

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).

### Highlights

- Retail prices of maize declined by 15 percent for old maize and 9 percent for new maize in April.
- New maize prices were highest in the central region.
- ADMARC sales were reported in 6 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 Zambia, Mozambique, and South Africa, but lower than in Tanzania and Zimbabwe at the market exchange rate.

### Prices declined by 9 percent in April

Figure 1 shows a trend in prices in the past 12 months ending in April 2023, and, for comparison, over the 12 months ending in April 2022. At the beginning of the harvest season, 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 lines in Figure 1 represent observed maize prices. Dotted lines represent prices adjusted for moisture content and thus the true price trend.

In contrast to the previous season, there was a sharp decline in average maize prices in April, albeit from a much higher maximum (Figure 1). This is a typical pattern when newly harvested maize comes to market. The weekly average price of old maize decreased by 15 percent from K734/kg to K626/kg between the final weeks of March and April (Table 2). Within the same period, the weekly average price of new maize declined by 9 percent from K533/kg to K483/kg.

The highest and lowest weekly average retail price of maize was recorded in the second week of April. Mzuzu market reported the highest weekly average retail price of K821/kg for old maize, and the lowest weekly average retail price of K362/kg was recorded in Nsanje market for new maize. The three southernmost monitored markets (Ngabu, Bangula, and Nsanje) reported the highest decline in weekly average retail price of maize between the final weeks of March and April (Table 1). All three markets were heavily affected by cyclone Freddy in March (causing high prices) but also saw an influx of maize from Mozambique in April, which has depressed prices.

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

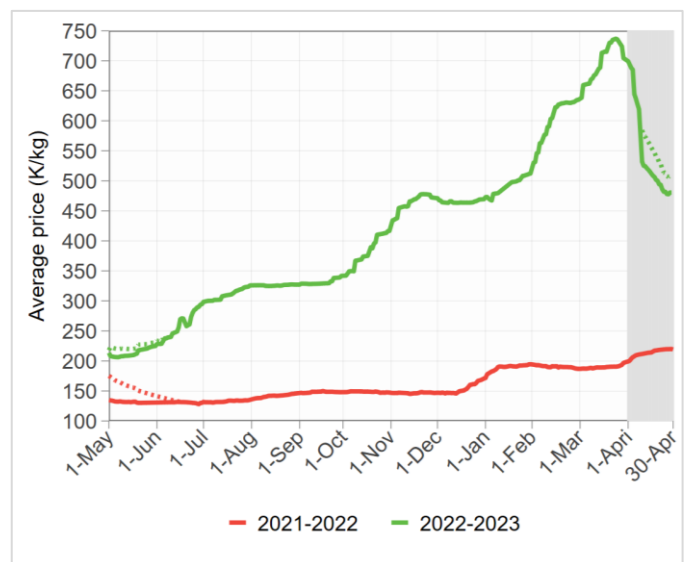
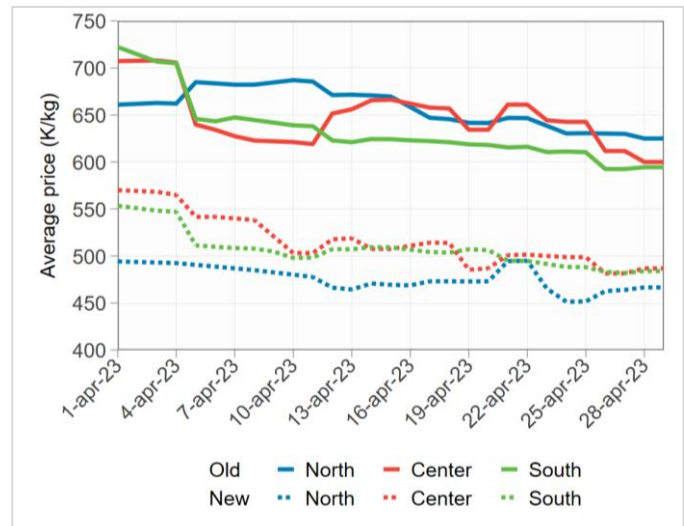


