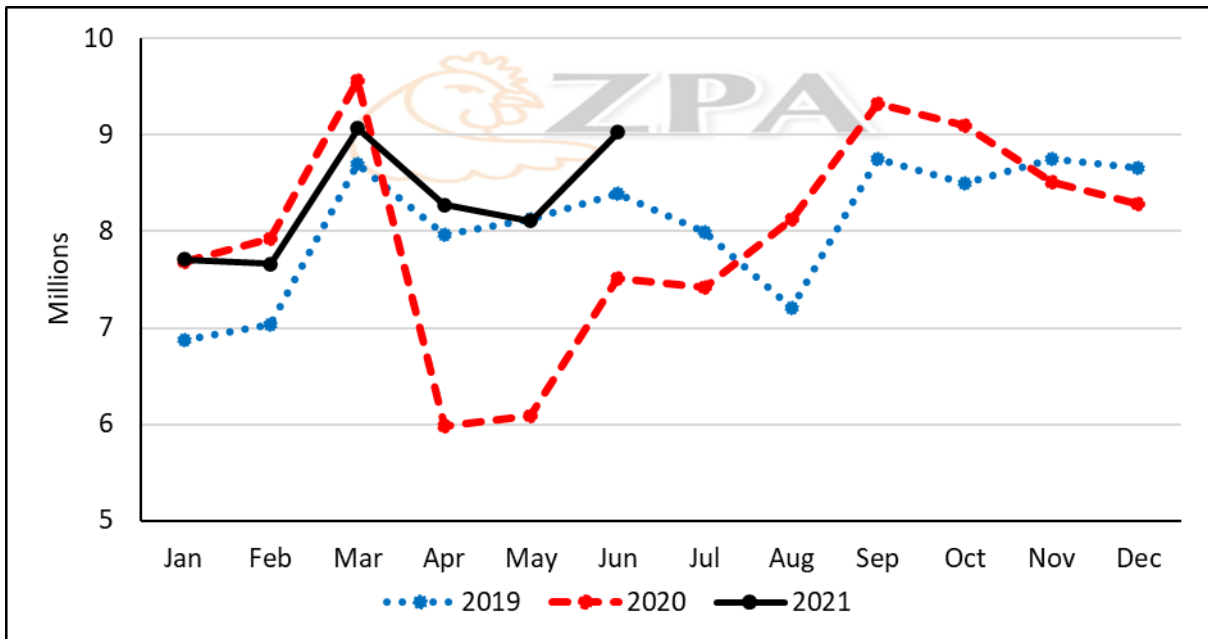


Figure 3. Locally produced broiler hatching eggs, January 2019 to June 2021

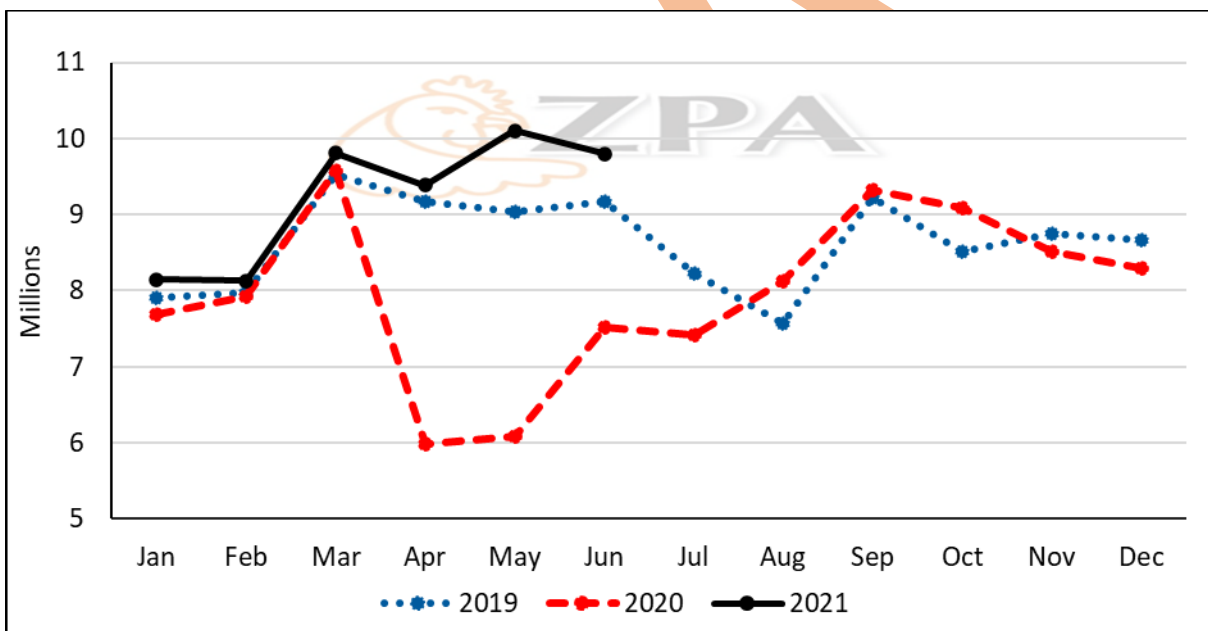


Figure 4. Total broiler hatching eggs, January 2019 to June 2021

**Broiler Day-Old Chicks:** Broiler day-old chicks averaged 7.4 million per month for Q2 of 2021, being 9% higher than Q1 (Table 3, Figure 5) and matched the peak performance achieved in Q2 of 2018. A total of 42.7 million DoCs were marketed over the first six months of the year compared with 43.6 million in 2018 when the industry was recovering from Avian Influenza outbreak and half the production of DoCs was based on imports of hatching eggs.

