



Namibia Statistics
Agency

MONTHLY TRADE STATISTICS BULLETIN

MARCH 2020



Mission Statement

“Leveraging on partnerships and innovative technologies, to produce and disseminate relevant, quality, timely statistics and spatial data that are fit-for-purpose in accordance with international standards and best practice”

Vision Statement

“Be a high performance institution in quality statistics delivery”

Core Values

Integrity

Excellent Performance

Accuracy

Team Work

Accountability

Transparency

Preface

International merchandise trade plays a crucial role in economic development as it binds producers and consumers located in different countries into a global economic system. In this context, availability of timely and high-quality trade statistics becomes a precondition for an in-depth analysis of the production, consumption, employment, income and overall welfare both at the country and global level. It is in that light that since its establishment, the NSA has strived to make provision of timely and quality statistics through the various publications. This publication outlines the monthly developments of Namibia's trade in merchandise with the rest of the world during the period of March 2020.

In March 2020, Namibia's total merchandise trade amounted to N\$15,533 million which is 20 percent lower than its level of N\$19,407 million recorded during the same month of 2019. This decline was mainly attributed to value of imports which fell by 37.2 percent as opposed to an increase of 3.3 percent in exports. This resulted in Namibia to record a trade surplus of N\$1,533 million compared to a deficit of N\$2 887 million recorded during March 2019.

Namibia trade continues to be concentrated to a few trading partners and key commodities. In March 2020, China emerged as Namibia's largest export market while South Africa continued to lead as the main source of imports. The composition of the country's exports did not change comprising mainly of minerals such as metalliferous ores and metal scrap; non-ferrous metals; non-metallic mineral manufactures; gold, non-monetary with the exception of fish, the only non-mineral product on the top five list of exports. On the other hand, imports into the country comprised mainly of non-ferrous metals, vehicles, metalliferous ores and metal scrap; industrial machinery and equipment and; petroleum and petroleum products

Let me take this opportunity to thank all our stakeholders who made it possible for the production of this report. I would also like to urge all our Traders and Clearing Agents to continue providing all the required information when declaring their goods as this information is vital in the production of this report. In the same vain I would like to urge our users of statistical information to send to us any comments that may enhance statistical production and contribute to the improvement of this report.



ALEX SHIMUAFENI
STATISTICIAN GENERAL & CEO

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List of acronyms

BRIC: Brazil, Russia, India and China

CIF: Cost, Insurance and Freight

COMESA: Common Market for Eastern and Southern Africa

DRC: Democratic Republic of Congo

EAC: East African Community

EFTA: European Free Trade Association

EPZ: Export Processing Zone

EU: European Union

FOB: Free on Board

ROW: Rest of World

SACU: Southern African Customs Union

SADC: Southern African Development Community

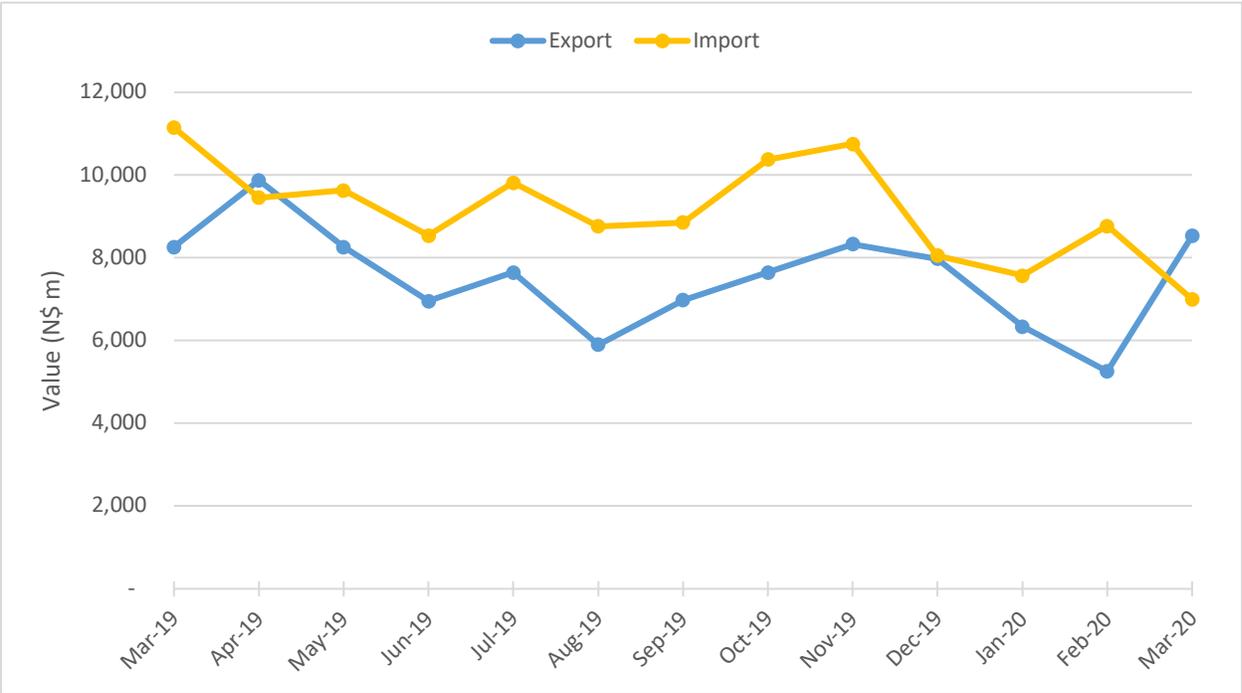
VAR: Imported from Various Countries

SECTION 1: KEY DEVELOPMENTS

1.1 Total Exports and Total Imports

Namibia’s exports rebounded in March 2020 after a three-month consecutive drop since December 2019 recording an export value of N\$8,533 million compared to N\$5,257 million in February 2020 (Chart 1). A year ago, the value of exports stood at N\$8,260 million. Total imports followed suit, falling since December 2019 but rose to N\$8,768 million in February 2020 before it plunged to N\$7,000 million in March 2020, lower than its last year level of N\$11,147 million. The development in exports was reflected in the value of metalliferous ores metal scrap; non-ferrous metals and non-metallic mineral manufactures. On the other hand, the same commodities except non-metallic mineral manufactures but including vehicles were responsible for the decline observed in imports.

