

QUARTERLY GROSS DOMESTIC PRODUCT ESTIMATES

FOURTH QUARTER

2019

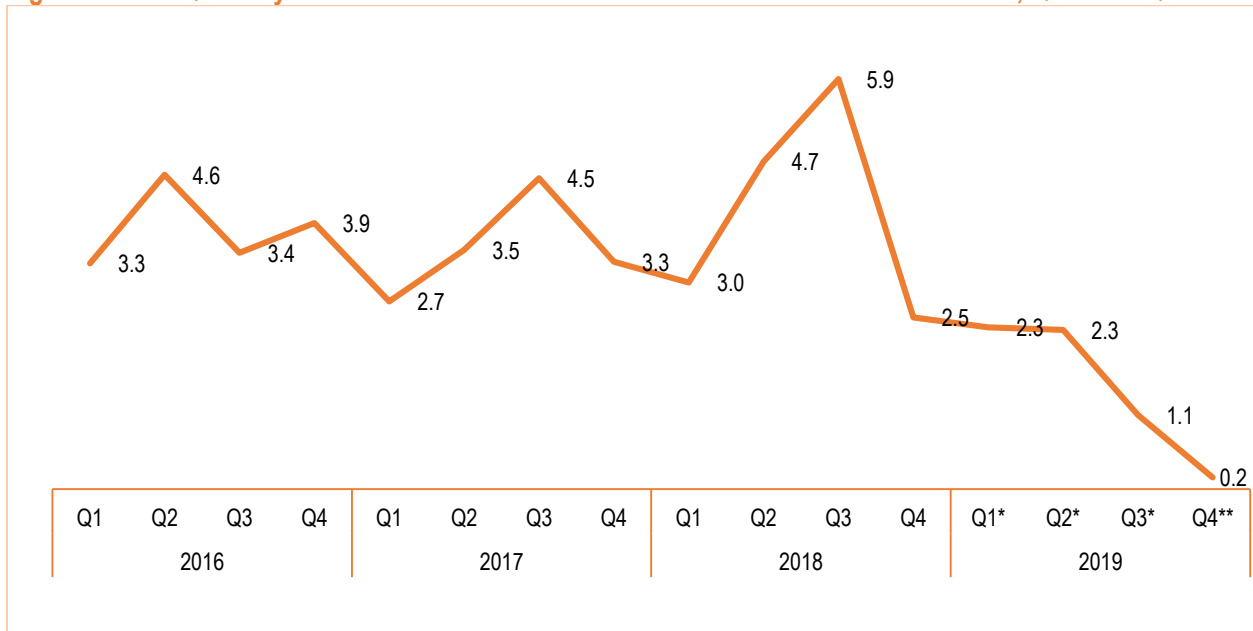


1.0. Economy grows by 0.2 % in the Fourth Quarter of 2019

Gross Domestic Product (GDP) estimates for the fourth quarter of 2019 show that the economy grew by 0.2 percent. This represents a 2.3 percentage point decline from 2.5 percent recorded in the same period of 2018 (see Figure 1). This is based on the year on year comparison of GDP at constant 2010 prices.

The quarterly GDP growth rate in 2019 trended downwards from 2.3 percent in Q1 to 0.2 percent in Q4. On the other hand, the 2018 trend was upward from 3.0 percent in the Q1, peaking at 5.9 percent in the third quarter before slowing to 2.5 percent in Q4. The 0.2 percent in the fourth quarter of 2019 is the lowest recorded in the four years (see Figure 1).

Figure 1: Total Quarterly Gross Domestic Product Growth Rates at Constant 2010 Prices, Q1 2016 - Q4** 2019



Source: ZamStats, National Accounts Branch

Notes: 1. *Revised

2. **First release

2.0. Industry contribution to the 0.2 % growth in the Fourth Quarter of 2019

The slow growth in the fourth quarter of 2019 was mainly attributed to the under performance of the five industries namely: Wholesale & retail (-2.2 percentage points), Construction (-0.9 percentage points), Transport & storage (-0.6 percentage points), Mining & quarrying (-0.5 percentage points), and the Electricity industries

(-0.3) percentage points). Industries with the highest positive contributions to the fourth quarter growth were the Agriculture, forestry & fishing, Information & communication and Financial & insurance industries with 3.0, 1.1 and 0.4 percentage points, respectively (see Table 1).

