

Republic of Zambia



Volume 43

Website: www.zamstats.gov.zm

October, 2006

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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.

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Ms. Efreda Chulu Acting Director of Census and Statistics



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INFLATION

Inflation declines marginally in October 2006

The annual rate of inflation, as measured by the all items Consumer Price Index (CPI), was recorded at 7.9 percent as at October 2006. This rate is 0.3 of a percentage point lower than the September rate of 8.2 percent. Compared with the same period last year, the annual rate of inflation declined by 10.4 percentage points, from 18.3 percent in October 2005 to 7.9 percent in October 2006. The October 2006 inflation rate of 7.9 percent means that prices as measured by the all items Consumer Price Index (CPI) increased by an average of 7.9 percent between October 2005 and October 2006.

Annual Inflation Rates for CPI Main Groups

Between September 2006 and October 2006, the annual inflation rates declined for food, beverages and tobacco, rent and household energy, transport and communication, other goods and services main groups, while medical care, clothing and footwear main groups recorded increases in the annual inflation rates.

| Per cent | | | | Domt | E. maite and | | | | Other |
|---------------------|-------|--------------------------|-----------------------------|-------------------------------|--|-----------------|-----------------------------------|--------------------------------|-----------------------------------|
| Period | Total | Food And Beverages | Clothing and Footwear | Rent Fuel & Lighting | Furniture and Household Goods | Medical care | Transport and communication | 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 | 8.4 | 5.4 | 27.9 | 10.6 | 16.5 | 17.5 | -6.5 | 12.0 | 13.7 |
| Jul 06 - July 05 | 8.7 | 4.3 | 29.2 | 12.2 | 16.3 | 17.4 | -1.5 | 15.1 | 12.7 |
| Aug 06 – Aug 05 | 8.0 | 0.4 | 29.4 | 15.2 | 19.4 | 19.2 | 5.6 | 15.0 | 12.7 |
| Sep 06 – Sep 05 | 8.2 | 1.5 | 30.2 | 14.9 | 16.3 | 21.1 | 4.8 | 15.6 | 13.1 |
| Oct 06 – Oct 05 | 7.9 | 1.0 | 34.0 | 12.3 | 16.3 | 21.7 | 2.7 | 15.7 | 12.6 |

Annual Inflation Rate: CPI Main Groups

Source: CSO, Consumer Price Index, October, 2006

Contributions of different Items to overall Inflation

The decline of 0.3 of a percentage point in the annual inflation rate from 8.2 percent in September 2006 to 7.9 percent in October 2006 is due to the decline in the inflation rates for food, beverages and tobacco, rent and household energy, transport and communication main groups.

Of the total 7.9 percent annual inflation in October 2006, food products accounted for 0.5 of a percentage point while non-food products in the Consumer Price Index (CPI) accounted for a total of 7.4 percentage points.

| | | Percentage Points Contributions of different items to overall inflation | | | | | | | | | | |
|--|-------------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Items | Nov 2005 | Dec 2005 | Jan 2006 | Feb 2006 | Mar 2006 | Apr 2006 | May 2006 | Jun 2006 | Jul 2006 | Aug 2006 | Sep 2006 | Oct 2006 |
| Food Beverages and Tobacco | 9.6 | 9.3 | 6.8 | 5.4 | 5.8 | 4.4 | 2.9 | 2.9 | 2.2 | 0.2 | 0.8 | 0.5 |
| Clothing and Footwear | 1.1 | 1.1 | 1.2 | 1.5 | 1.7 | 1.9 | 2.2 | 2.1 | 2.2 | 2.2 | 2.2 | 2.6 |
| Rent and household energy | 2.8 | 2.6 | 1.9 | 1.6 | 1.7 | 1.5 | 1.5 | 1.1 | 1.3 | 1.6 | 1.6 | 1.3 |
| Furniture and Household Goods | 1.8 | 1.8 | 1.8 | 1.3 | 1.2 | 1.3 | 1.4 | 1.6 | 1.6 | 1.9 | 1.6 | 1.6 |
| Medical Care | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 |
| Transport (fuel, airfares, new motor vehicles) | 0.4 | -0.3 | -0.8 | -0.9 | -0.9 | -1.0 | -0.9 | -0.6 | -0.1 | 0.5 | 0.4 | 0.3 |
| Recreation and Education | 0.9 | 0.9 | 0.8 | 0.8 | 0.8 | 0.8 | 0.9 | 0.8 | 1.0 | 1.0 | 1.0 | 1.0 |
| Other Goods and Services | 0.5 | 0.4 | 0.4 | 0.4 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| All Items | 17.2 | 15.9 | 12.2 | 10.3 | 10.7 | 9.4 | 8.6 | 8.5 | 8.7 | 8.0 | 8.2 | 7.9 |

Source: CSO, Consumer Price Index, October, 2006

The annual food inflation rate declines in October 2006

The annual food inflation rate was recorded at 1.0 percent in October 2006, decreasing by 0.5 of a percentage point on the September rate of 1.5 percent. Contributing most to the decline in food inflation were declines in the cost of fresh vegetables, fish, kapenta, shelled groundnuts, dried beans and cassava meal. Generally, maize meal recorded stable retail prices.

The annual non-food inflation rate stood at 15.4 percent in October 2006, compared with 15.7 percent in August 2006. This decline was mainly due to the decline in the annual inflation rates for transport and communications, rent and household energy main groups.

| | Annual Inflation Rates | s: 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 |
| Apr 05 – Apr 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 - Sep04 | 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 | 5.4 | 11.8 |
| Jul 06 - Jul 05 | 8.7 | 4.3 | 13.6 |
| Aug 06 – Aug 05 | 8.0 | 0.4 | 16,4 |
| Sep 06 – Sep 05 | 8.2 | 1.5 | 15.7 |
| Oct 06 - Oct 05 | 7.9 | 1.0 | 15.4 |

Source: CSO, Consumer Price Index, October, 2006

Maize meal records stable retail prices

A comparison of prices between September 2006 and October 2006, shows that the national average price of a 25 kg bag of breakfast meal marginally increased by 0.9 percent, from K36,103 to K36,417. The national average price of a 20 litre tin of maize grain increased by 9.3 percent, from K11,949 to K13,059. The national average price of 1kg of onion declined by 13.9 percent, while the national average price of 1kg of dried Kapenta (Mpulungu) declined by 4.1 percent.

