MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Malawi Monthly Maize Market Report **February 2023**

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 by 24 percent in February 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 maize prices in Malawi were higher than in Kenya, Mozambique, Zambia, and South Africa.

Prices increased by 24 percent in February

Retail maize prices averaged at MWK 633/kg by the end of February 2023, 24 percent higher than January 2023 (Figure 1, 3 and Table 1) and 237 percent higher than February 2022. The highest average retail price (MWK 700/kg) was reported in Chiringa, Mpondabwino and Mbayani markets and the lowest price (MWK 531/kg) was reported in Mzimba market.

Rumphi market recorded the highest increase in average retail maize prices (44 percent) between the end of January 2023 and end of February 2023.

Figure 1 shows a trend in prices in the past 12 months ending in February 2023, and, for comparison, over the past 12 months ending in February 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.

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

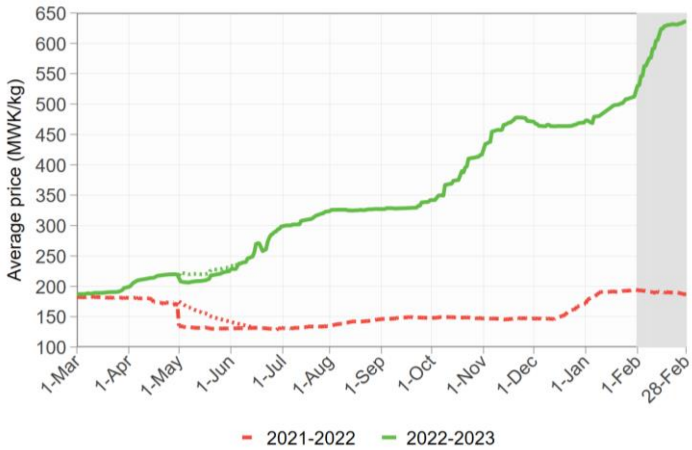
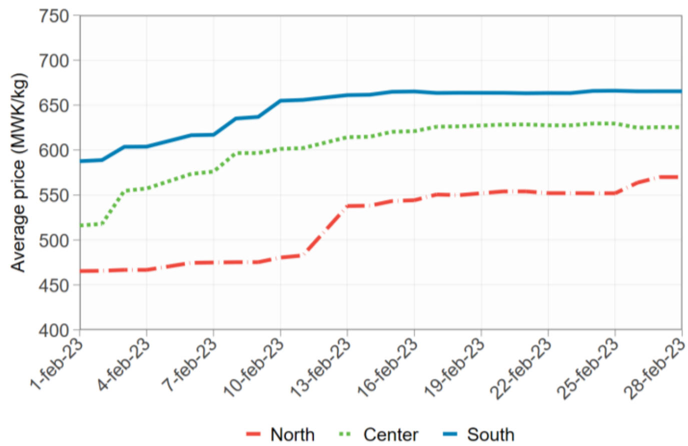


