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Serving Your Data Needs

Serving Your Data Needs

Foreword

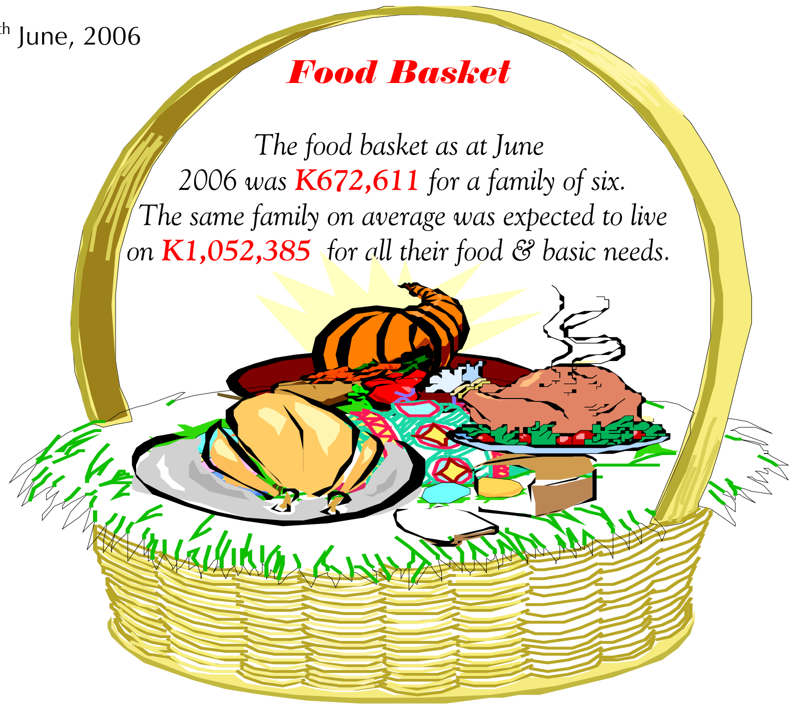
Welcome to the Monthly presentation organised by Dissemination Branch of the Central Statistical Office (CSO). The CSO embarked on vigorous information delivery strategy to major stakeholders and the media institutions in order to increase utilisation of statistical products and services. The office produces a number of statistical products in the Economic, Social, Agricultural and Environmental areas. The information collected in these areas may be used for various purposes including policy formulation, planning, implementation, monitoring and evaluation of programmes and projects.

This Monthly publication is an attempt to provide highlights of CSO's work and how it can help media institutions and the general public to make use of data and information for sustainable national development and decision-making.

I would like to urge our readers and users of statistical information to send to us any comments that may enhance statistical production and contribute to the improvement of this publication.

Ms. Efreda Chulu
Acting Director of Census and Statistics

28th June, 2006



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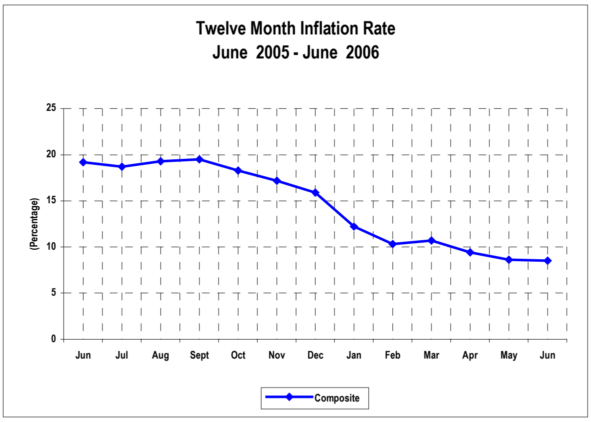
Inflation

Inflation declines marginally in June 2006

The annual rate of inflation, as measured by the all items Consumer Price Index (CPI), was recorded at 8.5 percent as at June 2006. This rate is 0.1 of a percentage point lower than the May rate of 8.6 percent. Compared with the same period last year, the annual rate of inflation declined by 10.7 percentage points, from 19.2 percent in June 2005 to 8.5 percent in June 2006.

The June 2006 inflation rate of 8.5 means that prices as measured by the all items Consumer Price Index (CPI) increased by an average of 8.5 percent between June 2005 and June 2006.



Source: *CSO, Consumer Price Index, June, 2006*

The lower annual inflation rate at June 2006 compared with that at May 2006 is due to the decline in the CPI for food, beverages and tobacco for which the annual rate declined from 5.6 percent in May 2006 to 5.3 percent in June 2006.

Annual Inflation Rate: Composite (*Percent)*

Period	Total	Food Beverages & Tobacco	Clothing and Footwear	Rent Fuel & Lighting	Furniture and Household Goods	Medical care	Transport and comms	Recreation And Education	Other Goods And Services
Jan 05 - Jan 04	18.2	17.9	17.3	18.6	21.7	12.2	20.6	13.9	19.6
Feb 05 - Feb 04	18.7	18.3	14.5	22.7	22.1	13.1	21.6	12.7	19.4
Mar 05 - Mar 04	17.4	16.0	14.1	22.1	22.0	13.2	22.5	12.7	18.5
April 05 - April 04	18.6	18.0	12.9	25.0	22.4	13.0	21.6	11.9	19.2
May 05 - May 04	19.1	19.1	13.0	25.0	19.4	12.9	23.1	13.7	18.0
Jun 05 - Jun 04	19.2	19.3	13.6	27.3	20.0	13.4	19.7	13.6	17.9
Jul 05 - Jul 04	18.7	18.7	13.2	27.9	21.0	14.2	15.9	13.4	17.9
Aug 05 - Aug 04	19.3	20.4	14.2	28.8	18.8	15.9	13.4	13.5	17.7
Sep 05 - Sep 04	19.5	20.7	13.9	28.4	21.0	15.1	13.1	12.9	16.3
Oct 05 - Oct 04	18.3	18.8	15.1	29.9	20.1	15.3	8.7	13.5	17.0
Nov 05 - Nov 04	17.2	18.3	14.4	28.9	18.0	14.5	4.9	13.5	15.2
Dec 05 - Dec 04	15.9	17.5	14.9	26.5	18.0	10.5	-3.5	13.4	14.9
Jan 06 - Jan 05	12.2	12.8	15.6	20.4	18.2	10.2	-8.6	12.2	11.7
Feb 06 - Feb 05	10.3	10.2	21.7	15.5	13.7	10.5	-9.9	12.7	11.6
Mar 06 - Mar 05	10.7	10.9	23.0	17.2	12.4	11.5	-10.6	11.8	11.0
April 06 - April 05	9.4	8.3	25.9	14.7	12.9	15.0	-10.9	11.7	13.9
May 06 - May 05	8.6	5.6	29.2	14.1	14.7	16.9	-9.5	14.2	13.9
Jun 06 - June 05	8.5	5.3	27.9	10.6	16.5	17.5	-6.5	14.6	13.7

Source: *CSO, Consumer Price Index, June, 2006*

Contributions of different Groups to overall inflation

The marginal decline of 0.1 of a percentage point in inflation between May 2006 and June 2006 is mainly due to the decrease in the cost of some food prices.

Of the total 8.5 percent annual inflation in June 2006, food products accounted for 2.8 percentage points while non-food products in the Consumer Price Index (CPI) accounted for a total of 5.7 percentage points.

Items	Percentage Points Contributions of different items to overall inflation											
	Jul 2005	Aug 2005	Sep 2005	Oct 2005	Nov 2005	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006
Food Beverages and Tobacco	9.8	10.7	10.8	9.9	9.6	9.3	6.8	5.4	5.8	4.4	2.9	2.8
Clothing and Footwear	1.0	1.1	1.1	1.2	1.1	1.1	1.2	1.5	1.7	1.9	2.2	2.1
Rent and household energy	2.8	2.8	2.8	2.9	2.8	2.6	1.9	1.6	1.7	1.5	1.5	1.1
Furniture and Household Goods	2.0	1.8	2.0	2.0	1.8	1.8	1.8	1.3	1.2	1.3	1.4	1.6
Medical Care	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Transport (fuel, airfares, new motor vehicles)	1.5	1.3	1.3	0.8	0.4	-0.3	-0.8	-0.9	-0.9	-1.0	-0.9	-0.6
Recreation and Education	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.9	1.0
Other Goods and Services	0.6	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.3	0.4	0.4	0.4
All Items	**18.7**	**19.3**	**19.5**	**18.3**	**17.2**	**15.9**	**12.2**	**10.3**	**10.7**	**9.4**	**8.6**	**8.5**

Source: *CSO, Consumer Price Index, June, 2006*

Food Prices register marginal decline in June 2006

Annual food inflation was recorded at 5.3 percent, declining by 0.3 of a percentage point on the May rate of 5.6 percent. Contributing most to the decline in food inflation were decreases in the cost of maize grain, maize meal, other cereals, dried kapenta, fish, meat, dressed chicken, dried beans, shelled groundnuts, eggs, fresh fruits, cooking oil, milk, milk products.

Annual non-food inflation rate stood at 12.1 percent, compared with 12.0 percent in May 2006. This marginal rise was mainly due to increases in the cost of fuel, furniture and household goods.

Annual Inflation Rates: Food and Non food

Period	Total	Food	Non-Food
Jan 05 - Jan 04	18.2	17.9	18.7
Feb 05 - Feb 04	18.7	18.3	19.1
Mar 05 - Mar 04	17.4	16.0	19.0
April 05 – April 04	18.6	18.0	19.3
May 05 - May 04	19.1	19.1	19.2
Jun 05 - Jun 04	19.2	19.3	19.2
Jul 05 - Jun 04	18.7	18.7	18.7
Aug 05 - Aug 04	19.3	20.4	18.2
Sep 05 - Sep 04	19.5	20.7	18.2
Oct 05 - Oct 04	18.3	18.8	17.8
Nov 05 - Nov 04	17.2	18.3	16.1
Dec 05- Dec 04	15.9	17.5	14.0
Jan 06 - Jan 05	12.2	12.8	11.5
Feb 06 - Feb 05	10.3	10.2	10.3
Mar 06 - Mar 05	10.7	10.9	10.4
Apr 06- Apr 05	9.4	8.3	10.6
May 06 - May 05	8.6	5.6	12.0
Jun 06 - Jun 05	8.5	5.3	12,1

Source: *CSO, Consumer Price Index, June, 2006*

Maize Grain and Maize Meal Prices decline

A comparison of prices between May 2006 and June 2006, shows that the national average price of 20 litre tin of maize grain declined by 10.0 percent, from K12,906 to K11,619. The national average price of a 25 kg bag of roller meal declined by 18.7 percent, from k34,370 to K27,941. The average price of 1kg of dried kapenta (chisense) declined by 9.6 percent, while the average price of 1kg of tomatoes increased by 15.3 percent.

