



NATIONAL ACCOUNTS

2019 QUARTER THREE GROSS DOMESTIC PRODUCT

Quarterly Gross Domestic Product Estimates

Economy Grows by 1.0 % in the Third Quarter Of 2019

Preliminary Gross Domestic Product (GDP) estimates for the third quarter of 2019 show that the economy grew by 1.0 percent. This indicates a decline of 4.9 percentage points from 5.9 percent recorded in the third quarter of 2018 (see Figure 1). This is according to the year on year comparison of GDP at constant 2010 prices. The Public administration and defense industry recorded the highest growth at 9.9 percent in the period under review. This was followed by the Financial and insurance industry at 8.3 percent. The Arts, entertainment and recreation industry was third at 7.2 percent. However, negative growth rates in the third quarter of 2019 were recorded in the following seven industries: the Electricity (-12.7), Mining & quarrying (-9.9), Agriculture, forestry & fishing (-5.6), Professional, scientific and technical (-4.2), Construction (-3.7), Administrative and support service activities (-1.1) and Accommodation and food service (-0.9) industries.

During the first three quarters of 2019, the economy grew at 1.9 percent compared to 4.6 percent recorded during the same period in 2018. The Wholesale & retail trade industry had the highest contribution to the third quarter growth of 0.9 percentage points, followed by the Information & communication (0.7 percentage points), Public administration and Defense (0.5 percentage points) and the Financial & insurance industries (0.3 percentage points). On the other hand, the following contributed negatively to the 1.9 percent growth in the first three quarters of 2019: Mining and quarrying (-0.6), Agriculture, forestry & fishing industry (-0.5), Construction (-0.4) and Electricity (-0.1) industries (see Table 1).

Table 1: Gross Value Added by Industry at Constant 2010 Prices, Q1 2018 - Q3 2019

KIND OF ECONOMIC ACTIVITY	2018 (K' million)				2019 (K' million)				Growth Rate = 2019 /2018				Contribution to growth
	Q1	Q2	Q3	Q1+Q2+Q3	Q1*	Q2*	Q3**	Q1+Q2+Q3	Q1	Q2	Q3	Q1+Q2+Q3	
Agriculture, forestry and fishing	2,877	2,139	1,403	6,419	2,587	2,030	1,323	5,940	-10.1	-5.1	-5.6	-7.5	-0.5
Mining and quarrying	3,554	3,706	3,839	11,099	3,646	3,385	3,460	10,491	2.6	-8.7	-9.9	-5.5	-0.6
Manufacturing	2,609	3,102	2,766	8,477	2,646	3,244	2,844	8,734	1.4	4.6	2.8	3.0	0.2
Electricity	553	618	658	1,829	584	580	575	1,739	5.7	-6.1	-12.7	-4.9	-0.1
Water supply	94	83	83	260	84	87	85	256	-10.3	4.2	2.5	-1.6	0.0
Construction	3,534	3,782	4,073	11,390	3,348	3,732	3,920	11,000	-5.3	-1.3	-3.7	-3.4	-0.4
Wholesale and retail trade	6,576	6,789	8,086	21,450	6,868	7,102	8,392	22,362	4.4	4.6	3.8	4.3	0.9
Transportation and storage	1,251	1,137	1,274	3,662	1,242	1,163	1,306	3,712	-0.7	2.3	2.5	1.4	0.0
Accommodation and food service	520	658	724	1,902	544	705	717	1,966	4.7	7.2	-0.9	3.4	0.1
Information and communication	829	1,478	1,862	4,169	1,078	1,847	1,991	4,917	30.1	25.0	7.0	18.0	0.7
Financial and insurance activities	1,312	1,460	1,475	4,247	1,475	1,481	1,598	4,554	12.4	1.5	8.3	7.2	0.3
Real estate activities	1,162	1,172	1,182	3,516	1,202	1,212	1,223	3,637	3.4	3.4	3.5	3.4	0.1
Professional, scientific and technical	662	644	614	1,920	665	626	588	1,880	0.5	-2.7	-4.2	-2.1	0.0
Administrative and support service activities	320	339	340	1,000	328	343	337	1,007	2.6	0.9	-1.1	0.8	0.0
Public administration and defense	1,732	1,734	1,748	5,214	1,915	1,925	1,921	5,761	10.6	11.0	9.9	10.5	0.5
Education	2,712	2,718	2,720	8,149	2,746	2,764	2,773	8,282	1.2	1.7	2.0	1.6	0.1
Human health and social work activities	528	540	564	1,632	582	586	599	1,767	10.2	8.4	6.3	8.2	0.1
Arts, entertainment and recreation	67	138	216	421	71	159	231	461	5.4	15.6	7.2	9.6	0.0
Other service activities	262	264	267	793	271	274	276	821	3.4	3.4	3.5	3.4	0.0
Total Gross Value Added for the economy	31,155	32,501	33,892	97,549	31,883	33,245	34,161	99,289	2.3	2.3	0.8	1.8	1.7
Taxes less subsidies	1,748	1,804	2,149	5,701	1,825	1,888	2,231	5,944	4.4	4.6	3.8	4.3	0.2
Total for the economy, at market prices	32,903	34,305	36,042	103,250	33,708	35,133	36,391	105,233	2.4	2.4	1.0	1.9	1.9