Figure 2. Average daily maize retail prices by region



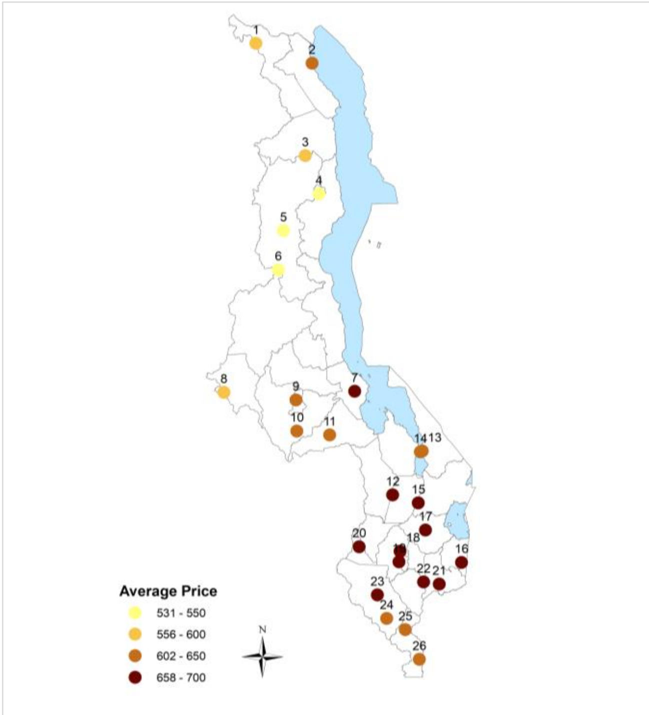
Prices remain highest in the South

The average retail price of maize remains highest in the southern region. In the month of February, the average retail price of maize was MWK 646/kg in the South, 7 percent, and 24 percent higher than in the Center (MWK 602/kg) and the North (MWK 519/kg) respectively (Figure 2 and 3). Most maize traders reported scarcity of maize within their locality as the main reason for increasing prices.

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

	Week ending on					
	28-Jan-23	7-Feb-23	14-Feb-23	21-Feb-23	28-Feb-23	Change
Chitipa[1]	507	498	546	568	556	10%
Karonga[2]	495	503	531	588	602	22%
Rumphi[3]	408	448	450	537	586	44%
Mzuzu[4]	449	450	492	536	540	20%
Mzimba[5]	450	456	464	518	531	18%
Jenda[6]	440	461	518	552	538	22%
Salima[7]	534	563	668	672	658	23%
Mchinji[8]	472	522	559	580	575	22%
Nsungwi[9]	486	569	612	637	640	32%
Mitundu[10]	485	544	587	600	619	28%
Chimbiya[11]	477	561	598	638	643	35%
Balaka[12]	506	602	690	639	659	30%
M'baluku[13]	545	618	639	640	640	18%
Mangochi[14]	488	593	603	607	607	24%
Liwonde[15]	540	648	678	659	659	22%
Chiringa[16]	555	594	644	682	700	26%
Mpondabwino[17]	577	627	698	700	700	21%
Lunzu[18]	534	567	663	657	661	24%
Mbayani[19]	553	615	668	696	700	27%
Mwanza[20]	494	568	658	699	695	41%
Mulanje[21]	550	603	639	700	700	27%
Luchenza[22]	533	605	663	668	670	26%
Chikwawa[23]	520	606	600	696	682	31%
Ngabu[24]	540	600	608	613	630	16%
Bangula[25]	531	612	669	670	635	20%
Nsanje[26]	570	601	660	634	638	12%
All markets	**509**	**563**	**608**	**630**	**633**	**24%**

Figure 3. Location of markets

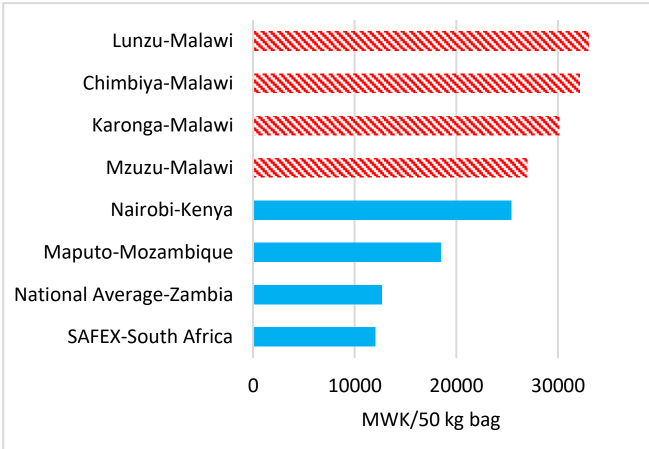


Note: The number on the map corresponds to a market in Table 1

Regional prices

At regional level, the retail prices of maize in selected markets in Malawi, were higher than in Kenya, Mozambique, 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.

Figure 4. Regional comparison (January 2023)



Note: Price for Maputo-Mozambique is as of January 2023

ADMARC Activities

ADMARC sales were reported for at least one day in 9 out of the 26 markets monitored by IFPRI (Chitipa, Chimbiya, Jenda, Karonga, Mchinji, Mpondabwino, Mzimba, Ngabu and Rumphi).

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).

Government of Flanders

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