

Direction of Trade Report First Quarter 2021



May 2021



Bank of Zambia



Bank of Zambia

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This Report analyses Zambia’s direction of merchandise trade for the first 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

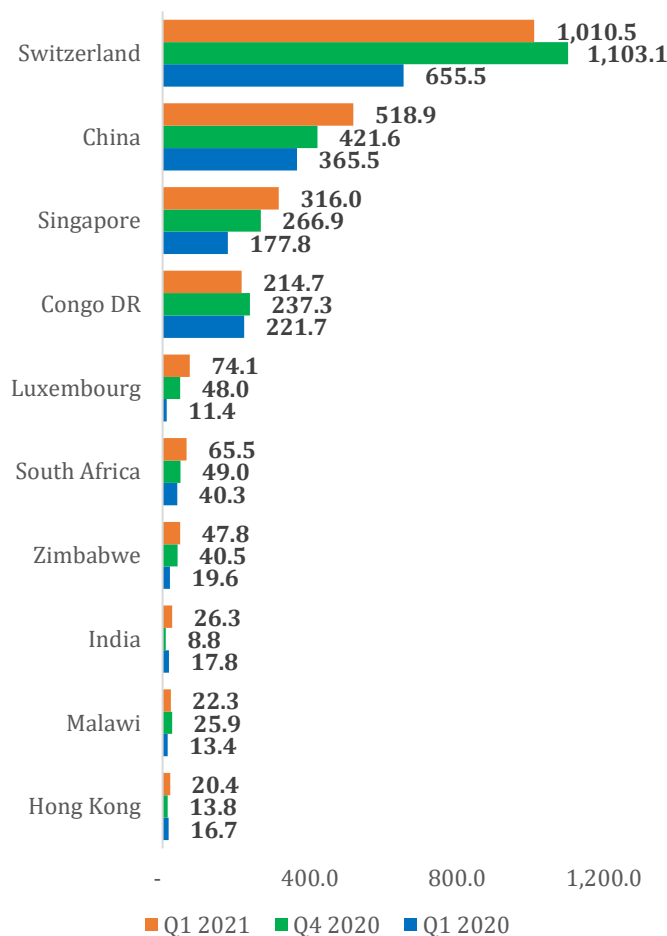
Major export destinations were Switzerland, China, Singapore, Democratic Republic of Congo, Luxembourg, South Africa, and Zimbabwe

Total export earnings were US\$2.43 billion in the first quarter of 2021, 50.2% higher than in the corresponding quarter in 2020. This was largely due to copper exports which grew by 60.9% to US\$1.88 billion. The rise in copper exports was on the back of higher export volumes and sustained rise in prices.

Export volumes benefited from the increase in copper production owing to continued higher throughput and favourable grades at some mines. Higher copper prices were supported by improvements in external demand, particularly in China, due to policy support and relaxation of COVID-19 restrictive measures on account of widespread vaccination against the pandemic.

Export earnings from the main destinations are shown in Chart 1. In addition, the products and associated destination countries accounting for the favourable export performance are given in Table 1.

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)

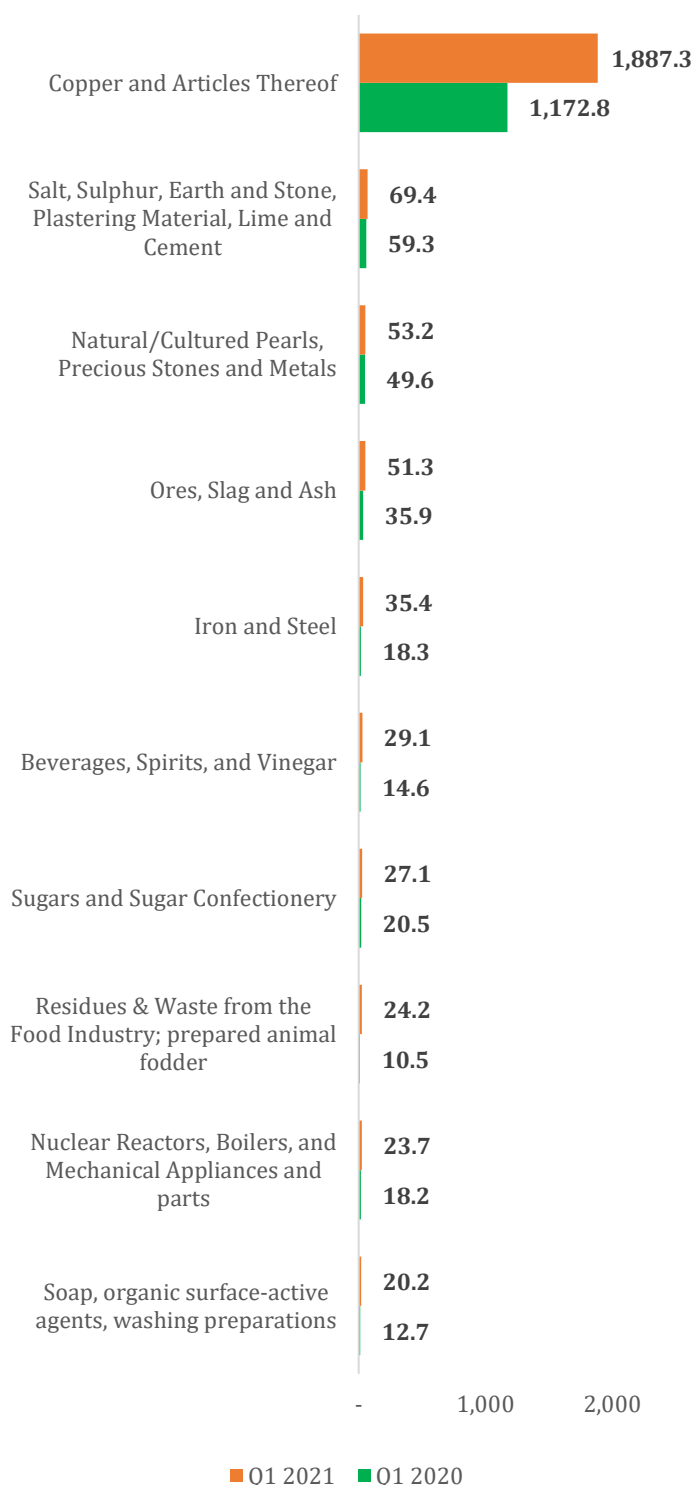
| Country | Main Product (s) | Q1 2020 | Q1 2021 | % Change |
|------------------------------|--|---------|---------|----------|
| Switzerland | Copper and articles thereof | 648.8 | 986.6 | 52.1 |
| China | Copper and articles thereof | 327.3 | 466.2 | 42.4 |
| Singapore | Copper and articles thereof | 164.8 | 315.3 | 91.4 |
| Luxembourg | Copper and articles thereof | 11.4 | 74.1 | 549.9 |
| Democratic Republic of Congo | Salt, Sulphur, Earth and Stone, Plastering Material, Lime and Cement | 44.4 | 49.3 | 10.9 |

Source: Zamstats and Bank of Zambia

The major export commodities were copper and articles thereof; salt, sulphur, plastering material, lime and cement; natural/cultured pearls, precious stones and metal ores, slag and

