

# AFRICAN MARKET OBSERVATORY (AMO) PRICE TRACKER

September  
2023

*Maize*  
*Maize meal*  
*Soybean*  
*Soybean meal*  
*Rice*  
*Fertilizer*  
*Poultry*  
*Vegetable oil*  
*Common beans*

Fair & Sustainable Markets for Food Security



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REGULATION AND  
ECONOMIC DEVELOPMENT

Welcome to our September 2023 food price tracker.

This is an initiative of the **African Market Observatory** (AMO).

It summarises key trends in prices in East and Southern Africa (ESA) for selected staple food products, focusing on highlighted areas.



## Focus on

Malawi and Kenya regional comparison: maize prices extremely high

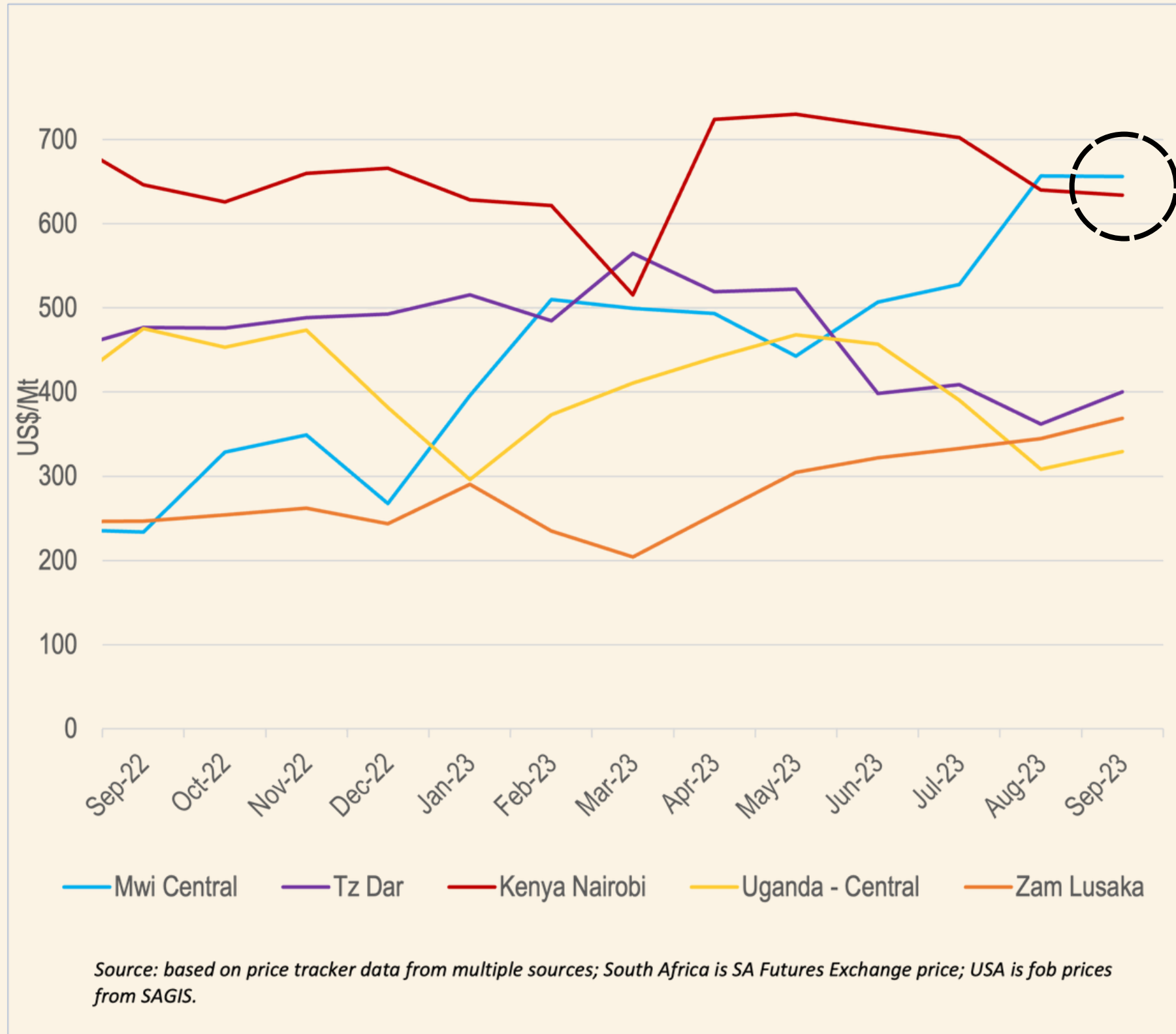
### Price movements

- Maize prices in Kenya and Malawi remain extremely high, diverging from Tanzania, Uganda and Zambia which have exportable volumes
- Soybean prices continue to converge as markets benefit from regional free trade

