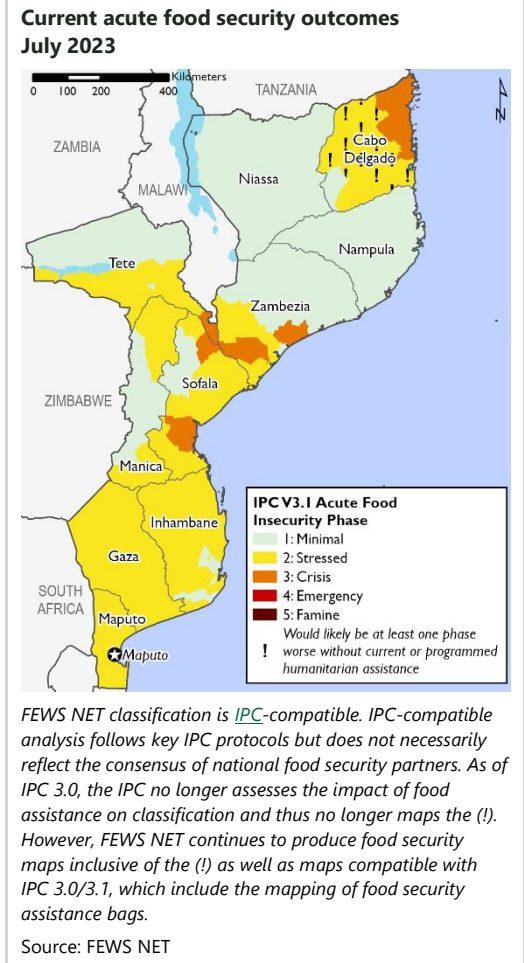




Maize prices remain atypically high, lowering household purchasing power

Key Messages

- In July, most poor households in Mozambique continue to rely on food stocks from the main 2023 harvest, harvests from the second season, and horticultural production. However, Stressed (IPC Phase 2) outcomes are present in areas where the 2023 harvest was below average and poor household purchasing power is limited by the high cost of living. Area-level Crisis (IPC Phase 3) outcomes are present in Cyclone Freddy-affected areas in central Mozambique as poor households are likely engaging in coping strategies indicative of Crisis (IPC Phase 3) to minimize food consumption gaps following a poor to failed harvest and limited access to income as livelihoods recover. In Cabo Delgado, Crisis (IPC Phase 3) outcomes are present in conflict-affected areas, with Stressed! (IPC Phase 2!) outcomes in areas receiving humanitarian assistance.
- In Cabo Delgado, Niassa, and Nampula, around 672,150 people received humanitarian food assistance (HFA) from the Food Security Cluster (FSC) partners during the May/June cycle. However, distributions in Muidumbe were affected by security restrictions in some locations. The FSC partner, WFP, plans to continue distributing HFA through the end of the year following the roll-out of the WFP-led vulnerability-based targeting (VBT) exercise in nine districts of Cabo Delgado using in-kind or cash-based assistance. FSC partners also provided HFA to just over 109,000 beneficiaries in 14 cyclone-affected districts in Inhambane, Sofala, Tete, and Zambézia provinces. Additionally, around 76,900 people received agricultural inputs (tools and seeds) in Sofala, Gaza, and Zambézia provinces.
- According to data collected by UNHCR and HelpCode from January to March 2023 in Montepuez and Metuge districts, Cabo Delgado, nearly 60 percent of respondents want to return to their place of origin, while almost 20 percent want to stay and locally integrate. However, most respondents who expressed a willingness to return also reported requiring shelter, cash, and food in order to return. Additionally, limited access to services and assistance and the lack of livelihood opportunities is likely contributing to people's decisions to return. According to ACLED, most insurgent activity has been concentrated along the coast for several weeks, with some bands of fighters remaining in northwestern Macomia. The relative decline in insurgent activity is likely encouraging displaced households to return to their places of origin to try and better access food and income.
- Maize grain prices remain largely above average, likely reflecting the slow entry and availability of maize grain in local markets following delayed harvests and crop losses during the 2022/2023 agricultural season. From May to June, maize grain prices decreased by 17 to 25 percent in Maputo, Lichinga, and Montepuez, remained stable in Xai-Xai and Maxixe, and increased by 6 to 14 percent in Mocuba, Chókwe, Mutarara, and Angónia. Compared to last year, maize grain prices are 12 to 84 percent higher than in June last year, except in Maputo and Maxixe markets, where maize grain prices remain stable. Relatedly, maize grain prices are 20 to 66 percent higher than the five-year average. The high maize prices are keeping poor household purchasing power lower than normal, particularly households that remain dependent on market purchases in urban and peri-urban areas and where households had a limited harvest.



FEWS NET classification is IPC-compatible. IPC-compatible analysis follows key IPC protocols but does not necessarily reflect the consensus of national food security partners. As of IPC 3.0, the IPC no longer assesses the impact of food assistance on classification and thus no longer maps the (!). However, FEWS NET continues to produce food security maps inclusive of the (!) as well as maps compatible with IPC 3.0/3.1, which include the mapping of food security assistance bags.

Source: FEWS NET

- According to the National Statistics Institute (INE), the annual inflation rate in Mozambique fell for a third month to 6.81 percent in June 2023, hitting its lowest point since March 2022. Prices decelerated mostly for food and non-alcoholic beverages, alcoholic beverages and tobacco, and transportation. On a monthly basis, consumer prices were 0.58 percent lower in June, the second consecutive month of deflation and the most marked since June 2022, amid lower prices for tomatoes, dried fish, lettuce, coconut, cabbage, kale, and mackerel. Despite this deceleration in the inflation rate, the cost of living remains high for most poor and very poor households, especially in areas that have been affected by conflict and climate shocks this year, where households have limited access to income-earning opportunities and remain largely dependent on market purchases for food.

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