



Bank of Zambia

Zambia Direction of Trade Report

(First Quarter 2017)

CONTENTS

Executive Summary..... iii

1. Introduction 1

2. Major Destinations for Zambia’s Exports 1

3. Major Source Countries for Zambia’s Imports..... 4

4. Conclusion..... 6

Executive Summary

In the first quarter of 2017, Zambia's total trade (exports and imports) increased to US\$3.79 billion compared to US\$3.24 billion in the corresponding period in 2016. The improvement in trade was on account of an increase in both export and import performance. Exports rebounded due to higher copper exports and non-traditional exports such as sugars and confectionery; and tobacco and manufactured tobacco products. Imports also rebounded largely on account of higher copper ores, nuclear reactors and boilers, aviation equipment imports. Switzerland remained the major destination for Zambia's exports and South Africa is the major source for Zambia's imports.

1. Introduction

This report analyses Zambia’s direction of merchandise trade for the first quarter of 2017 compared with the corresponding quarter in 2016. 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.).

In the first quarter of 2017, Zambia’s total trade (exports and imports) was US\$3.79 billion compared to US\$3.24 billion in the corresponding period in 2016.

2. Major Destinations for Zambia’s Exports¹

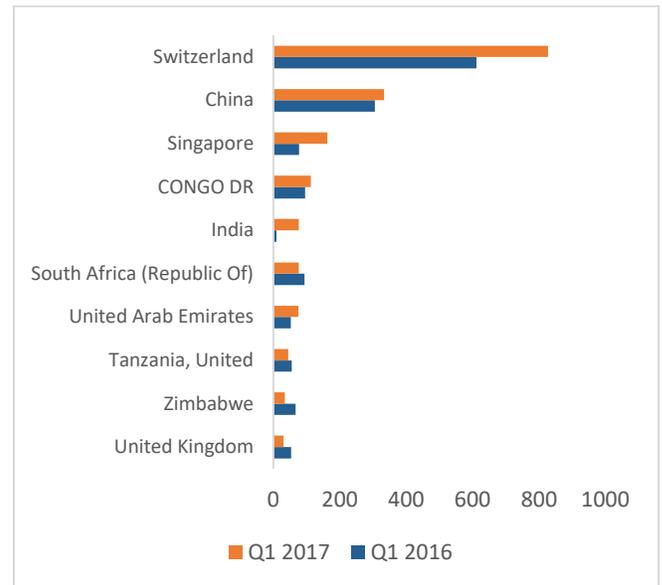
Zambia’s total exports in Q1-2017 were US\$1.90 billion compared to US\$1.55 billion in Q1-2016. The top six destinations for Zambia’s exports were Switzerland, China, Congo DR, Singapore, India and South Africa (Figure 1). Exports to these destinations accounted for 83.7% of total exports.

Exports to Switzerland rose by 35.4% to US\$827.9 million from US\$611.5 million, attributed to an increase in copper earnings (Figure 1).

Accordingly, exports to China increased by 9.1% to US\$334.2 million from US\$306.2 million on account of a surge in tobacco and tobacco manufactured products.

Further, exports to Singapore rose to US\$162.9 million from US\$77.2 million on account of an increase in exports of copper.

Figure 1 Major Export destinations (USD millions)



Exports to Congo (DR) recorded a 18.7% increase to US\$113.4 million from US\$95.4 million on account of small incremental increases in various NTE commodities such as edible vegetables, meat products, dairy products and essential oils and resinoids.

Similarly exports to India rose to US\$76.9 million from US\$9.2 million on account of a surge in exports of copper, and salt and sulphur.