### Market developments and policies

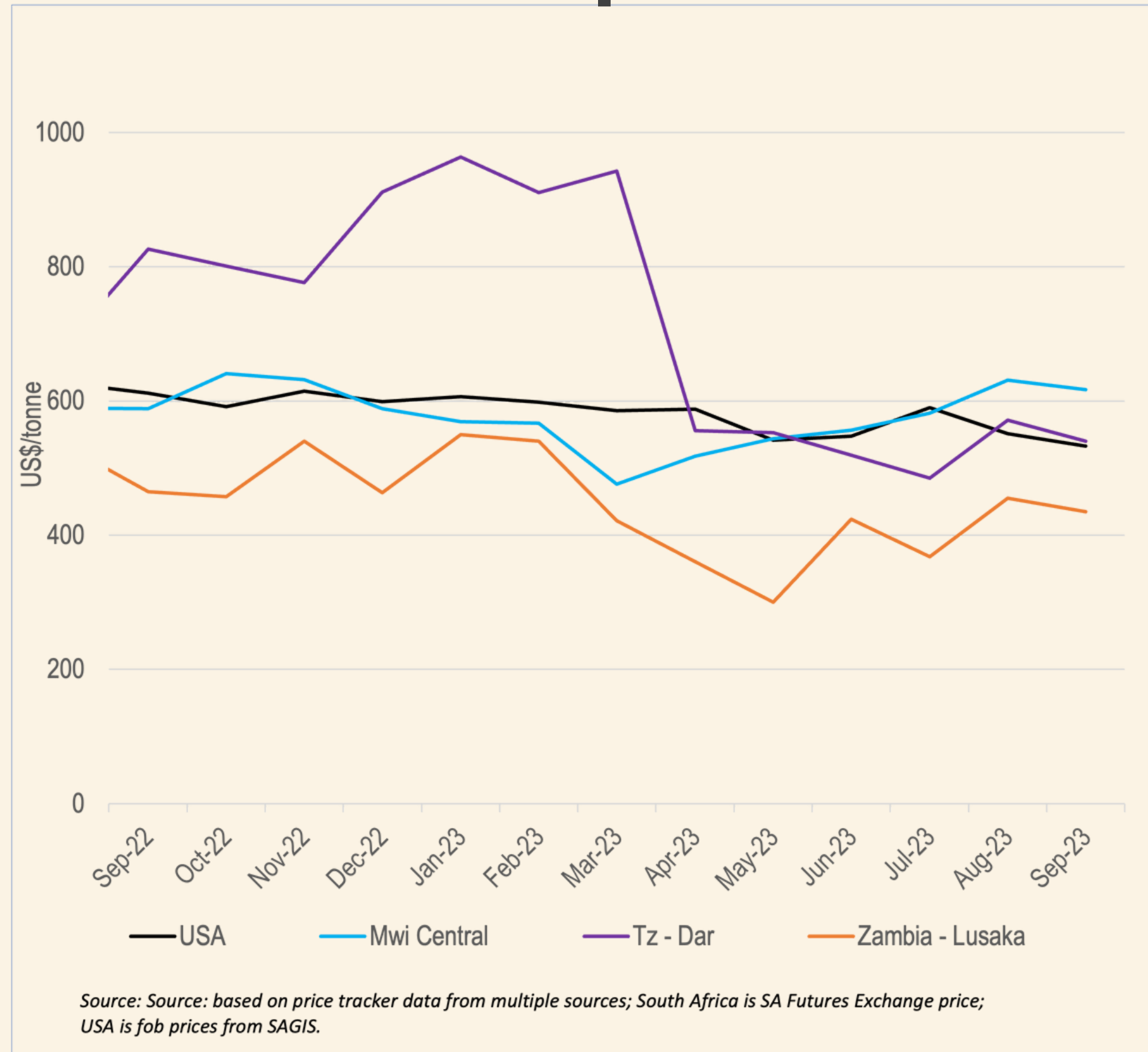
- Kenya **bans maize imports** in 1st week of October, to maintain maize prices high for farmers
- Even countries in the region with surpluses such as **Tanzania** and Zambia continue to restrict trade on food security concerns

