

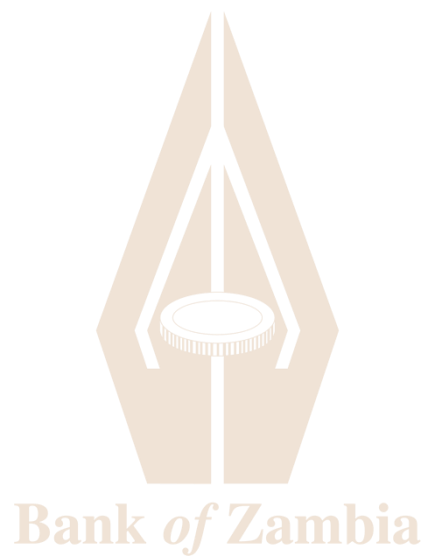
Direction of Trade Report Third Quarter 2021



November 2021



Bank of Zambia



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This report analyses the direction of merchandise trade for the third quarter of 2021. The statistics based on the Harmonised Coding System (HS) are reported and exports are valued as free on board (f.o.b.) while imports are reported at cost, including insurance and freight (c.i.f.).

1.0 Major Destinations for Zambia's Exports

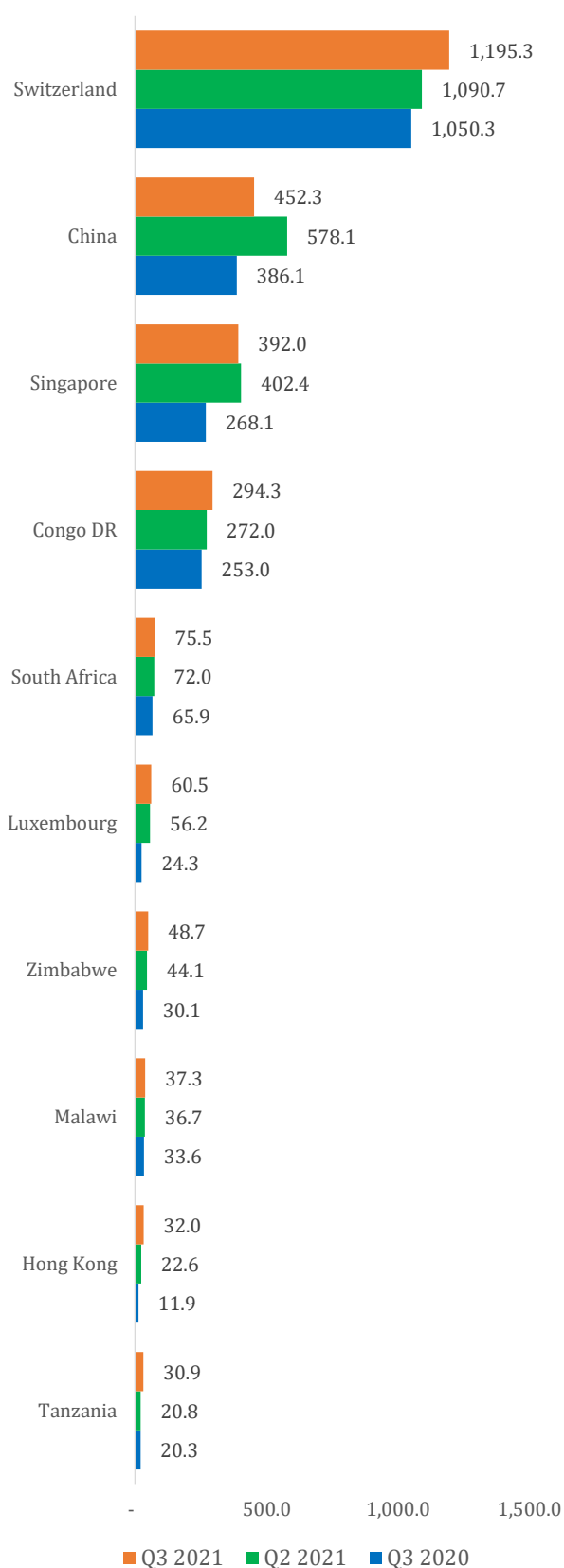
Switzerland, China, Singapore, Democratic Republic of Congo, South Africa, Luxembourg and Zimbabwe were the major export destinations

Total export earnings were US\$2.8 billion in the third quarter of 2021, 24.5% higher than a year ago. Copper exports grew by 23.6% to US\$2.1 billion owing to stronger realised prices which offset a 19.0% fall in export volumes.

Average realised copper prices rose by 52.4% to US\$9,681.8 per tonne compared to US\$6,352.5 a year ago. Higher demand for copper, particularly from China, explained this outturn.

Chart 1 and Table 1 show export earnings from the main destinations as well as products and associated destination countries, respectively.

Chart 1: Major Export Destinations (US\$ millions)