Table 3. Monthly average broiler chick production (millions), January 2020 to June 2021

2020				2021	
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
5.7	4.6	6.5	7.0	6.8	7.4

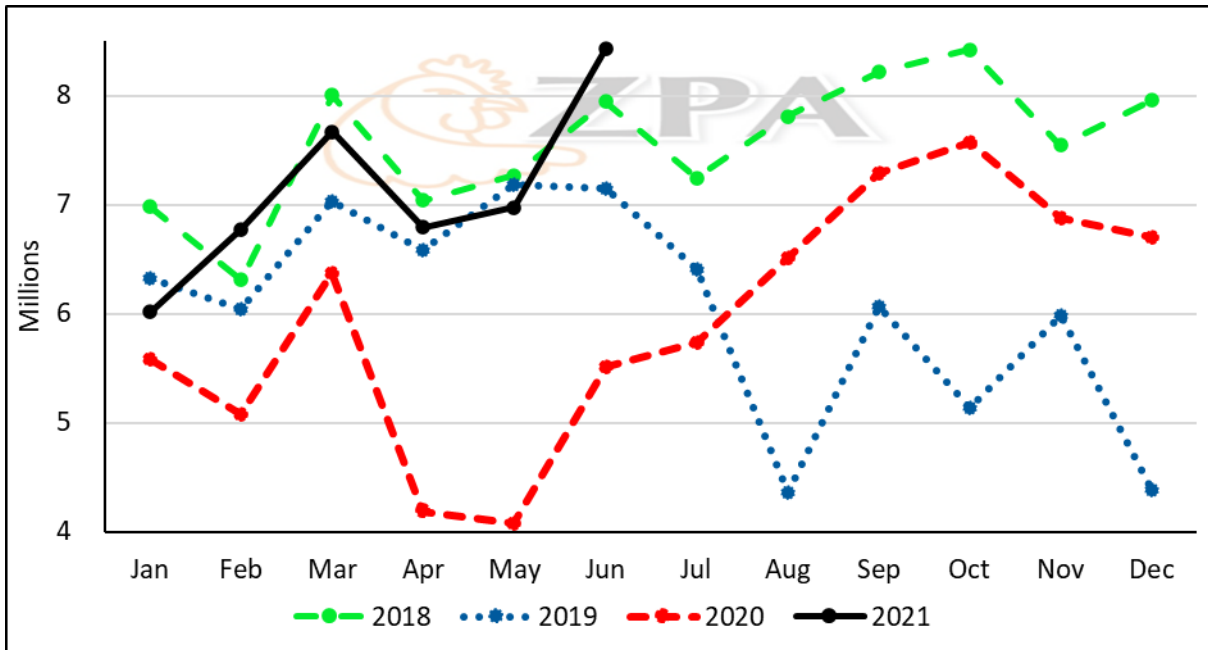


Figure 5. Broiler day-old chicks, January 2018 to June 2021

The price of DoCs continued to increase and was ZWL 11,453 per 100 chicks in June while the chick price in USD terms stabilised at USD 91 per 100 chicks for the months March to June (Table 4, Figure 6).

Table 4. Monthly average broiler chick prices, January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Price per 100 chicks, ZWL	1,161	3,157	6,240	8,928	9,284	11,133
Price per 100 chicks, USD	39	47	59	82	84	90

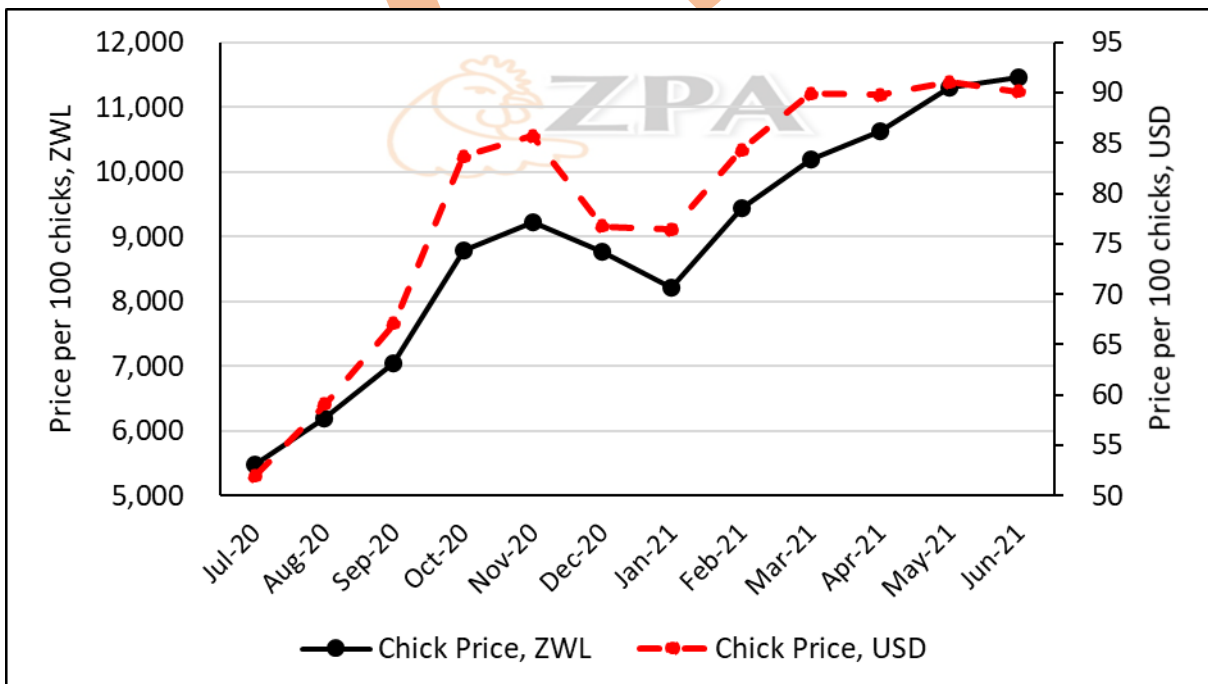


Figure 6. Broiler day-old chick prices, July 2020 to June 2021

**Broiler Meat Production:** The estimate of broiler meat production is based on total DoCs produced. Returns from large-scale abattoir operators provide information on the number of birds processed, primarily for the large retail outlets, and is approximately one third of the total number of chicks marketed. The difference between total chicks sold and birds processed by large-scale abattoirs is assumed to be chicks taken up mostly by small and medium producers (SMPs). These differences, after taking into consideration estimated mortalities, are used to provide an estimate of meat production from this sector.

Large-scale, estimated small-scale and total meat production in Q2 increased by 10, 13 and 12% respectively compared with Q1, and was 66% up on the same period last year which was negatively impacted by Covid-19 restrictions (Table 5, Figures 7, 8 and 9). Total meat produced for the six months of the year was estimated at 67,298mt, equalling peak production attained in the first six months of 2018.