The high weight of maize grain, maize meal, fish/kapenta and fresh vegetables in the CPI means that any changes in the prices of these products have a strong bearing on the movements of the Consumer Price Index (CPI).

| Product Description | 2006 | | | | | | | | | Percentage Changes | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------------|-------------------|
| | January | February | March | April | Мау | June | July | August | September | October | Oct-06/ Sep-06 |
| White breakfast 25Kg | 43,829 | 43,325 | 43,313 | 43,470 | 42,469 | 38,620 | 37,165 | 36,440 | 36,103 | 36,417 | 0.9 |
| White Roller 25Kg | 36,477 | 36,600 | 36,491 | 36,724 | 34,370 | 27,941 | 25,406 | 24,599 | 24,713 | 24,961 | 1.0 |
| White Maize 20 litre tin | 21,106 | 23,184 | 22,433 | 17,950 | 12,906 | 11,619 | 11,193 | 11,148 | 11,949 | 13,059 | 9.3 |
| Rice Imported 1 Kg | 5,757 | 5,468 | 5,841 | 5,891 | 8,006 | 8,153 | 8,837 | 8,837 | 11,354 | 11,045 | -2.7 |
| Wheat Plain Flour NMC) 2.5 Kg | 12,204 | 12,601 | 12,338 | 12,558 | 12,961 | 12,690 | 12,082 | 12,106 | 12,119 | 10,891 | -10.1 |
| Millet 5 litre tin | 6,427 | 6,493 | 7,234 | 6,695 | 8,899 | 8,901 | 8,324 | 7,592 | 4,407 | 4,384 | -0.5 |
| Cassava meal 1Kg | 2,367 | 3,232 | 3,104 | 2,820 | 2,855 | 2,803 | 2,615 | 2,569 | 2,709 | 1,873 | -30.9 |
| Rump Steak 1 Kg | 17,577 | 17,858 | 18,246 | 18,938 | 18,504 | 18,191 | 18,205 | 18,743 | 18,626 | 18,509 | -0.6 |
| Brisket 1 Kg | 13,574 | 13,975 | 14,386 | 14,317 | 14,230 | 13,990 | 13,810 | 13,997 | 14,177 | 14,091 | -0.6 |
| T-bone 1 Kg | 17,076 | 17,582 | 17,172 | 17,534 | 17,636 | 17,045 | 17,291 | 17,422 | 17,404 | 17,316 | -0.5 |
| Beef Sausages 1 Kg | 16,884 | 17,258 | 17,563 | 18,359 | 18,660 | 17,649 | 17,697 | 16,927 | 17,877 | 17,860 | -0.1 |
| Offals 1 Kg | 8,210 | 8,104 | 8,304 | 8,221 | 8,359 | 8,349 | 8,347 | 8,345 | 8,434 | 8,381 | -0.6 |
| Pork chops 1 Kg | 17,763 | 19.736 | 19.880 | 20.560 | 19.632 | 19.343 | 18.408 | 17,957 | 18.475 | 18.269 | -1.1 |
| Pork Sausages 1 Kg | 17,905 | 19,651 | 19,965 | 20,463 | 21,092 | 19,131 | 20,785 | 19,787 | 20,284 | 18,648 | -8.1 |
| Bream Fresh/ Frozen 1 Kg | 12,063 | 12,014 | 11,411 | 12,082 | 12,696 | 12,071 | 12,257 | 11,690 | 12,030 | 11,787 | -2.0 |
| Dried Kapenta Mpulungu 1 Kg | 31,966 | 31,422 | 32,824 | 31,246 | 31,838 | 32,054 | 35,373 | 33,098 | 33,725 | 32,348 | -4.1 |
| Dried Kapenta Chisense 1Kg | 22,538 | 22,757 | 20,939 | 17,293 | 17,370 | 15,699 | 16,797 | 17,608 | 17,718 | 16,634 | -6.1 |
| Onion 1kg | 4,134 | 4,256 | 4,575 | 5,574 | 5,287 | 5,295 | 5,122 | 4,292 | 4,486 | 3,864 | -13.9 |
| Carrots 1kg | 5,776 | 5,291 | 5,880 | 5,867 | 4,944 | 3,484 | 4,192 | 3,486 | 3,736 | 3,301 | -11.6 |
| Green beans 1kg | 7,731 | 5,289 | 5,249 | 6,568 | 5,968 | 5,580 | 6,117 | 6,608 | 7,281 | 5,624 | -22.8 |
| Tomatoes 1kg | 2,712 | 2,372 | 2,423 | 2,359 | 2,783 | 3,209 | 2,803 | 2,210 | 2,317 | 2,203 | -4.9 |
| Pumpkin leaves 1kg | 2,275 | 1,963 | 1,849 | 2,059 | 2,127 | 2,205 | 2,732 | 2,279 | 2,473 | 2,206 | -10.8 |
| Rape 1kg | 2,114 | 1,903 | 1,799 | 2,027 | 1,794 | 1,689 | 1,599 | 1,520 | 1,487 | 1,408 | -5.3 |
| Dried beans 1kg | 6,077 | 6,382 | 6,282 | 5,820 | 5,645 | 5,640 | 5,471 | 5,650 | 5,754 | 5,681 | -1.3 |
| Sweet potatoes 1kg | 1,897 | 2,460 | 1,740 | 1,032 | 952 | 1,023 | 1,226 | 1,299 | 1,730 | 1,386 | -19.9 |
| Raw cassava tubers Unsoaked 1kg | 2,062 | 1,907 | 1,979 | 2,117 | 2,427 | 2,142 | 2,349 | 2,349 | 1,022 | 993 | -2.8 |
| Chikanda tubers 1kg | 9,632 | 6,561 | 8,409 | 8,828 | 7,020 | 7,870 | 9,264 | 9,925 | 10,857 | 10,596 | -2.4 |
| Paraffin 1 litre | 3,875 | 3,790 | 3,769 | 3,772 | 3,743 | 3,939 | 3,977 | 4,116 | 4,122 | 4,122 | 0.0 |
| Petrol Premium 1 litre | 5,433 | 5,136 | 5,097 | 5,122 | 5,322 | 5,775 | 6,003 | 6,152 | 6,155 | 6,155 | 0.0 |
| Diesel 1 litre | 5,091 | 4,819 | 4,746 | 4,583 | 4,739 | 4,991 | 4,983 | 5,094 | 5,085 | 5,092 | 0.1 |
| Air fare Lusaka/London British Airways | 3,092,418 | 3,036,060 | 3,090,600 | 3,090,600 | 2,995,940 | 4,870,876 | 3,271,640 | 3,721,950 | 3,836,825 | 3,739,060 | -2.5 |
| Air Fare Lusaka/Ndola Zambian Airways | 442,000 | 447,850 | 442,000 | 442,000 | 326,000 | 355,000 | 462,800 | 575,100 | 592,850 | 559,480 | -5.6 |
| Bed & continental Breakfast 3 to 5 star | 458,446 | 478,461 | 487,608 | 583,336 | 546,480 | 611,177 | 627,405 | 745,131 | 722,840 | 684,251 | -5.3 |
| Bed & Continental Breakfast 2 star Down to Motel | 97,744 | 100,919 | 99,311 | 100,602 | 99,224 | 101,415 | 104,825 | 102,459 | 103,087 | 101,990 | -1.1 |
| Nshima with Beef 2 Star Down to Motel | 20,421 | 21,029 | 20,144 | 19,658 | 19,837 | 20,133 | 19,116 | 19,683 | 19,817 | 19,435 | -1.9 |
| Nshima with Beef relish in Restaurants | 8,102 | 7,993 | 8,047 | 8,481 | 7,954 | 8,319 | 8,282 | 8,229 | 8,293 | 7,910 | -4.6 |

National Average prices for selected Products and Months

Source: CSO, Consumer Price Index, October, 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.

