

Direction of Trade Report Fourth Quarter 2021



February 2021



Bank of Zambia



Bank of Zambia

REGISTERED OFFICES

Head Office

Bank of Zambia, Bank Square, Cairo Road, P. O. Box
30080, Lusaka, 10101, Zambia Tel: (+260) 211 399300
E-mail: info@boz.zm

Website: www.boz.zm

Regional Office

Bank of Zambia, Buteko Avenue, P. O. Box 71511, Ndola,
Zambia Tel: (+260) 212 399600
E-mail: info@boz.zm

Website: www.boz.zm

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This report analyses Zambia’s direction of merchandise trade during the last 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

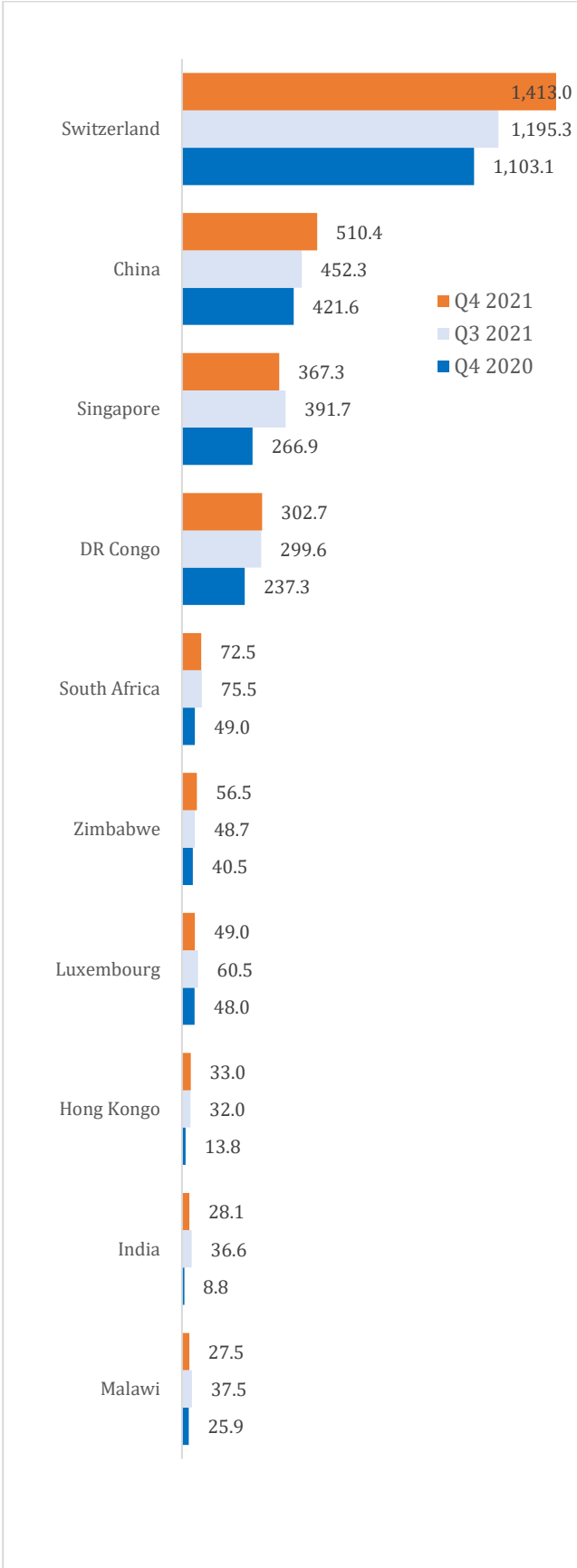
major export destinations were Switzerland, China, Singapore, Democratic Republic of Congo, South Africa, Zimbabwe, and Luxembourg

Total export earnings were US\$3.1 billion in the fourth quarter of 2021, 30.8 percent higher than a year ago. Copper exports, which grew by 36.3 percent to US\$2.3 billion, generally explained this outturn. The rise in copper export receipts reflected stronger realised prices which offset a 0.9 percent fall in export volumes.

Average realised copper prices rose by 37.2 percent to US\$9,639.3 per tonne relative to US\$7,027.5 per metric tonne a year ago. Low global copper inventories amid increasing demand supported higher copper prices.

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

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



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

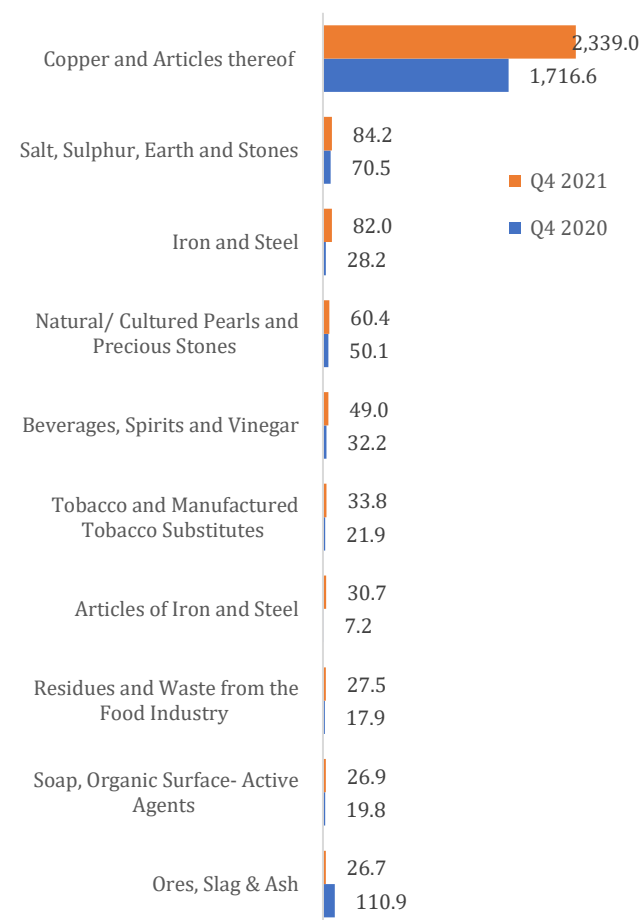
Table 1: Top Five Export Products and Major Destinations (US\$ millions)

Main Product (s)	Country	Q4 2020	Q4 2021	percent Change
Copper and articles thereof	Switzerland	1,716.6	2,339.0	36.3
Salt, sulphur, earth, lime, and cement	DR Congo	70.5	84.2	19.4
Iron and steel	South Africa	28.2	82.0	190.9
Natural/cultured pearls, precious stones, and metals	India	50.1	60.4	20.6
Beverages, spirits, and vinegar	DR Congo	32.2	49.0	52.0