Table 5. Average monthly broiler meat production (metric tonnes), January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Large-Scale	3,089	2,014	2,197	2,685	2,983	3,273
Estimated Small-Scale	5,650	5,127	8,082	8,338	7,589	8,587
Total	8,739	7,140	10,280	11,023	10,573	11,860

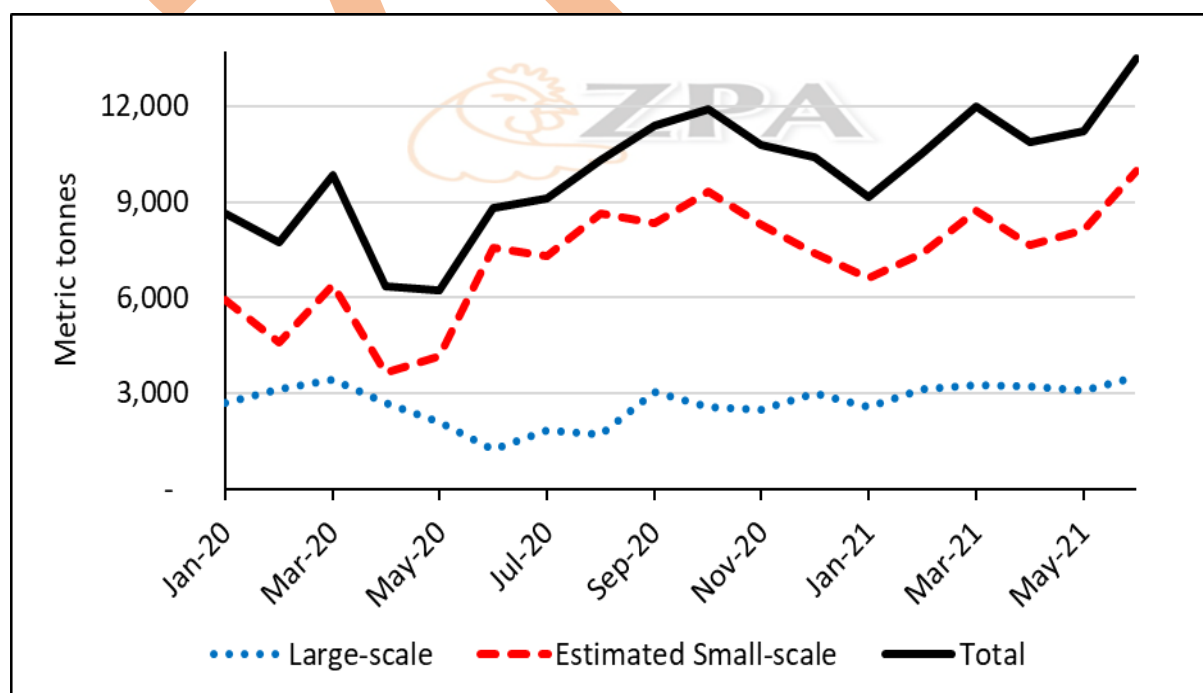


Figure 7. Broiler meat production, January 2020 to June 2021

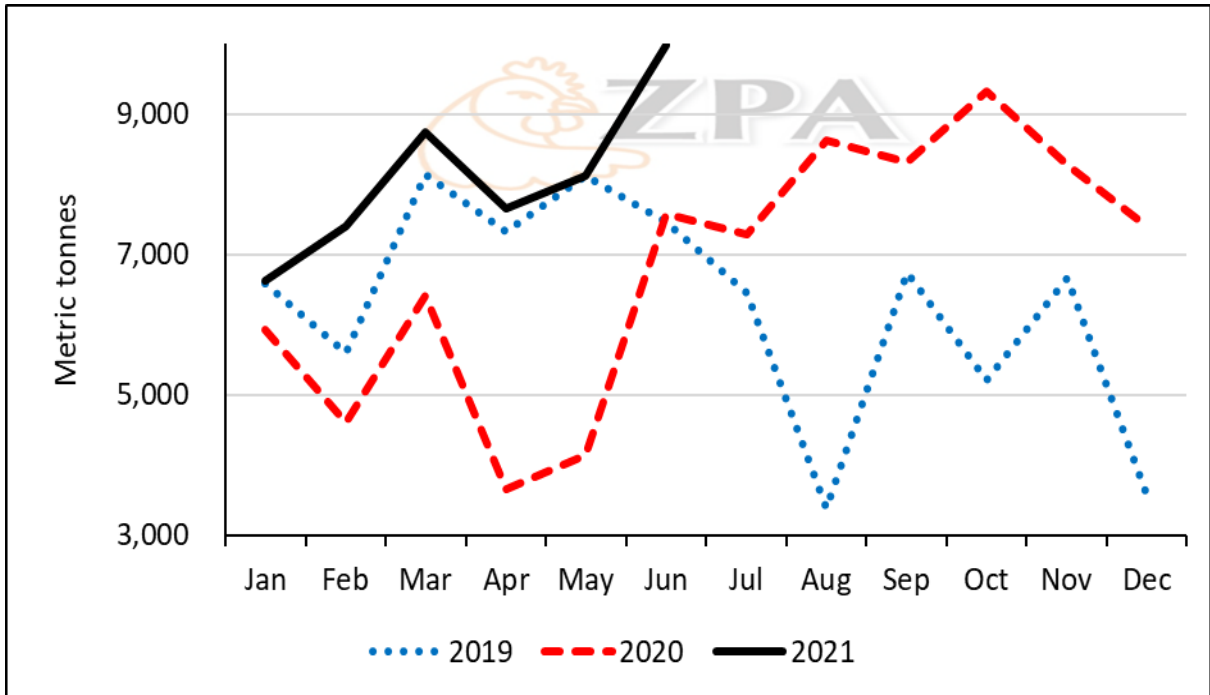


Figure 8. Estimated small-scale broiler meat production, January 2019 to June 2021

