



The Food Price Monitor: Kenya is a monthly report developed for the Food Security Portal (FSP), facilitated by IFPRI, with the goal of providing clear and accurate information on commodity price trends and variations in selected markets throughout Kenya. The reports are intended as a resource for those interested in agricultural commodity markets in Kenya, namely producers, traders, consumers, or other agricultural stakeholders.

Highlights

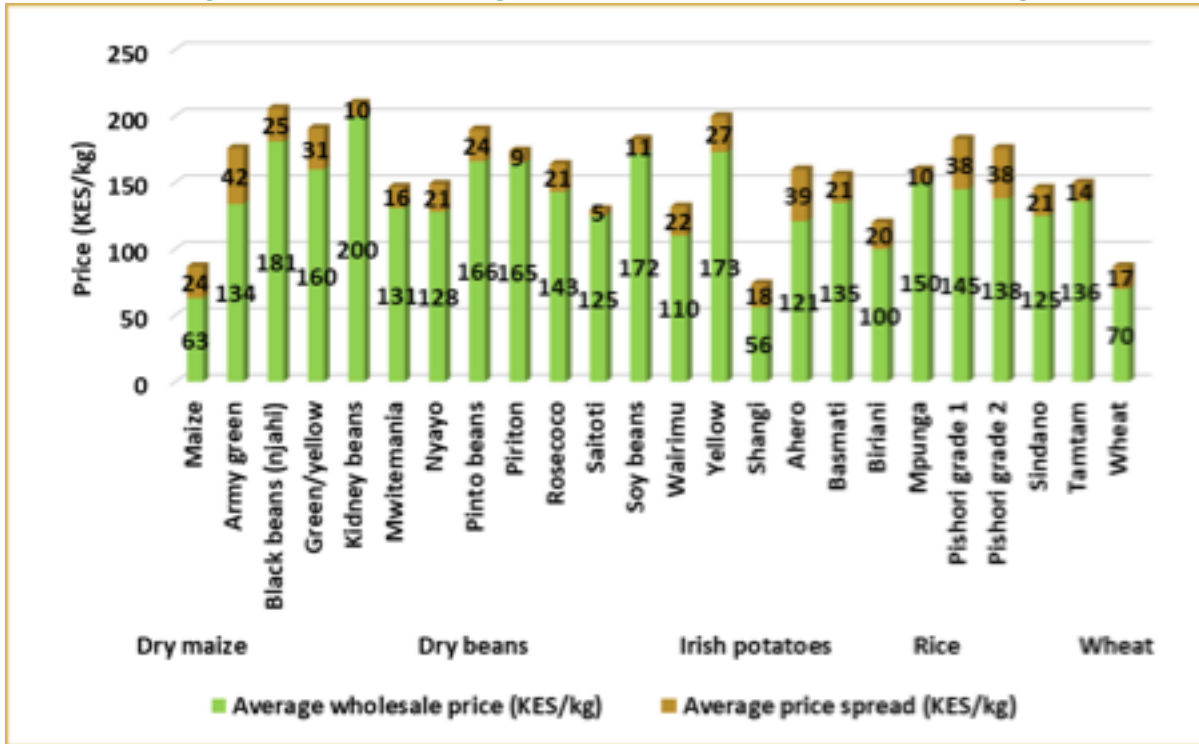
- ▶ Disparities in wholesale and retail price margins can be attributed to a combination of factors including; below-average production seasons, high fuel and transportation costs, and high local demand;
- ▶ Increased prices of Irish potatoes in the populous cities can be attributed to high demand and unavailability of the commodity due to its perishable characteristic;
- ▶ High wheat prices in non-producing and populous regions is greatly attributable to market forces, and shortage caused by the Ukraine-Russia war disrupting the supply chain;
- ▶ Stable and decline in wholesale and retail prices for most commodities between December 2022 and January 2023 is attributable surplus of commodities from various producing regions, and imports from the neighboring East African countries of Uganda and Tanzania and Pakistan.

