

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

- The average retail maize price increased by 22 percent during July 2019.
- By the end of the month, retail prices in all markets were higher than the minimum farmgate price of MWK150/kg.
- The average nominal prices in July 2019 were higher than average nominal prices in 2018 and 2017.
- Maize prices in Lunzu, near Blantyre, were higher than many other markets in eastern and southern Africa markets during July.

### Prices increase by 22 percent in July

The average price increased by 22 percent in July in contrast to last month's price decline of 2 percent. The average retail maize price was MWK192/kg, about 16 percent higher than that in June. Prices rose in twenty-four markets, fell in one, and remained constant in one market during July 2019 (Table 1). Mulanje (50 percent), Mchinji (42 percent) and Chiringa in Phalombe (41 percent) markets recorded the highest price increases. Traders in these markets have attributed the sharp price increases to maize scarcity and increased demand by both consumers as well traders and processors in the southern region of the country. Prices declined by 7 percent in Karonga market and remained constant in Mzuzu market during the month.

By the end of July, retail prices in all markets were higher than or equal to the minimum farmgate price of MWK150/kg announced by MoAIWD in mid-April 2019.

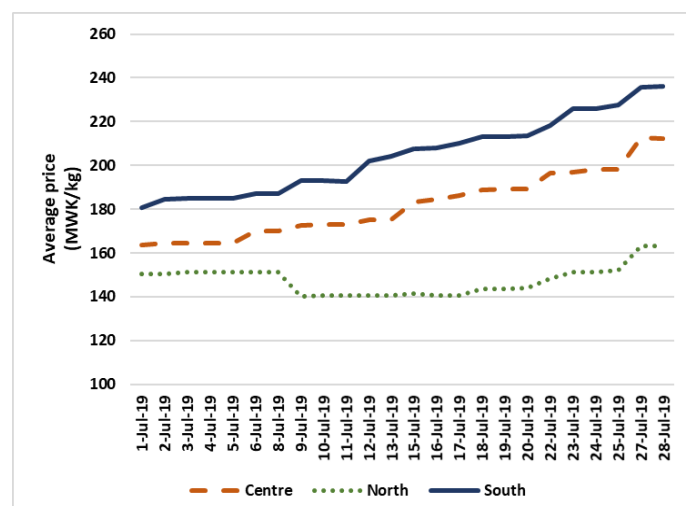
### Prices remain highest in the South

Retail maize prices were highest in the South and lowest in the North (Figure 1), as has been the case since 2018. However, there was a sharp upward co-movement of prices in the central and southern regions from mid-July, while prices in the north remained relatively stable in mid-July and increased towards the final week of the month. The average price in the South was MWK24/kg higher than in the Centre whereas prices in the Centre were MWK49/kg higher than in the North at the end of July.

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

Market	6-Jul-19	13-Jul-19	20-Jul-19	27-Jul-19	Change
Chitipa	140	133	133	157	↑ 12%
Karonga	170	140	144	159	↓ -7%
Rumphi	143	147	142	158	↑ 10%
Mzuzu	150	147	150	150	→ 0%
Jenda	150	133	153	197	↑ 31%
Mzimba	147	143	143	160	↑ 9%
Salima	160	160	197	207	↑ 29%
Mchinji	153	180	200	216	↑ 42%
Nsungwi	200	187	187	220	↑ 10%
Mitundu	170	170	180	220	↑ 29%
Chimbiya	173	178	180	200	↑ 15%
Balaka	180	190	193	227	↑ 26%
M'baluku	200	207	220	240	↑ 20%
Mangochi	200	207	207	240	↑ 20%
Liwonde	200	200	200	240	↑ 20%
Chiringa	170	200	200	240	↑ 41%
Mpondabwino	176	192	243	243	↑ 38%
Lunzu	180	198	240	247	↑ 37%
Mbayani	200	220	220	250	↑ 25%
Mwanza	160	200	200	203	↑ 27%
Mulanje	160	200	200	240	↑ 50%
Luchenza	193	200	200	200	↑ 3%
Chikwawa	200	200	200	250	↑ 25%
Ngabu	200	220	217	250	↑ 25%
Bangula	189	220	220	227	↑ 20%
Nsanje	200	207	237	240	↑ 20%
<b>All markets</b>	<b>176</b>	<b>184</b>	<b>193</b>	<b>215</b>	<b>↑ 22%</b>