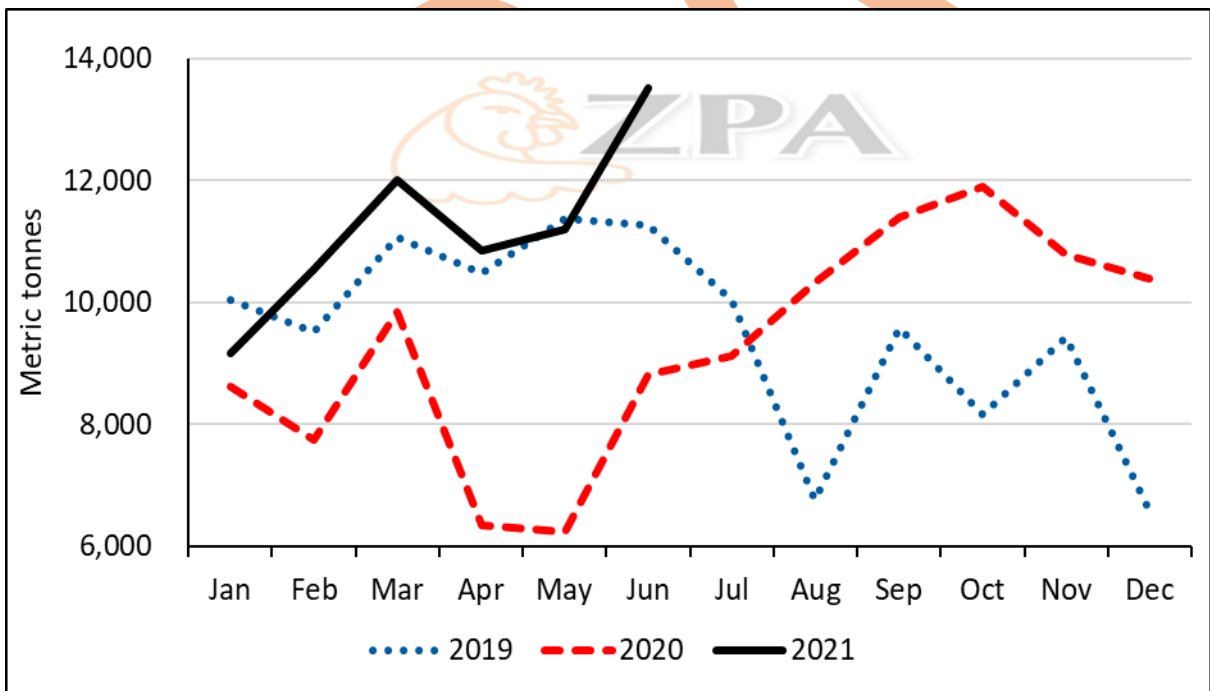


Figure 9. Estimated total broiler meat production, January 2019 to June 2021

**Broiler Meat Prices:** On average, second quarter producer price and wholesale prices increased by 0 to 19% (-8 to 7% in USD terms) over the Q4 of 2020 (Table 6, Figures 10 and 11).

Table 6. Broiler producer and wholesale prices, January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Producer price, ZWL/kg	40	69	113	168	181	219
	<u>Wholesale prices, ZWL/kg</u>					
Whole bird	75	148	260	327	395	428
Leg quarters	82	166	300	325	399	437
Breast	97	193	348	418	482	484
1kg IQF*	72	149	272	303	313	372
2kg IQF*	68	138	244	283	309	366
Producer price, USD/kg	1.35	1.10	1.07	1.54	1.67	1.81
	<u>Wholesale prices, USD/kg</u>					
Whole bird	2.49	2.27	2.47	3.00	3.65	3.61
Leg quarters	2.73	2.51	2.85	2.98	3.66	3.61
Breast	3.22	2.92	3.31	3.84	4.42	4.21
1kg IQF*	2.40	2.26	2.59	2.78	2.91	3.08
2kg IQF*	2.25	2.10	2.32	2.60	2.85	3.03

