MALAWI

STRATEGY SUPPORT PROGRAM

IFPRI Malawi Monthly Maize Market Report **December 2022**

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 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, policy makers, and other agricultural stakeholders.

Highlights

- Retail prices of maize decreased by 2 percent in December 2022.
- ADMARC sales were reported in 17 out of 26 markets monitored by IFPRI.
- No ADMARC purchases were reported in any of the markets monitored by IFPRI.
- Retail maize prices in Malawi were higher than in Zambia, Mozambique, and South Africa.

Prices decreased by 2 percent in December

On average, maize was selling at a retail price of MWK 471/kg in the last week of December, 2 percent less than the previous month (Figure 1 and Table 1). The decline is mainly because ADMARC depots have started selling maize in most of the markets at lower prices. In the same period, the average price of maize was lowest in Mchinji market (MWK 406/kg) and was highest in Mwanza market (MWK 529/kg). Mangochi market recorded the highest decline (12 percent) in retail maize price between end November and end December. On the other hand, Mzimba market recorded the highest increase in retail maize price of 12 percent.

Figure 1. Long-run trends in average maize retail prices

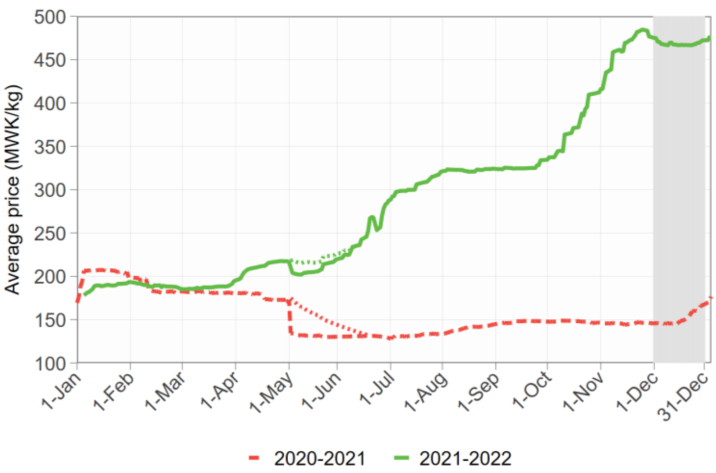
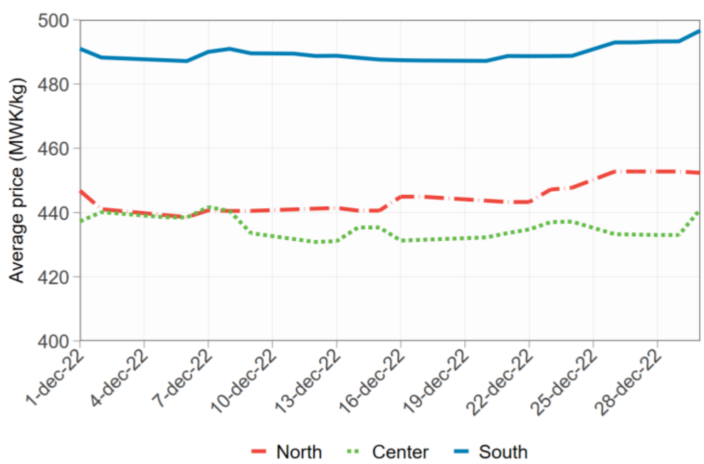


Figure 1 shows a trend in prices in the 12 months ending in December 2022 and, for comparison, in the 12 months ending in December 2021. At the beginning of May, we start reporting prices of newly harvested maize, which has a higher moisture content than maize from the previous harvest. High moisture content makes maize unsuitable for storage or milling. During drying, it loses about 20 percent of its weight. Solid and dashed lines in Figure 1 represent observed maize prices. Dotted lines represent prices adjusted for moisture content and thus the true price trend.