**Figure 1. Daily average maize retail prices during July 2019**



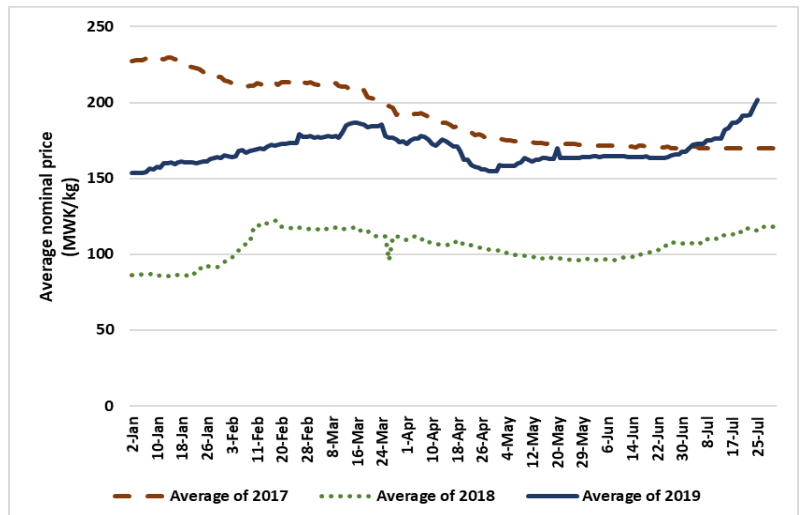
## ADMARC activities

Despite the on-going main harvest marketing season, no ADMARC purchases were reported in any of the 26 markets monitored by IFPRI during the month of July. The prevailing prices were significantly higher than the minimum farmgate price of MWK150/kg that will possibly be ADMARC's purchase price.

### Price trend: 2017, 2018 and July 2019

Figure 2 compares the average nominal maize prices from January to July in 2017, 2018 and 2019. In 2019 nominal prices have been significantly higher during the first six months of the year than in 2018 but lower than those in 2017 except during July. The 2016-17 agricultural year was considered a bad year with low harvests and therefore higher prices. However, since early July this year, average maize prices have been higher than in the same month in 2017 and continues to rise.

Figure 2. Price trend January – July in 2017, 2018 and 2019

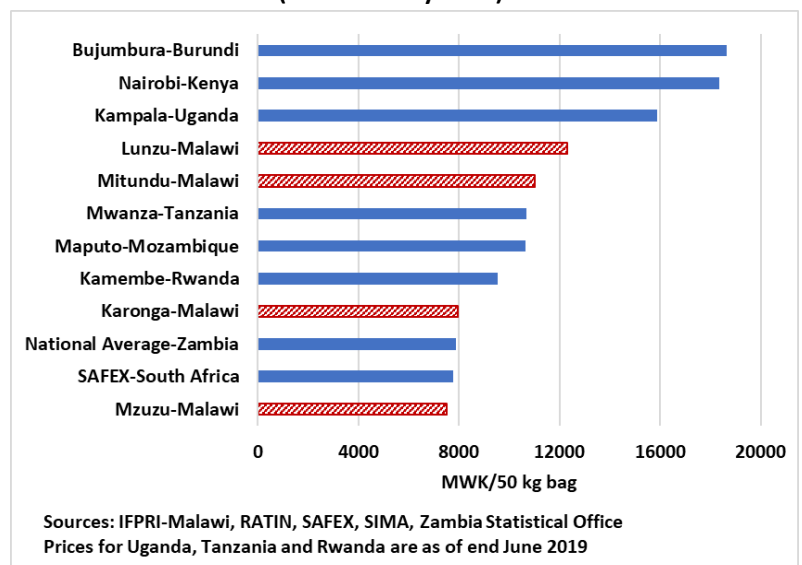


### Regional prices in July 2019

Figure 3 shows retail maize prices per 50kg bag in selected markets in Malawi and in eight other regional countries at the end of July. The highest price was reported in Bujumbura, Burundi followed by Nairobi, Kenya, and by Kampala, Uganda. Mzuzu, Malawi recorded the lowest retail price during the month of July.

By the end of the month, prices in Lunzu, Malawi were higher than in most markets in southern Africa. Maize prices in Mitundu, Malawi were also higher than those in Mwanza, Tanzania, Maputo, Mozambique, Kamembe, Rwanda, the national average price in Zambia and on SAFEX, the main grain futures market in South Africa.

Figure 3. Retail maize prices in selected markets in eastern and southern Africa (as of end July 2019)



### 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 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 Central Statistical Office of Zambia.



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