\* Individually Quick Frozen

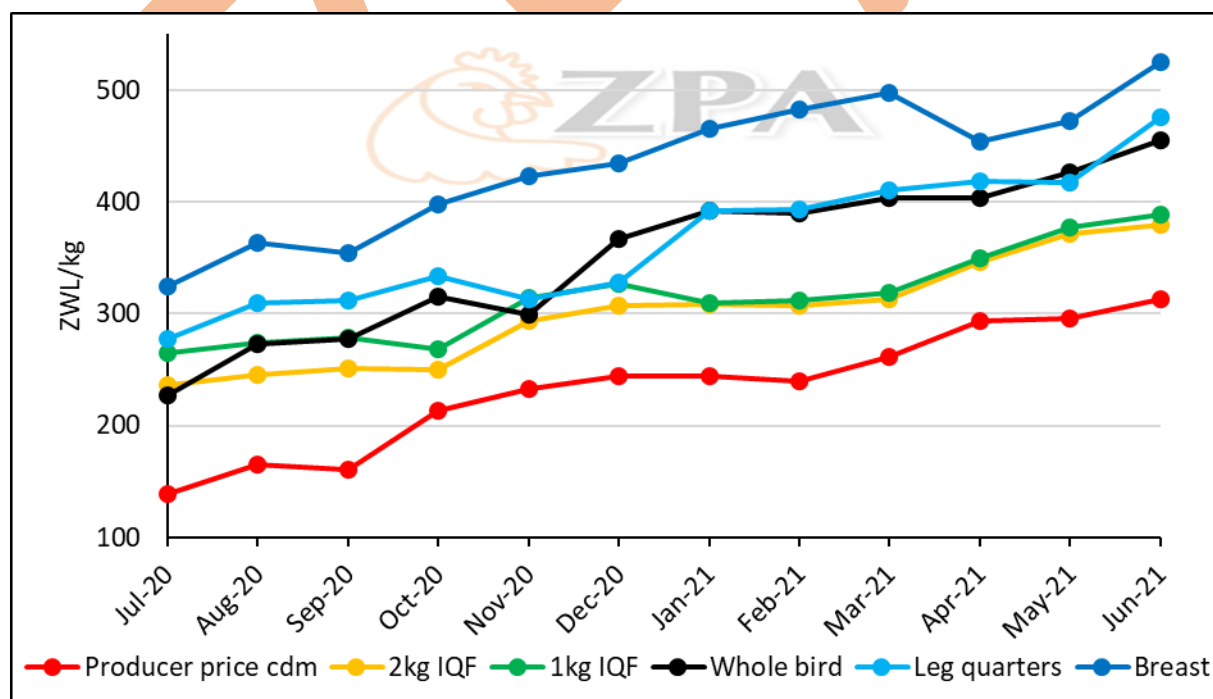


Figure 10. Broiler meat wholesale price trends (ZWL), July 2020 to June 2021

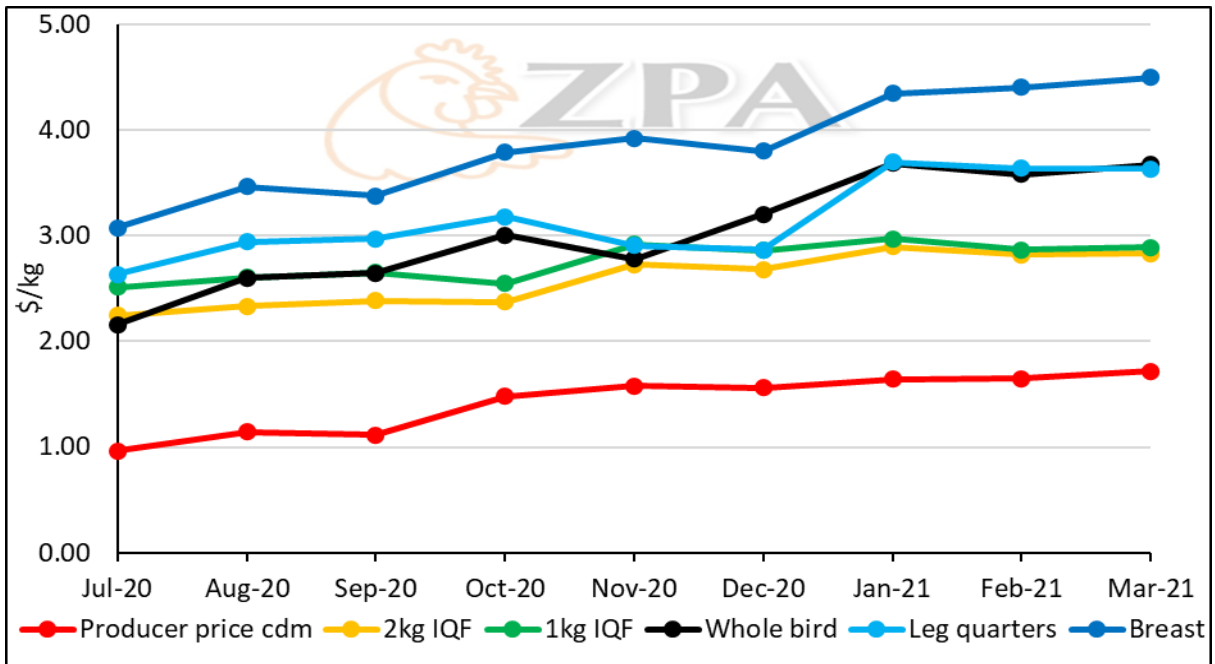


Figure 11. Broiler meat wholesale price trends (USD), July 2019 to June 2021

**Layer Breeders:** Total growing and in-production layer breeder stocks averaged 75,700 birds per month in Q1 of 2021, being similar to Q1 (Table 7, Figure 12) and returning to stock levels last seen in 2013.

Table 7. Monthly average number of layer breeder stocks, January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Growing	18,758	13,925	18,365	19,018	28,946	24,826
In-Production	39,900	43,830	35,998	44,830	48,524	50,874

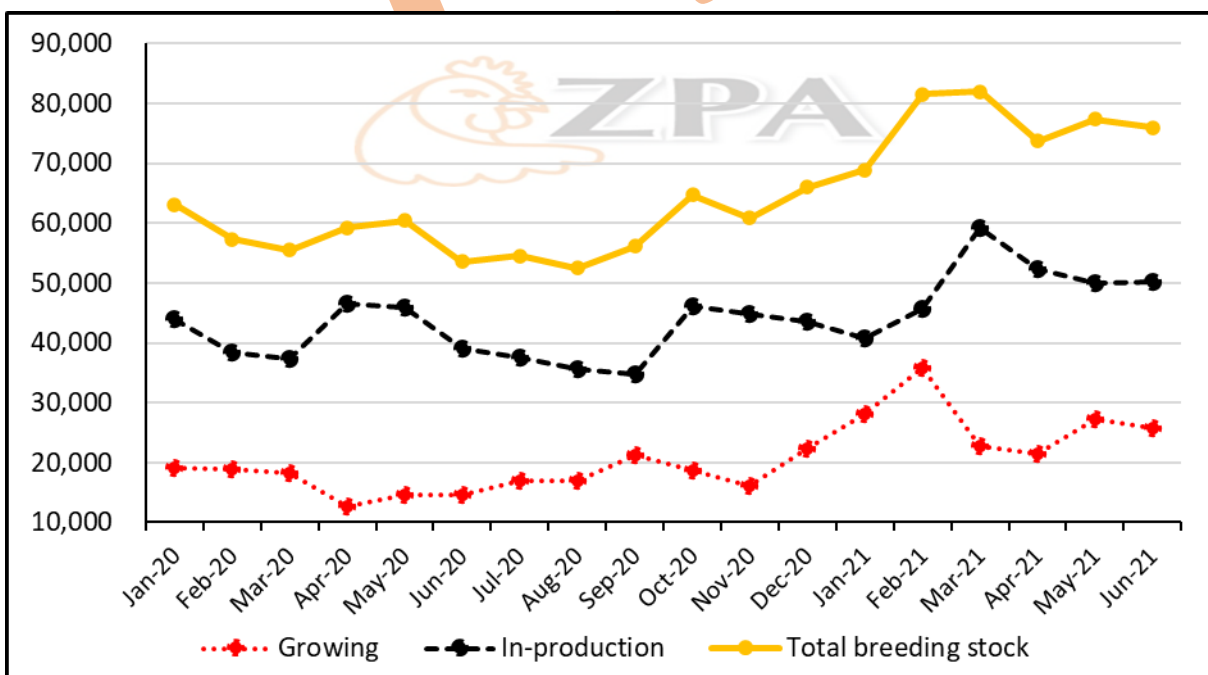


Figure 12. Layer breeder stocks, January 2020 to June 2021

Layer Hatching Eggs: Production of layer hatching eggs in Q2 averaged 978 thousand eggs per month, being an increase of 9% compared with Q1 (Table 8, Figure 13), and as with breeder stocks, are similar to levels of production last seen in 2013 and 2014. Together with imports of 144,280 hatching eggs per month, total layer hatching eggs averaged 1.1 million eggs in Q2.