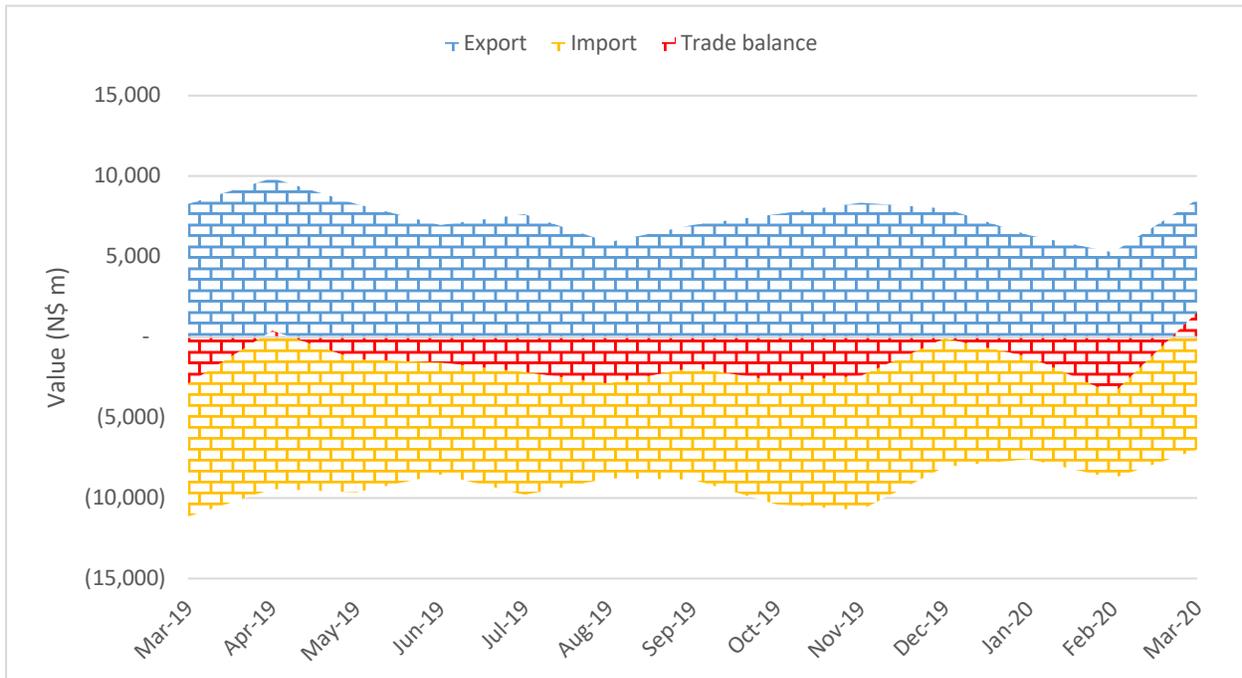
Chart 1: Total exports and imports February 2019 to February 2020



1.2 Trade Balance

The trade balance compares the country's trade in terms of earnings (exports) and expenditure (imports¹) with the rest of the world.

Chart 2: Trade balance, March 2019 to March 2020



Since March 2019 to March 2020, Namibia continued to record monthly trade deficits except for April 2019 in which a trade surplus amounting to N\$416 million was observed (Chart 2). Recent figures show that the country's trade balance amounted to a surplus of N\$1,533 million, from a deficit of N\$3,512 million observed in the previous month. When compared to the same period a year earlier, the deficit was estimated at N\$2,887 million.

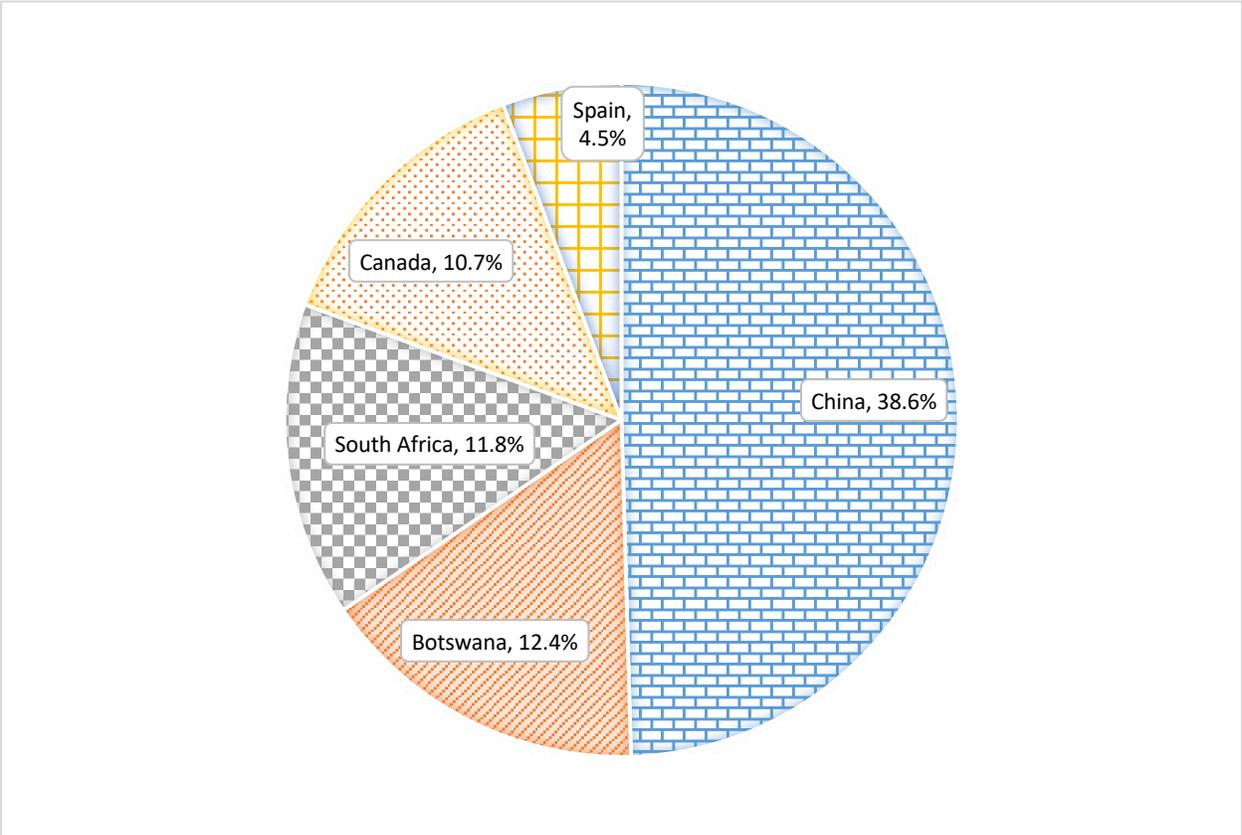
¹ The value of imports here is denoted as negative to show an out flow.

