AFA

Our Crops, Our Wealth

QUARTERLY E-BULLETIN

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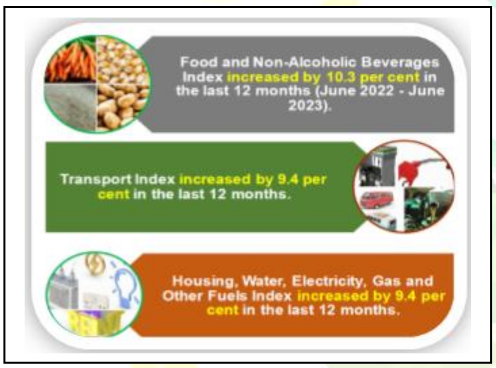
1.0 Consumer Price Indices and Inflation Rates for April-June 2023

The annual inflation rate in June 2023 was 7.9 percent, the same as the one recorded in June 2022. The inflation was largely due to increase in prices of commodities under Food and Non-alcoholic Beverages (10.3 percent); and Housing, Water, Electricity, Gas and other fuels (9.4 percent); and Transport (9.4 percent) between June 2022 and June 2023. During the period under review, the CPI increased from an index of 131.83 in April 2023 to 134.01 in June 2023. Refer to Table 1 and Figure 1, for more details.

Figure 1: Classification of Individual Consumption by Purpose (COICOP) divisions



Source: Kenya National Bureau of Statistics

Table 1: Overall CPI and Rates of Inflation

Month	Overall Consumer Price Index	Annual Inflation Rate (%)
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	9.0
Feb-23	130.13	9.2
Mar-23	131.18	9.2
Apr-23	131.83	7.9
May-23	133.01	8.0
Jun-23	134.01	7.9

Source: Kenya National Bureau of Statistics

1.1 Average Retail Prices of Selected Commodities

In the period under review, the average retail prices per Kg of dry maize, carrots and dry onions increased slightly. Rosecoco beans, sweet potatoes, tomatoes, ground nuts, dry peas, green grams, cassava, avocado, red irish potato and french beans prices decreased during the same time frame as shown in Table 2.

Table 2: Average Retail Price per Kg for Selected Commodities

Commodity Name	Average Retail Price (KES)		
	Apr-23	May-23	Jun-23
Dry Maize	78	83	88
Sweet Potatoes	95	93	89
Tomatoes	83	83	82
Carrots	85	97	106
Ground Nuts	264	272	271
Dry Peas	215	228	204
Green Grams	168	167	151
Beans Rosecoco	185	191	190
Cassava Fresh	91	94	84
Avocado	106	85	75
Red Irish Potato	92	97	65
Dry Onions	81	91	102
French Beans	132	108	100

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

2.0 Horticultural Exports

During the period under review, 115,226 MT of horticultural crops were exported to various destinations. The volume of fruits exports contributed the most to the total horticultural exports at 56 percent (64,367.66 MT). Flowers and vegetables exports contributed 27 percent (31,259.91 MT) and 17 percent (19,598.47 MT) respectively. For more details, refer to Table 3.

Table 3: Horticultural Exports by Volumes in MT for 2022

Months	April	May	June	Total	% Contribution
Flowers	11,296.47	11,031.90	8,931.54	31,259.91	27
Fruits	18,926.34	25,922.74	19,518.58	64,367.66	56
Vegetables	5,113.33	7,336.83	7,148.31	19,598.47	17
Total	**35,336.14**	**44,291.47**	**35,598.43**	**115,226.04**	**100**

Source: AFA-Horticultural Crops Directorate

The value of horticultural exports increased from KES 22.4 billion realized in April-June 2022 to KES 33.6 billion in April-June 2023, attributed to high demand for fruits and vegetables which increased by 186 percent and 80 percent respectively. For more details, refer to Table 4 and 5.