Source: Zambia Statistics Agency (Zamstats) and Bank of Zambia

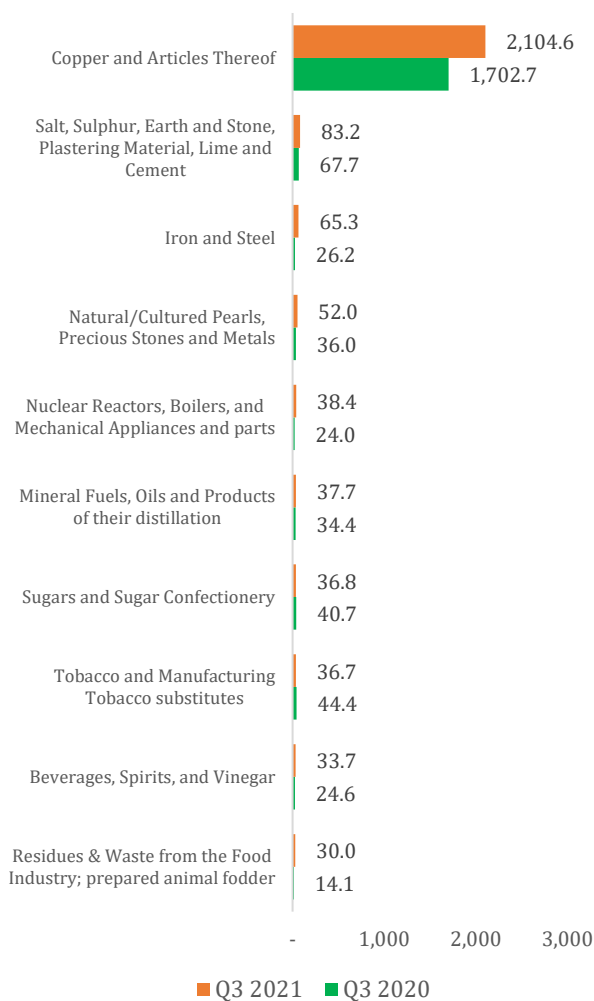
Table 1: Top Export Destinations by Product Type (US\$ millions)

Country	Main Product (s)	Q3 2020	Q3 2021	% Change
Switzerland	Copper and articles thereof	1,005.0	1,160.2	15.4
China	Copper and articles thereof	373.6	429.0	14.8
Singapore	Copper and articles thereof	264.7	390.6	47.6
Luxembourg	Copper and articles thereof	24.3	60.5	149.3
Democratic Republic of Congo	Salt, Sulphur, Lime and Cement	51.9	58.7	13.1

Source: Zamstats and Bank of Zambia

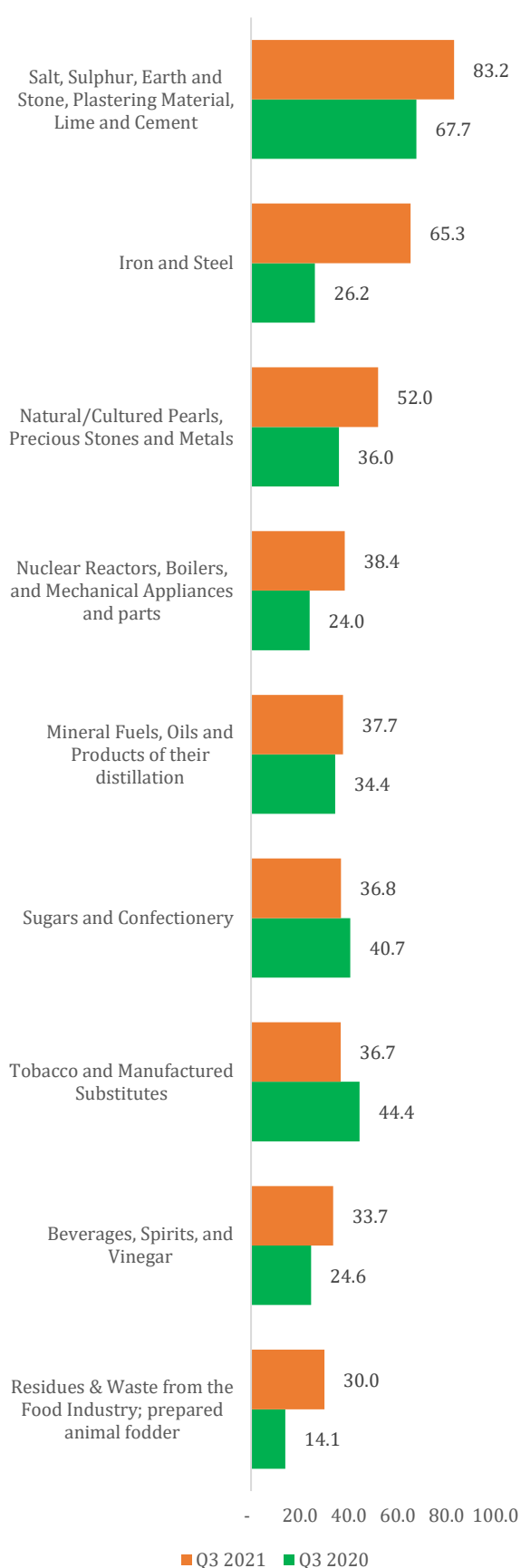
Other major export commodities were lime and cement; iron and steel; pearls, precious stones and metals; as well as nuclear reactors, boilers, and mechanical appliances (Charts 2a and 2b).

Chart 2a: Export Earnings (US\$ millions)