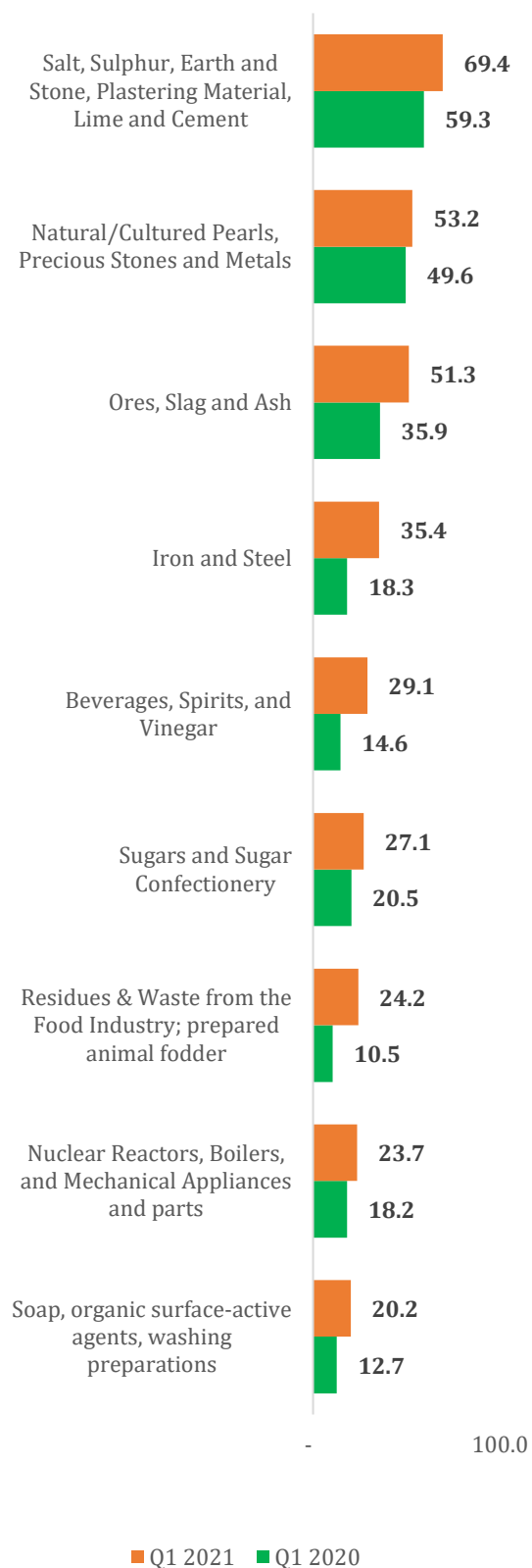
ash¹ as well as iron and steel (Charts 2a and 2b).

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



Source: Zamstats and Bank of Zambia

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

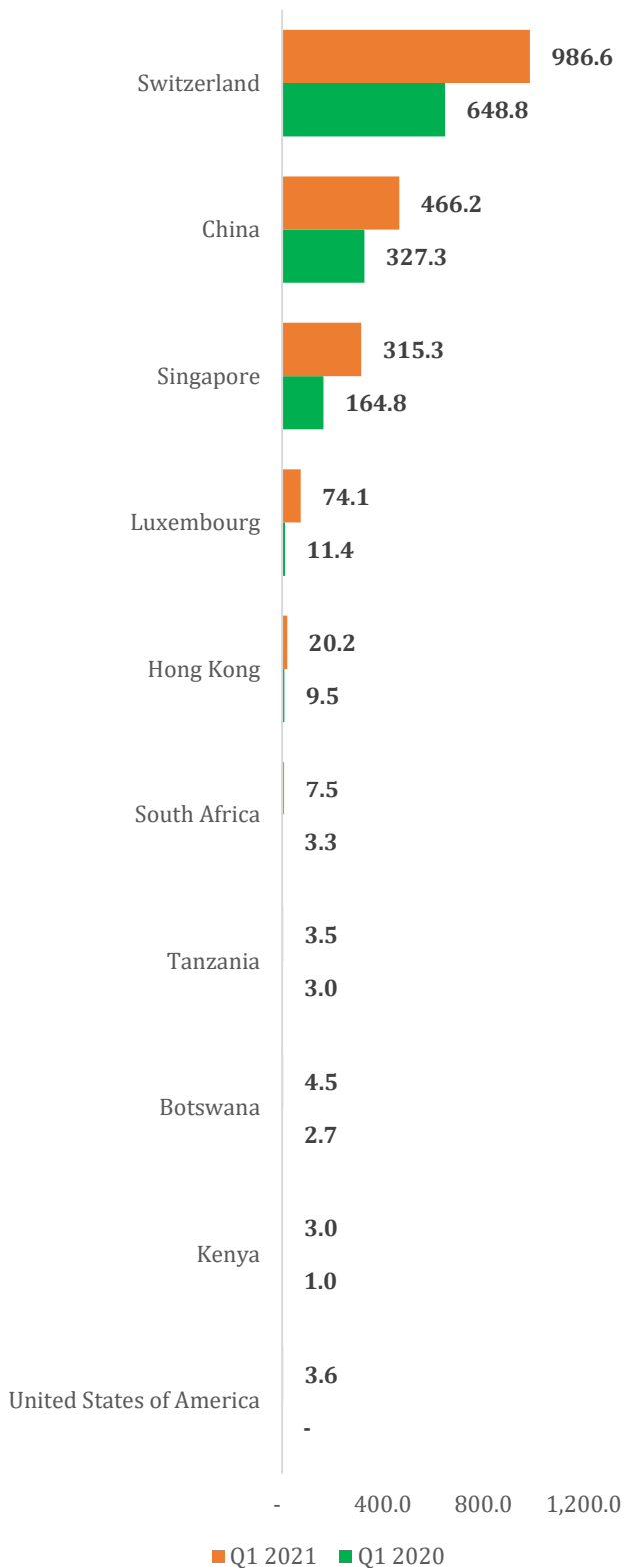


Source: Zamstats and Bank of Zambia

¹ Ores, slag, and ash include copper, cobalt, manganese, nickel, and other elements.

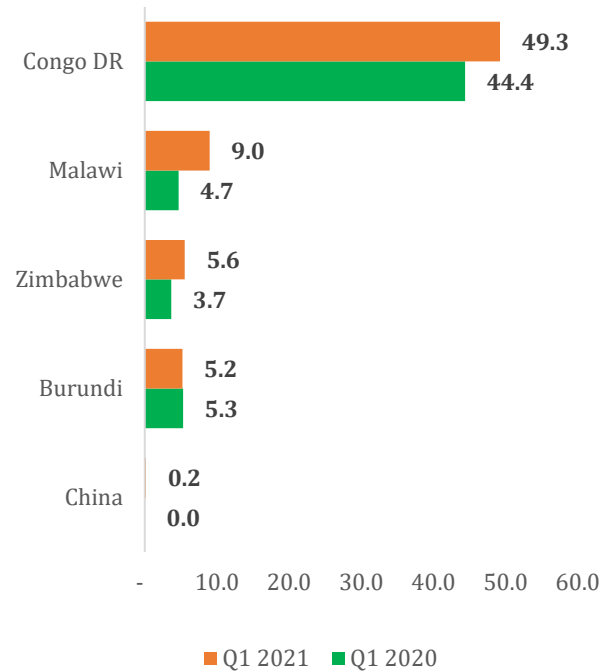
The major export destinations for the top five export commodities are shown in Charts 3a-3e.

