LOANS · PART 1

What a loan really costs

Borrow K100,000 over 5 years. Here is the whole sum, from start to finish.

K197,079

paid back in total. Only K95,000 lands in your account. (Worked example)

Ng'andu Sikazwe
Full Stack Engineer, Financial SaaS & Applied AI

Swipe →

ONE LOAN, START TO FINISH

K100,000 over 5 years

You sign for	K100,000
Lands in your account After 5% for fees and insurance	K95,000
You pay each month For 60 months	K3,285
Interest	K97,079
You pay back in total	K197,079

Worked example, not any bank's price. 30.8% a year: the middle salary-backed loan rate of 14 banks in the Bank of Zambia table, as at 31 March 2026. The 5% for fees and insurance is an example.

Ng'andu Sikazwe
Full Stack Engineer, Financial SaaS & Applied AI

THE REAL COST

For every K1 you receive, you pay back

K2.07

K95,000 lands in your account. K197,079 goes back to the bank over 5 years. (Worked example)

Ng'andu Sikazwe
Full Stack Engineer, Financial SaaS & Applied AI

THE BIG PICTURE

Four things decide what you pay

01 **Fees taken up front**

They come off the loan before it reaches you.

02 **The interest rate**

It is linked to the Bank of Zambia policy rate, so it can change. Part 5

03 **The length of the loan**

Longer means smaller payments, but more interest. Part 2

04 **How fast you pay it off**

Interest is charged on what you still owe. Part 3

Ng'andu Sikazwe
Full Stack Engineer, Financial SaaS & Applied AI

→

BEFORE YOU SIGN

Find two numbers

Ask for the key facts statement. By law, the lender must give you the cost of borrowing in writing before you take the loan.

01 **What lands in your account**

Not the amount you sign for.

02 **What you pay back in total**

Every payment, added up.

Banking and Financial Services Act No. 7 of 2017, section 106.

Ng'andu Sikazwe
Full Stack Engineer, Financial SaaS & Applied AI

ON FRIDAY · PART 2

How much can a bank lend you?

It starts from your payslip, not from what you need. Work out your own loan at mulatracker.com

Part 1. Worked example: K100,000 over 5 years at 30.8% a year, the middle salary-backed loan rate of 14 banks in the Bank of Zambia table (31 March 2026), with 5% taken up front for fees and insurance. Real loans differ by lender and change over time. This is not financial advice.

Ng'andu Sikazwe
Full Stack Engineer, Financial SaaS & Applied AI