# Malawi maize price up 180% (YoY)



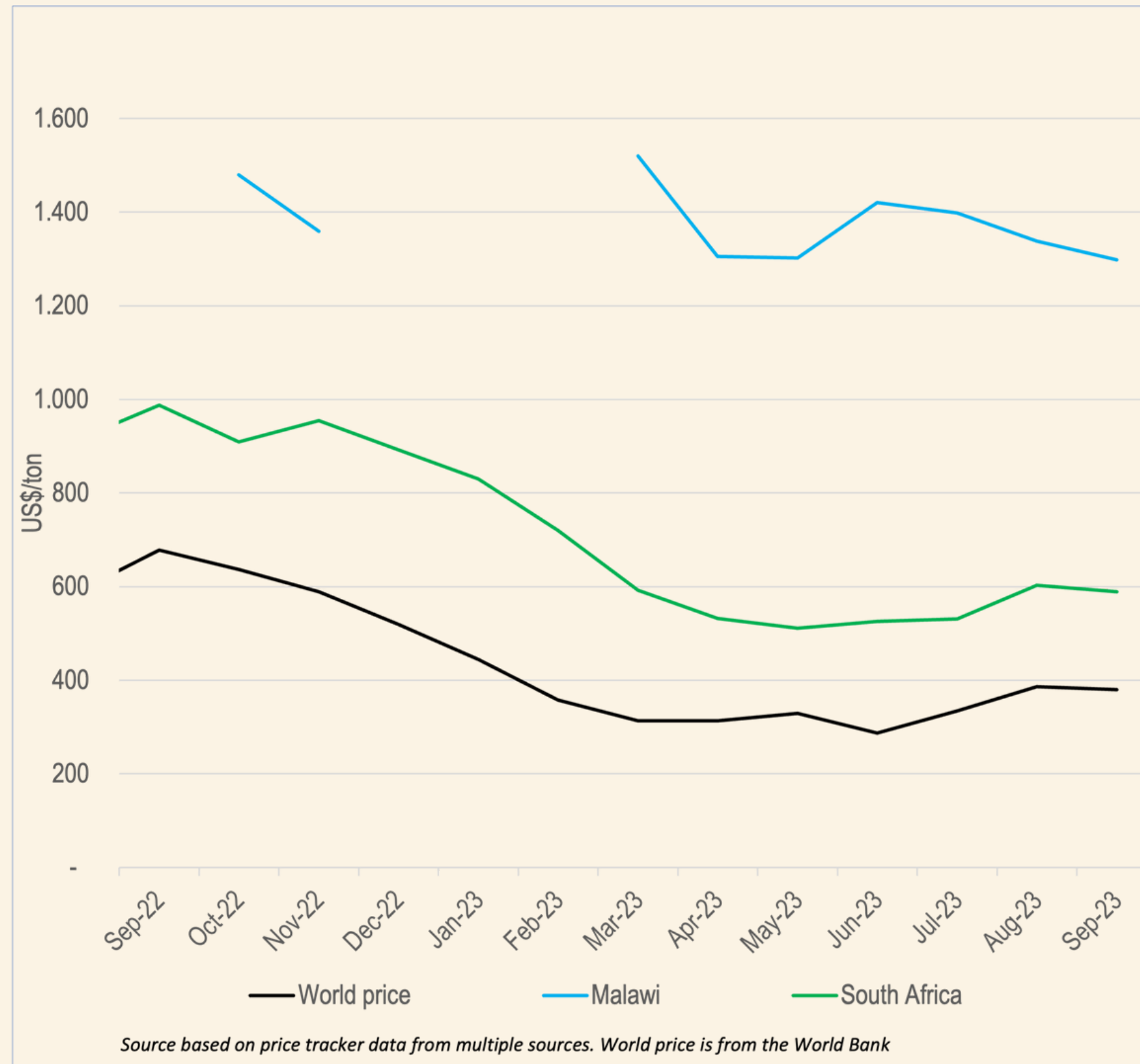
- Malawi prices  $\uparrow$  180% year-on-year, from US\$234/Mt in Sep-2022 to US\$656/Mt in Sep-2023 due to factors including:
  - Production down to 3.5mn Mt in 2023 from 3.7mn Mt in 2022, due to high fertilizer prices and challenges with subsidies
  - Regional demand
- Kenya prices remain high, above US\$600/Mt
  - Kenya one of the **major maize importers**
  - Yet government imposed import ban in early October, even while imports will be required in the future
- High and diverging prices point to problems in regional trade, including ad hoc restrictions

