IFPRI Malawi Monthly Maize Market Report **August 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 August.
- Maize prices were highest in the Southern region.
- No ADMARC sales were reported in any of the 26 markets monitored by IFPRI.
- ADMARC purchases were reported in 3 markets.
- Retail prices of maize in Malawi were similar to those elsewhere in the region except in Tanzania, where maize is considerably cheaper at both the official and market exchange rates, presenting an opportunity for imports.

Prices increased by 4 percent in August

Figure 1 shows a trend in prices over the 12 months ending in August 2024, and, for comparison, over the 12 months ending in August 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.

Building on the trends observed in July, maize retail prices continued to stabilize in August, with a slight 1 percent increase (Figure 1). The weekly average price of maize rose from K792/kg in the last week of July to K797/kg in the final week of August (Table 1).

Prices highest in the South

Consistent with historical trends, maize retail prices in August remained highest in the Southern region and lowest in the Northern region throughout the month (Figures 2 & 3). Maize retailed at a monthly average of K870/kg in the South – 14 percent higher than the Central region's monthly average of K760/kg, and 37 percent higher than the Northern region's K636/kg.

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

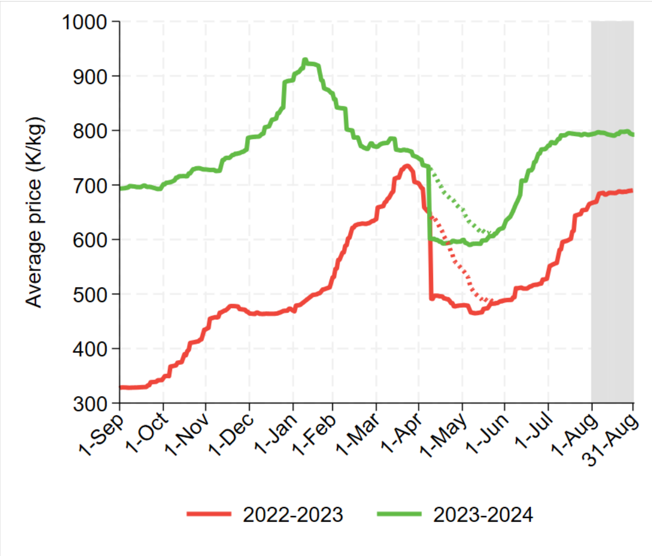


Figure 2. Average daily maize retail prices by region

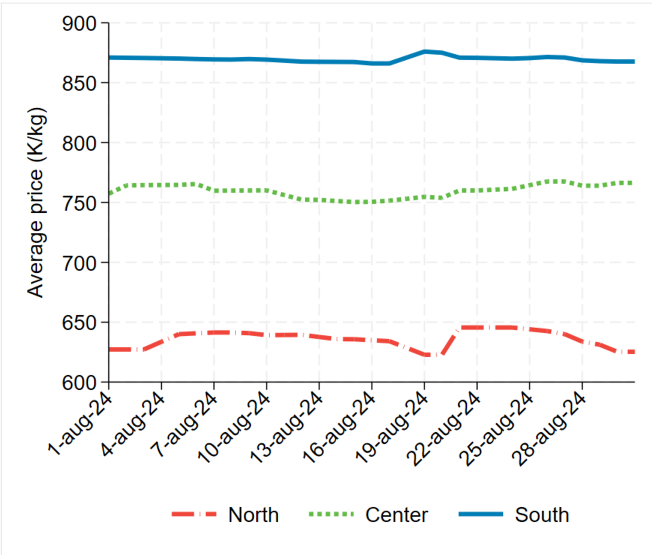
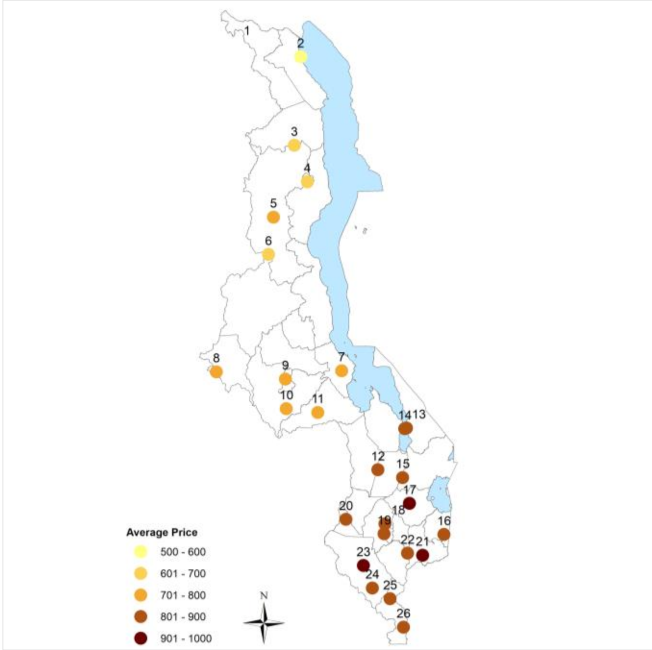


