MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Malawi Monthly Maize Market Report **August 2022**

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, policy makers, and other agricultural stakeholders.

Highlights

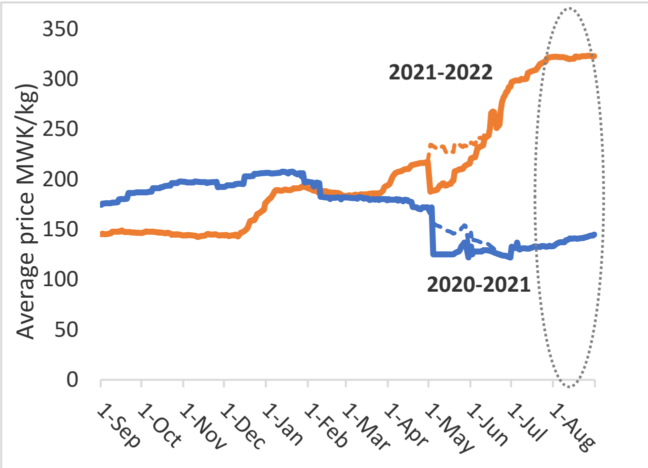
- Retail prices of maize increased marginally by 1 percent in August 2022.
- No ADMARC purchases or sales were reported in any of the markets monitored by IFPRI.
- Retail prices in Malawi were lower than in selected regional markets in eastern Africa.

Prices increased by 1 percent since July

After a sustained period of growth (unusually during the April and the harvest months of May through June), retail prices of maize stabilized in August at around MWK 324/kg on average, 1 percent higher than at the end of July (Figure 1). Across the markets, Chikwawa recorded the highest price increase (18 percent). On the other hand, some markets (Mzimba, Chimbiya, and Salima) recorded price declines of as much as 5 percent (Table 1). Within the month, weekly average maize retail prices were highest in Mpondabwino (MWK 379/kg) and lowest in Mzimba (MWK 250/kg).

Figure 1 shows a trend in prices in the 12 months ending in August 2022 and, for comparison, in the 12 months ending in August 2021. 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 maize unsuitable for storage or milling. During drying, it loses about 20 percent of its weight. Solid lines in Figure 1 represent observed maize prices. Dashed lines represent prices adjusted for moisture content and thus the true price trend.

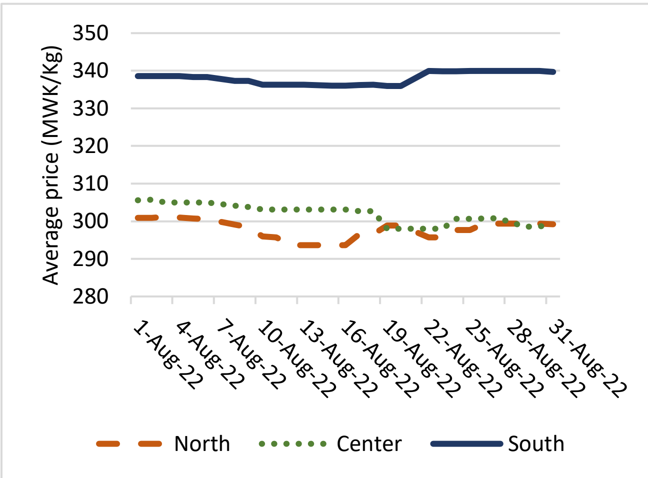
Figure 1. Long-run trends in average maize retail prices



Prices remain highest in the South

Maize continues to sell the highest in the South. Prices in the Center show a decreasing trend to almost level with North prices in the last 1 and half weeks of August (Figure 2).