National Average prices for selected Products and Months

Product Description	2006						Percentage Changes
	January	February	March	April	May	June	Jun-06/May-06
White breakfast 25Kg	43829	43325	43313	43470	42469	38620	-9.1
White Roller 25Kg	36477	36600	36491	36724	34370	27941	-18.7
Samp 1 Kg	3360	3253	3858	3900	3242	3232	-0.3
White Maize 20 litre tin	21106	23184	22433	17950	12906	11619	-10.0
Sorghum 5 litre tin	5070	4498	6455	8912	11793	8469	-28.2
Cassava meal 1Kg	2367	3232	3104	2820	2855	2803	-1.8
Fillet Steak 1 Kg	20539	20950	21691	21982	21210	20443	-3.6
Brisket 1 Kg	13574	13975	14386	14317	14230	13990	-1.7
Mince Meat 1 Kg	16386	16799	17567	16627	16539	16245	-1.8
Mixed Cut 1 Kg	12714	12865	13451	13439	13331	13215	-0.9
T-bone 1 Kg	17076	17582	17172	17534	17636	17045	-3.4
Beef Sausages 1 Kg	16884	17258	17563	18359	18660	17649	-5.4
Offals 1 Kg	8210	8104	8304	8221	8359	8349	-0.1
Dressed chicken 1 Kg	13519	13542	13723	13576	12615	12451	-1.3
Bream Fresh/Frozen 1 Kg	12063	12014	11411	12082	12696	12071	-4.9
Dried Kapenta Siavonga 1 Kg	31868	29832	31159	32273	30732	28724	-6.5
Dried Kapenta Chisense 1 Kg	22538	22757	20939	17293	17370	15699	-9.6
Dried bream 1 Kg	24350	23598	23398	23167	22856	21277	-6.9
Eggs 1 Unit	5786	5761	5643	5567	5438	5361	-1.4
Cabbage 1kg	1371	1339	1449	1423	1257	1192	-5.2
Tomatoes 1 kg	2712	2372	2423	2359	2783	3209	15.3
Green beans 1kg	7731	5289	5249	6568	5968	5580	-6.5
Rape 1kg	2114	1903	1799	2027	1794	1689	-5.9
Dried beans 1kg	6077	6382	6282	5820	5645	5640	-0.1
Shelled groundnut 1kg	6524	6388	6886	6537	5949	5929	-0.3
Oranges 1kg	4909	4625	4369	3960	3646	3425	-6.1
Banana 1kg	3038	2892	3887	3464	3202	3106	-3.0
Sweet potatoes 1kg	1897	2460	1740	1032	952	1023	7.5
Irish potatoes 1kg	3348	3059	2735	2552	2465	2361	-4.2
Raw cassava tubers Unsoaked 1kg	2062	1907	1979	2117	2427	2142	-11.7
Paraffin 1 litre	3875	3790	3769	3772	3743	3939	5.2
Petrol Premium 1 litre	5433	5136	5097	5122	5322	5775	8.5
Diesel 1 litre	5091	4819	4746	4583	4739	4991	5.3
Bed & continental Breakfast 3 to 5 star Hotel	458446	478461	487608	583336	546480	611177	11.8

Source: *CSO, Consumer Price Index, June, 2006*

Consumer Price Index (CPI) - Explanatory Notes

1. What is inflation?

Inflation is (a general rise) the continuous and persistent increase in prices of goods and services on which individuals or households spend their money.

2. How is inflation measured?

The Consumer Price Index (CPI) is used to measure and monitor inflation. The Consumer Price Index (CPI) is an index that measures the rate at which prices of consumption goods and services are changing from month to month (or from quarter to quarter).

3. Annual inflation rate

The annual inflation rate is calculated as the change in the Consumer Price Index (CPI) of the relevant month of the current year compared with the Consumer Price Index (CPI) of the same month in the previous year expressed as a percentage.

4. Average annual inflation rate

The average annual inflation rate is the change in the average CPI of one year compared with the average CPI of the previous year expressed as a percentage.

5. Monthly Inflation Rate

The monthly inflation rate is calculated as the change in the Consumer Price Index (CPI) of the relevant month compared with the Consumer Price Index (CPI) of the previous month expressed as a percentage.

6. Prices Collection

The Consumer Price Index (CPI) is compiled using retail prices of goods and services that are collected every month from shops or other retail outlets throughout Zambia. Enumerators (41) are based in all the 9 provinces and these are responsible for the collection of prices. From 1st to about 15th of each month, Enumerators visit selected outlets collecting prices for CPI basket. This information is then submitted to the head office for data processing and analysis.

7. Consumer Price Index (CPI) Coverage

The CPI covers the whole country - both rural and urban areas on sample basis.

- 9 provinces
- 41 districts are covered
- 1,785 shops and retail outlets covered
- An average of 15,000 prices are collected and processed each month

8. Consumer Price Index (CPI) Basket

While the Consumer Price Index is designed to reflect price changes over the whole range of goods and services on which households spend their money, it is practically impossible to collect prices month by month for each and every one of these goods and services. Therefore, a sample of goods and services is selected to represent the price movements of all goods and services. Prices for 357 items are collected every month.

9. Consumer Price Index (CPI) Weights

The CPI is a fixed weights index, which implies that the weight of each product/group stays the same until the income and expenditure survey is conducted. The current weights are based on the results of the 1993/94 Household Budget Survey. The results from the 2002/3 Living Conditions Monitoring Survey (LCMS) will be used to update the weights for the New CPI.

As some items are more important than others in the sense that more money is spent on them by the consumers, each item is given a 'weight' to represent its relative importance in the households' total expenditure budget. These weights are used in the computation of the CPI.

Consumer Price Index – Main Group Weights (1994)

Main Group	Weight
Food , Beverages and tobacco	571
Clothing and Foot wear	68
Rent , household Fuel and Lighting	85
Furniture and household Goods	82
Medical Care	8
Transport and Communication	96
Recreation and Education	49
Other Goods and Services	41
Total	**1000**

Trend in Inflation Rates 1965 -1985

Year	Annual CPI	Average Annual Inflation Rate
1965	0.03	
1966	0.03	0.0
1967	0.03	0.0
1968	0.03	0.0
1969	0.03	0.0
1970	0.03	0.0
1971	0.04	33.3
1972	0.04	0.0
1973	0.04	0.0
1974	0.04	0.0
1975	0.05	25.0
1976	0.06	20.0
1977	0.07	16.7
1978	0.08	14.3
1979	0.09	12.5
1980	0.1	11.1
1981	0.11	10.0
1982	0.12	9.1
1983	0.15	25.0
1984	0.18	20.0
1985	0.27	50.0

Note: *Due to unavailability of monthly CPI figures for the period 1965 - 1984, Inflation figures above are average annual inflation rates.*

Year- on -Year inflation rates are compiled from January 1986

Year	Month	Monthly CPI	Annual Inflation rate
1986	01	0.4	58.6
1986	02	0.4	58.5
1986	03	0.4	60.5
1986	04	0.4	59.0
1986	05	0.4	59.8
1986	06	0.4	61.3
1986	07	0.4	59.2
1986	08	0.4	62.8
1986	09	0.4	58.5
1986	10	0.5	48.9
1986	11	0.5	42.1
1986	12	0.5	41.6
1987	01	0.5	43.3
1987	02	0.5	40.7
1987	03	0.5	36.6
1987	04	0.6	48.0
1987	05	0.6	45.2
1987	06	0.6	46.3
1987	07	0.6	46.8
1987	08	0.6	46.5
1987	09	0.7	53.6
1987	10	0.7	54.0
1987	11	0.7	55.9
1987	12	0.7	50.0
1988	01	0.8	50.4
1988	02	0.8	55.1
1988	03	0.8	59.7
1988	04	0.9	48.1
1988	05	0.9	49.8
1988	06	0.9	49.4
1988	07	1.0	53.0
1988	08	1.0	50.0
1988	09	1.0	46.5
1988	10	1.0	45.3
1988	11	1.1	47.2
1988	12	1.2	58.5
1989	01	1.3	62.5
1989	02	1.4	65.8
1989	03	1.5	72.0
1989	04	1.6	79.3
1989	05	1.6	85.1
1989	06	1.8	93.7
1989	07	2.3	138.2
1989	08	2.5	161.8
1989	09	2.7	170.1
1989	10	2.8	176.4
1989	11	2.9	171.5
1989	12	3.0	153.2
1990	01	3.1	143.8
1990	02	3.3	140.7
1990	03	3.4	135.2
1990	04	3.6	134.1
1990	05	3.8	135.5
1990	06	3.9	123.3
1990	07	4.4	92.8
1990	08	4.6	80.1
1990	09	4.7	77.2
1990	10	5.0	78.9
1990	11	5.9	106.0
1990	12	6.3	110.6
1991	01	6.6	112.8
1991	02	7.0	113.3
1991	03	7.2	109.4
1991	04	7.5	104.9
1991	05	7.7	101.0
1991	06	8.1	105.3
1991	07	8.4	90.3
1991	08	8.7	90.1
1991	09	9.0	90.4
1991	10	9.7	94.2
1991	11	10.7	80.7
1991	12	12.5	99.7
1992	01	14.0	111.0
1992	02	15.9	126.5

Year	Month	Monthly CPI	Annual Inflation rate
1992	03	17.8	148.0
1992	04	18.8	151.7
1992	05	20.1	159.3
1992	06	21.3	162.5
1992	07	22.0	163.8
1992	08	23.7	173.2
1992	09	26.4	192.8
1992	10	28.4	192.3
1992	11	30.5	185.2
1992	12	35.1	180.7
1993	01	38.5	174.4
1993	02	42.7	168.8
1993	03	47.9	168.5
1993	04	53.5	184.5
1993	05	58.9	193.6
1993	06	67.7	218.4
1993	07	74.4	237.8
1993	08	76.3	222.7
1993	09	80.0	203.0
1993	10	79.7	180.5
1993	11	76.5	150.4
1993	12	80.0	128.1
1994	01	84.1	118.6
1994	02	91.4	114.0
1994	03	95.1	98.3
1994	04	97.5	82.2
1994	05	99.5	69.1
1994	06	101.0	49.1
1994	07	102.5	37.7
1994	08	103.8	35.9
1994	09	103.5	29.3
1994	10	104.7	31.3
1994	11	106.3	39.0
1994	12	110.7	38.3
1995	01	117.4	39.6
1995	02	122.6	34.1
1995	03	126.1	32.7
1995	04	126.6	30.0
1995	05	125.0	25.6
1995	06	128.3	27.0
1995	07	131.8	28.6
1995	08	133.5	28.7
1995	09	138.9	34.2
1995	10	150.2	43.5
1995	11	157.0	47.7
1995	12	161.6	46.0
1996	01	167.7	42.8
1996	02	174.9	42.6
1996	03	180.0	42.7
1996	04	185.5	46.5
1996	05	188.4	50.7
1996	06	192.5	50.0
1996	07	193.9	47.1
1996	08	199.4	49.3
1996	09	202.2	45.6
1996	10	204.2	35.9
1996	11	209.5	33.5
1996	12	218.5	35.2
1997	01	223.9	33.6
1997	02	235.5	34.7
1997	03	237.5	32.0
1997	04	235.1	26.7
1997	05	232.6	23.5
1997	06	236.8	23.1
1997	07	237.9	22.7
1997	08	239.9	20.3
1997	09	242.6	19.9
1997	10	247.4	21.2
1997	11	254.0	21.2
1997	12	259.1	18.6
1998	01	266.2	18.9
1998	02	273.8	16.3
1998	03	282.1	18.8
1998	04	288.5	22.8
1998	05	292.2	25.7
1998	06	295.5	24.8

Year	Month	Monthly CPI	Annual Inflation rate
1998	07	300.5	26.3
1998	08	304.9	27.1
1998	09	309.2	27.5
1998	10	315.7	27.6
1998	11	320.2	26.1
1998	12	338.3	30.6
1999	01	350.3	31.6
1999	02	357.2	30.5
1999	03	362.5	28.5
1999	04	365.2	26.6
1999	05	369.9	26.6
1999	06	376.8	27.5
1999	07	385.7	28.4
1999	08	387.7	27.2
1999	09	388.9	25.8
1999	10	394.5	25.0
1999	11	401.3	25.3
1999	12	408.1	20.6
2000	01	422.6	20.7
2000	02	439.3	23.0
2000	03	449.1	23.9
2000	04	460.8	26.2
2000	05	463.2	25.2
2000	06	466.4	23.8
2000	07	485.8	25.9
2000	08	492.3	27.0
2000	10	507.2	30.4
2000	11	517.4	31.2
2000	09	496.8	23.8
2000	12	531.1	30.1
2001	01	549.4	30.0
2001	02	567.3	29.1
2001	03	578.5	28.8
2001	04	574.9	24.8
2001	05	566.1	22.2
2001	06	560.8	20.2
2001	07	569.0	17.1
2001	08	575.2	16.8
2001	09	583.4	15.0
2001	10	594.2	14.8
2001	11	609.1	22.6
2001	12	630.3	18.7
2002	01	657.3	19.6
2002	02	676.4	19.2
2002	03	683.1	18.1
2002	04	677.4	17.8
2002	05	684.5	20.9
2002	06	692.9	23.6
2002	07	702.3	23.4
2002	08	711.7	23.7
2002	09	722.6	23.8
2002	10	735.6	23.8
2002	11	763.3	25.3
2002	12	798.3	26.7
2003	01	816.9	24.3
2003	02	830.9	22.9
2003	03	837.2	22.6
2003	04	839.0	23.9
2003	05	846.8	23.7
2003	06	844.8	21.9
2003	07	843.9	20.2
2003	08	856.1	20.3
2003	09	874.9	21.1
2003	10	891.0	21.1
2003	11	908.9	19.1
2003	12	935.3	17.2
2004	01	959.4	17.4
2004	02	970.3	16.8
2004	03	984.8	17.6
2004	04	987.9	17.8
2004	05	994.4	17.4
2004	06	1002.0	18.6
2004	07	1008.2	19.5
2004	08	1017.9	18.9
2004	09	1030.3	17.8
2004	10	1051.5	18.0

