



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

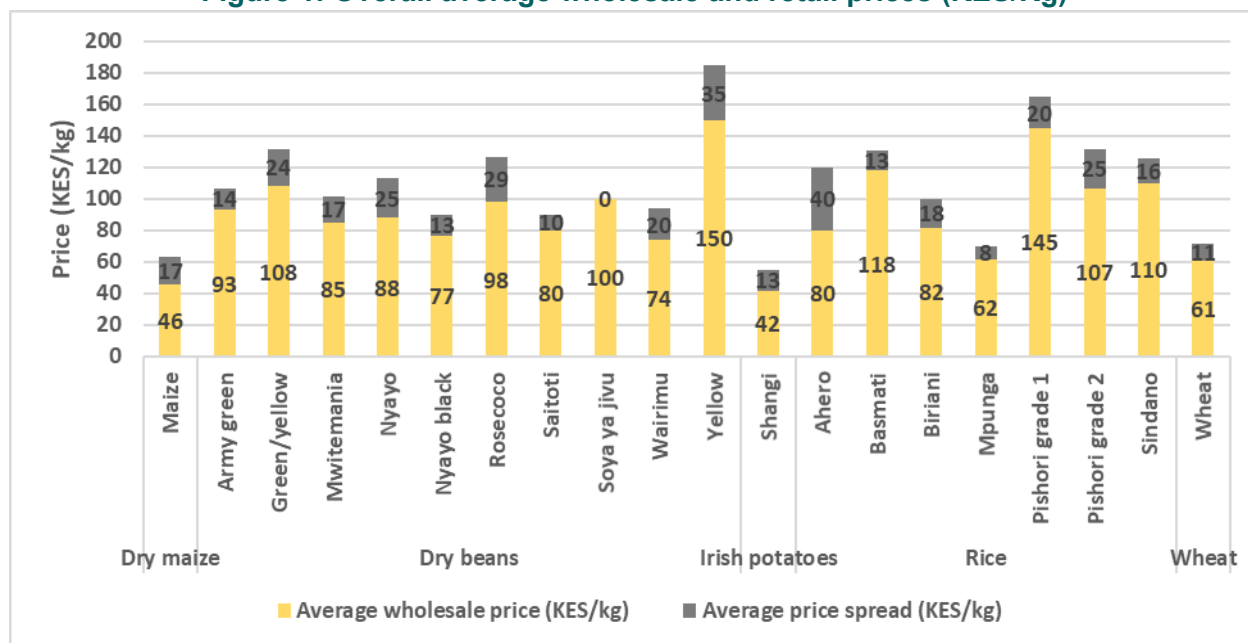
- ▶ Differences in wholesale and retail price margins is attributable to seasonality, production source, transport cost, the existence of middlemen and produce brokers, and re-packaging.
- ▶ High prices in the urban reference markets were driven by sustained demand and relatively low local supply. Maize retail prices were higher in Eldoret compared to other regions as farmers hold their stocks in anticipation of better prices.
- ▶ High prices of commodities are expected to increase in the coming months due to high cost of fertiliser, delayed rains leading to low productivity, and forecast of below-average rainfall.

Overall Wholesale and Retail Prices for May

Figure 1 shows average wholesale prices and retail prices for selected commodities in Kenya in May 2022. Most commodities recorded lower price margins of between 11% and 18%. These include some dry bean varieties -- army green (15%), Nyayo black (17%), and Saitoti (13%), most rice varieties -- Mpunga (13%), Pishori grade 1 (14%), and Sindano (15%), and wheat (16%). Most dry bean varieties and rice varieties recorded price margins of between 20% and 28% including; yellow green beans (22%), Mwitmania

(20%), yellow beans (23%), Biriani (22%) and Pishori grade 2 (23%). Commodities that recorded higher price margins of between 30% and 37% included Rosecoco beans (30%), maize (37%), and Shangi Irish potatoes (31%). Ahero rice recorded 50% price margin while Soya beans had no price change between wholesale and retail prices. Differences in wholesale and retail price margins is attributable to seasonality, production source, transport cost, the existence of middlemen and produce brokers, and re-packaging.