Note: The period growth rate for Q1+Q2+Q3 is the percentage change between the sum of the three quarters of 2019 and 2018.

*Revised

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Source: ZamStats, National Accounts

Gross Value-Added Percentage Growth Rates by Industry at Constant 2010 Prices

The year on year growth rates for the first three quarters of 2019 show a different trend to that of the first three quarters of 2018. It is worth noting that growth in 2019 exhibited a downward trend, which is the opposite of what was recorded in 2018 (see Figure 1).

Figure 1: Total Gross Domestic Product Percentage Growth Rates at Constant 2010 Prices, Q1 2015 - Q3** 2019



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Source: ZamStats, National Accounts

The growth rate of 1.0 percent in the third quarter of 2019 was at its lowest compared to a high of 5.9 percent in the third quarter of 2018. The slow growth in the third quarter of 2019 is mainly attributed to under performance of the Mining & Quarrying, Construction, Agriculture, forestry & Fishing and the Electricity Industries (see Table 2).

Table 2: Gross Value Added Percentage Growth Rates by Industry at Constant 2010 Prices, Q1 2018 - Q3 2019								
KIND OF ECONOMIC ACTIVITY	2018				2019			Contribution to Q3 Growth
	Q1	Q2	Q3	Q4	Q1*	Q2*	Q3**	
Agriculture, forestry and fishing	-17.3	-19.2	-15.4	-31.9	-10.1	-5.1	-5.6	-0.2
Mining and quarrying	13.9	6.1	4.4	1.9	2.6	-8.7	-9.9	-1.1
Manufacturing	2.1	9.5	2.9	1.5	1.4	4.6	2.8	0.2
Electricity	11.4	9.7	15.5	10.3	5.7	-6.1	-12.7	-0.2
Water supply	8.5	0.9	5.4	5.5	-10.3	4.2	2.5	0.0
Construction	3.3	9.3	2.2	-4.1	-5.3	-1.3	-3.7	-0.4
Wholesale and retail trade	2.0	2.5	5.8	2.7	4.4	4.6	3.8	0.9
Transportation and storage	1.2	11.2	8.5	10.8	-0.7	2.3	2.5	0.1
Accommodation and food service activities	3.8	0.0	7.4	-3.7	4.7	7.2	-0.9	0.0
Information and communication	28.1	23.1	31.6	75.2	30.1	25.0	7.0	0.4
Financial and insurance activities	26.6	35.3	36.6	-0.2	12.4	1.5	8.3	0.3
Real estate activities	3.1	3.2	3.3	3.4	3.4	3.4	3.5	0.1
Professional, scientific and technical activities	4.2	2.6	5.5	-2.1	0.5	-2.7	-4.2	-0.1
Administrative and support service activities	7.5	7.0	6.6	3.4	2.6	0.9	-1.1	0.0
Public administration and defense	-1.1	-2.1	1.5	8.2	10.6	11.0	9.9	0.5
Education	3.6	3.9	3.3	8.4	1.2	1.7	2.0	0.1
Human health and social work activities	12.5	10.8	9.8	10.9	10.2	8.4	6.3	0.1
Arts, entertainment and recreation	-5.5	9.8	21.0	12.0	5.4	15.6	7.2	0.0
Other service activities	3.1	3.2	3.3	3.4	3.4	3.4	3.5	0.0
Total Gross Value Added for the economy	3.0	4.8	5.9	2.5	2.3	2.3	0.8	0.7
Taxes less subsidies	3.3	3.1	6.0	2.7	4.4	4.6	3.8	0.2
Total for the economy, at market prices	3.0	4.7	5.9	2.5	2.4	2.4	1.0	1.0