Figure 2. Average daily maize retail prices by region



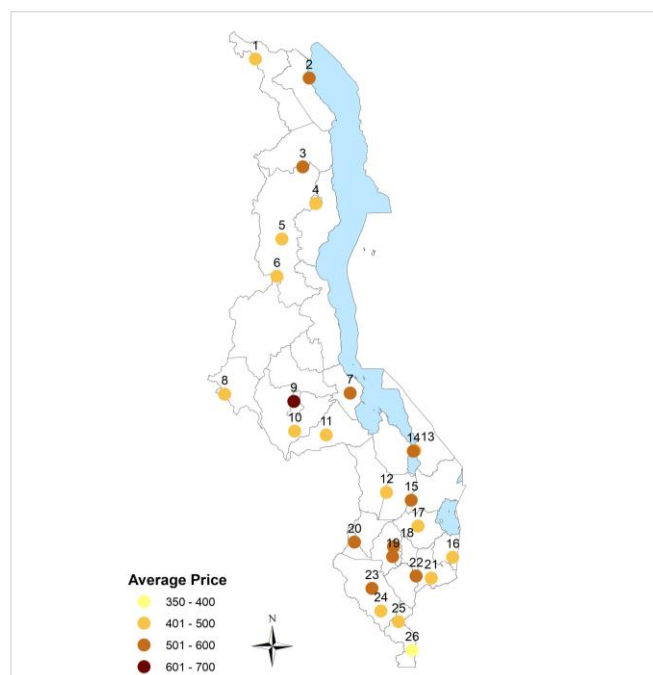
## New maize prices highest in the Central region

In April, regional maize prices in Malawi experienced abnormal fluctuations, with the typical pattern of highest prices in the South and lowest in the North flipping several times (Figure 2). Old maize was sold at an average monthly price of K657/kg in the North, K647/kg in the Center, and K634/kg in the South. By the end of April, newly harvested maize was available in all monitored markets and sold at a discount of 20 to 30 percent compared to old maize. On average, the Central region experienced the highest prices of new maize. Several factors likely contributed to this: the harvest in the central highlands, which is still only starting, is expected to be low compared to last year due to smaller planted hectareage and late deliveries of subsidized fertilizer, so little new maize is coming onto the market in the region. At the same time, minimum farmgate prices are reportedly being enforced more vigorously than elsewhere. Prices were relatively lower in the South because many smallholders now consume their own harvest instead of buying maize. There is also an influx of newly harvested maize from Mozambique. As a result, new maize was trading at or below the government-mandated minimum farmgate price in 18 of the 26 monitored markets by the end of April

