



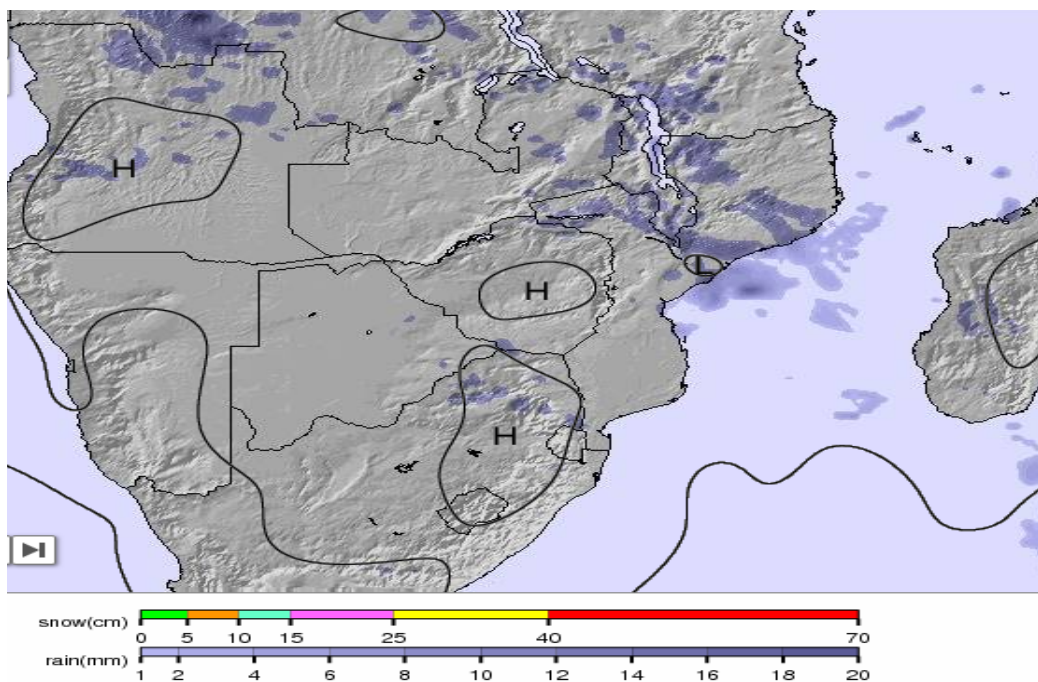


## Consolidated Tobacco Processors Zimbabwe FCV 2019 Crop Report 3

### 1.0 Climate Outlook

According to the Meteorological Services Department, during the months of February and March 2019, the tobacco growing regions had 40% probability of rainfall being in the normal category. There was also a 35% probability of below normal rainfall and 25 % chance of above normal rainfall. Below graphic showing minimal rainfall incidence during the period.

