



QUARTERLY E-BULLETIN

THIRD QUARTER | 2022/2023

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Consumer Price Indices and Inflation Rates for January - March 2023

The annual inflation rate was 9.2% in March 2023, up from the 5.6% recorded in March 2022 as shown in Table 1.

The increase in basic commodity prices under food and non-alcoholic beverages (13.4%); transport (12.6%) and housing, water, electricity, gas and other fuels (7.5%) between March 2022 and March 2023 were the main causes of the inflation increase. From an index of 130.13 in February 2023 to 131.18 in March 2023, the CPI increased by 0.8%. Refer to Figure 1 and 2 for more details.

Table 1: Overall CPI and Rates of Inflation

Month	Overall Consumer Price Index	Annual Inflation Rate (%)
Mar-22	120.14	5.6
Apr-22	122.17	6.5
May-22	123.12	7.1
Jun-22	124.22	7.9
Jul-22	125.05	8.3
Aug-22	125.58	8.5
Sep-22	126.73	9.2
Oct-22	127.86	9.6
Nov-22	128.31	9.5
Dec-22	128.99	9.1
Jan-23	129.29	9
Feb-23	130.13	9.2
Mar-23	131.18	9.2

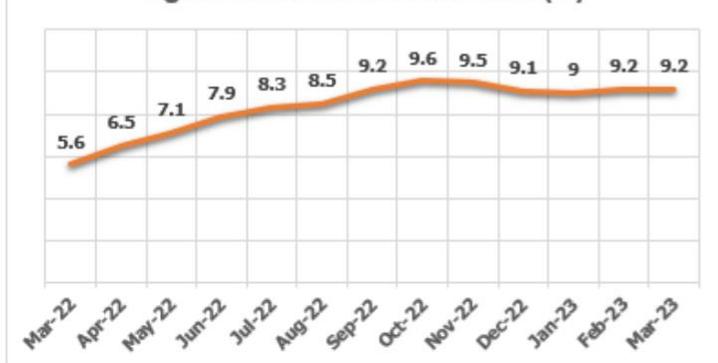
Source: Kenya National Bureau of Statistics

Figure 1: Overall Consumer Price Index



Source: Kenya National Bureau of Statistics

Figure 2: Annual Inflation Rate (%)



Source: Kenya National Bureau of Statistics

Consumer Price Index for specific Scheduled Crops

Dry maize, sweet potatoes, carrots, ground nuts, dry peas, green grams, rosecoco beans, red irish potato, dry onions and french beans have all seen steady price increases in the first quarter of 2023. Tomatoes, cassava and avocado prices decreased during the same time frame as shown in Table 2.

Table 2: Average Retail Prices for Specific Crops

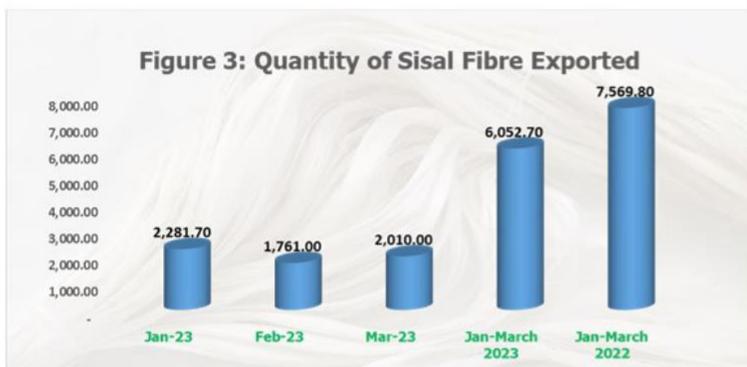
Commodity Name	Average Retail Prices (Kes)		
	Jan-23	Feb-23	Mar-23
Dry Maize (Kg)	70	73	78
Sweet Potatoes (Kg)	88	87	89
Tomatoes (Kg)	80	89	86
Carrots (Kg)	70	77	86
Ground Nuts (Kg)	233	242	244
Dry Peas (Kg)	189	196	193
Green Grams (Kg)	149	152	161
Beans Rosecoco (Nyayo) (Kg)	142	150	171
Cassava Fresh (Kg)	89	92	82
Avocado (Kg)	91	106	78
Red Irish Potato (Kg)	68	72	80
Dry Onions (Kg)	77	78	79
French Beans (Kg)	96	112	105

Source: State Department for Crops Development and Agricultural Research (SDCDAR)



Decline of Sisal Fibre Exports

A total of 6,052.70 Tons of sisal fibre was exported to various destinations valued at KES 1.39 Billion in the period under review. This represents 20 percent decline from quantity of fibre exported during similar period in 2022. This significant drop could be attributed to the harsh weather condition in the beginning of the year. See the Figure 3 below for more details.



