IFPRI | MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Malawi Monthly Maize Market Report **April 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, or other agricultural stakeholders.

Highlights

- Retail prices of maize increased by 13 percent since last month.
- No ADMARC purchases were reported in any of the markets monitored by IFPRI.
- ADMARC sales were reported in 8 out of the 26 markets monitored by IFPRI.
- Retail prices in Malawi were lower than elsewhere in eastern Africa.

Prices increased by 13 percent since March 2022

Contrary to the usual pattern of falling prices in anticipation of the harvest, maize prices have shot up in April this year (Figure 1). By the end of April 2022, maize retail prices averaged at MWK209/kg, 22 percent higher than same month last year (April 2021). This maize price spike is likely related to Russia's invasion of Ukraine, as explained in our policy note on that topic.

Within the month, maize retail prices were highest in Liwonde, selling at MWK260/kg and lowest in Rumphi, selling at MWK175/kg. Despite price increases across markets ranging from 4 percent in Lunzu to as high as 33 percent in Chitipa (Figure 1), 3 markets (Chikwawa, Chiringa and M'baluku) registered a marginal price decline of 1 percent each.

Prices remain highest in the South

Maize continues to sell at highest retail prices in the South. However, maize retail prices in the Center sharply increased in the first week of April 2022 towards an average of South retail prices (Figure 2).

As at the end of April, prices in the South averaged MWK 219/kg (11 percent higher than last month), in the Center averaged MWK 212/kg (18 percent higher than last month), while in the North prices averaged at MWK 186/kg (18 percent higher than last month).