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

|                           | Week ending on |     |          |     |           |     |           |     |           |     |      |      | Change |  |
|---------------------------|----------------|-----|----------|-----|-----------|-----|-----------|-----|-----------|-----|------|------|--------|--|
|                           | 28-Mar-23      |     | 7-Apr-23 |     | 14-Apr-23 |     | 21-Apr-23 |     | 28-Apr-23 |     |      |      |        |  |
|                           | Old            | New | Old      | New | Old       | New | Old       | New | Old       | New | Old  | New  |        |  |
| Chitipa <sup>1</sup>      | 605            | 419 | 591      | 424 | 604       | 417 | 530       | 415 | 500       | 400 | ↓17% | ↓5%  |        |  |
| Karonga <sup>2</sup>      | 701            | 505 | 747      | 513 | 726       | 518 | 677       | 523 | 635       | 516 | ↓9%  | ↑2%  |        |  |
| Rumphi <sup>3</sup>       | 639            | 578 | 700      | 590 | 730       | 599 | 700       | 615 | 693       | 596 | ↑8%  | ↑3%  |        |  |
| Mzuzu <sup>4</sup>        | 723            | 533 | 764      | 529 | 821       | 501 | 797       | 625 | 764       | 463 | ↑6%  | ↓13% |        |  |
| Mzimba <sup>5</sup>       | 597            | 449 | 601      | 469 | 609       | 433 | 619       | 403 | 606       | 405 | ↑1%  | ↓10% |        |  |
| Jenda <sup>6</sup>        | 630            | 465 | 625      | 461 | 585       | 410 | 578       | 400 | 601       | 412 | ↓5%  | ↓11% |        |  |
| Salima <sup>7</sup>       | 700            | 598 | 666      | 620 | 626       | 566 | 571       | 500 | 551       | 491 | ↓21% | ↓18% |        |  |
| Mchinji <sup>8</sup>      | 633            | 485 | 615      | 500 | 590       | 492 | 643       | 488 | 625       | 488 | ↓1%  | ↑0%  |        |  |
| Nsungwi <sup>9</sup>      | 740            | 627 | 800      | 667 | 800       | 614 | 787       | 594 | 783       | 561 | ↑6%  | ↓11% |        |  |
| Mitundu <sup>10</sup>     | 729            | 470 | 610      | 443 | 557       | 429 | 671       | 491 | 700       | 458 | ↓4%  | ↓3%  |        |  |
| Chimbiya <sup>11</sup>    | 698            | 540 | 688      | 554 | 611       | 477 | 594       | 442 | 582       | 465 | ↓17% | ↓14% |        |  |
| Balaka <sup>12</sup>      | 831            | 443 | 638      | 449 | 554       | 426 | 510       | 404 | 500       | 403 | ↓40% | ↓9%  |        |  |
| M'baluku <sup>13</sup>    | 712            | 530 | 626      | 460 | 525       | 429 | 522       | 429 | 554       | 430 | ↓22% | ↓19% |        |  |
| Mangochi <sup>14</sup>    | 799            | 564 | 663      | 546 | 602       | 514 | 600       | 524 | 600       | 493 | ↓25% | ↓13% |        |  |
| Liwonde <sup>15</sup>     | 873            | 642 | 720      | 647 | 693       | 602 | 701       | 589 | 700       | 562 | ↓20% | ↓12% |        |  |
| Chiringa <sup>16</sup>    | 712            | 464 | 700      | 452 | 645       | 468 | 634       | 490 | 626       | 482 | ↓12% | ↓4%  |        |  |
| Mpondabwino <sup>17</sup> | 751            | 464 | 732      | 497 | 647       | 468 | 633       | 486 | 623       | 493 | ↓17% | ↑6%  |        |  |
| Lunzu <sup>18</sup>       | 740            | 502 | 703      | 580 | 609       | 578 | 631       | 536 | 615       | 513 | ↓17% | ↑2%  |        |  |
| Mbayani <sup>19</sup>     | 845            | 681 | 807      | 631 | 776       | 585 | 713       | 598 | 693       | 544 | ↓18% | ↓20% |        |  |
| Mwanza <sup>20</sup>      | 734            | 553 | 679      | 586 | 637       | 508 | 605       | 496 | 626       | 490 | ↓15% | ↓11% |        |  |
| Mulanje <sup>21</sup>     | 693            | 531 | 659      | 495 | 729       | 482 | 709       | 500 | 700       | 500 | ↑1%  | ↓6%  |        |  |
| Luchenza <sup>22</sup>    | 720            | 581 | 717      | 583 | 710       | 583 | 700       | 583 | 700       | 550 | ↓3%  | ↓5%  |        |  |
| Chikwawa <sup>23</sup>    | 728            | 598 | 781      | 600 | 761       | 600 | 795       | 600 | 800       | 600 | ↑10% | ↑0%  |        |  |
| Ngabu <sup>24</sup>       | 812            | 596 | 693      | 552 | 529       | 465 | 500       | 437 | 500       | 406 | ↓38% | ↓32% |        |  |
| Bangula <sup>25</sup>     | 864            | 498 | 652      | 533 | 617       | 499 | 553       | 482 | 500       | 452 | ↓42% | ↓9%  |        |  |
| Nsanje <sup>26</sup>      | 862            | 552 | 507      | 378 | 476       | 362 | 510       | 415 | 500       | 394 | ↓42% | ↓29% |        |  |
| All markets               | 734            | 533 | 680      | 529 | 645       | 501 | 634       | 503 | 626       | 483 | ↓15% | ↓9%  |        |  |

Figure 3. Location of markets



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

## Regional prices

Retail prices of maize in selected markets in Malawi were higher than those in Tanzania, Zimbabwe, Zambia, Mozambique, and South Africa using the official (bank) exchange rate of K1,030/USD (Figure 4). However, at the (black) market rate (K1,620/USD) used for informal imports and exports, retail prices of maize in Zimbabwe and Tanzania were higher than in Malawi.

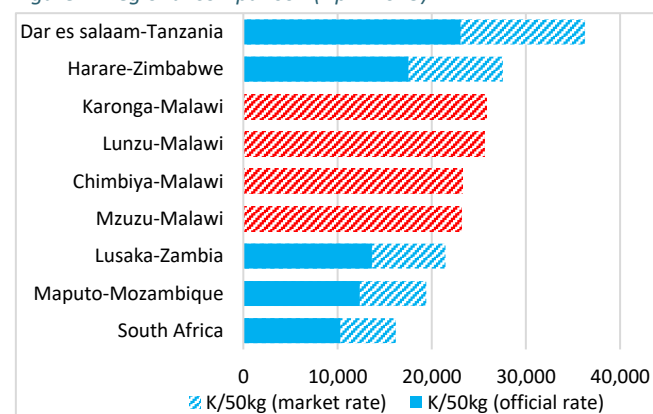
## ADMARC Activities

ADMARC sales were reported for at least one day in 6 of the 26 markets monitored by IFPRI: Salima in the Central region, and Bangula, Chiringa, Chitipa, Mwanza and Nsanje markets in the Southern region.

## 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 market. Data is collected by means of phone calls to the monitors. Regional prices reported in Figure 4 are sourced from weekly reports from Commodity Insights Africa.

Figure 4. Regional comparison (April 2023)



Note: Weekly average price for the week ending on 28th April