

## Highlights

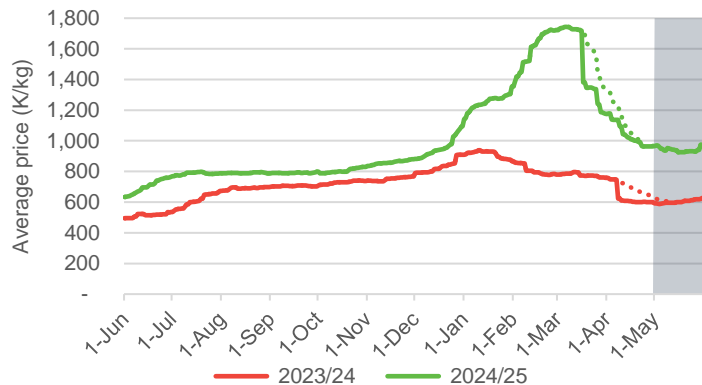
- ▶ Retail prices of maize bottomed out in May.
- ▶ Prices rose in southern Malawi despite continued imports.
- ▶ Maize retailed below the government-mandated price in 25 out of 26 monitored markets.

## Maize prices bottomed out in May

Figure 1 shows a trend in prices over the 12 months ending in May 2025, and, for comparison, over the 12 months ending in May 2024. At the beginning of the harvest season, we start reporting prices of newly harvested maize, which has a higher moisture content than maize from the previous harvest. High moisture content makes maize unsuitable for storage or milling. During drying, it loses up to 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.

With harvest reaching its peak, the declines of retail prices of maize slowed down in May (Figure 1). It is likely that maize prices reached their seasonal minimum in the third week of the month at K928/kg on average (Table 1), and that they will start rising in the coming months. This is 57 percent higher than last year, when maize prices bottomed out at K592/kg, but still far below the government-prescribed minimum farmgate price of K1,050/kg. Many farmers must have sold their maize at even lower prices than it retails for.

**Figure 1: Trends in maize retail prices**



## Regional price trends

The national maize price trend hides significant regional differences. Most markets in the southern half of Malawi registered a net price increase in May, having typically bottomed out in the second week of the month. The notable exceptions to this trend were Zomba, Blantyre, Thyolo and Chikwawa, where maize prices were higher at the end of April than at the end of May. In contrast, maize prices continued to decline in almost all markets in the northern half of the country, from Chitipa to Lilongwe. The only exception to this trend was Jenda, which registered a net increase in prices during May, but which still reported the lowest prices in all of Malawi thanks to cheap imports from Zambia (Table 1 and Table 2). Maize prices thus remained highest in the Southern Region, averaging K992/kg in the last week of May, followed by the Central (K901/kg) and Northern (K825/kg) regions (Table 1 and Figure 2). By the end of the month, maize was retailing below the government-mandated minimum farmgate price of K1,050/kg in all monitored markets except Chiringa in Phalombe.

## Imports remain strong

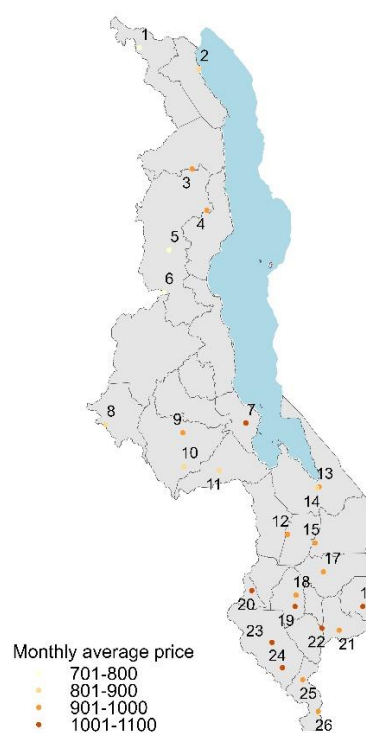
In contrast to the previous month when maize was consistently flowing into Malawi from all directions, May saw the emergence of maize export activity in a few southern districts (Chikwawa, Mulanje, Phalombe Machinga and Mangochi) as well as in Chitipa in the north. However, these exports were sporadic, and imports clearly continue dominating cross-border trade in maize. By the end of the month, the commodity was entering Malawi through all monitored border locations except Mbirima in Chitipa (Table 2 and Figure 3).