Table 8. Monthly average number of locally produced, imported and total layer hatching eggs, January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Produced	887,156	858,107	817,471	838,250	866,712	997,509
Imported	-	-	-	-	137,467	144,280
Total	887,156	858,107	817,471	838,250	1,009,545	1,141,789

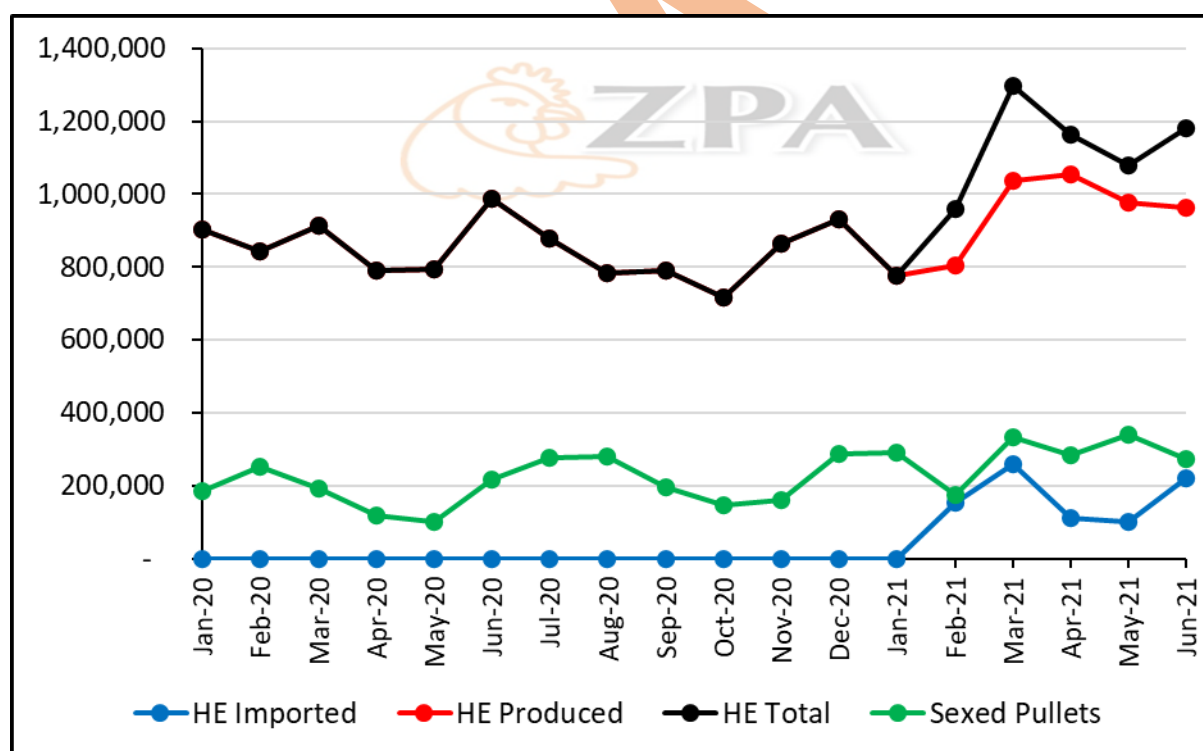


Figure 13. Layer hatching eggs (HE) and sexed pullets, January 2020 to June 2021

Layer Sexed Pullets: Sexed pullet production (layer DoCs) averaged 274,794 per month in Q2, being an increase 4% over Q1 (Table 9, Figure 13).

Table 9. Monthly average layer sexed pullet production, January 2020 to June 2021

2020				2021	
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
209,075	145,093	251,256	198,418	265,406	298,794

The average price of layer sexed pullets rose by 7% (1% in USD terms) to ZWL 13,428 (USD 111) per 100 chicks in Q1 (Table 10, Figure 14).

Table 10. Monthly average layer sexed pullet prices, January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Price per 100 chicks, ZWL	1,730	3,717	6,997	9,831	10,167	12,833
Price per 100 chicks, USD	57	57	67	90	105	108

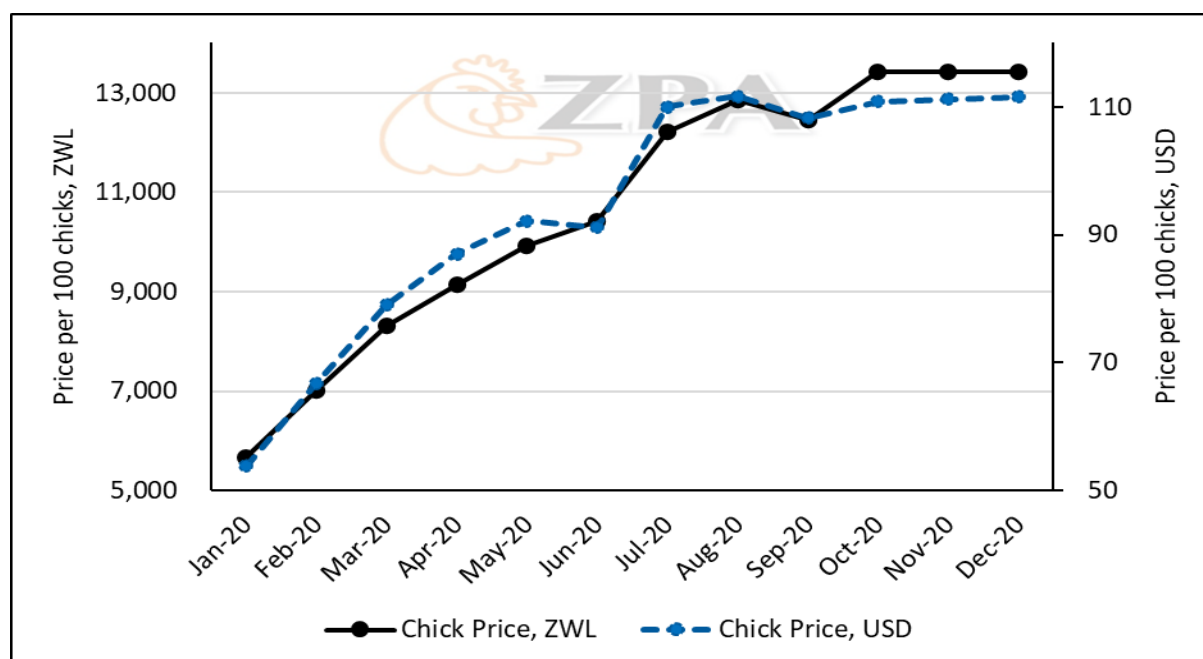


Figure 14. Layer sexed pullet prices, July 2020 to June 2021

**Table Egg Production:** As with broiler meat production, table egg production is based on production of sexed pullets. Returns from a few large-scale egg producers provide information on table egg production and accounts for approximately half of the total number of sexed pullets marketed. The balance of sexed pullets is used to estimate ‘residual’ table egg production, a large portion of which is assumed to be by small and medium producers.

In Q2 total egg production is estimated to have declined by 4% to an average of 4.6 million dozen per month which was due to a decline of 9% in the large-scale sector whereas production in the small-scale production remained static (Table 11, Figure 15).