Chart 3a: Q1 2021 and Q1 2020 Major Export Destinations for Copper and Articles thereof (US\$ millions)



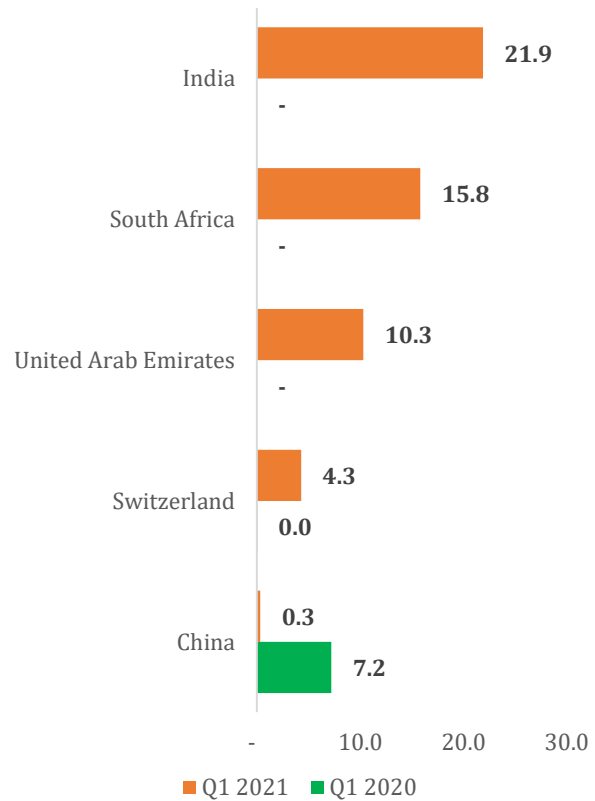
Source: Zamstats and Bank of Zambia

Chart 3b: Q1 2021 and Q1 2020 Major Export destinations for Salt, Sulphur, Lime and Cement (US\$ millions)



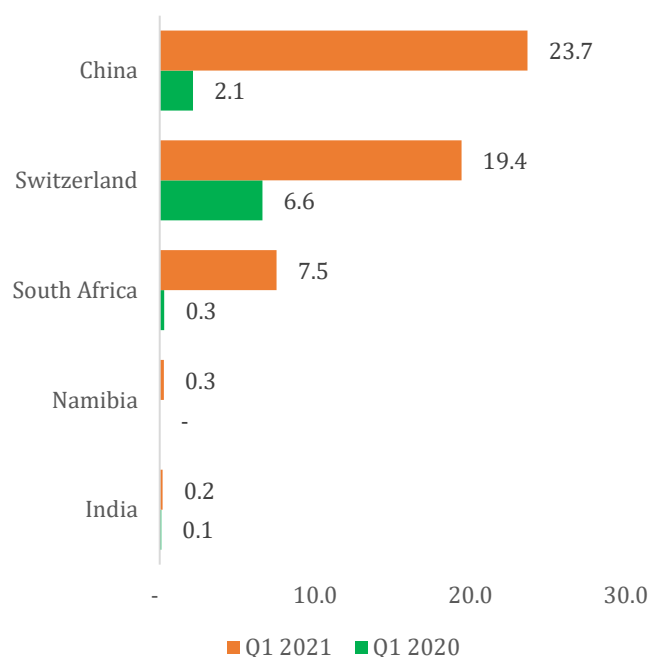
Source: Zamstats and Bank of Zambia

Chart 3c: Q1 2021 and Q1 2020 Major Export destinations of Natural/Cultured pearls, precious stones, and metals (US\$ millions)



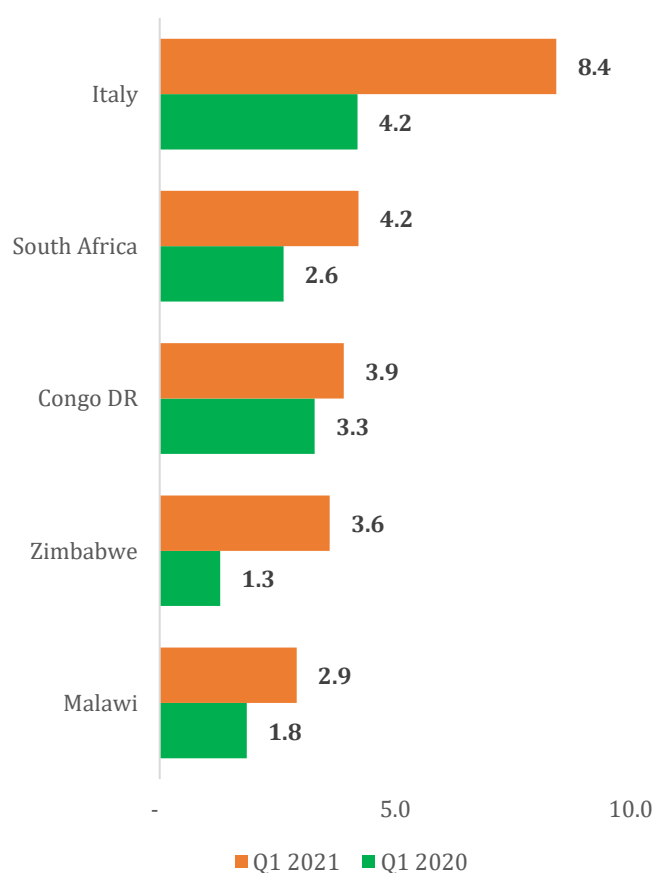
Source: Zamstats and Bank of Zambia

Chart 3d: Q1 2021 and Q1 2020 Major Export destinations of Ores, Slag and Ash (US\$ millions)



Source: Zamstats and Bank of Zambia

Chart 3e: Q1 2021 and Q1 2020 Major Export destinations of Iron and Steel (US\$ millions)



Source: Zamstats and Bank of Zambia

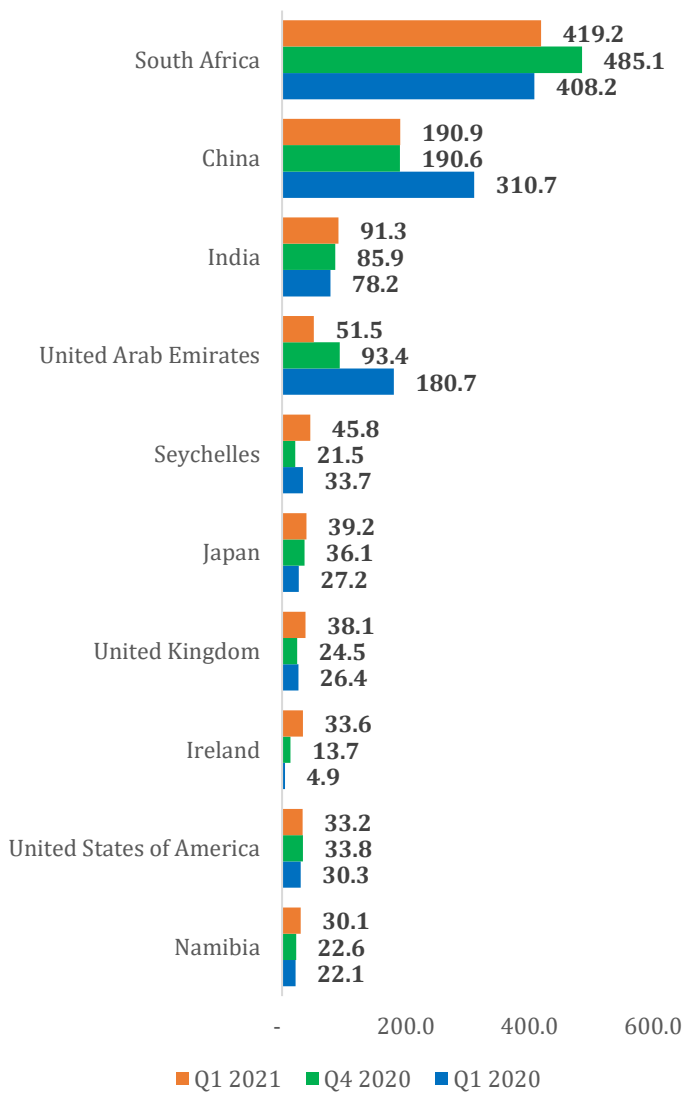
2.0 Major Source Countries for Zambia's Imports

Major source countries for imports were South Africa, China, India, United Arab Emirates, Seychelles, Japan, and United Kingdom

The value of merchandise imports was 11.5% lower at US\$1.28 billion in the first quarter of 2021 compared to the corresponding quarter in 2020. Imports from the top five source countries accounted for 62% of total imports with South Africa being the largest contributor, at 32.5% (Chart 4).