**Rainfall Outlook Feb – March 2019.**



*Source: Meteorological Services Department (2019).*

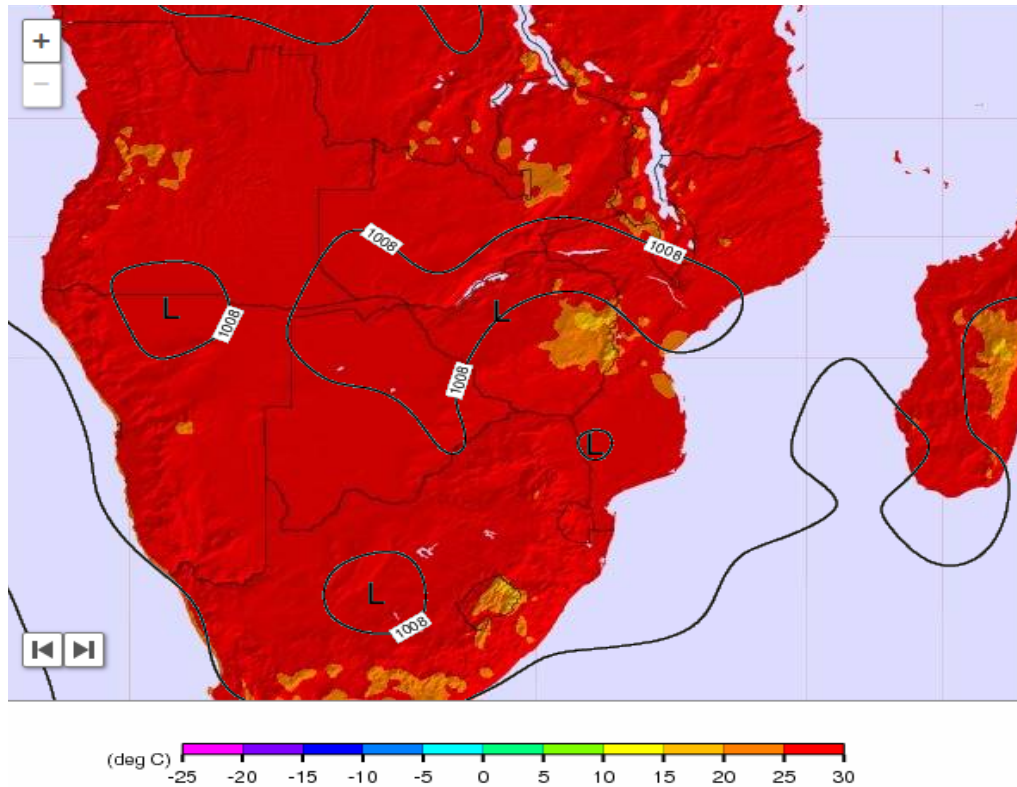
The outlook in all tobacco growing regions for February and March 2019 suggests a bias towards below normal rainfall of less than 20mm. The rainfall in the period was erratic in space and time. However, this late season drought had marginal effects as most crops had matured during the late November to January wet spell.

In view of the water availability in reservoirs, it was prudent for tobacco farmers with irrigation facilities to plant their crops early in light of the expected erratic rainfall season.



However, late planted, purely dry land crops have been affected by the high temperatures in excess of 30°C that have prevailed during the February and March dry spell shown below.

**Temperature Outlook Feb – March 2019.**



*Source: Meteorological Services Department (2019).*

Because of these extreme temperatures, some crops have exhibited false ripening which affected a small portion of leaf quality at curing.

Global forecasts could not rule out the incidence of a weak El Nino characterised by violent storms, flash floods and tropical cyclones late in the season. Rains came in sharp downpours characterised by damaging winds, lightning, and hailstorms causing flash flooding in some areas.

Cyclone Idai that has ravaged parts of Mozambique and Malawi during the past week has shown its wrath in Eastern Zimbabwe. Despite its intensity, the heavy rains and flooding only affected parts of Manicaland (East) whilst the other regions were not affected in any significant way. In fact, the rains that were on the periphery of the cyclone were welcomed in the Central and Northern regions of the country.



Unfortunately, there were some casualty crops in the Eastern districts whereby fields were flooded and crops destroyed by heavy winds (as shown below). The damage is yet to be ascertained but at this stage the portion of the crop that is damaged and /or destroyed is insignificant.



**Manicaland Small Holder dry land crop flooded by Cyclone Idai.**

## 2.0 Agronomic Outlook

The predominant wet spells in late November to January rejuvenated and firmed the establishment of all dry land crops and also enhanced ripening of most irrigated crops.

The February and March dry spells periodically reduced disease incidence and induced an ideal stress period for good root development for all the crops.

However, the unfortunate incidence of Cyclone Idai destroyed a few late planted dry land crops in Manicaland province.

Currently the majority of the small holder crops are curing and almost stripped. Grading and bailing of primings is in progress as farmers prepare for early deliveries in the 2019 marketing season.

Despite some setbacks experienced during the growing season, the overall growing conditions have been relatively favourable and most growers have adapted to conditions. With this, and considering the dry spell and Cylone Idai the national crop size is expected to be slightly down compared to previous report, to +/- 255,000,000 kgs.