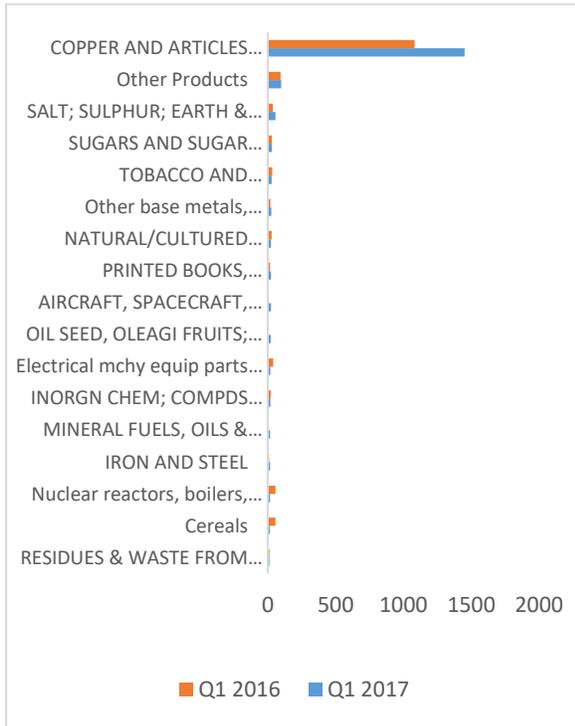
However, exports to South Africa declined by 17.7% to US\$76.9 million from US\$93.5 million on account of a reduction in exports of other base metals (excluding copper).

The top five export commodities were copper; salt and Sulphur; sugars and confectionery; tobacco and tobacco products, and other base metals. The country earned US\$1.45 billion from copper exports compared to US\$1.08 billion in the corresponding quarter in 2016 (Figures 2a and 2b).

¹The Appendices shows the major export destinations, source countries for Zambia’s imports

and Zambia’s trade with SADC and COMESA countries.

Figure 2a: Export Earnings (USD millions including copper)



The major export destinations for Zambia's top five export commodities are shown in figures 3a to 3e.

Figure 3a: Q1 2016 and Q1 2017 Copper Major Export Destinations (USD Millions)



Figure 2b: Export Earnings (USD millions excluding copper)

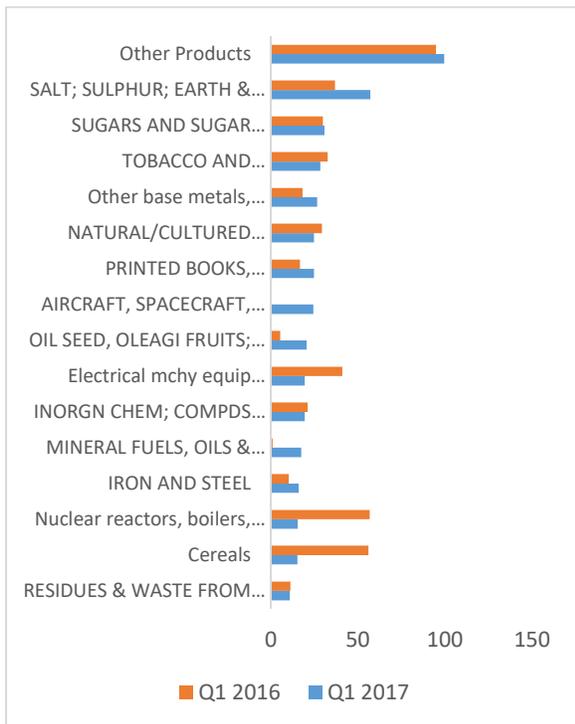


Figure 3b: Q1 2016 and Q1 2017 Major Export destinations Salt and Sulphur (USD millions)

