

The Monthly Maize Market Report was developed by researchers at IFPRI Malawi to provide clear and accurate information on the variation of maize prices in selected markets throughout Malawi. All prices are reported in Malawi Kwacha (K), using current official exchange rates where appropriate.

Highlights

- Retail prices of maize increased by 16 percent in March 2023.
- ADMARC sales were reported in 9 out of 26 markets monitored by IFPRI.
- No ADMARC purchases were reported in any of the markets monitored by IFPRI.
- Retail prices of maize in Malawi were higher than in Kenya, Zambia, and South Africa.

Prices increased by 16 percent in March

Figure 1 shows a trend in prices in the past 12 months ending in March 2023, and, for comparison, over the 12 months ending in March 2022. At the beginning of May, we start reporting prices of newly harvested maize, which has a higher moisture content than maize from the previous harvest. High moisture content makes it unsuitable for storage or milling. During drying, it loses about 20 percent of its weight. Solid and dashed lines in Figure 1 represent observed maize prices. Dotted lines represent prices adjusted for moisture content and thus the true price trend.

Unlike in recent years, the average price of maize continued to rise throughout March and only began to drop towards the end of the month as newly harvested maize started coming onto the market in the South and as transport links severed by cyclone Freddy were restored (Figure 2). In the last week of March, retail prices of maize averaged K733/kg. This is 16 percent higher than a month earlier (Table 1) and 283 percent higher than a year earlier (Figure 1).

The highest weekly average retail price (K945/kg) was reported in Nsanje market in the third week of March. Mchinji and Chitipa markets reported the lowest price of K580/kg in the first week of the month, Bangula and Mzuzu markets recorded the highest increase in weekly average retail maize prices (36 percent) between the end of February 2023 and the end of March 2023. However, despite the overall increase in maize prices, Mulanje market registered a 1 percent decline thanks to the availability of newly harvested maize (Table 1)

Cyclone Freddy

The average retail price of maize was highest in the South (K729/kg) in March, 9 percent and 14 percent more expensive than in the Center (K671/kg) and the North (K640/kg) respectively (Figures 2 and 3). The difference was amplified by the effects of cyclone Freddy, which brought heavy rains to the Southern region between 12 and 14 March, causing flash floods in the Shire Highlands and widespread inundation in the Lower Shire Valley. The resultant damage to homes, crops and transport infrastructure led to

Figure 1. Long-run trends in average maize retail prices

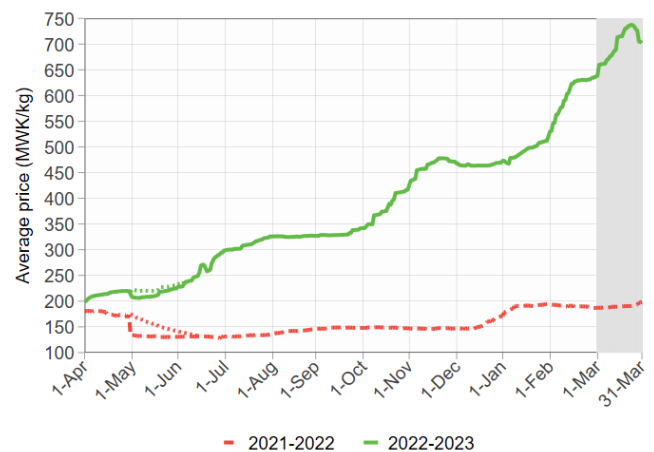
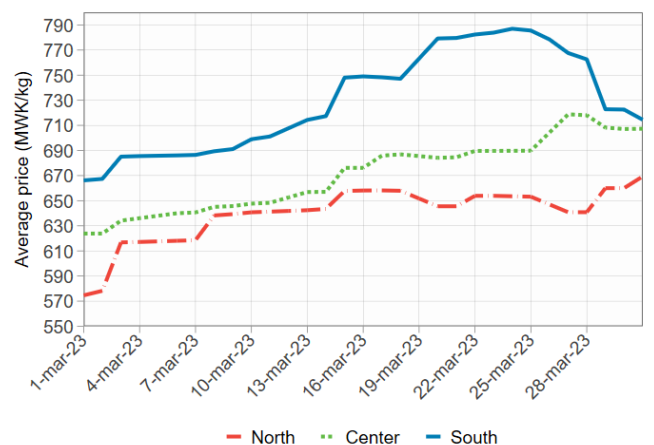


