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

- Variation in monthly retail and wholesale prices of dry beans varieties in selected regions are attributable to seasonality, transport costs, and disruptions in the supply chain.
- The gradual increase in maize prices is attributable to a combination of various factors including the effects of COVID-19 pandemic which affected both production of food and inputs for production, prolonged drought, and the Russian war in Ukraine which affected the supply of key inputs such as fertilizer.
- Variation in retail and wholesale prices of Irish potatoes from June through September across the regions is as a result of the nature of the commodity including perishability, high demand for the product especially in the populous cities and towns, and seasonality.
- Increasing wholesale and retail wheat prices could have been triggered by global challenges, including the Covid-19 pandemic, rising fuel and food prices, as well as soaring global inflation.
- The atypical increase in wholesale and retail prices in between June and September is mainly due to adverse weather conditions and low harvests associated with delayed short rains, a high demand for food from neighboring countries, local currency depreciations, and higher fertilizer and input costs.
- Selected food commodity prices are expected to increase further in the coming months due to seasonality, increased fuel prices, involvement of many middlemen, and higher demand for the commodities given that the festive season is around the corner.

Overall Wholesale and Retail Prices for June-September

Average monthly wholesale and retail prices for beans, maize, rice, Irish potatoes and wheat in major Kenyan markets in June to September 2022 are shown in Table 1. During the month of June, most commodities recorded price margins of between 13% and 18% including some dry beans varieties [Mwitemania (16%), yellow beans (16%), Nyayo beans (19%)], wheat (15%) and some rice varieties including Pishori (19%) and Sindano (13%). A few commodities showed price margins of between 21% and 49% including Wairimu beans (21%), maize (23%), and Irish potatoes (40%). For the month of July, all commodities recorded price margins of between 12% and 20% with the exception of Irish potatoes which showed a higher margin of 51%. Similarly, for the month of August, most commodities showed price margins of between 13% and 23% with the exception of Irish potatoes which showed a price margin of 41%. Just like the previous months, the month of September exhibited price margins of between 11% and 23% while Irish potatoes showed highest price margins compared to the month of June to August of 53%. Higher price margins of Irish potatoes in September could be attributable to seasonality, high demand of the produce especially in the populous towns and existence of middlemen.

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

Product	Variety	Average wholesale prices				Average price spread (KES/kg)			
		June	July	August	September	June	July	August	September
Beans	Mwitemania	97	106	113	120	16	19	17	17
	Yellow bean	120	124	138	142	19	22	18	15
	Wairimu	91	97	100	98	19	19	18	23
	Nyayo	101	109	113	117	19	21	17	16
Maize	Dry Maize	60	73	65	65	14	12	10	12
Potatoes	Irish Potato	43	39	39	45	17	20	16	24
Rice	Pishori	148	154	157	145	28	19	16	20
	Sindano	120	129	136	127	15	22	26	27
Wheat	Wheat	74	83	77	73	11	15	18	16

Source: Monthly MOA Secondary data (June-September)

Wholesale and Retail Commodity Prices

All dry beans varieties showed lower wholesale prices compared to the average wholesale prices for the month of June across all the regions. For July, all dry beans varieties in Kisumu recorded higher wholesale and retail prices compared to the national average wholesale and retail prices. During the month of August, Eldoret region recorded higher wholesale and retail prices for all beans varieties compared to the National wholesale and average prices. Mombasa and Nairobi regions showed higher wholesale and retail prices when compared to the national average wholesale and retail prices for all beans varieties. Variation in prices can be attributed to seasonality, transport costs and disruptions in the supply chain.

Dry maize showed higher wholesale prices during the month of June in Kisumu, Mombasa and Nyeri compared to the average national wholesale price of 74KES/kg. During July, Eldoret and Kisumu regions showed higher retail and wholesale prices compared to the national average retail (83KES/kg) and wholesale prices (73KES/kg). In August, when compared to the national average retail and wholesale prices of 75KES/kg and 65KES/kg respectively, Kisumu and Nairobi regions recorded higher prices. During September, all regions with the exception of Eldoret and Nakuru recorded higher wholesale prices compared to the average national wholesale prices of 65KES/kg. Gradual increase in maize prices is attributable to a combination of various factors including; effects of COVID-19 pandemic which affected both production of food and inputs for production, prolonged drought, and the Russian war in Ukraine which affected supply of key inputs such as fertilizer (https://phys.org/news/2022-09-kenya-maize-price-year-ways.html).

Compared to the national average retail price of 60KES/kg, Irish potatoes recorded higher prices in all selected regions except in Eldoret during the month of June. Similarly in July, Kisumu, Mombasa, Nairobi and Nakuru showed highly significant retail prices compared to the national average price of 59KES/kg. On the contrary during the month of August and September, most regions saw lower average prices compared to the National average retail prices with the exception of Nairobi and Nakuru. Variation in prices is as a result of the nature of the commodity including perishability, high demand, and seasonality.