Year	Month	Monthly CPI	Annual Inflation rate
2004	11	1075.3	18.3
2004	12	1099.0	17.5
2005	01	1134.3	18.2
2005	02	1151.6	18.7
2005	03	1156.1	17.4
2005	04	1171.5	18.6
2005	05	1184.7	19.1
2005	06	1194.8	19.2
2005	07	1196.6	18.7
2005	08	1214.4	19.3
2005	09	1231.2	19.5
2005	10	1244.1	18.3
2005	11	1260.6	17.2
2005	12	1273.2	15.9
2006	01	1272.3	12.2
2006	02	1270.0	10.3
2006	03	1279.6	10.7
2006	04	1281.6	9.4
2006	05	1286.8	8.6
2006	06	1296.9	8.5

International Merchandize Trade

Another Trade Surplus Recorded in May 2006

During the month of May, Zambia recorded a Trade Surplus valued at K149.6 billion. This is the second Trade Surplus that has been recorded this year. This means that the country exported more than it imported in value terms.

Total Exports, Imports & Trade Balance, January 2006 to May 2006*, (K' Millions)

Months	Imports (CIF)	Domestic Exports	Re-Exports (fob)	Total Exports (FOB)	Trade Balance
Jan-06	659,945	592,149	3,143	595,292	(64,654)
Feb-06	610,081	594,187	1,885	596,072	(14,009)
Mar-06	769,644	719,280	973	720,253	(49,392)
Apr-06	672,098	685,026	9,684	694,710	22,612
May-06	712,542	860,520	1,646	862,167	149,624
Total:	**3,424,311**	**3,451,162**	**17,331**	**3,468,493**	**44,182**

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*

Exports

The total value of exports in May 2006 was K862.2 billion compared to K694.7 billion in April 2006. Prominent among exports were manufactured goods classified chiefly by material (mainly refined copper), which accounted for 77.1 percent in May 2006 and 79.0 percent in April 2006. Other important exports were crude materials (excluding fuels), which accounted for 10.4 and 11.5 percent in April and May 2006, respectively.

Total Exports by (SITC) sections, April and May 2006*, K' Millions

Code	Description	April 2006	% Share	May 2006	% Share
0	Food and live animals	25,824	3.7	53,997	6.3
1	Beverages and tobacco	20,470	2.9	21,983	2.5
2	*Crude materials, (excl fuels)*	*72,371*	*10.4*	*99,339*	*11.5*
3	Mineral fuels, lubricants and related materials	3,566	0.5	2,365	0.3
4	Animal and vegetable oils, fats and waxes	288	0.0	302	0.0
5	Chemicals	12,861	1.9	4,141	0.5
6	*Manufactured goods classified chiefly by material*	*548,612*	*79.0*	*665,011*	*77.1*
	Of Which:				
	Refined copper	*342,885*	*62.5*	*459,400*	*69.1*
	Plates, sheets and strip, of refined copper, >0.15mm thick	*100,751*	*18.4*	*101,557*	*15.3*
	Cobalt, wrought, and articles of cobalt	*34,911*	*6.4*	*38,425*	*5.8*
	Wire of refined copper	*32,442*	*5.9*	*49,866*	*7.5*
	Other	*37,623*	*6.9*	*15,763*	*2.4*
7	Machinery and transport equipment	8,929	1.3	12,923	1.5
8	Miscellaneous manufactured articles	1,717	0.2	1,987	0.2
9	Commodities and transactions not classified elsewhere in the SITC	72	0.0	119	0.0
Total:		**694,710**	**100.0**	**862,167**	**100.0**

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*

Zambia's Major Exports in May 2006

Zambia's major export product in May 2006 was copper accounting for 71.3 percent of Zambia's total export earnings. Other export products worth noting, though on a smaller scale were ores, slags and ash (9.4 percent), other base metals which include cobalt accounted for 4.5 percent in May 2006.

Zambia's Major Exports by HS Chapter for May 2006, K' Millions

HS Code	Description	Value ('ZMK')	% Share
74	Copper and Articles Thereof	614,814	71.3
26	Ores, Slag and Ash	80,699	9.4
81	Other Base Metals; Cermets; Articles Thereof	38,425	4.5
17	Sugars and Sugar Confectionery	26,216	3.0
24	Tobacco and Manufactured Tobacco Substitutes	21,842	2.5
07	Edible Vegetables and Certain Roots and Tubers	10,912	1.3
85	Electrical Machinery Equip Parts Thereof; Sound Recorder Etc	10,642	1.2
52	Cotton	9,002	1.0
10	Cereals	8,996	1.0
	Other	40,619	4.7
Total:		**862,167**	**100.0**

Source: *CSO, International Trade Statistics, 2006*

Zambia's Major Export Destinations in May 2006

The three major destinations of Zambia's exports during the month of May 2006 were South Africa, Switzerland, and United Kingdom. These three countries collectively accounted for about 73.9 percent of Zambia's total exports in May 2006. Other important outlets for Zambia's exports were Tanzania, France, Finland, and Malawi; jointly accounting for 14.8 percent of Zambia's total exports in May 2006.

Zambia's Major Export Destinations by Country, May 2006, K' Millions

Destination	Value (ZMK)	Share (%)
South Africa	251,441	29.2
Switzerland	240,274	27.9
United Kingdom	144,737	16.8
Tanzania	51,575	6.0
France	33,852	3.9
Finland	21,238	2.5
Malawi	20,886	2.4
Congo (DR)	17,071	2.0
Kenya	15,576	1.8
Netherlands	12,505	1.5
China	11,651	1.4
Other	41,360	4.8
Total:	**862,167**	**100.0**

Source: *CSO, International Trade Statistics, 2006*

Export Market Shares by Regional Groupings

The SADC grouping of countries accounted for 40.3 percent and 40.6 percent of Zambia's total exports in April and May 2006, respectively. Within SADC region, South Africa was the major market for Zambia's exports accounting for 54.7 percent in April and 71.9 percent in May 2006. Tanzania was second to South Africa, accounting for 21.2 percent in April 2006 and 14.7 percent in May 2006.

The European Union was the second largest destination of Zambia's exports after SADC, accounting for 21.9 percent in April and 25.8 percent in May 2006. Within the EU, the dominant market was the United Kingdom with market shares of about 69.0 percent and 65.0 percent in the respective months. During the period under review, France remained the second major destination of Zambia's exports after the UK, with a market share of about 14.8 percent on average. Other key markets were Finland and Netherlands.

The Asian and COMESA markets were also important outlets of Zambia's export products, each accounting for 4.6 and 11.0 percent in April 2006 and 3.1 and 6.6 percent in May 2006, respectively. Within Asia, China dominated the market accounting for 30.2 percent in April and 43.2 percent in May 2006. After China, the Japanese market remained the second major destination of Zambia's exports accounting for 16.4 percent in April and 26.8 percent in May 2006, respectively. Other destinations included India accounting for 14.2 percent in April 2006 and Taiwan with 10.6 percent in May 2006.

In the COMESA region, Zimbabwe was the major destination of Zambia's exports in April 2006, with 35.1 percent market share. In May 2006, Malawi was the dominant market with 36.8 percent market share. During the period under review, Congo (DR) still remained the second major outlet of Zambia's exports accounting for 26.5 and 30.1 percent market shares in April and May 2006, respectively.

Export Market Shares by Regional Groupings, April and May 2006

Grouping	April 2006		Grouping	May 2006	
	Value	% Share		Value	% Share
SADC:	**279,758**	**100.0**	**SADC:**	**349,842**	**100.0**
South Africa	*152,970*	*54.7*	*South Africa*	*251,441*	*71.9*
Tanzania	*59,191*	*21.2*	*Tanzania*	*51,575*	*14.7*
Zimbabwe	*26,814*	*9.6*	*Malawi*	*20,886*	*6.0*
Other SADC	*40,782*	*14.6*	*Other SADC*	*25,940*	*7.4*
% of Total April Exports	40.3		*% of Total May Exports*	40.6	
EUROPEAN UNION	**152,437**	**100.0**	**EUROPEAN UNION**	**222,669**	**100.0**
United Kingdom	*105,107*	*69.0*	*United Kingdom*	*144,737*	*65.0*
France	*21,890*	*14.4*	*France*	*33,852*	*15.2*
Netherlands	*15,588*	*10.2*	*Finland*	*21,238*	*9.5*
Other European Union	*9,853*	*6.5*	*Other European Union*	*22,841*	*10.3*
% of Total April Exports	21.9		*% of Total May Exports*	25.8	
ASIA	**31,811**	**100.0**	**ASIA**	**26,946**	**100.0**
China	*9,592*	*30.2*	*China*	*11,651*	*43.2*
Japan	*5,216*	*16.4*	*Japan*	*7,220*	*26.8*
India	*4,509*	*14.2*	*Taiwan*	*2,858*	*10.6*
Other ASIA	*12,495*	*39.3*	*Other ASIA*	*5,216*	*19.4*
% of Total April Exports	4.6		*% of Total May Exports*	3.1	
COMESA	**76,417**	**100.0**	**COMESA**	**56,703**	**100.0**
Zimbabwe	*26,814*	*35.1*	*Malawi*	*20,886*	*36.8*
Congo (DR)	*20,231*	*26.5*	*Congo (DR)*	*17,071*	*30.1*
Malawi	*18,377*	*24.0*	*Kenya*	*15,576*	*27.5*
Other COMESA	*10,995*	*14.4*	*Other COMESA*	*3,170*	*5.6*
% of Total April Exports	11.0		*% of Total May Exports*	6.6	

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*
Some countries are members of both SADC and COMESA

Imports

The total value of imports in May 2006 was K712.5 billion compared to K672.1 billion in April 2006. The prominent imports were machinery and transport equipment, which accounted for 41.9 percent in April and 35.8 percent in May 2006. Other important imports were chemicals, which accounted for about 18.3 percent on average.

Total Imports by Standard International Trade Classification (SITC) sections, April and May 2006*, K' Millions

Code	Description	Apr 2006	% Share	May 2006	% Share
0	Food & Live Animals	56,195	8.4	40,596	5.7
1	Beverages & Tobacco	3,249	0.5	2,429	0.3
2	Crude Materials, (Excluding Fuels)	16,936	2.5	19,122	2.7
3	Mineral Fuels, Lubricants & Related Materials	38,239	5.7	102,399	14.4
4	Animal & Vegetable Oils, Fats & Waxes	10,814	1.6	12,972	1.8
5	Chemicals	124,386	18.5	128,693	18.1
6	Manufactured Goods Classified Chiefly By Material	106,591	15.9	111,543	15.7
7	Machinery & Transport Equipment	281,903	41.9	255,340	35.8
8	Miscellaneous Manufactured Articles	33,693	5.0	39,227	5.5
9	Commodities & Transactions not Elsewhere classified in SITC	91	0.0	221	0.0
TOTAL:		**672,098**	**100.0**	**712,542**	**100.0**

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*

Zambia's Major Imports in May 2006

The major import products in May 2006 were boilers, machinery & mechanical appliances, mineral fuels/oils and vehicles. These three product categories jointly accounted for about 40.1 percent in the total import bill in May 2006. Other important import products were electrical machinery equipment parts accounting for 8.7 percent and fertilizers 4.6 percent.