Table 4: Horticultural Exports by Value in KES

Months	April-June 2022	April-June 2023	% Change
Flowers	15,550,380,919	17,428,241,761	12
Fruits	3,624,551,915	10,351,763,994	186
Vegetables	3,221,607,130	5,789,224,382	80
Total	**22,396,539,964**	**33,569,230,136**	**50**

Source: AFA-Horticultural Crops Directorate

Table 5: Monthly Horticultural Exports by Value (KES millions)

Months	Flowers		Fruits		Vegetables	
	2022	**2023**	**2022**	**2023**	**2022**	**2023**
April	5,494.73	6,031.38	1,119.08	3,564.84	1,062.32	1,616.46
May	5,469.26	6,210.56	1,162.11	3,777.20	1,121.20	2,209.13
June	4,586.40	5,186.30	1,343.36	3,009.73	1,038.09	1,963.63
Total	**15,550.38**	**17,428.24**	**3,624.55**	**10,351.76**	**3,221.61**	**5,789.22**

Source: AFA-Horticultural Crops Directorate

3.0 Fibre Crops Sub Sector

3.1 Quantity and Value of Fibre Exports

During the quarter under review, a total of 5,380 MT of sisal fibre was exported to various export destinations worth KES 1,266,016,523 which was a drop from 7,237 MT worth KES 1,451,693,901 exported in the same period in 2022. The decrease in fibre exports could be attributed to delays in shipping companies in the ports of the major export destinations. For more details, refer to Table 6.

Figure 2: Sisal Exports Volume (MT) and Value (KES)

Months	Quantity (MT)		Value (KES)	
	2022	**2023**	**2022**	**2023**
April - June	7,237	5,380	1,451,693,901	1,266,016,523

Source: AFA-Fibre Crops Directorate

3.2 Price/Kg in KES and Grades

During the period under review, the average F.O.B price of sisal was KES 237.67 per Kg compared to KES 199.95 per Kg recorded in the same period in 2022, an increase of 19 percent. This could be attributed to the market forces of supply and demand experienced in the world market for sisal. For more details, refer to Table 7.

Figure 3: Average F.O.B Price KES per Kg

Months	Average F.O.B Prices KES per Kg	
	2022	**2023**
April	193.04	233
May	199.6	239
June	207.22	241
Total	**199.95**	**237.67**

Source: AFA-Fibre Crops Directorate

3.3 Export Share by Grades

During the period under review, Grade UG was the most traded at 2,646.80 MT followed by Grade SSUG at 2,244.70 MT. Grade UHDS was the least traded at 45.5 MT. For more details, refer to Table 7.

Table 6: Export by Grade April -June 2023

Grade	April-June 2022	April-June 2023	April-June 2022	April-June 2023
	Volume (MT)		Value (KES)	
UG	3,239.65	2,646.80	702,343,714.06	643,671,714.35
SSUG	3,144.7	2,244.70	607,141,396.02	522,470,905.28
TOW.1	433.7	224.65	62,251,916.67	33,186,085.02
3L	121.5	172	28,883,275.01	47,219,976.53
TOW.2	122	46	22,947,073.26	9,855,775.89
UHDS	138	45.5	20,339,752.80	9,612,066.13
N0.3	37.75	-	7,786,772.46	-
Total	**7,237.30**	**5,379.65**	**1,451,693,900.28**	**1,266,016,523.20**

Source: AFA-Fibre Crops Directorate

3.4 Exports by Destinations

There was a total of 23 export destinations in the period under review. Nigeria was the leading sisal export destination, with 21.7 percent of all the sisal exported. This was followed by China (14 percent), Morocco (12.5 percent, Senegal (7.4 percent) and Saudi Arabia (5.5 percent). Refer to Table 8 for more details.

Table 7: Sisal Fibre Exports by Destinations April–June 2023

No	Destination	Volumes (MT)	Total value in USD	Total value (KES)	% Total (Volumes)
1	**Nigeria**	1,167.50	2,022,061.00	275,872,146.00	21.7
2	**China**	752.55	1,233,310.00	167,497,357.76	14.0
3	**Morocco**	675.00	1,176,630.50	160,204,753.07	12.5
4	**Senegal**	395.50	685,961.00	93,770,547.03	7.4
5	**Saudi Arabia**	297.00	551,475.00	75,901,131.18	5.5
6	**Benin**	274.50	503,400.00	68,566,745.85	5.1
7	**Ghana**	267.60	398,270.00	54,469,043.43	5.0