- 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 1993/1994 Household Budget Survey. The results from the 2002/2003 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 household's total expenditure budget. These weights are used in the computation of the CPI.

| Main Group | Weight |
|-------------------------------|--------|
| Food, Beverages and tobacco | 571 |
| Clothing and Foot wear | 68 |
| Rent and Household Energy | 85 |
| Furniture and household Goods | 82 |
| Medical Care | 8 |
| Transport and Communication | 96 |
| Recreation and Education | 49 |
| Other Goods and Services | 41 |
| Total | 1,000 |

Consumer Price Index: Methodology

The individual product level indices are evaluated in three stages. Stage 1 begins at the district level. Stage 2 calculates province level index numbers. Stage 3 calculates national level index numbers

The following formula is used to calculate product indices:

$$I_{i}^{0:t} = \frac{1}{n_{i,j}} \sum_{j=1}^{n_{i,j}} \left(\frac{p_{i,j}^{t}}{p_{i,j}^{0}} \right)$$

where

 $I_i^{0:t}$ is an index for product i showing the average change between period 0 and t. It is calculated as arithmetic average of price relatives for all outlets which provided prices in both months.

 $n_{i,j}$ is the number of outlets providing price data for product i in period 0 and t.

 $p_{i,j}^{\prime}$ is the price of product i in outlet j in a month t.

 $p_{i,j}^{o}$ is the price of product i in outlet j in a month 0.

0 is the base period t is the current period

INTERNATIONAL MERCHANDIZE TRADE

Trade Surplus recorded in September 2006

During the month of September, Zambia recorded a Trade Surplus valued at K 19.9 billion compared to a deficit of K92.3 billion in August 2006. Other Trade Surpluses were also recorded in the months of April, May and July 2006. This means that the country exported more in these months than it imported in value terms. However, it is worth noting that, the figures in the table below are preliminary and subject to revision upon receipt of additional trade data from customs and non-customs sources.

| Months | Imports (Cif) | Domestic Exports (fob) | Re-Exports (fob) | Total Exports (fob) | Trade Balance |
|-----------|---------------|---------------------------|------------------|------------------------|------------------|
| January | 660,307 | 3,143 | 590,658 | 593,801 | (66,506) |
| February | 611,800 | 1,885 | 597,661 | 599,546 | (12,254) |
| March | 775,249 | 973 | 725,025 | 725,997 | (49,251) |
| April | 693,739 | 9,684 | 689,844 | 699,528 | 5,789 |
| May | 755,667 | 1,646 | 866,080 | 867,726 | 112,059 |
| June | 939,160 | 1,733 | 879,484 | 881,217 | (57,943) |
| July | 710,819 | 1,647 | 818,410 | 820,058 | 109,238 |
| August | 1,126,893 | 388 | 1,034,196 | 1,034,585 | (92,308) |
| September | 985,680 | 377 | 1,005,193 | 1,005,570 | 19,890 |
| TOTAL: | 7,259,315 | 21,477 | 7,206,551 | 7,228,028 | (31,286) |

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

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

Exports by SITC

The table below shows the total value of exports in August and September 2006 classified by the Standard International Trade Classification (SITC).

The total value of exports in August 2006 was K1,034.6 billion compared to K1,005.6 billion in September 2006. The prominent exports were manufactured goods classified chiefly by material;

which accounted for 78.9 percent in August 2006 and 68.6 percent in September 2006. The most significant export within this product category was refined copper. Other important exports were crude materials (excluding fuels) such as copper ores and concentrates, cobalt ores and concentrates and cotton, which accounted for 9.9 and 16.9 percent in August and September 2006, respectively.

| CODE | DESCRIPTION | August | - 2006 | Septemb | er - 2006 |
|--------|---|-----------|---------|-----------|-----------|
| CODE | DESCRIPTION | Value | % Share | Value | % Share |
| 0 | Food and live animals | 44,526 | 4.3 | 50,644 | 5.0 |
| 1 | Beverages and tobacco | 39,358 | 3.8 | 43,006 | 4.3 |
| 2 | Crude materials, (excl fuels) | 102,172 | 9.9 | 169,847 | 16.9 |
| 3 | Mineral fuels, lubricants and related materials | 5,644 | 0.5 | 4,719 | 0.5 |
| 4 | Animal and vegetable oils, fats and waxes | 384 | 0.0 | 206 | 0.0 |
| 5 | Chemicals | 7,247 | 0.7 | 8,719 | 0.9 |
| 6 | Manufactured goods classified chiefly by material | 816,590 | 78.9 | 689,348 | 68.6 |
| | of which: | | | | |
| | Refined copper | 527,108 | 64.5 | 378,895 | 55.0 |
| | Plates, sheets and strip, of refined copper, >0.15mm thick | 104,185 | 12.8 | 145,065 | 21.0 |
| | Wire of refined copper | 68,368 | 8.4 | 59,456 | 8.6 |
| | Cobalt, wrought, and articles of cobalt, nes | 46,448 | 5.7 | 61,084 | 8.9 |
| | Unrefined copper; copper anodes for electrolytic refining | 37,519 | 4.6 | 8,629 | 1.3 |
| | Precious or semi-precious stones, worked but not set, nes | 11,729 | 1.4 | 3,948 | 0.6 |
| | Intermediate products of cobalt metallurgy; colbalt, unwrought | 6,048 | 0.7 | 3,996 | 0.6 |
| | Portland cement | 5,097 | 0.6 | 4,056 | 0.6 |
| | Cotton yarn (excl. sewing thread), with >=85% cotton, for retail sale | 4,562 | 0.6 | 4,820 | 0.7 |
| | Precious (excl. diamonds) or semi-precious stones, unworked | 1,813 | 0.2 | 2,737 | 0.4 |
| | Other | 3,714 | 0.5 | 16,662 | 2.4 |
| 7 | Machinery and transport equipment | 13,384 | 1.3 | 35,718 | 3.6 |
| 8 | Miscellaneous manufactured articles | 5,161 | 0.5 | 3,305 | 0.3 |
| 9 | Commodities and transactions not classified elsewhere in the SITC | 119 | 0.0 | 60 | 0.0 |
| TOTAL: | | 1,034,585 | 100.0 | 1,005,570 | 100.0 |

Total Exports by (SITC) sections, August and September 2006*, K' Millions

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

Zambia's Major Exports in September 2006

The table below shows Zambia's major export products in September 2006 classified by the Harmonized coding System (HS).