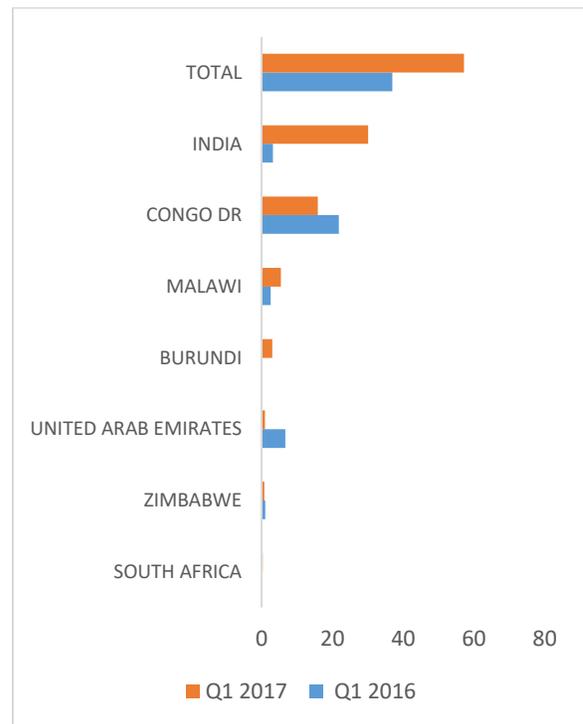


Figure 3c: Q1 2016 and Q1 2017 Major Export destinations for Sugars and Confectionery (USD millions)

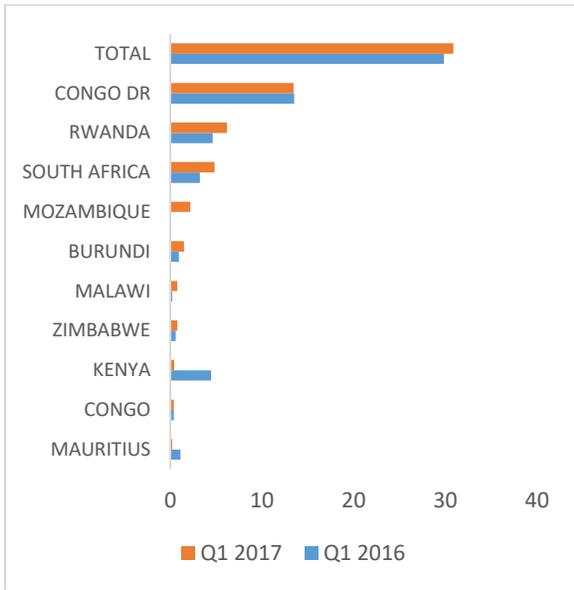


Figure 3e: Q1-2016 and Q1-2017 Major Export destinations for Other Base Metals (USD millions)

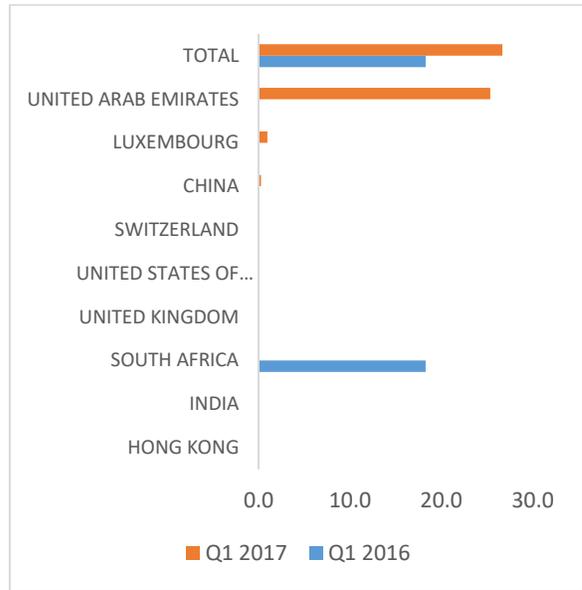
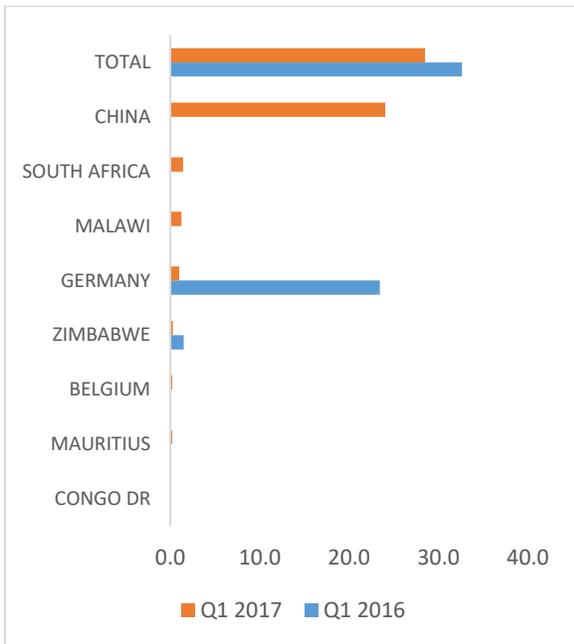