Overall Wholesale and Retail Prices for January

Average wholesale and retail prices for maize, beans, potatoes, rice, and wheat in major Kenyan markets in January 2023 are shown in Figure 1. Most commodities recorded lower price margins of between 4% and 15%; these included most dry beans varieties [Black beans (14%), Red Kidney (5%), Mwitemia (12%), Pinto (14%), Rosecoco (15%), Saitoti (4%), and Soy beans (6%), and some rice varieties [Mpunga (7%), and TamTam rice (10%)]. Some commodities showed price margins of between 16% and 24% including some dry beans varieties [green/yellow (19%), Nyayo (16%), Wairimu (20%), and

yellow beans (16%), some rice varieties [Basmati (16%), Biriani 20%), and Sindano (17%)]. Dry wheat saw a price margin of 24%. A few commodities recorded slightly higher price margins of between 26% and 32% including Army green (26%), Shangi Irish potatoes (32%), Pishori grade 1 (26%) and Pishori grade 2 rice (28%). The observed disparities in wholesale and retail price margins can be attributed to a combination of factors including; below-average production seasons, high fuel and transportation costs, and high local demand. Reduced cross-border imports from the East Africa regions specifically from Uganda and Tanzania was a major contributing factor to the price variations (Reliefweb January 2023).

Figure 1: Overall average wholesale and retail prices (KES/Kg)



Source: Daily Market Survey for the month of January 2023

Wholesale and Retail Commodity Prices

Several varieties of dry beans were recorded across regions, but only green/yellow and Wairimu beans were common in all the selected regions. Other common beans per region included Rosecoco which was found in all the regions with exception of Mombasa region, Njahi (black beans) was common to all regions other than Kisumu, while Nyayo beans was found in all regions besides Mombasa (Table 1). Some dry beans varieties were only found in specific regions for instance Saitoti was found in Mombasa, Yellow, Kidney and Pinto beans, in Eldoret; Army green beans were available in Kisumu, Nairobi and Nakuru; while Soya beans were available in Eldoret and Kisumu. Kisumu and Mombasa regions recorded few beans varieties due to nonproducing nature of the regions while Eldoret recorded most beans varieties followed by Nairobi and Nakuru regions. Eldoret and Nakuru are surrounded by major bean producing areas while Nairobi is a populous city with high demand of beans. As expected, all beans varieties recorded higher retail prices compared to wholesale prices. Compared to the national wholesale average prices, Green yellow, Mwitmania, and Rosecoco beans showed higher wholesale prices. Eldoret, Kisumu and Nairobi regions recorded higher wholesale prices for most beans varieties

while Kisumu and Nyeri showed higher retail prices for most beans varieties. The observed variation in prices can be attributed to seasonality, market forces including supply and demand, and variety type of beans.

Compared to the national average wholesale and retail prices of 63KES/kg and 87KES/kg, dry maize recorded higher wholesale price in Kisumu and Nairobi of 65KES/kg and 68KES/kg respectively and exorbitantly higher retail price in Kisumu (160KES/kg). The Nairobi market is indicative for urban consumers, while Kisumu is a large market located in a deficit area with marginal agricultural productivity. High transportation cost, involvement of middlemen and market forces including high demand and low supply are attributable to high wholesale and retail prices.

Irish potatoes recorded significantly higher prices in Nairobi (100KES/kg) compared to the national average wholesale price of 56KES/kg. Similarly, Kisumu and Nairobi showed highly significant retail prices of 84KES/kg and 110KES/kg respectively, compared to the national average price of 74KES/kg. Increased prices in the populous cities can be attributed to high demand and unavailability of the commodity due to its perishable characteristic. Irish potato production has been growing rapidly in the country due to increased growth in the fast food industries (Khusoko 2022).

Pishori rice was common to all regions, Ahero rice was common to Kisumu whereas Tamtam and Mpunga rice were common to Mombasa. Basmati rice (nonaromatic rice) were common to all regions with the exception of Kisumu and Mombasa. All regions excluding Nakuru recorded higher wholesale prices for Pishori grade 1 rice varieties. High rice prices is attributable to climatic changes and cost of production. This is as a result of inadequate rainfall and high cost of fertilizers and agro-chemicals.

