

Highlights

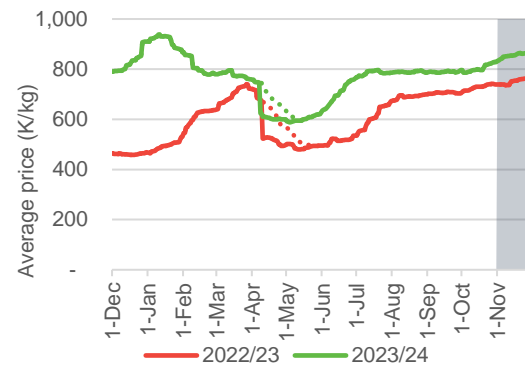
- ▶ Retail prices of maize increased by 5 percent in November.
- ▶ Maize prices were lowest in the Northern region, where informal imports from Tanzania enter the country, and highest in the Southern region, where informal exports to Mozambique take place.
- ▶ Retail prices of maize in Malawi were lower than in most neighboring countries at the market exchange rate.

Maize prices increased by 5 percent in November

Figure 1 shows a trend in prices over the 12 months ending in November 2024, and, for comparison, over the 12 months ending in November 2023. At the beginning of the harvest season, we start reporting prices of newly harvested maize, which has a higher moisture content compared to 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, reflecting the true price trend.

November experienced a steady rise in daily average maize prices (Figure 1). By the final week of the month, the weekly average retail price had reached K864/kg, marking a 5% increase from the October closing price of K826/kg (Table 1). This rise is primarily driven by the reliance on Tanzanian maize in the market and the depreciation of the Malawi Kwacha, which weakened from K2,800/\$ in October to K3,000/\$ by the end of November, pushing retail prices higher across the country. The situation is still further worsened by increased transport costs due to ongoing fuel shortages. Nonetheless, during this time of year, prices are expected to continue rising, as the lean season sets in.

Figure 1: Trends in maize retail prices



Prices highest in the South

Following the national pattern, all three regions experienced notable rises in prices between 4% and 6% during November, maintaining their relative price differences. In week ending on 28 November, retail prices averaged K708/kg in the Northern region, K835/kg in the Central region, and K939/kg in the Southern region (Table 1). This reflects a broader pattern of maize trade from Tanzania, which produced a surplus of the commodity this year, towards southern Africa, where dry spells driven by the El Niño climatic phenomenon led to production shortages. Tanzanian maize enters Malawi mostly informally at the market exchange rate, and gains value as it moves South. Some is retailed along the way, and the remainder leaves Malawi through informal trade with Mozambique.

An increase in the price of imported maize from around K600/kg at the end of October to K650/kg at the end of November, likely due to a weakening value of the Malawi Kwacha in informal markets as well as to dwindling surplus stock in Tanzania, contributed to some of the growth in maize prices in Malawi. Increased transport costs due to fuel shortages in Malawi further contributed to high prices in the Central and Southern regions, as did strong demand in Mozambique, where maize still entered from Malawi for up to K1,100/kg (same as in October).

Market reports from other parts Southern Africa align with the pattern of Tanzanian maize being traded south- and east-ward. At the market exchange rate used for most informal trade, maize prices in Zambia were comparable to those in Southern Malawi while prices in Mozambique and Zimbabwe far surpassed Malawian prices at the end of November (Figure 3).