Figure 2. Average daily maize retail prices by region



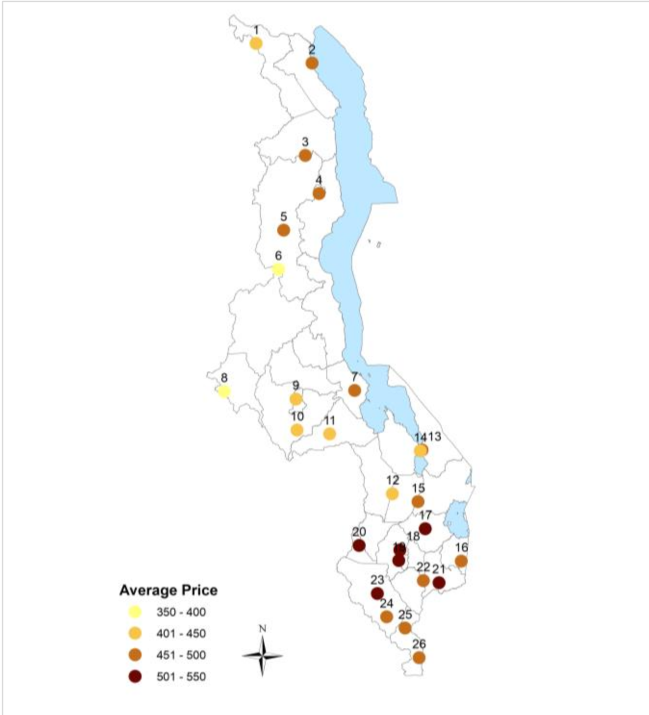
Prices remain highest in the South

The average retail price of maize remains highest in the southern region as most maize retailers incur additional transaction costs of purchasing maize from the central region. In the month of December, the average retail price of maize was MWK 445/kg in the North, MWK 435/kg in the Center and MWK 490/kg in the South.

Table 1. Weekly average maize retail prices (MWK/kg) market

	Week ending on					
	28-Nov-22	7-Dec-22	14-Dec-22	21-Dec-22	28-Dec-22	Change
Chitipa[1]	469	423	436	454	450	-4%
Karonga[2]	487	457	451	463	463	-5%
Rumphi[3]	425	468	452	438	444	4%
Mzuzu[4]	479	457	450	450	456	-5%
Mzimba[5]	423	468	475	475	475	12%
Jenda[6]	409	373	381	383	409	0%
Salima[7]	496	512	508	472	463	-7%
Mchinji[8]	433	396	381	399	406	-6%
Nsungwi[9]	450	450	452	447	449	0%
Mitundu[10]	438	432	416	424	434	-1%
Chimbiya[11]	423	406	411	421	422	0%
Balaka[12]	444	440	439	440	445	0%
M'baluku[13]	500	477	478	469	473	-5%
Mangochi[14]	467	447	432	408	409	-12%
Liwonde[15]	514	518	488	487	487	-5%
Chiringa[16]	500	500	500	500	500	0%
Mpondabwino[17]	519	502	508	501	508	-2%
Lunzu[18]	500	500	508	509	510	2%
Mbayani[19]	530	500	506	513	511	-3%
Mwanza[20]	532	470	534	520	529	-1%
Mulanje[21]	543	530	534	550	550	1%
Luchenza[22]	500	500	485	480	481	-4%
Chikwawa[23]	496	502	501	501	500	1%
Ngabu[24]	500	489	487	487	487	-3%
Bangula[25]	485	461	449	450	470	-3%
Nsanje[26]	500	491	491	500	503	1%
All markets	**479**	**468**	**467**	**467**	**471**	**-2%**

Figure 3. Location of markets



Note: The number on the map corresponds to a market in Table 1

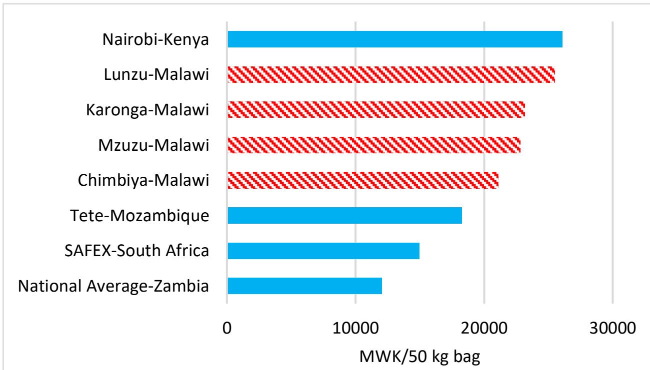
Regional prices

At regional level, retail price of maize was highest in Nairobi, Kenya and lowest in Zambia at the end of December 2022. However, the retail prices of maize in some Malawian markets were higher than in Zambia, Mozambique, and South Africa (Figure 4).

ADMARC Activities

ADMARC sales were reported in 17 out of the 26 markets monitored by IFPRI (2 in the Center, 4 in the North and 11 in the South).

Figure 4. Regional comparison (December 2022)



Note: Prices in Zambia and Mozambique are as of end November

How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since October 2016. Currently, 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 phone calls to the monitors. Regional prices reported in Figure 4 are sourced from Food and Agriculture Organization's Global Information and Early Warning System (FAO-GIEWS), IFPRI Malawi, the Johannesburg Stock Exchange (JSE), and the Kenya Agricultural Management Information System (KAMIS).

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