Zambia's Major Imports by HS Chapters for May 2006*, K' Millions

HS Code	Description	Value (ZMK')	Share (%)
84	Nuclear Reactors, Boilers, Machinery & Mechanical Appliance; Parts	117,745	16.5
27	Mineral Fuels, Oils & Product Of Their Distillation; Etc	102,890	14.4
87	Vehicles O/T Railway/Tranw Rool-Stock, Pts & Accessories	65,727	9.2
85	Electrical Machinery Equipment Parts Thereof; Sound Recorder Etc	61,742	8.7
31	Fertilizers	32,837	4.6
73	Articles Of Iron And Steel	25,460	3.6
39	Plastics And Articles Thereof	22,068	3.1
72	Iron And Steel	20,785	2.9
28	Inorganic Chemicals; Compounds Of Prec Met, Radioactive elements etc.	20,003	2.8
38	Miscellaneous Chemical Products	17,971	2.5
10	Cereals	16,599	2.3
30	Pharmaceutical Products	15,219	2.1
Other		193,498	27.2
TOTAL:		**712,542**	**100.0**

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*

Zambia's Major Import Sources by Country, May 2006

The major source of Zambia's imports in May 2006 was South Africa, accounting for 51.7 percent of the total import bill in May 2006. The second main source was United Arab Emirates accounting for 10.3 percent of Zambia's imports in May 2006. Zimbabwe and the UK accounted for 5.7 and 3.9 percent of the total import bill, respectively. Other notable sources were Netherlands, India and Japan; jointly accounting for 8.6 percent of Zambia's total imports in May 2006.

Zambia's Top Import Sources by country, May 2006, K' Millions

Country	Value (ZMK)	Share (%)
South Africa	368,273	51.7
United Arab Emirates	73,667	10.3
Zimbabwe	40,567	5.7
United Kingdom	27,646	3.9
Netherlands	24,774	3.5
India	21,131	3.0
Japan	14,660	2.1
China	13,971	2.0
Kenya	13,664	1.9
Germany	11,026	1.5
Ireland	10,986	1.5
Other	92,177	12.9
Total:	**712,542**	**100.0**

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*

Import Market Share by Regional Grouping

The SADC grouping of countries accounted for 66.4 and 61.0 percent of Zambia's total imports in April and May 2006, respectively. Within the SADC region, South Africa was the major source for Zambia's imports accounting for 83.7 percent in April and 84.7 percent in May 2006. Zimbabwe was second accounting for 9.5 percent on average; followed by Tanzania with 2.5 percent on average, in April and May 2006.

The European Union was the second largest source of Zambia's imports after SADC, accounting for 17.0 percent in April and 13.5 percent in May 2006. Within the EU, the dominant source was the United Kingdom with market shares of 34.1 and 28.7 percent in the respective months. Other key markets were Sweden, Netherlands and Germany.

The Asian and COMESA regions were also important suppliers of Zambia's imports each accounting for 11.7 and 9.8 percent in April 2006 and 19.2 and 9.3 percent in May 2006, respectively.

In the Asian region United Arab Emirates was the major source of Zambia's imports, accounting for 25.4 percent in April 2006 and about twice as much (53.8 percent) in May 2006. India consistently remained second through out the period, followed by Japan.

In the COMESA region, Zimbabwe dominated as the major supplier of Zambia's imports in April and May 2006; accounting for a period average market share of about 63.6 percent; followed by Kenya with 16.6 and 20.6 percent in April and May 2006 respectively. The Congo (DR) market accounted for on average 10.6 of percent for the period under review.

Import Market Shares by Regional Groupings, April and May 2006*

Grouping	April 2006		Grouping	May 2006	
	Value	% Share		Value	% Share
SADC:	**446,054**	**100.0**	**SADC:**	**434,559**	**100.0**
South Africa	*373,498*	*83.7*	*South Africa*	*368,273*	*84.7*
Zimbabwe	*43,480*	*9.7*	*Zimbabwe*	*40,567*	*9.3*
Tanzania	*12,931*	*2.9*	*Tanzania*	*8,618*	*2.0*
Other SADC	*16,144*	*3.6*	*Other SADC*	*17,101*	*3.9*
% of Total April Exports	*66.4*		*% of Total May Exports*	*61.0*	
European Union	**114,411**	**100.0**	**European Union**	**96,298**	**100.0**
United Kingdom	*39,027*	*34.1*	*United Kingdom*	*27,646*	*28.7*
Sweden	*21,316*	*18.6*	*Netherlands*	*24,774*	*25.7*
Germany	*16,431*	*14.4*	*Germany*	*11,026*	*11.5*
Other European Union	*37,637*	*32.9*	*Other European Union*	*32,853*	*34.1*
% of Total April Exports	*17.0*		*% of Total May Exports*	*13.5*	
ASIA	**78,465**	**100.0**	**ASIA**	**137,052**	**100.0**
United Arab Emirates	*19,954*	*25.4*	*United Arab Emirates*	*73,667*	*53.8*
India	*19,627*	*25.0*	*India*	*21,131*	*15.4*
Japan	*18,361*	*23.4*	*Japan*	*14,660*	*10.7*
Other Asia	*20,523*	*26.2*	*Other Asia*	*27,593*	*20.1*
% of Total April Exports	*11.7*		*% of Total May Exports*	*19.2*	
COMESA	**65,781**	**100.0**	**COMESA**	**66,267**	**100.0**
Zimbabwe	*43,480*	*66.1*	*Zimbabwe*	*40,567*	*61.2*
Kenya	*10,904*	*16.6*	*Kenya*	*13,664*	*20.6*
Congo (DR)	*6,900*	*10.5*	*Congo (DR)*	*7,124*	*10.7*
Other COMESA	*4,497*	*6.8*	*Other COMESA*	*4,912*	*7.4*
% of Total April Exports	*9.8*		*% of Total May Exports*	*9.3*	

Source: *CSO, International Trade Statistics, 2006;*
Note: *(*) Provisional*
Some countries are members of both SADC and COMESA

SUMMARY OF EXTERNAL TRADE 1964-2006

TOTAL EXPORTS, DOMESTIC EXPORTS, RE-EXPORTS, IMPORTS AND TRADE BALANCE 1964-2006

Year	Total Exports(fob)	Domestic Exports	Re-Exports	Imports(cif)	Trade Balance
1964	336	327	9	156	179
1965	380	375	5	211	170
1966	493	490	3	246	247
1967	470	467	3	306	164
1968	544	541	4	325	219
1969	766	754	12	312	455
1970	715	710	5	341	374
1971	485	480	5	399	86
1972	542	536	6	404	138
1973	742	738	4	347	395
1974	905	900	5	507	398
1975	521	518	3	598	(77)
1976	752	749	3	469	283
1977	708	706	2	530	178
1978	687	685	2	493	194
1979	1,090	1,087	3	594	496
1980	1,029	1,026	3	859	170
1981	977	970	7	923	54
1982	950	945	5	930	20
1983	1,048	1,048	0	693	354
1984	1,199	1,194	6	1,086	114
1985	1,508	1,502	6	2,133	(625)
1986	5,367	5,348	19	4,448	919
1987	8,059	8,032	27	6,627	1,431
1988	9,786	9,720	66	6,898	2,888
1989	18,434	18,336	98	12,601	5,834
1990	39,144	39,037	107	36,554	2,590
1991	69,607	69,522	85	51,773	17,834
1992	129,475	129,303	172	144,109	(14,634)
1993	374,052	373,853	199	366,291	7,761
1994	620,453	617,870	2,583	397,672	222,781
1995	898,643	895,979	2,664	604,791	293,852
1996	1,105,746	1,095,682	10,064	959,261	146,485
1997	1,478,080	1,478,080	0	1,316,594	161,486
1998	1,901,036	1,901,036	0	2,024,947	(123,911)
1999	2,327,901	2,316,855	11,046	1,673,817	654,084
2000	2,716,558	2,680,167	36,391	2,751,563	(35,006)
2001	3,537,207	3,523,389	13,818	3,900,497	(363,290)
2002	4,069,917	4,045,881	24,036	4,732,354	(662,437)
2003	4,641,973	4,614,054	27,919	7,439,722	(2,797,749)
2004	7,526,280	7,460,408	65,872	10,273,677	(2,747,397)
2005	8,208,998	8,161,073	47,925	11,438,715	(3,229,717)
2006**					
Period	**Total Exports(fob)**	**Domestic Exports**	**Re-Exports**	**Imports(cif)**	**Trade Balance**
January	595,292	592,149	3,143	659,945	(64,654)
February	596,072	594,187	1,885	610,057	(13,985)
March	720,253	719,280	973	769,644	(49,392)
April	694,710	685,026	9,684	672,098	22,612
May	862,167	860,520	1,646	712,542	149,924

Note: *Data for 2006 are preliminary and run up to May.*

National Accounts

2005 Registers Economic Growth of 5.2 Percent

Driven by good performances of Mining and Quarrying; Construction; Transport and Communications; and the Community, Social and Personal Services, the Zambian economy sustained its growth momentum, as growth in real Gross Domestic Product (GDP) was recorded at 5.2 percent in 2005. However, this growth is 0.2 percentage points lower than the 5.4 percent growth recorded in 2004. The lower growth in 2005 could be mainly attributed to the decline in Agriculture output and the slower growth in the Mining and Manufacturing industries.

The updated figure is according to the final estimates of the production-based measure of GDP that are based on more complete source data than were available in the earlier estimates, in which the increase in real GDP for 2005 was 5.1 percent.

In the last 5 years, the economy has grown by an average of 4.8 percent per annum. Government's macroeconomic policy objectives in 2005 included attaining real GDP growth of at least 6.0 percent. However, this was not achieved mainly due to the decline of the agricultural industry, and the slow down in growth in the mining and manufacturing industry.

Percentage Changes in GDP by Kind of Economic Activity at Constant 1994 Prices, 2001-2005

