

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, sellers, consumers, or other agricultural stakeholders.

Highlights

- The average maize retail price increased by six percent during January 2019.
- Maize retail prices in the southern and central regions were higher than the minimum farmgate price.
- The average price in January 2019 is 71 MWK higher than the average price in January 2018 and 57 MWK lower than the average price in 2017.
- Maize prices in Malawi remained lower than prices in most eastern Africa markets.
- ADMARC is selling maize in 13 of 16 markets monitored.

Prices increased in January 2019

The average maize price during the month of January was MWK160/kg. The national average retail price increased by 6 percent during the month, with prices rising in fourteen markets, falling in one market, and remaining constant in one market (Table 1). Chitipa, Mzuzu, and Chikwawa markets had the highest price increases. With a decline of 8 percent Mwanza was the only market experiencing a price decline.

Except for four markets in the northern region (Chitipa, Karonga, Rumphu, and Mzimba), retail prices in all other markets were higher than the minimum farmgate price of MWK150/kg announced by the Ministry of Agriculture, Irrigation, and Water Development (MoAIWD) in mid-April 2018.

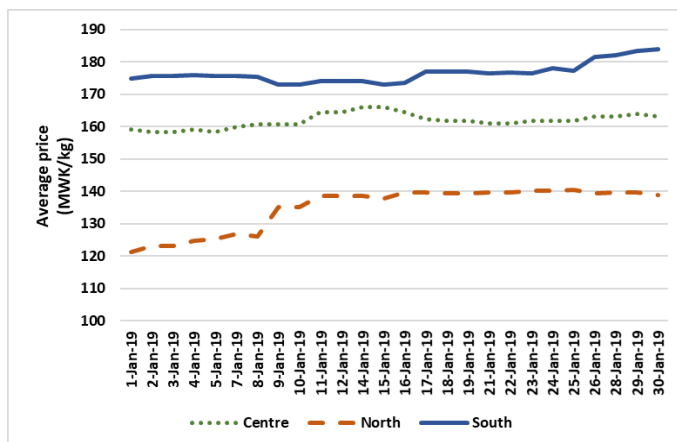
Prices remain highest in the South

Maize prices were highest in the South and lowest in the North, as has been the case since last year. Prices in the South were about MWK15 higher than in the central region by the end of the month while central region prices were about MWK27 higher than in the North. Prices in the North rose sharply towards mid-January as compared to prices in the South and Central region.

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

Market	5-Jan-19	12-Jan-18	19-Jan-19	26-Jan-19	Change
Chitipa	105	122	122	129	↑ 22%
Karonga	130	143	141	139	↑ 7%
Rumphu	140	142	143	143	↑ 2%
Mzuzu	130	148	150	150	↑ 15%
Mzimba	120	137	140	137	↑ 14%
Salima	173	170	170	180	↑ 4%
Mchinji	153	155	158	158	↑ 3%
Mitundu	160	167	167	163	↑ 2%
Chimbiya	150	170	155	153	↑ 2%
Lunzu	170	170	170	177	↑ 4%
Mwanza	200	200	183	183	↓ -8%
Liwonde	170	170	170	170	↔ 0%
Luchenza	170	170	170	187	↑ 10%
Mulanje	173	173	177	180	↑ 4%
Chikwawa	170	170	190	195	↑ 15%
Nsanje	173	163	183	183	↑ 6%
All markets	155	161	162	164	↑ 6%

Figure 1. Daily average maize retail prices during January



ADMARC and NFRA activities

ADMARC continues to sell maize at MWK150/kg. Out of 16 markets monitored, all markets except Rumphi, Salima and Liwonde reported ADMARC sales in January 2019. Traders sometimes did not buy from ADMARC if the difference between ADMARC and prevailing market prices was negligible as noticed in some of the markets. There were no ADMARC purchases reported in any of the 16 markets monitored.