Subdued imports reflected weak domestic activity and sustained depreciation of the Kwacha. Significant reductions in imports were recorded in mineral fuels, oils and products of their distillation (56.1%); electrical machinery, equipment, and parts thereof (40.5%); fertilisers (22.1%); and nuclear reactors, boilers, machinery, mechanical appliances and parts thereof (11.1%) as shown in Table 2.0.

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



Source: Zamstats and Bank of Zambia

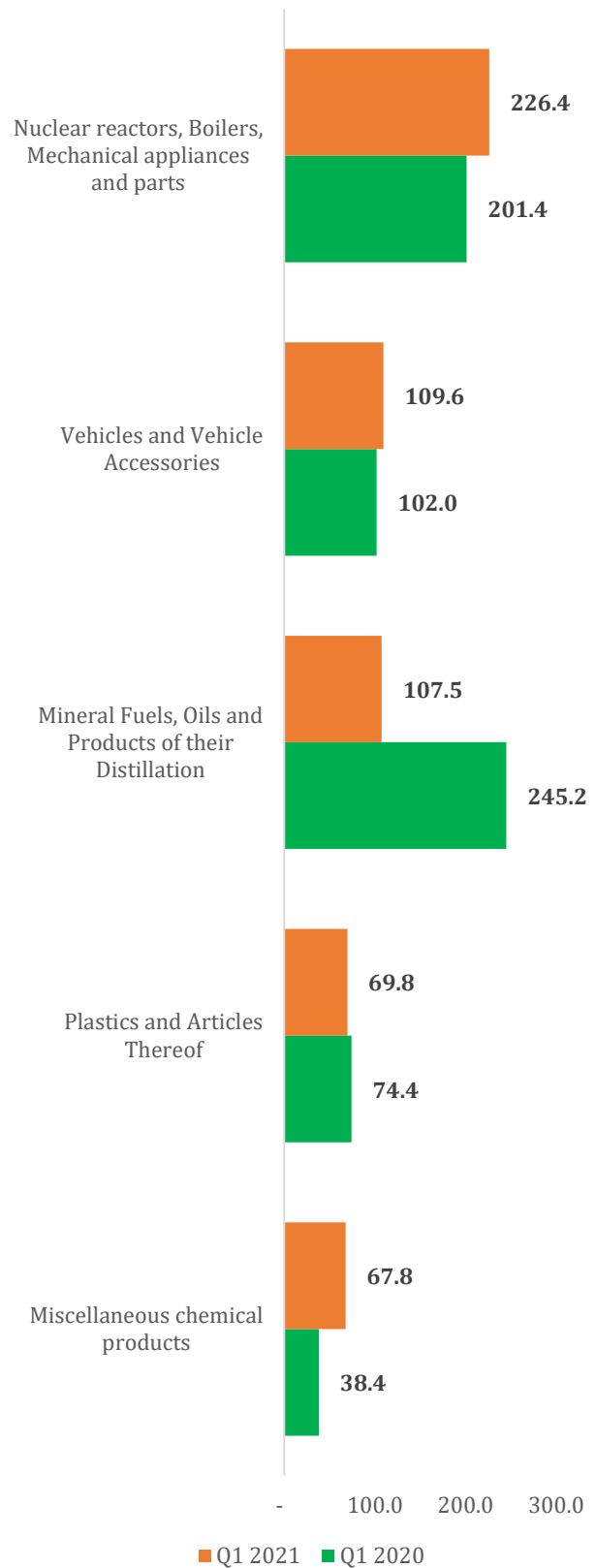
Table 2: Import performance by product and source country (US\$ millions)

| Country | Main Product (s) | Q1 2020 | Q1 2021 | % Change |
|----------------------|--|---------|---------|----------|
| United Arab Emirates | Mineral Fuels, Oils and Products of their Distillation | 142.6 | 20.4 | -85.7 |
| China | Nuclear Reactors, Boilers, and Mechanical Appliances and parts | 60.7 | 49.7 | -18.1 |
| China | Electrical Machinery, Equipment, Parts Thereof | 46.7 | 10.3 | -77.9 |
| China | Plastics and articles thereof | 16.5 | 7.5 | -54.5 |
| Mauritius | Fertilizers | 11.7 | 5.5 | -52.7 |

Source: Zamstats and Bank of Zambia

The top five import commodities are presented in Chart 5.

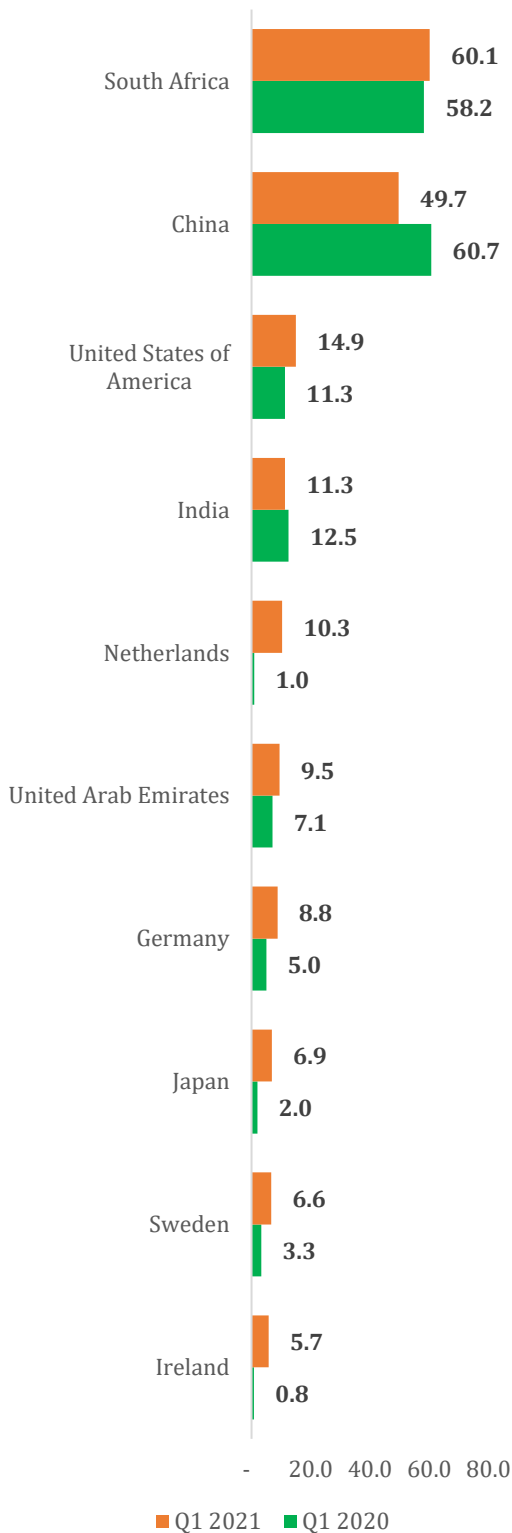
Chart 5: Major Import Commodities (US\$ millions)