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



Source: Daily Market Survey for the month of May

Wholesale and Retail Commodity Prices

Commodity wholesale and retail prices varied regionally (Table 1). Compared to the national¹ average prices for May, most dry bean varieties recorded higher wholesale prices in most selected regions. Eldoret showed higher prices for Green/yellow (166KES/kg), Rosecoco (118KES/kg), and Wairimu (78KES/kg) while Nairobi recorded higher prices for Mwitmania (97KES/kg), Nyayo (100KES/kg), Rosecoco (104KES/kg) and Wairimu (83KES/kg). Eldoret, Kisumu and Nairobi showed higher retail prices for most dry bean varieties. This is attributable to seasonality and higher demand for the commodity. Beans tend to be expensive when they are in high demand, which is often around planting time when farmers need seeds for planting, and also during periods with no new crops. Locally produced beans are being harvested and dried during July and were thus not ready for the market. The dry beans traded in the region were sourced from Busia in Uganda.

Compared to the national² average wholesale (46KES/kg) and retail (63KES/kg) prices of dry maize, Eldoret, Nairobi and Nakuru showed high wholesale prices ranging from 48KES/kg to 55KES/kg and retail prices ranging from 68KES/kg to 78KES/kg while Kisumu, Mombasa and Nyeri

showed lower retail prices ranging from 39KES/kg to 43KES/kg and wholesale prices ranging from 50KES/kg to 63KES/kg. High prices in the in the urban reference markets were driven by sustained demand and relatively low local supply. However, maize retail prices were higher compared to other regions as farmers hold their stocks in anticipation of better prices (<https://fews.net/east-africa/kenya/blue-security-outlook/february-2022>).

Compared to the national average wholesale (42KES/kg) and retail (55KES/kg) prices, Irish potatoes portrayed higher wholesale and retail prices for Kisumu, Nairobi and Nakuru. The higher prices may be explained by a combination of factors including low production nearby, high transport costs, and high demand since these are major urban areas.

Various rice varieties were available across the regional markets depending on the type of the variety produced in different regions or nearby. Pishori³ rice was common to all regions, Ahero was available in Kisumu while Biriani and Mpunga were common in Mombasa. Compared to the national wholesale average price of 145 KES/kg, Pishori grade1 rice recorded higher prices in most regions including Eldoret (175 KES/kg), Mombasa (152KES/kg), and Nairobi (160KES/kg). High rice prices in the populous cities can be attributed to these areas' reliance on imports; imported rice comprises 89% of the rice consumed in the country

³ Kenya's version of Basmati rice

² Prices from the six regions combined; Mombasa, Nairobi, Nakuru, Eldoret, Kisumu, and Nyeri

<https://www.kenyanews.go.ke/kenya-hosts-regional-workshop-on-rice-self-sufficiency/>

Compared to the national average wholesale price of 61KES/kg, dry wheat saw higher wholesale prices in Eldoret (68KES/kg), Kisumu (77 KES/kg), and Nakuru (62KES/kg). Higher retail prices were recorded in Nairobi (80 KES/kg) compared to the national average retail prices of 72 KES/kg. High prices recorded in other regions can be attributed to increases in fuel prices, seasonality, and involvement of

middlemen. of the imports. According to Business Daily Africa May 2022 report, the rising cost of wheat in the international market is set to exert pressure on Kenyan households as the market responds to a tightening supply globally. This will be worsened by India's announcement on banning the export of produce as it seeks to protect its local stocks in the wake of the Russian-Ukrainian war that has disrupted supplies. Kenya relies on global wheat supply to meet the local demand, importing up to 75% of the grain from the world market.