Source: AFA - Fibre Crops Directorate

Prices

The overall average F.O.B price in the period under review was approximately KES 230.33/Kg. This represents 18.23% increase from KES 194.81/Kg recorded in the same period in 2022. The increase in F.O.B price could be accredited to market forces since the global demand for fibre has consistently risen against constant supply. Additional contributing factor could be the depreciation of the Kenya Shilling against the US Dollar due to high inflation rates experienced in the current season. For more details, refer to Table 3.

Table 3: Average F.O.B prices for Sisal Exported

Period	2022	2023
January	195.06	231.00
February	189.99	224.00
March	199.38	236.00
Average	194.81	230.33

Source: AFA - Fibre Crops Directorate

Grades

A total of seven (7) grades were traded in the export market during the quarter under review. Grade SSUG and UG were the most traded, forming 89% share of all the fibre exported during the period under review. This represents 5,360.80 tons valued at KES 1.25 Billion Refer to Table 4 below for more details.

Table 4: Sisal Fibre Grades Traded

Grade	Tons	Average Price FOB/ton USD	Total value in USD	Average FoB Price per ton (KES)	Total value (KES)
SSUG	2,689.70	1,798.65	4,805,776.10	225,655.07	601,573,989.75
UG	2,671.10	1,949.89	5,151,791.50	243,972.40	645,680,516.52
3L	253.50	2,009.75	530,185.00	261,713.97	66,629,974.59
TOW.1	252.90	1,146.43	302,145.00	143,118.53	37,635,435.01
TOW.2	115.00	1,593.00	183,195.00	199,424.21	22,933,783.70
UHDS	56.70	1,425.00	83,440.00	182,295.37	10,722,667.67
NO.1	13.50	2,000.00	27,000.00	259,964.80	3,509,524.80
Totals	6,052.40		11,083,532.60		1,388,685,892.04

Source: AFA - Fibre Crops Directorate

During the period under review, fibre was exported to a total of 21 destinations with Nigeria being the leading market for Kenyan fibre and buying 1,106.00 tons representing an 18% market share valued at KES 263.8 Million followed by Saudi Arabia with 868.00 tons representing 15% market share valued at KES 217.6 Million. See Table 5 below for more details.

Table 5: Sisal Fibre Exports Country of Destination

Destination	Tons	Total value Kshs.	% of export share by volume
Nigeria	1,106.00	263,824,249.20	18.3
S/Arabia	868	217,655,170.16	14.3
China	560	131,279,573.44	9.3
Ghana	502.1	100,121,708.39	8.3
Philippines	461	94,924,150.80	7.6
Morocco	420	91,634,931.56	6.9
Ivory Coast	305	64,233,946.10	5.0
Benin	299	70,075,223.85	4.9
Togo	248.5	55,699,248.50	4.1
Belgium	192	50,515,642.20	3.2
UAE	179	44,360,005.97	3.0
Algeria	162	37,521,193.68	2.7
Libya	154	35,095,630.78	2.5
Spain	143.8	27,815,594.46	2.4
Senegal	141	33,545,342.32	2.3
India	112	24,993,213.27	1.9
Egypt	56	13,462,728.16	0.9
Guinea	54	12,301,423.77	0.9
Mauritania	48	9,130,284.92	0.8
Iraq	27	6,857,123.31	0.4
Sri Lanka	14	3,639,507.20	0.2
TOTALS	6,052.40	1,388,685,892.04	100.00

Source: AFA - Fibre Crops Directorate

Horticulture Exports Increase

Revenue from horticultural exports increased from KES 26.02 billion realized in January - March 2022 to KES 29.33 billion in the months under review. This was primarily due to the high demand for fruits and vegetables overseas that translated to high revenues of KES 3.54 billion to KES 5.05 billion respectively.