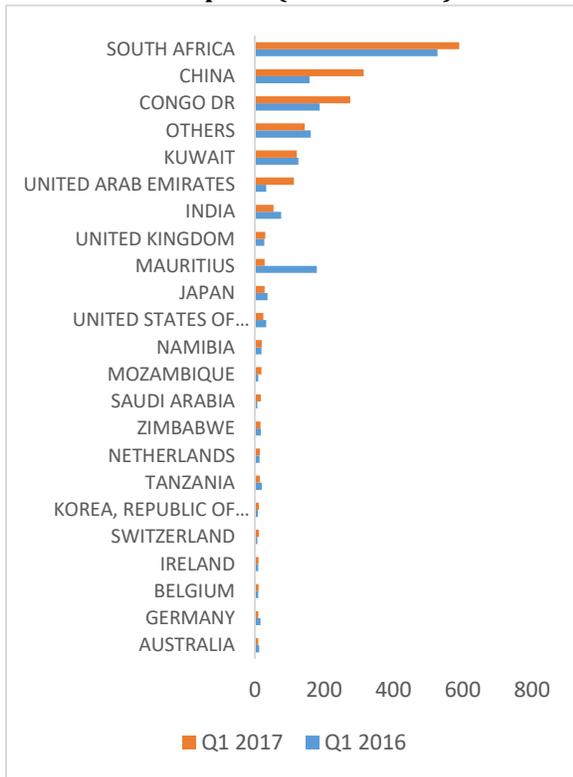
Figure 3d: Q1-2016 and Q1-2017 Major Export destinations for Tobacco and Tobacco Products (USD millions)



3. Major Source Countries for Zambia's Imports

Zambia's imports in Q1 2017 were US\$1.89 billion compared to US\$1.70 billion in Q1 2016. During the review period, the top five source countries for Zambia's imports were: South Africa, China, Congo DR, Kuwait and United Arab Emirates (Figure 4).

Figure 4: Zambia's Q1-2017 Top Source Countries for Imports (USD millions)



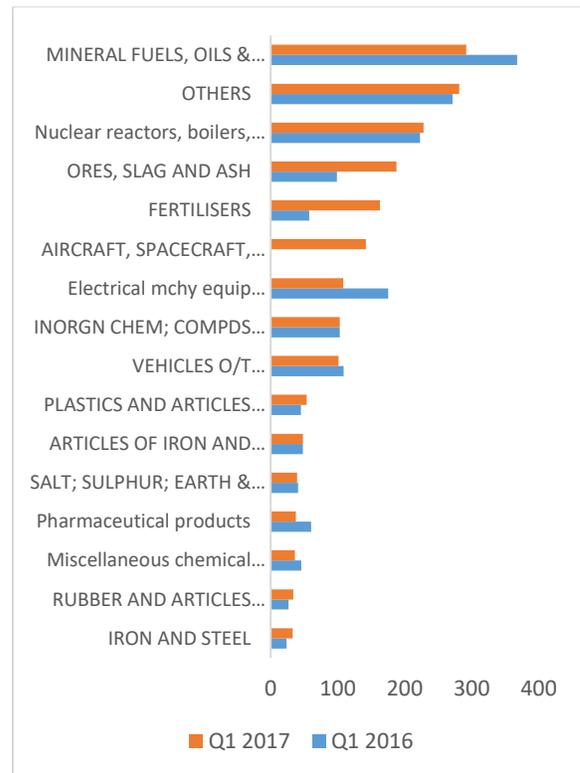
Imports from South Africa rose by 11.9% to US\$590.3 million from US\$527.8 million on account of a rise in imports of nuclear reactors and boilers; fertilizers; mineral fuels; vehicles and electrical machinery equipment parts.

