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➤ Crop Forecast 2024

General Growing Conditions

- April has been a temperate month with little to no rain, as we begin to transition from a warm and partially wet summer to the cooler drier winter months.
- Light scattered rains throughout April have greened up late crop tobacco, still in the field. This will have a knock-on effect of extending the maturing, reaping, and curing period, especially for small-scale growers. However commercial farmers with access to water resources who have chosen to subsidize their dryland late crop, through drip feeding or irrigation have fared better in negating the detrimental effects of El Nino. Commercial farmers remain on track to sort, grade and deliver their product to the sales market in a timely manner.

➤ Crop Development 2024

2024							
Crop Status	Seedbeds	Transplanting	Topping	Harvesting	Curing	Buying	Processing
January							
February							
March							
April						Start 18/04/2024	
May							
June	Started 1/06/2023						
July							
August							
September		Started 1/09/2023					
October							
November			Started 1/11/2023				
December				Started 1/12/2023	Started 1/12/2023		

➤ Commercial Irrigated Crop Status

- Growing conditions for the early irrigated crop have been fair to good, with this crop not being heavily reliant on natural rainfall. The combination of irrigation and rainfall, in conjunction with hot warm days has produced a desirable quality crop.
- Reaping and curing of the early crop has been finalized in the southern and northern central main commercial producing areas. Farmers currently are sorting and grading to meet scheduled sales deliveries to the floors.
- Characteristics of the irrigated crop remain in line with high standards attained with previous early crop production, ranging from fair to a positively high standard.
- Immature to mature quality has been received throughout the start of the leaf purchasing phase, with a consistent and desirable quality and colour line being predominant in the top end.
- Characteristics of firm upper bodied leaf at point of sale, err principally towards a top quality clean, soft, open grained lemon to light orange leaf, with some riper mature soft natured styles carrying a degree of spot being on offer.

➤ Commercial Irrigated Crop Status.....cont..

- Initial purchase quality to date from the northern, central, and southern regions (which are our main commercial areas) is to an optimal production standard.
- Deliveries to the sales floors have been slow but steady, as we gain momentum towards a full sales program.
- As a general overview of our commercial irrigated crop to date, we are positively optimistic with the quality, yields and initial nicotine testing levels.
- We anticipate our early overall crop quality to give positive results, translating to fair and reasonable farmer returns.
- Commercial farmers have begun preparing for the early irrigated CY25 crop, through the establishment of seedbed plots and carrying out of land preparation.

➤ Commercial Irrigated Crop - Northern and Central Region (TAZ Sales Floor Lusaka)



➤ Commercial Dryland Crop

- Dryland water subsidized and rain fed crop reaping and curing is nearing completion with sorting and grading being the priority at this stage.
- Most dryland tobacco offered for sale at this early stage falls into the category of lower plant position, with some firm bodied leaf being exhibited within the range.
- The thinner leaf styles available, are mostly semi-ripe to ripe, with good clean maturity, with some good quality soft natured cutting styles being available, while firm bodied leaf styles are clean, soft open grained lemon to light orange, mature with good body and quality, with a fair degree of ripe "F" spot being present.
- Principally the crop this year due to the water subsidy mitigating the effects of El Nino is of a promising standard with good uniformity. Reaped, cured, and graded tobacco are too an encouraging and consistently high level of quality attainment.
- Due to some late scattered recent rains, we expect the small percentage of tobacco still remaining in the field to green up and draw out the maturing and reaping process.
- Southern and central commercial regions have done well to produce a desirable crop; under challenging circumstances, however, some immature green shouldered and 'J' styles of tobacco have been seen at this early stage of purchasing. This being more evident in the late crop, than the fair to top quality early irrigated crop.

➤ Small Scale Crop Status

- FCV Small-scale market sales commenced, juxtaposed to commercial sales, with a good variety of styles being on offer, from lower stalk thin leaf through to firm bodied upper leaf.
- The characteristics of the leaf being offered varied considerably from thin live browns through to good quality firm, soft natured, open grained lemon to light orange ripe leaf styles.
- Offerings across the Small-scale floors at this early stage, are predominantly mid to lower stalk, with some firm bodied leaf starting to become available.
- Generally, feedback on the sales floors at this point, is that the standard of tobacco on offer is fair to good, with the exception of southern and western areas hit hardest by El Nino.
- Harvesting yields across the small-scale sector are expected to be challenging due to the effects of El Nino.
- Leaf, bale checks are being carried out on the sales floors in regard to negatives, such as contaminants, high moisture, mould, funk and NTRM.