However the value of Kenya's flower exports in the first quarter of 2023 dropped by KES 1.08 billion and volumes as well dipped by 2.11 billion Kgs compared to the figures realized in first quarter of 2022. Refer to Table 6, 7 and 8 below for more details.

Table 6: Monthly Horticulture Exports by Value (KES)

Period	2022			2023		
	Flowers	Fruits	Vegetables	Flowers	Fruits	Vegetables
January	6,497,702,928	762,095,934	867,137,134	5,982,394,817	919,670,779	1,947,721,357
February	8,542,668,419	291,814,415	228,122,920	7,238,315,585	953,347,608	1,576,612,369
March	6,765,716,931	954,803,903	1,109,344,367	7,511,073,175	1,676,248,340	1,527,183,167
Total Value (Kes)	21,806,088,278	2,008,714,252	2,204,604,421	20,731,783,577	3,549,266,727	5,051,516,893

Source: AFA - Horticultural Crops Directorate

Table 7: Total Horticulture Exports by Value (KES)

Period	2022	2023
Flowers	21,806,088,278	20,731,783,577
Fruits	2,008,714,252	3,549,266,727
Vegetables	2,204,604,421	5,051,516,893
Total	26,019,406,951	29,332,567,197

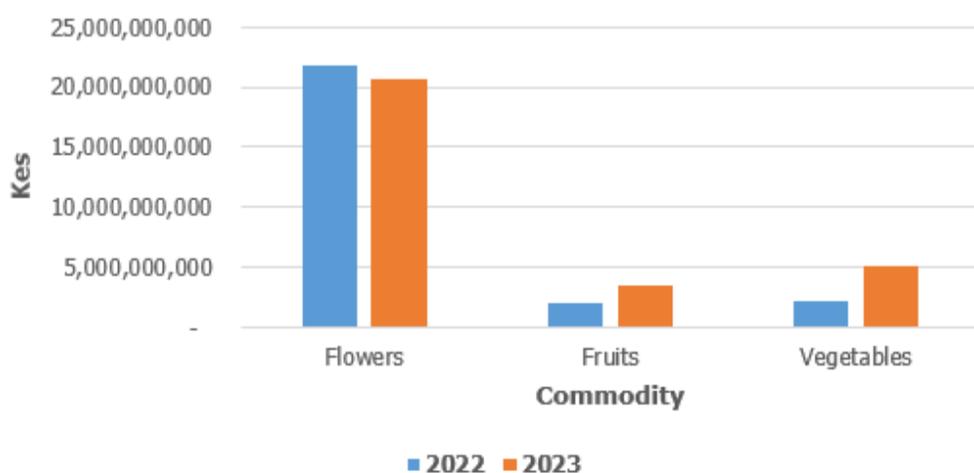
Source: AFA - Horticultural Crops Directorate

Table 8: Total Flower Exports by Volumes (Kg)

Period	2022	2023
Commodity	Flowers	Flowers
January	11,360,350	10,951,989
February	721,998,609	11,935,172
March	1,421,655,802	12,936,778
Total Volume (Kg)	2,155,014,761	35,823,939

Source: AFA- Horticultural Crops Directorate

Figure 4 : Horticulture Exports by Value



Source: AFA- Horticultural Crops Directorate

Coffee marketing

Coffee is marketed through both the Nairobi Coffee Exchange (NCE) and Direct Sales window.

a) Nairobi Coffee Exchange (NCE) Performance

i) Quantity of coffee sold (in 50 kg bags)

A total of 302,208 bags of coffee were sold during the period under review. This represents a 2 per cent drop compared to 308,274 bags sold in the same period in 2022. For more details, refer to Table 9 below.

Table 9: Number of Coffee Bags Sold at NCE

Month	2022	2023
January	97,872	88,793
February	102,164	111,965
March	108,238	101,450
Total	308,274	302,208

Source: AFA - Coffee Directorate

ii) Average Coffee Auction Prices

In the period under review, the average auction prices of a 50 Kg bag of coffee was USD 206, representing USD 96 drop compared to USD 302 recorded in the same period 2022. The decline in price could be attributed to the increase in coffee exports. Refer to Table 10 for more details.