Dry wheat recorded high wholesale prices in Kisumu (94KES/kg), and Nairobi (72KES/kg) regions compared to the national average wholesale price of 70KES/kg. Similarly, the same regions showed significantly high retail prices of 98KES/kg, and 100KES/kg respectively compared to the national average retail price of 87KES/kg. High wheat prices in non-producing and populous regions is greatly attributable to market forces where demand is higher than the supply, shortage caused by the Ukraine-Russia war disrupting the supply chain. Local wheat production has been hindered by drought, high input costs, and quelea bird infestations (Kenyan Wall Street NewsLetter, 2023).

Table 1: Average wholesale and retail prices (kes/kg) by region for January

Product	Variety	Average wholesale price (KES/kg)						Average retail price (KES/kg)						Total average wholesale price (KES/kg)	Total average retail price (KES/kg)
		Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri		
Dry beans	Army green		183		144	116			244		170	161		134	176
	Black beans (njahi)	206		145	167	156	154	235		150	190	170	200	166	189
	Green/yellow	173	168	170	171	130	149	200	221	180	193	152	197	160	191
	Kidney beans	200						210						200	210
	Mwitmania			175	144	75				180	170	91		131	147
	Nyayo	200	138	115	128	111		220	168	120	165	120		128	149
	Pinto beans	166						190						166	190
	Rosecoco	150	147		150	132	137	160	176		180	137	168	143	164
	Saitoti			125						130				125	130
	Soy beans	204	139					215	150					172	183
	Wairimu	111	120	110	109	113	100	122	153	120	125	119	151	110	132
Yellow	173						200						173	200	
Dry maize	Maize	61	65	62	68	56	64	67	160	70	80	59	84	63	87
Irish potatoes	Shangi	52	47	56	100	35	47	60	84	71	110	67	55	56	74
Rice	Ahero		121						160					121	160
	Basmati	108			138	149	144	130			160	175	161	135	156
	Biriani			98	97	104				120	120	120		100	120
	Mpunga			150						160				150	160
	Pishori grade 1	175		195	165	98	179	200		200	185	163	203	145	183
	Pishori grade 2	128	148					150	202					138	176
	Sindano	122		134		118	136	130		150		151	148	125	146
	Tamtam			136						150				136	150
Wheat	Wheat	53	94	66	72	66	67	56	98	77	100	71	123	70	87

Source: Daily Market Survey for the month of January 2023

Wholesale and Retail Price Trends by Region

Variances in weekly prices were seen across regions between week one and weeks two through five. Eldoret recorded mixed results of increased, reduced, and stable prices with most commodities showing stable prices. Most dry beans including Green yellow, Rosecoco and yellow beans portrayed stable wholesale and retail prices. Wairimu beans saw increased wholesale and retail prices of 13% and 8% respectively when week 1 prices were compared to week 5 prices. Dry maize saw an increase in both wholesale (34%) and retail prices (36%) when week 1 prices were compared to week 2 through to week 5 prices. Eldoret being a producing area and located in the grain basket zone, stiff competition for maize between millers and the National Cereals and Produce Board (NCPB) that has pushed the prices to record highs (Nation epaper February, 2023). Irish potatoes saw a reduction of wholesale and retail prices of 7% and 4.6% when week 5 and week 1 were compared. This could be as a result of availability of the commodity in the region and the neighboring producing regions. All rice varieties saw stable wholesale and retail prices, this is attributable to ongoing harvests in Kenya and neighboring Tanzania. The ongoing harvest of rice in Mwea started in December 2022 and is expected to end in February 2023. Wheat saw a reduction of wholesale and retail prices of 2.5% and 8.3% respectively when week 1 prices were compared to week 2 through to week 5 prices. Reduction in wheat prices is as a result of availability of the commodity since wheat is harvested as from September and regions surrounding Eldoret are major wheat producing areas.

