

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 daily 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 6 percent during September 2020.
- Prices in the South rose more than in the Centre and North.
- ADMARC sales were reported in 13 of the 26 markets monitored.
- Retail maize prices in Malawi were lower than in most eastern African markets.

Prices increased by 6 percent

During the month of September, prices rose by 6 percent. The average retail price was MWK 180/kg. This price is 20 percent lower than in September 2019 but 25 percent higher than in September 2018.

Since the beginning of September, prices rose in 18 markets and stayed constant in 8 markets (Table 1).

The largest price increases were recorded in Mwanza (21 percent) and Mpondabwino (17 percent). No price decreases were recorded in any of the markets monitored during September.

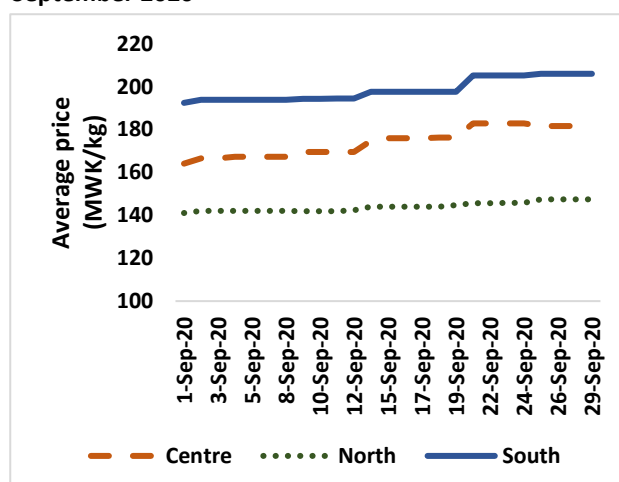
Table 1. Maize retail prices (MWK/kg) by market

Market	5-Sep-20	12-Sep-20	19-Sep-20	26-Sep-20	Change
Chitipa	140	140	140	140	↔ 0%
Karonga	143	140	140	150	↑ 5%
Rumphi	143	140	143	143	↔ 0%
Mzuzu	150	150	150	150	↔ 0%
Mzimba	140	143	147	147	↑ 5%
Jenda	137	142	150	153	↑ 12%
Salima	180	187	187	200	↑ 11%
Mchinji	163	165	170	180	↑ 11%
Nsungwi	170	172	180	173	↑ 2%
Mitundu	170	170	170	180	↑ 6%
Chimbiya	155	156	167	175	↑ 13%
Balaka	173	170	173	190	↑ 10%
M'baluku	200	200	200	220	↑ 10%
Mangochi	195	195	200	207	↑ 6%
Liwonde	180	180	200	200	↑ 11%
Chiringa	193	193	200	200	↑ 3%
Mpondabwino	199	205	205	233	↑ 17%
Lunzu	195	195	195	200	↑ 3%
Mbayani	200	200	200	200	↔ 0%
Mwanza	193	193	193	233	↑ 21%
Mulanje	200	200	200	200	↔ 0%
Luchenza	200	200	200	200	↔ 0%
Chikwawa	200	200	200	200	↔ 0%
Ngabu	183	190	200	203	↑ 11%
Bangula	202	202	202	202	↔ 0%
Nsanje	197	197	197	197	↔ 0%
All markets	177	178	181	188	↑ 6%

Prices are higher in the South

Retail maize prices remained highest in the South and lowest in the North (Figure 1), as is usual. During the first two weeks of the month, prices remained stable, only mildly increasing towards the end of the second week in all regions. By the third week, prices began to increase, particularly in the southern region. At the end of the month, prices in the Centre were MWK 30/kg higher than in the North and MWK 24/kg lower than in the North.