According to the HS coding system, Zambia's major export product in September 2006 was copper accounting for 59.1 percent of Zambia's total export earnings. Other export products worth noting, though on a smaller scale were ores, slags and ash (13.0 percent), other base metals - such as cobalt (6.5 percent) which are copper related, tobacco (4.3 percent), sugars (3.0 percent) and cotton 2.7 percent. These six product categories collectively accounted for 88.6 percent of Zambia's total export earnings.

| IS Chapter Code | Zambia's Major Exports by HS Chapter for September Description | Value (ZMK) | % Share |
|-----------------|---|-------------|---------|
| 74 | Copper And Articles Thereof | 594,326 | 59.1 |
| 26 | Ores, Slag And Ash | 130,658 | 13.0 |
| 81 | Other Base Metals; Cermets; Articles Thereof | 65,080 | 6.5 |
| 24 | Tobacco And Manufactured Tobacco Substitutes | 42,830 | 4.3 |
| 17 | Sugars And Sugar Confectionery | 30,501 | 3.0 |
| 52 | Cotton | 26,769 | 2.7 |
| 85 | Electrical Mchy Equip Parts Thereof; Sound Recorder Etc | 23,121 | 2.3 |
| 06 | Live Tree & Other Plant; Bulb, Root; Cut Flowers Etc | 11,686 | 1.2 |
| 84 | Nuclear Reactors, Boilers, Mchy & Mech Appliance; Parts | 11,195 | 1.1 |
| 07 | Edible Vegetables And Certain Roots And Tubers | 9,130 | 0.9 |
| 40 | Rubber And Articles Thereof | 8,381 | 0.8 |
| 71 | Natural/Cultured Pearls, Prec Stones & Metals, Coin Etc | 6,756 | 0.7 |
| 25 | Salt; Sulphur; Earth & Ston; Plastering Mat; Lime & Cem | 4,828 | 0.5 |
| 27 | Mineral Fuels, Oils & Product Of Their Distillation; Etc | 4,719 | 0.5 |
| 10 | Cereals | 3,281 | 0.3 |
| 34 | Soap, Organic Surface-Active Agents, Washing Prep, etc | 2,747 | 0.3 |
| | Other | 29,565 | 2.9 |
| TOTAL: | | 1,005,570 | 100.0 |

000C* 1/1 A.I.

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

Zambia's Major Export Destinations in September 2006

The four major destinations of Zambia's exports during the month of September 2006 were Switzerland (31.6 percent), South Africa (24.5 percent), China (7.3 percent) and the United Kingdom (7.2 percent). These four countries collectively accounted for 70.6 percent of Zambia's total exports. However, it should be noted that most of the export products to these countries are copper related products and that these countries are mainly trans-shipment points to other final destinations. Other important outlets for Zambia's exports were Tanzania, Zimbabwe, France, Congo (DR), Netherlands and Malawi, all accounting for 22.0 percent of Zambia's total exports in September 2006.

| COUNTRY | Value (ZMK) | % Share |
|----------------|-------------|---------|
| Switzerland | 317,929 | 31.6 |
| South Africa | 246,509 | 24.5 |
| China | 73,256 | 7.3 |
| United Kingdom | 72,831 | 7.2 |
| Congo (DR) | 65,752 | 6.5 |
| Tanzania | 65,492 | 6.5 |
| Zimbabwe | 27,859 | 2.8 |
| France | 24,323 | 2.4 |
| Netherlands | 21,662 | 2.2 |
| Malawi | 15,951 | 1.6 |
| Japan | 12,962 | 1.3 |
| Kenya | 9,976 | 1.0 |
| Other | 51,068 | 5.1 |
| Total: | 1,005,570 | 100.0 |

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

Export Market Shares by Regional Groupings

The Southern African Development Community grouping of countries (SADC) was the largest market for Zambia's exports accounting for 47.9 percent and 43.3 percent of Zambia's total exports in August and September 2006, respectively. Within the SADC region, South Africa was the major market for Zambia's exports accounting for 61.7 percent in August and 56.7 percent in September 2006.

The European Union (EU) was the second largest destination of Zambia's exports after SADC, accounting for 11.0 and 14.2 percent in August and September 2006 respectively. Within the EU, the dominant market was the United Kingdom with market shares of 76.5 and 51.1 percent in the respective months. Other key markets were France, Netherlands and Belgium collectively accounting for 18.0 and 39.0 percent in August and September 2006, respectively.

The Common Market for Eastern and Southern Africa region (COMESA) was the third largest destination of Zambia's exports (i.e. after SADC and the EU) accounting for 8.9 and 12.0 percent in August and September 2006 respectively. Within COMESA, Congo (DR) was the key destination accounting for 43.9 in August 2006 and 54.4 percent in September 2006; followed by Zimbabwe with 26.6 and 23.1 percent in August and September 2006 respectively. The third country was Malawi with 20.0 percent in August 2006 and 13.2 percent in September 2006.

The Asian regional grouping was fourth accounting for 7.0 and 9.3 percent of Zambia's total exports in August and September 2006 respectively. Within the Asian market, China dominated accounting for 51.3 percent in August 2006 and 78.0 percent September 2006. Other notable destinations included Japan and India jointly accounting for 35.0 and 18.9 percent in August and September 2006, respectively.

| • | August - | 2006 | | September - 2006 | | |
|----------------------------|-----------------------|---------|-------------------------------|-----------------------|---------|--|
| GROUPING | Value (K'Millions) | % Share | GROUPING | Value (K'Millions) | % Share | |
| SADC | 495,795 | 100.0 | SADC | 435,128 | 100.0 | |
| South Africa | 306,015 | 61.7 | South Africa | 246,509 | 56.7 | |
| Tanzania | 101,253 | 20.4 | Congo (DR) | 65,752 | 15.1 | |
| Congo (DR) | 40,317 | 8.1 | Tanzania | 65,492 | 15.1 | |
| Zimbabwe | 24,386 | 4.9 | Zimbabwe | 27,859 | 6.4 | |
| Other SADC | 23,824 | 4.8 | Other SADC | 29,517 | 6.8 | |
| % of Total August Exports: | 47.9 | - | % of Total September Exports: | 43.3 | | |
| EUROPEAN UNION | 114,122 | 100.0 | EUROPEAN UNION | 142,545 | 100.0 | |
| United Kingdom | 87,318 | 76.5 | United Kingdom | 72,831 | 51.1 | |
| France | 10,690 | 9.4 | France | 24,323 | 17.1 | |
| Netherlands | 5,812 | 5.1 | Netherlands | 21,662 | 15.2 | |
| Belgium | 3,939 | 3.5 | Portugal | 9,516 | 6.7 | |
| Germany | 2,622 | 2.3 | Belgium | 6,252 | 4.4 | |
| Other EU | 3,741 | 3.3 | Other EU | 7,960 | 5.6 | |
| % of Total August Exports: | 11.0 | | % of Total September Exports: | 14.2 | | |
| COMESA | 91,769 | 100.0 | COMESA | 120,845 | 100.0 | |
| Congo (DR) | 40,317 | 43.9 | Congo (DR) | 65,752 | 54.4 | |
| Zimbabwe | 24,386 | 26.6 | Zimbabwe | 27,859 | 23.1 | |
| Malawi | 18,387 | 20.0 | Malawi | 15,951 | 13.2 | |
| Kenya | 8,010 | 8.7 | Kenya | 9,976 | 8.3 | |
| Other COMESA | 670 | 0.7 | Other COMESA | 1,307 | 1.1 | |
| % of Total August Exports: | 8.9 | | % of Total September Exports: | 12.0 | | |
| ASIA | 72,060 | 100.0 | ASIA | 93,972 | 100.0 | |
| China | 36,976 | 51.3 | China | 73,256 | 78.0 | |
| India | 12,738 | 17.7 | Japan | 12,962 | 13.8 | |
| Japan | 12,443 | 17.3 | India | 4,816 | 5.1 | |
| Hong Kong | 4,389 | 6.1 | Hong Kong | 1,735 | 1.8 | |
| Taiwan | 2,237 | 3.1 | Taiwan | 500 | 0.5 | |
| Other Asia | 3,278 | 4.5 | Other Asia | 703 | 0.7 | |
| % of Total August Exports: | 7.0 | | % of Total September Exports: | 9.3 | | |

Export Market Shares by Regional Groupings, August and September 2006*

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

Imports by SITC

The table below shows the total value of imports in August and September 2006 classified by the Standard International Trade Classification (SITC).