Source: Zamstats and Bank of Zambia

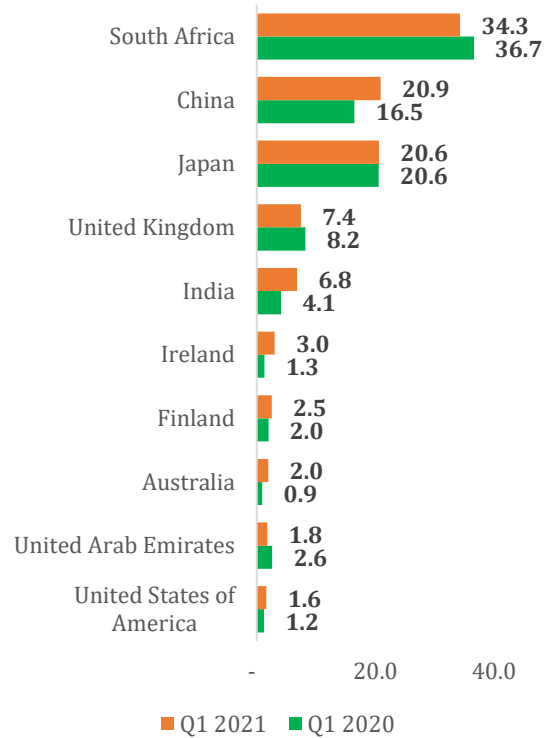
The source countries for Zambia's top five major imports are given in Charts 6a to 6e.

Chart 6a: Q1 2021 and Q1 2020 Source countries for Nuclear Reactors, Boilers, and Mechanical Appliances and parts (US\$ millions)



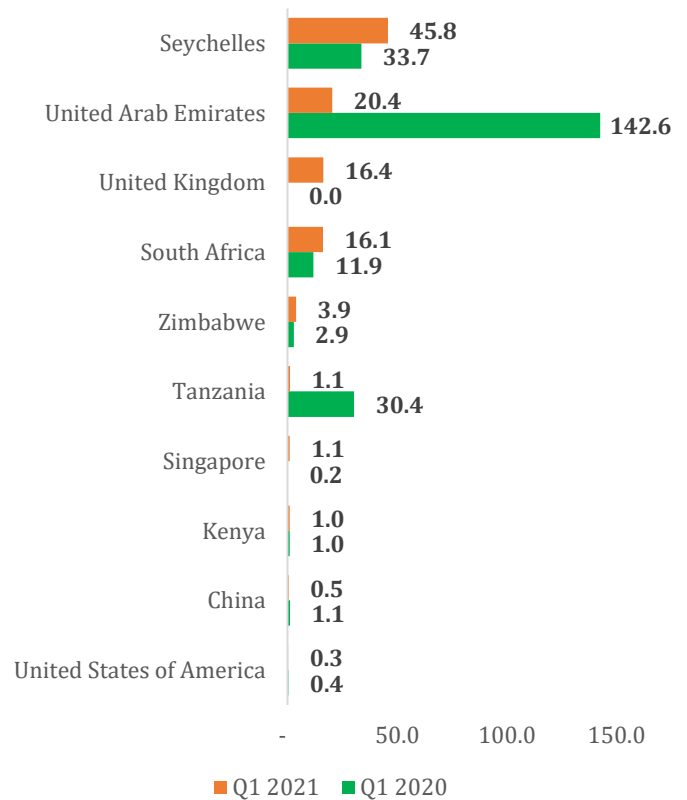
Source: Zamstats and Bank of Zambia

Chart 6b: Q1 2021 and Q1 2020 Source countries for Vehicles and Vehicle Accessories (US\$ millions)



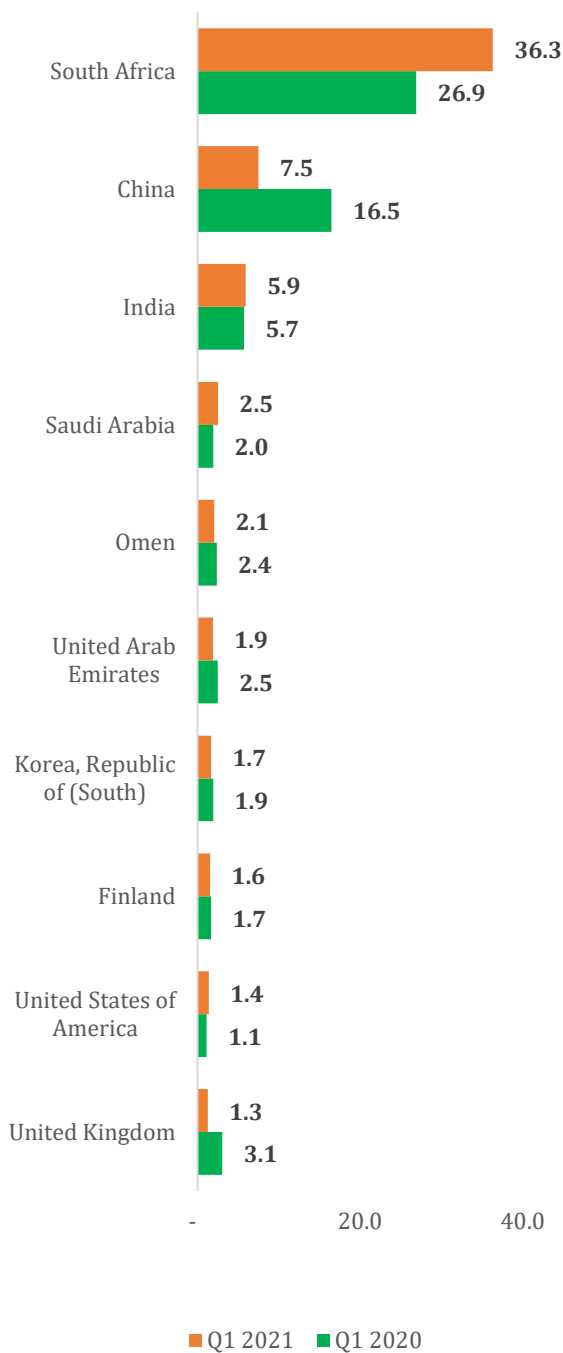
Source: Zamstats and Bank of Zambia

Chart 6c: Q1 2021 and Q1 2020 Source countries for Mineral Fuels, oils and products of their distillation (US\$ millions)