Source: Zamstats and Bank of Zambia

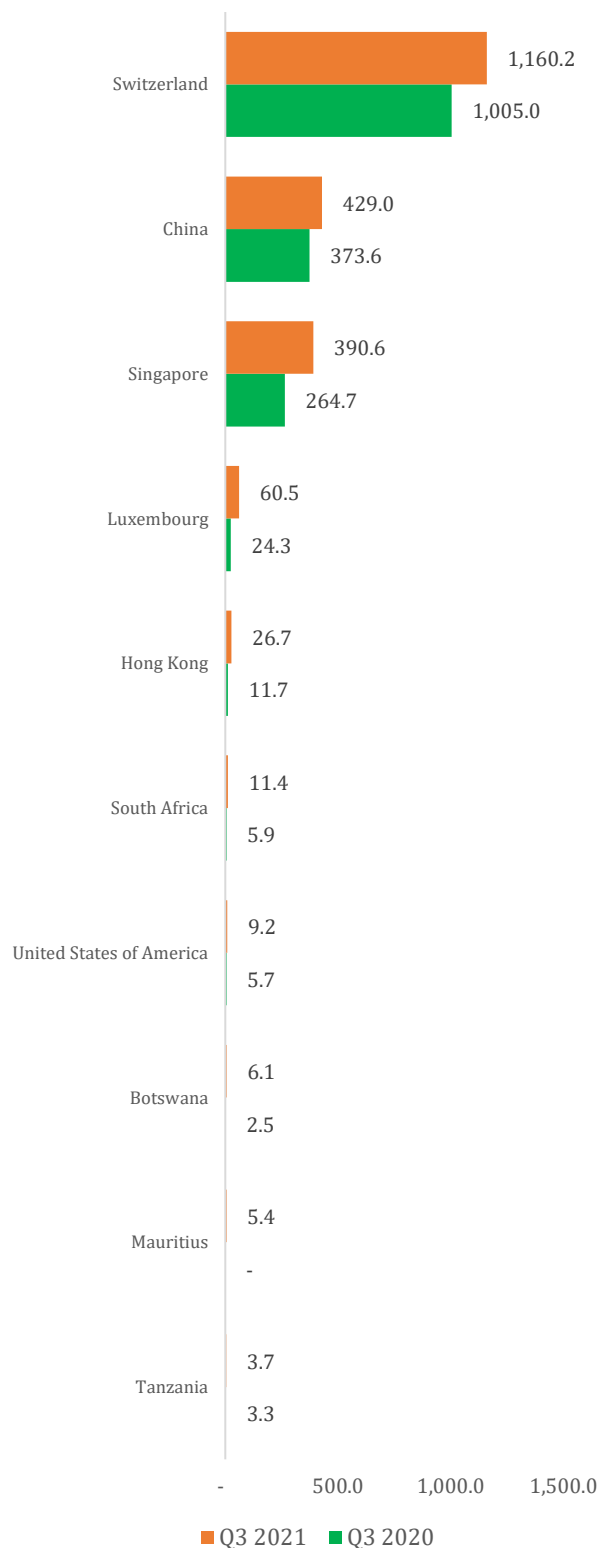
Chart 2b: Export Earnings, excluding Copper (US\$ millions)



Source: Zamstats and Bank of Zambia

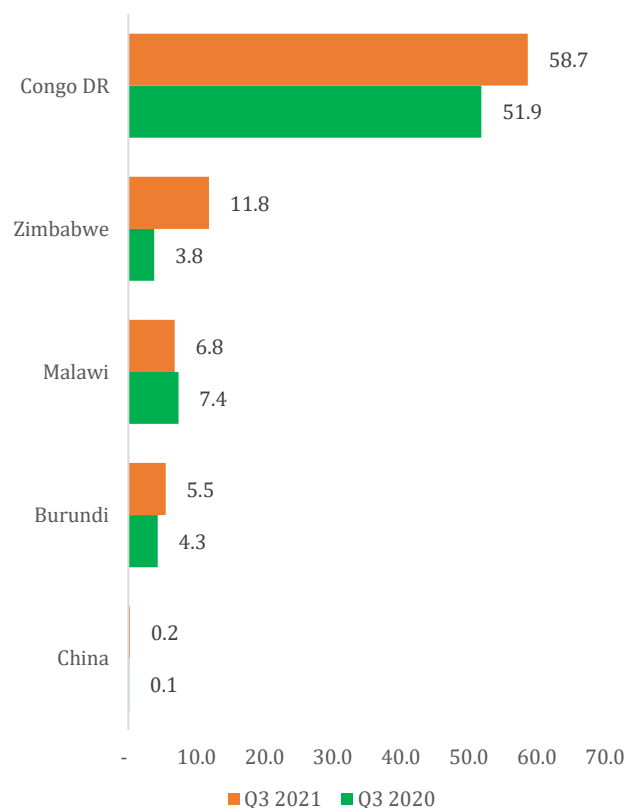
The major export destinations for the top five export commodities are shown in Charts 3a-3e.

Chart 3a: Q3 2021 and Q3 2020 Major Export destinations for Copper and Articles thereof (US\$ millions)



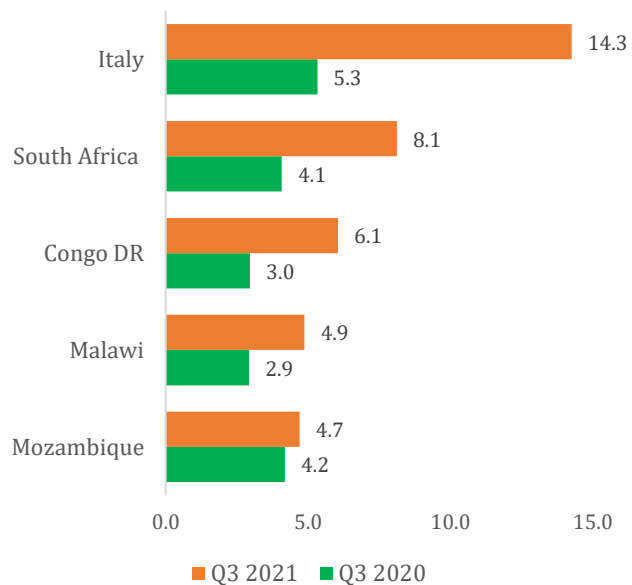
Source: Zamstats and Bank of Zambia

Chart 3b: Q3 2021 and Q3 2020 Major Export destinations for Salt, Sulphur, Lime and Cement (US\$ millions)