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

Product	Variety	Average wholesale (Kes/kg)						Average retail price per 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			101	89	90				102	120	100		93	107
	Green/yellow	166	96	101	106	100	81	180	145	102	130	106	130	108	132
	Mwitemia			103	97	68	74			107	120	80	100	85	102
	Nyayo		75	88	100				125	94	120			88	113
	Nyayo black			77						90				77	90
	Rosecoco	118	85		104	95	90	140	135		128	100	130	98	127
	Saitoti			80						90				80	90
	Soya yajivu			100						100				100	100
	Wairimu	78	73	69	83	72	71	85	115	80	100	84	100	74	94
Yellow	150						185						150	185	
Dry maize	Maize	52	43	39	55	48	39	78	63	50	68	68	50	46	63
Irish potatoes	Shangi	29	44	35	66	33	44	33	78	40	76	57	48	42	55
Rice	Ahero		80						120					80	120
	Basmati	130		110		112	121	143		131		120	130	118	131
	Biriani			82						100				82	100
	Mpunga			62						70				62	70
	Pishori grade 1	175		152	160	114	126	200		164	180	141	140	145	165
	Pishori grade 2	128	101			92		150	147			100		107	132
	Sindano	122		106		111	101	130		127		125	120	110	126
Wheat	Wheat	68	77	55	57	62	50	80	79	60	80	64	70	61	72

Source: Daily Market Survey for the month of May

Wholesale and Retail Price Trends by Region

Weekly prices recorded variations across regions between weeks 1 through 4. In Eldoret, most commodities including all dry beans varieties, all rice varieties, and wheat recorded stable wholesale and retail prices. Dry maize showed increased retail and wholesale prices of 14.29% and 1.52% respectively across the weeks. Irish potatoes showed reductions in both wholesale and retail prices by 21% when week 1 prices were compared to week 4.

A comparison between week 4 and week 1 of May in Kisumu showed a combination of stable, reduced, or increased retail and wholesale prices for most commodities. Most commodities including dry beans, maize, Pishori grade 2 rice and wheat showed increased retail prices of between 1% and 9%. Kisumu being a low agriculture producing region, increased prices is attributable to various factors including seasonality, involvement of middlemen, or increased fuel costs. The region recorded reduced retail prices for Irish potatoes and stable wholesale prices for Ahero rice and some dry beans varieties.

A comparison of wholesale and retail prices between week 4 and week 1 in Mombasa showed stable prices for most commodities and increased prices for few commodities. Some dry beans varieties recorded increased retail prices ranging between 2% and 10%. Dry maize, Irish potatoes, wheat and some rice varieties showed stable wholesale and retail prices. This is attributable to availability of produce from the neighboring producing regions.

The Nairobi region recorded mixed results, with most commodities seeing stable or increased prices. Most dry beans, rice varieties and wheat portrayed stable wholesale and retail prices. Irish potatoes recorded a reduction in both wholesale and retail prices. Despite the high demand of Irish potatoes in Nairobi and its perishability, a reduction in prices is attributable to the crop surplus in the producing regions across the country.

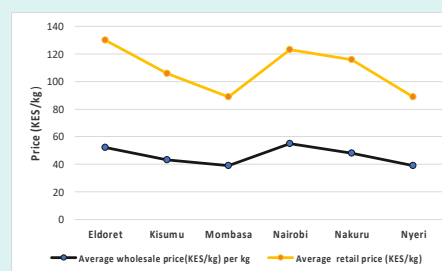
In the Nakuru region, mixed results were recorded for different commodities which saw increased, reduced, and stable prices. Stable wholesale and retail prices were observed for most dry beans (Army green, green/yellow and Rosecoco), and rice (Basmati, Pishori and Sindano). Dry maize (2%), Irish potatoes (39%), and wheat (13%) recorded increased wholesale prices.