Source: Bank of Zambia and ZamStats

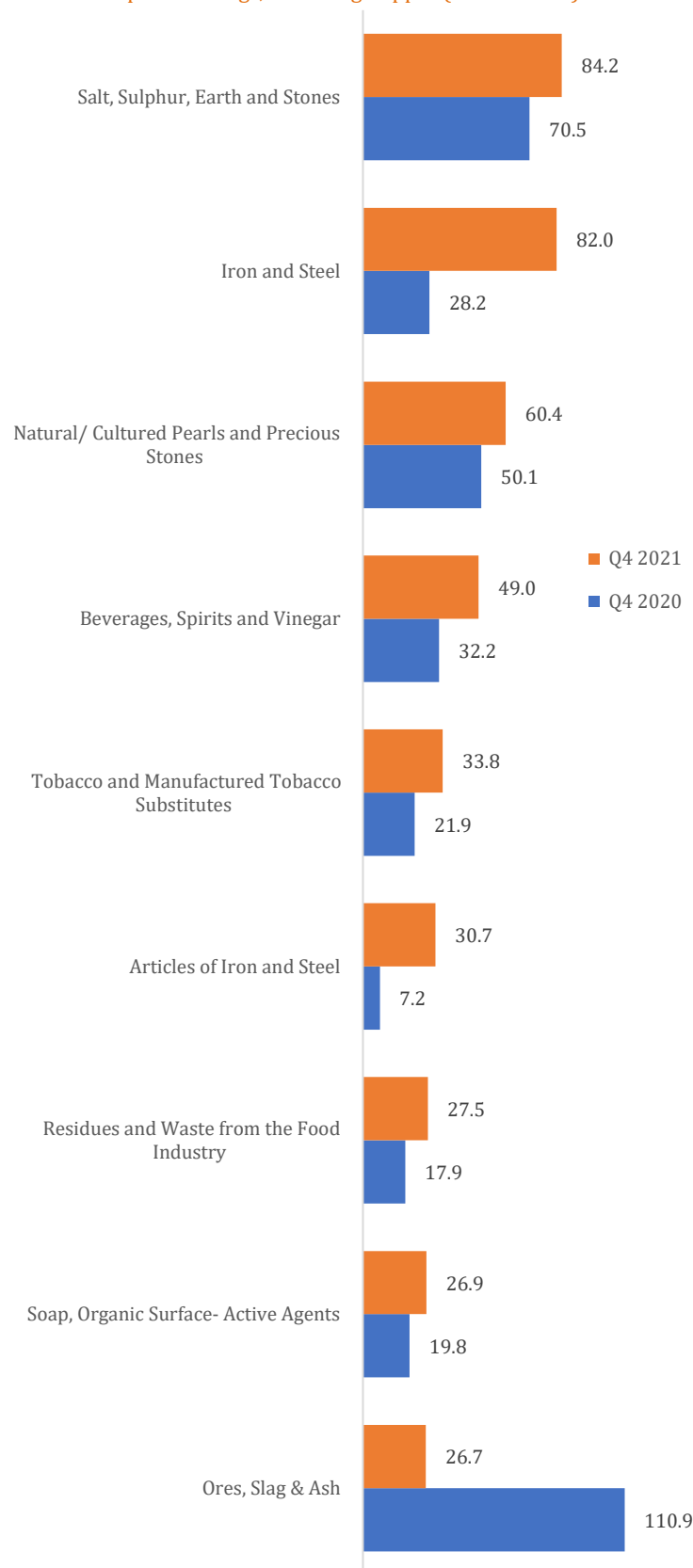
The major export commodities were refined copper; salt, sulphur, earth and stones; iron and steel; natural pearls, precious stones and metals as well as beverages, spirits, and vinegar (Charts 2a and 2b).

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



Source: Bank of Zambia and ZamStats

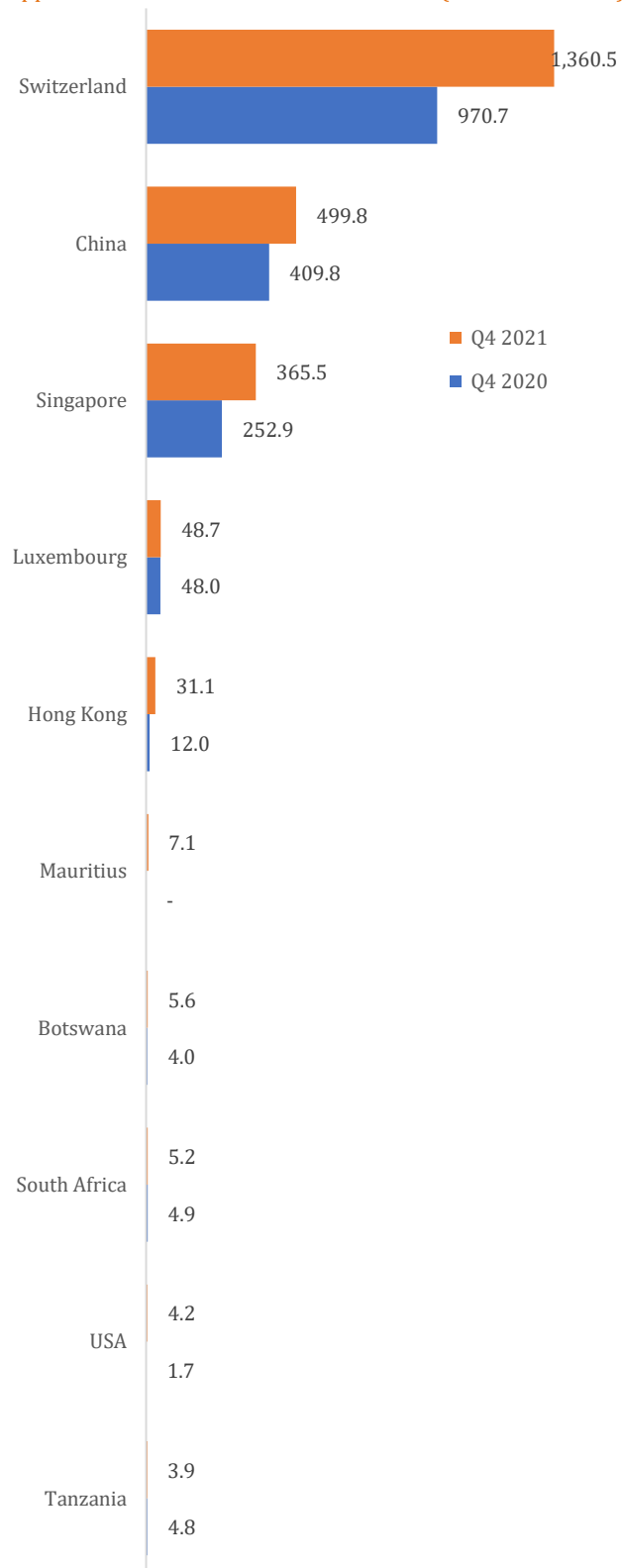
Chart 2b: Export Earnings, excluding Copper (US\$ millions)