Kisumu recorded similarly mixed results, with most commodities seeing increased, and reduced prices with a few portraying stable prices. A comparison of wholesale prices between week 5 and week 1 showed increase in prices for all dry beans ranging between 25% and 66%. Kisumu being a low agriculture producing region, increased prices of beans is attributable to seasonality, involvement of middlemen and high demand of beans and maize which is a requirement to various schools when children were going back to school in the month of January. Dry maize and wheat saw stable prices whereas Irish potatoes available rice varieties in the region portrayed decline in prices. Stable and reduction in prices is attributable to availability of commodities in the neighboring producing counties.

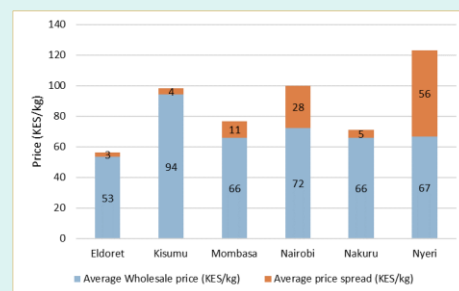
A comparison of wholesale and retail prices between week 1 and weeks 5 in Mombasa showed stable prices for all commodities with an exception of Shangi Irish potatoes which saw increased wholesale and retail prices of 18% and 13% respectively and wheat which saw reduction in wholesale and retail prices of 20% and 6% respectively. Stable and reduction in prices is attributable to availability of produce from the neighboring producing regions and

FOCUS ON WHEAT ACROSS SELECTED REGIONS

Wheat is Kenya's second largest grown cereal crop after maize. Consumption of wheat food products (break, cake, cereals, etc) has now overtaken maize across the country. Wheat does best in medium to high altitude, depending on the variety. It also prefers medium rainfall and cool temperatures. The soil should be well drained (loamy), and fertile. Areas where wheat is grown in Kenya include Narok, Nakuru, Uasin Gishu, Trans Nzoia, as well as Nanyuki. Narok is the leading area of production, followed by Nanyuki. The planting season starts from February to early April, during the long rains. Highland wheat (and Barley) is grown in Mau Narok and Uasin Gishu. The planting season there starts much later, July to August, as the long rains persist for longer. Choice of variety depends on area of production, and resistance to disease.

During January 2023, wheat recorded atypically higher prices across regions (Figure 2). Wholesale prices averaged 70 KES/kg, while retail prices averaged 87KES/kg. Kisumu and Nairobi saw significantly higher wholesale and retail prices and Nyeri recorded exorbitantly higher retail prices. Higher prices are attributable to higher demand, global shortage of the commodity, high import cost occasioned by depreciation of Kenyan shilling against the dollar. Accordingly, Kenya has yet to achieve self-sufficiency in production, in fact the gap is widening. One of the main challenges in production of wheat is post-harvest losses particularly when conditions are wet during harvest. Poor prices can also dampen farmers' morale, although prices fluctuate from year to year.

Figure 1: Average wholesale and retail prices of wheat (KES/kg) in selected regions



Source: Daily Market Survey for the month of January 2023.

imports from other countries like Tanzania, Uganda and Pakistan.

Nairobi, a non-producing region and a populous city recorded mixed results, with most commodities seeing reducing and stable wholesale prices. Most dry beans, saw stable wholesale prices while dry maize, Irish potatoes, all available rice varieties and dry wheat portrayed reduction in both wholesale prices a reduction in prices; attributable to the crops surplus in the producing regions across the country, and neighboring countries.

A comparison of prices between week 5 and week 1 in Nakuru recorded mixed results, with different commodities seeing increased, reduced, and stable prices. A comparison of wholesale prices between week 5 and week 1 showed reduction in prices for maize (10%), Irish potatoes (11%)

and Basmati rice (35%). Increase in prices were observed for some beans varieties ranging between 9% and 21% and wheat (17%). Stable wholesale prices were recorded for some rice and some bean varieties.