SECTION 2: DIRECTION OF TRADE (DOT)

2.1 Top Five (5) Export Markets

In the month of review, Namibia mostly exported to countries such as China, South Africa, Botswana, Canada and Spain (Chart 3). Together, these five countries accounted for 78 percent of the Namibian exports to the rest of the world. It is important to note that this group of countries appears to be the regular top five export destination for Namibia over time except for Canada.

Chart 3: Export market share by top five countries

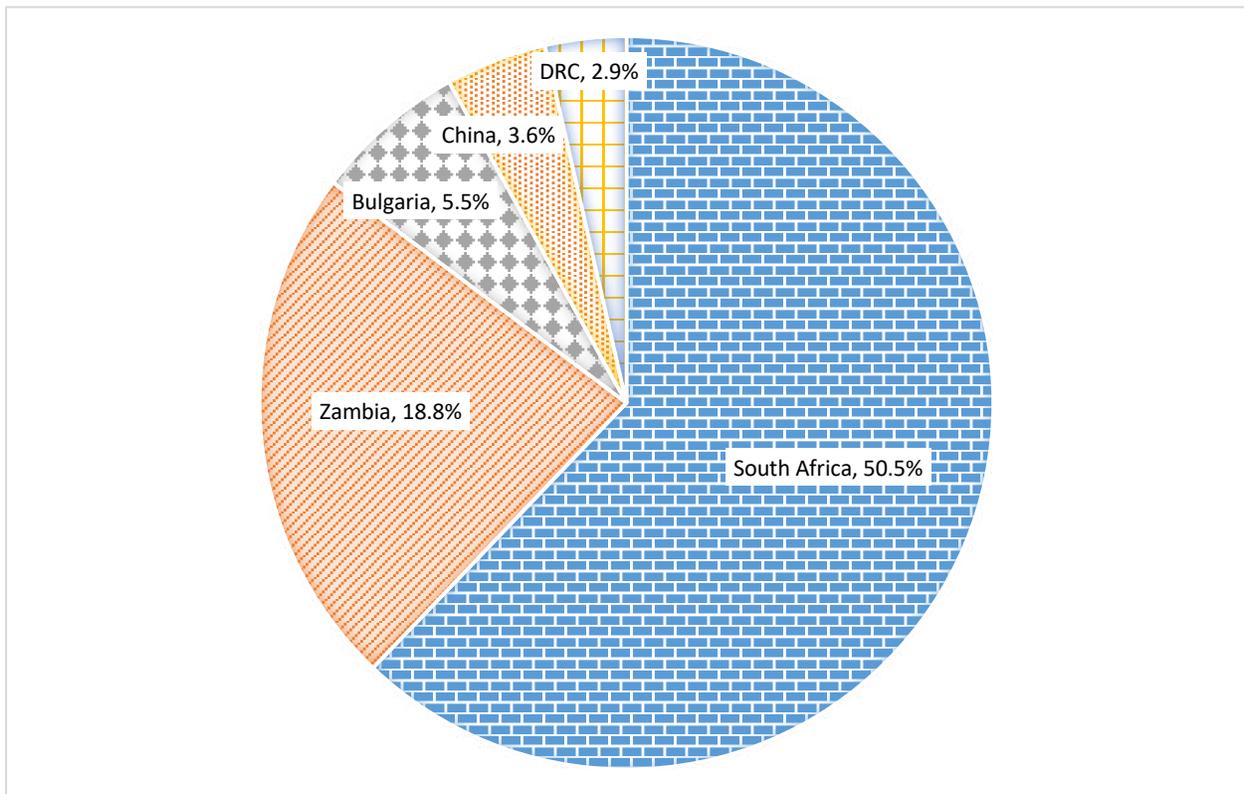


In March, China became the largest export destination for domestic goods, absorbing 38.6 percent of all goods exported ahead of Botswana which had to settle in the second place, absorbing 12.4 percent of total exports. South Africa came in the third position, accounting for 11.8 percent whereas Canada was responsible for 10.7 percent of Namibia’s total exports. Spain, meanwhile, claimed the fifth position with a contribution of 4.5 percent to domestic exports.

2.2 Top Five (5) Import Markets

Namibia's demand for foreign goods was mainly satiated by South Africa, Zambia, Bulgaria, China and DRC, as they supplied the domestic economy with the most needed import requirements (Chart 4). Overall, these countries accounted for the largest share of Namibia's total imports, accounting for 81.3 percent of total imports.

Chart 4: Import market share by top five countries



South Africa maintained its position as the largest import market for the domestic economy accounting for 50.5 percent of the value of all goods absorbed into Namibia during the period under review. Zambia held steady in the second position, contributing 18.8 percent to Namibia's total imports from the rest of the world. Bulgaria's contribution stood at 5.5 percent of total imports and hence ranked the third largest source of imports for the domestic economy. China and DRC's share to the country's total import bill stood at 3.6 percent and 2.9 percent, hence, occupying fourth and fifth position, respectively.