Source: Bank of Zambia and ZamStats

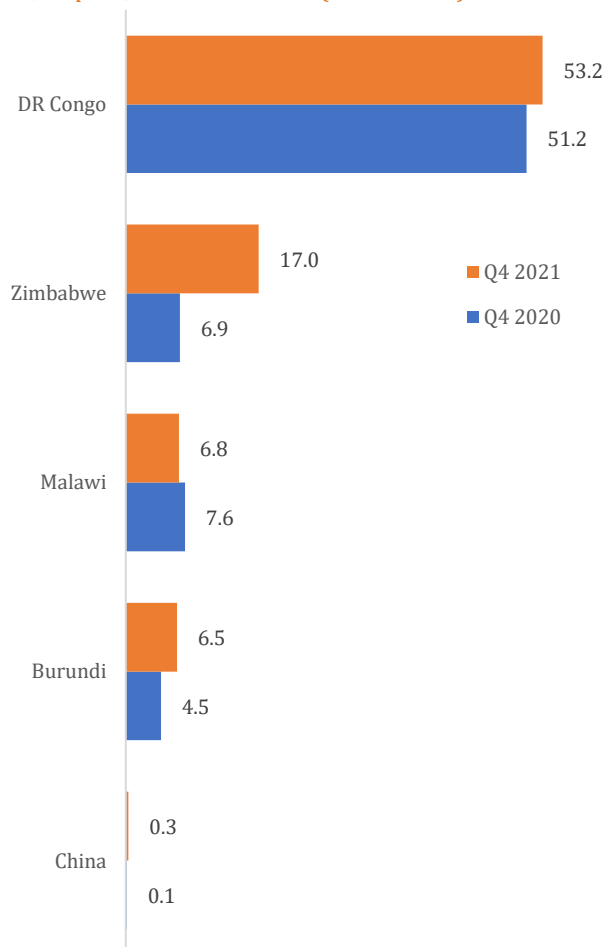
The major export destinations for the top five export commodities are shown in Charts 3a-3e.

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



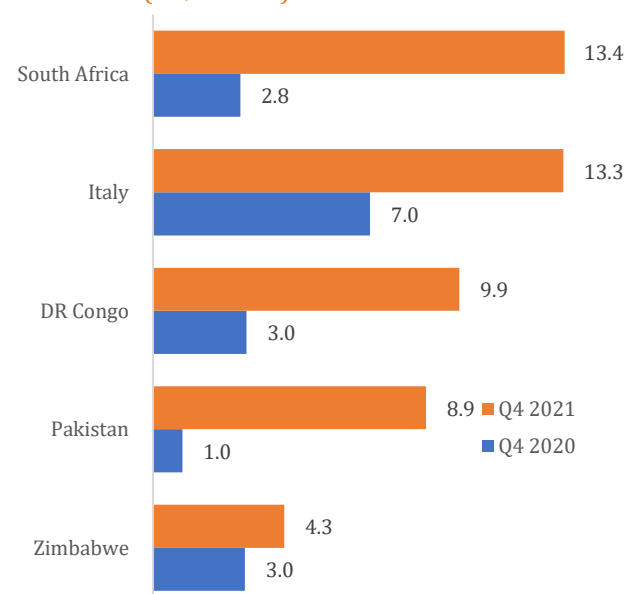
Source: Bank of Zambia and ZamStats

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



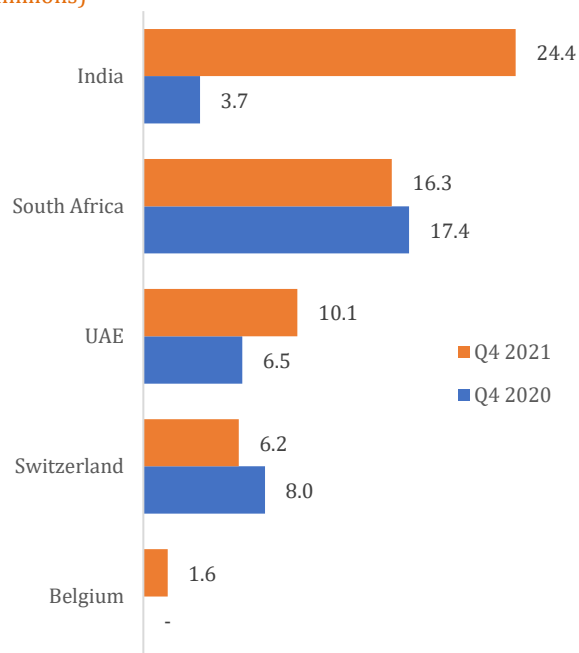
Source: Bank of Zambia and ZamStats

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



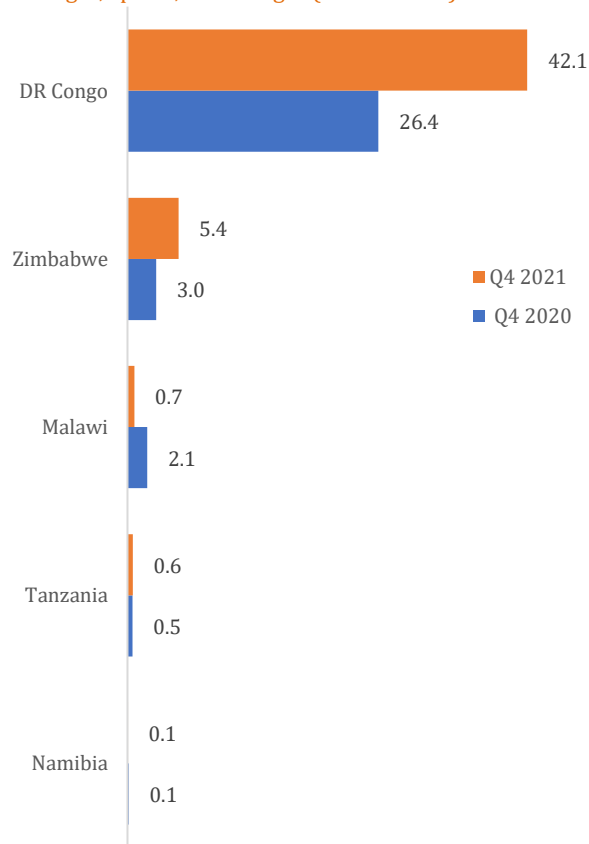
Source: Bank of Zambia and ZamStats

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



Source: Bank of Zambia and ZamStats

Chart 3e: Q3 2021 and Q3 2020 Major Export destinations of beverages, spirits, and vinegar (US\$ millions)