# Soybean prices continue to converge to international prices



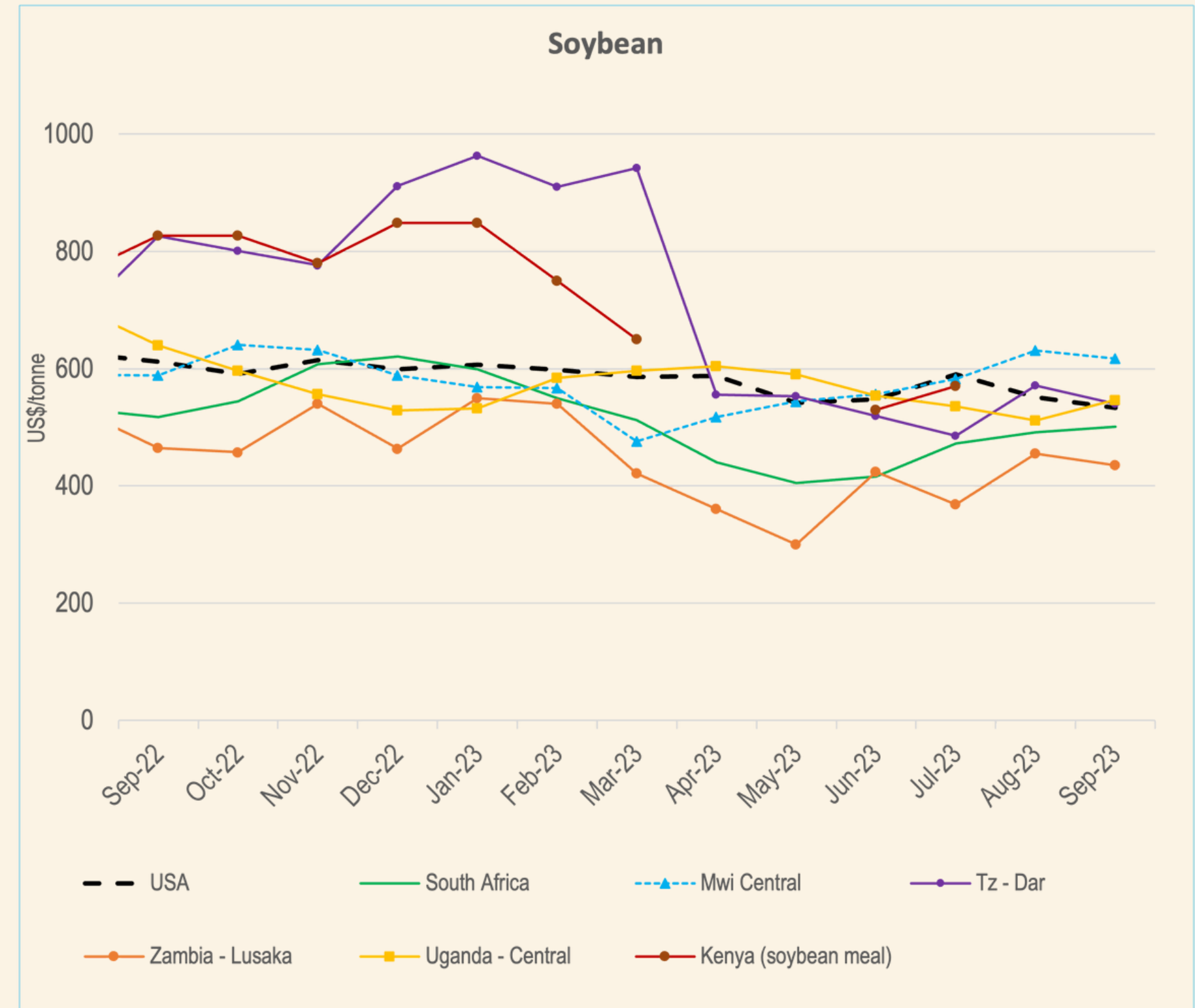
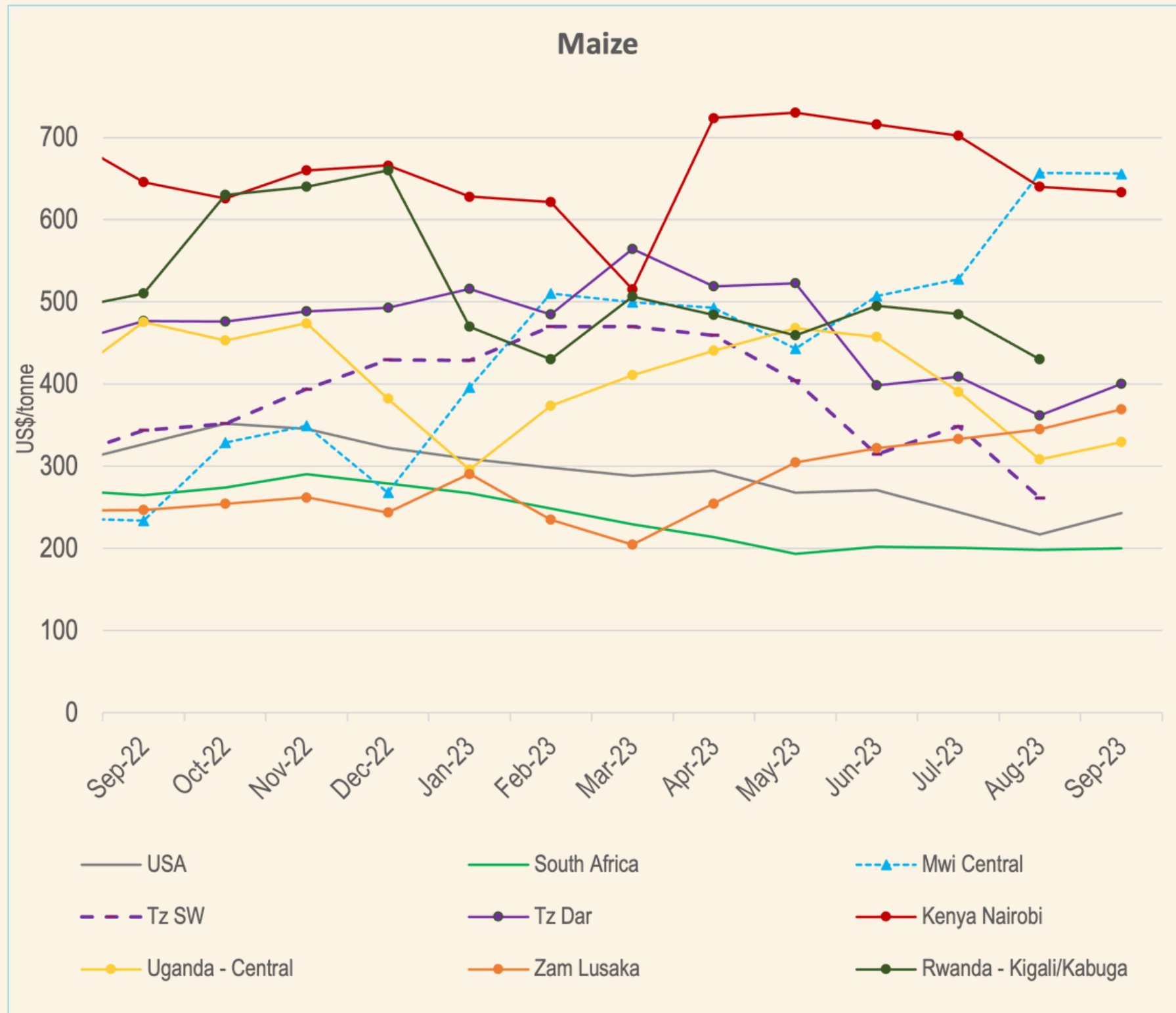
- Tanzania at US\$540/Mt, down 34% from US\$820/Mt in September 2022, with increased regional imports
- Soybean prices in Zambia still below export price to Nairobi and Dar
- Malawi has the highest soybean price of selected countries yet just secured **duty-free market access** in China

# Urea fertiliser prices in Malawi remain almost 3x higher than world price



- Prices in Malawi remain excessive even after accounting for all reasonable transport costs
  - high profit margins continue at the expense of farmers in Malawi
  - issues with import licencing and subsidy programme mean **fertiliser deficit** being reported as planting is about to start
- South Africa, on the other hand, has rigorous **competition enforcement** and prices of fertiliser have come down substantially

# Detailed price charts - International & ESA



Source: based on price tracker data from multiple sources; South Africa is SA Futures Exchange price; USA is fob prices from SAGIS.



The AMO is an initiative by the **Centre for Competition, Regulation and Economic Development (CCRED)** at the University of Johannesburg



[www.competition.org.za/africanmarketobservatory](http://www.competition.org.za/africanmarketobservatory)



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