Export margins (the difference between the export parity and the domestic retail price) remained considerably smaller than import margins, which reflect the price gap between domestic markets and import parity prices. Much of the imported maize was transported further inland, to Blantyre, Lilongwe and Mzuzu ( Figure 3).

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

Market	Week ending on					Monthly change
	30-Apr	7-May	14-May	21-May	28-May	
1 Chitipa	783	800	831	776	767	- 2%
2 Karonga	975	925	898	794	779	-20%
3 Rumph	1,071	1,017	943	926	943	-12%
4 Mzuzu (boma)	970	925	910	916	925	- 5%
5 Mzimba (boma)	950	875	718	746	759	-20%
6 Mzimba (Jenda)	714	736	710	707	757	6%
North	886	861	819	805	825	-7%
7 Salima	1,167	1,133	1,042	1,027	1,020	-13%
8 Mchinji	934	905	857	904	888	- 5%
9 Lilongwe city (Nsungwi)	969	1,040	1,061	902	885	- 9%
10 Lilongwe (Mitundu)	869	846	836	867	883	2%
11 Dedza (Chimbiya)	807	796	806	840	850	5%
Center	961	981	972	908	901	-6%
12 Balaka	933	933	833	1,005	1,033	11%
13 Mangochi (M'baluku)	847	864	937	941	940	11%
14 Mangochi (boma)	880	835	864	895	905	3%
15 Liwonde	948	919	950	968	980	3%
16 Phalombe (Chiringa)	933	979	1,029	1,012	1,050	13%
17 Zomba (Mpondabwino)	1,033	956	926	943	967	- 6%
18 Blantyre (Lunzu)	917	919	959	950	954	4%
19 Blantyre city (Mbayani)	1,067	1,043	1,020	989	983	- 8%
20 Mwanza	1,033	1,024	995	1,076	1,033	0%
21 Mulanje	978	965	998	1,000	1,000	2%
22 Thyolo (Luchenza)	1,133	1,055	1,024	1,029	1,033	- 9%
23 Chikwawa (boma)	1,220	1,184	1,112	1,041	1,040	-15%
24 Chikwawa (Ngabu)	1,000	983	990	1,028	1,033	3%
25 Nsanje (Bangula)	967	967	967	995	1,000	3%
26 Nsanje (boma)	865	938	968	987	995	15%
South	992	971	966	985	992	0%
<b>Malawi</b>	<b>964</b>	<b>957</b>	<b>944</b>	<b>928</b>	<b>933</b>	<b>-3%</b>