Source: Bank of Zambia and ZamStats

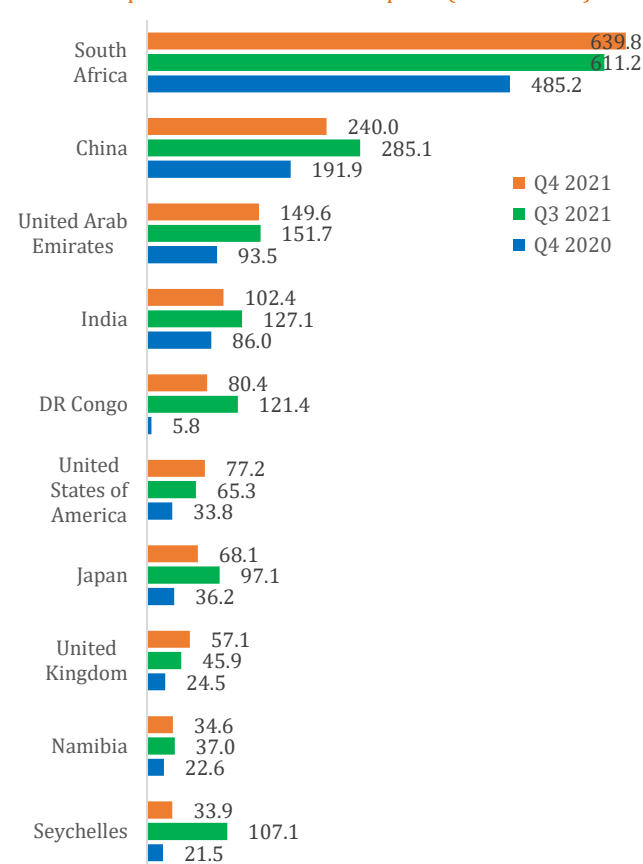
2.0 Major Source Countries for Zambia's Imports

major source countries for imports were South Africa, China, United Arab Emirates, India, Democratic Republic of Congo, United States and Japan

The value of merchandise imports was 31.9 percent higher at US\$639.8 million in the fourth quarter of 2021 compared to the corresponding quarter in 2020. Imports from the top five source countries accounted for 62.4 percent of total imports with South Africa being the largest contributor at 32.9 percent (Chart 4). The increase was broad based as shown in Table 2.0.

An uptick in domestic economic activity and appreciation of the Kwacha accounted for the rise in imports.

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



Source: Bank of Zambia and ZamStats

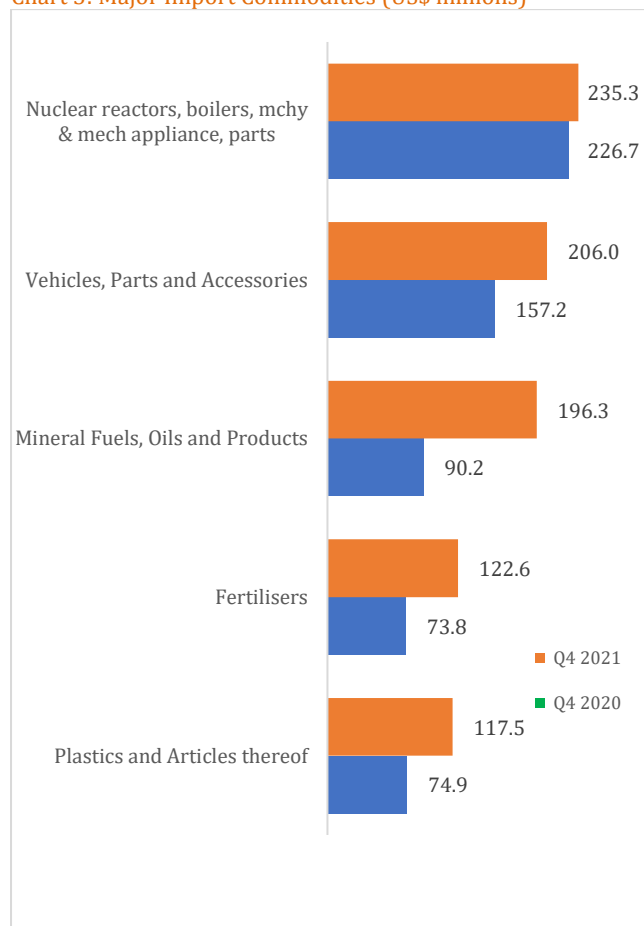
Table 2: Import performance by product and source country (US\$ millions)

Main Product (s)	Country	Q4 2020	Q4 2021	percent Change
Nuclear Reactors, Boilers, and Mechanical Appliances and parts	South Africa	226.7	235.3	3.8
Vehicles, Parts and Accessories	South Africa	157.2	206.0	31.1
Mineral, Fuels, Oils and Products	UAE	90.2	196.3	117.8
Fertilisers	South Africa	73.8	122.6	66.2
Plastics and Articles thereof	South Africa	74.9	117.5	56.9

Source: Bank of Zambia and ZamStats

The top five import commodities are presented in Chart 5.