Mixed results were also recorded in Nyeri. A comparison of retail prices between week 4 and week 1 showed stable prices for all commodities with the exception of Irish

FOCUS ON MAIZE ACROSS SELECTED REGIONS

Maize is the staple of the Kenyan diet. Ugali is a popular dish prepared from maize flour and often accompanied by meat, vegetables and pulses, or porridge. Nothing goes to waste from the harvest, as the crop's by-products are used as livestock and poultry feed. The top 7 counties of Trans Nzoia, Uasin Gishu, Bungoma, Narok, Nakuru, Kakamega, and Nandi produce maize both in large and small-scale. Multiple factors (biotic and abiotic) impact maize yields including rainfall, seed and soil quality, mechanization, pests, diseases and farmer training. In major growing areas, maize is planted during the long rain/main season in March and April and harvested from September to November. For short season varieties, maize matures after 3-4 months compared to 6-8 months for the long maturity seasons. Eldoret, Nairobi and Nakuru recorded high wholesale and retail prices. High maize prices is attributable to fertilizer supply shocks including COVID-19 related supply chain disruptions, high input prices resulting into global fertilizer prices increase. In Kenya fertilizer prices increased by 50–60% between 2020 and 2021. As a result of the Ukraine-Russia conflict and sustained high energy prices, fertilizer prices in Kenya have risen further by approximately 70% nationally from 2021–2022 (Reliefweb, 2022).

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



Source: Daily Market Survey for the month of May.

potatoes which showed increase in price of 13%. Wholesale prices showed mixed trends; most dry beans varieties, Irish potatoes and maize saw increased prices, rice varieties recorded reduced prices whereas wheat had stable prices.

Comparison of National Average Prices between April and May 2022

A comparison of overall prices (national averages for all commodities) for April and May (Table 2) shows stable and slight increase in wholesale and retail prices. Most commodities saw relatively stable prices (between -1% and 3% increase) and a few commodities recorded slight increase of prices (between 3% and 11%). Stable and slight increase in prices of most commodities is attributable to availability of commodities in the selected regions and from the neighboring producing regions.

Table 2: Comparison of April and May 2022 prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/ Kg)		
		April	Ma y	Percentage change	April	May	Percentage change
Dry beans	Army green	92	93	1%	104	107	3%
	Green/yellow	107	108	1%	130	132	2%
	Mwitmania	82	85	4%	96	102	6%
	Nyayo	82	88	7%	110	113	3%
	Nyayo black	76	77	1%	90	90	0%
	Rosecoco	97	98	1%	124	127	2%
	Saitoti	80	80	0%	90	90	0%
	Soya ya jivu	98	100	2%	100	100	0%
	Wairimu	75	74	-1%	93	94	1%
	Yellow	150	150	0%	185	185	0%
Dry maize	Maize	42	46	9%	56	63	11%
Irish potatoes	Shangi	39	42	7%	54	55	2%
Rice	Ahero	80	80	0%	119	120	1%
	Basmati	117	118	1%	126	131	4%
	Biriani	82	82	0%	100	100	0%
	Mpunga	62	62	0%	70	70	0%
	Pishori grade 1	142	145	2%	161	165	2%
	Pishori grade 2	103	107	4%	125	132	5%
	Sindano	110	110	0%	125	126	1%
Wheat	Wheat	61	61	0%	72	72	0%

Key	
>-1 but<+3	Stable
>+3 but<+11	Slight increase

Source: Daily Market Survey for the month April and May

Outlook for the Month of June

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

- Maize prices are expected to increase in the coming months. This is due to high cost of fertiliser resulting in some farmers opting not to use fertiliser at all, and reduced acreage under maize. These coupled with the delayed rains will lead to low maize production. The looming maize shortage has been made worse by the Russia-Ukraine crisis
- Due to Kenya's reliance on imports, prices of imported food commodities including wheat and rice are expected to increase due to the effects of the performance of the Kenyan shilling against the US Dollar in the foreign exchange market, as well as the continued depreciation in the Kenyan shilling
- Increased political activity ahead of the August elections in the country might affect business performance including acquisition of inputs and food importation as investors adopt a wait-and-see approach to investments.

FOCUS ON ELDORET REGION

Eldoret is a principal town in the Rift Valley region of Kenya and serves as the capital of Uasin Gishu County. As per the 2019 Kenya Population and Housing Census, Eldoret is the fifth most populated urban area in the country after Nairobi, Mombasa, Nakuru and Ruiru (<https://en.wikipedia.org/wiki/Eldoret>). The town is surrounded by prime agricultural lands and acts as a trading centre for Uasin Gishu's economy which is driven by large-scale grain farming, dairy and horticultural farming. The town is also a local manufacturing hub with a number of nationally recognized manufacturing concerns.

