



Bank of Zambia

## PRESS STATEMENT

### Gold Purchasing Programme

The Bank of Zambia has commenced accumulation of gold as part of the official international reserves assets. This was after the purchase of 47 kgs of Dore gold from Zambia Gold Company Limited. The Bank is also expecting Kansanshi Mine to supply gold bullion within the first quarter of 2021. The local purchase of gold follows the signing, on December 11, 2020, of the Gold Purchase Agreement with Zambia Gold Company Limited and Kansanshi Mine.

Gold purchases is a strategic decision made by the Bank to broaden the composition and diversification of international reserves portfolio. The addition of gold as a reserve asset will augment the country's international reserves. Reserves are an essential part of the Bank's toolkit in providing protection against adverse economic shocks, and in achieving the monetary policy objectives of price and financial system stability. Purchasing gold locally using local currency provides a sustainable avenue of international reserves accumulation, provides a long-term store of value, and further enhances investor confidence. It also provides the necessary liquidity for the Bank's foreign market operations. This is consistent with the broad objectives of the Government's Economic Recovery Programme, which was launched on December 07, 2020.

Issued by:



Communications Division  
Board Services Department  
*January 5, 2021*