STRATEGY SUPPORT PROGRAM

IFPRI Malawi Monthly Maize Market Report **November 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 increased by 17 percent in November 2022.
- ADMARC sales were reported in 4 out of 26 markets monitored by IFPRI.
- No ADMARC purchases were reported in any of the markets monitored by IFPRI.
- Retail prices in Malawi were higher than in Zambia, Mozambique, and South Africa.

Prices increased by 17 percent in November

In the final week of November, the retail price of maize was MWK 480/kg, on average, indicating a 17 percent increase from the end of October (Figure 1 and Table 1). Same as in October, Jenda recorded the lowest weekly average retail prices of maize (MWK 411/kg). The highest retail price was recorded in Mulanje at MWK 543/kg. Out of all the markets, only Balaka recorded a decline in the average retail maize price between the end of November and end of October (-4 percent).

Figure 1 shows a trend in prices in the 12 months ending in November 2022 and, for comparison, in the 12 months ending in November 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 1. Long-run trends in average maize retail prices

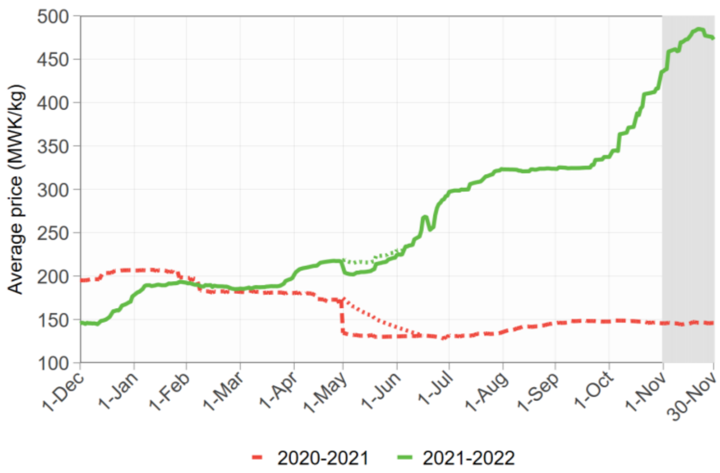
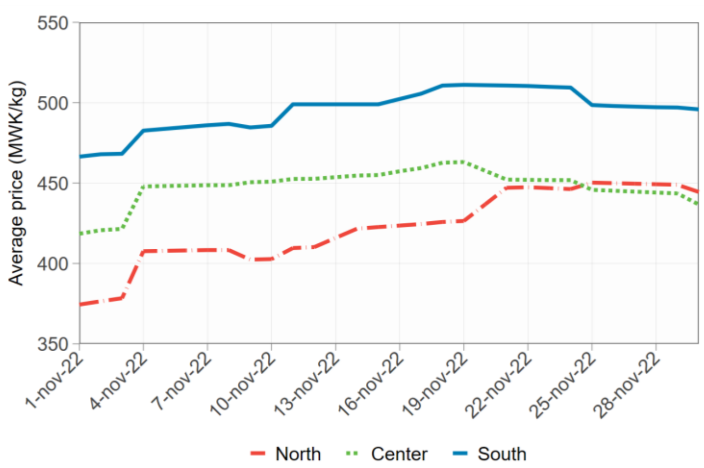