Table 1: Gross Value-Added Percentage Growth rates and Contribution to Growth by Industry at Constant 2010 Prices, Q1 2018 - Q4 2019

Industry	2018			2019		% Contribution to Growth			
	Q1	Q2	Q3	Q4	Q1*	Q2*	Q3*	Q4**	Q4**
Agriculture, forestry and fishing	-17.3	-19.2	-15.4	-31.9	-10.1	-5.1	-5.6	61.9	3.0
Mining and quarrying	13.9	6.1	4.4	1.9	3.3	-8.4	-9.9	-4.8	-0.5
Manufacturing	2.1	9.5	2.9	1.5	1.4	4.6	2.8	0.6	0.0
Electricity	11.4	9.7	15.5	10.3	5.7	-6.1	-12.7	-17.5	-0.3
Water supply	8.5	0.9	5.4	5.5	-10.3	4.2	2.5	-0.3	0.0
Construction	3.3	9.3	2.2	-4.1	-5.6	-1.6	-3.7	-9.1	-0.9
Wholesale and retail trade	2.0	2.5	5.8	2.7	4.4	4.6	3.8	-9.6	-2.2
Transportation and storage	1.2	11.2	8.5	10.8	-1.7	2.8	5.5	-16.6	-0.6
Accommodation and food	3.8	0.0	7.4	-3.7	-1.5	0.9	-0.9	9.7	0.2
Information and communication	28.1	23.1	31.6	75.2	30.1	25.0	7.0	20.1	1.1
Financial and insurance activities	26.6	35.3	36.6	-0.2	12.4	1.5	8.3	11.0	0.4
Real estate activities	3.1	3.2	3.3	3.4	3.4	3.4	3.5	3.5	0.1
Professional activities	4.2	2.6	5.5	-2.1	0.5	-2.7	-4.2	2.9	0.0
Administrative activities	7.5	7.0	6.6	3.4	2.6	0.9	-1.1	-1.2	0.0
Public administration	-1.1	-2.1	1.5	8.2	10.6	11.0	9.9	2.3	0.1
Education	3.6	3.9	3.3	8.4	1.2	1.7	2.0	2.1	0.2
Human health k activities	12.5	10.8	9.8	10.9	10.2	8.4	6.3	8.3	0.1
Arts, entertainment and recreation	-5.5	9.8	21.0	12.0	5.4	15.6	7.2	-14.0	-0.1
Other service activities	3.1	3.2	3.3	3.4	3.4	3.4	3.5	3.5	0.0
Total Gross VA for the economy	3.0	4.8	5.9	2.5	2.2	2.2	0.9	0.8	0.8
Taxes less subsidies	3.3	3.1	6.0	2.7	4.4	4.6	3.8	-9.6	-0.6
Total GDP	3.0	4.7	5.9	2.5	2.3	2.3	1.1	0.2	0.2

Source: ZamStats, National Accounts Branch

Notes: 1. *Revised

2. **First release

3.0. Industry Growth Rates in the Fourth Quarter of 2019

The industries with the highest growth rates in the fourth quarter of 2019 were the Agriculture, forestry & fishing (61.9 percent), followed by the information & communication (20.1 percent) and the Financial & insurance industry (11.0 percent). However, negative growth rates were recorded in the following eight industries: the Electricity (-

17.5 percent), Transport & storage (-16.6 percent), Arts & entertainment (-14.0 percent), Wholesale & retail trade (-9.6 percent), Construction (-9.1 percent), Mining & quarrying (-4.8), Administrative activities (-1.2 percent) and Water supply at (-0.3 percent).

4.0. Preliminary Annual GDP Estimates for 2019

The preliminary Annual GDP estimates, derived as the sum of the four quarters (average of four quarters in 2019), show that the economy grew at 1.4 percent in 2019 compared to 4.0 percent in 2018. The Information & communication industry had the highest contribution to the preliminary 2019 Annual GDP growth of 0.8 percentage points, followed by the Agriculture, forestry & fishing industry (0.5 percentage points), the

Public administration & defense (0.4 percentage points) and the Financial & insurance industries (0.3 percentage points). However, the following contributed negatively to the 1.4 percent preliminary annual GDP growth in 2019: Mining & quarrying and Construction industries both with -0.5 percentage points; and the Electricity and the Transport & storage industries both with -0.1 percentage points (see Table 2).

Table 2: Gross Value Added by Industry at Constant 2010 Prices, Q1 2018 - Q4 2019