Increase and reduction of prices were recorded in Nyeri when prices between week 5 and week 1 were compared. A comparison of wholesale prices between week 5 and week 1 showed increase in the price of most bean varieties ranging between 20% and 30%, and Irish potatoes (3%). Commodities that showed decline in prices included; Maize (5%), Basmati (5%) Pishori rice (6%) and Sindano rice (18%). Variation in wholesale and price trends in the region is attributable to seasonality, market forces, and availability of middlemen.

Comparison of National Average Prices between December 2022 and January 2023

A comparison of overall prices (national averages for all commodities) for December 2022 and January 2023 (Table 2) shows stable and decrease of wholesale and retail prices for most commodities, slight increase for a few commodities and increase for Army green bean variety. Most commodities saw stable retail and wholesale prices (between 3% and -4%) and decrease of between 4% and 14%. Food commodities that saw slight increase of greater than 3% but less than 10% wholesale and retail prices included most dry beans (Mwiternia, Nyayo, Wairimu and Rosecoco), dry maize (wholesale) and wheat (retail). Stable and decline in wholesale and retail prices for most commodities between December 2022 and January 2023 is attributable surplus of commodities from various producing regions, and imports from the neighboring East African countries of Uganda and Tanzania and Pakistan.

Table 2: Comparison of December 2022 and January 2023 prices

Product	Variety	Average Wholesale Price (Kes/Kg)		Percentage change	Average Retail Price (Kes/Kg)		Percentage change
		Dec-22	Jan. 2023		Dec-22	Jan. 2023	
Dry beans	Army green	135	181	25%	175	206	15%
	Green/yellow	154	160	4%	186	191	3%
	Mwiternia	124	131	5%	136	147	7%
	Nyayo	117	128	9%	135	149	9%
	Rosecoco	131	143	8%	156	164	5%
	Saitoti	133	125	-6%	136	130	-5%
	Wairimu	104	110	5%	124	132	6%
Yellow	173	173	0%	200	200	0%	
Dry maize	Maize	60	63	5%	86	87	1%
Irish potatoes	Shangi	61	56	-9%	83	74	-12%
Rice	Basmati	154	135	-14%	166	156	-6%
	Biriani	101	100	-1%	120	120	0%
	Mpunga	150	150	0%	160	160	0%
	Pishori grade 1	152	145	-5%	186	183	-2%
	Pishori grade 2	137	138	1%	175	176	1%
	Sindano	124	125	1%	147	146	-1%
Wheat	Wheat	70	70	0%	81	87	7%

Key	
<3 but >-4	Stable
>-4 but <-14	Decrease
>3 but < 10	Slight increase
>10 but < 25	Increase

Source: Daily Market Survey for the month December 2022 and January 2023

Outlook for the Month of February

During the month of February, the following changes are expected:

- The cost of maize and rice will drop by the end of February due to expectation of imports ;
- The import of wheat from southern Russia into the country is expected to help reduce the prices of wheat flour hence reduction of dry wheat prices;
- The cost of beans and Irish potatoes is expected to rise due to prolonged droughts and dry seasons experienced in most parts of the country.

FOCUS ON MOMBASA REGION

Mombasa is a coastal city in southeastern Kenya along the Indian Ocean. It was the first capital of British East Africa, before Nairobi was elevated to capital city status. It now serves as the capital of Mombasa County. It is the country's oldest and second-largest city after the capital Nairobi, its metropolitan region is the second-largest in the country. Mombasa is an important economic centre and a coastal tourism in Kenya. The city is home to the most important seaport in East Africa, Kilindini Harbor, which is also used by the neighboring countries Tanzania and Uganda for their imports and exports (<https://en.wikipedia.org/wiki/Mombasa>).