➤ Small-scale Dryland Crop - Eastern and Northern Central Region.



➤ Zambian Tobacco Leaf Crop Cycle – Crop Year 2024

PROVINCE	Transplanting %	Topped %	Reaped %
Northern Region	100 %	100 %	100 %
Western Region	100 %	100 %	95 %
Central Region	100 %	100 %	95 %
Eastern Region	100 %	100 %	90 %
Southern Region	100 %	100 %	80 %

➤ Tobacco Varieties and Proportion CY24

- Most Tobacco varieties are available locally in Zambia from TPL
- 30% = Seed varieties KRK66, KRK26, KRK29—from Zimbabwe Tobacco Seed Association and Kutsaga.
- 70% = Seed varieties CC35, CC13, K326—from Cross Creek Seed Suppliers in United States of America.

➤ Weather Update

Monthly Weather April

NORTH/CENTRAL

MAX TEMP “C”	MIN TEMP “C”	HUMIDITY %	RAINFALL AVERAGE mm
25	16	60	28

EAST

MAX TEMP “C”	MIN TEMP “C”	HUMIDITY %	RAINFALL AVERAGE mm
26	17	68	31

WEST

MAX TEMP “C”	MIN TEMP “C”	HUMIDITY %	RAINFALL AVERAGE mm
28	18	63	22

SOUTH

MAX TEMP “C”	MIN TEMP “C”	HUMIDITY %	RAINFALL AVERAGE mm
25	15	64	31

➤ Crop Forecast CY24 Projected Volumes

- Zambia’s National crop size is anticipated to be between 29 to 30 million kilograms (Green weight). Estimates have changed recently due to the prolonged dry El Nino weather conditions affecting production.
- Zambian Burley - potential volume available 700 tons green.

Crop Variety	Planned Volume Kgs (Est.)
Flue Cured Virginia	30,000,000
Burley	700,000
Combined Total	37,000,000

➤ 2024 Sales Markets and General Quality Assessments

- The official opening of the Tobacco Association of Zambia (TAZ) sales floor by the permanent secretary for agriculture administration (Mrs Patricia Mpundu) took place on the 30th of April 2024.
- A wide variety, range of tobacco has been offered over the sales floors to date.
- Currently southern commercial farmers and small-scale eastern project farmers are dominating sales, followed by our northern central region.
- Characteristics of tobacco received from these three regions are as follows:
 - Southern commercial, quality presents from fair to a good desirable standard, with top quality ripe open grained, soft natured leaf being lemon to light orange, generally clear faced, thin to firm bodied, minimal spot.
 - Eastern project tobacco is wide ranging in quality and colour, with a general colour line being. lemon to light orange encompassing thin lugs to firm bodied leaf, with a degree of mature “F” spot, with top sides carrying a soft natured oily, stretchy texture.
 - Northeastern tobacco varies from ripe to over ripe “smoking leaf” while in the central and southern east tobacco ranges from immature to mature open grain styles of firm bodied leaf.
 - Central growing region, tobacco coming from this region continues to be top quality, due to favourable weather conditions experienced this season, in line with good agronomic practices in the area, built up through years of experience. (Also, a very productive commercial region)

➤ Zambian FCV & Burley tobacco growing map, Commercial and Small Scale.



➤ Political and Economic Update

- Zambia's president, Hakainde Hichilema, and his party, the United Party for National Development, will retain power until the 2026 elections. Austerity and cost-of-living pressures will spur a rise in public protest. A restructuring of Zambia's debt with private bondholders will be agreed by all players (including official creditors) in the first half of 2024. Inflation will remain high and the currency weak and volatile in the early part of the forecast period. An improvement in copper output and prices will eventually lend fundamental support to the kwacha, helping to rein in inflation. A deficit will be recorded on the current account in 2024, in line with the fall in copper output in 2023, which will take years of investment to turn around fully, although a largish current-account surplus will be re-established by 2028. The fiscal deficit will begin to mount from 2026 as Zambia exits its financing arrangement with the IMF at end-2025. External debt as a proportion of GDP will drop precipitously as higher copper output and prices help the country to address its financial crisis.

➤ Exchange Rate – As of 7th May 2024

U.S. Dollar	Chinese	Zambian	British	Euro	Zimbabwe
USD 1.00	RMB 7.21	ZWK 26.93	GBP 0.79	EUR 0.93	ZiG* 13.43

*ZiG (Zimbabwe Gold) is a currency that was introduced by the Reserved Bank of Zimbabwe in March 2024 to replace the ZWL

End of Report

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