MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Monthly Maize Market Report **March 2018**

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 decreased by 4 percent during March 2018.
- The average nominal retail price of MWK115/kg is 44 percent lower than that reported in March 2017.
- Prices remained highest in the Southern region.
- Maize retail prices in Malawi remained lower than most markets in Eastern and Southern Africa.

Prices decreased in March 2018

Overall, the maize retail price decreased by 4 percent in March 2018 (Table 1). Of the 15 markets, only three in the North and one in the South reported price increases. Rumphi recorded the highest price increase of 20 percent while Mulanje recorded the highest decrease of 16 percent. Prices in central and southern markets (apart from Liwonde) generally decreased. Chikwawa prices were somewhat stable. The nominal average monthly retail maize price in March 2018 was MWK115/kg, about 44 percent lower than in March 2017.

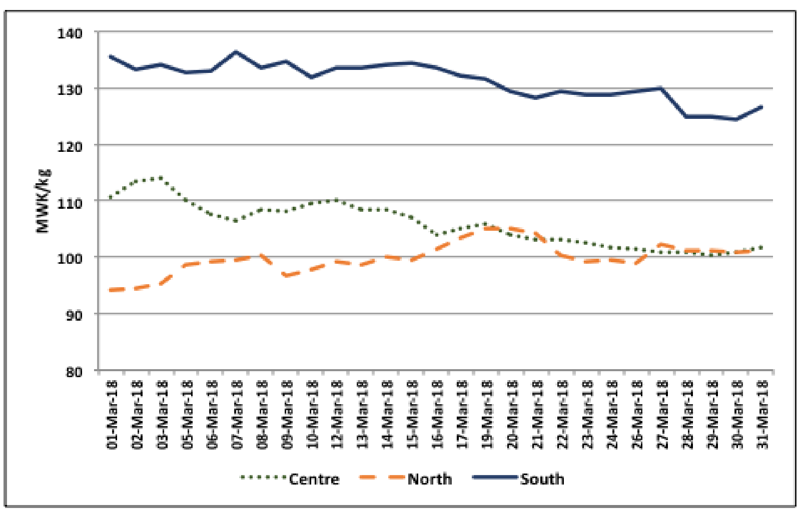
Prices remain highest in the South

Maize prices were highest in the South and lowest in the North (Figure 1) during March 2018. The combined monthly average price in the seven southern markets was higher (MWK131/kg) than in the central (MWK106/kg) and northern markets (MWK99/kg). Maize prices tended to be on a downward trend, especially in the second half of the month across the regions. This is expected as the main harvest season approaches. The price decline, however, was not as sharp as observed during March last year.

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

Market	3-Mar-18	10-Mar-18	17-Mar-18	24-Mar-18	31-Mar-18	Change
Karonga	107	113	112	110	105	-2%
Rumphi	93	97	112	102	112	20%
Mzuzu	95	97	102	98	102	7%
Mzimba	87	85	85	85	85	-2%
Salima	130	123	117	113	110	-15%
Mchinji	110	103	103	95	97	-12%
Mitundu	113	113	107	103	103	-9%
Chimbiya	100	102	93	95	97	-3%
Lunzu	143	140	137	120	127	-12%
Mwanza	130	123	123	123	127	-3%
Liwonde	110	113	123	120	120	9%
Luchenza	140	130	133	135	130	-7%
Chikwawa	120	130	130	120	120	0%
Mulanje	150	153	150	150	127	-16%
Nsanje	145	133	135	130	133	-8%
Overall average	**118**	**116**	**116**	**113**	**113**	**-4%**

Figure 1. Daily average maize retail prices during March 2018



ADMARC buying maize at MWK170/kg

ADMARC bought and sold maize in eight of the 15 selected markets in March (Figure 2). The buying and selling prices remained fixed at MWK170/kg and MWK250/kg, respectively.

ADMARC's selling price was significantly higher than the prevailing market price in March 2018 (by MWK135/kg). Markets that reported ADMARC purchases recorded higher maize retail prices (MWK118/kg) than markets that reported ADMARC inactivity (MWK113/kg).

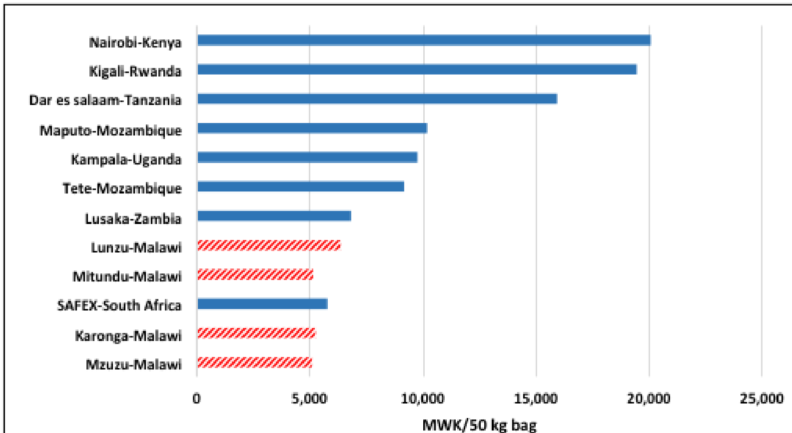
Figure 2. Location of ADMARC purchases in March 2018

Regional prices in March 2018

Figure 3 shows retail maize prices per 50kg bag in selected markets in Malawi and six other countries in the region. East Africa markets recorded significantly higher prices than Southern Africa markets.

The highest prices were reported in Nairobi- Kenya, followed by Kigali-Rwanda and Dar es Salaam-Tanzania. Compared to February prices, Tete reported the highest price increase from MWK5654 to MWK9167 in March (by 38 percent). Maize retail prices in Malawi markets were lower than prices in other regional markets, except for SAFEX. Malawi's maize prices rarely exceeded MK6300.

Figure 3. Retail maize prices in selected markets in Eastern and Southern Africa, 31st March 2018



Sources: RATIN, IFPRI-Malawi, IAPRI, SAFEX, and FEWSNET price watch.
Note: Prices in Kigali, Maputo, and Tete are as at 28th February 2018.

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, with monitoring occurring six days per week, excluding Sundays. An additional market, Chitipa in the north, was added during March and will be reported as from April onwards. 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, IAPRI, and the Famine Early Warning Systems Network (FEWS NET).

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