The total value of imports in August 2006 was K1,126.9 billion compared to K985.7 billion in September 2006. The prominent imports were machinery and transport equipment, which

accounted for 34.9 percent in August 2006 and 34.7 percent in September 2006. Other important imports were Mineral fuels, lubricants and related materials, chemicals, and manufactured goods classified chiefly by material; which collectively accounted for 53.3 and 49.7 percent in August and September 2006, respectively.

Total Imports by Standard International Trade Classification (SITC) Sections, August and September 2006*, K 'Millions

| CODE | DESCRIPTION | August - 2 | 2006 | September - 2006 | | |
|--------|---|------------|---------|------------------|---------|--|
| CODE | DESCRIPTION | Value | % Share | Value | % Share | |
| 0 | Food and live animals | 25,057 | 2.2 | 46,253 | 4.7 | |
| 1 | Beverages and tobacco | 2,148 | 0.2 | 4,094 | 0.4 | |
| 2 | Crude materials, (excl fuels) | 24,670 | 2.2 | 23,709 | 2.4 | |
| 3 | Mineral fuels, lubricants and related materials | 271,480 | 24.1 | 224,672 | 22.8 | |
| 4 | Animal and vegetable oils, fats and waxes | 17,242 | 1.5 | 16,124 | 1.6 | |
| 5 | Chemicals | 171,261 | 15.2 | 120,870 | 12.3 | |
| 6 | Manufactured goods classified chiefly by material | 157,689 | 14.0 | 144,357 | 14.6 | |
| 7 | Machinery and transport equipment | 392,920 | 34.9 | 341,934 | 34.7 | |
| 8 | Miscellaneous manufactured articles | 63,444 | 5.6 | 63,511 | 6.4 | |
| 9 | Commodities and transactions not classified elsewhere in the SITC | 981 | 0.1 | 156 | 0.0 | |
| TOTAL: | | 1,126,893 | 100.0 | 985,681 | 100.0 | |

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

Zambia's Major Imports by HS

The table below shows Zambia's major import products in September 2006 classified by the Harmonized coding System (HS).

According to the HS coding system, Zambia's major import products in September 2006 were Mineral fuels, oils and products of their distillation, accounting for 22.8 percent. Other notable product categories were nuclear reactors, boilers, machinery

Total:

& mechanical appliances (15.1 percent), Vehicles (10.4 percent) and electrical machinery equipment (7.1 percent). These four product categories collectively accounted for about 55.4 percent of the total value of imports for the month of September 2006. Other important import products were of iron and steel accounting for 4.5 percent and fertilizers with 3.8 percent.

985.680

HS Chapter Code Description Value (ZMK) % Share 27 Mineral Fuels, Oils & Product Of Their Distillation 225,089 22.8 of which: Petroleum oils and oils obtained from bituminous minerals, crud 129,743 57.6 Gas oils (Diesel) 54,877 24.4 9,032 Motor Spirit (Petrol) 4.0 Jet (aviation turbine) fuel 7,493 3.3 Other 23,944 10.6 84 Nuclear Reactors, Boilers, Mchy & Mech Appliance; Parts 148,449 15.1 87 Vehicles O/T Railw/Tranw Rool-Stock, Pts & Accessories 102,360 10.4 Electrical Mchy Equip Parts Thereof; Sound Recorder Etc 85 69,707 7.1 Iron And Steel 72 44,794 4.5 31 Fertilizers 37,177 3.8 39 Plastics And Articles Thereof 26,455 2.7 Articles Of Iron And Steel 26.349 27 73 94 Furniture; Bedding, Mattress, Matt Support, Cushion Etc 23,106 2.3 10 20,559 Cereals 2.1 Miscellaneous Chemical Products 19,296 2.0 38 90 OPTICAL, PHOTO, CINE, MEAS, CHECKING, PRECISION, Etc 18,232 1.8 15 Animal/Veg Fats & Oil & Their Cleavage Products; Etc 18,078 1.8 40 Rubber And Articles Thereof 16,340 1.7 48 Paper & Paperboard; Art Of Paper Pulp, Paper/Paperboard 12,302 1.2 11,605 28 Inorgn Chem; Compds Of Prec Met, Radioact Elements Etc 1.2 Ceramic Products 11,388 1.2 69 88 Aircraft, Spacecraft, And Parts Of 11,127 1.1 Other 143,268 14.5

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

100.0

Zambia's Major Import Sources by Country, September 2006

The major source of Zambia's imports in September 2006 was South Africa, accounting for 45.8 percent of the total value of imports for the month. The major import products from South Africa were: mineral/chemical fertilizers, gas oil (diesel) and motor spirit (petrol), vehicles and dumpers for off-high way use. The second main source was United Arab Emirates (UAE) accounting for 16.0 percent of

Zambia's imports in September 2006. The major import products from the UAE were: crude petroleum oils and oils obtained from bituminous minerals and tube mills. Other notable sources of Zambia's imports were China, the United Kingdom, Zimbabwe and India; collectively accounting for 14.8 percent of Zambia's total imports for the month.

| Zambia's Top Ir | Zambia's Top Import Sources by country, September 2006, K' Millions | | | | | |
|--------------------------|---|---------|--|--|--|--|
| COUNTRY | Value (ZMK) | % Share | | | | |
| South Africa | 451,760 | 45.8 | | | | |
| United Arab Emirates | 157,604 | 16.0 | | | | |
| China | 55,845 | 5.7 | | | | |
| United Kingdom | 35,682 | 3.6 | | | | |
| Zimbabwe | 31,739 | 3.2 | | | | |
| India | 22,316 | 2.3 | | | | |
| Kenya | 20,170 | 2.0 | | | | |
| Netherlands | 18,836 | 1.9 | | | | |
| Germany | 16,876 | 1.7 | | | | |
| Malawi | 15,772 | 1.6 | | | | |
| Japan | 14,743 | 1.5 | | | | |
| Portugal | 12,296 | 1.2 | | | | |
| Sweden | 11,778 | 1.2 | | | | |
| Tanzania, United | 11,549 | 1.2 | | | | |
| Congo (DR) | 11,422 | 1.2 | | | | |
| United States Of America | 9,434 | 1.0 | | | | |
| Other | 87,860 | 8.9 | | | | |
| Total: | 985,680 | 100.0 | | | | |
| | | | | | | |

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

Import Market Shares by Regional Groupings

The Southern African Development Community grouping of countries (SADC) was the largest source of Zambia's imports accounting for 52.3 percent and 54.3 percent of Zambia's total imports in August and September 2006 respectively. Within SADC region, South Africa was the major source of Zambia's imports accounting for 88.6 percent in August 2006 and 84.4 percent in September 2006.