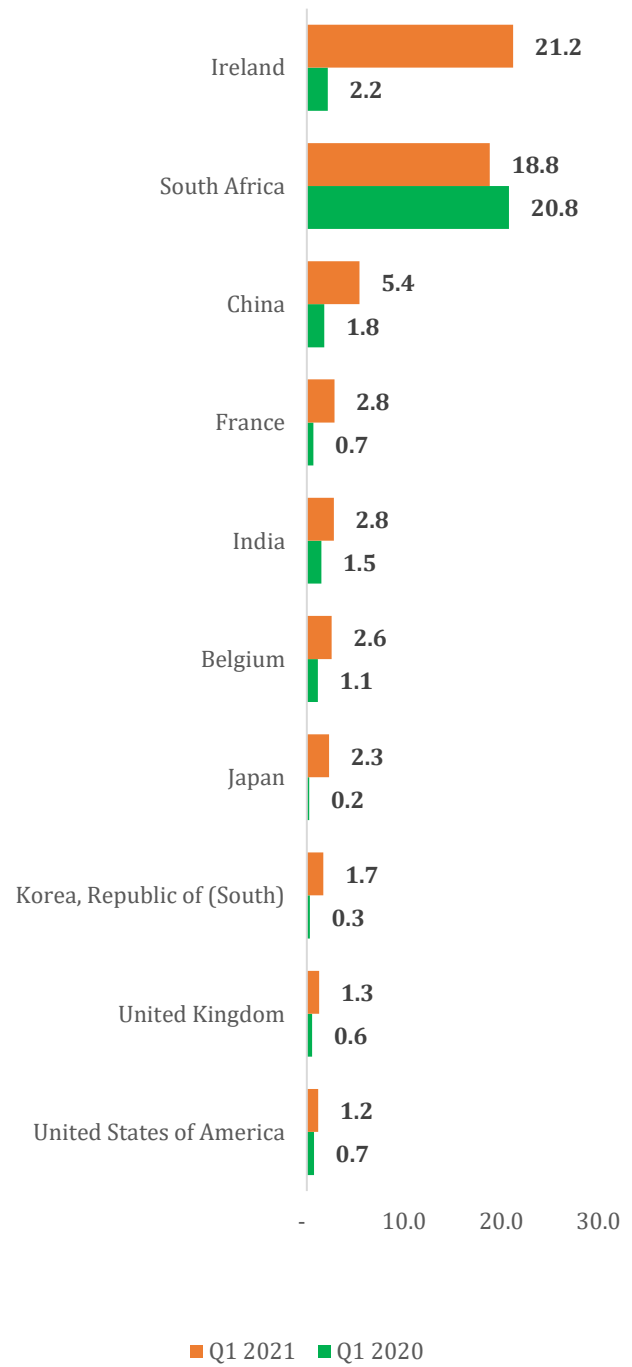
Source: Zamstats and Bank of Zambia

Chart 6d: Q1 2021 and Q1 2020 Source countries for Plastics and articles thereof (US\$ millions)



Source: Zamstats and Bank of Zambia

Chart 6e: Q1 2021 and Q1 2020 Source Countries for Miscellaneous chemical products (US\$ millions)