Imports from China increased to US\$314.1 million from US\$157.7 million on account of an increase in imports of aviation equipment; electrical equipment parts; vehicles, and rubber products. Imports from Congo (DR) rose by 47.3% to US\$276.1 from US\$187.4 million on account of a rise in imports of ores; and Zinc and articles thereof.

Imports from the United Arab Emirates increased to US\$113.2 million from US\$32.5 million on account of an increase in the imports of mineral fuels. However, imports from Kuwait fell by 3.7% to US\$120.8 million from US\$125.4 million attributed to a fall in imports of mineral fuels from that country.

Zambia's top five import commodities were: mineral fuels (US\$292.1 million); Nuclear reactors and boilers (US\$228.1 million); copper ores (US\$187.8 million); fertilizer (US\$163.0 million); and aviation equipment (US\$142.4 million).

Figure 5: Major Import Commodities (USD millions)



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

Figure 6a: Source Countries for Mineral Fuels (USD millions)

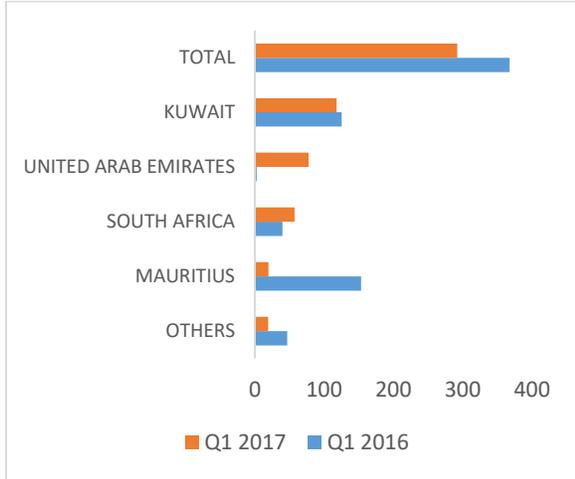


Figure 6c: Source countries for Copper Ores (USD millions)

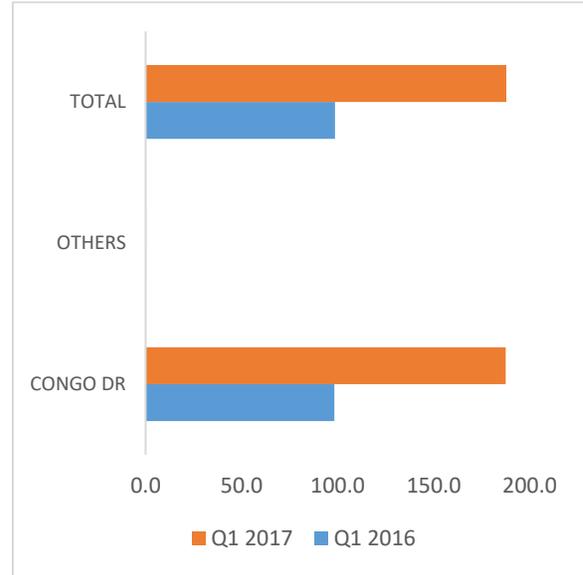


Figure 6b: Source countries for nuclear reactors (USD millions)