Kind Of Economic Activity	2001	2002	2003	2004	2005	Average Growth (2001-2005)
Agriculture, Forestry and Fishing	**(2.6)**	**(1.7)**	**5.0**	**4.3**	**(0.6)**	**0.9**
Agriculture	(6.0)	(6.3)	8.0	6.1	(4.0)	(0.4)
Forestry	4.3	4.3	4.3	4.3	3.6	4.2
Fishing	(5.0)	(0.7)	(0.7)	(0.7)	0.5	(1.3)
Mining and Quarrying	**14.0**	**16.4**	**3.4**	**13.9**	**7.9**	**11.1**
Metal Mining	15.0	17.1	3.3	13.5	7.1	11.2
Other mining and quarrying	(15.0)	(13.0)	10.7	35.8	42.9	12.3
PRIMARY SECTOR	1.9	3.8	4.5	7.5	2.5	4.0
Manufacturing	**4.2**	**5.7**	**7.6**	**4.7**	**2.9**	**5.0**
Food, Beverages and Tobacco	5.3	5.4	8.6	5.8	3.6	5.7
Textile, and leather industries	2.3	6.2	3.2	(1.9)	(2.9)	1.4
Wood and wood products	5.7	7.5	11.4	4.2	3.6	6.5
Paper and Paper products	3.8	2.2	8.2	2.5	10.6	5.5
Chemicals, rubber & plastics	4.3	10.0	4.9	8.5	3.2	6.2
Non-metallic mineral products	3.5	1.7	14.9	14.4	7.4	8.4
Basic metal products	(18.0)	4.3	15.1	3.1	(2.0)	0.5
Fabricated metal products	(8.0)	(4.0)	5.3	4.8	7.4	1.1
Electricity and Water	**12.6**	**(5.2)**	**0.4**	**(1.7)**	**5.4**	**2.3**
Construction	**11.5**	**17.4**	**21.6**	**20.5**	**21.2**	**18.4**
SECONDARY SECTOR	7.5	7.2	10.8	9.1	10.0	8.9
Wholesale and Retail trade	**5.4**	**5.0**	**6.1**	**5.0**	**2.4**	**4.8**
Restaurants, Bars and Hotels	**24.4**	**4.9**	**6.9**	**6.4**	**11.7**	**10.8**
Transport and Communications	**2.8**	**1.8**	**4.8**	**6.4**	**11.0**	**5.4**
Rail Transport	7.6	6.0	(8.1)	(1.8)	(11.6)	(1.6)
Road Transport	0.5	1.9	3.9	4.2	6.3	3.4
Air Transport	10.6	(8.4)	3.9	18.1	10.8	7.0
Communications	0.6	7.9	10.0	5.0	23.2	9.3
Financial Institutions and Insurance	**0.1**	**3.5**	**3.5**	**3.5**	**3.3**	**2.7**
Real Estate and Business services	**3.5**	**4.4**	**4.0**	**4.0**	**3.2**	**3.8**
Community, Social & Personal Services	**5.8**	**1.6**	**1.6**	**0.6**	**11.4**	**4.2**
Public Administration	1.0	(1.0)	0.2	0.2	6.2	1.3
Education	13.5	7.0	3.0	0.3	22.2	9.2
Health	16.5	1.0	2.5	(0.8)	(2.2)	3.4
Recreation, Religious, Culture	10.0	(2.0)	4.5	4.3	34.1	10.2
Personal Services	3.5	3.5	3.5	3.5	3.5	3.5
TERTIARY SECTOR	4.7	3.8	4.5	4.2	5.4	4.5
Less: FISIM	2.5	2.5	2.5	2.5	2.5	2.5
TOTAL GROSS VALUE ADDED	4.6	4.6	6.0	6.2	5.8	5.5
Taxes on Products	7.0	(6.8)	(2.8)	(3.1)	(1.5)	(1.4)
TOTAL G.D.P. AT MARKET PRICES	**4.9**	**3.3**	**5.1**	**5.4**	**5.2**	**4.8**

Source: *CSO, National Accounts Statistics, 2001-2005*

Mining and Quarrying

Increased copper, coal and stone quarrying output in 2005 were the main factors that contributed to the growth in the Mining and Quarrying industry. The industry continued to grow though at a slower pace of 7.9 percent from 13.9 percent in 2004. Copper production rose by 9.9 percent from 422, 953 metric tonnes in 2004 to 465, 002 metric tonnes in 2005. However, cobalt output declined by 8.0 percent from 6, 061 metric tonnes in 2004 to 5, 534 metric tonnes in 2005. Since 2001, the annual average growth rate of Mining and Quarrying has been 11.1 percent.

Construction

The Construction industry has continued to record double-digit growth. The industry grew by 21.2 percent in 2005 compared to 20.5 percent in 2004. In the last five years, the annual average growth rate has been 18.4 percent. This may be attributed to higher cement and stone quarrying output, driven by higher demand in residential housing and infrastructure development especially in the copper mines.

Transport and Communications

The Transport and Communications industry grew by 11.0 percent in 2005 compared to a growth of 6.4 percent in 2004. This was largely on account of the high growth in Communications, which grew by 23.2 percent in 2005 compared to a growth of 5.0 percent in 2004. The growth in the communications sub industry was due to expansion in network coverage particularly by mobile phone service providers. This resulted in an increase in the number of subscribers and consequently the minutes of calls made.

Community, Social and Personal Services

The Community, Social and Personal Services recorded an increase in output of 11.4 percent in 2005 compared to 0.6 percent in 2004. Most of this growth was in the Education sector. However, the Health sector pulled down the overall growth in this industry, as output declined for the second year in a roll.

Agriculture, Forestry and Fishery

The Agriculture, Forestry and Fishery industry declined by 0.6 percent in 2005 as opposed to a growth of 4.3 percent in 2004. This was largely as a result of lower output in agriculture brought about by decreased output of the major crops such as maize, sorghum, and millet, stemming from a partial drought in the 2004/2005 agricultural season.

Manufacturing

Manufacturing recorded a slow down in growth of 1.8 percentage-points from 4.7 percent in 2004 to 2.9 percent in 2005. This was below the average annual growth rate of 5.0 percent in the last 5 years. The lower output was largely due to the slow down in growth of the Food, Beverages and Tobacco and declines in output in the Textiles and Leather industries and the Basic Metal industries. The Food, Beverages and Tobacco grew by 3.6 percent in 2005 compared to a growth of 5.8 percent in 2004. The Textiles and Leather industries' output declined for the second consecutive year by 2.9 percent in 2005 compared to a decline of 1.9 percent in 2004. The Basic Metal industries decreased output by 2.0 percent compared to a 3.1 percent growth in 2004.

Rail Transport

Similarly, in the Transport and Communications industry, output in rail transport declined for a third consecutive year by 11.6 percent in 2005 from a decline of 1.8 percent in 2004 and a decline of 8.1 percent in 2003.

Industry Contribution to Overall GDP

Percentage-point contribution by industry shows that the Construction industry contributed 1.7 percentage points to the total GDP growth, making it the highest contributor to total GDP growth. The Community, Social and Personal Services contributed 0.8 percentage-points, making it the second largest contributor. The Transport and Communications industry and the Mining and Quarrying industry each contributed 0.7 percentage-points to overall GDP growth. Within the Transport and Communications, the top contributor to this growth was Communications.

The Agriculture, Forestry and Fishery industry contributed negatively to the total GDP growth, making it the least contributor. The –0.1 percentage-point contribution to the 5.2 percent total growth in 2005 was lower than the 0.6 percentage-point contribution to the 5.4 percent growth in 2004.

Percentage-Point Contribution to Total Real GDP Growth 2001-2005

Kind Of Economic Activity	2001	2002	2003	2004	2005
Agriculture, Forestry and Fishing	(0.4)	(0.3)	0.8	0.6	(0.1)
Mining and Quarrying	0.9	1.1	0.3	1.1	0.7
PRIMARY SECTOR	**0.5**	**0.9**	**1.0**	**1.7**	**0.6**
Manufacturing	0.4	0.6	0.8	0.5	0.3
Electricity and Water	0.4	(0.2)	0.0	(0.0)	0.1
Construction	0.6	0.9	1.3	1.4	1.7
SECONDARY SECTOR	**1.4**	**1.3**	**2.1**	**1.9**	**2.1**
Wholesale and Retail trade	1.0	0.9	1.1	0.9	0.5
Restaurants, Bars and Hotels	0.5	0.1	0.2	0.2	0.3
Transport, Storage and Communications	0.2	0.1	0.3	0.4	0.7
Financial Institutions and Insurance	0.0	0.3	0.3	0.3	0.2
Real Estate and Business services	0.3	0.4	0.4	0.4	0.3
Community, Social and Personal Services	0.4	0.1	0.1	0.0	0.8
TERTIARY SECTOR	**2.4**	**2.0**	**2.4**	**2.2**	**2.8**
Less: FISIM	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
TOTAL GROSS VALUE ADDED	**4.1**	**4.1**	**5.4**	**5.6**	**5.4**
Taxes on Products	0.8	(0.8)	(0.3)	(0.3)	(0.1)
TOTAL GDP. Growth	**4.9**	**3.3**	**5.1**	**5.4**	**5.2**

Source: *CSO, National Accounts Statistics, 2001-2005*

The decline in Agriculture and the slow down in Manufacturing and Mining had a significant impact on the total GDP growth. These three industries collectively accounted for about one-third of total GDP. While they contributed 2.2 percentage-points to the overall GDP growth of 5.4 percent in 2004, they only contributed 0.9 percentage-points of the total GDP growth rate of 5.2 percent in 2005.

Labour

Nearly half a million in Formal Employment

According to the January 2006 Employment Inquiry, formal sector employment in Zambia is estimated at 498,943 as at January 2006. Personal and Community services sector recorded the highest proportion of employees at 35.3 percent, followed by the Trading industry at 13.0 percent. Agriculture, Manufacturing and Business/Financial services, registered relatively same proportions of employees with 11.3 percent, 11.2 percent and 10.8 percent, respectively. The Energy (electricity & water) industry had the least number of employees, registering 2.5 percent.

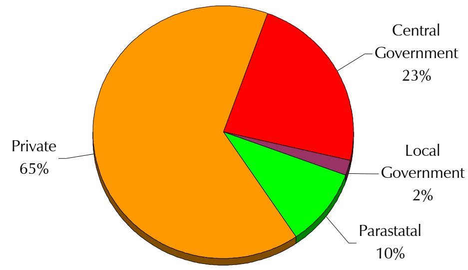
Number and Percent Distribution of Employees by Industry, January 2006

Industry	Percent	Total Employees
Agriculture	11.3	56,139
Mining	9.2	45,821
Manufacturing	11.2	55,709
Energy	2.5	12,399
Construction	2.9	14,343
Trade	13.0	65,012
Transport	3.9	19,378
Business services	10.8	54,032
Personal and community services	35.3	176,110
Grand Total	100	**498,943**

Source: *Employment Inquiry, 2006*

Analysis by sector showed that most of the employees work for privately owned establishments constituting 65 percent. Central Government recorded 23 percent, Parastatal 10 percent, while councils (Local Government) recorded the lowest number of employees at 2 percent.

Percent Distribution of Employees by Sector, January, 2006



Source: *Employment Inquiry, 2006*

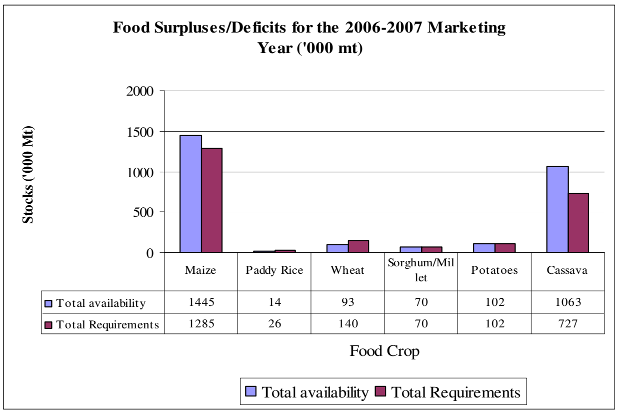
Agriculture

National Food Balance Sheet

The total national Maize requirement for Zambia during the 2006/2007 agricultural marketing season is 1,284,698 metric tonnes. Based on the Food Balance Sheet for current agricultural marketing season as prepared from the Crop-Forecasting Survey data, it is estimated that the total availability of maize during this season will be 1,444,698 metric tonnes. This total is made up of 1,424,439 metric tonnes expected to be produced during the 2005/2006 agricultural season, and 20,259 metric tonnes carry-over stocks available as at 1st May 2006. This means that Zambia will have a maize surplus of 160,000 metric tonnes this agricultural marketing season. This surplus constitutes 11.2 percent of the total expected maize production, and is an improvement from the deficit of 85,000 metric tonnes experienced during the 2005/2006 marketing season.

There is also expected to be a surplus for cassava flour, amounting to 335,948 metric tonnes. This represents a 3.4 percent increase in the cassava (flour equivalent) surplus over last marketing season's surplus of 324,834 metric tonnes. On the other hand, paddy rice and wheat are expected to experience deficits amounting to 12,000 and 46,519 metric tonnes, respectively. There will be no net deficit or surplus for sorghum/millet and potatoes (both Irish and sweet).

The total food surplus (all cereals plus cassava, Irish and sweet potatoes) when converted to maize meal equivalent, is 413,064 metric tonnes. Compared to the food surplus for last marketing season, which stood at 214,413 metric tonnes, there is an increase of about 93 percent.



