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➤ **Commercial Farmers**

Early crop (Irrigated)

- All seedlings have been transplanted.
- 100% of the crop has been topped.
- 20% of the irrigated cop has been harvested / reaped & cured.
- At this current stage, the crop has excellent quality potential.
- Generally, all commercial crops are currently looking strong and well established, and are thriving, with some of the later planted fields benefiting exceptionally well from the conducive current weather conditions.

Late crop (Dryland)

- Irrigation is available if required.
- 100% of seedlings have been transplanted.
- Dryland topping is at 75% and will continue into February.
- No harvesting has taken place yet.

Small scale - Project Tobacco (Dryland)

- 2% of Small-scale seedlings have been water planted, with the bulk of seedlings transplanted naturally.
- Topping is currently at 10%.
- Small-scale growers have not started reaping to date; however, their fields are mostly varied, depending on the area and the timing of the transplanting. It's expected that with the positive climatical growing conditions, the poorer uneven crops will improve on their current growth potential.

➤ **Tobacco Varieties and Proportion CY25**

- 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.

➤ **Crop Development 2025**

Crop Status	Seedbeds	Transplanting	Topping	Harvesting	Curing	Buying	Processing
January							
February							
March							
April							
May							
June							
July							
August							
September							
October							
November							
December							

➤ Crop Forecast - CY25

- Zambia's National crop size for this year is anticipated to be between 39 & 42 million kilograms.
- Zambian Burley volume estimated availability this season 700 tons, green.
- Markets this year are expected to open early April, with factory startup in mid-May.