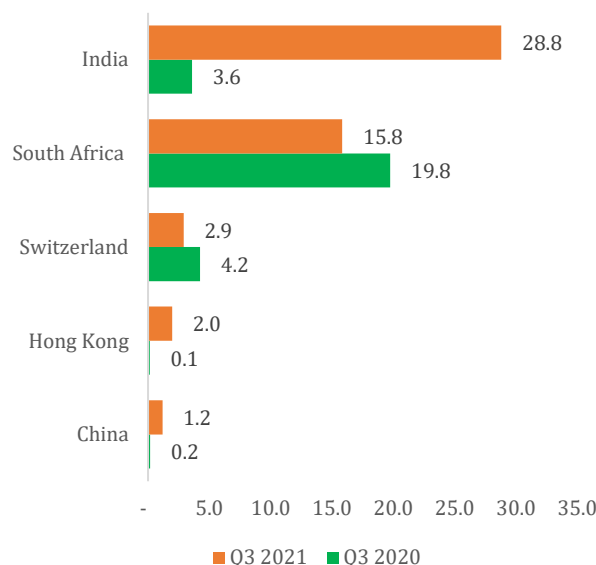
Source: Zamstats and Bank of Zambia

Chart 3c: Q3 2021 and Q3 2020 Major Export destinations of Iron and Steel (US\$ millions)



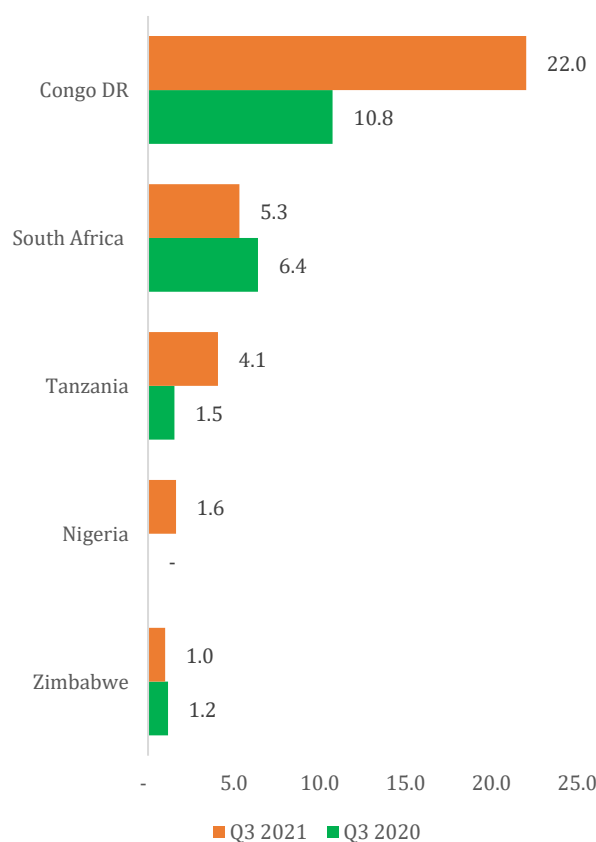
Source: Zamstats and Bank of Zambia

Chart 3d: Q3 2021 and Q3 2020 Major Export destinations of Natural/Cultured Pearls, Precious Stones and Metals (US\$ millions)



Source: Zamstats and Bank of Zambia

Chart 3e: Q3 2021 and Q3 2020 Major Export destinations of Nuclear Reactors, Boilers, and Mechanical Appliances and parts (US\$ millions)



Source: Zamstats and Bank of Zambia

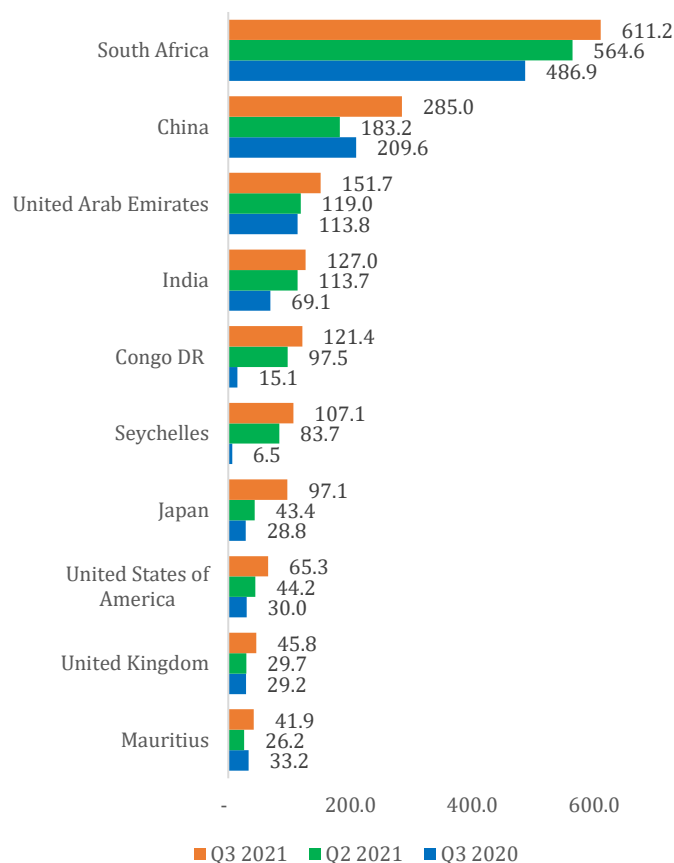
2.0 Major Source Countries for Zambia's Imports

Major source countries for imports were South Africa, China, United Arab Emirates, India, Democratic Republic of Congo, Seychelles and Japan (replaced the UK)

The value of merchandise imports was 57.9% higher, at US\$2.14 billion in the third quarter of 2021, than a year ago. Imports from the top five source countries accounted for 77.3% of total imports with South Africa being the largest contributor at 28.6% (Chart 4). The increase was broad based as shown in Table 2.0.

An uptick in domestic activity, appreciation of the Kwacha and the continued easing of supply constraints in trading partner countries, especially strong export performance by China and South Africa, accounted for the increase in imports.