Zambia National Food Balance Sheet for the 2006/2007 Marketing Year based on the 2005/2006 MACO/CSO Crop Production Estimates (Metric Tonnes)

			Maize	Paddy rice	Wheat	Sorghum/ millet	Sweet and Irish potatoes	Cassava flour	Total (Maize mealie meal equivalent)
A.	Availability:								
	(i) Opening stocks (1st May 2005)	1/	20,259	101	0	1,168	0	2,794	21,914
	(ii) Total production (2004/05)	2/	1,424,439	13,964	93,482	69,206	101,865	1,059,887	2,430,128
	Total availability		1,444,698	14,065	93,482	70,374	101,865	1,062,681	2,452,042
B.	Requirements:								
	(i) Staple food requirements:								
	Human consumption	3/	1,050,976	25,367	133,826	64,914	96,771	702,587	1,795,123
	Food Reserve Stocks (net)	4/	80,000	0	0	1,000	0	2,949	75,609
	(ii) Industrial requirements:								0
	Stockfeed	5/	60,000	0	0	0	0	0	54,000
	Breweries	6/	15,000	0	0	0	0	0	13,500
	Seed	7/	7,500	0	1,500	1,000	0	0	8,733
	(iii) Losses	8/	71,222	698	4,674	3,460	5,093	21,198	92,014
	Total requirements		1,284,698	26,065	140,000	70,374	101,865	726,734	2,038,979
C.	Surplus/deficit (A-B)	9/	160,000	(12,000)	(46,519)	0	0	335,948	413,064
D.	Commercial import requirements	10/		12,000	46,519				
E.	Food aid import requirements	11/							

Notes:

1/ Stocks expected to be held by commodity traders, millers, FRA and commercial farmers as at 1st May 2006, including stocks held by small-scale farmers in rural areas.

2/ Production estimates from MACO/CSO. Cassava production is based on the total area under cassava, using an annual yield figure of 11.7 tones per hectare (MAFF Root and Tuber Improvement Programme, 1996). A flour extraction rate of 25% is used. Other tubers are sweet potatoes and Irish potatoes.

3/ Staple foods are assumed to represent 70% (1,421 kCal/person/day) of total diet (2,030 kCal/person/day), converted to crop requirements for the national 2006/2007 population of 11.8 million people.
Requirements for human consumption reduced over the past two years as a result of downward revision in the population growth rate as provided by CSO.

4/ Locally purchased FRA stocks expected to be carried over into the next season.
This does not indicate total FRA purchases on the local market nor imports.

5/ Estimated requirements by major stock-feed producers.

6/ Estimated requirements by industrial breweries.

7/ Estimated national seed requirement for planting.

8/ Post harvest losses are estimated at 5% for grains and sweet potatoes in line with estimates from other SADC countries, and 2% for cassava.

9/ Expected surpluses or deficits that arise after meeting minimum overall staple human consumption requirements as well as industrial requirements. Cassava and maize may be substitutable with other crops and may result in different exportable volumes than the ones indicated here. The total is expressed as maize mealie meal equivalent using energy values.
The rice deficit is based on what is known to be imported each year, as indicated under D.
The wheat deficit is based on the estimated market size as indicated in B, less availability as indicated in A.
The maize mealie-meal equivalent and cassava flour surplus represents an overall surplus of staple foods. Cross-substitution may make this surplus partly available in the form of other crops.

10/ Imports required to be made by the private sector to meet the commercial market demands

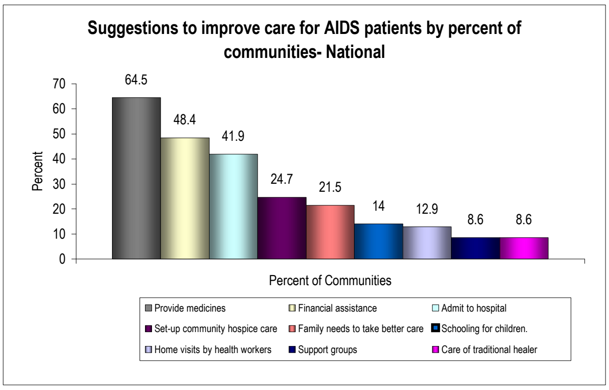
11/ Total estimated requirement for food relief among vulnerable groups, to be imported. This could be met with maize or other grains.

Demography

Provision of Medicine Perceived as the most common requirement for AIDS Patients

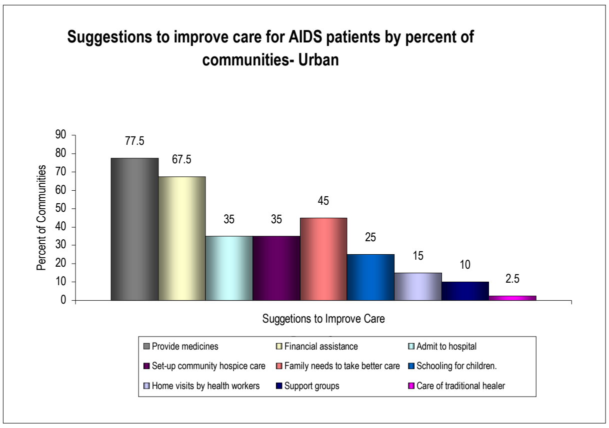
The 2005 Zambia Sexual Behavior Survey results indicate that nearly two- thirds (64.5 percent) of all communities reported the need to provide medicine as the most common requirement of what could be done to improve care for persons suffering from AIDS and to help families.

Nearly half (48.4 percent) of all communities cited the need for financial while the need for hospital admission was recorded at 41.9 percent. About one-fifth of all communities (21.5 percent) said that the family needs to take better care of the ill person, and 24.7 percent of communities suggested that it would help to set up a Community Hospice Care. The need for a support group and care of a traditional healer were the least common requirements cited, both recording 8.6 percent.



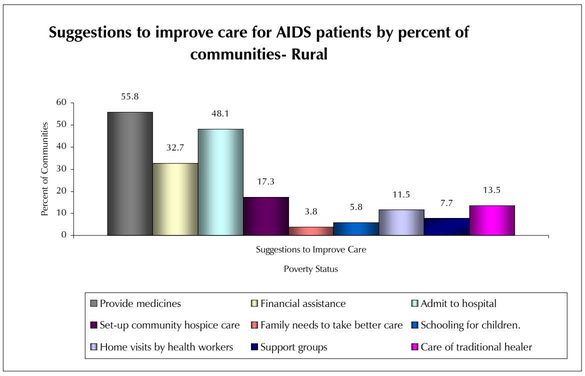
Source: *2005 Zambia Sexual Behavior Survey*

Analysis by area of residence shows that provision for medicine was the most common requirement for AIDS patients in urban areas at 77.5 percent. The second most common requirement was the need for financial assistance at 67.5 percent. Better care of the AIDS patient was the third common requirement cited, at 45.0 percent while care by traditional healer was the least cited requirement at 2.5 percent.



Source: *2005 Zambia Sexual Behavior Survey*

Similarly, the most cited requirement in rural areas was provision of medicine at 55.8 percent. However, the second most common requirement cited in rural areas was admission to hospital at 48.1 percent. The need for financial assistance was recorded at 32.7 percent while better care of the patient by the family was least at 3.8 percent.

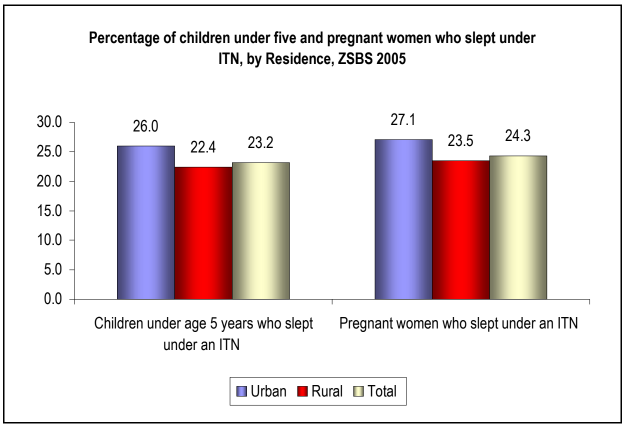


Source: *2005 Zambia Sexual Behavior Survey*

Only 1 in 4 Sleep under a Treated Mosquito Net

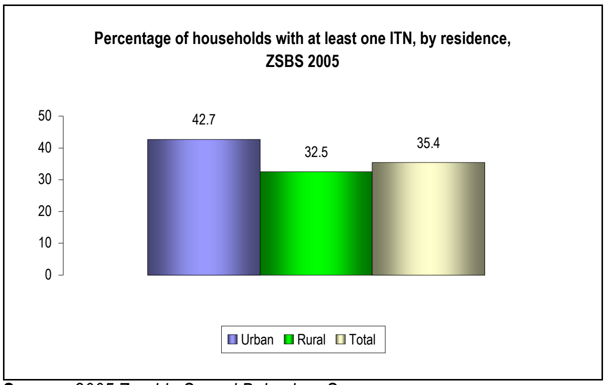
The 2005 Zambia Sexual Behaviour Survey (ZSBS) indicates that young children under the age of 5 and pregnant women are at risk of malaria related morbidity and mortality. Overall, the results show that 1 in 4 of children under 5 and pregnant women slept under a treated mosquito net.

Rural and urban analysis indicates that 26 percent of children in urban areas slept under a mosquito net than the children in rural areas with 22.4 percent. The pattern is similar among the pregnant women. The results show that pregnant women in urban households are more likely to be sleeping under ITN than those in rural areas with 27.1 and 23.5 percent, respectively.



Source: *2005 Zambia Sexual Behaviour Survey*

In terms of availability, the results show that overall, 35.4 percent of households had an Insecticide Treated Net (ITN) in Zambia. The rural-urban difference revealed that urban households were more likely (42.7 percent) to have at least one insecticide-treated net than the rural households with only 32.5 percent.



Source: *2005 Zambia Sexual Behaviour Survey*

Peer Education perceived to be a Positive Tool to improving Health of Youths

The Zambia Sexual Behavior Survey 2005 results indicate that the majority of the population feels that Youth Peer Education (YPE) plays an important role in improving the health and changing the behaviour of the youth.

Overall, 83.5 percent of the population were of the view that youth peer education was very important for improving the health of the youths in their communities. On the other hand 13.1 percent felt that it was slightly important while 1.3 percent perceived it as not important at all.

The results further indicate that 92.7 percent of the population felt that the Government should channel more resources to the YPE than was currently the case. On the contrary, 3.4 percent thought that the government should spend less.

Rural and urban comparisons show a similar pattern to that observed at national level. About 83 percent of the rural population and 83.9 percent of the urban population felt that YPE was very important.

Analysis by sex shows no major difference in opinion for both males and female on how important Peer education is in improving the health of youths.

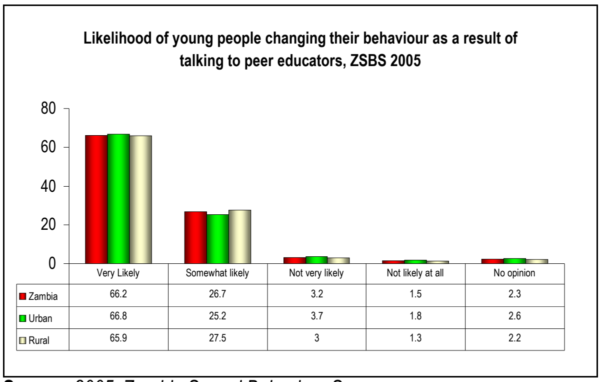
Importance of Peer Educators to improving health and Government spending on Peer Education Programs, ZSBS 2005

	Improving the Health of young people					Government spending on Peer education programs			
	Number	Very important	Slightly important	Not important	No opinion	More	Less	same	Don't Know
Zambia	**4218**	**83.5**	**13.1**	**1.3**	**2.1**	**92.7**	**3.4**	**2.1**	**1.7**
Rural/urban									
Urban	1445	82.7	13.3	1.5	2.5	91.7	3.8	3.3	1.1
Rural	2773	83.9	13.0	1.1	1.9	93.2	3.3	1.5	2.1
Sex									
Males	2046	85.1	12.0	1.1	1.8	92.9	3.7	1.9	1.5
Females	2172	82.0	14.2	1.4	2.4	92.5	3.2	2.4	1.9
Age Group									
15-19	849	82.6	12.6	2.2	2.6	91.3	4.3	2.4	2.1
20-24	846	82.1	14.7	0.6	2.6	91.5	3.7	2.6	2.3
25-49	2523	84.3	12.8	1.2	1.8	93.6	3.1	1.9	1.4

Source: *2005, Zambia Sexual Behaviour Survey*

On whether the YPE would change the behavior of the youths in their various communities, results indicate that 2 in every 3 persons believed that peer education was very likely to change behavior, 26 percent felt that it was somewhat likely, while 1.5 percent thought that it was not likely to change the behavior of the youths.

