



Macro-economics of Zambia, November 2015

Main Economic Statistical Indexes	2014	2015
1. Population (millions)	15.0 (est)	15.5 (proj)
2. Population growth rate (%)	2.88 (est)	3.3 (est)
3. Unemployment rate (%)	7.8 (2012)	7.8 (2012)
4. Life Expectancy (age) [M= male, F= female]	49.2(M)/53.4(F)	49.2(M)/53.4(F)
5. Real GDP (million USD)	-	-
6. Nominal GDP (million USD)	26,758(est)	28,567(proj)
7. GDP growth rate (%)	6.0	4.6 (proj)
8. GNI per capita (USD)	1,358*1 (2012)	1,358*1 (2012)
9. Inflation rate (%)	7.9	19.5 (Nov)
10. Consumer Price Index (year 2009 =100)	141.51	172.86 (Nov)
11. Balance of trade (million USD)	145.19 *2	-214.96(Oct)*2
12. Balance of trade against Japan (million USD)	-64.65 *5	1.42(Oct)*3
13. Export (million USD)*3	9,696.20	515.07(Oct)*2
14. Export against Japan (million USD)	36.84 *5	5.31(Oct)*3
15. Import (million USD)*3	9,551.01	730.03(Oct)*2
16. Import against Japan (million USD)	101.49 *5	3.89(Oct)*3
17. Balance of current account (million USD)	-1,250 (2013)	-
18. Outward direct investment (million USD)	181 (2013)	-
19. Inward direct investment (million USD)	1,811 (2013)	-
20. Gold, Foreign currency reserve (million USD)	3,100(Dec 2014)	3,600(Sep 2015)
21. External Debt (million USD)	4,700 (Dec 2014)	6,300 (Sep 2015)
22. Exchange rate (Kwacha/ USD, average)	6.15ZMW *4	12.18 ZMW*4
23. Main policy interest rate (annual rate %)	11.56	15.5 (Nov)

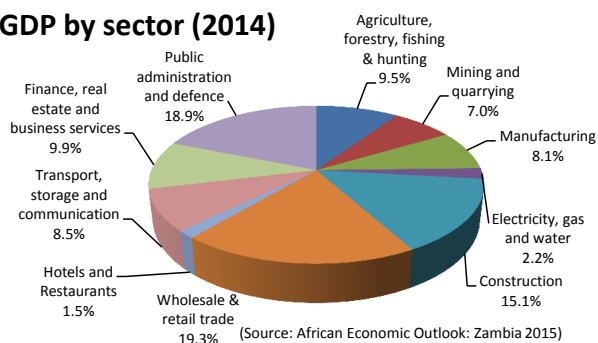
*Figures are rounded off to two decimal places. *est = estimated, proj = projected

*1	GNI per capita based on purchasing power parity (PPP).
*2	1USD = 12.02 ZMW (Bank of Zambia rate, October 2015 average)
*3	1USD = 123YEN (Bank of Japan rate, October 2015 average)
*4	The Zambia Kwacha has been re-denominated since 1st January, 2013. 1,000 ZMK (pre-rebasing Kwacha) = 1 ZMW (rebased).
*5	Based on 1USD = 106 YEN (Bank of Japan rate, 2014 average)
Main export products [October 2015]: Cathodes & Sections of Cathodes of refined Copper, Copper Blisters, Raw cane sugar, Sulphuric acid, Maize seed, semi-manufactured gold (incl. gold plated with platinum).	
Five (5) Main trade partners(export) [October 2015]: Switzerland 47.7%, China 9.4%, Singapore 8.0%, South Africa 7.7%, Democratic Republic of the Congo 7.0%, and Other destinations 20.2%	
Main import products [October 2015]: Gas oils, Boring or sinking Machinery (excl. self propelled), Motor Spirits, petroleum oils, Goods vehicles with diesel or semi-diesel engines, Copper & Cobalt ores & concentrates, petroleum oils.	
Five (5) Main trade partners(import) [October 2015]: South Africa 30.4%, Mauritius 14.4%, Democratic Republic of the Congo 13.7%, China 6.1%, Kuwait 5.3% and Other sources 30.2%.	
<Source> 1.-2., 5.-7.: Country Report May 2015 (EIU), May 2015 Monthly Bulletin (CSO), The World Factbook(CIA) / 3.: Zambia Labour Force Survey Report, 2012 (CSO&Ministry of Labour and Social Security) / 4.: Census 2010 / 8.: UNDP Human Development Report / 9.-11., 13., 15.: Monthly Bulletin (CSO) / 12., 14., 16.: Trade Statistics of Japan (Ministry of Finance) / 17., 20.-21.: Bank of Zambia, Ministry of Finance, The World Factbook (CIA) / 18.-19.: UNCTAD / 22.-23.: Bank of Zambia	