Figure 1. Daily average maize retail prices since May 2020 and 2021

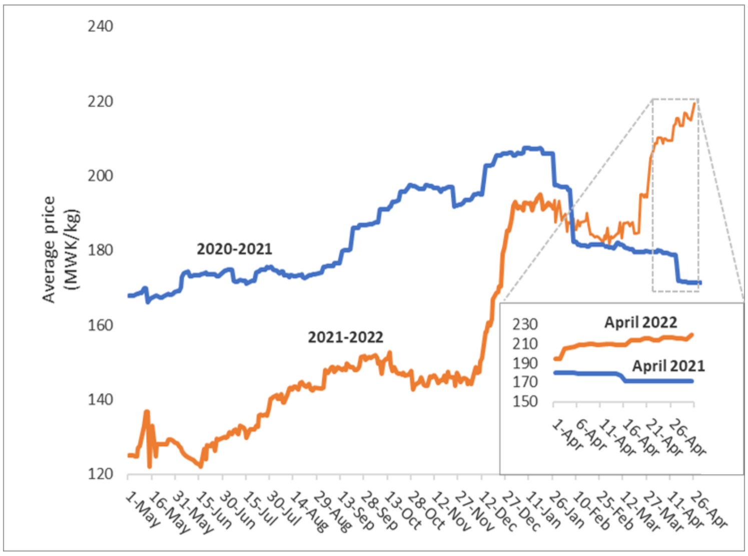


Figure 2. Daily average maize retail prices by region during April 2022

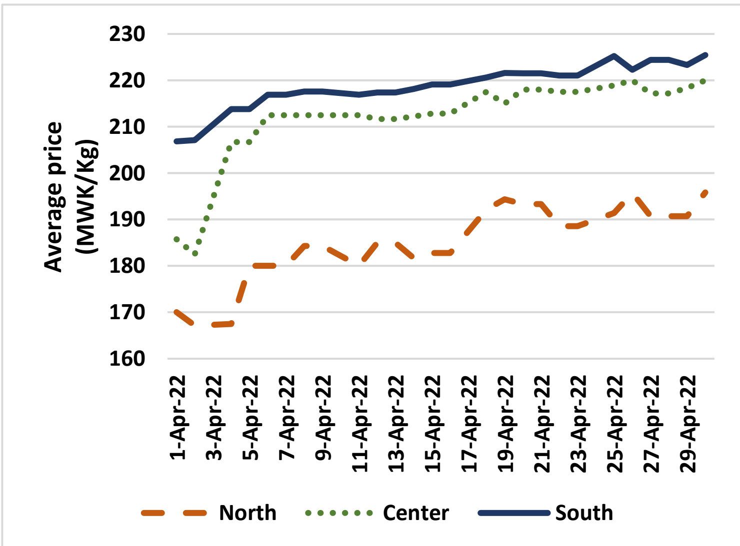


Table 1. Maize retail prices (MWK/kg) by market

	March Average	2-Apr-22	9-Apr-22	16-Apr-22	23-Apr-22	30-Apr-22	April Average	Change
Chitipa	**150**	160	180	180	230	225	**200**	33%
Jenda	**140**	160	175	175	178	180	**174**	24%
Karonga	**172**	180	200	200	200	205	**199**	16%
Mzimba	**151**	160	180	180	220	220	**186**	23%
Mzuzu	**160**	170	175	175	190	190	**180**	13%
Rumphi	**150**	170	180	180	178	175	**177**	18%
Chimbiya	**171**	170	210	220	220	230	**210**	23%
Mchinji	**185**	165	230	210	215	215	**204**	10%
Mitundu	**182**	195	200	200	220	220	**205**	13%
Nsungwi	**186**	200	205	210	220	220	**211**	14%
Salima	**180**	185	220	220	215	220	**212**	18%
Balaka	**193**	240	240	235	240	240	**239**	23%
Bangula	**214**	214	214	220	250	250	**225**	5%
Chikwawa	**218**	220	220	220	215	210	**217**	-1%
Chiringa	**190**	200	180	200	180	180	**188**	-1%
Liwonde	**200**	200	220	220	240	250	**226**	13%
Luchenza	**194**	200	200	210	220	220	**210**	8%
Lunzu	**212**	210	225	220	220	220	**220**	4%
Mangochi	**183**	220	220	220	220	220	**220**	20%
M'baluku	**214**	220	230	230	180	200	**212**	-1%
Mbayani	**208**	200	220	220	225	225	**220**	6%
Mpondabwino	**187**	210	220	220	220	240	**220**	18%
Mulanje	**200**	200	220	220	220	220	**215**	8%
Mwanza	**180**	170	240	240	240	240	**226**	26%
Ngabu	**207**	215	220	220	220	220	**219**	6%
Nsanje	**204**	220	220	220	220	220	**220**	8%
All markets	**185**	**194**	**210**	**209**	**214**	**219**	**209**	13%

'New' maize – recently harvested

Recently harvested maize has high moisture content, which makes it unsuitable for milling into flour and for storage, and therefore less valuable than drier old maize. 'New' maize, harvested in the (current) 2021/22 season averaged at MWK182/kg in April, 13 percent cheaper than 'old' maize. This is 33 percent higher than 'new' maize in April 2021 and 21 percent lower than minimum farmgate price (MWK220/kg) set by government mid-April this year. However, there is no 'new' maize yet on the market in the North.

Regional prices

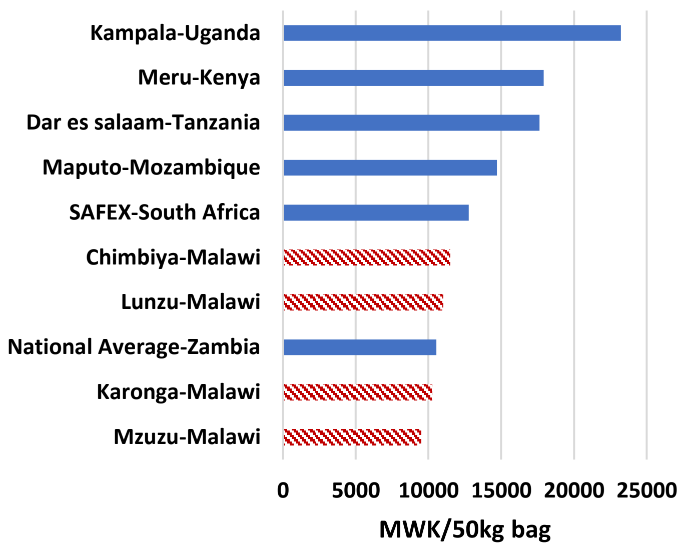
As of the end of April, retail prices of maize in the Malawian markets were lower than in selected regional markets in eastern Africa and on SAFEX. Prices in Chimbiya and Lunzu were higher than Zambia's national average of March 2022 (Figure 3).

ADMARC Activities

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

ADMARC sales were reported in 8 out of the 26 markets monitored by IFPRI (2 from the North; 2 from the Center and 4 from the South).

Figure 3. Retail maize prices in selected markets in eastern and southern Africa (as of April 2022)



Price for Zambia and Tanzania is as of March 2022

How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since April 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 Zambia Statistics Agency.

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