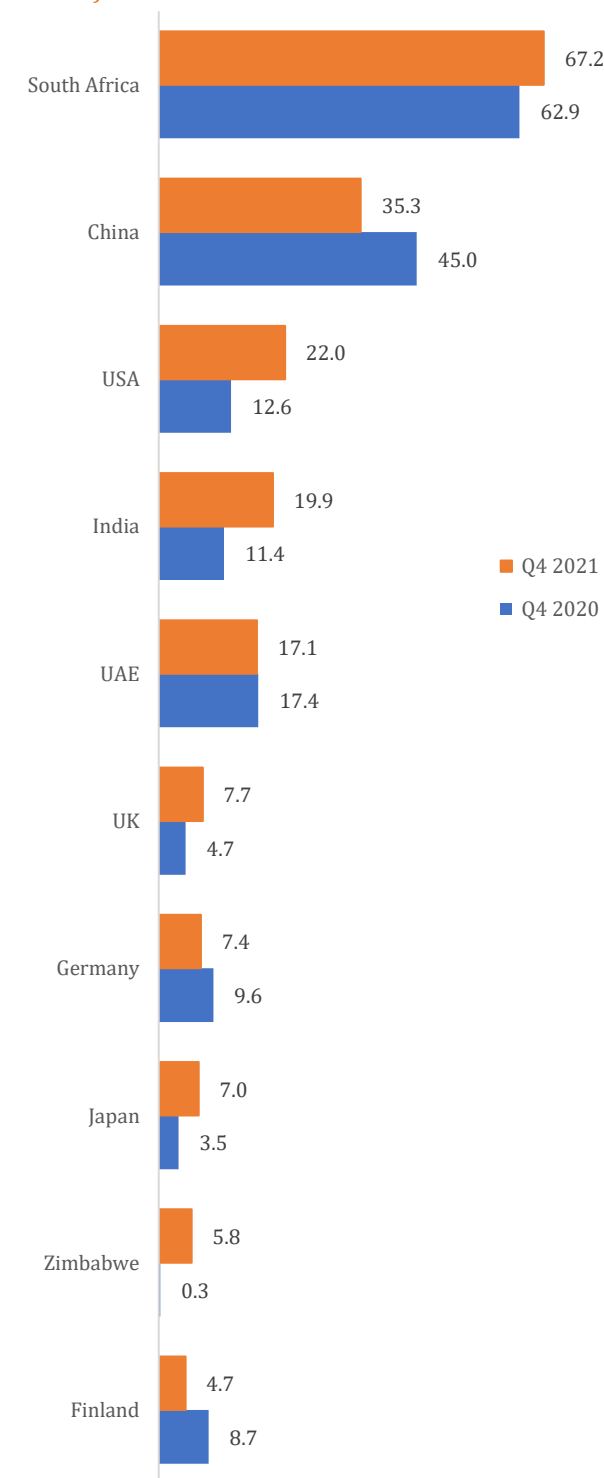
Chart 5: Major Import Commodities (US\$ millions)



Source: Bank of Zambia and ZamStats

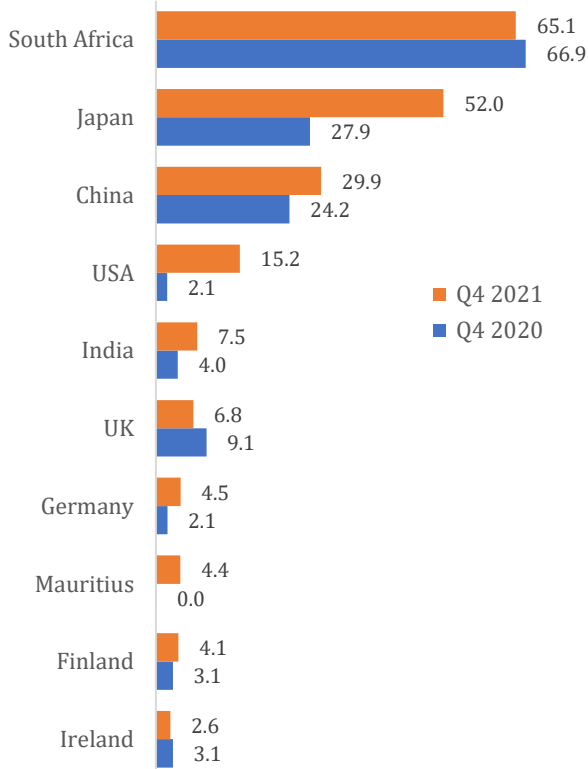
The source countries for Zambia's top five major imports are given in Charts 6a to 6e.