Chart 4: Top Source countries for Imports (US\$ millions)



Source: Zamstats and Bank of Zambia

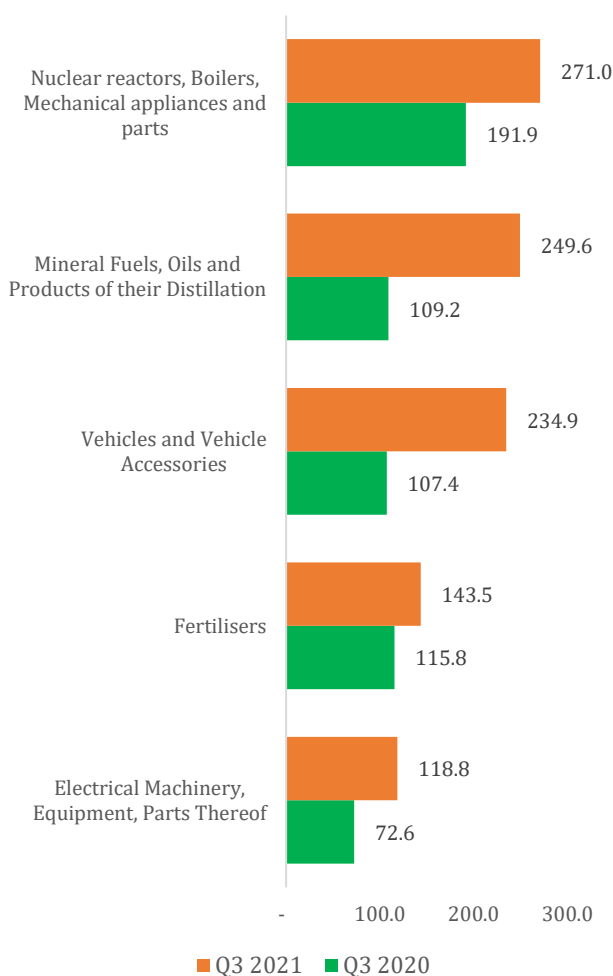
Table 2: Import performance by product and source country (US\$ millions)

Country	Main Product (s)	Q3 2020	Q3 2021	% Change
South Africa	Nuclear Reactors, Boilers, and Mechanical Appliances and parts	68.1	69.9	2.6
Seychelles	Mineral Fuels, Oils and Products of their Distillation	6.5	107.0	1,541.2
Japan	Vehicles and Vehicle accessories	19.1	78.6	311.0
South Africa	Fertilizers	25.5	39.2	53.5
China	Electrical Machinery, Equipment, Parts Thereof	23.7	64.7	172.5

Source: Zamstats and Bank of Zambia

The top five import commodities are presented in Chart 5.

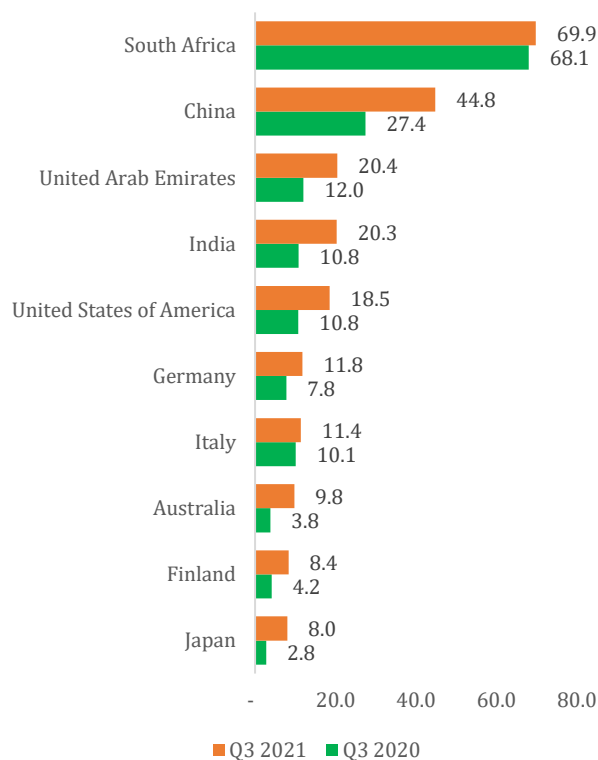
Chart 5: Major Import Commodities (US\$ millions)



Source: Zamstats and Bank of Zambia

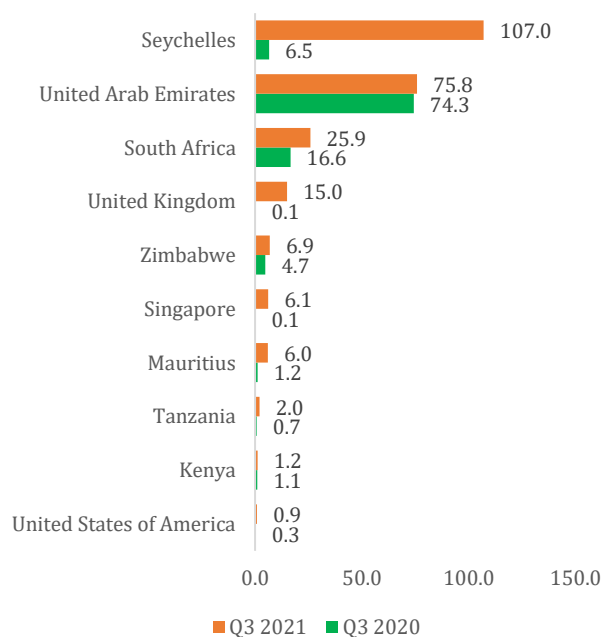
The source countries for Zambia's top five major imports are given in Charts 6a to 6e.