No	Destination	Volumes (MT)	Total value in USD	Total value (KES)	% Total (Volumes)
8	**Spain**	196.80	304,794.00	41,893,353.24	3.7
9	**Ivory Coast**	168.00	284,175.00	38,548,827.31	3.1
10	**Algeria**	162.00	279,450.00	38,133,970.57	3.0
11	**Belgium**	144.00	291,600.00	39,862,782.84	2.7
12	**Libya**	142.00	254,385.00	34,803,870.08	2.6
13	**Togo**	141.50	264,295.00	35,503,011.61	2.6
14	**Mauritania**	140.50	226,606.00	31,049,907.04	2.6
15	**Egypt**	84.00	166,600.00	22,768,917.22	1.6
16	**India**	84.00	149,100.00	20,433,894.25	1.6
17	**Philippines**	84.00	135,279.90	18,188,774.87	1.6
18	**Mali**	56.00	98,700.00	13,495,754.37	1.0
19	**Guinea**	54.00	87,750.00	12,073,627.80	1.0
20	**Gambia**	28.00	52,500.00	7,191,266.25	0.5
21	**UAE**	28.00	49,700.00	6,629,980.00	0.5
22	**Iraq**	27.00	54,540.00	7,565,177.95	0.5
23	**Slovenia**	10.20	11,475.00	1,591,683.48	0.2
	TOTALS	**5,379.65**	**9,282,057.40**	**1,266,016,523.20**	100.0

Source: AFA-Fibre Crops Directorate

4.0 Coffee Marketing, Exports and Imports

Coffee Marketing

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

4.1 Nairobi Coffee Exchange (NCE) Performance

i) Quantity of Coffee Sold (in 50 kg bags)

A total of 115,619 bags of coffee were sold during the period under review. This represents a 171 percent increase compared to 42,643 bags sold in the same period in 2022. The auction had a recess from June 6 2023, hence there were no sales made in June 2023. For more details, refer to Table 9 below.

Table 8: Number of Coffee Bags Sold at NCE

Month	2022	2023
April	29,875	88,149
May	7,896	27,470
June	4,872	-
Total	**42,643**	**115,619**

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 213.08, representing USD 61.42 drop compared to USD 274.50 recorded in the same period in 2022. The decline in price could be attributed to poor market prices at both the auction and direct sales. Refer to Table 10, for more details.

Table 9: Average Coffee Auction prices

Month	Weighted Average Price /50Kg bag (USD)	
	2022	**2023**
April	224.6	171.74

Month	Weighted Average Price /50Kg bag (USD)	
	2022	**2023**
May	182.4	178.14
June	267.2	-
Average	**274.5**	**213.08**

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 24.6 million compared to USD 11.7 million in similar period last year, representing a 110.4 percent increase. April 2023 recorded the highest auction value at USD 18.6 million. Refer to Table 11, for more details.

Table 10: Value of Coffee Auction in USD

Month	2022	2023
April	8,290,589.44	18,586,113.20
May	1,789,528.74	6,050,446.16
June	1,625,276.48	-
Total	**11,705,394.66**	**24,636,559.36**

Source: AFA-Coffee Directorate

4.2 Coffee Exports

i) Coffee Export by Quantity and Value

The total quantity of coffee exported during the period under review was 17,796 MT representing 18.4 percent increase from 15,027 MT exported in the previous year during the same quarter. The volumes exported in June 2023 were the highest at 6,822 MT while April 2023 registered the lowest quantity of coffee exports at 5,329 MT.

The value of coffee exports increased from USD 107 million in April-June 2022 to USD 110 million in the period under review. This represents a 3.1 percent increase in value, ascribed to the prevailing high global prices. Refer to Table 12, for more details.

Table 11: Coffee Volumes (MT) and Values (USD)

Month	Volumes (MT)		Value (USD)	
	2022	2023	2022	2023
April	5,354.48	5,329	34,885,910.85	43,772,016.79
May	4,255.60	5,645	36,102,536.66	36,219,247.41
June	5,417.58	6,822	36,387,616.67	30,752,237.74
Total	**15,027.66**	**17,796**	**107,376,064.18**	**110,743,501.94**

Source: AFA-Coffee Directorate

ii) Coffee Exports by Destination

USA, Germany, Belgium and South Korea are the leading Kenyan coffee exports destinations. Cumulatively, the top ten destinations accounted for 22,428 MT valued at USD 122 million in the period under review compared to 35,085 MT valued at USD 248 million in the similar period in 2022. Refer to Table 13, for more details.