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



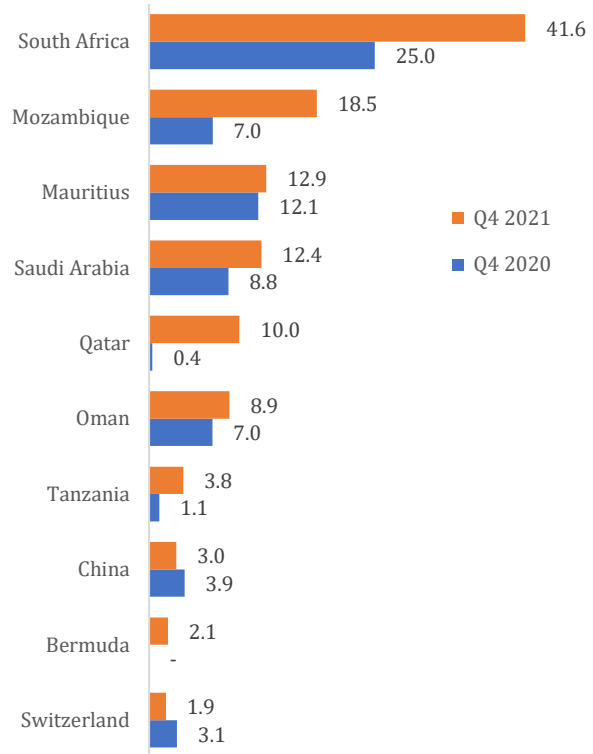
Source: Bank of Zambia and ZamStats

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



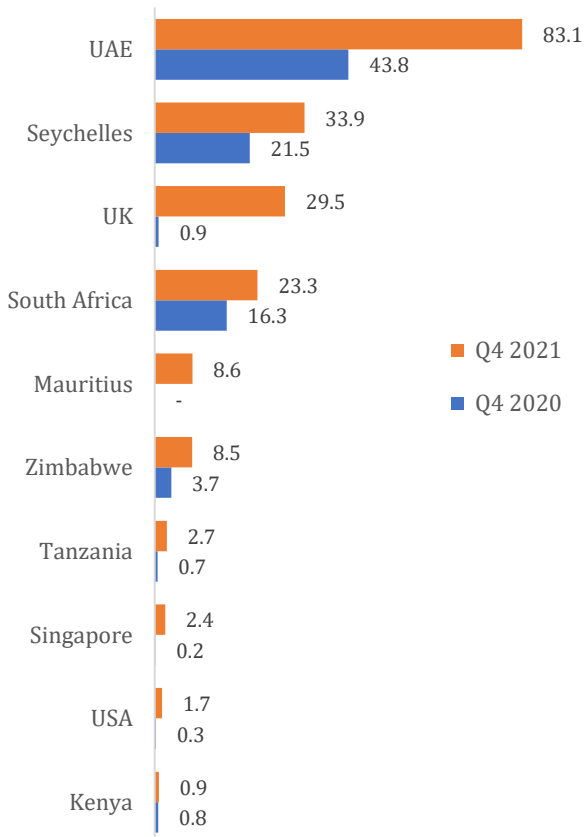
Source: Bank of Zambia and ZamStats

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



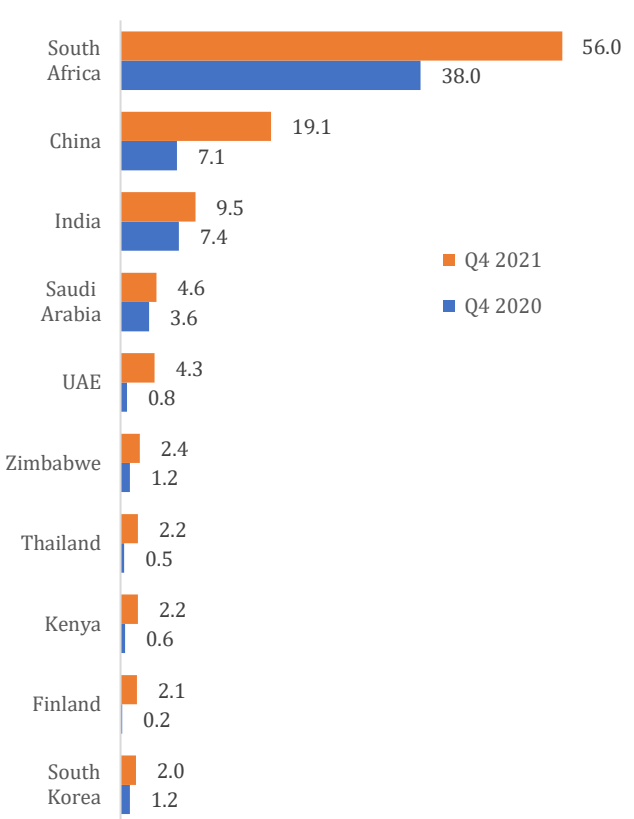
Source: Bank of Zambia and ZamStats

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



Source: Bank of Zambia and ZamStats

Chart 6e: Q3 2021 and Q3 2020 Source countries for Plastics and Articles thereof (US\$ millions)



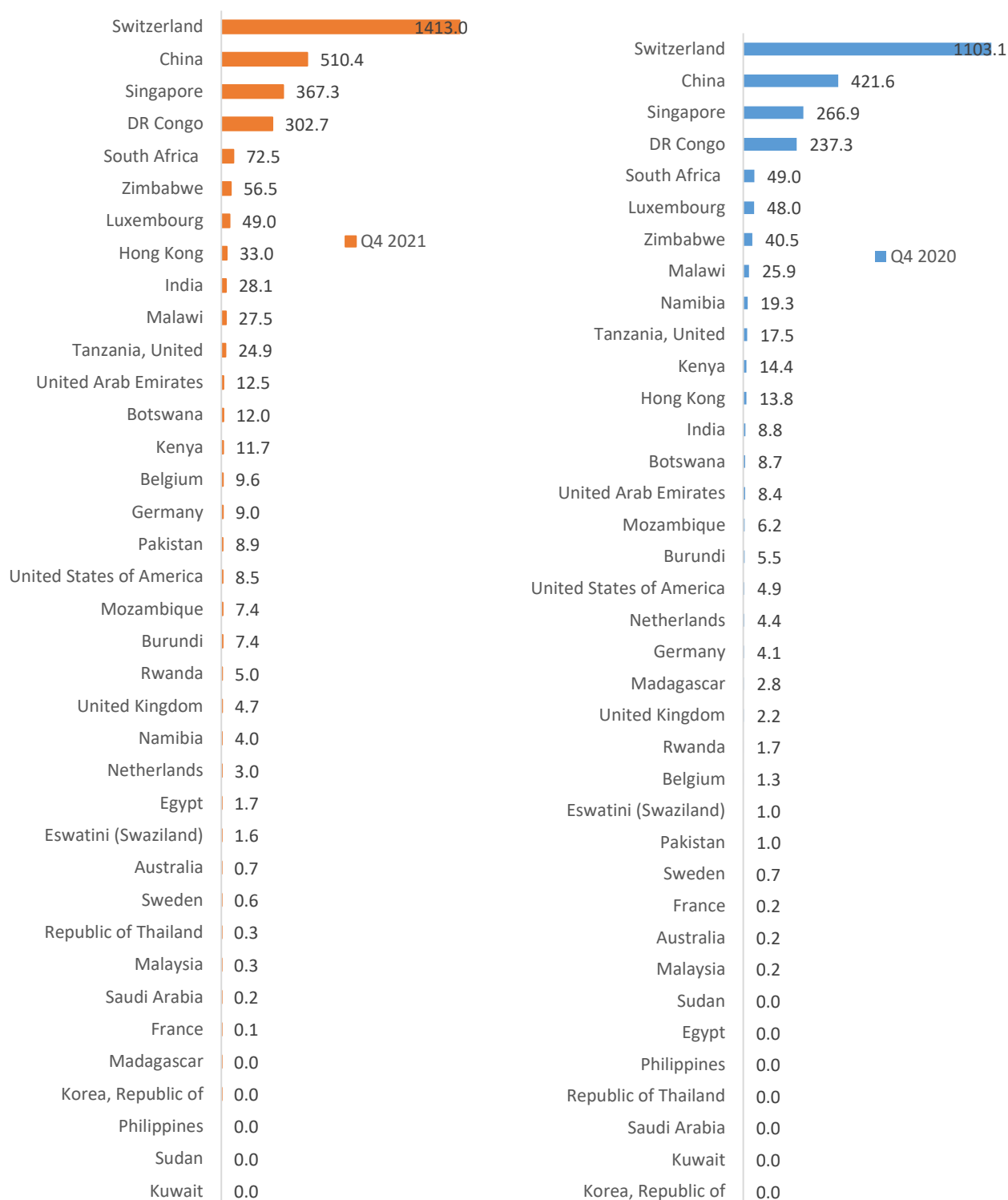
Source: Bank of Zambia and ZamStats

Appendix One: Zambia's Major Export Destinations (US\$ millions)