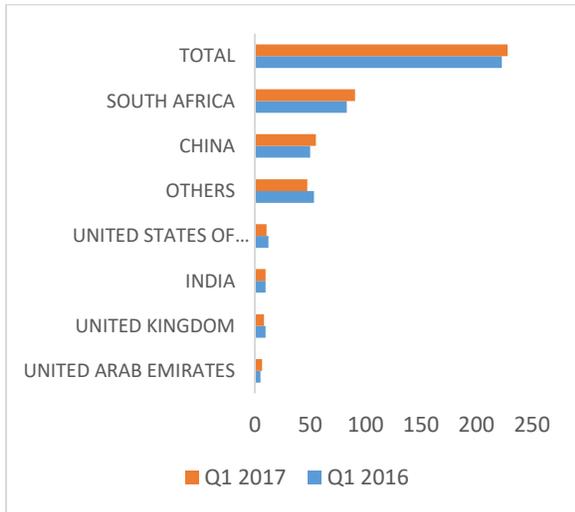


Figure 6d: Source countries for fertilizer (USD millions)

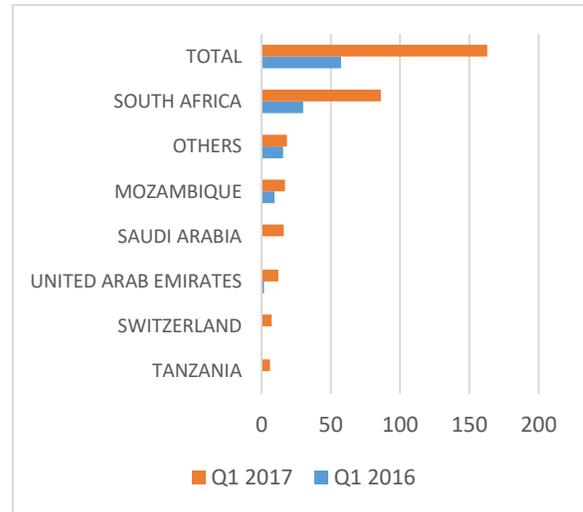
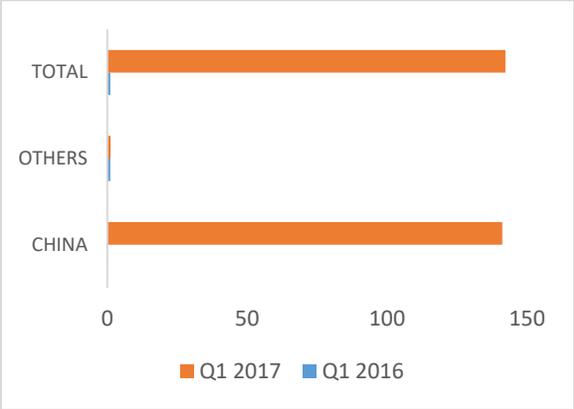


Figure 6e: Source Countries for Aviation Equipment Parts (USD millions)



4. Conclusion

During the period under review exports performance improved largely on account of an increase in exports of copper and non-traditional exports such as sugars and confectionery; and tobacco and manufactured tobacco products. Copper exports increased mainly due to increase in copper prices. On a similar account imports rebounded largely on account of import of rcopper ores, nuclear reactors and boilers, aviation equipment.

