MALAWI

IFPRI

MAIZE MARKET REPORT JANUARY 2025

Highlights

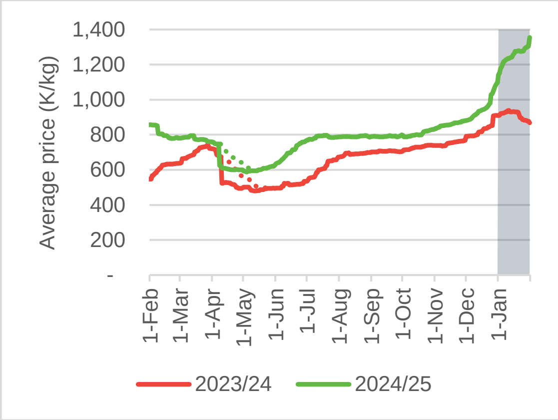
- Retail prices of maize increased by 21 percent in January.
- Maize prices were lowest in the Northern region, where informal imports from Tanzania and northern Zambia enter the country, and increased southward.
- Some maize was exported to southern Zambia, but high prices in southern Malawi attracted imports from Mozambique.
- At the market exchange rate, retail prices of maize in Malawi were similar to those in Zambia and lower than in Mozambique and Zimbabwe.

Maize prices increased by 21 percent in January

Figure 1 shows a trend in prices over the 12 months ending in January 2025, and, for comparison, over the 12 months ending in January 2024. 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.

In January, maize retail prices experienced a notable surge, averaging K1,283/kg in the final week of the month—an increase of 21% from K1,063/kg in the last week of December. This is 45% higher in nominal terms than the last week of January 2024, when maize averaged K887/kg. The increase is largely due to limited domestic supply on the back of a poor harvest in 2024. Malawi now mostly depends on maize imports, predominantly from Tanzania, but recently also from Mozambique. The ongoing depreciation of the Malawian Kwacha—from K3,100/$ last month to K3,700/$—continues escalating the cost of imported maize, exacerbating price pressures. Moreover, persistent fuel shortages have raised transport and operational costs for traders, adding to the overall increase in prices.

Figure 1: Trends in maize retail prices



Prices highest in the South

Table 1 and Figure 2 highlight a clear north-south gradient in maize prices in Malawi, reflecting regional trade patterns and transport costs. In the North, where maize enters informally from Tanzania and northern Zambia at around K1,000/kg at the end of January (Figure 3), prices remain the lowest, averaging K1,076/kg in the last week of the month (a 17% increase since the end of December). Moving southward, prices increase, reaching an average of K1,268/kg in the Central region (a 20% increase month-on-month), reflecting added transport and operational costs. Some maize is exported from Malawi to southern Zambia at prices between K1,100/kg and K1,200/kg in the last week of January. Further logistical expenses, higher demand and reduced local supply drive prices even higher in the Southern region, where maize retailed for K1,365/kg in the last week of January (a 23% increase month-on-month). Prices in the Southern region reached such levels that trade flows along Malawi's southern border reversed by the end of the month: exports to Mozambique all but seized while imports picked up, coming in for around K1,200/kg in the last week of January (Figure 3).

