IFPRI | MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Malawi Monthly Maize Market Report **December 2021**

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 prices of maize increased by 4 percent since November 2021.
- ADMARC purchases were reported in 7 out of the 26 markets monitored by IFPRI.
- ADMARC sales were reported in 11 out of the 26 markets monitored by IFPRI.
- Retail prices in Malawi were lower than elsewhere in eastern Africa.

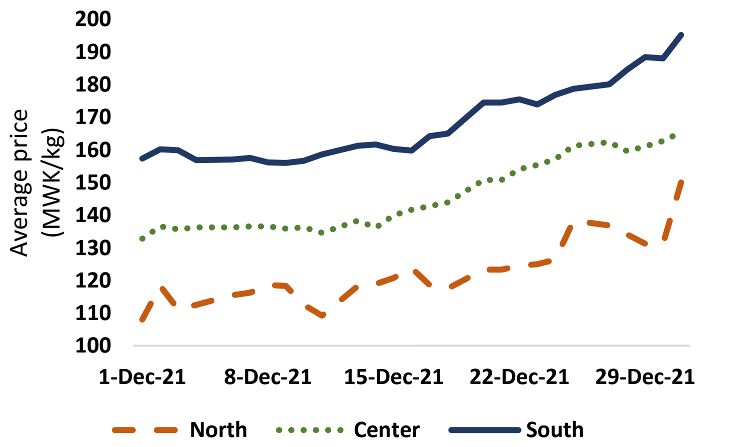
Prices increased by 4 percent since November 2021

During December 2021, maize retail prices averaged at MWK152/kg. This is 4 percent higher than November 2021 and 24 percent lower than December 2020. Picking up from last month (November 2021), retail prices sharply increased even more during the month than December 2020 (Figure 1). This is of course expected as lean season is about to peak. Maize stock gets depleted, putting pressure on prices to go up. Additionally, acting on expectations following an announcement of the lifting of a maize export ban to allow exportation of maize, traders might have raised maize retail prices.

Within the month, maize retail prices varied widely starting from as a low as MWk90/kg in Jenda and Chitipa and as high as MWK230/kg in Bangula. 14 out of 26 markets monitored by IFPRI registered a maximum of equal to or greater than MWK200/kg. However, Chiringa, Mbayani and Mpondabwino registered marginal price decrease (1 to 5 percent) since November 2021, but prices had increased within the month.

Figure 1. Daily average maize retail prices since May 2020 & May 2021

Figure 2. Daily average maize retail prices by region during December 2021



Prices remain highest in the South

Maize continues to sell at highest retail prices in the South. In addition to geographical price variations, reports from our traders indicate that most of the maize that is being sold in the South is currently being sourced from the Center in the districts such as Dedza, Ntcheu, Lilongwe and Mchinji. Hence, traders in the

South are adding a transport markup to the prices from the center.

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

	Nov Average	4-Dec-21	11-Dec-21	18-Dec-21	25-Dec-21	Dec Average	Change
Chitipa	**106**	115	90	150	155	**136**	28%
Jenda	**102**	90	90	107	123	**103**	0%
Karonga	**113**	125	113	133	158	**132**	17%
Mzimba	**101**	100	100	105	125	**110**	9%
Mzuzu	**115**	125	120	-	150	**133**	16%
Rumphi	**123**	128	120	127	133	**126**	3%
Chimbiya	**118**	118	118	133	160	**135**	14%
Mchinji	**128**	130	130	140	165	**140**	10%
Mitundu	**130**	130	130	150	165	**144**	11%
Nsungwi	**140**	140	140	140	150	**143**	2%
Salima	**159**	157	160	157	165	**159**	0%
Balaka	**136**	135	135	140	150	**140**	3%
Bangula	**176**	172	172	182	190	**180**	2%
Chikwawa	**200**	200	200	200	200	**200**	0%
Chiringa	**157**	150	150	150	155	**151**	-3%
Liwonde	**153**	150	150	150	180	**154**	1%
Luchenza	**160**	160	160	165	168	**164**	2%
Lunzu	**159**	160	160	167	180	**167**	5%
Mangochi	**159**	157	157	165	170	**161**	1%
M'baluku	**160**	150	150	160	187	**164**	2%
Mbayani	**179**	170	170	185	185	**176**	-1%
Mpondabwin	**165**	150	150	160	167	**156**	-5%
Mulanje	**160**	160	160	165	190	**167**	4%
Mwanza	**177**	160	198	160	185	**181**	2%
Ngabu	**160**	160	160	173	215	**174**	9%
Nsanje	**160**	160	163	180	200	**170**	6%
All markets	**146**	**145**	**144**	**151**	**167**	**152**	4%

Regional prices

As of the end of December, retail prices of maize in the 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 higher than on SAFEX and Zambia's national average of December 2021. Prices in Chimbiya and Mzuzu remain lower than anywhere in the region.

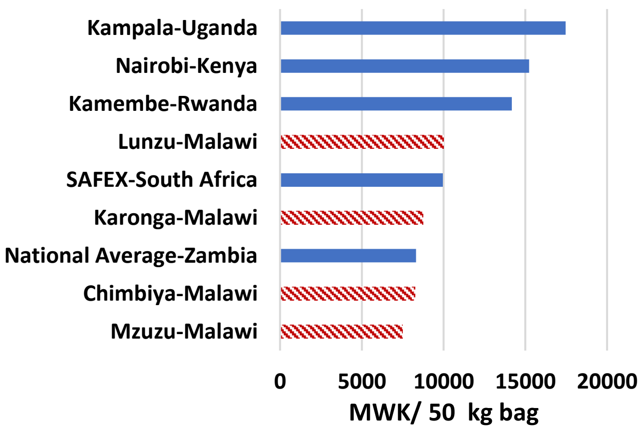
As at the end of the month, prices in the South the averaged MWK 168/kg (4 percent higher than last month), in the Center averaged MWK 146/kg (8 percent higher than last month), while in the North prices averaged at MWK 123/kg (10 percent lower than last month).

ADMARC Activities

ADMARC purchases were reported in 7 out of the 26 markets monitored by IFPRI. Some traders from the South are still reporting that some ADMARC depots are being used for the sale of Affordable Inputs Programme (AIP) fertiliser.

ADMARC sales were reported in 11 out of the 26 markets monitored by IFPRI. ADMARC is selling maize at MWK 205/kg, 35 percent higher than average retail price in December 2021.

Figure 3. Retail maize prices in selected markets in eastern and southern Africa (as of December 2021)



Price for Kenya is as of November 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. 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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