Rural/urban comparisons show no major differences in opinion with the urban population reporting 66.8 percent of those who believed that Youth Peer educators were very likely to change behaviors while rural areas had 65.9 percent of respondents who were of the same view.



Source: *2005, Zambia Sexual Behaviour Survey*

Feature Article 1

Zambia's Copper production since 1965

The Mining and Quarrying Industry continues to play a significant role in the Zambian economy. In 2005 the industry grew by 7.9 percent and contributed 8.6 percentage share to total Gross Domestic Product (GDP). Most of this growth emanates from output in metal mining, particularly copper production.

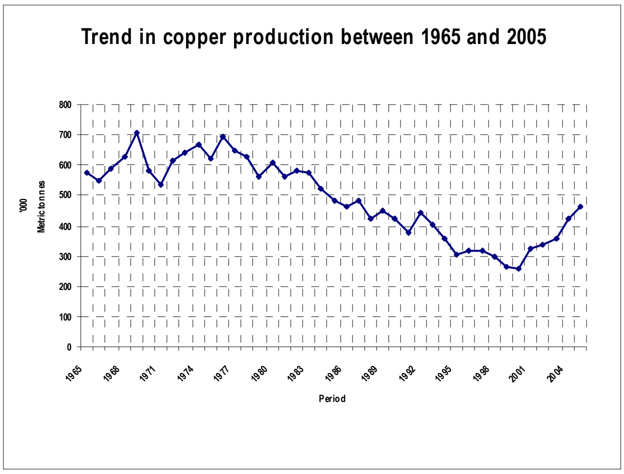
Copper Mining still forms the biggest share in the Mining and Quarrying Industry, which was the major contributor to the GDP from independence to the late 1970s. Between 1965 and 1974, the mining and quarrying sector's average share to the total GDP was recorded at 30.5 percent, making it the industry with the highest share to the total GDP. This declined to 17. 2 percent between 1975 and 1984, and further declined to 13.8 percent and 8.9 percent in the period 1985 to 1994 and 1995 to 2004, respectively. In 2005, it dropped to the sixth largest in terms of share to total GDP.

Average Share of the Real GDP by Kind of Economic Activity, 1965 - 2004

Kind of Economic Activity	1965-1974	1975-1984	1985-1994	1995-2004	2005
Agriculture, Forestry and Fishing	12.1	14.0	15.6	16.4	14.2
Mining and Quarrying	30.5	17.2	13.8	8.9	8.6
PRIMARY SECTOR	**42.6**	**31.2**	**29.4**	**25.3**	**22.8**
Manufacturing	9.4	16.4	16.2	10.4	10.6
Electricity, Gas and Water	1.7	3.0	3.0	2.9	2.6
Construction	5.5	5.4	5.2	5.5	9.1
SECONDARY SECTOR	**16.6**	**24.8**	**24.3**	**18.8**	**22.3**
Wholesale and Retail trade	9.8	8.5	12.1	17.7	18.3
Restaurants, Bars and Hotels	0.9	1.9	1.9	2.0	2.5
Transport and Communications	4.6	5.4	5.5	6.0	6.5
Financial Institutions and Insurance	2.3	3.5	5.2	8.3	7.5
Real Estate and Business services	4.2	6.5	6.6	8.1	9.1
Community and Personal Services	11.3	15.6	12.3	7.7	7.5
TERTIARY SECTOR	**33.0**	**41.3**	**43.6**	**49.9**	**51.3**
Less: FISIM	**0.4**	**1.0**	**(1.8)**	**(4.9)**	**(4.4)**
TOTAL GROSS VALUE ADDED	**92.6**	**98.0**	**95.2**	**89.2**	**92.0**
Taxes on Products	**7.4**	**1.7**	**6.2**	**10.8**	**8.0**
TOTAL G.D.P. AT MARKET PRICES	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

() means negative
Source: *Central Statistical Office*

The observed decline in the share of Mining and Quarrying is mainly attributed to the decreased copper output over the last four decades. The highest production of copper ever recorded in Zambia was in 1969 when the country produced copper in excess of 708,000 metric tonnes. However, after the 1960's, copper production has been experiencing a downward trend and this was evident in the year 2000 when the country recorded the least annual production of about 259,573 metric tonnes. Since 2001, the output of copper has been steadily increasing. Currently, Zambia is producing over 460,000 metric tonnes of copper.



Source: *CSO, National Accounts Statistics, 1965 – 2004*

In the ten-year period between 1965 and 1974, the average annual growth rate in the production of copper was recorded at 2.5 percent. During this period, copper production in Zambia was relatively stable, mainly fluctuating between 708,000 and 530,000 metric tonnes. The high production of copper between the period 1965 and 1974 was mainly influenced by high demand pushing up prices on the world copper market. During the next two decades, the production of copper started going down with both periods recording negative average annual growth rates of 2.2 percent between 1975 and 1984 and 3.2 percent between 1985 and 1994.

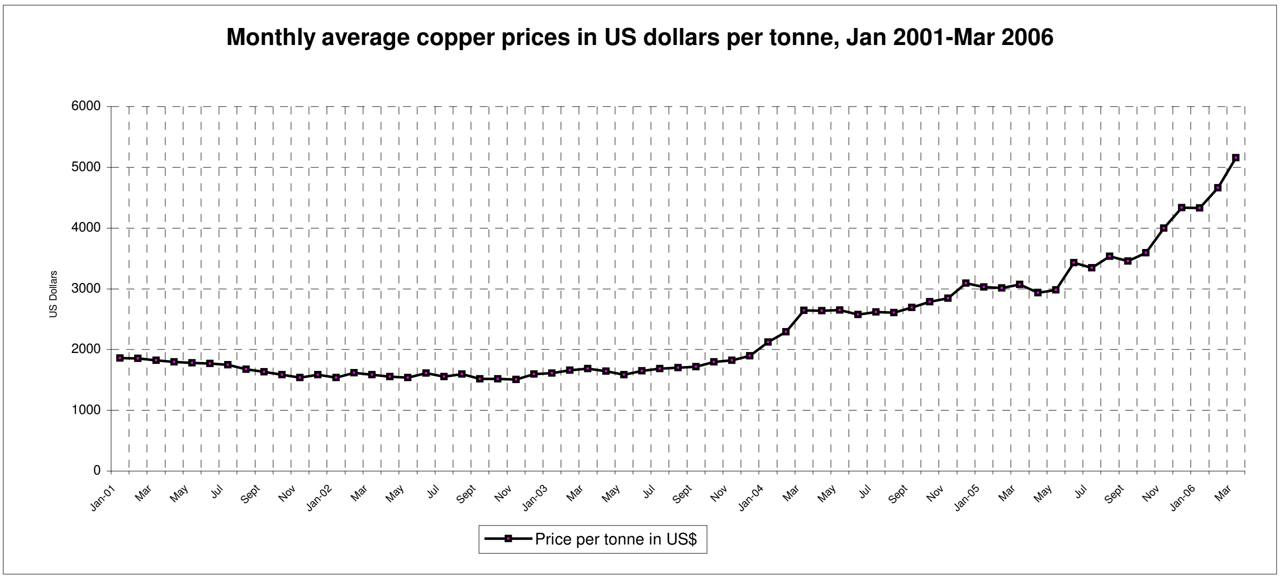
However in recent times the copper production industry has shown some signs of recovery, with the industry recording a 2.3 percent average annual growth in production between 1995 and 2004. This increase in production has mainly been influenced by the privatization and consequent recapitalization of the existing mines, opening up of new mines in the North-western Province and increased demand mainly from the European and Asian markets.

Copper production ('000 metric tonnes) from 1965 to 2005

1965 - 1974			1975 - 1984			1985 - 1994			1995 - 2004			2005		
Year	**Copper production**	**Growth rate**	**Year**	**Copper production**	**Growth rate**	**Year**	**Copper production**	**Growth rate**	**Year**	**Copper production**	**Growth rate**	**Year**	**Copper production**	**Growth rate**
1965	574.5	4.9	**1975**	619.2	-7.4	**1985**	479.9	-8.3	**1995**	307.1	-14.7	**2005**	465	10
1966	548.5	-4.5	**1976**	694.6	12.2	**1986**	459.7	-4.2	**1996**	314.6	2.4			
1967	588.8	7.3	**1977**	649	-6.6	**1987**	483.1	5.1	**1997**	319.1	1.4			
1968	630.4	7.1	**1978**	629	-3.1	**1988**	422.2	-12.6	**1998**	300.3	-5.9			
1969	708.5	12.4	**1979**	564.4	-10.3	**1989**	450.8	6.8	**1999**	265.9	-11.5			
1970	580.2	-18.1	**1980**	607.2	7.6	**1990**	426.2	-5.5	**2000**	259.6	-2.4			
1971	534.6	-7.9	**1981**	560.6	-7.7	**1991**	376.9	-11.6	**2001**	325.3	25.3			
1972	614.4	14.9	**1982**	584.5	4.3	**1992**	441.6	17.2	**2002**	337.1	3.6			
1973	638.4	3.9	**1983**	576.1	-1.4	**1993**	403.5	-8.6	**2003**	353.9	5			
1974	668.6	4.7	**1984**	523.3	-9.2	**1994**	360.2	-10.7	**2004**	422.9	19.5			
Average annual growth rate		**2.5**	**Average annual growth rate**		**-2.2**	**Average annual growth rate**		**-3.2**	**Average annual growth rate**		**2.3**	**Average annual growth rate**		**10**

() means negative
Source: *Central Statistical Office*

Since 2001 realised copper prices remained below US$2000 per tonne until December 2003 when the prices crossed the US$ 2000 per tonne mark. Surge in demand has been driving copper prices to record highs since 2003. Prices reached US$ 3000 per tonne in December 2004 and crossed the US $4000 per tonne mark 1n November 2005. By the end of the first quarter of 2006, the prices of copper sky rocketed and crossed the US$5000 per tonne mark.



Feature Article 2

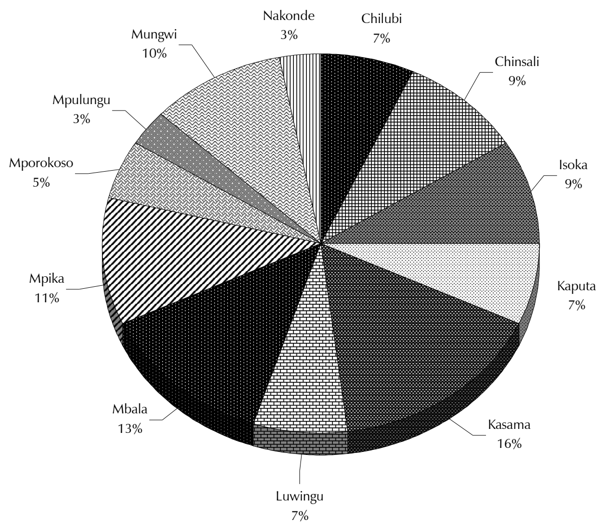
Seventy Four percent of the Population in Northern Province is Poor

Northern Province recorded 74 percent of persons living below the poverty line out of an estimated population of about 1,411,324. This is according to the latest findings from the 2004 Living Conditions Monitoring Survey (LCMSIV). However, the survey revealed a significant drop in the percentage of the poor persons in the province from 81 percent in 1998 to 74 percent in 2004.

In terms of resources needed to eradicate poverty or to at least bring all the poor people to the poverty line, the province would require about K775.9 billion every year.