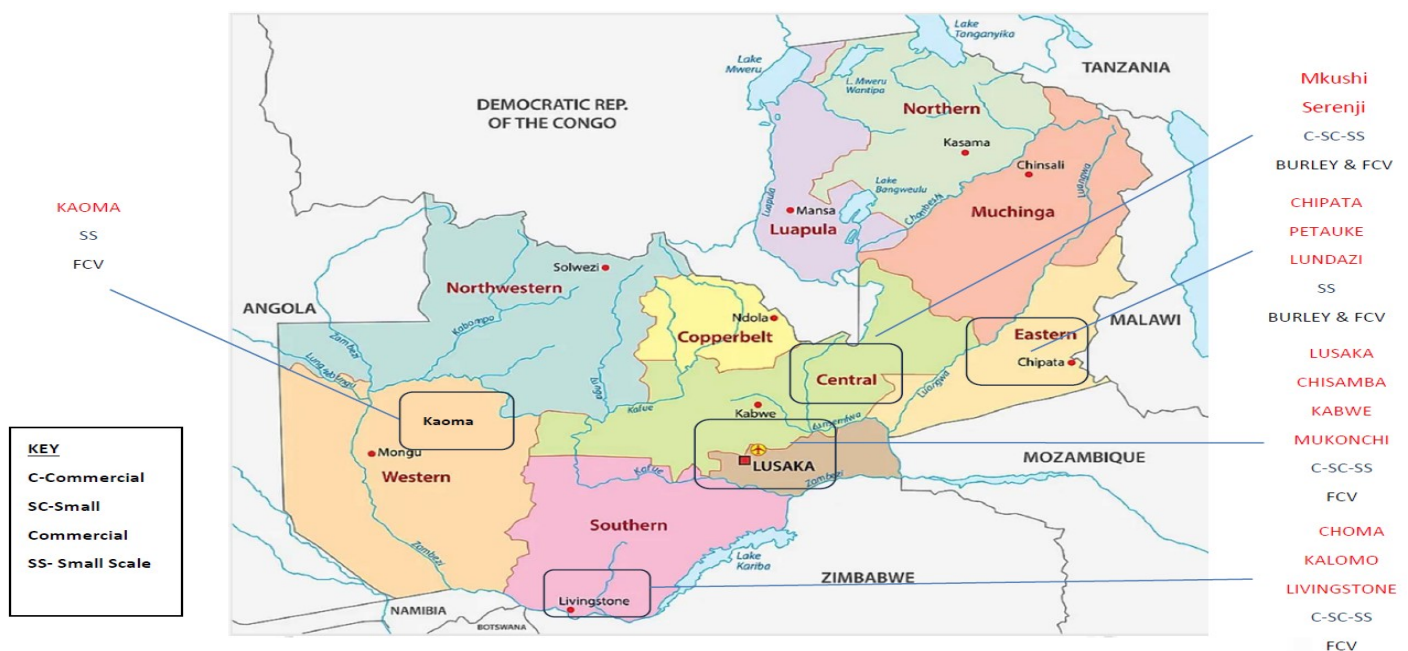
➤ Weather Conditions

- Growing conditions to date have been similar to last season, with Zambia receiving its first rainfall from mid-October, however this rainfall has been inconsistent and very scattered throughout the country.
- The Western part of Zambia received good planting rains in November, which is normal, however, the Central region had very patchy rainfall, and only a handful of farmers started transplanting in November.
- The Eastern region of Zambia which normally receives later rains, only received steady planting rains in December.
- October temperatures this year were not as blistering hot as experienced in previous years, due to the early scattered rainfall. November temperatures were also milder than normal. However, December started with a heat wave with temperatures of 5 to 15 degrees higher than normal for this time of year. During this time period, some growers who had prematurely transplanted without good rains had to re-plant once good consistent rainfall started.
- From mid-December to date, good to adequate rainfall, juxtaposed to warm sunny intervals have been experienced throughout all growing areas, which has had a very positive effect, in allowing the crop to flourish and develop well.
- Should these robust conditions continue to persist for the rest of January and February as forecasts predict, we have the potential to produce a very good quality crop this year.

➤ Electricity (Power shortages- ZESCO)

- Zambia's main source of electricity is produced through hydropower stations in big lakes such as Lake Kariba and Iteshi-teshi. The water level in these lakes is far below normal levels due to the drought experienced (the lack of steady sustained rainfall) in 2023- 2024. Thus, the country currently is experiencing long extended periods of load shedding, which has forced the national power supply company to ration the available power and in some instances farmers experience power outages of 20 hours per day, creating a need for those farmers that have the means to use alternate expensive sources of power Generators and solo power, which is initially very expensive to install.
- Farmers have mainly been relying on diesel generators to irrigate the tobacco. Power rationing with outages of at least 20 hours a day are expected to last well into the second quarter of 2025.

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



➤ Political and Economic Update

- Zambia's economy was still rebounding from the COVID-19 recession, it faced a severe drought exacerbated by El Niño, impacting 9.8 million people across 84 districts. This climatic disaster has slowed real GDP growth to 1.9% year-on-year (y-o-y) in the first half (H1) of 2024 from 4.3% during H1 2023, reflecting contractions in the agriculture and energy sectors, and subdued performance in administrative and support services, despite some gains in mining. After narrowing and slipping into deficit in 2023, the current account is beginning to show signs of recovery, edging back into surplus in Q2 thanks to increased grants from cooperating partners, remittances, and reduction in imports. Coupled with fiscal prudence and monetary restraint, these factors have helped to slow the pace of exchange rate depreciation and the increase in inflation. Gross official reserves improved to \$3.9 billion, covering five months of imports at end-June 2024 amid improved net capital inflows and FX deposits.
- This optimistic outlook assumes increased mining production, effective implementation of reforms, restoration of debt sustainability, and normalization of rainfall patterns. By the end of June 2024, Zambia had received mining investment pledges exceeding \$7 billion for new and expansion projects, which are expected to boost inflows and services related to mining, supporting future exports and FX earnings.
- Zambia gained its independence in 1964, under the leadership of first President Kenneth Kaunda. The nation is considered a stable country with successful democratic elections held every five years. After many years of a one-party state, Zambia became a multi-party state in 1991.
- Zambia's democracy is evident by the nine Presidential elections and four different political parties that have so far ruled the country. Among them are the United National Independence Party (UNIP 1964-1991), Movement for Multiparty Democracy (MMD 1996-2011), Patriotic Front (PF2011-2021), and currently the United Party for National Development (UPND). The current President Hakainde Hichilema of the UPND was elected in August 2021, after defeating then-incumbent President Edgar Lungu of the Patriotic Front. The next presidential elections in Zambia will be held on August 12, 2026.

➤ Exchange Rate – As of 20th January 2025

U.S. Dollar	Chinese	Zambian	British	Euro	Zimbabwe
USD 1.00	RMB 7.33	ZK 27.81	GBP 0.80	EUR 0.97	ZIG 25.82

End of Report

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