Table 10: Average Coffee Auction prices

Month	Average Price /50Kg bag (U.S\$)	
	2022	2023
January	335.83	198.43
February	320.83	221.19
March	249.67	195.24
Aver-	302.11	205.77

Source: AFA - Coffee Directorate

iii) Value of Coffee Auctioned (USD)

The total value of coffee realized at auction in the period under review was USD 76.3 Million compared to 113.6 Million in similar period last year. During the period under review, February recorded the highest auction value at USD 30.3 Million. The current value

is 33.3% lower than the value realized in similar period in 2022. Refer to Table 11 below for more details.

Table 11: Value of Coffee Auction in USD

Month	2022	2023
January	40,234,584.08	21,608,925.16
February	40,194,183.90	30,307,813.40
March	33,183,881.82	24,333,385.86
Total	113,612,649.80	76,250,124.42

Source: AFA - Coffee Directorate

b) Direct sales

i) Quantities sold

A total of 68,023 bags of coffee were sold during the period under review. This represents a 42 per cent increase compared to 39,210 bags sold in the same period in 2022. For more details, refer to Table 12 below.

Table 12: Number of Direct Sales Bags

Marketer	Jan 2022-Mar 2022	Jan 2023-Mar 2023
Kenya Cooperative Coffee Exporters	16	721
Sucastainability (K) Ltd	1,640	10,178
Tropical Farm Management (K) Ltd.	24,897	20,055
Coffee Management Services		30,474
Sustainable Management Services	672	3,171
Oaklands Coffee Marketing	9,341	2,558
Classic Coffee Ltd	2,644	865
Total	39,210	68,023

Source: AFA - Coffee Directorate

ii) Average Coffee direct sales Prices

In the period under review, the average direct sales prices per bag of coffee was USD 347.0, representing USD 48.2 increase compared to USD 298.9 recorded in the same period 2022. The increase is attributed to improved global prices. More details are given on Table 13.

Table 13: Average direct sales price (USD)

Marketer	Jan 2022-Mar 2022	Jan 2023-Mar 2023
Kenya Cooperative Coffee Exporters	543.38	482.11
Sucastainability (K) Ltd	279.68	311.08
Tropical Farm Management (K) Ltd.	305.67	331.00
Coffee Management Services		370.48
Sustainable Management Services	255.32	333.31
Oaklands Coffee Marketing	291.37	276.25
Classic Coffee Ltd	282.66	462.51
Total	298.86	347.03

Source: AFA - Coffee Directorate

iii) Value of Direct Sales (USD)

The total value of coffee realized through the second window in the period under review was USD 23.6 Million compared to 11.72 Million in similar period last year. During the period under review, Coffee Management Services reported the highest direct sales value of USD 11.3 Million. The present value is double the value realized in similar period in 2022 as shown in Table 14 below.

Table 14: Value of Coffee Direct Sales in USD

Marketer	Jan 2022-Mar 2022	Jan 2023-Mar 2023
Kenya Cooperative Coffee Exporters	8,848.00	347,664.52
Sucastainability (K) Ltd	458,729.46	3,166,256.00
Tropical Farm Management (K) Ltd.	7,610,266.88	6,638,329.73
Coffee Management Services	0	11,290,234.84
Sustainable Management Services	171,627.10	1,056,825.80
Oaklands Coffee Marketing	2,721,648.00	706,787.90
Classic Coffee Ltd	747,226.00	400,237.00
Total	11,718,345.44	23,606,335.79

Source: AFA - Coffee Directorate

c) Coffee Exports

i) Coffee Export by Quantity and Value

The total quantity of coffee exported during the period under review was 10,012 tons representing 10 per cent decline from 11,182 tons exported in the previous year during the same quarter. The volumes exported in March 2023 were the highest while January registered the lowest quantity of coffee exports at 2,196 tons. Refer to Table 15 below, for more details.

