

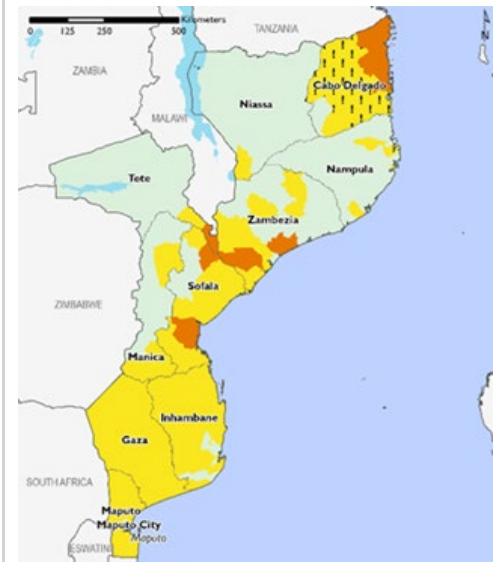


Maize prices are declining slowly despite the start of the 2023 main harvest

Key Messages

- Most poor and very poor households in Mozambique face Minimal (IPC Phase 1) outcomes as the ongoing harvest improves food access and availability. However, in the southern and central areas most affected by droughts, storms, and floods, very poor households are likely Stressed (IPC Phase 2) following a below-normal harvest, with the worst affected areas in Crisis (IPC Phase 3). In the southern semiarid areas, Crisis (IPC Phase 3) outcomes will likely emerge in July and August as household food stocks decline and households increasingly engage in consumption and livelihood coping strategies to minimize food consumption gaps. In Cabo Delgado, ongoing humanitarian assistance is driving Stressed! (IPC Phase 2!) outcomes, with Crisis (IPC Phase 3) outcomes persisting in conflict-affected areas.
- From March 29 to April 25, 2023, the [IOM's Displacement Tracking Matrix](#) recorded around 645 people on the move due to attacks, following a period of relative calm in March. However, most people recorded on the move are traveling with the intention of returning to their regions of origin, particularly Mocímboa da Praia. Some returnees are gradually engaging in typical food and income-earning opportunities, including crop production and fishing. Households with access to seeds, agricultural inputs, and tools are likely beginning to harvest. However, most returnees are likely struggling to earn income due to limited job opportunities and will likely remain dependent on humanitarian assistance. According to WFP, around 238,000 people have received cash-based transfers equivalent to just over 75 percent of the kilocalorie requirement for a family of five as of mid-May. Distributions are ongoing in Nangade, Ancuabe, Ibo, Macomia, Metuge, Mueda, Chiúre, Mocímboa da Praia, Palma, Namuno, and Quissanga, and will likely soon start in Pemba.
- A delayed start to the harvest is keeping maize prices in local markets at higher than typical prices in April, but prices are expected to decline in May and improve household purchasing power. In April, maize grain prices remained stable in Maxixe and Lichinga but increased 12 percent in Maputo and fell by 11 percent in Chókwe and 31 percent in Mocuba. Compared to last year, maize grain prices in April were mixed, with monitored markets registering prices either above or below last year. A mixed trend was also recorded compared to the five-year average. In most markets, April maize grain prices were 10 to 52 percent above the five-year average, with grain prices in some monitored markets similar to 38 percent below the five-year average. Rice and maize meal prices did not change significantly and were relatively stable in almost all monitored markets.
- The annual inflation rate in Mozambique declined to a near one-year low of 9.6 percent in April 2023 due to a decline in annual transportation (11.61 percent) and food (17.02 percent) price inflation. On a monthly basis, the consumer price index increased by 0.3 percent in April, down from the 1.3 percent increase recorded in March. The biggest contributors to the monthly inflation rate were food and non-alcoholic beverages and housing and utility prices, while inflation remained muted across the rest of the consumer price basket. Mozambique's National Institute of Statistics (INE) attributes price increases in maize, onions, beans, and used vehicles as contributing the most to overall inflation. Overall, the high cost of food and goods continues to impact the purchasing power of poor market-dependent households, particularly in urban and peri-urban areas.

Current acute food security outcomes May 2023



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Source: FEWS NET

- On May 11, 2023, the government, through the [Regulatory Energy Authority \(ARENE\)](#), increased diesel prices to 94.75 MZN/liter (5.60 USD/gallon), a 7.71 percent increase. Vehicular natural gas prices also increased to 45.16 MZN/liter (2.69 USD/gallon), a 3.27 percent increase. However, gasoline prices declined to 85.49 MZN/liter (5.07 USD/gallon). The high fuel prices, particularly diesel, will likely result in higher transport costs which could be reflected in price increases for commodities that depend on freight transport. However, the government is exploring different ways to support poor households to mitigate the decline in purchasing power and the high cost of living but is not expected to subsidize bread and transport costs.

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