IFPRI Malawi Monthly Maize Market Report **September 2024**

The Monthly Maize Market Report was developed by researchers at IFPRI Malawi to provide clear and accurate information on the variation of maize prices in selected markets throughout Malawi. All prices are reported in Malawi Kwacha (K).

Highlights

- Retail prices of maize remained stable in September thanks to steady informal imports from Tanzania.
- Maize prices were lowest in the Northern region and highest in the Southern region.
- ADMARC sales were reported in 3 of the 26 markets monitored by IFPRI.
- ADMARC purchases were reported in 2 markets.
- Retail prices of maize in Malawi were lower than those in Zimbabwe, Mozambique, and South Africa at the market exchange rate.

Tanzanian maize kept prices stable throughout September

Figure 1 shows a trend in prices over the 12 months ending in September 2024, and, for comparison, over the 12 months ending in September 2023. At the beginning of the harvest season, we start reporting prices of newly harvested maize, which has a higher moisture content compared to maize from the previous harvest. High moisture content makes it unsuitable for storage or milling. During drying, it loses about 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.

Retail prices of maize remained stable in September, continuing a trend which began in mid-July (Figure 1). The weekly average price dropped from K796/kg in the last week of August to K790/kg in the final week of September, representing a slight 1 percent decrease (Table 1). Prices remained stable thanks to steady supply of maize from Tanzania and, to a lesser extent, from Zambia. In fact, most of the maize currently traded in Malawi is reportedly of Tanzanian origin.

Prices highest in the South

As per the usual pattern, maize retail prices in September were lowest in the Northern region (monthly average of K617/kg), somewhat higher in the Central region (K771/kg) and highest in the Southern region (K866/kg) (Figure 2, Table 1 and Figure 3).

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

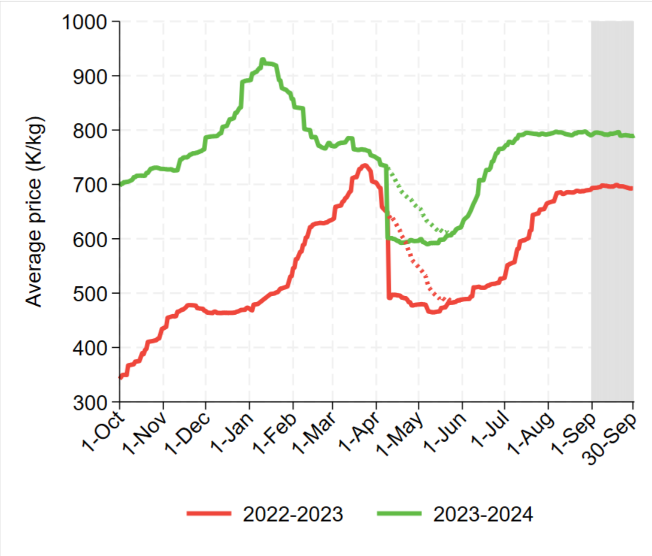
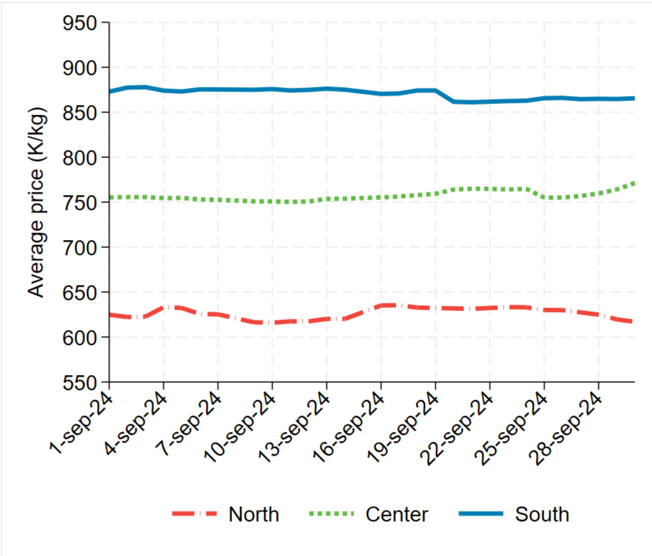