Table 11. Average monthly table egg production (million dozen), January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
Large-scale	2.0	1.9	2.2	1.9	2.1	1.9
Estimated residual including Small-scale	3.1	3.1	2.9	2.7	2.7	2.7
Total	5.1	5.0	5.1	4.6	4.7	4.6

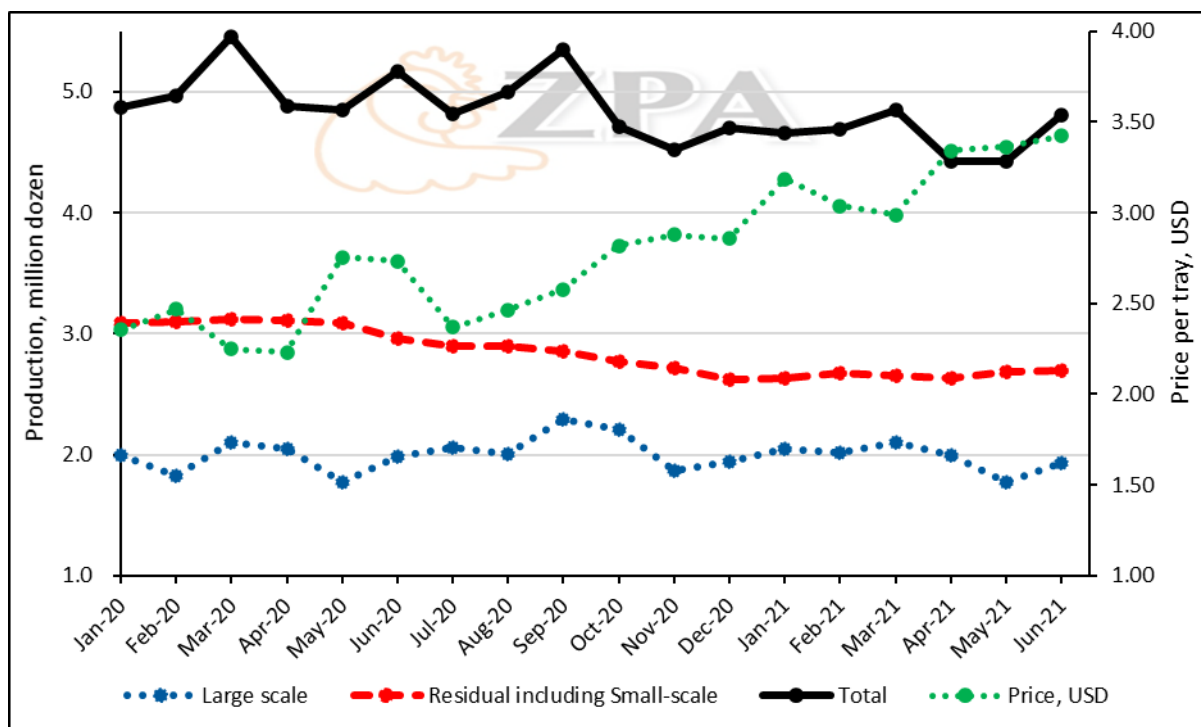


Figure 15. Table egg production, January 2020 to June 2021

The wholesale price of a tray of 30 table eggs increased by 30% in Q2 to ZWL 438 (12% in USD terms to USD 3.44; Table 12, Figure 15).

Table 12. Average monthly table egg wholesale prices per tray of 30 eggs, January 2020 to June 2021

	2020				2021	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
ZWL	71	170	260	311	338	438
USD	2.36	2.57	2.47	2.85	3.07	3.38

### Inputs and Raw Materials

Poultry feeds continue to closely track broiler day-old chick production (Figure 16) and dominating the stockfeed industry and in the first quarter accounted for 72% of all feeds produced by weight and 77% by monetary value. Production of poultry feeds averaged 38,939mt per month, worth ZWL 2.4 billion (USD 26.4m), being increases of 9% in quantity and 16% (10% in USD terms) in value respectively over the first quarter of 2021.

Prices of maize and solvent extracted soya meal averaged ZWL 37,871 (USD 314) and ZWL 63,751 (USD 516) per mt, being changes of +5% (-2%) and +25% (+9%) on average first quarter prices (Figures 16 and 17). Average weighted wholesale prices of broiler and layer feeds changed by 6% (0% USD value terms) and 3% (0% USD value terms), respectively, to ZWL 64,445/mt (USD 534/mt) and ZWL 54,534/mt (USD 454/mt).

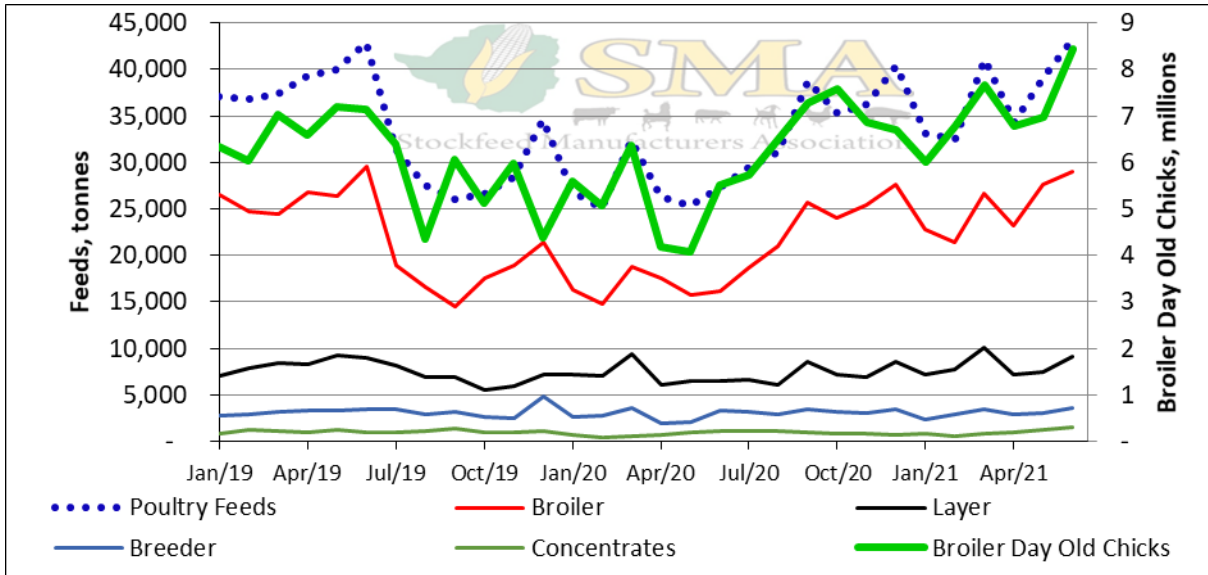


Figure 16. Production of poultry feeds and broiler day old chicks, January 2019 to June 2021