**Figure 2: Location of monitored markets**

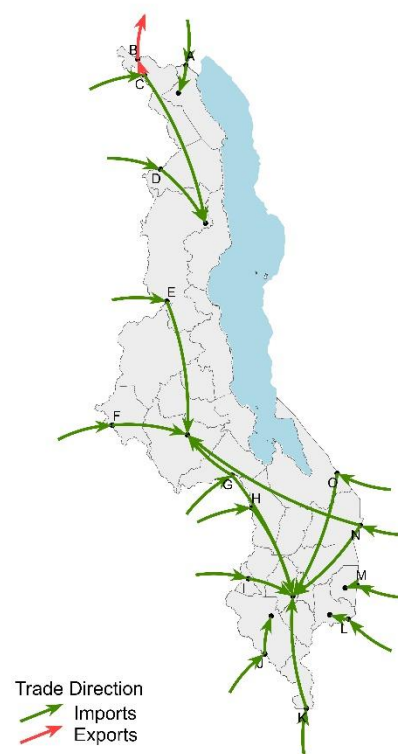


**Table 2: Cross-border trade and import/export parity prices**

District (border post) neighbor		Week ending on			
		7-May	14-May	21-May	28-May
A. Karonga (Songwe)	TZ	< 725	< 700	<< 983	< 1,025
B. Chitipa (Mbirima)	TZ	< 700	< 600	<< 613	> 775
C. Chitipa (Sopolera)	ZM	< 800	> 725	<< 617	< 533
D. Rumph (Hewe)	ZM	< 600	< 660	<< 600	< 700
E. Mzimba (Mqocha/Jenda)	ZM	< 567	< 625	< 567	< 650
F. Mchinji	ZM	< 575	< 603	< 650	<< 535
G. Dedza	MZ	<< 677	< 650	<< 725	<< 820
H. Ntcheu (Tsangano)	MZ	<< 650	< 683	<< 767	<< 750
I. Mwanza	MZ	< 725	< 900	<< 750	<< 900
J. Chikwawa (Mkumaniza)	MZ	< 867	> 950	< 725	< 900
K. Nsanje (Marka)	MZ	< 833	< 783	< 800	<< 850
L. Mulanje (Muloza)	MZ	> 1,000	< 793	< 787	< 900
M. Phalombe (Kolowiko)	MZ	> 1,033	< 850	< 800	< 900
N. Machinga (Nayuchi)	MZ	<< 665	> 1,075	> 950	<< 800
O. Mangochi (Chiponde)	MZ	< 725	< 800	> 1,000	<< 867

Notes: < net imports passing through to other districts, << net imports into border district only, <> similar volume of trade in both directions, > net exports sourced from border district only, >> net exports sourced from other districts, - no cross-border trade. Import and export parity prices, i.e., the prices at which imported maize can be bought and those at which maize for export can be sold on the Malawi side of the border, are reported in K/kg.

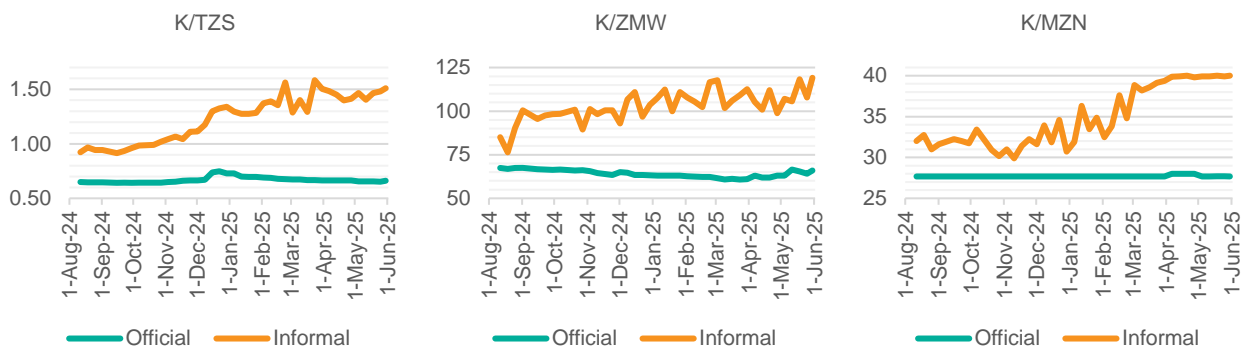
**Figure 3: Cross-border trade flows**



Notes: Arrows illustrate net imports and net exports in the week ending on 28 May 2025.

Overall, net maize imports were reported across most border locations in May, reinforcing signs of poor domestic harvest prospects and sustained pressure on the value of the Malawi kwacha, which remains weak in informal exchange markets often used for cross-border trade (Figure 4).

**Figure 4: Exchange rates**



Notes: Official rates are the selling rates published by the Reserve Bank of Malawi. Informal rates are reported by cross-border traders.

### How data were collected

IFPRI Malawi has been monitoring maize retail prices in selected markets since November 2016. Price data are collected telephonically six times per week (excluding Sundays) from 26 markets across the country. Additionally, local import and export prices as well as the direction and terms of trade are collected on a weekly basis from 15 border crossing points. Three monitors (typically small grain traders) report from each location. All prices are reported in Malawi kwacha (K).