Figure 1. Daily average maize retail prices during September 2020



ADMARC Activities

No ADMARC purchases were reported in the 26 markets IFPRI monitors during the month of September. ADMARC sales were reported in 13 markets, namely Chikwawa, Chimbiya, Chitipa, Karonga, Luchenza, Mangochi, M'baluku, Mbayani, Mpondabwino, Mulanje, Mzimba, Mzuzu, and Nsanje

On September 16, the Minister of Agriculture and Food Security announced that ADMARC is increasing the price at which it purchases maize from associations and cooperatives from MWK 200/kg to 215/kg. This price premium aims to offset the transportation costs incurred by associations/cooperatives when transporting maize to ADMARC depots. ADMARC has also signed a produce purchase agreement with the Farmers Union of Malawi (FUM) for procurement of maize and other crops in the coming marketing season. This agreement aims to ensure that FUM and ADMARC are well prepositioned to target regional and international markets in the event of a good harvest in the 2020/2021 season.

Regional prices

Figure 3 shows retail maize prices per 50 kg bag in selected markets in Malawi and in eight other regional countries by the end of September. The highest price was recorded in Bujumbura (Burundi) followed by Maputo (Mozambique). The national average price for maize in Zambia was the lowest in the region.

By the end of September, prices in Malawi's Lunzu market were higher than in Dar es salaam (Tanzania) whereas prices in Mitundu and Mzuzu markets were higher than on SAFEX (the main grain futures market in South Africa). Prices in Malawi's Karonga market were higher than the national average price in Zambia.

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. The regional prices reported in Figure 3 are sourced from IFPRI Malawi, the Johannesburg Stock Exchange (JSE), the Regional Agricultural Trade Intelligence Network (RATIN), Sistema de Informação de Mercados Agrícolas (SIMA), and the Zambia Statistics Agency.

Figure 2. Location of ADMARC activities in September 2020

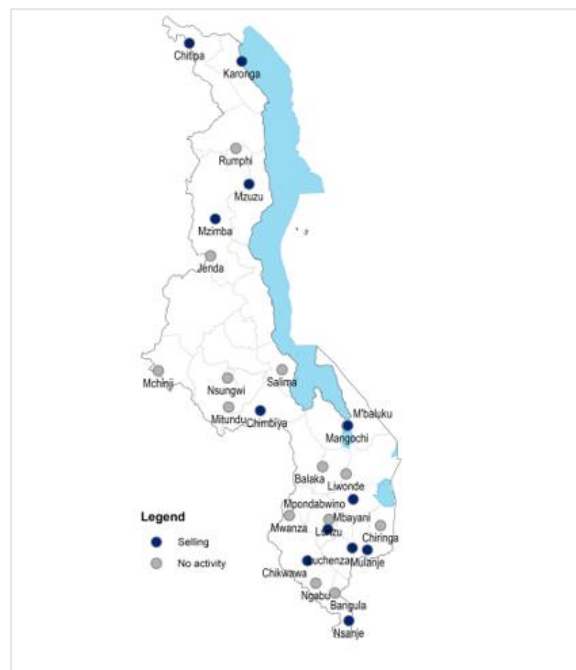
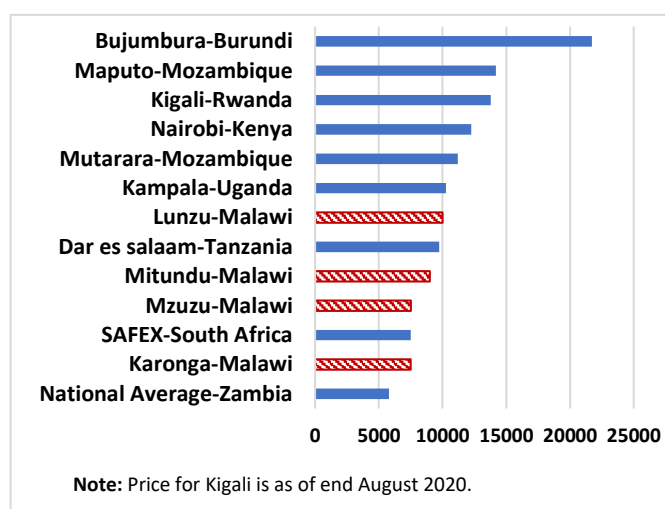


Figure 3. Retail maize prices in selected markets in eastern and southern Africa (as of end September 2020)



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