Chart 6a: Q3 2021 and Q3 2020 Source countries for Nuclear Reactors, Boilers, and Mechanical Appliances and parts (US\$ millions)



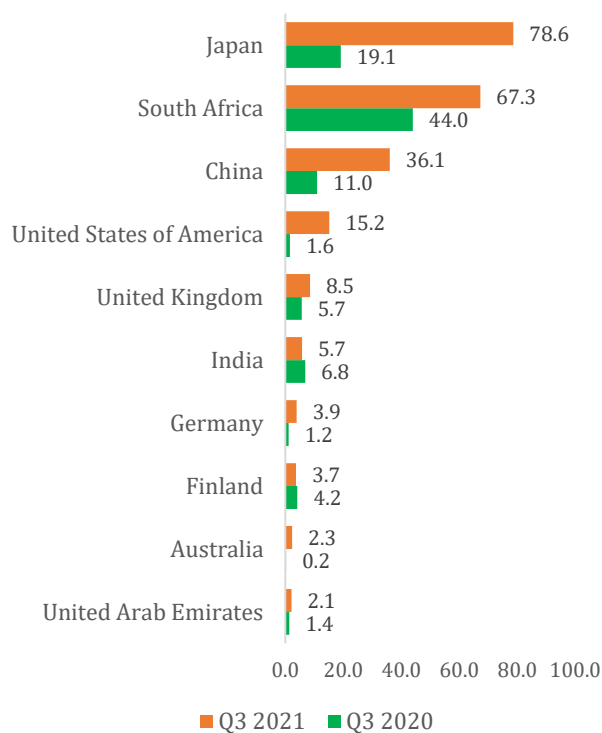
Source: Zamstats and Bank of Zambia

Chart 6e: Q3 2021 and Q3 2020 Source countries for Mineral Fuels, Oils and Products of their Distillation (US\$ millions)



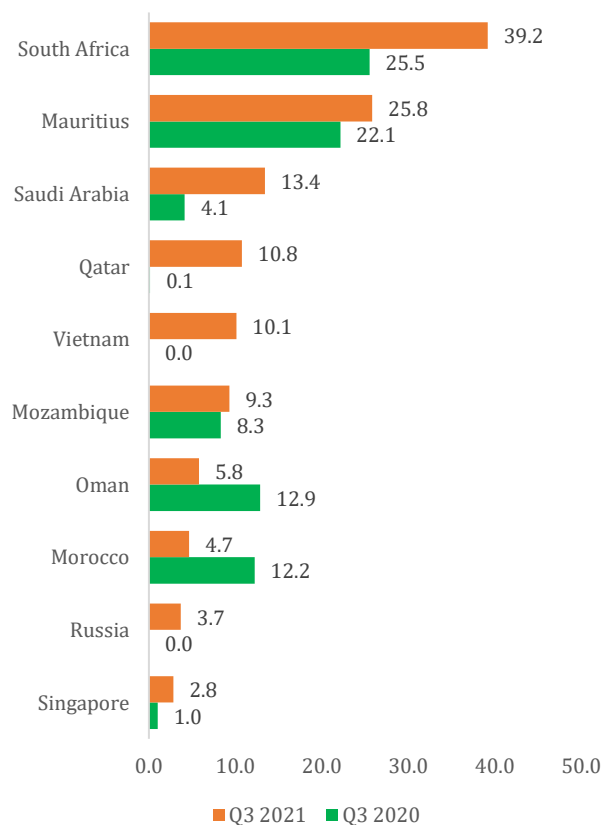
Source: Zamstats and Bank of Zambia

Chart 6b: Q3 2021 and Q3 2020 Source countries for Vehicles and Vehicle Accessories (US\$ millions)



Source: Zamstats and Bank of Zambia

Chart 6c: Q3 2021 and Q3 2020 Source countries for Fertilisers (US\$ millions)



Source: Zamstats and Bank of Zambia

Chart 6d: Q3 2021 and Q3 2020 Source countries for Electrical Machinery, Equipment, Parts Thereof (US\$ millions)



Source: Zamstats and Bank of Zambia

Appendix One: Major Export Destinations for Zambia's Exports (US\$ Millions)

COUNTRY	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Australia	0.1	0.2	0.0	0.0	0.1
Belgium	10.0	1.3	0.6	0.4	10.6
Botswana	5.0	8.7	8.9	16.6	14.5
Burundi	7.5	5.5	7.4	7.2	6.6
China	386.1	421.6	518.9	578.1	452.3
Congo DR	253.0	237.3	225.4	272.0	294.3
Egypt	0.0	0.0	0.0	0.2	0.4
Eswatini (Swaziland)	0.7	1.0	0.5	0.1	0.6
France	0.1	0.2	0.3	0.7	0.1
Germany	2.0	4.1	3.7	4.5	5.5
Hong Kong	11.9	13.8	20.4	22.6	31.974
India	7.9	8.8	26.3	9.1	36.6
Kenya	12.0	14.4	5.5	16.2	16.4
Korea, Republic of	0.3	0.0	0.0	0.0	0.0
Kuwait	0.0	0.0	0.0	0.0	0.0
Luxembourg	24.3	48.0	74.1	56.2	60.5
Madagascar	0.0	2.8	0.0	0.2	0.0
Malawi	33.6	25.9	19.5	36.7	37.3
Malaysia	0.1	0.2	0.2	0.1	0.1
Mozambique	6.9	6.2	4.4	6.6	9.8
Namibia	17.8	19.3	24.6	23.9	16.2
Netherlands	2.5	4.4	4.5	5.7	5.0
Other	19.6	20.0	28.6	38.6	47.2
Pakistan	0.2	1.0	2.9	2.2	3.4
Philippines	0.0	0.0	0.0	0.0	0.1
Republic of Thailand	0.0	0.0	0.0	0.1	0.0
Rwanda	4.3	1.7	1.4	1.6	2.9
Saudi Arabia	0.0	0.0	0.0	0.0	0.0
Singapore	268.1	266.9	316.0	402.4	392.0
South Africa	65.9	49.0	65.5	72.0	75.5
Sudan	0.0	0.0	0.0	0.0	0.0
Sweden	0.0	0.7	0.3	0.0	0.5
Switzerland	1050.3	1103.1	1023.8	1090.7	1195.3
Tanzania, United	20.3	17.5	11.1	20.8	30.9
United Arab Emirates	9.3	8.4	11.4	5.9	2.2
United Kingdom	4.8	2.2	0.6	1.1	6.6
United States of America	9.3	4.9	5.9	12.6	13.8
Zimbabwe	30.1	40.5	47.9	44.1	48.7
Total	2,264.1	2,339.7	2,460.3	2,749.5	2,818.3