Northern Province is divided into twelve districts with Kasama District being its provincial capital.
At district level, Kasama with the largest proportion of the poor in the province would get the largest allocation of 16 percent of the provincial resources followed by Mbala with 13 percent. Mpika and Mungwi districts would get 11 and 10 percent, respectively. The rest of the districts would get an allocation of less than 10 percent each with border districts of Nakonde and Mpulungu having the least share of 3 percent each.

Allocation of Resources to Eradicate Poverty in Northern Province, 2004



Male-headed Households slightly poorer than Female-headed Households

Analysis of poverty by sex of household head shows that the proportion of total poor persons in 2004 among male-headed households was 73 percent and 71 percent among female-headed households. The incidence of extreme poverty among the male-headed households was slightly higher at 60 percent in 2004 than female-headed households at 57 percent in the same year, whereas the incidence of moderate poverty was more or less the same among the female-headed households and male headed-households at 14 percent and 13 percent, respectively.

The incidence of poverty declined between 1998 and 2004 for both male and female-headed households. There was a 15 percentage-point decline among the female-headed households from 86 percent in 1998 to 71 percent in 2004. Among the male-headed households, the incidence of poverty declined by 7 percentage-points from 80 percent in 1998 to 73 percent in 2004.

Incidence of Poverty by Sex of Head, Northern Province

Sex	Poverty Status (%)								Population by sex of household head	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All province	81	74	66	60	15	14	19	26	1,226,375	1,411,324
Sex of Household head										
Male	80	73	64	60	16	13	20	27	995,226	1,171,345
Female	86	71	72	57	14	14	14	29	231,149	222,991

Education, key to low Levels of Poverty

The Incidence of poverty declines with increasing level of educational attainment of household head. The results show that the incidence of poverty was highest among persons in households whose heads never had any formal educational attainment at 82 percent.

There was a decline in poverty levels between 1998 and 2004 across all educational levels except tertiary level. Although the proportion of the poor persons remained very high among the household heads with no formal education, there was a reduction in poverty levels from 94 percent in 1998 to 82 percent in 2004.

The least incidence of poverty was among persons in households headed by persons with tertiary education at 39 percent in 1998 and 41 percent in 2004. Households headed by persons with secondary education had the incidence of poverty reducing from 74 percent in 1998 to 67 percent in 2004. The incidence of poverty among households headed by persons with primary schooling reduced from 84 percent in 1998 to 78 percent in 2004.

Percent Distribution of Population by Poverty Status and Educational Level of Household Head, Northern Province; 1998 and 2004

Educational Level	Poverty Status (%)									
	Total Poor		Extremely Poor		Moderately Poor		Not Poor		Population	
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All province	**81**	**74**	**66**	**60**	**14**	**14**	**19**	**26**	**1,226,375**	**1,411,324**
Education of Household Head										
None	94	82	86	74	8	8	7	19	178,346	169,551
Primary School	84	78	68	66	16	12	16	22	674,167	710,636
Secondary School	74	67	57	51	17	16	25	32	331,301	403,208
Tertiary	39	41	19	23	20	18	60	59	42,562	109,819

Lower Poverty Levels among Households with heads in Wage Employment

The least incidence of poverty by economic activity was among households with heads engaged in wage employment. The proportion of total poor persons for this category was recorded at 53 percent in 2004 followed by those engaged in running a business at 66 percent, whereas households with heads engaged in farming/fishing/forestry were recorded at 77 percent in the same period.

However, poverty incidence for all economic activity categories showed a declining trend from 1998 to 2004. The survey results show that incidence of poverty in both 1998 and 2004 was highest among households with heads engaged in farming, fishing and forestry at 85 percent in 1998 and 77 percent in 2004.

Percentage Distribution of Population by Poverty Status and Economic Activity of Household Head, Northern Province 1998 and 2004

Economic Activity	Poverty Status (%)								Population	
	Total poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All province	**81**	**74**	**66**	**60**	**14**	**14**	**19**	**26**	**1,226,375**	1,411,324
In wage employment	67	53	43	35	24	18	33	47	144,027	296,311
Running a Business	78	66	69	50	9	16	22	34	182,675	104,818
Farming/Fishing/forestry	85	77	69	65	16	12	16	23	853,859	1,070,098
Other	62	67	70	62	11	5	19	33	45,814	22,732

Poverty Levels highest in Luwingu District

District level poverty results show that the proportion of poor persons was highest among residents of Luwingu District at 88 percent in 2004.This was followed by Chilubi District with 86 percent. Nakonde District recorded the least proportion of the poor persons with 61 percent.

A trend analysis reveals that poverty levels in Nakonde District dropped significantly from 80 percent in 1998 to 61 percent in 2004 while the percentage of the extremely poor persons dropped from 66 to 34 percent during the reference period.

Percent Distribution of Population by Poverty Status, Northern Province, 1998 and 2004

Districts	Total Poor		Extremely Poor		Moderately Poor		Not Poor		Population	
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All province	**81**	**74**	**67**	**60**	**14**	**14**	**19**	**26**	**1,226,375**	1,411,324
District										
Chilubi	**91**	**86**	82	81	9	5	9	14	52,608	75,046
Chinsali	**73**	**69**	60	56	13	13	26	31	112,157	145,051
Isoka	**92**	**70**	77	64	15	6	8	30	109,553	110,843
Kaputa	**87**	**75**	76	63	11	12	14	25	63,199	97,404
Kasama	**79**	**79**	64	71	15	8	21	21	165,362	190,215
Luwingu	**87**	**88**	67	66	20	22	13	13	85,571	88,812
Mbala	**90**	**78**	71	64	19	14	10	23	147,738	168,337
Mpika	**69**	**72**	52	54	17	18	31	28	164,462	164,056
Mporokoso	**75**	**67**	66	51	9	16	24	33	101,218	84,966
Mpulungu	**74**	**65**	58	43	16	22	27	36	59,891	75,241
Mungwi	**89**	**78**	71	65	18	13	11	22	99,221	127,837
Nakonde	**80**	**61**	66	34	14	27	20	39	65,396	83,518

The incidence of poverty declined in all districts except in Kasama, Luwingu and Mpika, with Isoka District experiencing the highest drop from 92 percent in 1998 to 70 percent in 2004. However, there was an increase in the proportion of extremely poor people living in Kasama and Mpika districts in 2004 compared to 1998.

Fifty percent of the districts in Northern Province recorded higher proportions of moderately poor people in 2004 than in 1998 with Nakonde having the highest increase of 13 percentage-points.

Reductions in the incidence of moderate poverty between 1998 and 2004 were reported in Chilubi, Isoka, Kasama, Mbala and Mungwi, while Chinsali recorded 13 percent in both periods.

The proportion of persons who were not poor increased in almost all the districts with the exception of Mpika District, which recorded a reduction of 3 percentage-points from 31 percent in 1998 to 28 percent in 2004. Nakonde District had the highest increase with 20 percent in 1998 and 39 percent in 2004. The proportion of the non poor in 2004 remained at their 1998 levels of 21 and 13 percent, respectively in Kasama and Luwingu Districts.

The Layman and Statistics

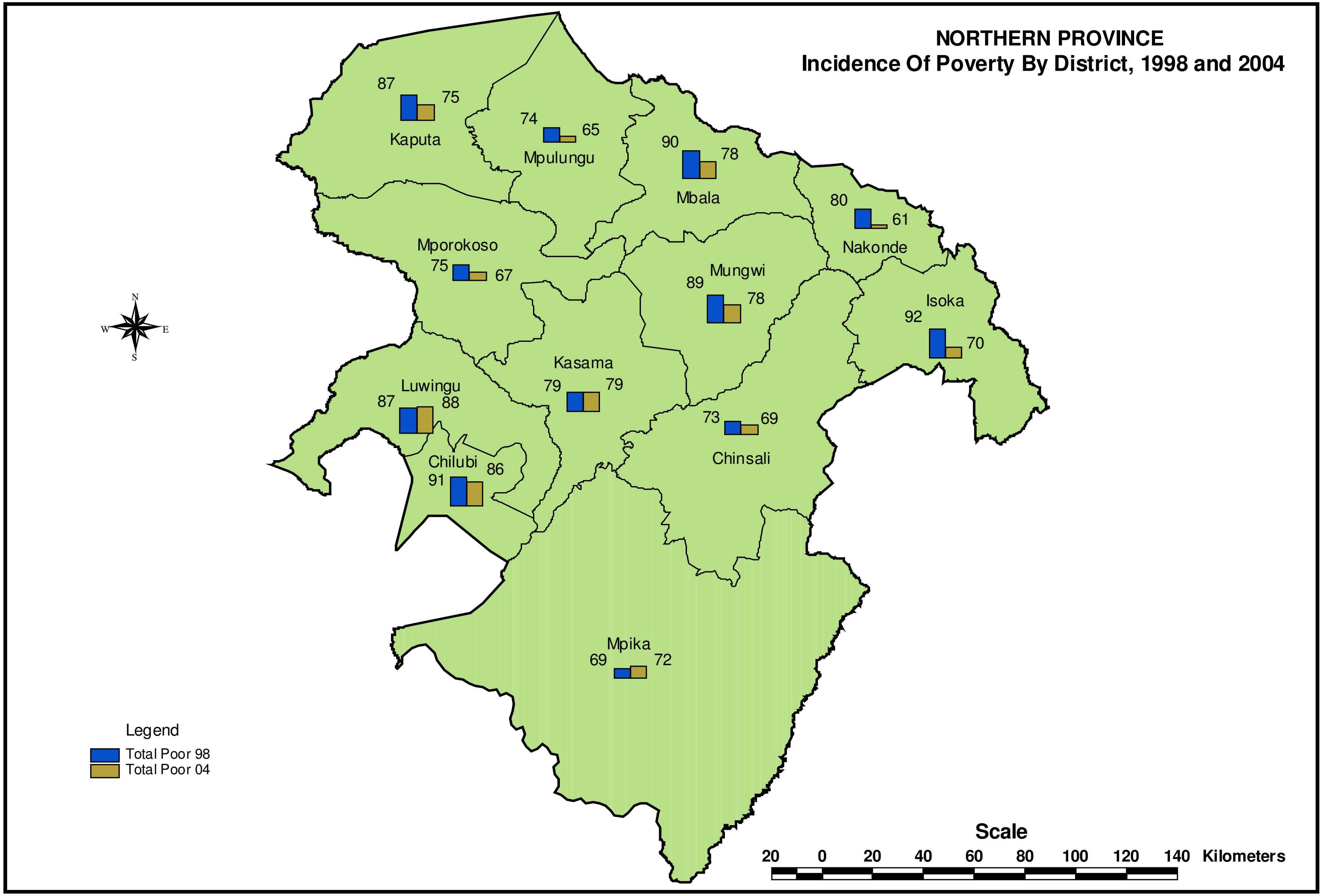
GDP: *Refers to the total value of economic activities taking place in the nation in a period, usually a year.*

GDP in Real Terms or GDP at Constant Prices: *Refers to a volume series in which quantity (Physical Output) is seen to change between periods of time as prices are held at constant*

***Poverty**: Is when a household or households are not able to acquire a specific level of consumption. Levels of consumption often used are those covering food and other basic needs such as housing, water, sanitation, health and education.*

Food Balance Sheet *is a tabular display of food supply and requirement statistics pertaining to the staple food crops.*

The Agriculture Marketing Season *in Zambia starts from the 1st of May and ends on 30th April of the following year.*


NORTHERN PROVINCE
Incidence Of Poverty By District, 1998 and 2004
Kaputa 87 75
Mpulungu 74 65
Mbala 90 78
Nakonde 80 61
Mporokoso 75 67
Mungwi 89 78
Isoka 92 70
Kasama 79 79
Luwingu 87 88
Chilubi 91 86
Chinsali 73 69
Mpika 69 72
N
W
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Legend
Total Poor 98
Total Poor 04
Scale
20 0 20 40 60 80 100 120 140 Kilometers

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