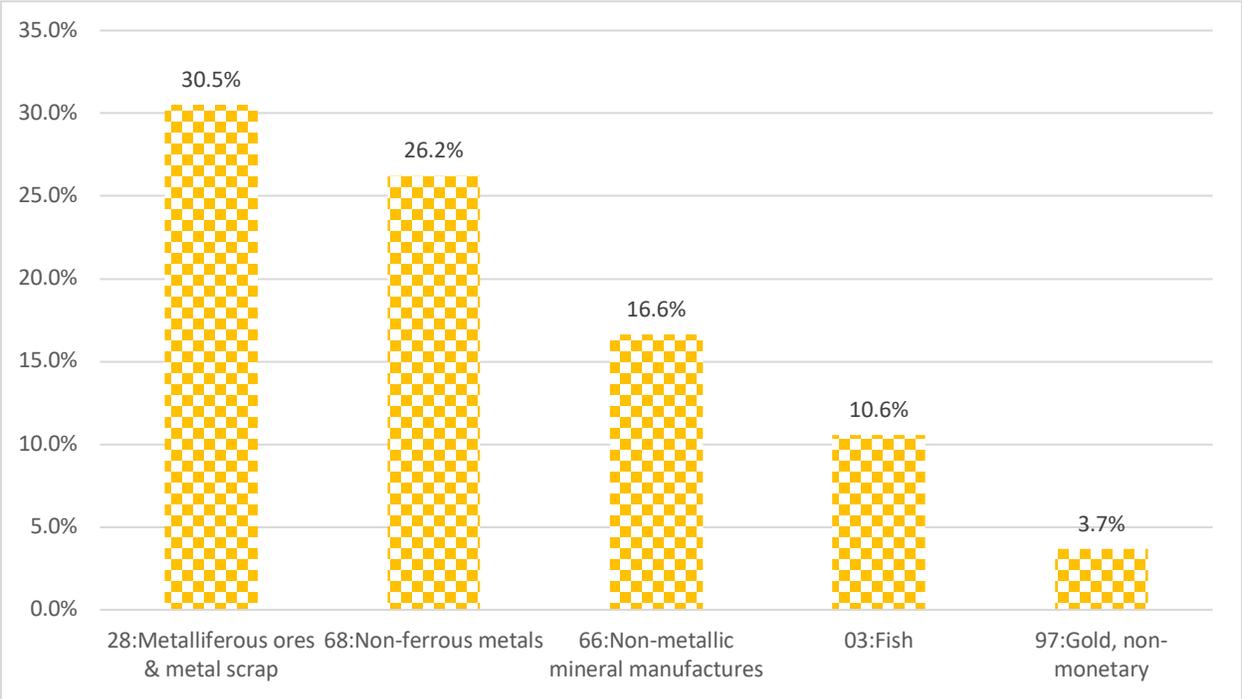
SECTION 3: TRADE BY PRODUCTS

This section outlines Namibia’s trade flow based on the Standard International Trade Classification Revision 4 (SITCR4). The SITC groups all commodities into headings suitable for economic analysis, here the SITC is disaggregated to a 2 digit level. The SITC is recommended by the United Nations for use in external trade data and thus promotes international comparability of trade statistics.

3.1 Top Five (5) Export Products

Metalliferous ores and metal scrap emerged as Namibia’s number one domestic export product, accounting for the largest share of 30.5 percent (Chart 5). It was followed by the category of non-ferrous metals (26.2 percent), non-metallic mineral manufactures (16.6 percent), fish (10.6 percent) and gold, non-monetary (3.7 percent). Jointly, these top five products accounted for 87.6 percent of total export.

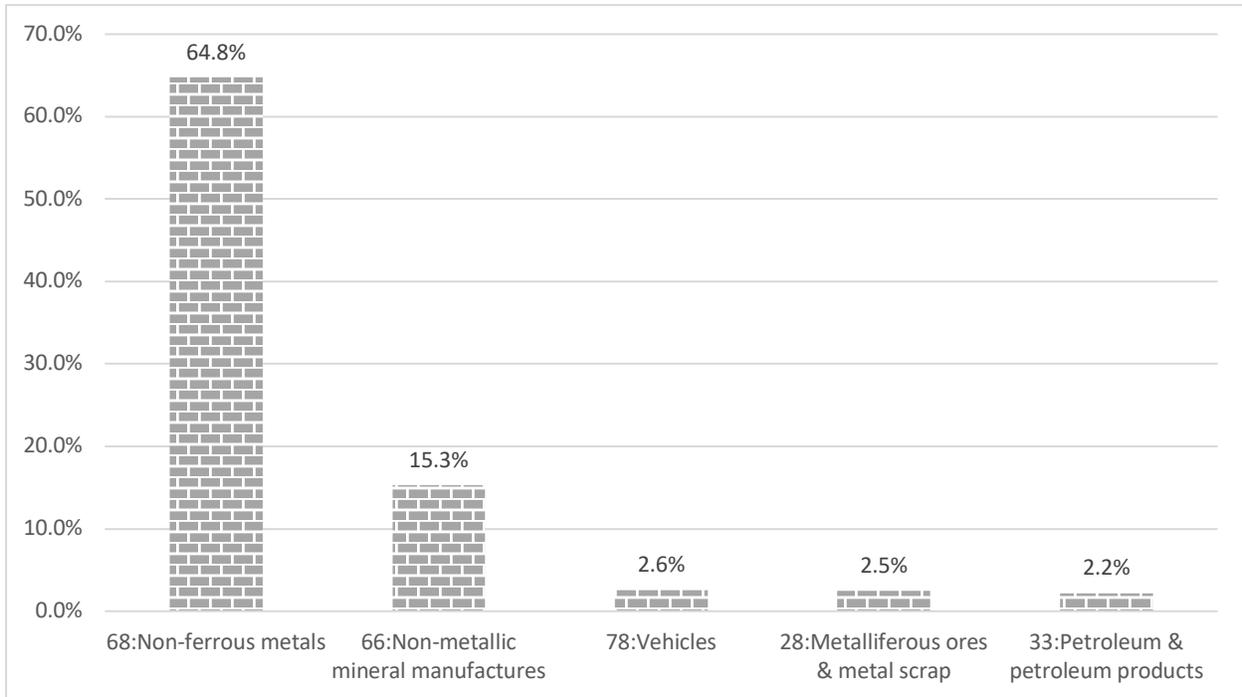
Chart 5: Top five export by products (percentage share)



3.2 Top Five (5) Re-export Products

Recent figures show that Namibia’s total re-exports stood at N\$3,017 million, up 40.2 percent from N\$2,153 million recorded in the preceding month and 15.3 percent higher than its level of N\$2,617 million in March 2019.