APPENDIX ONE: MAJOR EXPORT DESTINATIONS FOR ZAMBIA'S EXPORTS

COUNTRY	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Australia	0.3	0.1	0.1	0.2	0.1
Belgium	0.2	1.3	3.9	1.0	1.3
Botswana	5.3	4.0	3.9	0.0	0.0
Burundi	1.6	2.4	4.0	3.8	4.5
China	306.2	335.6	226.6	341.6	334.2
CONGO DR	95.5	108.3	109.9	115.3	113.4
Egypt	0.0	0.0	0.1	0.0	0.0
France	0.0	0.1	0.2	0.0	0.1
Germany	24.1	1.0	2.6	4.5	2.1
Hong Kong	16.7	20.7	34.9	29.6	29.7
India	9.2	42.3	14.2	5.0	77.0
Kenya	10.4	9.7	8.5	10.3	8.1
Korea, Republic Of	1.4	0.9	1.3	1.2	0.9
Kuwait	0.0	0.0	0.0	0.0	0.0
Luxembourg	0.8	0.3	6.1	7.5	10.4
Madagascar	0.0	0.0	0.0	0.2	0.0
Malawi	18.4	31.2	42.8	30.2	20.4
Malaysia	0.0	0.0	0.0	0.0	0.0
Mozambique	5.9	1.6	2.3	10.7	5.5
Namibia	3.8	1.0	3.3	5.5	5.5
Netherlands	6.4	1.7	1.3	3.6	7.1
Pakistan	0.0	0.0	0.0	0.0	0.0
Philippines	0.0	0.0	0.0	0.0	0.0
Republic Of Thailand	0.2	0.0	0.0	0.0	0.0
Rwanda	4.9	5.9	8.5	7.4	7.1
Saudi Arabia	0.0	0.0	0.0	0.1	0.0
Singapore	77.2	109.7	81.8	101.0	162.9
South Africa (Republic Of)	93.5	82.8	122.4	84.6	76.9
South Sudan	0.1	0.0	0.0	0.0	0.0
Swaziland	1.8	2.0	0.9	2.2	1.0
Sweden	0.6	0.1	0.3	0.9	0.4
Switzerland	611.5	643.8	575.2	755.2	827.9
Tanzania, United	55.9	6.5	13.3	15.3	45.0
United Arab Emirates	52.7	97.8	120.6	91.9	75.5
United Kingdom	53.5	41.4	95.7	49.3	30.7
United States Of America	0.3	0.5	0.5	0.9	0.2
Zimbabwe	66.8	30.8	40.1	89.4	34.3
Other	20.7	9.4	24.0	20.4	20.1
Total	1545.8	1593.3	1549.4	1788.7	1902.3

APPENDIX TWO: MAJOR SOURCE COUNTRIES FOR ZAMBIA'S IMPORTS

COUNTRY	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Australia	13.1	7.8	12.4	12.2	10.1
Belgium	9.4	7.4	13.9	32.3	10.4
Botswana	3.3	3.5	4.9	5.0	2.2
Brazil	1.9	3.6	0.8	1.8	3.3
Canada	2.4	3.5	3.7	7.4	6.3
China	157.7	134.5	150.0	158.2	314.1
Congo DR	187.4	204.1	247.2	349.1	276.1
Denmark	6.1	5.8	3.8	9.7	8.6
Egypt	3.1	4.7	2.0	2.3	3.3
Finland	8.5	18.9	32.1	14.0	9.8
France	6.6	4.3	10.8	20.7	7.1
Germany	16.2	13.1	12.5	18.6	10.2
Hong Kong	14.0	12.3	6.1	6.5	8.8
India	76.4	68.1	86.8	85.4	53.9
Indonesia	0.8	0.8	0.7	1.1	1.3
Israel	2.5	1.8	0.7	2.5	0.9
Italy	3.9	3.5	2.9	29.7	2.9
Japan	36.2	25.5	30.2	33.1	28.0
Kenya	20.9	11.4	9.1	10.4	7.1
KOREA, REPUBLIC OF (SOUTH)	9.3	7.3	8.7	9.3	12.0
Kuwait	125.4	151.8	157.2	117.2	120.8
Lebanon	1.4	1.1	0.6	2.2	0.3
Malawi	1.4	2.1	3.0	11.7	3.6
Malaysia	4.4	4.6	6.6	4.2	4.7
Mauritius	178.7	77.8	34.3	53.8	28.6
Mozambique	9.9	13.2	26.3	70.5	18.6
Namibia	19.3	25.0	28.7	21.6	20.3
Netherlands	13.9	10.0	11.6	12.5	14.6
Pakistan	0.7	3.0	0.6	1.1	5.7
Republic Of Thailand	2.3	2.8	1.9	3.9	1.8
Singapore	20.8	6.9	12.3	8.8	8.9
SOUTH AFRICA	527.8	577.6	574.2	728.7	590.3
Spain	2.6	1.5	0.8	2.2	1.5
Swaziland	2.5	1.3	2.4	5.0	2.4
Sweden	17.6	16.8	11.8	16.7	6.4
Switzerland	7.4	4.2	16.0	11.9	11.4
Taiwan, Province Of China	1.9	1.9	2.0	1.6	0.0
Tanzania, United	19.8	74.0	22.7	46.3	0.0
United Arab Emirates	32.5	46.1	72.9	105.9	113.2
United Kingdom	27.6	37.2	27.0	33.1	29.9
United States Of America	33.2	32.8	25.1	22.6	24.3
Zimbabwe	17.6	19.6	19.0	19.7	15.9
Other	48.9	61.5	73.2	82.6	88.9
Total	1697.4	1714.5	1769.6	2193.0	1888.5