Commodity prices are collected from Kongowea market, the largest wholesale market in East and Central Africa. Kongowea serves most of the neighboring sub-counties and counties in the Coast region, which depend on it for fresh produce and other agricultural products. Diverse agricultural products are sold in the wholesale market as well as the retail section. Although Kongowea is a wholesale market, there is a section for retailing agricultural produce. Kongowea is also the major source of produce for Mombasa County retail markets. Kongowea is run by the county government of Mombasa and is open for trading for all members of the general public at a fee. The market operates seven days a week and on a typical day, the market is open from 4.00 am. Traders within the Kongowea wholesale market are mainly Kenyans, some of whom have linkages with traders from Tanzania and Uganda. Traders' source beans from Uganda and Loitoktok, while rice sourced is from Mwea, Tanzania, and Pakistan. Irish potatoes are sourced from Nakuru (Molo and Mau Narok) and Nyandarua (Kinare, and Ol-Kalau), and wheat is sourced from the Rift Valley (Narok, Uasin-Gishu, and Nakuru Counties).

During January 2023, all commodities recorded constant retail and wholesale prices between week 1 and week 5 apart from Shangi Irish potatoes, and wheat. For wholesale prices, a comparison between week 1 and week 5 indicated an increase by 20% of Irish and a decline of the same percentage for wheat. Increased prices of Irish potatoes is attributable to seasonality and high demand of the commodity while decline in wheat is as a result of availability of the commodity in various producing regions.

Table 3: Average Retail and Wholesale Prices, Mombasa Region

Product	Variety	Average wholesale price (KES/kg)					Total average wholesale price (KES/kg)	Total average retail price (KES/kg)
		Week 1	Week 2	Week 3	Week 4	Week 5		
Dry beans	Green/yellow	170	170	170	170	170	170	180
	Mwittemania	175	175	175	175	175	175	180
	Nyayo	115	115	115	115	115	115	120
	Salioti	125	125	125	125	125	125	130
	Wairimu	110	110	110	110	110	110	120
Dry maize	Maize	62	62	62	62	62	62	70
Irish potatoes	Shangi	56	51	47	68	67	56	71
	Biriani	98	98	98	98	98	98	120
Rice	Mpunga	150	150	150	150	150	150	160
	Sindano	134	134	134	134	134	134	150
	Tantam	136	136	136	136	136	136	150
	Wheat	75	70	60	60	60	66	77

Source: Daily Market Survey for the month of January 2023.

ABOUT THIS SERIES

The Food Security Portal (FSP), facilitated by the International Food Policy Research Institute (IFPRI), aims to improve food security for the world's poor and increase the resilience of global food systems against food and financial crisis. The project brings together international, regional, and country-level data, news, and research aimed at meeting countries' immediate food security needs and building long-term global food security. The FSP is designed to pool information in structured ways to ensure high-quality, timely, and relevant data and to provide the opportunity for collaboration among policymakers, development professionals, and researchers.

This report is part of the FSP's efforts to monitor country-level food prices in order to improve the governments' ability to respond to and prevent food crises. It presents monthly price trends and movements for key food commodities, including dry beans, dry maize, rice, wheat, and Irish potatoes, in selected major regions and markets in Kenya.

DATA COLLECTION AND METHODOLOGY

The study was conducted in the Mombasa, Nairobi, Nakuru, Eldoret, Kisumu, and Nyeri regions of Kenya. These regions comprise the key markets in major urban centers. The five selected commodities comprise the major staple foods in Kenya¹.

Data assistants, some of whom were traders, collected average daily wholesale and retail prices from the main markets of the selected regions. Data was collected daily for six days (Mondays to Saturdays) from stockists/wholesalers and traders in the morning hours.

During the last week of the month, the following qualitative data were captured:

- General observations on food prices during the month, including price variations and the lowest, highest, and prevailing wholesale and retail prices
- The source of food commodities and their availability throughout the month
- The effects of the COVID-19 pandemic, as well as government restrictions including curfews and cessation of movement, on food prices and availability (both supply and demand)
- Traders' adaptation strategies to the COVID-19 pandemic, including sourcing and selling

Additional secondary data was obtained from the Ministry of Agriculture, Kenya Government Food Security War Room (FSWR), Ministry of Agriculture Livestock and Fisheries (MoALF), and Regional Agriculture Trade Intelligence Network (RATIN).

¹ NB: While the report covers wheat, consumption of that commodity in Kenya is comprised mainly of wheat products (flours, pastries, and highly processed foods) rather than raw wheat itself.

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