Chart 6: Top five re-export by products (percentage share)

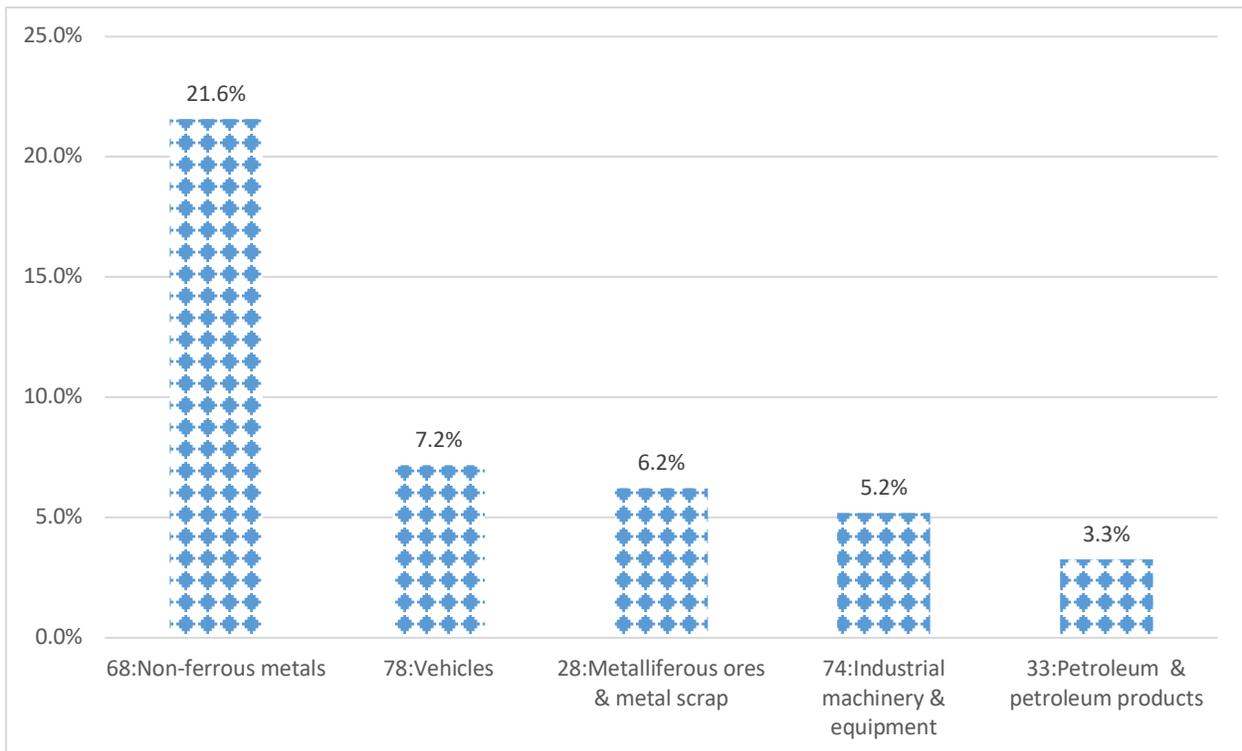


In terms of re-exports, non-ferrous metals, was by far Namibia’s top re-export product, constituting the largest share of 64.8 percent of total re-exports (Chart 6). The category of non-metallic mineral manufactures claimed the second position on the list, accounting for 15.3 percent ahead of vehicles in the third position which accounted for 2.6 percent of all goods re-exported. It was followed by metalliferous ores and metal scrap (2.5 percent) and finally petroleum and petroleum products (2.2 percent). Together, these products accounted for 87.3 percent of total re-export.

3.3 Top Five (5) Import Products

Namibia's import composition mostly constituted non-ferrous metals which accounted for the largest share of 21.6 percent. It was followed by vehicles in a distant second place with a share of 7.2 percent. Metalliferous ores and metal scrap ranked third with 6.2 percent of the total, followed by industrial machinery and equipment with a market share of 5.2 percent and finally the category of petroleum and petroleum products in the fifth position with a share of 3.3 percent (Chart 7).

Chart 7: Top five import by products (percentage share)