APPENDIX THREE: ZAMBIA'S TRADE WITH SADC (EXCLUSIVELY)

COUNTRY	Q2.2016		Q3.2016		Q4.2016		Q1.2017	
	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS
Angola	0.1	0.0	0.2	0.0	0.3	1.4	0.6	0.0
Botswana	4.0	3.5	3.9	4.9	7.0	5.0	0.0	2.2
Lesotho	0.5	0.0	0.8	0.0	0.4	0.0	1.3	0.0
Mozambique	1.6	13.2	2.3	26.3	10.7	70.5	5.5	18.6
Namibia	1.0	25.0	3.3	28.7	5.5	21.6	5.5	20.3
South Africa	82.8	577.6	122.4	574.2	84.6	728.7	76.9	590.3
Tanzania	6.5	74.0	13.3	22.7	15.3	46.3	45.0	0.0
TOTAL	96.5	693.2	146.2	656.9	123.8	873.6	134.9	631.4

APPENDIX FOUR: ZAMBIA'S TRADE WITH COMESA (EXCLUSIVELY)

COUNTRY	Q2.2016		Q3.2016		Q4.2016		Q1.2017	
	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS
Burundi	2.4	0.0	0.2	3.7	0.0	7.4	0.0	6.3
Comoros	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Djibouti	0.0	0.0	0.1	2.0	0.0	2.3	0.0	3.3
Egypt	0.0	4.7	0.0	0.0	0.0	0.0	0.0	0.0
Eritrea	0.0	0.0	0.0	0.0	0.0	0.2	0.3	0.1
Ethiopia	0.3	0.0	0.1	32.1	0.0	14.0	0.0	9.8
Kenya	9.7	11.4	1.3	8.7	1.2	9.3	0.9	12.0
Libya	0.0	0.0	6.1	0.1	7.5	0.2	10.4	0.7
Rwanda	5.9	0.0	0.0	9.2	0.1	10.2	0.0	17.3
Sudan	0.0	0.0	0.0	0.8	0.0	2.2	0.0	1.5
Uganda	0.8	0.6	0.0	0.1	0.0	0.4	0.0	0.0
TOTAL	19.0	16.7	7.7	56.7	8.8	46.3	11.6	51.1

APPENDIX FIVE: ZAMBIA'S TRADE WITH SADC AND COMESA

COUNTRY	Q2.2016		Q3.2016		Q4.2016		Q1.2017	
	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS
Congo(DR)	96.8	204.1	109.9	247.2	115.3	349.1	113.4	276.1
Madagascar	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Malawi	31.2	2.1	42.8	3.0	30.2	11.7	20.4	3.6
Mauritius	0.1	77.8	5.9	34.3	0.7	53.8	0.4	28.6
Seychelles	0.0	0.1	0.0	0.2	0.0	0.2	0.0	0.0
Swaziland	2.0	1.3	0.9	2.4	2.2	5.0	1.0	2.4
Zimbabwe	30.8	19.6	40.1	19.0	89.4	19.7	34.3	15.9
TOTAL	160.9	305.0	199.6	306.1	237.8	439.5	169.5	326.6