MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Monthly Maize Market Report **September 2017**

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 remained unchanged at MK131/kg during September.
- Prices continue to be highest in the Northern region.
- In markets where ADMARC was not buying, average prices were higher than in markets where it was buying.
- Retail prices in Malawi remain lower than in most other markets in Eastern and Southern Africa.

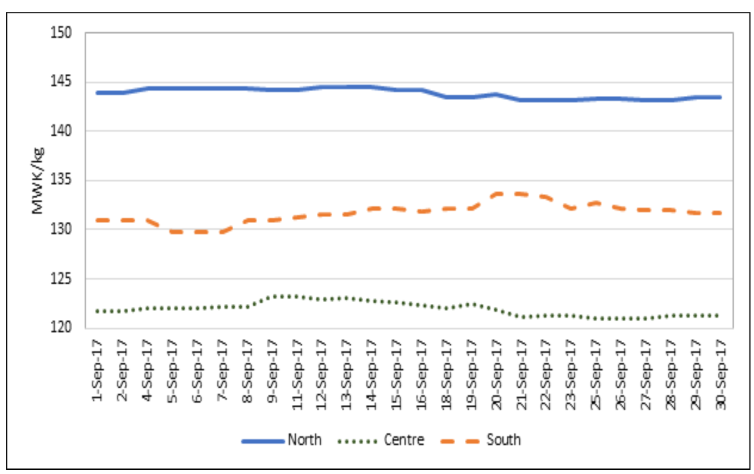
Prices remain steady in September 2017

Table 1 shows that retail maize prices generally remained steady throughout the month of September. Although prices remain lowest in the South, an overall price increase of 1% was registered in the region compared to no price changes in both the North and Centre. The largest price increases were reported in two markets located in the Southern region, namely Nsanje and Lunzu. Price changes in the markets located in the Northern and Central regions fully offset each other resulting in no overall price movement during the month. Prices were highest in Karonga, Rumphi and Lunzu, reaching at least MK150/kg.

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

Market	2-Sep-17	9-Sep-17	16-Sep-17	23-Sep-17	30-Sep-17	Monthly change
Karonga	153	155	155	155	155	1%
Rumphi	159	158	160	155	156	-2%
Mzimba	129	129	128	129	131	1%
Mzuzu	134	134	134	133	133	-1%
Nkhamenya	115	115	115	113	113	-1%
Mponela	113	115	115	115	115	1%
Mchinji	137	137	136	134	136	-1%
Mitundu	130	135	133	132	132	1%
Chimbiya	108	110	108	108	106	-2%
Liwonde	125	125	127	127	127	1%
Lunzu	150	150	150	153	153	2%
Mulanje	143	143	143	143	143	0%
Mwanza	128	128	128	127	125	-3%
Chikwawa	129	129	129	129	128	-1%
Nsanje	110	110	113	113	113	3%
All markets	**131**	**132**	**132**	**131**	**131**	**0%**

Figure 1. Daily average maize prices since 1st September 2017



Prices marginally increase in the South

While there was no overall change in prices in the North and Center, prices in the South increased by MK1 from MK131/kg to MK132/kg during the month (Figure 1). Closing regional average maize prices for the month of September were MK144/kg, MK121/kg, and MK132/kg for the North, Center, and South, respectively. The slight price increase in the South was on account of prices rises in Liwonde, Lunzu and Nsanje which were more than enough to offset price decreases registered in Mwanza and Chikwawa.

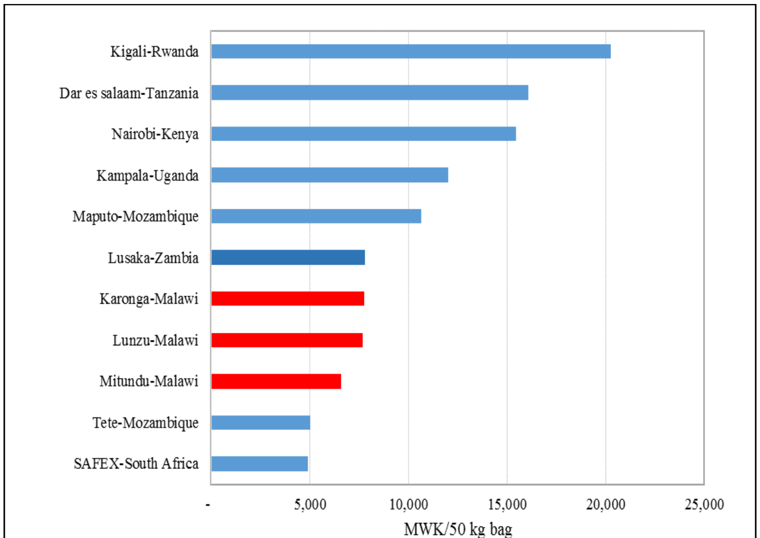
ADMARC buying maize at MK170/kg and selling at MK250/kg

ADMARC continues to buy maize at MK170/kg and sell at MK250/kg. Twelve out of 15 markets reported that ADMARC was buying maize in September 2017. ADMARC was reported not to be buying in three markets located in the South, namely Liwonde, Lunzu, and Chikwawa. The average retail price in markets where ADMARC was not buying (MK136/kg) is higher than the price of MK130/kg registered in markets where ADMARC was buying during the month of September. Towards the end of the month, the National Food Reserve Agency, started buying maize in Lilongwe, Mzimba and Nsanje at MK130/kg.

ADMARC was reported to be selling maize in all markets except Chikwawa.

Figure 2. Location of markets where ADMARC was buying maize in September 2017

Figure 3. Retail maize prices in selected markets in Eastern and Southern Africa, 30 September 2017



Sources: Regional Agricultural Trade Intelligence Network, IFPRI-Malawi and FEWSNET price watch
Note: Latest prices for Mozambique and Zambia are as at 31 August 2017

Regional prices in September 2017

Figure 3 shows retail maize prices in selected markets in Malawi and six countries in the Southern and Eastern African region. Retail maize prices in Malawi (Karonga, Lunzu, and Mitundu) remain lower than in markets elsewhere in the region with the exception of Tete in Mozambique where prices have dropped considerably. The highest prices were reported in Kigali-Rwanda, followed by Dar es salaam-Tanzania and Nairobi-Kenya. These markets represent opportunities for export by countries, such as Malawi and Zambia, where maize harvests were good during the 2016/17 agricultural season.

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 15 markets across the country. The monitoring covers six days in a week, excluding Sundays. At least three monitors report in 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) and the Famine Early Warning Systems Network (FEWS NET).

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