Mining Sector Taxes Source: ZRA, ZEITI

- Value Added Tax (VAT): 16%
 - Corporate Income Tax : 35%
 - Mineral Royalty tax:
 - Underground mining 6%
 - Open Cast mining 9%
 - Customs & Excise Duty: The rate of duty varies per commodity from 0% to 25%.
 - Mining capital equipment are taxed at 0% duty (duty free)
 - Export levy on concentrates is charged at 15%
 - Withholding Tax: 15%.
- Note:** A holder of a mining right is exempt from customs, excise and VAT duties in respect of the all machinery and equipment required for exploration or mining activities.

GDP by sector (2014)



Monthly News (Economics)

1. "Zambia improves credit ranking" (Daily Mail, 2nd)

Zambia has improved its ranking on getting credit from 24 last year to 19 out of 189 countries on the World Bank's ease of doing business report for 2016. And the country has improved its ranking on paying taxes from 81 last year to 46 this year out of 189 countries globally.

2. "Embrace Kaizen" (Times, 4th)

Deputy Secretary to Cabinet Mr. Peter Kasanda said there was need for private sector and public enterprises to consider implementing the Kaizen concept because of the numerous benefits it brings to organizations. Mr. Kasanda was speaking during the 2015 National Kaizen Conference organized by the Kaizen Institute of Zambia and the Japan International Cooperation Agency (JICA) in Lusaka.

3. "BoZ increases policy rate" (Times, 4th)

The Bank of Zambia (BoZ) has raised its monetary policy rate from 12.5 per cent to 15.5 per cent to forestall the rising inflation pressure in the copper-rich country. BoZ Governor, Br. Denny Kalyalya said during the monetary policy committee media briefing yesterday that the committee took into account the inflationary outturn, and that keeping inflation expectations anchored in single digits is critical.

4. "Investors in for fuel pipeline talks" (Times, 16th)

A team of investors from South Africa's Transnet are arriving in the country today to open discussions with Government over three groundbreaking projects, including a multi-purpose fuel pipeline from Ndola to Lusaka. Transnet is a South African state-owned company with experience in rail transportation, port management as well as pipeline technology and transportation.

5. "Zambia Sugar exports over 100,000 tonnes" (Daily Mail, 23th)

Zambia Sugar Plc has exported about 159,000 tonnes of sugar to southern Africa despite the company experiencing various challenges this year. Zambia Sugar head of corporate affairs and communication, Japhet Banda Zambia Sugar will focus on regional markets for new sucrose and related products that dilute high fixed cost.

6. "Yalelo to invest \$9.5m in fish production" (Daily Mail, 26th)

Yalelo Limited will invest US\$9.5 million to increase production of the company's cage fish farming operations in Siavonga. Company chief executive officer Bryan McCoy said the expansion programme will enable Yalelo Limited to increase its annual fish production from 7,000 tonnes to 30,000 tonnes in the next five years.

7. "Annual inflation shoots to 19.5 p.c" (Times, 27th)

Zambia's annual inflation rate for the month of November has hit 19.5 per cent up from 14.3 per cent which was recorded in October 2015, representing 5.2 per cent increase. In terms of comparison of retail prices between October and November 2015, the national average price of a 25kg of breakfast increased by 10.7 per cent from K71.92 to K79.63. The national average price of roller meal increased by 11.7 per cent from K56.47 to K63.06.

8. "World Bank expects Zambia's economic growth to fall below 4%" (Post, 27th)

World Bank country manager Ina-Marlene Ruthenberg says Zambia's economic growth is expected to drop below four per cent in 2015 on account of the severe challenges faced this year. She explained that the headwinds experienced this year included the slowing Chinese economy, among others, and the power crisis which has heightened in the second half of the year.

9. "KCM closes Nchanga" (Post, 27th)

Konkola Copper Mines (KCM) has announced that 1,675 contract workers will be laid off today and a further 825 jobs will be lost in the next three months following a decision to immediately close down Nchanga Underground Mine.