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Source: ZSA, National Accounts

Quarterly Gross Domestic Product at Current Prices, 2018 - 2019

The Gross Domestic Product at current prices in the first three quarters of 2019 was estimated at K221,153 million compared to K202,784 million recorded during the same period in 2018. The results show that, of the K221,153 million, the Wholesale & retail trade, Mining & Quarrying, Construction, Manufacturing and Transportation & storage industries were the main contributors, collectively accounting for 59.2 percent. The Water Supply and Arts, entertainment & recreation industries had the lowest share at 0.3 percent each.

Table 3: Gross Value Added and Percentage Shares by Industry at Current Prices, Q1 2018 to Q3 2019									
KIND OF ECONOMIC ACTIVITY	2018				2019				Percentage Shares
	Q1	Q2	Q3	Q1+Q2+Q3	Q1*	Q2*	Q3**	Q1+Q2+Q3	
Agriculture, forestry and fishing	2,230	2,029	1,616	5,875	2,442	2,214	1,673	6,329	2.9
Mining and quarrying	8,817	10,221	11,269	30,307	10,050	10,594	8,441	29,085	13.2
Manufacturing	4,945	4,962	6,096	16,002	5,147	5,571	6,239	16,957	7.7
Electricity, gas, steam	1,805	2,222	2,377	6,404	2,628	2,603	2,599	7,830	3.5
Water supply	231	187	179	597	186	202	196	584	0.3
Construction	4,704	6,243	7,138	18,086	6,117	6,127	6,767	19,011	8.6
Wholesale and retail trade	12,316	13,444	16,013	41,773	15,042	16,075	18,485	49,602	22.4
Transportation and storage	4,327	4,540	5,596	14,462	4,999	5,252	5,937	16,188	7.3
Accommodation and food service activities	787	992	1,114	2,893	921	1,048	1,188	3,157	1.4
Information and communication	1,107	1,087	1,158	3,353	1,100	1,163	1,230	3,494	1.6
Financial and insurance activities	3,708	3,872	3,385	10,966	3,900	4,027	4,043	11,970	5.4
Real estate activities	2,880	2,999	3,108	8,986	3,276	2,613	2,632	8,520	3.9
Professional, scientific and technical	715	908	888	2,512	1,121	1,351	1,278	3,750	1.7
Administrative and support service	699	681	694	2,075	787	901	817	2,506	1.1
Public administration and defense	2,410	2,463	2,411	7,284	2,496	2,561	2,665	7,722	3.5
Education	4,108	4,202	4,109	12,418	4,063	4,230	4,351	12,644	5.7
Human health and social work activities	622	663	608	1,893	599	629	652	1,879	0.8
Arts, entertainment and recreation	91	197	319	607	113	256	385	754	0.3
Other service activities	222	336	358	916	230	506	274	1,010	0.5
Total Gross Value Added for the economy	56,724	62,247	68,437	187,408	65,217	67,924	69,852	202,993	91.8
Taxes less subsidies	4,556	4,948	5,873	15,377	5,507	5,885	6,768	18,160	8.2
Total for the economy, at market prices	61,281	67,195	74,310	202,785	70,724	73,810	76,620	221,153	100.0

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Source: ZamStats, National Accounts

Figure 2: Percentage Shares by Industry to the Overall GDP at Current Price, First Three Quarters of 2019

