



QUARTERLY E-BULLETIN

THIRD QUARTER | 2022/2023

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Consumer Price Indices and Inflation Rates for January - March 2023

The Consumer Price Index (CPI) 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.

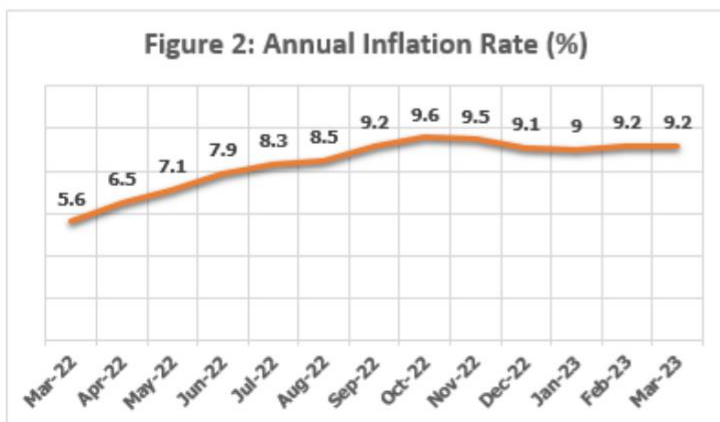
Table 1: Overall CPI and Rates of Inflation

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



Source: Kenya National Bureau of Statistics



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	70	73	78
Sweet potatoes	88	87	89
Tomatoes	80	89	86
Carrots	70	77	86
Ground Nuts	233	242	244
Dry Peas	189	196	193
Green Grams	149	152	161
Beans Rosecoco (Nyayo)	142	150	171
Cassava Fresh	89	92	82
Avocado	91	106	78
Red Irish potato	68	72	80
Dry Onions	77	78	79
French beans	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 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 high inflation rates experienced in the current season.

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 3 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 Kshs.
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 4 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 the month of January, February and 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 and KES 5.05 billion respectively in the quarter under review.

However the value of Kenya 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 Value (KES)	26,019,406,951	29,332,567,197

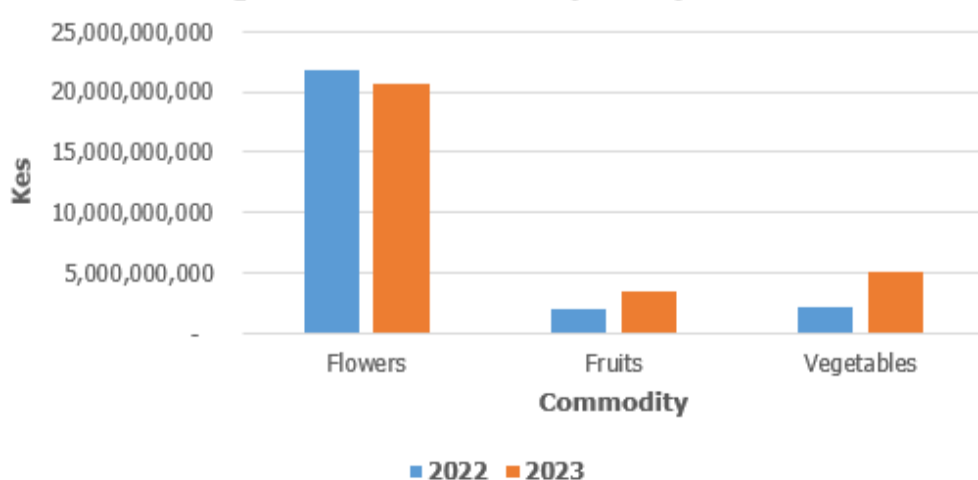
Source: AFA - Horticultural Crops Directorate

Table 8: Total Flower Exports by Volumes (Kg)

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

Source: AFA- Horticultural Crops Directorate

Figure 4 : Horticulture Exports by Value



Source: AFA- Horticultural Crops Directorate

Coffee Exports and Imports

a) Coffee Export

i) Coffee Export by Quantity and Value

The total quantity of coffee exported during the period under review was 17,221 tons representing 54 per cent increase from 11,182 tons exported in the previous year during the same quarter. January registered the highest quantity of coffee exports 9,439 tons while February recorded the lowest amount of coffee exports during the period under review. Refer to Table 9 below, for more details.

Table 9: Coffee Exports (MT)

Month	2022	2023
January	2,621	9,439
February	5,130	3,472
March	3,431	4,310
Total	11,182	17,221

Source: AFA - Coffee Directorate

ii) Coffee Exports by Destination

Germany, USA, Belgium, Sweden and South Korea were the main export destinations and accounted for 62% (8,211 tons) of the total exports in 2022 compared to 63% (8,108 tons) in 2023.

b) Coffee Imports

The cumulative quantity of coffee imported during the period under review was 653 tons translating to 78.67% decline from the 3,061 tons imported during the same quarter in the previous year.

c) Coffee Auction at Nairobi Security Exchange

i) Average Coffee Auction Prices

In the period under review, the average auction prices of a 50 kilograms bag of coffee was USD 205, representing USD 97 drop compared to USD 302 recorded in 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
Average	302.11	204.95

Source: AFA - Coffee Directorate

ii) Number of bags sold

A total of 302,208 bags of coffee were sold under 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 11 below.

Table 11: Number of Coffee Bags Sold

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

iii) Value of Coffee Auctioned (USD)

The total value of coffee auction realized in the period under review was USD 76.25 Million. During the period under review, February recorded the highest auction value at USD 30.3 Million. This however represents 24.6% decrease from the value received during the same month in 2022. Refer to Table 12 below for more details.

Table 12: Value of Coffee Auction prices 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

Sugar Production, Sales and Closing Stocks

The total 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 2021. 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 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 stood at 145,211 tons representing 72 percent increase from 84,296 tons imported during the same period in 2022. During the review quarter, March registered the highest quantity of sugar imports at 93,879.95 tons compared with 22,722.07 tons imported in January 2022.

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 22.5% 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 13 below.

Table 13: 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 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 14 below.

Table 14: 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 at 526.94 MT. There was an increase in the number of volume of sesame seeds exported at 215 MT in the month of

March 2023. For more details refer to Table 15 below

Table 15: Nuts and Oil Crops Exports in Volumes (MT)

Product	Exports Volume (MT) 2023			
	January	February	March	Total
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

Following the Kenya government decision to allow edible oils to be imported duty free for one year, so as to cushion Kenyans against the high cost of living. It has led to an increase of edible oils (oil palm and sunflower oil) imports in March 2023 compared to the imports recorded in February 2023. For more detail refer to Table 16 below.

Table 16: Nuts and Oil Crops Exports in Volumes (MT)

Commodity	Import Volume (MT) 2023		
	January	February	March
Oil palm, 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



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