Figure 2. Average daily maize retail prices by region

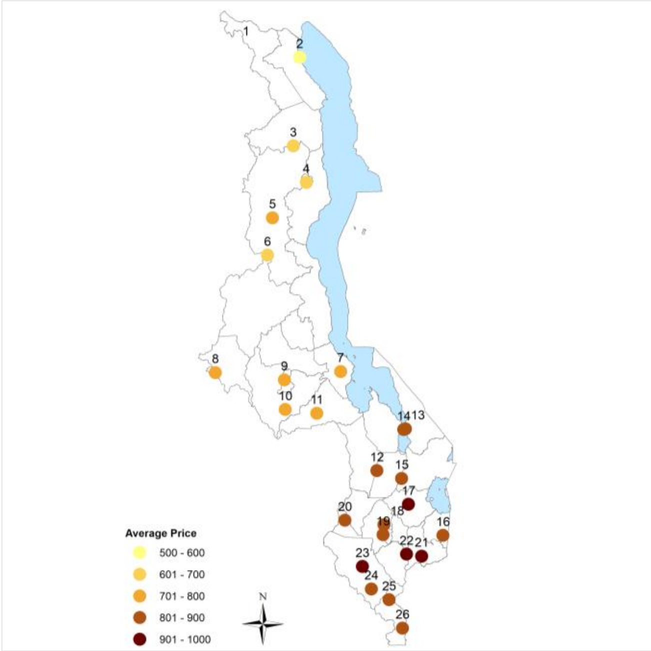


This reflects a broader pattern of maize trade from Tanzania, which produced a surplus of the commodity this year, towards southern Africa, where dry spells driven by the El Niño climatic phenomenon led to production shortages. Tanzanian maize enters Malawi mostly informally at the market exchange rate, costing around K550/kg. It gains value as it moves south. Some is retailed along the way, and the remainder leaves Malawi to Mozambique at a wholesale price of around K900/kg.

Table 1. Weekly average retail prices (K/kg)

	Week ending on					
	28-Aug-24	9-Sep-24	14-Sep-24	21-Sep-24	29-Sep-24	Change
Chitipa[1]	539	533	533	550	558	4%
Karonga[2]	597	601	573	591	580	-3%
Rumphi[3]	632	601	593	642	634	0%
Mzuzu[4]	736	666	657	652	640	-13%
Mzimba[5]	700	700	704	708	719	3%
Jenda[6]	654	658	650	650	650	-1%
Salima[7]	795	788	788	796	794	0%
Mchinji[8]	751	746	750	760	767	2%
Nsungwi[9]	727	720	724	743	754	4%
Mitundu[10]	750	750	750	755	751	0%
Chimbiya[11]	757	768	747	740	734	-3%
Balaka[12]	828	831	811	809	815	-2%
M'baluku[13]	825	816	834	813	813	-1%
Mangochi[14]	827	812	817	817	801	-3%
Liwonde[15]	807	831	847	851	827	2%
Chiringa[16]	900	860	850	850	850	-6%
Mpondabwino[17]	910	906	910	910	925	2%
Lunzu[18]	885	859	859	862	811	-8%
Mbayani[19]	900	900	900	900	900	0%
Mwanza[20]	863	867	941	880	873	1%
Mulanje[21]	950	933	902	890	893	-6%
Luchenza[22]	893	905	896	900	900	1%
Chikwawa[23]	920	925	921	920	933	1%
Ngabu[24]	867	880	880	880	860	-1%
Bangula[25]	827	933	883	887	876	6%
Nsanje[26]	855	869	876	870	881	3%
All markets	**796**	**795**	**792**	**793**	**790**	**-1%**

Figure 3. Location of markets



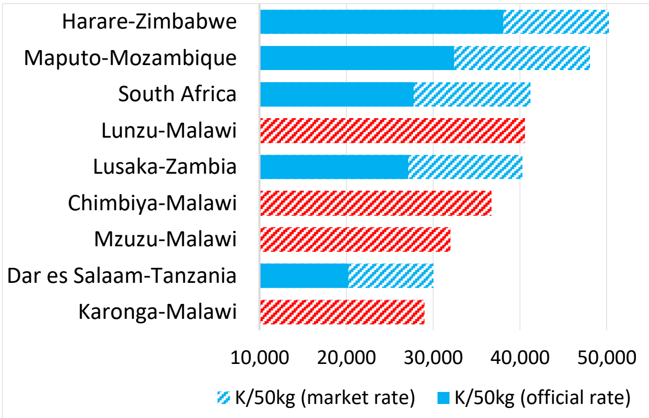
Regional prices

The pattern is also reflected in how prices in Malawi compare those in neighboring countries at the market exchange rate (K2,600/$), which is used for most trade (Figure 4). Prices in Malawi were mostly higher than in Tanzania, comparable to those in Zambia, and lower than in countries further south.

ADMARC activities

In September, ADMARC made purchases in 2 of the 26 markets monitored by IFPRI: Mpondabwino in Zomba and Bangula in Nsanje. ADMARC sales were reported in 3 markets: Mzuzu Bangula and Nsanje markets.

Figure 4. Regional comparison (September 2024)



Note: Weekly average price for the week ending on 28th September

How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since September 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 market. Data is collected by means of phone calls to the monitors. Regional prices reported in Figure 4 are sourced from weekly reports from Commodity Insights Africa.

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