Figure 2. Average daily maize retail prices by region

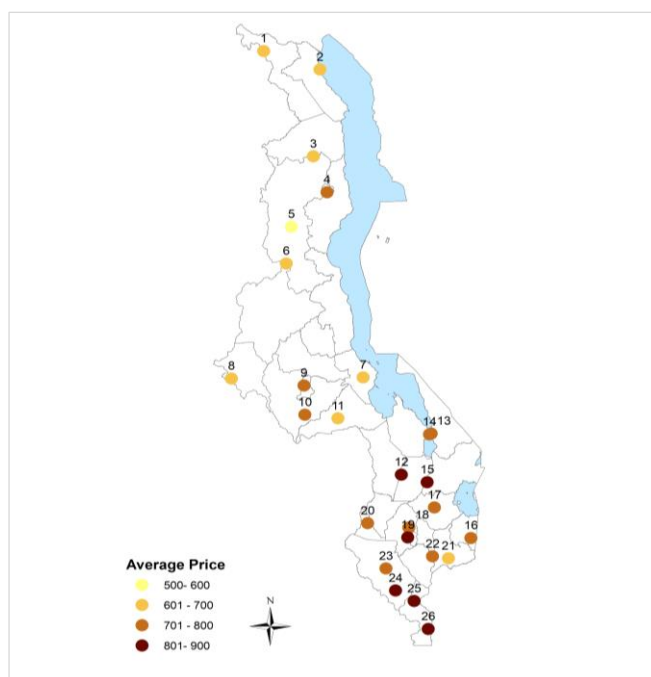


local shortages of maize third week of the month. This was followed by a smaller price spike in the central region in the following week resulting from an increased demand from the South. However, with most areas in the South beginning to harvest maize (14 out of the 15 markets monitored by IFPRI reported availability of newly harvested maize in the market), prices in the region declined sharply in the final week of March. On the contrary, in the last 3 days of March, there was an upward trend in maize prices in the North due to local scarcity of maize

Table 1. Weekly average retail prices (K/kg)

	Week ending on					Change
	28-Feb-23	7-Mar-23	14-Mar-23	21-Mar-23	28-Mar-23	
Chitipa ¹	556	580	600	610	605	↑ 9%
Karonga ²	596	660	685	707	700	↑ 17%
Rumphi ³	586	626	645	642	639	↑ 9%
Mzuzu ⁴	533	595	694	733	723	↑ 36%
Mzimba ⁵	531	583	606	599	597	↑ 12%
Jenda ⁶	538	590	617	637	630	↑ 17%
Salima ⁷	643	626	638	700	700	↑ 9%
Mchinji ⁸	575	580	604	619	633	↑ 10%
Nsungwi ⁹	640	662	674	722	740	↑ 16%
Mitundu ¹⁰	617	642	673	689	729	↑ 18%
Chimbiya ¹¹	643	660	664	683	698	↑ 9%
Balaka ¹²	659	694	707	757	831	↑ 26%
M'baluku ¹³	640	687	735	749	718	↑ 12%
Mangochi ¹⁴	607	663	687	754	798	↑ 32%
Liwonde ¹⁵	659	670	741	778	859	↑ 30%
Chiringa ¹⁶	700	700	700	700	715	↑ 2%
Mpondabwino ¹⁷	700	736	753	753	751	↑ 7%
Lunzu ¹⁸	660	673	697	723	740	↑ 12%
Mbayani ¹⁹	700	719	724	769	845	↑ 21%
Mwanza ²⁰	695	682	689	695	736	↑ 6%
Mulanje ²¹	700	700	700	698	693	↓ -1%
Luchenza ²²	670	673	684	710	720	↑ 7%
Chikwawa ²³	684	659	654	650	728	↑ 6%
Ngabu ²⁴	630	630	655	800	812	↑ 29%
Bangula ²⁵	635	649	686	908	864	↑ 36%
Nsanje ²⁶	638	670	731	945	862	↑ 35%
All markets	632	654	679	720	733	↑ 16%

Figure 3. Location of markets



Note: The number on the map corresponds to a market in Table 1

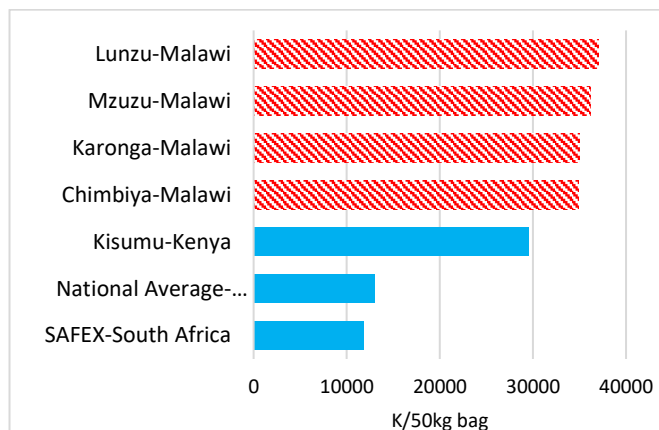
Regional prices

At regional level, the retail prices of maize in selected markets in Malawi were higher than in Kenya, Zambia, and South Africa (Figure 4). Relative scarcity and high prices in Malawi are attracting maize from abroad, with some traders in the South and the Center reporting receiving informal imports from Mozambique and Zambia.

ADMARC Activities

ADMARC sales were reported for at least one day in 9 out of the 26 markets monitored by IFPRI. Rumphi in the North, Bangula, Chikwawa, Chitipa, Liwonde, Luchenza, M'baluku, Ngabu and Nsanje in the South.

Figure 4. Regional comparison (March 2023)



How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since October 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 phone calls to the monitors. Regional prices reported in Figure 4 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 Kenya Agricultural Management Information System (KAMIS).

