Food prices fall across the country

Key points:

Nationwide, prices have dropped for rice, maize grain and maize meal

Maize meal continues to be most expensive in Tete

Most traders across the country have no stocks of cowpeas

Methodology

The April survey was conducted using live calls for a sample of over 80 traders across 27 districts in the provinces of Gaza, Tete, Manica, Maputo, Sofala and Inhambane. The questions focused on the prices of basic foods such as maize grain, maize meal, imported rice, cowpeas and cooking oil, with an open-ended question to gauge traders’ perception of the food security situation in their areas. However, some of the traders who generally sell these items had no stocks at the time of the calls. Consequently, many of the reported averages are based on fewer than three observations per district (Table 1). Phone surveys contain inherent response biases; therefore, the bulletin reports patterns and trends rather than precise estimates.

Food security outlook

Thanks to the harvest, the prices of most foods are starting to fall across the country. Prices will continue to decrease as the harvest season progresses: the low demand for foods from the markets – especially for cereals – is likely to lead to further price drops (source: FEWS NET). The Ministry of Agriculture and Food Security has affirmed that the harvest of the 2016/17 cropping season is good.
Table 1: Districts with three or more observations

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Source: mVAM, April 2017

Harvests improve food availability

Some of the interviewed traders complained that the harvest has brought their businesses down. In 80 percent of the markets in Tete and Gaza, most of the surveyed foods were available but the number of commodities on the markets has gone down because households have started consuming their own crop production. A scarcity of cowpeas was reported by some traders, although not at levels as concerning as in March. A few traders in Chibuto (Tete) and most of those in Sofala said that food assistance from WFP has helped to stabilize the prices of some foods on the market and to lessen their hunger gap.
Maize meal is most expensive in Tete

Basic food prices started to drop in April in most surveyed districts, to below or just above the April 2016 average. At the province level, maize meal was most expensive in Tete at MZN60.00/kg; the lowest prices were reported in Inhambane at MZN38.46/kg. At the district level, maize meal prices were highest in Maringue (MZN75.00/kg) and Marromeu (MZN70.00/kg) both in Sofala province (Figure 1). Price increases were seen in Maravia, Magoe, Tete Cidade, Funhalouro and Chibuto compared to March. This could be due to localized production shortfalls and reduced, expensive imports from neighbouring Malawi and Zimbabwe, which is preventing adequate stock replenishment.

Nationwide, maize grain prices have fallen since March 2017 (Figure 2). Some districts remain well above the five-year average but below last year’s average. The most expensive maize grain was reported in Chibuto (Gaza) at MZN29.33/kg. Prices were second highest in Govuro (Inhambane), but they were still below last year’s average. Prices are the lowest in Sofala districts.

Figure 1: Retail price for maize meal (MZN/kg) by district

Figure 2: Retail price for maize grain (MZN/kg) by district
In most assessed districts, rice was cheaper in April than in March, perhaps a result of the availability of the main staple (maize grain) on the markets. Nevertheless, rice prices remain way above the national five-year average and the April 2016 national average. The highest rice price at province level was reported in Tete (MZN50.69/kg), followed by Gaza (MZN50.35/kg). Within the provinces, prices were highest in the districts of Marara, Chigubo and Mabalane. The high prices in these districts could be attributed to their distance from the main markets/city, which makes it difficult for traders to transport their goods.

At the province level, cooking oil was most expensive in Gaza, followed by Inhambane and Maputo. It was cheapest in Sofala at MZN86.50/litre. At the district level, the cheapest cooking oil was in Mossurize (Manica) and Buzi (Sofala) at MZN80.00/litre. The low prices in Mossurize could be because of its proximity to the border with Zimbabwe. Chigubo (Gaza), Chibuto (Gaza) and Magude (Maputo) had the most expensive cooking oil (Figure 4).

The price of cowpeas has remained stable since March for most surveyed districts (Figure 5). The highest prices were recorded in Chibuto (Gaza) at MZN120/kg. Prices in all surveyed districts were above the five-year national average, but below April 2016 prices (see Figure 5). The cheapest cowpeas were found in Xai-xai (Gaza) and Maravia (Tete), retailing at MZN40.00/kg.
In the words of the traders

“The situation has improved because of availability of products on the market, families are consuming from their harvests hence relying on markets to purchase food commodities has become low.” - Female trader from Guija, Gaza province

“The situation is becoming normal, products are available on the markets although corn is still expensive because of the heavy rains that destroyed some crops. Thus, as a result corn is still in the fields but not yet mature for harvesting.” - Male trader from Maravia, Tete province

“The situation is improving because households have started harvesting corn and beans so the demand for corn and beans from has dropped, some traders have stopped selling these two products.” - Female trader from Chicualacuala, Gaza province

Figure 6: Word cloud

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