Table 15: Coffee Exports (MT)

Month	2022	2023
January	2,621.32	2,195.47
February	5,130.02	3,486.36
March	3,431.81	4,330.03
Total	11,183.16	10,011.86

Source: AFA - Coffee Directorate

The value of coffee exports declined from USD 84.2 Million to 55.4 Million in the period under review. This represents a 34 per cent decline in value, ascribed to the prevailing low global prices. Refer to Table 16 for more details.

Table 16: Coffee Values (USD)

Month	2022	2023
January	21,803,974.99	12,178,074.39
February	36,968,524.79	19,359,690.29
March	25,511,785.63	23,831,665.86
Total	84,284,285.42	55,369,430.55

Source: AFA - Coffee Directorate

ii) Coffee Exports by Destination

Among the top coffee exports destinations are USA, Germany, Belgium and South Korea. Cumulatively, the top ten destinations accounted from 7,690.47 tonnes valued at USD 41.1 million in the period under review compared to 7.973.6 tonnes valued at USD 64.8 million in similar period in 2022. Refer to Table 17 for more details.

Table 17: Top 10 destinations

Destination	Quantity (MT)		Value (USD)	
	2022	2023	2022	2023
USA	1,021.01	2,094.80	7,984,225.22	11,546,947.43
Germany	1,341.38	1,999.69	12,940,523.75	11,412,640.35
Belgium	2,211.59	902.21	19,052,783.92	5,222,885.50
Korea, Republic Of	1,586.03	685.55	12,126,929.86	3,640,439.61
Sweden	535.20	475.20	4,076,318.75	2,158,851.80
India	94.80	435.60	342,865.08	892,808.40
Finland	345.84	424.16	2,338,783.32	2,539,101.72
Australia	581.31	353.76	3,606,312.02	1,502,177.76
Japan	256.44	319.50	2,318,124.13	2,174,803.85
Others	3,209.57	2,321.39	19,497,419.36	14,278,774.13
Grand Total	11,183.16	10,011.86	84,284,285.42	55,369,430.55

Source: AFA - Coffee Directorate

b) Coffee Imports

coffee imports in the period under review amounted to 346 MT valued at USD 1.5 Million compared to 972 MT valued at 4.3 million in similar period in 2022. This represents a 64 per cent decline in import volumes, see Table 18 for more details.

Table 18: Coffee import volumes and values (USD)

Month	2022		2023	
	Quantity(MT)	Value	Quantity (MT)	Value
January	390.38	1,911,623.12	74.73	383,607.69
February	330.14	1,246,891.27	87.00	391,480.15
March	251.32	1,102,085.68	184.48	736,448.39
Total	971.84	4,260,600.07	346.20	1,511,536.23

Source: AFA - Coffee Directorate

Sugar Industry Performance

Sugar Production, Sales and Closing Stocks

Quantity of sugar produced in the period under review declined by 5% to 198,895 tons from 208,468 tons produced in the same period 2022. During the quarter, January 2023 recorded the highest sugar production at 81,648 tons while March had the lowest production at 49,761 tons.

The total sales made during the period under review was 197,752 tons representing 1.3% decrease from 200,353 tons sold during the same period in the previous year. The reduction in total sales can be attributed to the slight decline in the quantity of sugar produced in the period under review. The total closing stock during the period under review was 10,844.00 tons.

Sugar imports and Exports

Total sugar imports in the quarter under review stood at 145,211 tons, representing 72 percent increase from 84,296 tons imported during the same period in 2022. During the review quarter, the imports comprised of 93,042 tons of table sugar and 52,169 tons of white refined sugar.

The total quantity of sugar exported in the period under review was 174.09 tons representing an increase of 138% from 73.17 tons that were exported in 2021 in similar period.