**Dry Land Crop, Mashonaland Central**

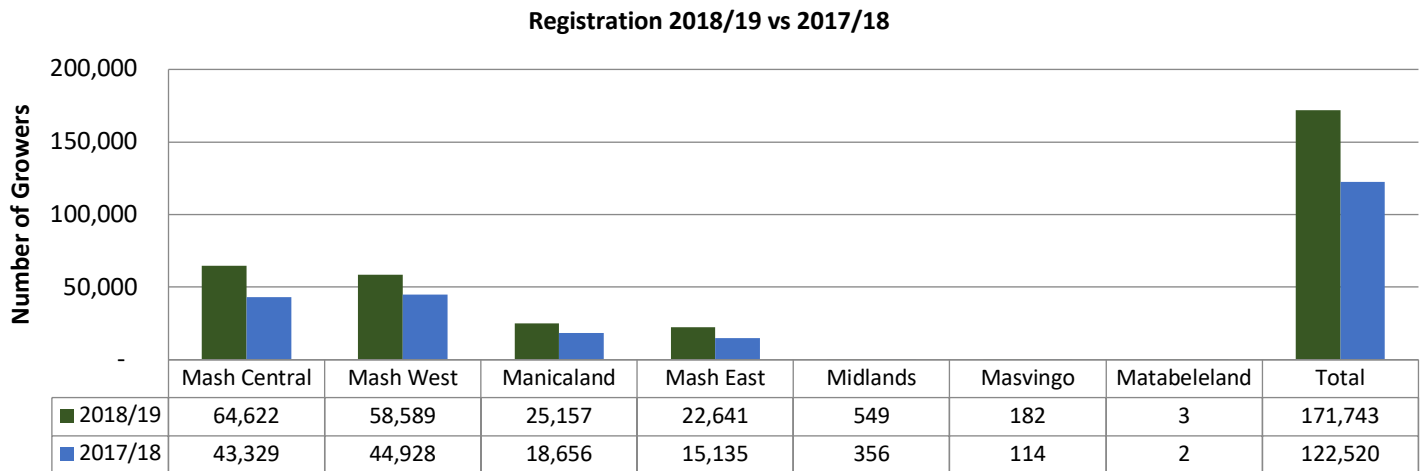
Early planted commercial Irrigated crops have been stripped and slat packed. Late planted commercial crops are being harvested and cured hence very few commercial growers have commenced grading and bailing.



**Commercial Crop, Cured – Mashonaland East**



## 2.1 Growers Registrations 2017 / 18 vs. 2018 / 19 Season

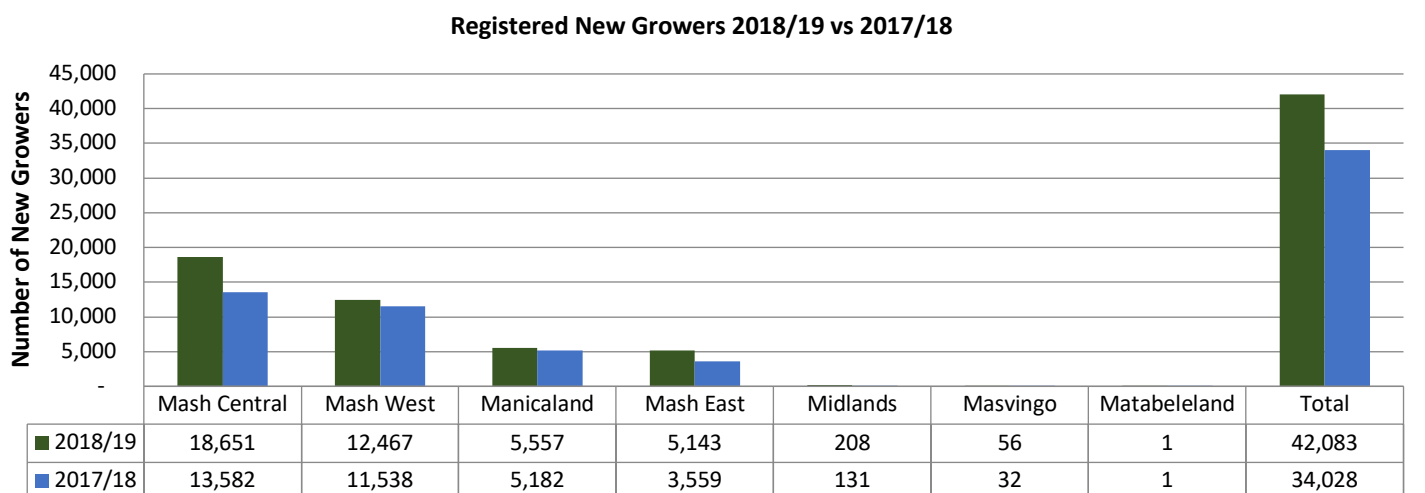


171,743 growers had registered to sell their tobacco as at 13 March 2019 compared to 122,520 growers reported during the same period the previous season. This indicates an increase of 40% in the number of growers that have been reported/registered to date.