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

Market	Week ending on					Change
	31-Oct	7-Nov	14-Nov	21-Nov	28-Nov	
1 Chitipa	616	637	647	660	685	11%
2 Karonga	634	652	658	682	683	8%
3 Rumpfi	601	609	631	638	650	8%
4 Mzuzu (boma)	669	688	692	700	701	5%
5 Mzimba (boma)	741	731	746	714	690	-7%
6 Mzimba (Jenda)	688	710	729	743	758	10%
North	666	682	695	702	708	6%
7 Salima	810	817	828	851	871	8%
8 Mchinji	832	850	857	855	871	5%
9 Lilongwe city (Nsungwi)	800	800	800	800	800	0%
10 Lilongwe (Mitundu)	813	812	845	858	869	7%
11 Dedza (Chimbiya)	795	817	840	843	855	8%
Center	806	812	822	827	835	4%
12 Balaka	835	865	863	863	848	1%
13 Mangochi (M'baluku)	859	897	925	925	924	8%
14 Mangochi (boma)	872	875	903	913	912	5%
15 Liwonde	898	902	933	971	975	9%
16 Phalombe (Chiringa)	850	896	917	917	900	6%
17 Zomba (Mpondawino)	950	963	972	981	992	4%
18 Blantyre (Lunzu)	869	888	920	947	959	10%
19 Blantyre city (Mbayani)	903	939	928	921	932	3%
20 Mwanza	935	903	927	931	929	-1%
21 Mulanje	896	926	941	943	945	5%
22 Thyolo (Luchenza)	927	968	963	963	969	4%
23 Chikwawa (boma)	952	946	948	974	1000	5%
24 Chikwawa (Ngabu)	881	908	950	975	980	11%
25 Nsanje (Bangula)	894	891	920	928	883	-1%
26 Nsanje (boma)	933	960	970	963	963	3%
South	894	917	930	937	939	5%
Malawi	826	841	853	860	864	5%

Figure 2: Location of monitored markets

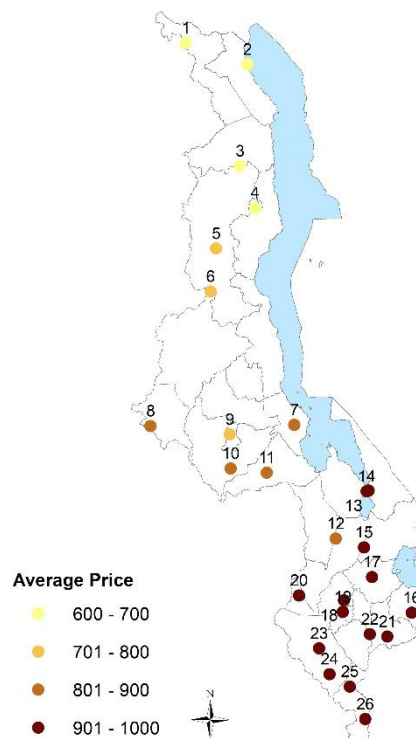
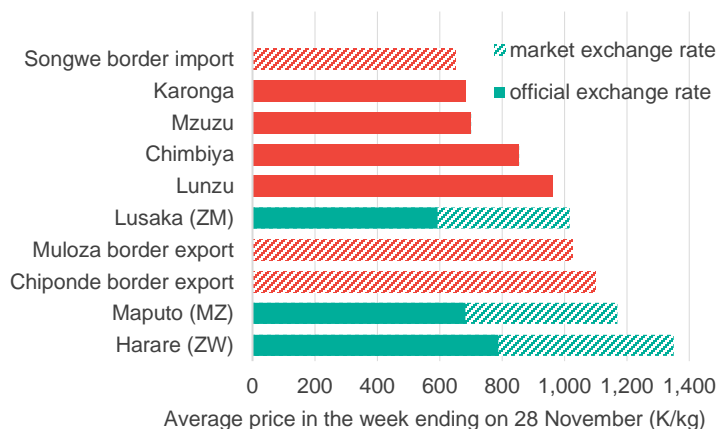


Figure 3: Regional comparison



How data were collected

IFPRI Malawi has been monitoring retail maize prices in selected markets since November 2016. All prices are reported in Malawi Kwacha (K). Price data are collected telephonically six times per week (excluding Sundays) from 26 markets across the country. Additionally, local import and export prices are collected on a weekly basis from 15 border crossing points. Three monitors (typically small grain traders) report from each location. Regional prices reported in Figure 3 are sourced from weekly reports by Commodity Insights Africa.