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

Market	Week ending on 31-Dec	7-Jan	14-Jan	21-Jan	28-Jan	Monthly change
1 Chitipa	856	991	1,047	1,019	1,050	23%
2 Karonga	903	969	979	979	1,030	14%
3 Rumphi	791	974	1,021	1,012	1,037	31%
4 Mzuzu (boma)	907	1,043	1,082	1,090	1,095	21%
5 Mzimba (boma)	983	1,048	1,086	1,078	1,082	10%
6 Mzimba (Jenda)	979	1,074	1,043	1,095	1,100	12%
North	920	1,032	1,046	1,061	1,076	17%
7 Salima	1,050	1,217	1,249	1,257	1,253	19%
8 Mchinji	1,109	1,162	1,194	1,226	1,224	10%
9 Lilongwe city (Nsungwi)	1,028	1,140	1,203	1,286	1,288	25%
10 Lilongwe (Mitundu)	1,098	1,192	1,233	1,233	1,274	16%
11 Dedza (Chimbiya)	1,097	1,167	1,201	1,192	1,248	14%
Center	1,059	1,165	1,213	1,255	1,268	20%
12 Balaka	1,109	1,250	1,318	1,333	1,357	22%
13 Mangochi (M'baluku)	1,130	1,231	1,240	1,290	1,300	15%
14 Mangochi (boma)	1,080	1,212	1,212	1,250	1,268	17%
15 Liwonde	1,151	1,369	1,388	1,383	1,405	22%
16 Phalombe (Chiringa)	1,023	1,173	1,250	1,250	1,250	22%
17 Zomba (Mpondabwino)	1,200	1,314	1,396	1,412	1,435	20%
18 Blantyre (Lunzu)	1,185	1,261	1,270	1,367	1,379	16%
19 Blantyre city (Mbayani)	1,053	1,204	1,354	1,400	1,400	33%
20 Mwanza	1,140	1,190	1,204	1,210	1,299	14%
21 Mulanje	1,096	1,241	1,340	1,400	1,394	27%
22 Thyolo (Luchenza)	1,077	1,250	1,331	1,400	1,367	27%
23 Chikwawa (boma)	1,110	1,211	1,250	1,327	1,377	24%
24 Chikwawa (Ngabu)	1,180	1,248	1,301	1,352	1,370	16%
25 Nsanje (Bangula)	1,150	1,312	1,400	1,433	1,433	25%
26 Nsanje (boma)	1,155	1,321	1,351	1,395	1,364	18%
South	1,114	1,252	1,316	1,355	1,365	23%
Malawi	**1,063**	**1,185**	**1,235**	**1,271**	**1,283**	**21%**

Figure 2: Location of monitored markets

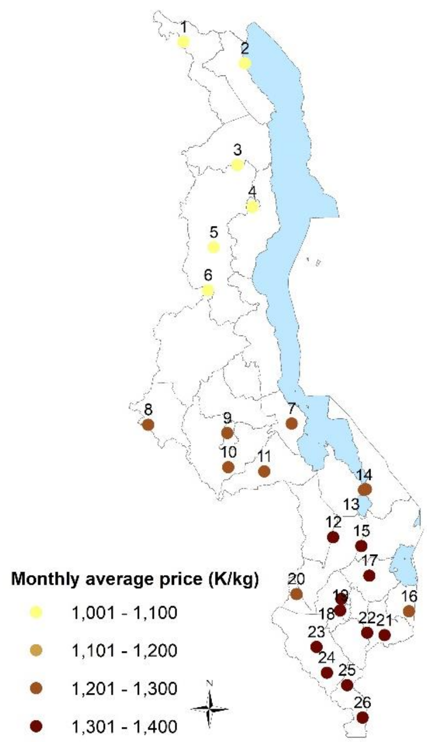
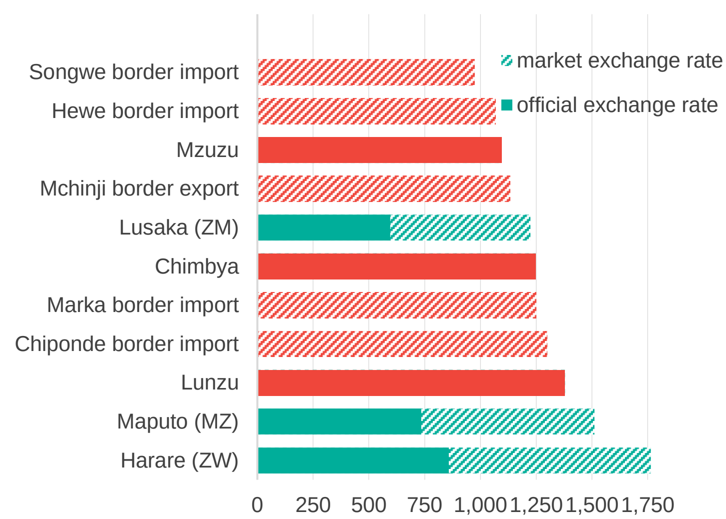


Figure 3: Regional comparison



Average price (K/kg) in the week ending on 28 Jan. (Malawi), 30 Jan. (foreign markets) or 1 Feb. (imports/exports)

How data were collected

IFPRI Malawi has been monitoring maize retail maize in selected markets since January 2016. All prices are reported in Malawi Kwacha (K). Price data are collected telephonically six times per week (excluding Sundays) from 26 markets across the country. Additionally, local import and export prices are collected on a weekly basis from 14 border crossing points. Three monitors (typically small grain traders) report from each location. Regional prices reported in Figure 3 are sourced from weekly reports by Commodity Insights Africa.

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