It serves an agricultural area, and one of the high agricultural potential areas in the country rightly referred to as part of the grain basket of the country. It produces wheat and maize in large quantities. Farmers in the region and neighboring counties also practice dairy farming and produce other crops like beans, Irish potatoes and horticultural crops. Eldoret is a rail stop on the line running northwest into Uganda. Food commodities in the region come directly from local farmers, neighboring counties, and from other East African countries, mostly Uganda and Tanzania.

Prices for the key food commodities were collected from Eldoret wholesale market, the largest wholesale and retail food market located within Eldoret town. During May, comparing week 4 to week 1, most commodities recorded stable wholesale and retail prices with the exception of maize and Irish potatoes. Maize saw increased wholesale (2%) and retail (14%) prices attributable to seasonality of the crop and farmers hoarding maize in anticipation of better prices (<https://kippra.or.ke/four-ways-to-address-the-rising-food-prices-in-kenya/>), while Irish potatoes showed a reduction of both wholesale (19%) and retail (22%) prices. Reduction in price of Irish potatoes is attributable to surplus of commodities occasioned by the harvest season in the region and neighboring counties.

Table 3: Average Retail and Wholesale Prices, Eldoret Region

Product	Variety	Average wholesale price (KES/kg)				Average retail price (KES/kg)				Total average wholesale price (KES/kg)	Total average retail price (KES/kg)
		Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4		
Dry beans	Green/yellow	166	166	166	166	180	180	180	180	166	180
	Rosecoco	118	118	118	118	140	140	140	140	118	140
	Wairimu	78	78	78	78	85	85	85	85	78	85
	Yellow	150	150	150	150	185	185	185	185	150	185
Dry maize	Maize	51	52	52	52	70	80	80	80	52	78
Irish potatoes	Shangi	31	31	27	25	36	36	32	28	29	33
Rice	Basmati	130	130	130	130	143	143	143	143	130	143
	Pishori grade 1	175	175	175	175	200	200	200	200	175	200
	Pishori grade 2	128	128	128	128	150	150	150	150	128	150
	Sindano	122	122	122	122	130	130	130	130	122	130
Wheat	Wheat	68	68	68	68	80	80	80	80	68	80

Source: Daily Market Survey for the month of May.

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 Kenya⁴.

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).

⁴ 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.

REFERENCES

Ministry of Agriculture Livestock and Fisheries (MoALF) (2022): Market Research and Information May 2022 Data <https://en.wikipedia.org/wiki/Eldoret>. Retrieved October 2022

<https://reliefweb.int/report/kenya/impact-increasing-fertilizer-prices-maize-production-kenya-september-2022>

<https://fews.net/east-africa/kenya/food-security-outlook/february-2022>. Retrieved October 2022

<https://www.kenyanews.go.ke/kenya-hosts-regional-workshop-on-rice-self-sufficiency/>. Retrieved October 2022

<https://kippra.or.ke/four-ways-to-address-the-rising-food-prices-in-kenya/>. Retrieved October 2022.

About the authors

Ruth T Chepchirchir: African Research and Economic Development Consultants Limited (AFREDEC), Nairobi, Kenya

Maina B.J.K: African Research and Economic Development Consultants Limited (AFREDEC), Nairobi, Kenya

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

A world free of hunger and malnutrition

IFPRI is a CGIAR Research Center

1201 Eye Street, NW, Washington, DC 20005 USA | T. +1-202-862-5600 | F. +1-202-862-5606 | Email: ifpri@cgiar.org | www.ifpri.org | www.ifpri.info

© 2024 International Food Policy Research Institute (IFPRI). This publication is licensed for use under a Creative Commons Attribution 4.0 International License (CC BY 4.0). To view this license, visit <https://creativecommons.org/licenses/by/4.0>.