Industry	2018					2019					Q4 growth rate	Preliminary 2019 Annual growth rate	Contribution to growth for 2019
	Q1	Q2	Q3	Q4	Total	Q1*	Q2*	Q3*	Q4**	Total			
Agriculture, forestry and fishing	2,877	2,139	1,403	1,794	8,213	2,587	2,030	1,323	2,905	8,845	61.9	7.7	0.5
Mining and quarrying	3,554	3,706	3,839	3,833	14,932	3,672	3,393	3,460	3,649	14,174	-4.8	-5.1	-0.5
Manufacturing	2,609	3,102	2,766	2,801	11,278	2,646	3,244	2,844	2,818	11,552	0.6	2.4	0.2
Electricity	553	618	658	629	2,458	584	580	575	519	2,258	-17.5	-8.1	-0.1
Water supply	94	83	83	84	344	84	87	85	84	340	-0.3	-1.2	0.0
Construction	3,534	3,782	4,073	3,785	15,175	3,335	3,723	3,920	3,441	14,420	-9.1	-5.0	-0.5
Wholesale and retail trade	6,576	6,789	8,086	8,310	29,760	6,868	7,102	8,392	7,511	29,873	-9.6	0.4	0.1
Transportation and storage	1,251	1,137	1,274	1,315	4,977	1,229	1,169	1,345	1,097	4,840	-16.6	-2.8	-0.1
Accommodation and food	520	658	724	681	2,582	512	664	717	747	2,640	9.7	2.2	0.0
Information and communication	829	1,478	1,862	2,008	6,176	1,078	1,847	1,991	2,411	7,328	20.1	18.6	0.8
Financial and insurance activities	1,312	1,460	1,475	1,270	5,517	1,475	1,481	1,598	1,409	5,963	11.0	8.1	0.3
Real estate activities	1,162	1,172	1,182	1,192	4,707	1,202	1,212	1,223	1,233	4,870	3.5	3.5	0.1
Professional activities	662	644	614	623	2,542	665	626	588	641	2,520	2.9	-0.9	0.0
Administrative activities	320	339	340	338	1,337	328	342	337	333	1,341	-1.2	0.3	0.0
Public administration	1,732	1,734	1,748	1,868	7,082	1,915	1,925	1,921	1,910	7,671	2.3	8.3	0.4
Education	2,712	2,718	2,720	2,717	10,866	2,746	2,764	2,773	2,775	11,057	2.1	1.8	0.1
Human health k activities	528	540	564	576	2,208	582	586	599	624	2,391	8.3	8.3	0.1
Arts, entertainment and recreation	67	138	216	139	560	71	159	231	119	581	-14.0	3.8	0.0
Other service activities	262	264	267	269	1,062	271	274	276	278	1,099	3.5	3.5	0.0
Total Gross VA for the economy	31,155	32,501	33,892	34,229	131,778	31,850	33,209	34,199	34,503	133,761	0.8	1.5	1.4
Taxes less subsidies	1,748	1,804	2,149	2,209	7,910	1,825	1,888	2,231	1,996	7,940	-9.6	0.4	0.0
Total GDP	32,903	34,305	36,042	36,438	139,688	33,675	35,097	36,430	36,499	141,701	0.2	1.4	1.4

Source: ZamStats, National Accounts Branch

Note: 1. The period growth rate for the Preliminary Annual GDP growth rate is the percentage change between the sum of the four quarters of 2019 and the Final GDP estimates for 2018.

2. *Revised 3. **First release

5.0. 2019 Preliminary Gross Domestic Product in Current Prices, 2018 - 2019

The Preliminary 2019 nominal Gross Domestic Product was estimated at K297,553 million compared to K282,423 million recorded in 2018.

The key industries that significantly contributed to the K297,553 million, were the Wholesale &

retail trade industry, Mining & quarrying, Construction, Manufacturing and Transport & storage, collectively accounting for 58.6 percent. The Water supply and the Arts, entertainment & recreation had the lowest share at 0.3 percent each (see Figure 2).

Table 3: Gross Value Added and Percentage Shares by Industry in Current Prices, Q1 2018 to Q4 2019