The increase in number of growers is a partial indicator to support predictions of a national crop size of 260 to 280 million kgs in the current season.

However, this increase can be misleading as growers are registering and selling under new/individual growers numbers in order to take advantage of the US\$ payments.

## 2.2 Registered New Growers 2018/19 vs. 2017/18.





On a national scale, 42, 083 new growers have been registered as at 13 March 2013 compared to 34,028 in the preceding season. Mashonaland Central has the highest number of new growers as this is the hub of tobacco growing in Zimbabwe which produces very good quality orange to mahogany smoking leaf. Climatic conditions in this region are best suited for tobacco growing hence the term fast growing area.

### 3.0 [CTP Agronomic Outlook](#)

#### 3.1 [CTP Contract Growers.](#)

CTP contract growers in all regions are well on course with reaping and grading. Approximately 50% of growers are in the final stage of preparations to market their crops. Generally, a good standard of leaf quality has been seen to date. Lower stalk reapings all carry a ripe soft overtone with minimal damage or disease being reported. Overall a general comment is that the crop is throwing a fair spread of good quality lemon to orange ripe soft natured styles.

Majority of growers have nearly completed the reaping stages and are upholding good controls to ensure the focus remains on quality and yield preservation.

#### 3.2 [CTP Extension work](#)

Sustainable agricultural management practices and grower education (GAP) remains a leading priority for CTP's agronomy department.

Currently CTP agronomy department is in the field refining the grading skills of their growers so as to improve the quality of their deliveries for marketing; hence we anticipate a good quality crop in the 2019 marketing season.

Sustainable curing has also been prioritized by trialing and adopting a new furnace door that reduces fire wood consumption during curing.



**CTP agronomist conducting a grading course**    **New conventional CTP barn furnace door**

## 4.0 Economic Outlook

Zimbabwe's 2019 tobacco marketing season will commence on March 20 as announced by the industry's regulator. Tobacco is the country's second biggest export earning commodity after gold. Last year, the country's tobacco output reached an all-time high of 252 million kgs, earning at least a billion dollars in revenue. However, prospects of a bigger output in comparison to last year are even better following an increase in the number of registered growers coupled with good growing conditions.

Government will allow tobacco growers to retain 50% of their sales in United States dollars with the other part being credited into their RTGS\$ accounts. The payment arrangement is likely to bring joy to the farmers following earlier reports that Government would allow them to access only 20% of their earnings in United States dollars.

The cost of labour for commercial farmers has hugely increased as government authorities hiked allowances for all farm workers by over 30% with effect from January 1, 2019.

Fuel shortages could dampen deliveries of tobacco in the current marketing season as the government is struggling to find a lasting solution to the crisis. Fuel supplies have been erratic hence unavailability and cost of transport could also be a deterring factor during the marketing season.





## 5.0 Summary

- The rainfall outlook in all tobacco growing regions in February and March 2019 suggested a bias towards below normal rainfall of less than 20mm.
- Late planted purely dry land crops have been affected by the high temperatures in excess of 30°C that have prevailed during the February and March dry spell.
- Farmers in Manicaland recorded some losses. Currently an exercise is being carried out considering the losses of the crops that had survived the dry spell and now damaged / destroyed by tropical cyclone Idai. Some fields were flooded, and crops destroyed by heavy winds.
- Revised National Crop volume revised to 255,000,000 kgs as at end March.
- Currently the majority of the small holder crops are curing and almost stripped while commercial farmers have a large portion in slat packs and now preparing the grading process.
- Grading and bailing of primings is in progress as farmers prepare for early deliveries in the 2019 marketing season.
- Currently CTP agronomy department is in the field refining the grading skills of their growers. Sustainable curing has also been prioritized by trialing and adopting a new furnace door that reduces fire wood consumption during curing.
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**DISCLAIMER:** The information provided in this document is merely intended for the use as an indicative opinion on the growing conditions of the 2018 / 19 tobacco growing season and statistics relating to the 2018 / 19 Zimbabwean tobacco growing season. All descriptions and advice relating to the growing season are subjective and should not be used other than for an insight from a Consolidated Tobacco Processors perspective. Consolidated Tobacco Processors and its employees accept no legal liability relating to the opinions and representations expressed in this document.