Source: Zamstats and Bank of Zambia

Chart A: Major Export Destinations for Zambia's Exports (US\$ Millions)



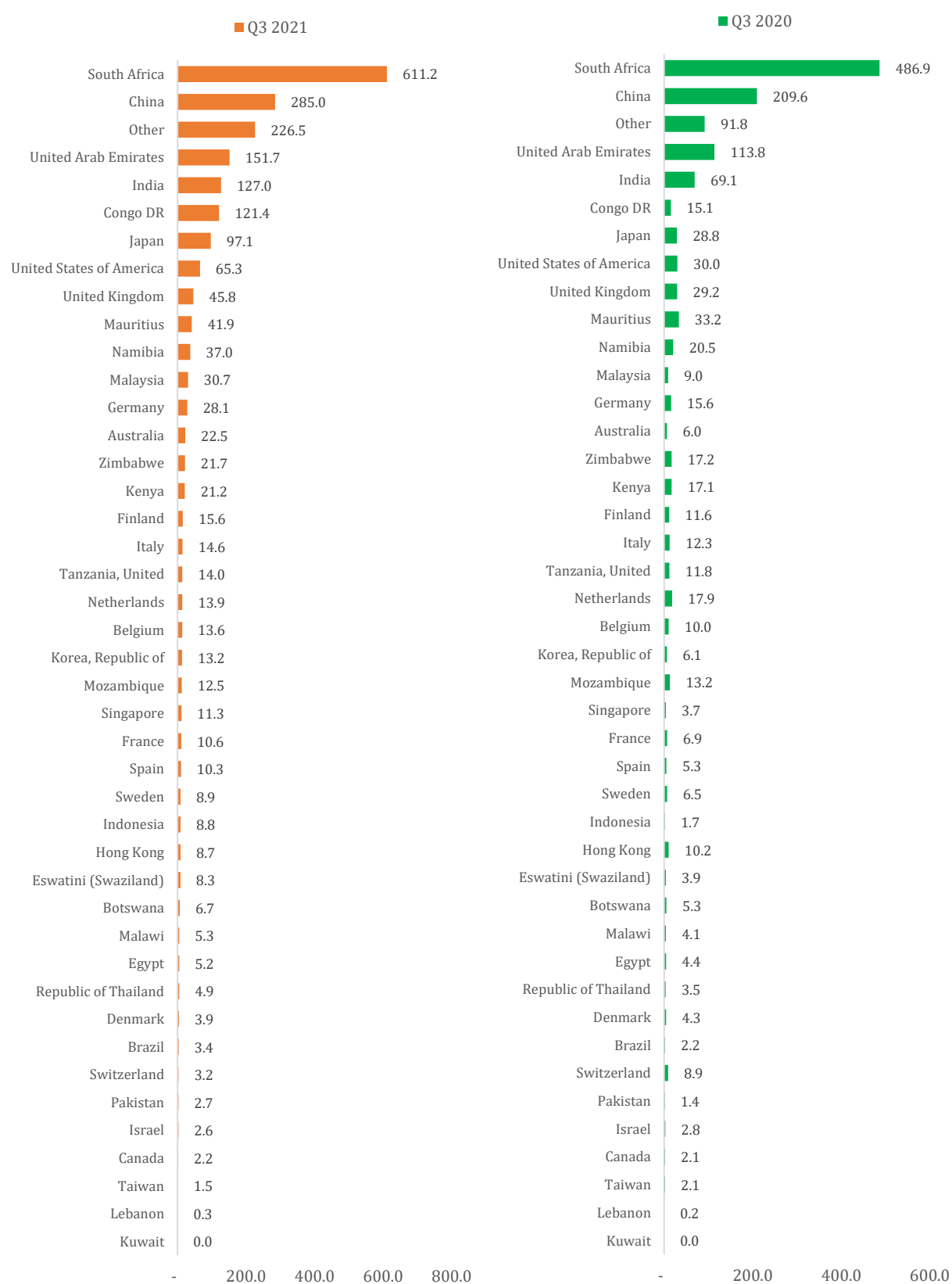
Source: Zamstats and Bank of Zambia

Appendix Two: Major Source Countries for Zambia's Imports (US\$ Millions)