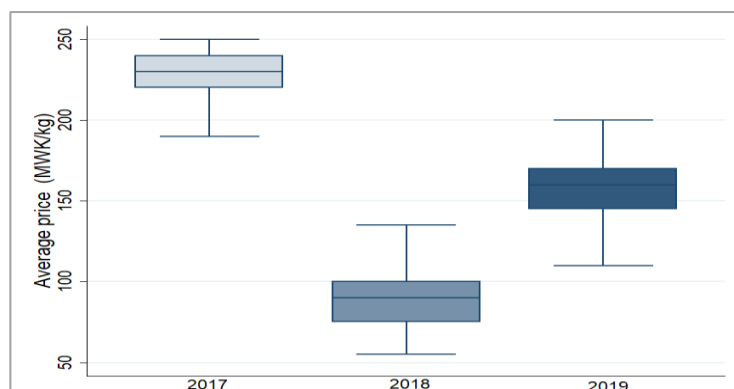
The National Food Reserve Agency (NFRA) is releasing 138,488 MT of maize for this year's Food Insecurity Response Plan. Distributions began in late December in 12 districts and are expected to extend to at least 22 districts by February. The NFRA also invited bids for the supply of 17,000 MT of maize through a competitive open tender on December 31, 2018.

Price variation in Jan 2017, 2018, and 2019

Figure 2 shows the distribution of average monthly maize prices during January 2017, 2018, and 2019. The highest and lowest points on each plot indicate the minimum and maximum average maize prices of January during that respective year. Price variation in January 2017 was slightly lower than price variation in 2018 and 2019.

The average price in January 2019 is 71 MWK higher than the average price in January 2018 and 57 MWK lower than the average price in 2017.

Figure 2. Price variation in January 2017, 2018, and 2019

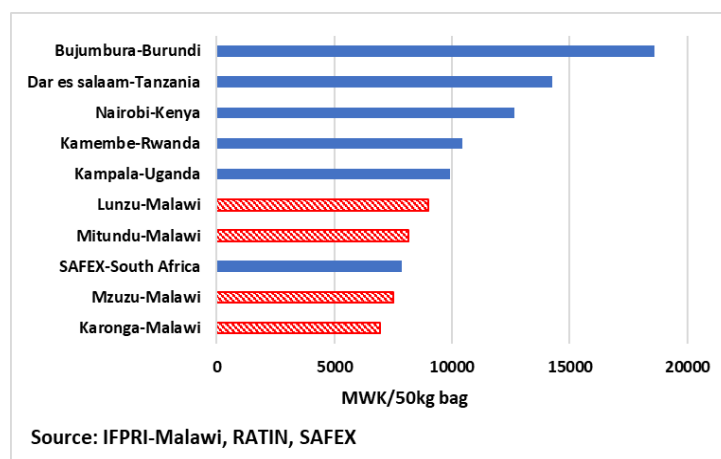


Regional prices in January 2019

Figure 3 shows retail maize prices per 50kg bag in selected markets in Malawi and in six other countries in the region. The highest retail price was reported in Bujumbura, Burundi, followed by Dar es Salaam, Tanzania and Nairobi, Kenya. Kenya experienced a supply glut that depressed prices for the last six months.

While maize prices in Malawi at the end of January were significantly lower than prices in most eastern and southern Africa markets, retail prices in Malawi's Lunzu and Mitundu markets were slightly higher than on SAFEX (the main grain futures markets in South Africa).

Figure 3. Retail maize prices in selected markets in eastern and southern Africa (as of January 31, 2019)



How data was collected

IFPRI has been monitoring retail maize prices and ADMARC activities in selected markets since January 2016. Currently, the data is collected from 16 markets across the country, with monitoring occurring six days per week, excluding Sundays. At least three monitors report data from each of the 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 collected from the Regional Agricultural Trade Intelligence Network (RATIN), IFPRI Malawi and the Johannesburg Stock Exchange (JSE).



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