Table 12: Top 10 Destinations

Destination	Quantity (MT)		Value (USD)	
	2022	2023	2022	2023
USA	8,403.24	6,969.17	63,199,907.53	37,385,681.96
Germany	6,889.73	5,294.68	41,227,368.00	29,370,286.19
Belgium	8,010.65	2,793.72	61,737,319.79	16,680,877.87
Republic of Korea	4,341.10	1,501.67	30,732,735.29	8,240,045.25
Sweden	2,597.85	1,349.41	16,903,792.64	6,972,383.88
Australia	1,453.94	1,239.58	9,115,985.34	5,999,891.62
Norway	1,201.28	1,012.10	10,482,202.25	7,531,579.73
Japan	1,150.32	811.12	9,285,883.90	5,106,784.68
India	189.66	784.28	812,823.20	1,758,764.83
Netherlands	847.82	672.84	4,571,267.13	3,104,609.38
Grand Total	**35,085.58**	**22,428.56**	**248,069,285.07**	**122,150,905.39**

Source: AFA-Coffee Directorate

4.4 Coffee Imports

Coffee imports in the period under review amounted to 430.5 MT valued at USD 1.88 million compared to 434.9 MT valued at USD 1.80 million in similar period in 2022. This represents a 1 percent decline in import volumes. Refer to Table 14, for more details.

Table 13: Coffee Import Volumes and Values (USD)

Month	Quantity (MT)		Value (USD)	
	2022	2023	2022	2023
April	237.4	94.0	826,140.44	455,524.57
May	86.7	154.0	364,201.42	774,263.01
June	110.8	182.5	611,878.80	651,504.86
Total	**434.9**	**430.5**	**1,802,220.66**	**1,881,292.44**

Source: AFA-Coffee Directorate

Sugar Industry Performance

Sugar Production, Sales and Closing Stocks

Quantity of sugar produced in the period under review declined by 52 percent to 97,538 MT from 202,068 MT produced in the same period 2022. During the quarter, June 2023 recorded the highest sugar production at 34,072 MT while May had the lowest production at 31,495 MT.

The total sales made during the period under review was 112,484 MT representing 46 percent decrease from 208,058 MT 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 7,363 MT.

Sugar imports and Exports

Total sugar imports in the quarter under review stood at 74,855.44 MT, representing 3 percent increase from 72,745.71 MT imported during the same period in 2022.

The total quantity of sugar exported in the period under review was 61.27 MT representing a decrease of 1.1 percent from 61.94 MT that were exported in 2022 in similar period.

Sugar Prices

The average ex-factory price of a 50 Kg bag of sugar increased from KES 5,207.67 in 2022 to KES 7,988 in the period under review. Additionally, the average wholesale sugar price for a 50 Kg bag rose by KES 2,850 to KES 8,404 in 2023. For more details, refer to Table 15 below.

Table 15: Performance of Sugar Industry

Month	April		May		June		Total	
	2022	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Production (MT)	68,483	31,971	63,209	31,495	70,376	34,072	202,068	97,538
Sales (MT)	69,036	36,182	68,715	38,200	70,307	38,102	208,058	112,484
Closing Stock (MT)	13,889	8,073	8,251	11,396	8,411	7,363	8,411	7,363
Import (MT)	21,865.07	14,034.12	33,650.13	28,257.77	17,230.51	32,563.55	72,745.71	74,855.44
Export (MT)	23.322	16.853	1.851	0.585	36.766	43.831	61.94	61.27
Prices (KES)							**Average**	

Month	April		May		June		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Ex-factory per 50kg	5,163.00	7,055.00	5,261.00	8,597.00	5,199.00	8,312.00	5,207.67	7,988.00
Wholesale per 50kg	5,551.00	7,210.00	5,565.00	9,252.00	5,546.00	8,751.00	5,554.00	8,404.33
Retail per kg	128.96	160.33	129.03	211.03	127.5	206.32	128.50	192.56

Source: AFA-Sugar Directorate

VISION

To be a World Class Regulator in the Agriculture Sector.

MISSION

To sustainably develop and promote scheduled crop value chains through effective regulation for economic gowth and sustainability.

CORE VALUES

Customer focus
Teamwork
Intergrity
Innovativeness
Professionalism