The Asian regional grouping was the second largest source of Zambia's imports after SADC accounting for 28.6 and 27.3 percent in August and September 2006 respectively. Within the Asian market, the United Arab Emirates (UAE) dominated accounting for 71.0 percent in August 2006 and 58.5 percent in September 2006. China was second with 9.0 and 20.7 percent in August and September 2006 respectively. Other notable sources include India and Japan jointly accounting for 12.4 percent in August 2006 and 13.8 percent in September 2006

The European Union (EU) was the third largest source of Zambia's imports after SADC and Asia

accounting for 10.8 and 13.4 percent in August and September 2006 respectively. Within the EU, the dominant source in August and September 2006 was the United Kingdom accounting for 30.7 and 27.1 percent respectively. In August 2006, Sweden was the second largest source after the UK with 19.1 percent while in September 2006, Netherlands was second with 14.3 percent followed by Germany with 12.8 percent. Other key markets within the EU were France and Portugal.

The Common Market for Eastern and Southern Africa region (COMESA) was the fourth largest source of Zambia's imports after SADC and Asia. Within COMESA, Zimbabwe was the main source accounting for 48.8 and 37.4 percent in August and September 2006 respectively; followed by Kenya with 29.0 percent in August 2006 and 23.8 percent in September 2006. Other notable sources were Congo (DR) and Malawi jointly accounting for 15.1 and 32.1 percent in August and September 2006, respectively.

| GROUPING | August - 200 |)6 | GROUPING | September - 20 | September - 2006 | | |
|----------------------------|--------------------|---------|-------------------------------|--------------------|------------------|--|--|
| | Value (K'Millions) | % Share | GROUPING | Value (K'Millions) | % Share | | |
| SADC | 588,871 | 100.0 | SADC | 535,237 | 100.0 | | |
| South Africa | 521,554 | 88.6 | South Africa | 451,760 | 84.4 | | |
| Zimbabwe | 32,242 | 5.5 | Zimbabwe | 31,739 | 5.9 | | |
| Tanzania | 11,940 | 2.0 | Malawi | 15,772 | 2.9 | | |
| Congo (DR) | 6,117 | 1.0 | Tanzania | 11,549 | 2.2 | | |
| Botswana | 3,886 | 0.7 | Congo (DR) | 11,422 | 2.1 | | |
| Other SADC | 13,133 | 2.2 | Other SADC | 12,996 | 2.4 | | |
| % of Total August Imports: | 52.3 | | % of Total September Imports: | 54.3 | | | |
| ASIA | 322,626 | 100.0 | | 269,451 | 100.0 | | |
| United Arab Emirates | 229,019 | 71.0 | United Arab Emirates | 157,604 | 58.5 | | |
| China | 28,909 | 9.0 | China | 55,845 | 20.7 | | |
| India | 23,895 | 7.4 | India | 22,316 | 8.3 | | |
| Japan | 16,250 | 5.0 | Japan | 14,743 | 5.5 | | |
| Hong Kong | 5,548 | 1.7 | Hong Kong | 5,907 | 2.2 | | |
| Other ASIA | 19,005 | 5.9 | Other ASIA | 13,036 | 4.8 | | |
| % of Total August Imports: | 28.6 | - | % of Total September Imports: | 27.3 | | | |
| EUROPEAN UNION | 122,126 | 100.0 | EUROPEAN UNION | 131,773 | 100.0 | | |
| United Kingdom | 37,491 | 30.7 | United Kingdom | 35,682 | 27.1 | | |
| Sweden | 23,381 | 19.1 | Netherlands | 18,836 | 14.3 | | |
| Germany | 13,483 | 11.0 | Germany | 16,876 | 12.8 | | |
| France | 12,550 | 10.3 | Portugal | 12,296 | 9.3 | | |
| Netherlands | 11,786 | 9.7 | Sweden | 11,778 | 8.9 | | |
| Other EU | 23,436 | 19 | Other EU | 36,305 | 28 | | |
| % of Total August Imports: | 10.8 | - | % of Total September Imports: | nports: 13.4 | | | |
| COMESA | 66,065 | 100.0 | COMESA | 84,819 | 100.0 | | |
| Zimbabwe | 32,242 | 48.8 | Zimbabwe | 31,739 | 37.4 | | |
| Kenya | 19,130 | 29.0 | Kenya | 20,170 | 23.8 | | |
| Congo (DR) | 6,117 | 9.3 | Malawi | 15,772 | 18.6 | | |
| Malawi | 3,849 | 5.8 | Congo (DR) | 11,422 | 13.5 | | |
| Egypt | 2,351 | 3.6 | Egypt | 3,133 | 3.7 | | |
| Swaziland | 2,180 | 3.3 | Swaziland | 2,018 | 2.4 | | |
| Other COMESA | 196 | 0.3 | Other COMESA | 565 | 1 | | |
| % of Total August Imports: | | | % of Total September Imports: | 8.6 | | | |

Import Market shares by major Regional groupings, August and September 2006*

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

AGRICULTURE

Cotton Production expected to be lower this Season

Findings from the Crop-Forecasting survey for the 2005/2006 Agricultural Season indicate that about 118 thousand metric tonnes of cotton will be produced in 2006. This represents a reduction of about 23.7 percent in the expected production of cotton compared to the forecast figure for the 2005/2006 Agricultural Season.

Of the seven provinces that reported expected cotton production in the 2005/2006 Agricultural

Season, Eastern Province will account for 59 percent of the production, followed by Central and Southern provinces which will account for 24.9 and 14.5 percent of the production, respectively.

Further, Eastern Province has consistently been producing the largest quantity of cotton compared to the rest of the provinces.

| Forec | ast Cotton Produ | | | | |
|---------------|------------------|--------------|----------------|----------------------------|------------|
| Province | Forecast Prod | uction-04/05 | Forecast Produ | Percent Change in forecast | |
| | Quantity | Percent | Quantity | Percent | production |
| Central | 29,232.7 | 18.8 | 29,487 | 24.9 | 0.87 |
| Copperbelt | 73.4 | 0.0 | - | - | - |
| Eastern | 81,042.43 | 52.2 | 70,339 | 59.4 | (13.21) |
| Lusaka | 1,593.44 | 1.0 | 1,029 | 0.9 | (35.42) |
| Northern | 23.73 | 0.0 | 0.9 | 0.0 | (96.21) |
| North Western | 0.0 | - | 24 | 0.0 | |
| Southern | 42,687.27 | 27.5 | 17,225 | 14.5 | (59.65) |
| Western | 560.07 | 0.4 | 321 | 0.3 | (42.67) |
| Total | 155,213 | 100.0 | 118,426 | 100.0 | (23.70) |

Forecast Cotton Production (Mt) in the 2004/5 and 2005/6 Agricultural Seasons

Source: Crop-Forecasting Survey, 2005/2006

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During the 2005/2006 Agricultural Season, Copperbelt Province did not report any expected cotton production, where as it had expected to produce 73.4 metric tonnes in the previous season.

North-Western Province, which did not expect to produce any cotton in the previous season, is, however, expecting to produce 24 metric tonnes in the 2005/2006 Agricultural Season. In both seasons under consideration, Luapula Province did not record any expected cotton production.

Northern Province recorded a 96.21 percent decrease in the two season, while Eastern Province has the smallest forecast decrease in cotton production, at 13.2 percent.

LIVING CONDITIONS

More than Half the Households cannot afford three meals in a Day

According to the 2004 Living Conditions Monitoring Survey results, 56 percent of households could not afford three meals in a day. Of all the households only 43 percent managed to have three meals or more.