Sugar Prices

The average Ex-factory price of a 50kg bag of sugar during the period under review was highest in March at KES 6,656.06 representing 23% rise from KES 5,432.26 recorded in February 2023. Additionally, the average wholesale sugar price for a 50kg bag rose by KES 1,178.83 to KES 7,171.32 in March from KES 5,922.49 in February while the retail price for 1kg sugar increased slightly to KES 156.51 in March from KES 147.41 recorded in February. For more details, refer to Table 19 below

Table 19: Performance of sugar industry from January to March 2023

Month	Jan-23	Feb-23	Mar-23	Total
Production (MT)	81,648.00	67,486.00	49,761.00	198,895.00
Sales (MT)	65,921.00	81,079.00	50,752.00	197,752.00
Closing Stock (MT)	26,151.00	12,492.00	10,844.00	10,844.00
Import (MT)	22,722.07	28,608.50	93,879.95	145,210.52
Export (MT)	4.21	9.39	160.49	174.09
	Prices (KES)			Average
Ex-factory per 50kg	6,086.89	5,432.26	6,656.06	6,058.40
Wholesale per 50kg	6,662.84	5,922.49	7,171.32	6,585.55
Retail per kg	155.01	147.41	156.51	152.98

Source: AFA - Sugar Directorate

Kenya government lifts ban on exports of raw macadamia nuts

In an effort to increase the market of Macadamia nuts in Kenya, the Cabinet Secretary of Trade, issued a directive to lift the ban on export of raw Macadamia nuts for one year. This move will enable farmers fetch better farm gate prices from their produce and cushion the farmers from exploitation.

Kenya imposed the ban through the Section 43 of the Agriculture and Food Authority (AFA) Act prohibiting the exportation of raw nuts to promote local processing, boosting industrialization and in turn creating employment opportunities for Kenyans.

Macadamia nuts are mainly grown in the Central part of Kenya such as Muranga, Kiambu, Kirinyaga, Embu and Meru. Macadamia farming has spread to other areas of the country such as Bungoma, Kakamega, Kitale, Machakos and Taita Taveta.

According to Cabinet Secretary, the suspension of the ban will attract buyers from all over the world thus allowing farmers to sell their nuts at higher prices.

Data from the AFA - Nuts and Oil crops Directorate shows that macadamia farm gate prices has been varying from different regions as shown in the Table 20 below

Table 20: Macadamia Farm gate Prices by County

Region/County	Farm Gate Price Range KES/Kg
Nyeri and Murang'a	50-80
Kirinyaga	55-85
Embu and Meru	70-90
Western and Rift Valley	60-75
Machakos and Makueni	50-80
Coast (Taita)	60-85
Average	50-82.5

Source: AFA - Nuts and Oil Crops Directorate

Export and Imports

i) Exports

Macadamia, cashew nuts and sesame seeds were the major nuts and oil crops exported totaling 526.94 MT. Notable is the increase in quantity of sesame seeds exported at 215 MT in the month of March 2023.

For more details refer to Table 21 below

Table 21: Nuts and Oil Crops Exports in Volumes (MT)

Product	Exports Volume (MT) 2023			Total
	January	February	March	
Macadamia nuts	162.06	65.96	68.04	296.06
Cashew nuts	-	15.88	-	15.88
Sesame seeds	-	-	215.00	215.00
Grand Total				526.94

Source: AFA - Nuts and Oil Crops Directorate

ii) Imports

The Kenya government has allowed edible oils to be imported duty free for one year, so as to cushion Kenyans against the high cost of living. This has led to an increase of edible oils (palm oil and sunflower oil) imports in March 2023 compared to the imports recorded in February 2023. For more detail refer to Table 22 below.

Table 22: Nuts and Oil Crops Imports in Volumes (MT)

Commodity	Import Volume (MT) 2023		
	January	February	March
Palm oil, Crude	52,219.31	16,154.96	23,534.20
Sunflower oil, Crude	345.41	38.25	799.16
Groundnuts	239.20	-	-
Coconut oil, Crude	548.61	-	-
Castor oil seeds	384.05	280.00	-
Sunflower meal	260.00	-	-
Soya bean oil	417.17	-	55.52
Rape seeds	62.39	110.04	131.22
Olive oil	23.86	-	59.38
Coconut coir fibre	22.10	55.46	-
Desiccated coconut	25.50	-	-
Sesame seeds	-	-	18.20
Linseed	-	-	3.48
Sunflower seeds	0.10	0.00	1.99
Grand Total	54,547.70	17,032.25	25,276.18

Source: AFA - Nuts and Oil Crops Directorate



AGRICULTURE AND FOOD AUTHORITY

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