COUNTRY	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Australia	0.2	0.0	0.0	0.1	0.7
Belgium	1.3	0.6	0.4	10.6	9.6
Botswana	8.7	8.9	16.6	14.9	12.0
Burundi	5.5	7.4	7.2	6.6	7.4
China	421.6	518.9	578.1	452.3	510.4
DR Congo	237.3	225.4	272.0	299.6	302.7
Egypt	0.0	0.0	0.2	0.5	1.7
Eswatini (Swaziland)	1.0	0.5	0.1	0.6	1.6
France	0.2	0.3	0.7	0.1	0.1
Germany	4.1	3.7	4.5	5.5	9.0
Hong Kong	13.8	20.4	22.6	32.0	33.0
India	8.8	26.3	9.1	36.6	28.1
Kenya	14.4	5.5	16.2	16.4	11.7
Korea, Republic of	0.0	0.0	0.0	0.0	0.0
Kuwait	0.0	0.0	0.0	0.0	0.0
Luxembourg	48.0	74.1	56.2	60.5	49.0
Madagascar	2.8	0.0	0.2	0.0	0.0
Malawi	25.9	19.5	36.7	37.5	27.5
Malaysia	0.2	0.2	0.1	0.1	0.3
Mozambique	6.2	4.4	6.6	9.8	7.4
Namibia	19.3	24.6	23.9	21.8	4.0
Netherlands	4.4	4.5	5.7	5.0	3.0
Other	20.0	28.6	38.6	47.2	65.4
Pakistan	1.0	2.9	2.2	3.4	8.9
Philippines	0.0	0.0	0.0	0.1	0.0
Republic of Thailand	0.0	0.0	0.1	0.0	0.3
Rwanda	1.7	1.4	1.6	2.9	5.0
Saudi Arabia	0.0	0.0	0.0	0.0	0.2
Singapore	266.9	316.0	402.4	391.7	367.3
South Africa	49.0	65.5	72.0	75.5	72.5
Sudan	0.0	0.0	0.0	0.0	0.0
Sweden	0.7	0.3	0.0	0.5	0.6
Switzerland	1103.1	1023.8	1090.7	1195.3	1413.0
Tanzania, United	17.5	11.1	20.8	31.3	24.9
United Arab Emirates	8.4	11.4	5.9	2.2	12.5
United Kingdom	2.2	0.6	1.1	6.6	4.7
United States of America	4.9	5.9	12.6	13.9	8.5
Zimbabwe	40.5	47.9	44.1	48.7	56.5
Total	2,339.7	2,460.3	2,749.5	2,829.9	3,059.8

Source: Bank of Zambia and ZamStats

Chart A: Zambia's Major Export Destinations (US\$ millions)