Table 1. Weekly average retail prices (K/kg)

	Week ending on					
	28-Jul-24	8-Aug-24	14-Aug-24	21-Aug-24	28-Aug-24	Change
Chitipa [1]	552	554	552	530	539	-2%
Karonga [2]	600	600	602	592	594	-1%
Rumphi [3]	650	650	650	642	632	-3%
Mzuzu [4]	643	643	652	673	736	14%
Mzimba [5]	735	735	735	718	700	-5%
Jenda [6]	615	621	643	638	654	6%
Salima [7]	783	800	793	789	795	2%
Mchinji [8]	743	760	762	742	751	1%
Nsungwi [9]	723	724	727	732	765	6%
Mitundu [10]	767	788	750	750	750	-2%
Chimbiya [11]	743	743	748	754	757	2%
Balaka [12]	842	830	816	822	828	-2%
M'baluku [13]	813	813	813	817	825	1%
Mangochi [14]	810	829	833	817	827	2%
Liwonde [15]	828	839	825	817	807	-2%
Chiringa [16]	883	883	892	900	900	2%
Mpondabwino [17]	927	919	912	901	910	-2%
Lunzu [18]	845	850	845	865	885	5%
Mbayani [19]	873	878	896	900	900	3%
Mwanza [20]	875	900	905	880	863	-1%
Mulanje [21]	943	950	950	970	950	1%
Luchenza [22]	883	884	885	886	893	1%
Chikwawa [23]	920	920	924	920	920	0%
Ngabu [24]	847	847	847	858	867	2%
Bangula [25]	864	844	811	828	827	-4%
Nsanje [26]	898	870	875	876	855	-5%
All markets	**793**	**795**	**794**	**793**	**797**	**1%**

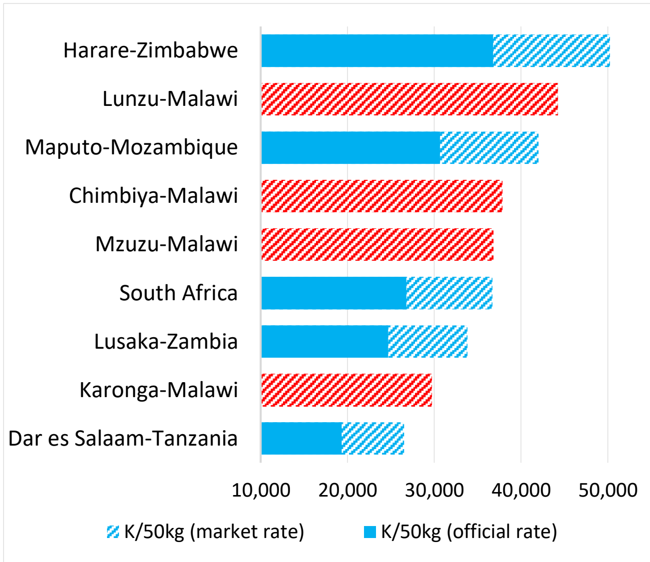
Figure 3. Location of markets



Regional prices

Malawi's retail maize prices exceeded those in Mozambique, Zambia, South Africa, and Tanzania when compared at the official exchange rate (K1,751/$), but not always at the market exchange rate (K2,400/$), used for most trade (Figure 4). Notably, Tanzania consistently reports the lowest maize prices, regardless of the exchange rate used. Removing trade barriers and allowing small-scale traders to access regional supplies, especially from surplus-producing countries like Tanzania, can lower local prices, and enhance food security in Malawi.

Figure 4. Regional comparison (August 2024)



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

ADMARC activities

In August, ADMARC made purchases in three markets: Karonga and Rumphi in the Northern region, and Mitundu in the Central region. No ADMARC sales were reported in any of the 26 markets monitored by IFPRI.

How data was collected

IFPRI Malawi has been monitoring retail maize prices and ADMARC activities in selected markets since August 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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