Analysis by gender shows that male-headed households were more likely to have three or more meals in a day (45 percent) than female headed households (36 percent). The proportion of households that could manage two or less meals per day was higher among female headed households at 64 percent than their male counterparts at 55 percent. Rural urban comparisons reveals that generally, urban households have an adequate number of meals per day. Most households among the small scale farmers, 69 percent and 65 percent of nonagricultural households could only afford less than 3 meals.

In the urban stratum, more than half the households in low cost could afford at least 3 meals in a day. The medium cost has the largest percentage of households, at 76 percent who could afford at least three meals per day. In high cost, 70 percent of households could afford at least three meals per day.

| | | Total number of | | | |
|---|----------------------------|----------------------------|------------------------|---------------------------------|---|
| | Less than 3 Meals | 3 Meals | More than 3 meals | Total | Households |
| All Zambia | 56 | 41 | 2 | 100 | 2,097,246 |
| Sex of Head Male Head Female Head | 55 64 | 43 35 | 2 1 | 100 100 | 1,631,094 466,152 |
| Rural/urban Rural Urban | 67 41 | 31 57 | 1 3 | 100 100 | 1,279,298 817,948 |
| Rural Stratum Small Scale Farmer Medium Scale Farmer Large Scale Farmer Fish Farming Non-agricultural H/hold | 69 40 24 80 65 | 30 58 61 21 34 | 1 2 15 0 2 | 100 100 100 100 100 | 1,148,801 42,765 3,543 1,614 82,631 |
| Urban Stratum Low Cost Areas Medium Cost Areas High Cost Areas | 45 24 30 | 52 71 64 | 2 5 6 | 100 100 100 | 590,882 142,120 84,890 |

Average Number of Meals per Day by Sex of Head, Rural/Urban and Stratum, 2004

Source: Living Conditions Monitoring Survey 2004

At provincial level, Luapula faces the worst situation in terms of the number of meals taken per day. The majority of the households (82 percent) could only afford up to two meals per day and only 18 percent of the households could afford at least three meals per day. On the other hand, Lusaka Province recorded the highest percentage (67 percent) of households affording at least three meals per day. Results also indicate that Southern Province has a better situation compared with the rest of the provinces. Of the households in Southern Province, 63 percent could afford at least three meals per day.

| Average Number of Meals per Day by Province | | | | | | | | |
|---|--------|---------|---------|-------------------|------------------|-------------------------------|--|--|
| Province | 1 meal | 2 Meals | 3 Meals | More than 3 meals | Total Percent | Total number of Households | | |
| Central | 4 | 50 | 45 | 1 | 100 | 206,157 | | |
| Copperbelt | 8 | 53 | 37 | 2 | 100 | 309,908 | | |
| Eastern | 5 | 54 | 41 | 1 | 100 | 289,085 | | |
| Luapula | 3 | 79 | 17 | 1 | 100 | 170,854 | | |
| Lusaka | 3 | 30 | 64 | 3 | 100 | 308,707 | | |
| Northern | 3 | 69 | 26 | 2 | 100 | 273,779 | | |
| North-western | 3 | 58 | 37 | 2 | 100 | 124,343 | | |
| Southern | 1 | 35 | 61 | 2 | 100 | 250,487 | | |
| Western | 9 | 64 | 26 | 1 | 100 | 163,926 | | |

Source: Living Conditions Monitoring Survey 2004

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Firewood as a Source of Cooking Energy on the Decline

The 2004 Living Conditions Monitoring Survey results indicate that the proportion of households using firewood as a source of cooking energy has reduced from 61 percent in 1998 to 56 percent in 2004. The results, however, indicate an increase in the proportion of households that use charcoal as a source of cooking energy. The proportion of households that use charcoal as a source of cooking energy has increased from 24 percent in 1998 to 27 percent in 2004.

At rural-urban level, results show a similar pattern to the one observed at national level. In urban areas the proportion of households that used firewood as a source of cooking energy reduced from 12 percent in 1998 to 8 percent in 2004. In rural areas the proportion of households that used firewood reduced from 90 percent to 87 percent during the same period. Usage of charcoal in urban areas has increased from 49 percent in 1998 to 53 percent in 2004. The use of charcoal in rural areas has also increased from 10 to 11 percent in the same period.

Central Statistical Office

| Percentage Distribution of Households by Main Type of Cooking En | Energy, 2004 |
|--|--------------|
|--|--------------|

| Desidencel | Type of cooking Energy | | | | | | | Total number | | | | |
|------------------------|------------------------|------|--------|--------|------|------|-------------------|--------------|------|------|-----------|-----------|
| Residence/ Province | Firew | ood | Electi | ricity | Char | coal | Keros /paraffi | | Oth | ier | | useholds |
| | 1998 | 2004 | 1998 | 2004 | 1998 | 2004 | 1998 | 2004 | 1998 | 2004 | 1998 | 2004 |
| All Zambia | 61 | 56.1 | 15 | 16.2 | 24 | 27.3 | 0 | 0.2 | 0 | 0.1 | 1,874,000 | 2,110,640 |
| Rural | 90 | 86.6 | 1 | 1.7 | 10 | 11.3 | 0 | 0.2 | 0 | 0.2 | 1,204,000 | 1,288,064 |
| Urban | 12 | 7.8 | 40 | 39.3 | 49 | 52.6 | 0 | 0.2 | 0 | 0.0 | 670,000 | 822,575 |
| Province | | | | | | | | | | | | |
| Central | 66 | 70 | 16 | 9.3 | 18 | 20.4 | 0 | 0.2 | | 0.1 | 184,000 | 207,194 |
| Copperbelt | 22 | 17.4 | 33 | 37 | 44 | 45.3 | 0 | 0.2 | | 0.1 | 326,000 | 311,712 |
| Eastern | 94 | 79.6 | 1 | 4.9 | 5 | 15.1 | 0 | 0.3 | | 0.3 | 256,000 | 290,224 |
| Luapula | 51 | 48.9 | 3 | 2.4 | 47 | 48.4 | 0 | 0.1 | 0 | 0.2 | 138,000 | 171,659 |
| Lusaka | 19 | 11.5 | 35 | 40.2 | 44 | 48.1 | 0 | 0.2 | 0 | 0.0 | 274,000 | 309,949 |
| Northern | 85 | 76.2 | 4 | 6.4 | 11 | 17.2 | 0 | 0.2 | | 0.0 | 227,000 | 275,266 |
| N/ Western | 91 | 73.2 | 1 | 7.7 | 8 | 18.2 | 0 | 0.5 | | 0.2 | 108,000 | 125,814 |
| Southern | 77 | 73.6 | 13 | 12 | 10 | 14.1 | 0 | 0.2 | 0 | 0.1 | 205,000 | 252,423 |
| Western | 96 | 92.1 | 2 | 3.2 | 2 | 4.2 | 0 | 0.2 | | 0.4 | 161,000 | 166,219 |

Source: Living Conditions Monitoring Survey 2004

Analysis by province reveals a general decline in the use of firewood as the main source of cooking energy among households in 2004 compared to 1998 except for Central Province where an increase of 4 percentage points was reported. Notable declines in the use of firewood were reported in North-western (91 to 73 percent) and Eastern (94 to 80 percent). In terms of usage of electricity as a source of cooking energy, all the provinces except Central, Southern and Luapula provinces reported an increase. Notable increases in the use of electricity were reported in North-western Province (1 to 8 percent), Lusaka Province (35 to 40 percent) and Eastern Province (1 to 5 percent).