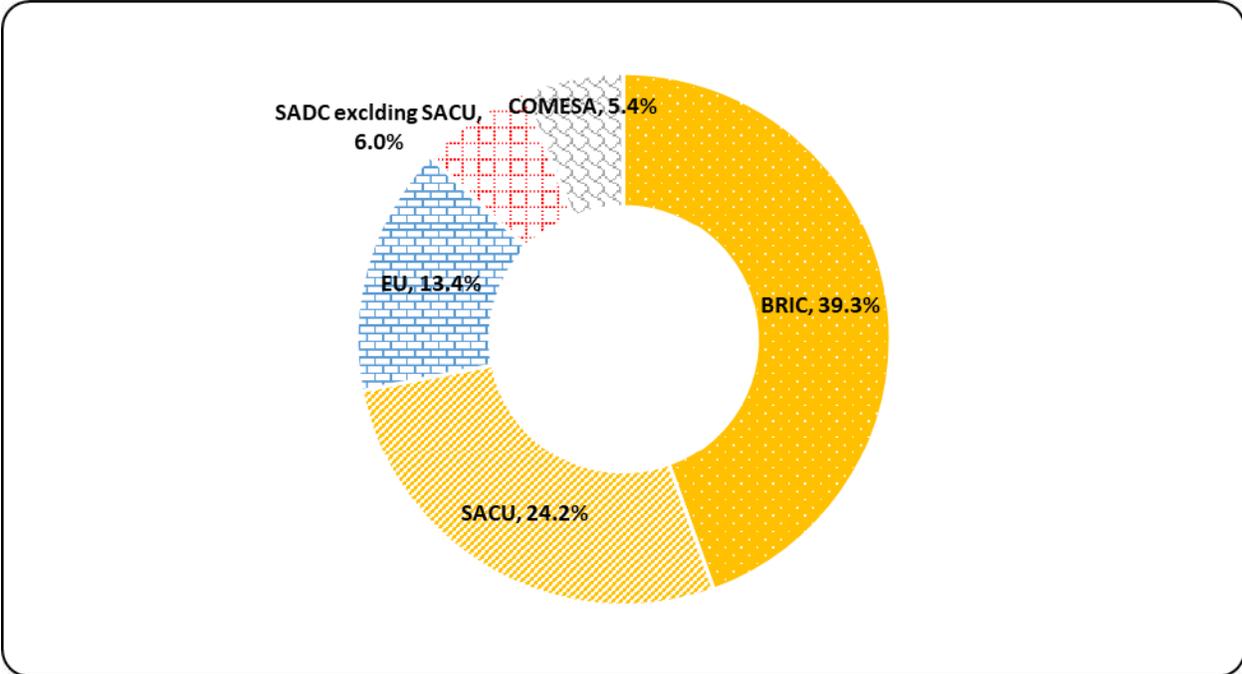
Combined, these top five most imported product accounted for a share of 43.4 percent, down from 55.9 percent and 49.5 percent recorded in February 2020 and in March 2019 respectively.

SECTION 4: TRADE BY ECONOMIC REGIONS

4.1 Exports by Economic Regions

Brazil, Russia, India and China (BRIC) was the leading destination for Namibia’s exports during the month of review, with a market share of 39.3 percent of exports. The Southern African Customs Union (SACU) and European Union (EU) ranked second and third with relative market shares of 24.2 percent and 13.4 percent respectively (Chart 8). These were followed by the market of SADC-excluding-SACU with a share of 6 percent and finally, the Common Market for Eastern and Southern Africa (COMESA) with a market share of 5.4 percent.

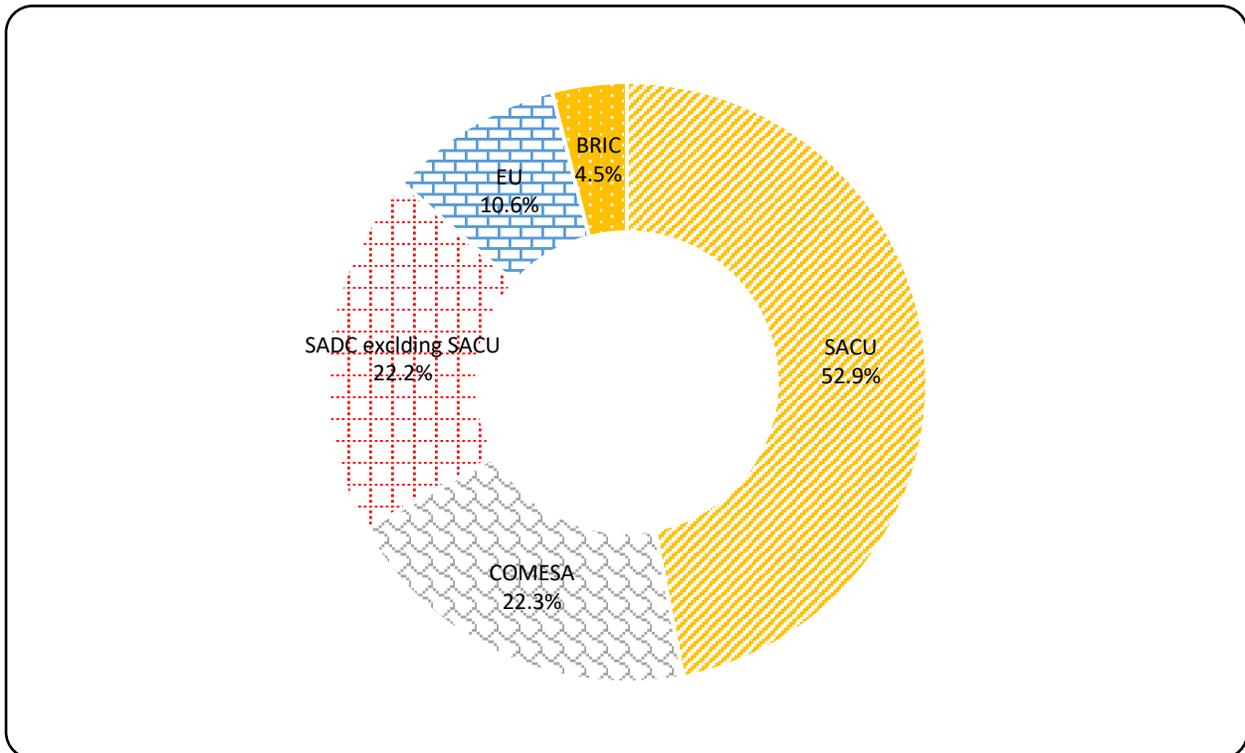
Chart 8: Top five export by Economic Regions (percentage share)



4.2 Imports by Economic Regions

The SACU region maintained its position as the leading source of imports for Namibia, with a total share of 52.9 percent in March 2020, following in the second position was COMESA, contributing 22.3 percent of the total market share. The SADC-excluding-SACU market was the third main source of domestic imports with a relative market share of 22.2 percent, followed by the EU and BRIC in the fourth and fifth place with 10.6 percent and 4.5 percent respectively (Chart 9).

