

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, sellers, consumers, or other agricultural stakeholders.

Highlights

- The average maize retail price decreased by 3 percent during May 2018.
- The average retail price of MWK98/kg in May was 35 percent lower than the minimum farmgate price of MWK150/kg announced by the Malawi Government in mid-April.
- Maize prices in Malawi remain substantially lower than elsewhere in eastern and southern Africa.

Prices decreased in May 2018

The average maize price during the month of May was MWK98/kg. Overall, the retail price decreased by 3 percent during May and exhibited a downward trend in most markets (Table 1). All of the north and central markets recorded price declines of between 2 and 7 percent, except for Chitipa. In contrast, in the South, Mwanza and Luchenza markets recorded price increases of 6 and 12 percent, respectively. This may indicate some overshooting of prices, as these were the markets that recorded the highest price declines in April.

Retail prices in all markets were significantly lower than the minimum farmgate price for maize of MWK150/kg announced by the Malawi Government in mid-April.

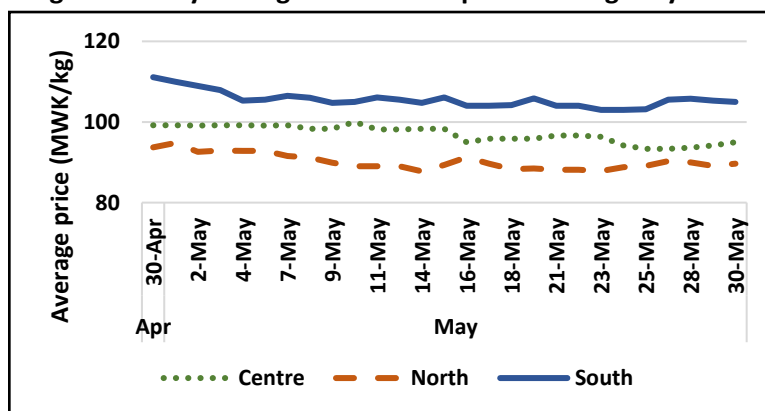
Table 1. Maize retail prices (MWK/kg) by market

Market	5-May-18	12-May-18	19-May-18	26-May-18	Change
Chitipa	72	72	70	73	↑ 2%
Karonga	105	104	103	103	↓ -2%
Rumphi	107	100	100	103	↓ -3%
Mzuzu	93	83	87	90	↓ -4%
Mzimba	83	82	78	78	↓ -6%
Salima	105	100	100	103	↓ -2%
Mchinji	100	100	93	87	↓ -13%
Mitundu	107	107	100	100	↓ -6%
Chimbiya	87	87	90	83	↓ -4%
Lunzu	110	110	110	110	→ 0%
Mwanza	110	120	117	117	↑ 6%
Liwonde	105	100	100	100	↓ -5%
Luchenza	87	87	90	97	↑ 12%
Mulanje	107	107	110	107	→ 0%
Chikwawa	110	105	100	100	↓ -9%
Nsanje	115	110	107	107	↓ -7%
All markets	100	98	97	97	↓ -3%

Prices remain highest in the South

Maize prices remained highest in the South and lowest in the North as has been the case since January 2018. A slight price increase towards the end of the month in the central region is attributed to Salima market. Gradual price decreases were observed in the southern and northern regions. These declines are expected, given the onset of the main harvest season, which begins in the south and moves north.

Figure 1. Daily average maize retail prices during May 2018



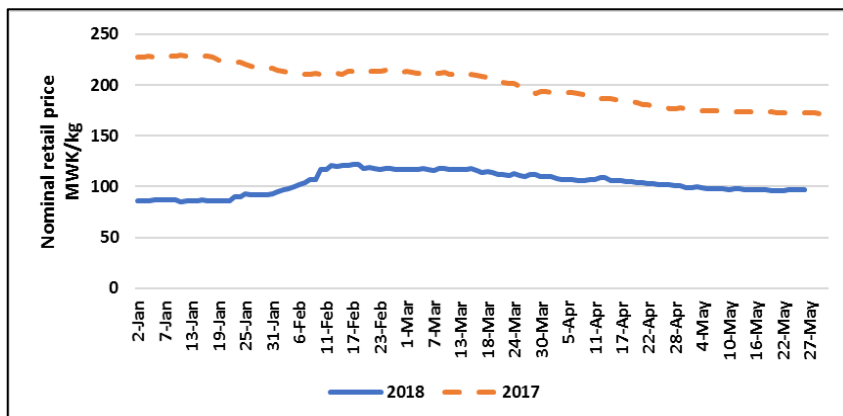
ADMARC activities

This month, 7 and 6 markets out of 16 reported buying and selling by ADMARC, respectively. In Mulanje, Karonga, Mitundu and Luchenza, the reported ADMARC buying price was MWK150/kg on some days and 170MWK/kg on other days. The ADMARC sales price was constant at MWK250/kg.

Price trend - 2017 to 2018

Figure 2 compares average retail price trends from January to May of 2017 and 2018. During the first four months of 2018, maize prices were significantly lower than a year ago. Prices in 2018 rose steadily from January to the first half of February, in accordance with the usual seasonal price pattern. In contrast, a year earlier, maize prices had declined during the same time period. From the second half of February until May, a gradual price decline was observed in both 2017 and 2018.

Figure 2. Average retail prices -Jan to May 2017 and 2018

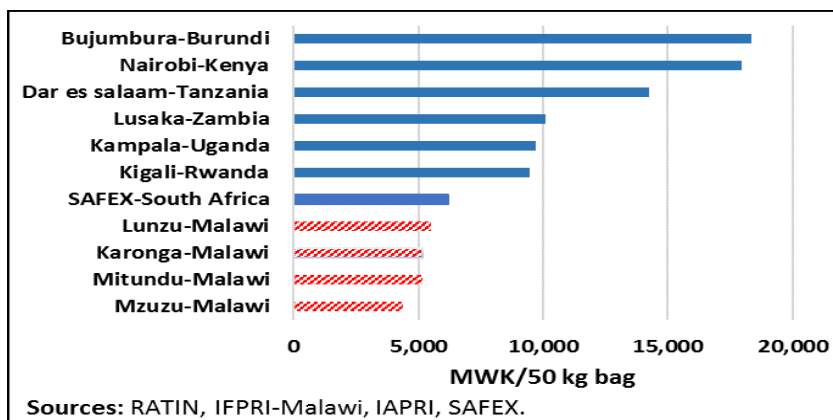


Regional prices in May 2018

Figure 3 shows retail maize prices per 50kg bag in selected markets in Malawi and seven other countries in the region. Maize prices in Malawi at the end of May were substantially lower than in Tanzania and Zambia.

During May, maize prices per 50 kg bag rose in Bujumbura and Nairobi by at least 2%, while those in Kigali declined by 10 percent respectively. In other regional markets, maize prices were relatively stable.

Figure 3. Retail maize prices in selected markets in Eastern and Southern Africa (as of May 31, 2018)



How data was collected

IFPRI has been monitoring retail maize prices and ADMARC activities in selected markets since November 2016. Currently, the data is collected from 16 markets across the country, with monitoring occurring six days per week, excluding Sundays. At least three monitors report data from each of the 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 collected from the Regional Agricultural Trade Intelligence Network (RATIN), IFPRI Malawi and the Johannesburg Stock Exchange (JSE).



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