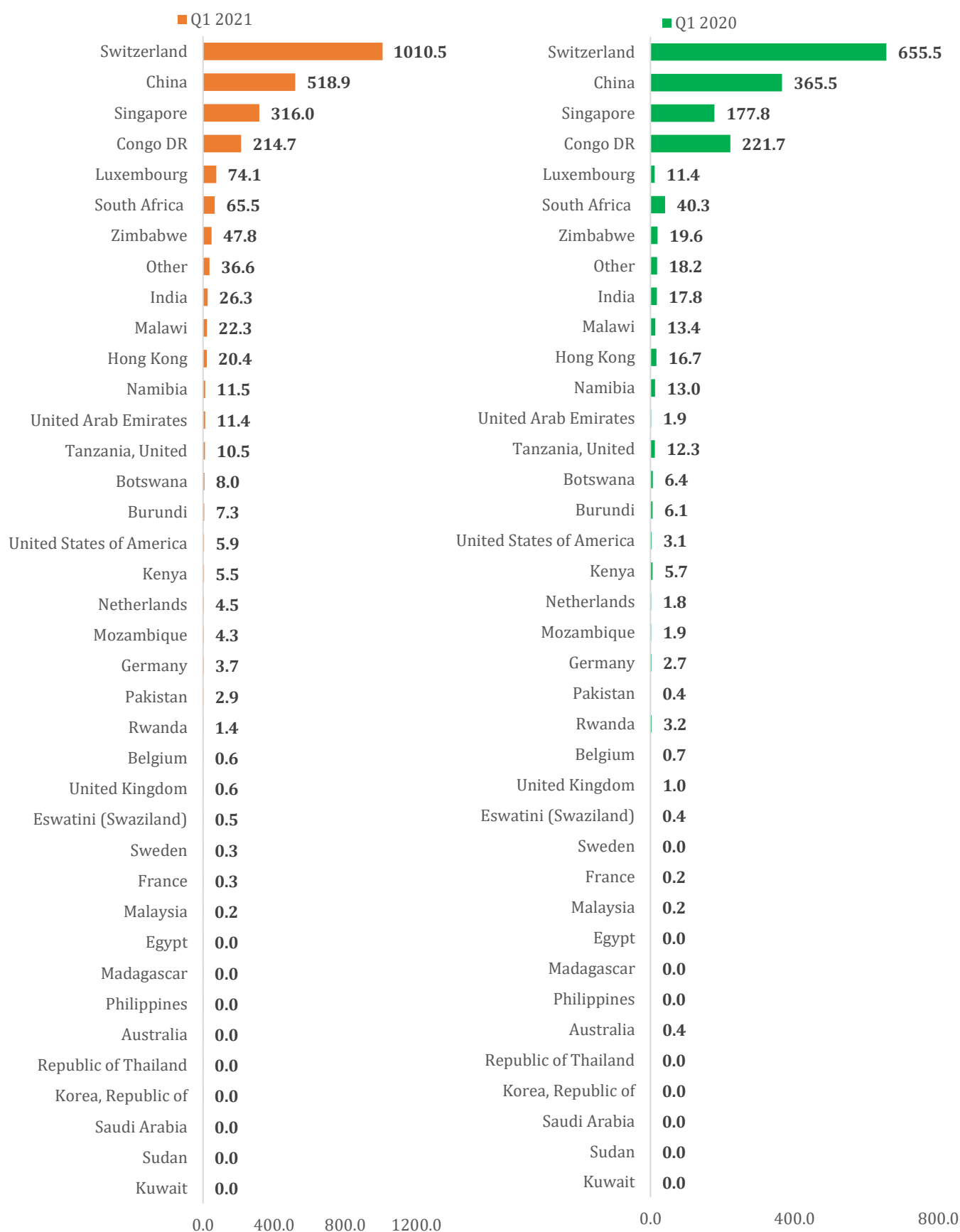
Source: Zamstats and Bank of Zambia

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

| COUNTRY | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Australia | 0.4 | 0.5 | 0.1 | 0.2 | 0.0 |
| Belgium | 0.7 | 0.6 | 10.0 | 1.3 | 0.6 |
| Botswana | 6.4 | 3.6 | 5.0 | 8.7 | 8.0 |
| Burundi | 6.1 | 5.4 | 7.5 | 5.5 | 7.3 |
| China | 365.5 | 285.4 | 386.1 | 421.6 | 518.9 |
| Congo DR | 221.7 | 264.9 | 253.0 | 237.3 | 214.7 |
| Egypt | 0.0 | 0.5 | 0.0 | 0.0 | 0.0 |
| Eswatini (Swaziland) | 0.4 | 0.0 | 0.7 | 1.0 | 0.5 |
| France | 0.2 | 0.3 | 0.1 | 0.2 | 0.3 |
| Germany | 2.7 | 4.2 | 2.0 | 4.1 | 3.7 |
| Hong Kong | 16.7 | 9.0 | 11.9 | 13.8 | 20.4 |
| India | 17.8 | 5.5 | 7.9 | 8.8 | 26.3 |
| Kenya | 5.7 | 7.2 | 12.0 | 14.4 | 5.5 |
| Korea, Republic of | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| Kuwait | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Luxembourg | 11.4 | 19.8 | 24.3 | 48.0 | 74.1 |
| Madagascar | 0.0 | 0.0 | 0.0 | 2.8 | 0.0 |
| Malawi | 13.4 | 31.8 | 33.6 | 25.9 | 22.3 |
| Malaysia | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 |
| Mozambique | 1.9 | 2.9 | 6.9 | 6.2 | 4.3 |
| Namibia | 13.0 | 15.0 | 17.8 | 19.3 | 11.5 |
| Netherlands | 1.8 | 2.2 | 2.5 | 4.4 | 4.5 |
| Other | 18.2 | 14.1 | 19.6 | 20.0 | 36.6 |
| Pakistan | 0.4 | 0.4 | 0.2 | 1.0 | 2.9 |
| Philippines | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Republic of Thailand | 0.0 | 0.4 | 0.0 | 0.0 | 0.0 |
| Rwanda | 3.2 | 0.7 | 4.3 | 1.7 | 1.4 |
| Saudi Arabia | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Singapore | 177.8 | 192.6 | 268.1 | 266.9 | 316.0 |
| South Africa | 40.3 | 43.6 | 65.9 | 49.0 | 65.5 |
| Sudan | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sweden | 0.0 | 0.8 | 0.0 | 0.7 | 0.3 |
| Switzerland | 655.5 | 652.9 | 1,050.3 | 1,103.1 | 1,010.5 |
| Tanzania, United | 12.3 | 8.6 | 20.3 | 17.5 | 10.5 |
| United Arab Emirates | 1.9 | 2.8 | 9.3 | 8.4 | 11.4 |
| United Kingdom | 1.0 | 1.0 | 4.8 | 2.2 | 0.6 |
| United States of America | 3.1 | 5.7 | 9.3 | 4.9 | 5.9 |
| Zimbabwe | 19.6 | 10.8 | 30.1 | 40.5 | 47.8 |
| Total | 1,619.6 | 1,593.2 | 2,264.1 | 2,339.7 | 2,432.6 |

Source: Zamstats and Bank of Zambia

Chart A1: Major Export Destinations for Zambia's Exports (US\$ Millions)