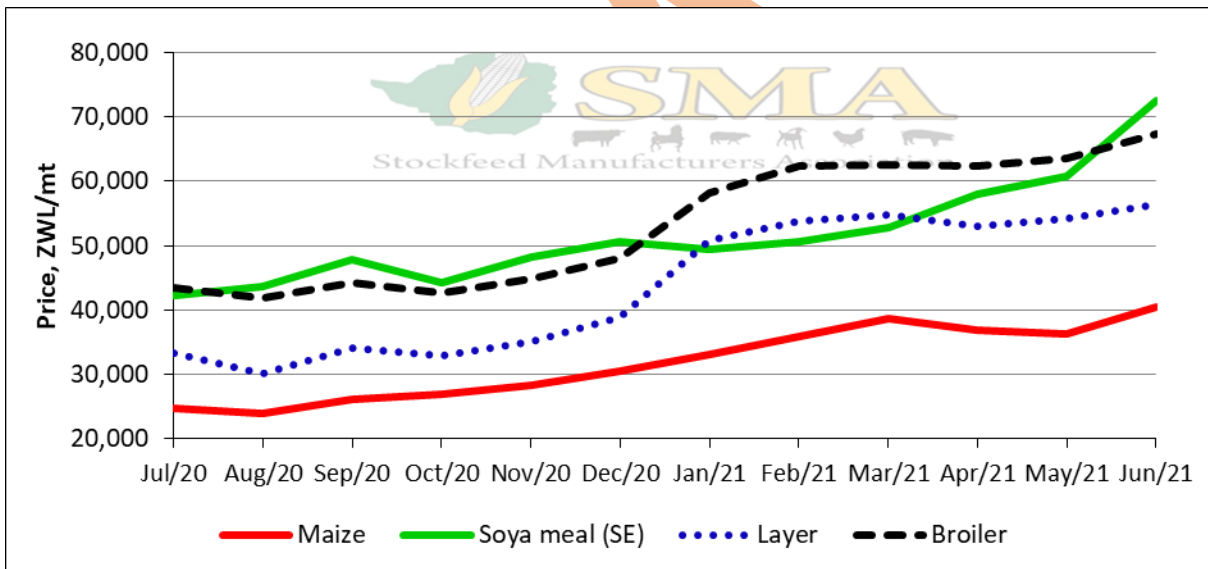


Figure 17. Prices (ZWL) of maize, solvent extracted soya meal and layer and broiler feeds, July 2020 to June 2021

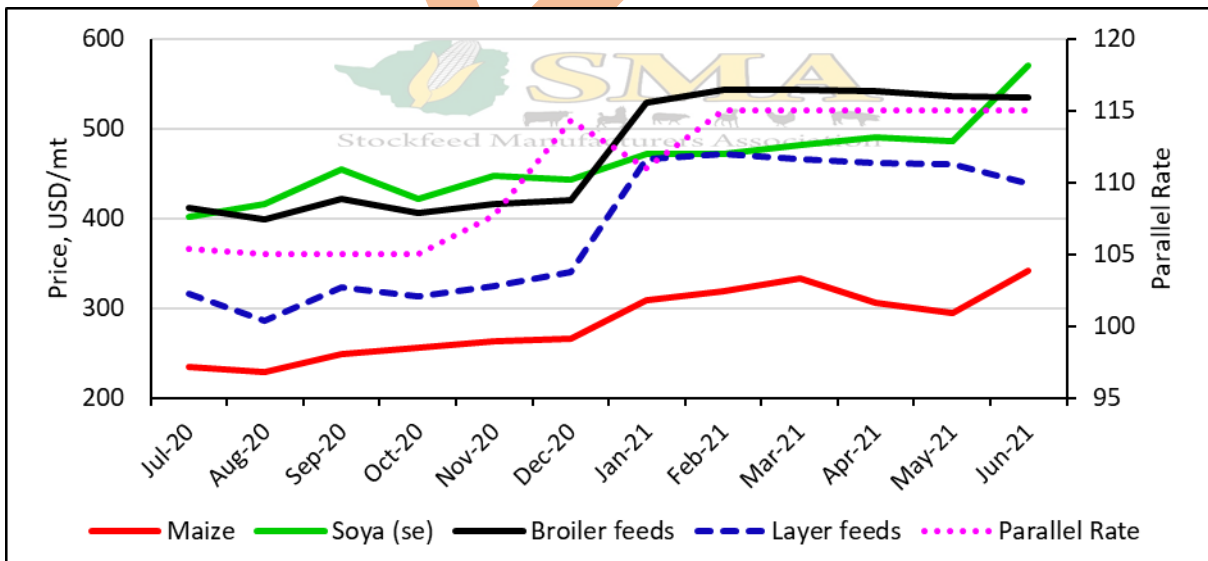


Figure 18. Prices (in USD relative to the parallel rate) of maize, solvent extracted soya meal and layer and broiler feeds, July 2020 to June 2021

## **Market Watch**

The excellent rains experienced in the 2020-21 season have resulted in improved economic growth and demand for poultry products. Good grain harvest coupled with on-farm feed mixing has resulted in increased demand for DOCs by farmers. However, despite the improvement of broiler breeder stocks and production of hatching eggs and DoCs, demand for chicks remain strong with reports of unmet orders for chicks in Q2 and prices of chicks remaining very high. The increased demand has meant satisfaction of chick demand from local poultry breeders will necessitate supplementary imports of hatching eggs. There is therefore a need for a further roll-over of the duty-free imports of hatching eggs to alleviate DOC supply challenges and reduce prices going into Q3 and Q4. The current duty-free permission is due to expire end of August 2021.

Following persistent Avian Influenza outbreaks in South Africa, Zambia has emerged as an important source of poultry breeder genetics for local poultry breeding farms and hatcheries. However, Zambia has placed a ban on the exports of day-old chicks and hatching eggs. This means that Zimbabwe will now need to source both breeding parent stock and hatching eggs from overseas with resultant high costs.

## **Imports**

Statistics show limited import of poultry products.

## **Veterinary Report**

Outbreaks of H5 highly pathogenic Avian Influenza in the northern regions of South Africa in April have not yet been cleared. The high cost of DOCs and periodic shortages has led to reports of smuggled DOCs and eggs into the country. The Department of Veterinary Services has meanwhile advised local poultry farmers to tighten biosecurity measures to prevent any potential spread of AI into the country.

Kind regards,



Solomon Zawe  
Chairman