Industry	2018					2019					2019 annual Preliminary Shares
	Q1	Q2	Q3	Q4	Total	Q1*	Q2*	Q3*	Q4**	Total	
Agriculture, forestry and fishing	2,230	2,029	1,616	1,994	7,869	2,442	2,214	1,673	3,129	9,459	3.2
Mining and quarrying	8,817	10,221	11,269	12,428	42,735	10,050	10,594	8,441	7,880	36,965	12.4
Manufacturing	4,945	4,962	6,096	5,937	21,939	5,147	5,571	6,239	5,536	22,494	7.6
Electricity	1,805	2,222	2,377	2,648	9,051	2,628	2,603	2,599	2,600	10,430	3.5
Water supply	231	187	179	175	773	186	202	196	194	778	0.3
Construction	4,704	6,243	7,138	7,605	25,691	6,117	6,127	6,767	7,060	26,070	8.8
Wholesale and retail trade	12,316	13,444	16,013	17,595	59,368	15,042	16,075	18,485	17,685	67,287	22.6
Transportation and storage	4,327	4,540	5,596	5,950	20,413	4,999	5,252	5,937	5,481	21,669	7.3
Accommodation and food	787	992	1,114	949	3,841	921	1,048	1,188	1,050	4,206	1.4
Information and communication	1,107	1,087	1,158	1,235	4,587	1,100	1,163	1,230	1,182	4,675	1.6
Financial and insurance activities	3,708	3,872	3,385	3,335	14,301	3,900	4,027	4,043	4,374	16,344	5.5
Real estate activities	2,880	2,999	3,108	3,193	12,179	3,276	2,613	2,632	2,501	11,021	3.7
Professional activities	715	908	888	1,188	3,700	1,121	1,351	1,278	1,662	5,412	1.8
Administrative activities	699	681	694	884	2,959	787	901	817	776	3,282	1.1
Public administration	2,410	2,463	2,411	2,850	10,134	2,496	2,561	2,665	3,040	10,762	3.6
Education	4,108	4,202	4,109	4,105	16,523	4,063	4,230	4,351	4,374	17,018	5.7
Human health k activities	622	663	608	650	2,543	599	629	652	737	2,616	0.9
Arts, entertainment and recreation	91	197	319	212	819	113	256	385	207	961	0.3
Other service activities	222	336	358	264	1,180	230	506	274	458	1,467	0.5
Total Gross VA for the economy	56,724	62,247	68,437	73,197	260,605	65,217	67,924	69,852	69,925	272,918	91.7
Taxes less subsidies	4,556	4,948	5,873	6,442	21,819	5,507	5,885	6,768	6,475	24,635	8.3
Total GDP	61,281	67,195	74,310	79,639	282,423	70,724	73,810	76,620	76,400	297,553	100.0

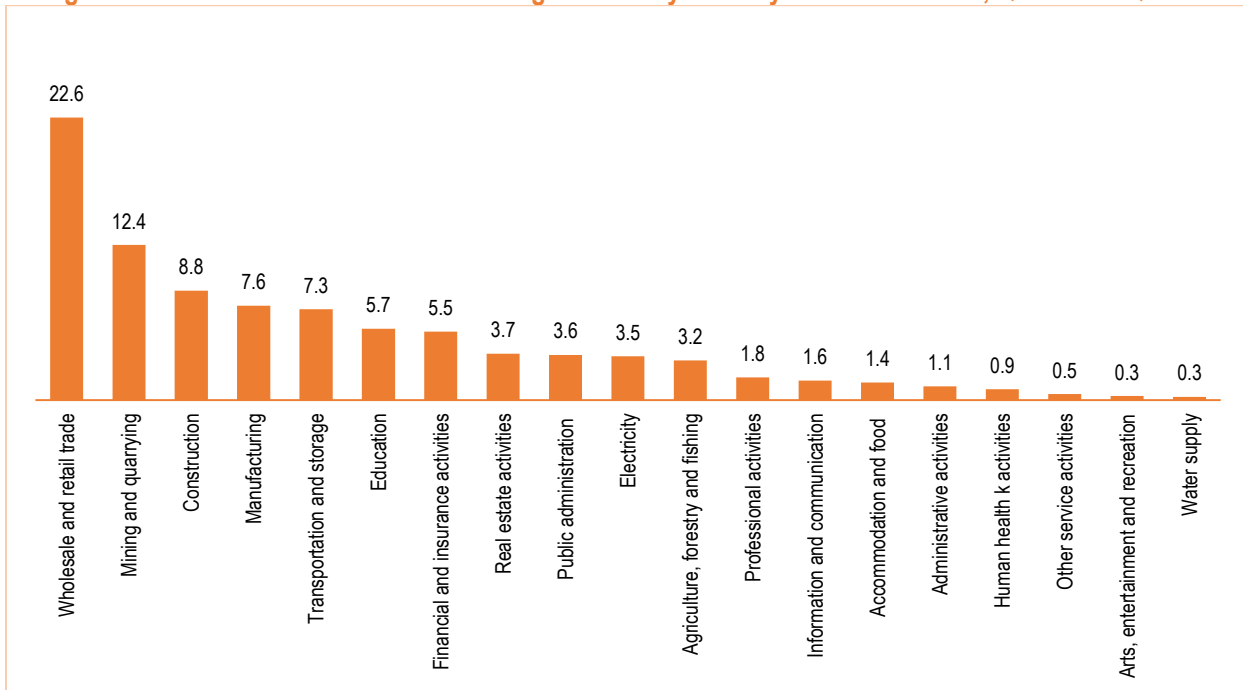
Source: ZamStats, National Accounts Branch

Note: 1. The period growth rate for the Preliminary Annual GDP growth rate is the percentage change between the sum of the four quarters of 2019 and the Final GDP estimates for 2018.

2. *Revised

3. **First release

Figure 2: Gross Value Added and Percentage Shares by Industry at Current Prices, Q1 2018 to Q4 2019



Source: ZamStats, National Accounts Branch

Notes: 1. *Revised

2. **First release