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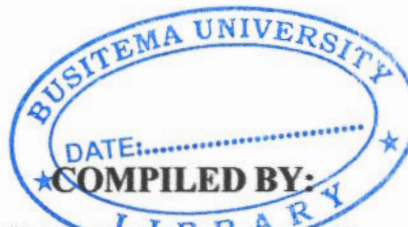
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**A CROSS SECTIONAL STUDY OF MAIZE MARKETS.  
A CASE STUDY OF MUKONO DISTRICT**

2



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**REG NO: BU/UP/2017/313**

**A RESEARCH REPORT SUBMITTED TO THE DEPARTMENT OF  
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ARAPAI CAMPUS**

**FEBRUARY 2021**

**DECLARATION**

I **WANDERA MICHAEL** declare that this is my own original work and that it has not been presented to any other university for a similar or any other degree award.

Student/Researcher *Wandera Michael*.....

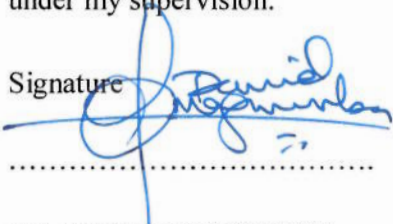
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**APPROVAL**

This is to certify that **WANDERA MICHEAL** has written and submitted this research report under my supervision.

Signature



.....

Date



.....

**DR. DAVID MAGUMBA**  
**(SUPERVISOR)**

## **DEDICATION**

This work is dedicated to my beloved mum Nantale Annet, my daddy, sisters, brothers and friends for their love and support rendered to me. May the Almighty God bless them.

## **ACKNOWLEDGEMENT**

Foremost, I am so grateful forever to the mighty God for giving me this precious life, providing me with guidance, strength, courage and patience to carry out this study. I would like to express my sincere gratitude to my supervisor Dr. David Magumba for the advice, useful comments and support towards accomplishing the research. His supervision and untiring commitment assisted me in doing this work. Furthermore, I would like to acknowledge with much appreciation the crucial role of my mummy madam Nantale Annet for her utmost support in all aspects that made me finish this research. I cannot fail to appreciate your unconditional love for me, May God bless you abundantly. Also, I wish to acknowledge all the respondents in Mukono district who have willingly devoted their precious time during the process of intervening and focus group discussions as well filling the tiresome questionnaire without whose support I wouldn't finish this research.

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**ABSTRACT**

The general objective of this study was to examine the impact of the determinants of maize prices among farmers in Mukono district. The specific objectives were; to analyze the factors influencing demand and supply of maize in Mukono district and analyzing the performance of maize markets in Mukono district. The study employed a cross sectional survey design of Mukono district County by use of quantitative research approach with the help of questionnaire method of data collection. The sampling technique was simple random sampling technique. The study finding showed that changes in the market prices of maize was a major factor influencing demand and supply of maize and that maize markets are performing because the demand for maize increases in Mukono especially due to many schools and companies available. The study concluded that there is unit price has a significant effect on demand and supply of maize in the maize markets. The study recommended that they should invest on infrastructural projects that are key in supporting the maize business in Nakisunga sub County, should reduce the input costs for maize farming, stabilize the maize prices especially from the farm level and should provide support services to farms to increase productivity

## CHAPTER ONE

### INTRODUCTION

#### 1.1. Background

Globally, Maize is the third most important agricultural commodity after rice and wheat in terms of area planted and consumption. In 2016/2017, a total of 140 million tonnes (13% of total production) of maize were traded internationally, generating an estimated global trade volume of roughly USD 25 billion (USDA FAS, 2017). This makes maize the second most traded agricultural commodity after wheat. Overall, maize represents one third of international cereal trade (FAO-AMIS, 2017). In Sub Saharan Africa, depending on the region,

In sub-Saharan Africa, depending on the region, the agricultural sector employs up to 70% of the labour force and contributes up to 65% of the national Gross Domestic Product (GDP). In the Eastern and Southern parts of Africa, where maize is the most important staple and the main source of calorie intake, agricultural households receive up to 20% of their income from maize production and spend more than 15% of their total household expenditure on maize alone (Chauvin *et al.*, 2017). Given its significance in production and traditional consumer preferences, total annual consumption ranges between 50kg-129kg per person.

In East Africa there is a structural deficit in maize, although some countries, foremost Uganda, are regular exporters. Local markets in the region are found to be isolated from international price movements (Badequano and Liefert, 2014). However, regional market integration is well advanced in normal periods and surplus maize is shipped across borders to deficit regions in the Republic of Zimbabwe to stabilize local supply (Davids *et al.*, 2016).

In Uganda, maize contributes about 16% of the total cash and food crop contribution to Uganda's GDP. It is estimated that maize provides over 40% of the calories consumed in both rural and urban areas. About 95% of the households engaged in maize production are small-scale farmers, contributing over 75% of the marketable surplus of maize, with land holdings of 0.2-0.5ha. Medium scale commercial farmers with 0.8-2.0ha of land under maize production contribute the remaining 25%. (Badequano and Liefert, 2014).