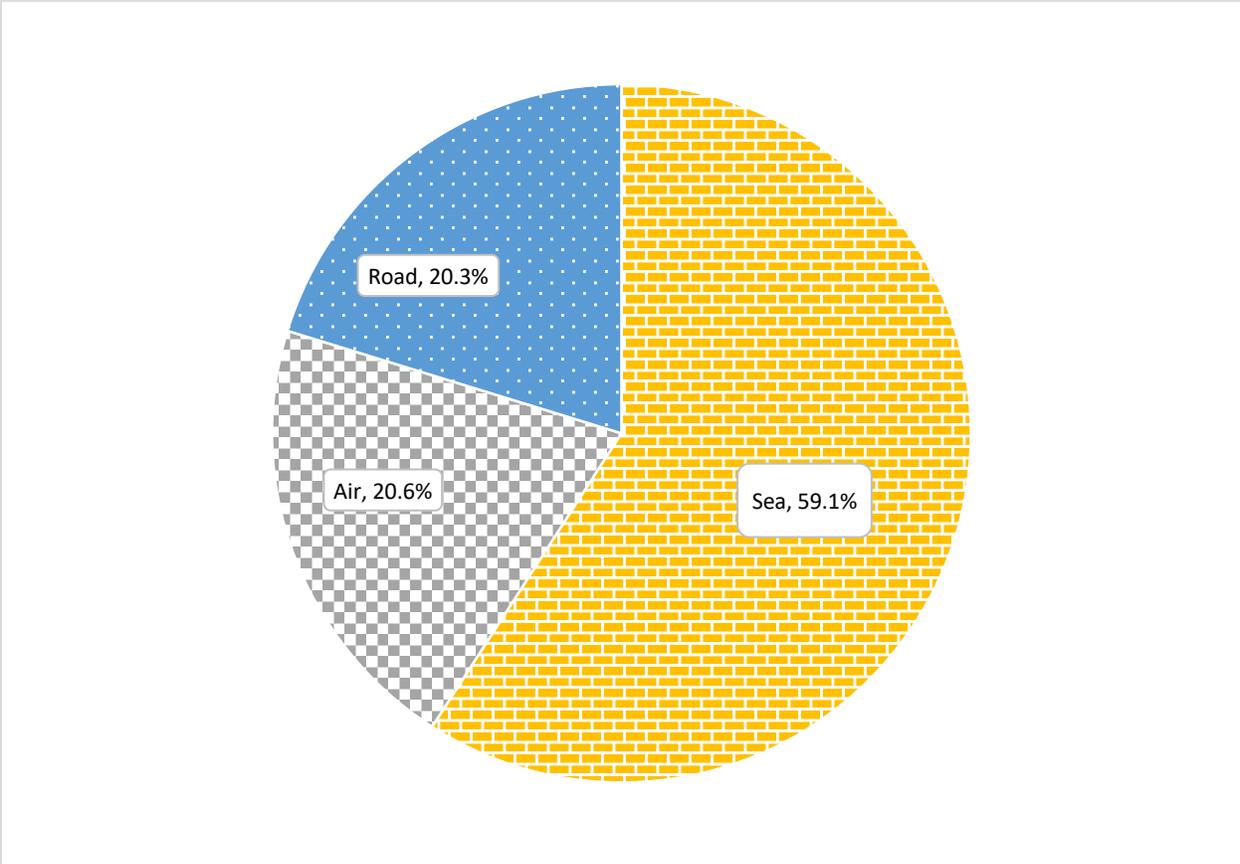
Chart 9: Top five import by economic regions (percentage share)



SECTION 5: TRADE BY MODE OF TRANSPORT

5.1 Export by mode of transport

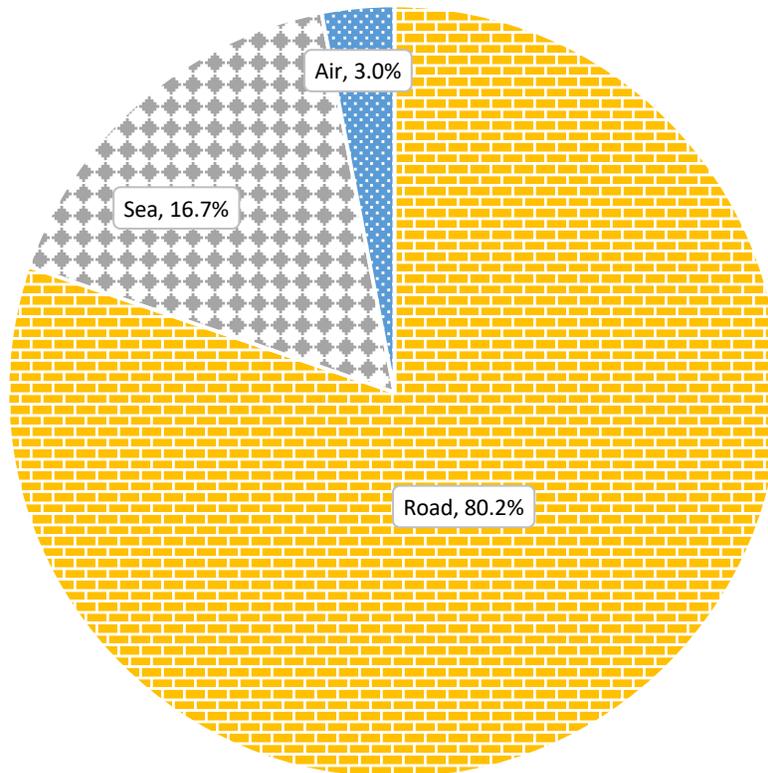
Chart 10: Export by mode of transport (percentage share)



During the month of March 2020, 59.1 percent of total exports left the country by sea whereas air and road transport accounted for 20.6 percent and 20.3 percent of total exports, respectively (Chart 10).