Figure 2. Average daily maize retail prices by region

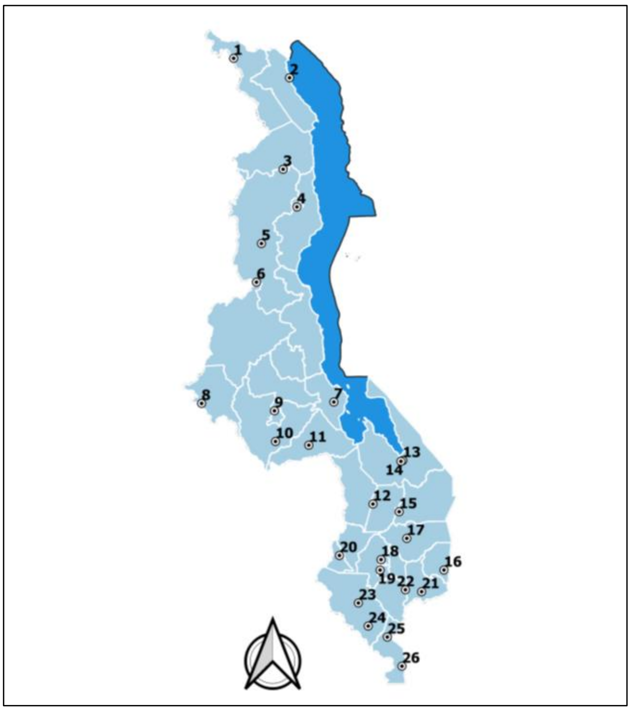


As of the end of August, prices averaged MWK 338/kg in the South, MWK 302/kg in the Center, and MWK 298/kg in the North.

Table 1. Weekly average maize retail prices (MWK/kg) market

	Week ending on					
	30-Jul-22	6-Aug-22	13-Aug-22	20-Aug-22	26-Aug-22	Change
Chitipa[1]	300	300	300	300	300	0%
Karonga[2]	326	328	327	327	321	-2%
Rumphi[3]	300	300	300	300	300	0%
Mzuzu[4]	350	350	350	358	345	-1%
Mzimba[5]	263	270	263	250	250	-5%
Jenda[6]	263	269	254	253	253	-4%
Salima[7]	343	342	325	320	324	-5%
Mchinji[8]	300	300	300	296	291	-3%
Nsungwi[9]	300	300	300	309	313	4%
Mitundu[10]	300	290	297	293	297	-1%
Chimbiya[11]	293	300	300	296	278	-5%
Balaka[12]	315	320	313	300	330	5%
M'baluku[13]	320	320	327	327	330	3%
Mangochi[14]	300	300	302	305	317	6%
Liwonde[15]	320	335	349	353	341	7%
Chiringa[16]	330	330	326	343	349	6%
Mpondabwino[17]	360	387	379	372	363	1%
Lunzu[18]	320	320	316	313	336	5%
Mbayani[19]	380	360	367	370	370	-3%
Mwanza[20]	290	275	275	304	320	10%
Mulanje[21]	350	350	350	350	350	0%
Luchenza[22]	350	350	348	347	350	0%
Chikwawa[23]	293	350	343	343	345	18%
Ngabu[24]	343	344	342	340	336	-2%
Bangula[25]	340	363	361	363	366	8%
Nsanje[26]	350	350	350	347	341	-3%
All markets	**319**	**323**	**322**	**322**	**324**	**1%**

Figure 2. Location of markets; the number corresponds to a market in Table 1



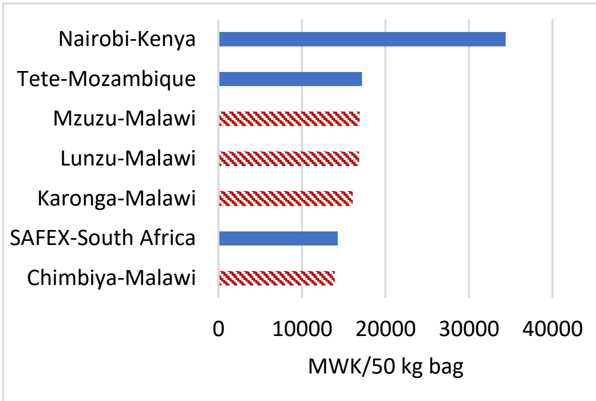
Regional prices

As of the end of August, retail prices of maize in Malawian markets were lower than in selected regional markets in eastern Africa and neighboring countries. Prices in Mzuzu, Lunzu and Karonga were higher than on SAFEX. (Figure 3).

ADMARC Activities

No ADMARC purchases or sales were reported in any of the markets monitored by IFPRI.

Figure 3. Regional comparison (August 2022)



How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since August 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 Kenya Agricultural Management Information System (KAMIS).

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