

The Monthly Maize Market Report was developed by researchers at IFPRI Malawi with the goal of providing clear and accurate information on the variation of maize prices in selected markets throughout Malawi. The reports are intended as a resource for those interested in maize markets in Malawi, namely producers, traders, consumers, or other agricultural stakeholders.

Highlights

- Retail maize prices increased by 4 percent in July 2021. This was driven by rising prices in the South.
- ADMARC purchases were reported in 13 markets monitored by IFPRI.
- Only 8% of farmers who sold maize in July received a price equal to or greater than the minimum farm gate price.
- Retail prices in Malawi were lower than elsewhere in eastern Africa and on SAFEX.

Prices increased by 4 percent in July

Average retail prices for the maize harvested in 2021 increased by 4 percent in July 2021. However, prices in some markets, especially in the North, decreased due to a late harvest compared to the Center and the South. The largest decrease was recorded in Mzuzu (13 percent) while Mpondabwino in Zomba in the South recorded the highest price increase (21 percent).

The monthly average retail maize price in July 2021 was MWK 131/kg. This is about 1 percent lower than last month, 25 percent lower than in July 2020, and 13 percent lower than the government-mandated minimum farm gate (MFG) price.

Prices remain highest in the South

Retail prices of maize fluctuated throughout the month of July in all three regions but remained around MWK 114/kg in the North and the Center (Figure 1). In the South, prices were considerably higher (MWK 142/kg on average) and kept increasing throughout the month.

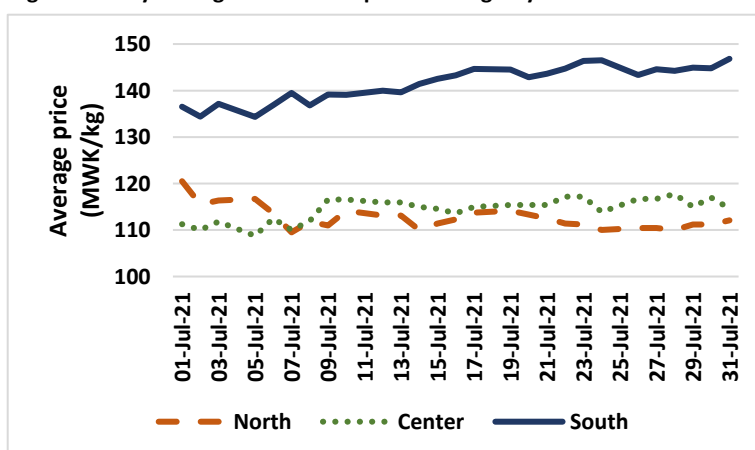
Farm gate prices

During the month of July, smallholder farmers continued to receive on average only MWK 95/kg for their maize at the farmgate. This is 37 percent below the minimum farm gate (MFG) price of MWK 150/kg.

Table 1. Maize retail prices (MWK/kg) by market

	03-Jul-21	10-Jul-21	17-Jul-21	24-Jul-21	31-Jul-21	Change
Chitipa	80	80	90	80	84	↑ 5%
Jenda	95	107	103	103	105	↑ 11%
Karonga	125	113	115	115	114	↓ -9%
Mzimba	100	105	105	100	105	↑ 5%
Mzuzu	150	150	138	130	130	↓ -13%
Rumphi	120	120	113	110	113	↓ -6%
Chimbiya	103	108	107	107	112	↑ 8%
Mchinji	110	120	112	120	114	↑ 3%
Mitundu	105	110	110	110	110	↑ 5%
Nsungwi	130	120	120	120	120	↓ -8%
Salima	120	120	127	113	120	→ 0%
Balaka	117	120	118	120	120	↑ 3%
Bangula	173	176	173	173	173	→ 0%
Chikwawa	200	200	200	200	200	→ 0%
Chiringa	130	140	150	150	150	↑ 15%
Liwonde	140	135	135	130	130	↓ -7%
Luchenza	153	155	153	153	160	↑ 4%
Lunzu	130	130	140	140	150	↑ 15%
Mangochi	150	125	150	150	153	↑ 2%
M'baluku	140	140	140	140	140	→ 0%
Mbayani	140	140	140	143	140	→ 0%
Mpondabwino	120	120	142	138	145	↑ 21%
Mulanje	160	155	150	155	160	→ 0%
Mwanza	160	140	140	158	163	↑ 2%
Ngabu	140	140	140	140	140	→ 0%
Nsanje	150	153	150	150	150	→ 0%
All markets	128	129	132	131	133	↑ 4%

Figure 1. Daily average maize retail prices during July 2021



Only 8 percent of farmers who sold maize in July received at least the MFG for their maize.

ADMARC Activities

ADMARC opened its markets on 28 July 2021, and is expected to buy over 900 000 MT of maize in tranches, starting with 300 000 MT. Since then, ADMARC purchases have been reported in 13 out of the 26 markets monitored by IFPRI. ADMARC is buying maize at the minimum farmate price of MWK 150/kg. Old maize is also being offered to consumers by ADMARC at MWK 160/kg in some ADMARC depots.

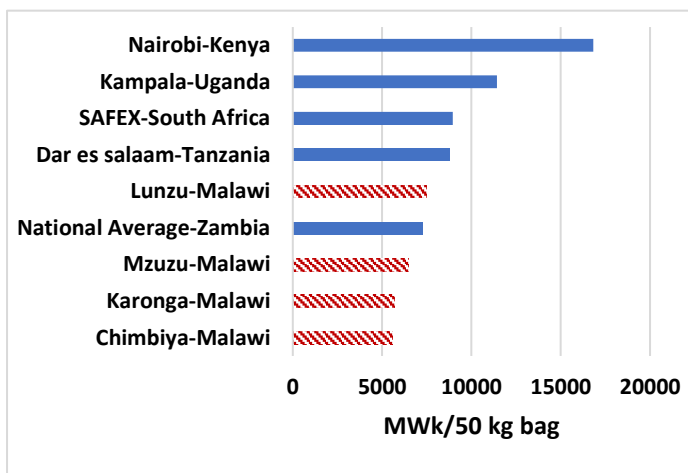
Regional prices

In July 2021, retail maize prices in the main Malawian markets were lower than in selected regional markets in eastern Africa and on SAFEX (the main grain futures market in South Africa). Prices in Lunzu were marginally higher than Zambia’s national average of July 2021, but still lower than elsewhere in the region.

Table 2. Daily farmgate prices for maize during July 2021 (MWK/kg)

	Average			Median	Max	Min	No. of transactions
	Overall	10th percentile	90th Percentile				
Maize price	95	70	140	90	200	50	449
% of MFGP	63%	47%	93%	60%	133%	33%	

Figure 2. Retail maize prices in selected markets in eastern and southern Africa (as of July 2021)



How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since December 2016. Currently, data is collected from 26 markets across the country, with monitoring occurring six days per week, excluding Sundays. At least three monitors report data from each of these markets. Data is collected by means of automated short message service (SMS) with follow-ups made by telephone if necessary. Farm gate prices reported in Figure 2 are collected using IFPRI’s new crowdsourcing method, whereby farmers are invited to report their crop sales to a free call center, and encouraged to do so by means of a raffle for agricultural input vouchers (see <https://massp.ifpri.info/2021/07/09/event-recap-a-new-method-for-monitoring-farmgate-prices-in-malawi/> for details). Regional prices reported in Figure 3 are sourced from Food and Agriculture Organization’s Global Information and Early Warning System (FAO-GIEWS), IFPRI Malawi, the Johannesburg Stock Exchange (JSE), and the Zambia Statistics Agency.



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