COUNTRY	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Australia	6.0	9.1	8.4	18.9	22.5
Belgium	10.0	6.8	7.0	15.4	13.6
Botswana	5.3	5.2	3.3	4.2	6.7
Brazil	2.2	2.7	3.6	6.0	3.4
Canada	2.1	1.6	2.3	3.8	2.2
China	209.6	190.6	191.3	183.2	285.0
Congo DR	15.1	5.8	20.4	97.5	121.4
Denmark	4.3	15.5	4.6	7.6	3.9
Egypt	4.4	2.1	2.4	3.3	5.2
Eswatini (Swaziland)	3.9	5.1	4.9	6.5	8.3
Finland	11.6	14.7	11.0	7.7	15.6
France	6.9	8.8	10.5	12.1	10.6
Germany	15.6	26.4	20.7	23.8	28.1
Hong Kong	10.2	15.6	8.5	9.7	8.7
India	69.1	85.9	91.5	113.7	127.0
Indonesia	1.7	3.1	3.0	6.1	8.8
Israel	2.8	2.9	3.6	4.6	2.6
Italy	12.3	4.5	4.0	8.6	14.6
Japan	28.8	36.1	39.3	43.4	97.1
Kenya	17.1	11.7	11.2	10.2	21.2
Korea, Republic of	6.1	4.5	9.8	18.7	13.2
Kuwait	0.0	-	0.0	0.0	0.0
Lebanon	0.2	0.1	2.6	0.6	0.3
Malawi	4.1	4.1	3.3	4.2	5.3
Malaysia	9.0	13.2	16.9	14.3	30.7
Mauritius	33.2	20.4	12.8	26.2	41.9
Mozambique	13.2	12.1	6.7	17.4	12.5
Namibia	20.5	22.6	30.1	27.7	37.0
Netherlands	17.9	29.8	20.5	9.1	13.9
Other	91.8	94.6	136.6	193.7	226.5
Pakistan	1.4	13.0	1.0	1.2	2.7
Republic of Thailand	3.5	4.0	3.4	4.8	4.9
Singapore	3.7	2.1	4.0	7.5	11.3
South Africa	486.9	485.1	419.5	564.6	611.2
Spain	5.3	4.0	7.0	5.8	10.3
Sweden	6.5	10.5	9.9	8.4	8.9
Switzerland	8.9	5.4	2.3	5.3	3.2
Taiwan	2.1	2.1	2.4	1.7	1.5
Tanzania, United	11.8	13.3	11.9	13.7	14.0
United Arab Emirates	113.8	93.4	67.9	119.0	151.7
United Kingdom	29.2	24.5	21.8	29.7	45.8
United States of America	30.0	33.8	33.3	44.2	65.3
Zimbabwe	17.2	15.6	14.0	17.0	21.7
Total	1,355.1	1,362.4	1,288.8	1,721.2	2,140.0

Source: Zamstats and Bank of Zambia

Chart A2: Major Source Countries for Zambia's Imports (US\$ Millions)



Source: Zamstats and Bank of Zambia

Appendix Three: Zambia's Trade with SADC (Exclusively) (US\$ Millions)

	Q3 2020		Q4 2020		Q1 2021		Q2 2021		Q3 2021	
COUNTRY	X	IM	X	IM	X	IM	X	IM	X	IM
Angola	0.4	0.1	0.4	0.0	0.6	0.0	0.6	0.1	0.6	0.0
Botswana	5.0	5.3	8.7	5.2	8.9	3.3	16.6	4.2	14.5	6.7
Lesotho	1.6	0.1	0.3	0.0	0.0	0.1	0.0	0.0	0.6	0.0
Mozambique	6.9	13.2	6.2	12.1	4.4	6.7	6.6	17.4	9.8	12.5
Namibia	17.8	20.5	19.3	22.6	24.6	30.1	23.9	27.7	16.2	37.0
South Africa	65.9	486.9	49.0	485.1	65.5	419.5	72.0	564.6	75.5	611.2
Tanzania	20.3	11.8	17.5	13.3	11.1	11.9	20.8	13.7	30.9	14.0
TOTAL	117.9	537.7	101.4	538.3	115.0	471.6	140.5	627.8	148.1	681.4

X and IM denote exports and Imports, respectively

Source: Zamstats and Bank of Zambia

Appendix Four: Zambia's Trade with COMESA (Exclusively) (US\$ Millions)

	Q3 2020		Q4 2020		Q1 2021		Q2 2021		Q3 2021	
COUNTRY	X	IM	X	IM	X	IM	X	IM	X	IM
Burundi	7.5	0.1	5.5	0.1	7.4	0.0	7.2	0.0	6.6	0.0
Comoros	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Djibouti	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Egypt	0.0	4.4	0.0	2.1	0.0	2.4	0.2	3.3	0.5	5.2
Eritrea	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ethiopia	0.0	0.7	0.0	0.3	0.0	0.2	0.0	0.2	0.0	0.9
Kenya	12.0	17.1	14.4	11.7	5.5	11.2	16.2	10.2	16.4	21.2
Libya	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rwanda	4.3	0.2	1.7	0.0	1.4	0.0	1.6	0.1	2.9	0.0
Sudan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uganda	2.3	1.7	2.5	1.8	3.2	4.0	4.4	2.8	5.1	0.2
TOTAL	26.2	24.1	24.1	16.0	17.4	17.8	29.5	16.6	31.4	27.6

X and IM denote exports and Imports, respectively

Source: Zamstats and Bank of Zambia

Appendix Five: Zambia's Trade with SADC and COMESA (US\$ Millions)

	Q3 2020		Q4 2020		Q1 2021		Q2 2021		Q3 2021	
COUNTRY	X	IM	X	IM	X	IM	X	IM	X	IM
Congo DR	253.0	15.1	237.3	5.8	225.4	20.4	272.0	97.5	294.3	121.4
Madagascar	0.0	0.0	2.8	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Malawi	33.6	4.1	25.9	4.1	19.5	3.3	36.7	4.2	37.3	5.3
Mauritius	1.1	33.2	0.3	20.4	2.4	12.8	5.0	26.2	7.9	41.9
Seychelles	0.0	6.5	0.0	21.5	0.0	45.8	0.0	83.7	0.1	107.1
Eswatini	0.7	3.9	1.0	5.1	0.5	4.9	0.1	6.5	0.6	8.3
Zimbabwe	30.1	17.2	40.5	15.6	47.9	14.0	44.1	17.0	48.7	21.7
TOTAL	318.4	80.0	307.9	72.6	295.6	101.2	358.2	235.1	389.0	305.6

Note: X and IM denote exports and Imports, respectively

Source: Zamstats and Bank of Zambia



Bank of Zambia