Figure 2. Average daily maize retail prices by region



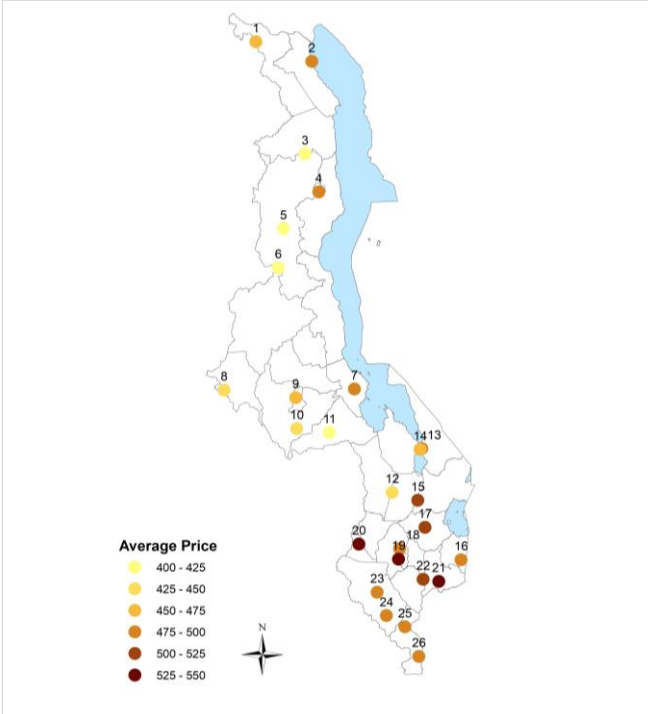
Prices remain highest in the South

Maize continues to be most expensive in the South (Figure 2 and 3). In the last week of November, prices in the North were higher than prices in the Center, which may be driven by informal exports to neighboring countries. Retail price declines observed in the last few days of November can be attributed to reports that ADMARC depots have been receiving maize and traders would like to clear stock before ADMARC starts selling. As of the end of November, prices averaged MWK 495/kg in the South, MWK 448/kg in the Center, and MWK 422/kg in the North.

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

	Week ending on					
	28-Oct-22	7-Nov-22	14-Nov-22	21-Nov-22	28-Nov-22	Change
Chitipa[1]	396	443	450	461	469	18%
Karonga[2]	382	396	418	488	490	28%
Rumphi[3]	350	379	393	407	425	21%
Mzuzu[4]	375	390	400	411	479	28%
Mzimba[5]	325	368	396	404	423	30%
Jenda[6]	361	391	403	407	411	14%
Salima[7]	406	453	482	501	500	23%
Mchinji[8]	397	424	447	452	433	9%
Nsungwi[9]	399	448	452	453	450	13%
Mitundu[10]	395	436	455	461	438	11%
Chimbiya[11]	378	420	423	423	423	12%
Balaka[12]	461	472	471	480	444	-4%
M'baluku[13]	418	469	485	496	500	19%
Mangochi[14]	393	455	467	475	467	19%
Liwonde[15]	470	490	493	495	514	9%
Chiringa[16]	443	450	450	461	500	13%
Mpondabwino[17]	446	463	492	506	519	16%
Lunzu[18]	411	474	490	492	500	22%
Mbayani[19]	440	507	531	540	533	21%
Mwanza[20]	416	462	475	564	532	28%
Mulanje[21]	460	494	500	521	543	18%
Luchenza[22]	446	491	504	506	500	12%
Chikwawa[23]	464	491	564	572	496	7%
Ngabu[24]	436	500	500	500	500	15%
Bangula[25]	399	446	498	500	500	25%
Nsanje[26]	437	491	479	500	500	14%
All markets	**412**	**450**	**466**	**480**	**480**	**17%**

Figure 3. Location of markets



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

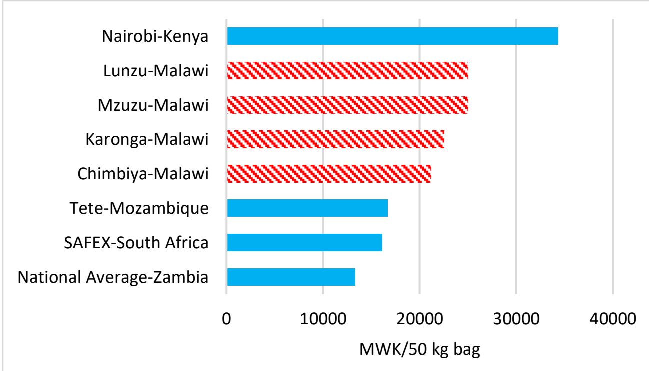
Regional prices

As of the end of November, retail prices of maize in selected Malawian markets were higher than in Zambia, Mozambique, and South Africa. Regardless, maize in these markets is cheaper than in Nairobi, Kenya (Figure 4).

ADMARC Activities

ADMARC sales were reported in 4 (Bangula, Chikwawa, Ngabu, and Nsanje) out of the 26 markets monitored by IFPRI.

Figure 4. Regional comparison (October 2022)



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

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 automated short message service (SMS) with follow-ups made by telephone if necessary. Regional prices reported in Figure 3 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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