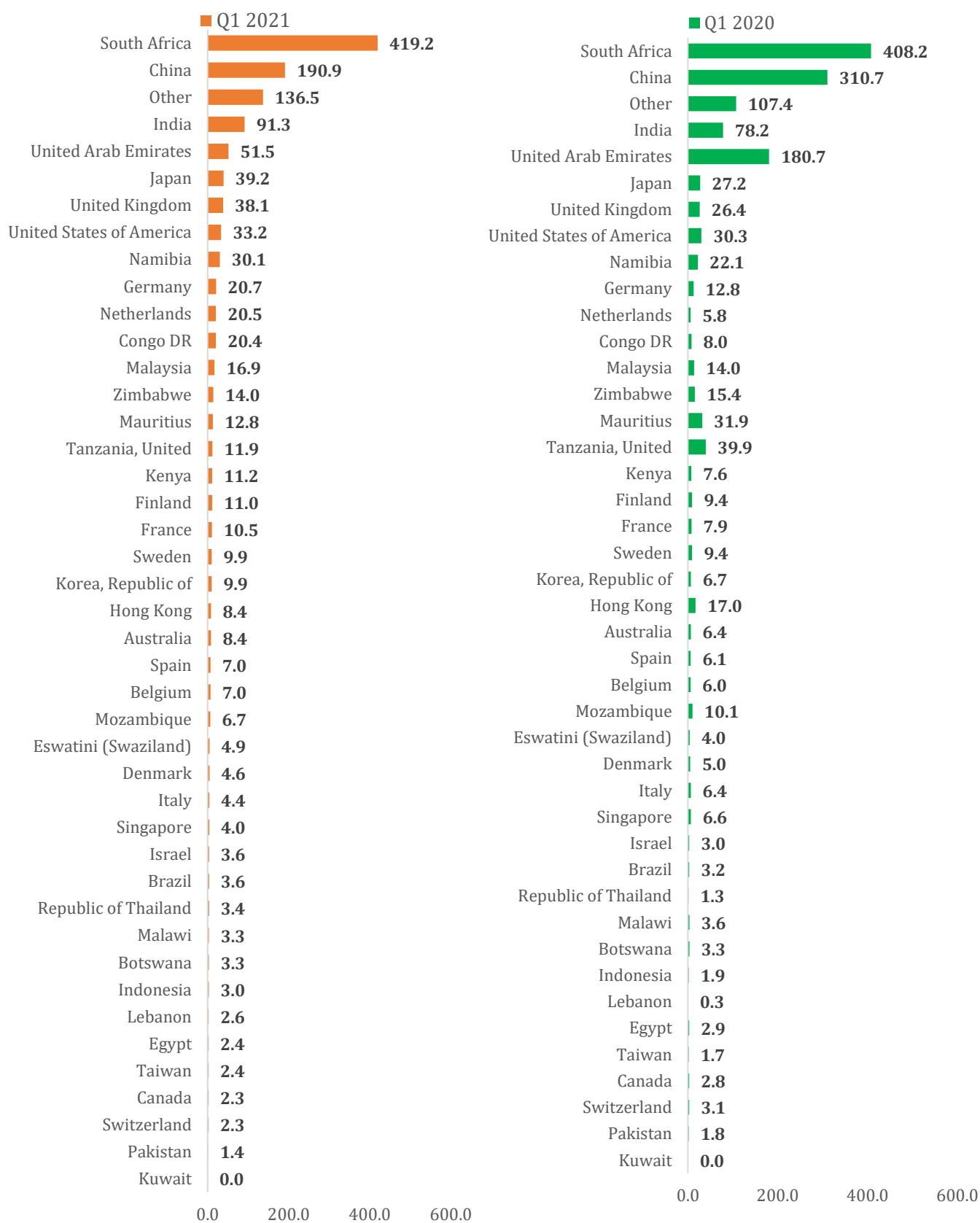
Source: Zamstats and Bank of Zambia

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

| COUNTRY | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Australia | 6.4 | 8.9 | 6.0 | 9.1 | 8.4 |
| Belgium | 6.0 | 6.8 | 10.0 | 6.8 | 7.0 |
| Botswana | 3.3 | 3.9 | 5.3 | 5.2 | 3.3 |
| Brazil | 3.2 | 1.3 | 2.2 | 2.7 | 3.6 |
| Canada | 2.8 | 1.9 | 2.1 | 1.6 | 2.3 |
| China | 310.7 | 184.2 | 209.6 | 190.6 | 190.9 |
| Congo DR | 8.0 | 42.2 | 15.1 | 5.8 | 20.4 |
| Denmark | 5.0 | 4.5 | 4.3 | 15.5 | 4.6 |
| Egypt | 2.9 | 5.2 | 4.4 | 2.1 | 2.4 |
| Eswatini (Swaziland) | 4.0 | 0.6 | 3.9 | 5.1 | 4.9 |
| Finland | 9.4 | 12.4 | 11.6 | 14.7 | 11.0 |
| France | 7.9 | 11.6 | 6.9 | 8.8 | 10.5 |
| Germany | 12.8 | 15.6 | 15.6 | 26.4 | 20.7 |
| Hong Kong | 17.0 | 9.6 | 10.2 | 15.6 | 8.4 |
| India | 78.2 | 52.3 | 69.1 | 85.9 | 91.3 |
| Indonesia | 1.9 | 2.4 | 1.7 | 3.1 | 3.0 |
| Israel | 3.0 | 3.3 | 2.8 | 2.9 | 3.6 |
| Italy | 6.4 | 4.6 | 12.3 | 4.5 | 4.4 |
| Japan | 27.2 | 20.5 | 28.8 | 36.1 | 39.2 |
| Kenya | 7.6 | 10.2 | 17.1 | 11.7 | 11.2 |
| Korea, Republic of | 6.7 | 6.5 | 6.1 | 4.5 | 9.9 |
| Kuwait | - | - | 0.0 | - | 0.0 |
| Lebanon | 0.3 | 0.1 | 0.2 | 0.1 | 2.6 |
| Malawi | 3.6 | 3.2 | 4.1 | 4.1 | 3.3 |
| Malaysia | 14.0 | 8.5 | 9.0 | 13.2 | 16.9 |
| Mauritius | 31.9 | 24.3 | 33.2 | 20.4 | 12.8 |
| Mozambique | 10.1 | 13.2 | 13.2 | 12.1 | 6.7 |
| Namibia | 22.1 | 20.6 | 20.5 | 22.6 | 30.1 |
| Netherlands | 5.8 | 10.9 | 17.9 | 29.8 | 20.5 |
| Other | 107.4 | 91.9 | 91.8 | 94.6 | 136.5 |
| Pakistan | 1.8 | 1.7 | 1.4 | 13.0 | 1.4 |
| Republic of Thailand | 1.3 | 3.9 | 3.5 | 4.0 | 3.4 |
| Singapore | 6.6 | 6.3 | 3.7 | 2.1 | 4.0 |
| South Africa | 408.2 | 383.0 | 486.9 | 485.1 | 419.2 |
| Spain | 6.1 | 2.4 | 5.3 | 4.0 | 7.0 |
| Sweden | 9.4 | 10.4 | 6.5 | 10.5 | 9.9 |
| Switzerland | 3.1 | 6.2 | 8.9 | 5.4 | 2.3 |
| Taiwan | 1.7 | 1.1 | 2.1 | 2.1 | 2.4 |
| Tanzania, United | 39.9 | 8.8 | 11.8 | 13.3 | 11.9 |
| United Arab Emirates | 180.7 | 81.2 | 113.8 | 93.4 | 51.5 |
| United Kingdom | 26.4 | 17.7 | 29.2 | 24.5 | 38.1 |
| United States of America | 30.3 | 25.0 | 30.0 | 33.8 | 33.2 |
| Zimbabwe | 15.4 | 14.1 | 17.2 | 15.6 | 14.0 |
| Total | 1,456.4 | 1,143.2 | 1,355.1 | 1,362.4 | 1,288.7 |

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)

| COUNTRY | Q1 2020 | | Q2 2020 | | Q3 2020 | | Q4 2020 | | Q1 2021 | |
|--------------|-------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | X | IM | X | IM | X | IM | X | IM | X | IM |
| Angola | 0.8 | 0.1 | 0.1 | 0.1 | 0.4 | 0.1 | 0.4 | 0.0 | 0.6 | 0.0 |
| Botswana | 6.4 | 3.3 | 3.6 | 3.9 | 5.0 | 5.3 | 8.7 | 5.2 | 8.0 | 3.3 |
| Lesotho | 0.4 | 0.0 | 0.1 | 0.0 | 1.6 | 0.1 | 0.3 | 0.0 | 0.0 | 0.1 |
| Mozambique | 1.9 | 10.1 | 2.9 | 13.2 | 6.9 | 13.2 | 6.2 | 12.1 | 4.3 | 6.7 |
| Namibia | 13.0 | 22.1 | 15.0 | 20.6 | 17.8 | 20.5 | 19.3 | 22.6 | 11.5 | 30.1 |
| South Africa | 40.3 | 408.2 | 43.6 | 383.0 | 65.9 | 486.9 | 49.0 | 485.1 | 65.5 | 419.2 |
| Tanzania | 12.3 | 39.9 | 8.6 | 8.8 | 20.3 | 11.8 | 17.5 | 13.3 | 10.5 | 11.9 |
| TOTAL | 75.2 | 483.7 | 73.8 | 429.7 | 117.9 | 537.7 | 101.4 | 538.3 | 100.5 | 471.3 |

X and IM denote exports and Imports, respectively

Source: Zamstats and Bank of Zambia

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

| COUNTRY | Q1 2020 | | Q2 2020 | | Q3 2020 | | Q4 2020 | | Q1 2021 | |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | X | IM | X | IM | X | IM | X | IM | X | IM |
| Burundi | 6.1 | 0.0 | 5.4 | 0.0 | 7.5 | 0.1 | 5.5 | 0.1 | 7.3 | 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 | 2.9 | 0.5 | 5.2 | 0.0 | 4.4 | 0.0 | 2.1 | 0.0 | 2.4 |
| Eritrea | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Ethiopia | 0.0 | 8.7 | 0.0 | 0.3 | 0.0 | 0.7 | 0.0 | 0.3 | 0.0 | 0.2 |
| Kenya | 5.7 | 7.6 | 7.2 | 10.2 | 12.0 | 17.1 | 14.4 | 11.7 | 5.5 | 11.2 |
| Libya | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Rwanda | 3.2 | 0.0 | 0.7 | 0.0 | 4.3 | 0.2 | 1.7 | 0.0 | 1.4 | 0.0 |
| Sudan | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Uganda | 1.7 | 1.1 | 1.0 | 0.9 | 2.3 | 1.7 | 2.5 | 1.8 | 3.2 | 4.0 |
| TOTAL | 16.7 | 20.2 | 14.6 | 16.7 | 26.2 | 24.1 | 24.1 | 16.0 | 17.4 | 17.8 |

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)

| COUNTRY | Q1 2020 | | Q2 2020 | | Q3 2020 | | Q4 2020 | | Q1 2021 | |
|-------------------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|--------------|
| | X | IM | X | IM | X | IM | X | IM | X | IM |
| Congo DR | 221.7 | 8.0 | 264.9 | 42.2 | 253.0 | 15.1 | 237.3 | 5.8 | 214.7 | 20.4 |
| Madagascar | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 2.8 | 0.0 | 0.0 | 0.0 |
| Malawi | 13.4 | 3.6 | 31.8 | 3.2 | 33.6 | 4.1 | 25.9 | 4.1 | 22.3 | 3.3 |
| Mauritius | 0.0 | 31.9 | 0.3 | 24.3 | 1.1 | 33.2 | 0.3 | 20.4 | 2.4 | 12.8 |
| Seychelles | 0.0 | 33.7 | 0.0 | 11.2 | 0.0 | 6.5 | 0.0 | 21.5 | 0.0 | 45.8 |
| Eswatini (Swaziland) | 0.4 | 4.0 | 0.0 | 0.6 | 0.7 | 3.9 | 1.0 | 5.1 | 0.5 | 4.9 |
| Zimbabwe | 19.6 | 15.4 | 10.8 | 14.1 | 30.1 | 17.2 | 40.5 | 15.6 | 47.8 | 14.0 |
| TOTAL | 255.2 | 96.6 | 307.8 | 95.6 | 318.4 | 80.0 | 307.9 | 72.6 | 287.8 | 101.2 |

X and IM denote exports and Imports, respectively

Source: Zamstats and Bank of Zambia



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