Pishori rice recorded higher retail prices for most regions in July and September compared to Sindano rice. Pishori rice is highly demanded mostly in the populous cities due to its attributes including being of the best quality based on its natural sweet taste and the unique delicate aroma, and it is locally produced. During the months of July and August, dry wheat showed higher wholesale prices in Eldoret and Nyeri compared to the national average prices of 83KES/kg and 77KES/kg respectively. Eldoret and Nairobi regions saw higher retail prices in September compared to the national average retail price of 89KES/kg. High wheat prices could have been triggered by myriad global challenges, including Covid-19 pandemic, rising fuel and food prices, as well as soaring global inflation (https://www.the-star.co.ke/business/kenya/2022-09-29-staple-food-prices-surge-to-14-year-high--imf/).

Comparison of National Average Prices between June and September 2022

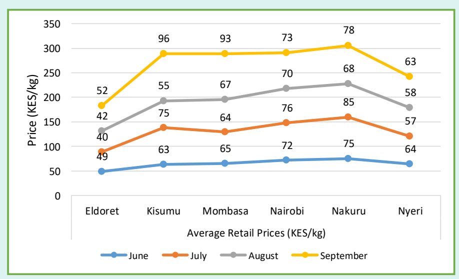
A comparison of overall prices (national averages for all commodities) for June and September 2022 (Table 2) shows increased and decline in wholesale and retail prices for commodities. Most commodities saw slight (between 4% and 10%) to moderate (greater than 11% but less than 25%) increase in wholesale and retail prices. Food commodities that saw substantial increase of more than37% included yellow beans, Pishori and Sindano rice. Dry maize and wheat recorded substantial decrease in wholesale prices of 38% and 23% respectively. Atypical increase in wholesale and retail prices in between June and September is mainly due to adverse weather conditions and low harvests associated with delayed short rains, a high demand for food from neighboring countries, local currency depreciations, and higher fertilizer and input costs.

FOCUS ON IRISH POTATOES ACROSS SELECTED REGIONS

Irish potatoes are one of the staple foods in Kenya, just like maize and rice. They are consumed by a lot of Kenyans. They can be mashed, boiled or used to make French fries or chips. Potatoes are generally grown in the higher altitude areas, in 15 counties, on rain-fed land, where they compete favorably with maize production. Over 50% of Irish potatoes consumed in Kenya comes from either Nakuru or Nyandarua County. There are several potato varieties but Shangi variety is the most common.

Prices of Irish potatoes kept increasing gradually from the month of June to September, however, there were declines in prices during the month of August. Kisumu and Mombasa regions registered the highest retail prices of 96KES/kg and 93 KES/kg respectively this is attributable to the two regions being non-producing and populous areas hence the demand of potatoes are high. Eldoret showed lower prices throughout the months from June to September, this could be as a result of availability of the produce in the region and surplus in the nearby counties. The adverse effect of drought has resulted in the rise of various foodstuffs including potatoes which has increased by almost 50 per cent https://www.kenyanews.go.ke/pangs-of-drought-continue-to-ravage-as-potato-prices-hike/

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



Source: Monthly MOA Secondary data (June to September 2022)

Table 2: Comparison of June and September 2022 prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/ Kg)		
		June	September	Percentage change	June	September	Percentage change
Beans	Mwitemani a	90	120	25%	113	137	18%
	Yellow bean	90	142	37%	139	157	11%
	Wairimu	90	98	8%	110	121	9%
	Nyayo	90	117	23%	120	133	10%
Maize	Dry Maize	90	65	-38%	74	77	4%
Potatoe s	Irish Potato	50	45	-11%	60	69	13%
Rice	Pishori	50	145	66%	176	165	-7%
	Sindano	50	127	61%	135	154	12%
Wheat	Wheat	90	73	-23%	85	89	4%

Key

>4 but <10	Slight Increase
>11 but<25	Moderate Increase
>37 but <66	Substantial Increase
>-7 but <-10	Slight Decrease
>-11 but <-38	Substantial Decrease

Source: Monthly MOA Secondary data (June to September 2022)

FOCUS ON NAIROBI REGION

Nairobi is the capital of Kenya situated in the south-central part of the country. As a governmental centre, Nairobi subsequently attracted a stream of migrants from rural Kenya that made it one of the largest cities in tropical Africa. And known as the principal industrial centre of the country. The city is located near eastern Africa's agricultural heartland, and a number of primary products are routed through Nairobi before being exported via Mombasa. Nairobi also plays an important role in the community of eastern African states; it is the headquarters of important regional railways, harbors, and airways corporations https://www.britannica.com/biography/Richard-Leakey

Commodity prices were collected from Nyamakima and Kangemi markets. Nyamakima market is a wholesale and retail market known for cereals located within the Central Business District. Kangemi market is both a wholesale and retail open air market found in the Western part of Nairobi County, and it is known for fruits, vegetables and grains, and clothing. All dry beans varieties, dry maize and wheat recorded increasing wholesale prices in Nairobi from the month of June through September. Irish potatoes and Pishori rice saw price fluctuations from June to September for wholesale prices. harvest season in the region and neighboring counties.

Table 3: Average Wholesale Prices, Nairobi Region

Source: Monthly MOA Secondary data (June to September 2022)

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 Kenya[1].

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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