5.2 Import by mode of transport

CHART 11: 5.1 Import by mode of transport (percentage share)

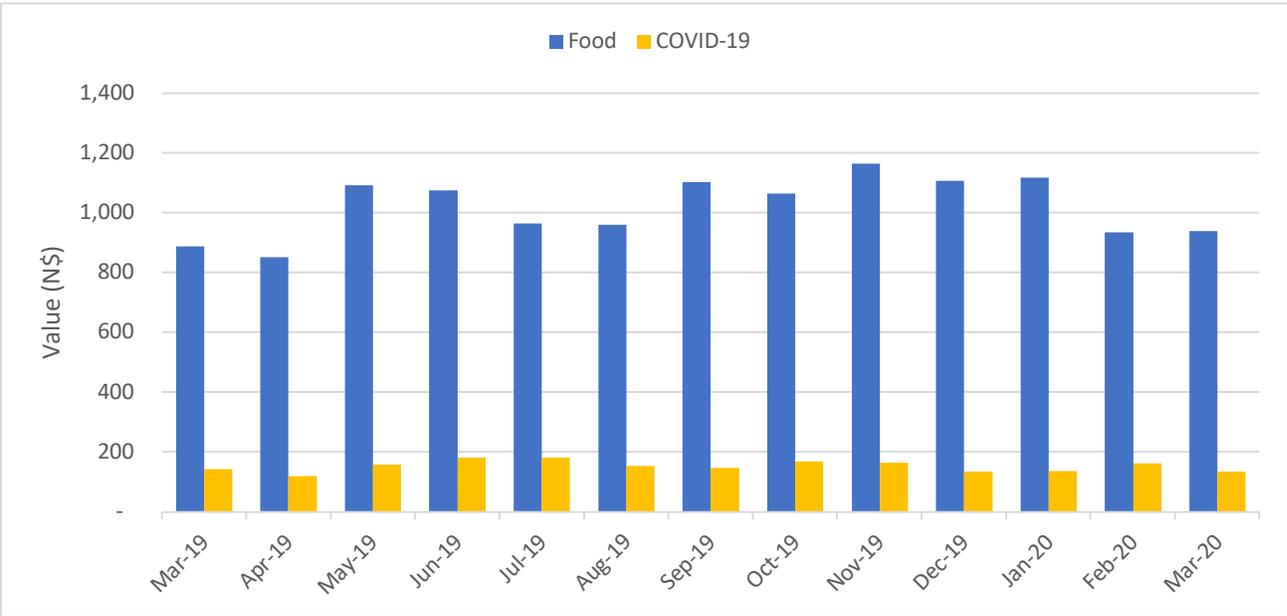


In March 2020, most goods entered the country by road accounting for 80.2 percent of total imports. While sea and air transport accounted for 16.7 percent and 3.0 percent of total imports, respectively (Chart 11).

6 Impact of COVID-19

The new novel corona virus saw many countries closing down economic activities in an effort to curtail the wide spread pandemic, Namibia was no exception as it joined the rest of the world in responding to the pandemic. Locking down the entire country can pose a threat to the economy as a whole, especially for Namibia as it depended so much on imports. Namibia’s import for food and items related to the COVID-19 pandemic from March 2019 to March 2020 is reflected in Chart 12.

CHART 12: 6 Imports of food and covid-19 items



Food imports declined since January 2020 from N\$1,118 million to N\$935 million in February 2020 before rising by 0.4 percent in March 2020 to N\$939 million. When compared to its level of N\$888 million in March 2019, an increase of 5.7 percent was noted.

Imports of articles related to COVID-19 medical supplies were up to N\$136 million in January 2020 from N\$135 million in December 2019, before rising to N\$162 million in February 2020. However, in March 2020 imports of articles related to COVID-19 medical supplies decline by 18.2 percent to N\$135 million.

The impact of the lock down on the importation of food and COVID-19 medical supplies related articles was not too pronounced as the lock down came into effect toward end of March.

Conclusion

In March, Namibia's exports stood at N\$8,533 million and imports at N\$7,000 million, subsequently the country's trade balance resulted in a surplus of N\$1,533 million.

Recent figures show that exports grew by 62.3 percent from its level of N\$5,257 million recorded in February 2020. When compared to its level of N\$8,260 million recorded in March 2019, the growth stood at 3.3 percent. On the other hand, total imports dropped by 20.2 percent from its level of N\$8,768 million in the preceding month while a decline of 37.2 percent was observed when compared to its level of N\$11,147 million recorded in March 2019.

China emerged as Namibia's largest export destination, accounting for 38.6 percent of all goods exported, it was followed by Botswana with a market share of 12.4 percent of total exports. While on the demand side South Africa emerged as the largest source of imports for Namibia, accounting for 50.5 percent of total imports into Namibia. Zambia maintained its second position with a share of 18.8 percent in Namibia's total imports.

The analysis of commodities revealed that the category of metalliferous ores and metal scrap was Namibia's largest domestic export with a share of 30.5 percent of total exports followed by non-ferrous metals (26.2 percent), non-metallic mineral manufactures (16.6 percent), fish (10.6 percent) and gold, non-monetary (3.7 percent). In terms of imports, non-ferrous metals was the most imported products into the local market with a relative share of 21.6 percent of total imports, this category was followed by vehicles (7.2 percent), metalliferous ores and scrap metals (6.2 percent), industrial machinery and equipment (5.2 percent) and finally petroleum and petroleum product (3.3 percent).

In terms of regional composition, BRIC was the leading destination for Namibia's exports during the month, with a market share of 39.3 percent of domestic exports followed by the SACU region with relative market shares of 24.2 percent. On the imports side SACU remained the main source of Namibia's imports with a total share of 52.9 percent in followed by COMESA with a share of 22.3 percent.

The composition of trade by mode of transport clearly shows that in March 2020, most goods exported left Namibia by sea accounting for 59.1 percent of total exports. Whereas most goods came into Namibia by road accounting for 80.2 percent of total imports.

The impact of COVID-19 was not pronounced in March as it only came into effect towards the end of the month, however this effect was felt in the import of medical supplies and equipment related to COVID-19 which plunged by 16.9 percent following South Africa's lock down and subsequently its export ban imposed on this category of commodities.



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