DEMOGRAPHY

Condoms perceived to be very effective in HIV/AIDS prevention!

According to the 2005 Zambia Sexual Behaviour Survey, there has been an increase in the percentage of males and females who believe that condoms are very effective in preventing HIV/AIDS.

Overall, the increase in the percentage of those who believe that condoms are very effective in the prevention of HIV/AIDS was from 38.2 percent in 2003 to 49.6 percent in 2005.

Among males, the percentage increase was from 40.5 percent in 2003 to 51.0 percent in 2005, while the percentage of their female counterparts also increased from 36.4 percent in 2003 to 48.3 percent in 2005. The results also revealed that the increases were larger among respondents in urban areas with 16.3 percentage points (from 33.8 percent in 2003 to 50.1 percent in 2005) compared to rural areas with 8.4 percentage points (from 41.0 percent in 2003 to 49 percent in 2005).

Percent of Respondents who say Condoms are very Effective for Preventing HIV Infection

| Total | 2003 | 2005 |
|-----------------------------|--------------|--------------|
| Sex | 38.2 | 49.6 |
| Male Female | 40.5 36.4 | 51 48.3 |
| Residence Rural Urban | 41 33.8 | 49.4 50.1 |

Source: Zambia Sexual Behaviour Surveys, 2003 and 2005

The results further revealed that the use of condoms to help protect against HIV and STIs is greatly influenced by people's attitudes and beliefs about condoms. It was reported that only about 32.9 percent of all respondents agree with the statement that "condoms are for use with a regular partner" and about 53.6 percent disagree.

Similarly, a large majority of respondents, almost two-thirds (64.7 percent) agree with the statement that condoms promote promiscuity and 27.8 percent disagreed.

About 56.4 percent of all respondents disagree with the statement that "parents support the use of condoms by young people while about 36.6 percent agreed. On the other hand, 67.8 percent of the respondents agree that" most young people support the use of condoms by their friends" and 24.6 percent disagreed.

Percent of Respondents agreeing with statements on attitudes about Condoms

| | Perce | nt of Respon | dents |
|--|------------|---------------|-----------------|
| Statement about Condoms | % Agree | % Disagree | % Don't know |
| Condoms break easily. | 38.9 | 36.6 | 24.5 |
| Condoms suppress sexual Pleasure. | 35.4 | 35.9 | 28.6 |
| Condoms are for use with regular partners. | 32.9 | 53.6 | 13.3 |
| Condoms promote promiscuity. | 64.7 | 27.8 | 7.3 |
| Most parent support the use of condoms by young people. | 36.6 | 56.4 | 6.8 |
| Most young people support the use of condoms by their friends. | 67.8 | 24.6 | 7.5 |
| Condoms are too embarrassing to suggest. | 36.5 | 54.3 | 9 |
| Number of Respondents | | 4,220 | |

Source: Zambia Sexual Behaviuor Survey, 2005

Transmission of HIV through Mosquito Bite 'most common misconception'

The most common misconception on HIV transmission continues to be the belief that HIV can be transmitted through mosquito bites. The 2005 Zambia Sexual Behaviour Survey results reveal that 29 percent of the respondents held this misconception. The percentage of respondents with this belief has increased by 6 percentage points from 23 percent in 2003 to 29 percent in 2005.

At residence level, the misconception about mosquito-borne transmission was commonly reported by respondents living in rural areas at 34 percent compared to urban areas at 20 percent in the year 2005. While in 2003, 27 percent of the respondents in urban areas held this misconception compared to 17 percent of respondents in rural areas.

Misconception about transmission of HIV through witchcraft is held by 22 percent of all respondents in 2005. In rural areas, 25 percent of the respondents held this belief while only 16 percent of the respondents in urban areas held this misconception during the same period.

Misconceptions about HIV/AIDS Transmission by

| Kesidence | | | | | | | | |
|-----------------------|--|--|--|--|--|--|--|--|
| Reside nce | Believes HIV Transmitted by Mosquitoes | Believes HIV Transmitted by Sharing a Meal | Believes HIV Transmitted by Witchcraft | | | | | |
| Total 2003 2005 | 23 29 | 12 15 | 21 22 | | | | | |
| Rural 2003 2005 | 27 34 | 13 17 | 26 25 | | | | | |
| Urban 2003 2005 | 17 20 | 10 12 | 13 16 | | | | | |

Source: Zambia Sexual Behaviour Surveys, 2003 and 2005

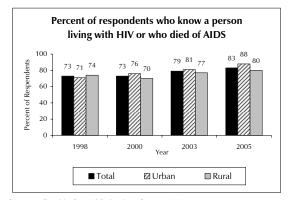
The survey results further reveals that the least commonly reported misconception was that HIV can be transmitted by sharing food or meal with an infected person. The percentages of respondents with this belief were recorded at 12 percent in 2003 and at 15 percent in 2005.

While most respondents in Zambia had a basic understanding of how HIV/AIDS is transmitted, the survey results confirm that misconceptions still exit in Zambian society.

Personal acquaintance with HIV/AIDS infected persons on an increase!

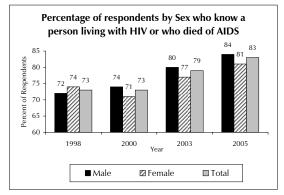
The 2005 Zambia Sexual Behaviour Survey (ZSBS) results indicate greater awareness of persons living with HIV/AIDS or died of AIDS. The percentage of respondents who reported personally knowing someone with HIV or who died of AIDS increased steadily over the survey years. Overall, the percentage of respondents who reported personally knowing someone with HIV or who died of AIDS increased from 73 percent in both 1998 and 2000, to 83 percent in 2005.

Results by residence show that, an increase was recorded in urban areas of 17 percentage points, from 71 percent in 1998 to 88 percent in 2005. The percentage of respondents who knew persons living with HIV or who died of AIDS was recorded at 76 percent in 2000 and 81 percent in 2003. Rural areas recorded an increase of 6 percentage points, from 74 percent in 1998 to 80 percent in 2005. A decrease of 4 percentage points was recorded in 2000, from 74 in 1998 to 70 percent.



Source: Zambia Sexual Behaviour Survey, 2005

Analysis by sex indicate an increase in the percentage of both male and female respondents who reported personally knowing someone with HIV or who died of AIDS. The percentage of male respondents increased by 12 percentage points from 72 percent in 1998 to 84 percent in 2005. The percentage of females who reported personally knowing someone with HIV or who died of AIDS increased by 7 percentage points from 74 to 81 percent in 2005.



Source: 2005 Zambia Sexual Behaviour Survey

Layman & Statistics

Domestic Exports: These are goods originating from the exporting countries.

SITC: Stands for Standard International Trade Classification. It is a trade statistical nomentriture mainly used in trade statistical analysis.

Agricultural Season: This refers to the period starting1st of October and ends on 30th of September of the following year

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