Source: Bank of Zambia and ZamStats

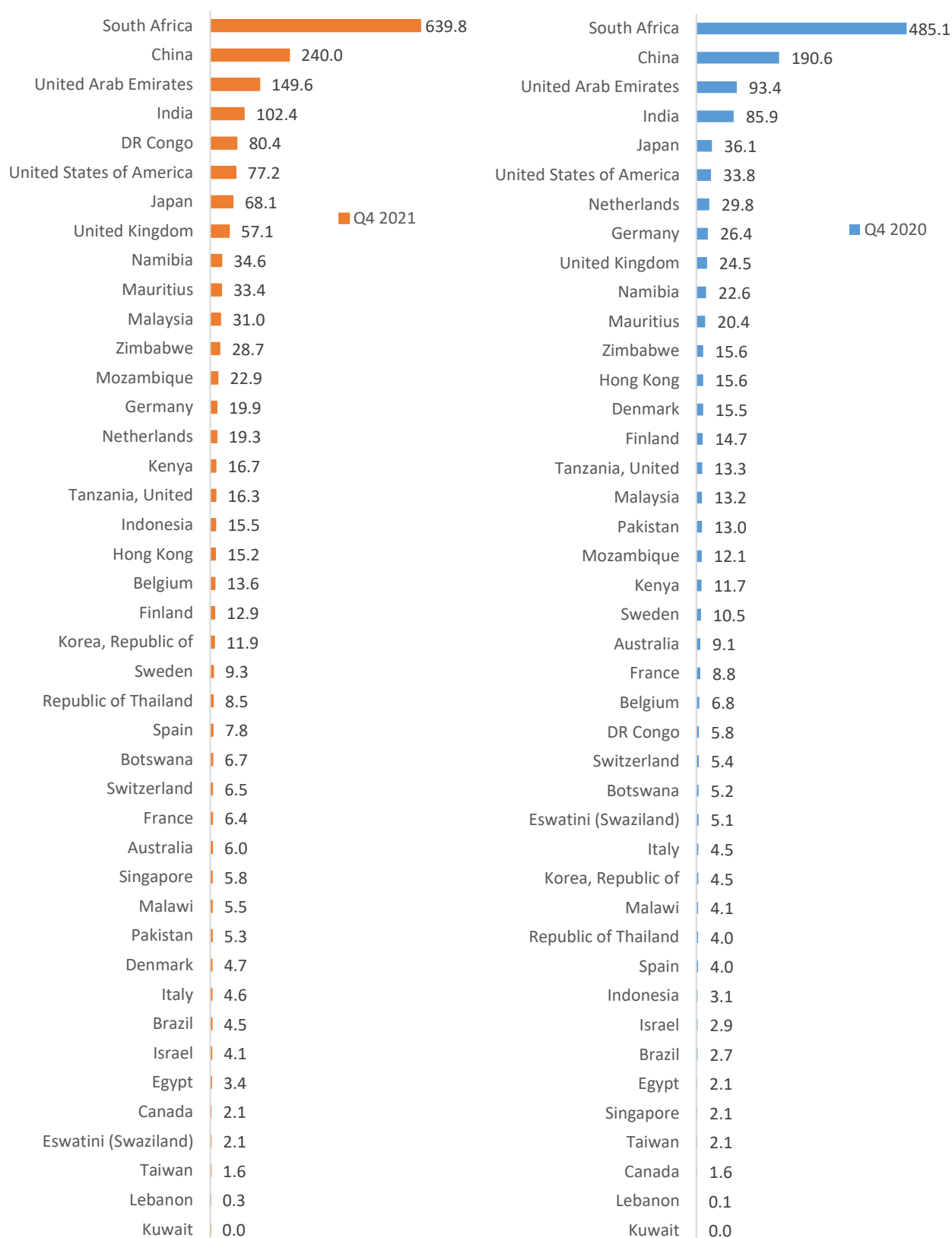
Source: Bank of Zambia and ZamStats

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

COUNTRY	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Australia	9.1	8.4	18.9	22.5	6.0
Belgium	6.8	7.0	15.4	13.6	13.6
Botswana	5.2	3.3	4.2	6.7	6.7
Brazil	2.7	3.6	6.0	3.4	4.5
Canada	1.6	2.3	3.8	2.2	2.1
China	190.6	191.3	183.2	285.1	240.0
Denmark	15.5	4.6	7.6	3.9	4.7
DR Congo	5.8	20.4	97.5	121.4	80.4
Egypt	2.1	2.4	3.3	5.2	3.4
Eswatini (Swaziland)	5.1	4.9	6.5	8.3	2.1
Finland	14.7	11.0	7.7	15.6	12.9
France	8.8	10.5	12.1	10.6	6.4
Germany	26.4	20.7	23.8	28.2	19.9
Hong Kong	15.6	8.5	9.7	8.7	15.2
India	85.9	91.5	113.7	127.1	102.4
Indonesia	3.1	3.0	6.1	8.8	15.5
Israel	2.9	3.6	4.6	2.6	4.1
Italy	4.5	4.0	8.6	14.6	4.6
Japan	36.1	39.3	43.4	97.1	68.1
Kenya	11.7	11.2	10.2	21.2	16.7
Korea, Republic of	4.5	9.8	18.7	13.2	11.9
Kuwait	-	0.0	0.0	0.0	0.0
Lebanon	0.1	2.6	0.6	0.3	0.3
Malawi	4.1	3.3	4.2	5.3	5.5
Malaysia	13.2	16.9	14.3	30.7	31.0
Mauritius	20.4	12.8	26.2	41.9	33.4
Mozambique	12.1	6.7	17.4	12.5	22.9
Namibia	22.6	30.1	27.7	37.0	34.6
Netherlands	29.8	20.5	9.1	14.0	19.3
Other	94.6	136.6	193.7	226.5	141.8
Pakistan	13.0	1.0	1.2	2.8	5.3
Republic of Thailand	4.0	3.5	4.8	5.0	8.5
Singapore	2.1	4.0	7.5	11.3	5.8
South Africa	485.1	419.5	564.7	611.2	639.8
Spain	4.0	7.0	5.8	10.3	7.8
Sweden	10.5	9.9	8.4	8.9	9.3
Switzerland	5.4	2.3	5.3	3.2	6.5
Taiwan	2.1	2.4	1.7	1.5	1.6
Tanzania, United	13.3	11.9	13.7	14.0	16.3
United Arab Emirates	93.4	67.9	83.1	151.7	149.6
United Kingdom	24.5	21.8	65.5	45.9	57.1
United States of America	33.8	33.3	44.2	65.3	77.2
Zimbabwe	15.6	14.0	17.0	21.7	28.7
Total	1,362.4	1,288.8	1,721.2	2,140.0	1,943.50

Source: Bank of Zambia and ZamStats

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



Source: Bank of Zambia and ZamStats

Source: Bank of Zambia and ZamStats

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

COUNTRY	Q4 2020		Q1 2021		Q2 2021		Q3 2021		Q4 2021	
	X	IM	X	IM	X	IM	X	IM	X	IM
Angola	0.4	0.0	0.6	0.0	0.6	0.1	0.6	0.0	1.1	2.9
Botswana	8.7	5.2	8.9	3.3	16.6	4.2	14.9	6.7	12.0	6.7
Lesotho	0.3	0.0	0.0	0.1	0.0	0.0	0.6	0.0	0.0	0.2
Mozambique	6.2	12.1	4.4	6.7	6.6	17.4	9.8	12.5	7.4	22.9
Namibia	19.3	22.6	24.6	30.1	23.9	27.7	21.8	37.0	4.0	34.6
South Africa	49.0	485.1	65.5	419.5	72.0	564.7	75.5	611.2	72.5	639.8
Tanzania	17.5	13.3	11.1	11.9	20.8	13.7	31.3	14.0	24.9	16.3
TOTAL	101.4	538.3	115.0	471.6	140.5	627.9	154.5	681.3	121.9	723.5

X and IM denote exports and Imports, respectively

Source: Bank of Zambia and ZamStats

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

COUNTRY	Q3 2020		Q4 2020		Q1 2021		Q2 2021		Q3 2021	
	X	IM	X	IM	X	IM	X	IM	X	IM
Burundi	5.5	0.1	7.4	0.0	7.2	0.0	6.6	0.0	7.4	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	2.1	0.0	2.4	0.2	3.3	0.5	5.2	1.7	3.4
Eritrea	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ethiopia	0.0	0.3	0.0	0.2	0.0	0.2	0.0	0.9	0.1	0.5
Kenya	14.4	11.7	5.5	11.2	16.2	10.2	16.4	21.2	11.7	16.7
Libya	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.0
Rwanda	1.7	0.0	1.4	0.0	1.6	0.1	2.9	0.0	5.0	1.6
Sudan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uganda	2.5	1.8	3.2	4.0	4.4	2.8	5.1	0.2	5.3	0.5
TOTAL	24.1	16.0	17.4	17.8	29.5	16.6	31.4	27.6	31.9	22.7

X and IM denote exports and Imports, respectively

Source: Bank of Zambia and ZamStats

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

COUNTRY	Q3 2020		Q4 2020		Q1 2021		Q2 2021		Q3 2021	
	X	IM	X	IM	X	IM	X	IM	X	IM
DR Congo	237.3	5.8	225.4	20.4	272.0	97.5	299.6	121.4	302.7	80.4
Madagascar	2.8	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0
Malawi	25.9	4.1	19.5	3.3	36.7	4.2	37.5	5.3	27.5	5.5
Mauritius	0.3	20.4	2.4	12.8	5.0	26.2	7.9	41.9	8.7	33.4
Seychelles	0.0	21.5	0.0	45.8	0.0	83.7	0.1	107.1	0.0	33.9
Eswatini (Swaziland)	1.0	5.1	0.5	4.9	0.1	6.5	0.6	8.3	1.6	2.1
Zimbabwe	40.5	15.6	47.9	14.0	44.1	17.0	48.7	21.7	56.5	28.7
TOTAL	307.9	72.6	295.6	101.2	358.2	235.1	394.4	305.6	397.0	184.0

X and IM denote exports and Imports, respectively

Source: Bank of Zambia and ZamStats



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