FOOD PRICE MONITOR: KENYA

APRIL 2024

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.

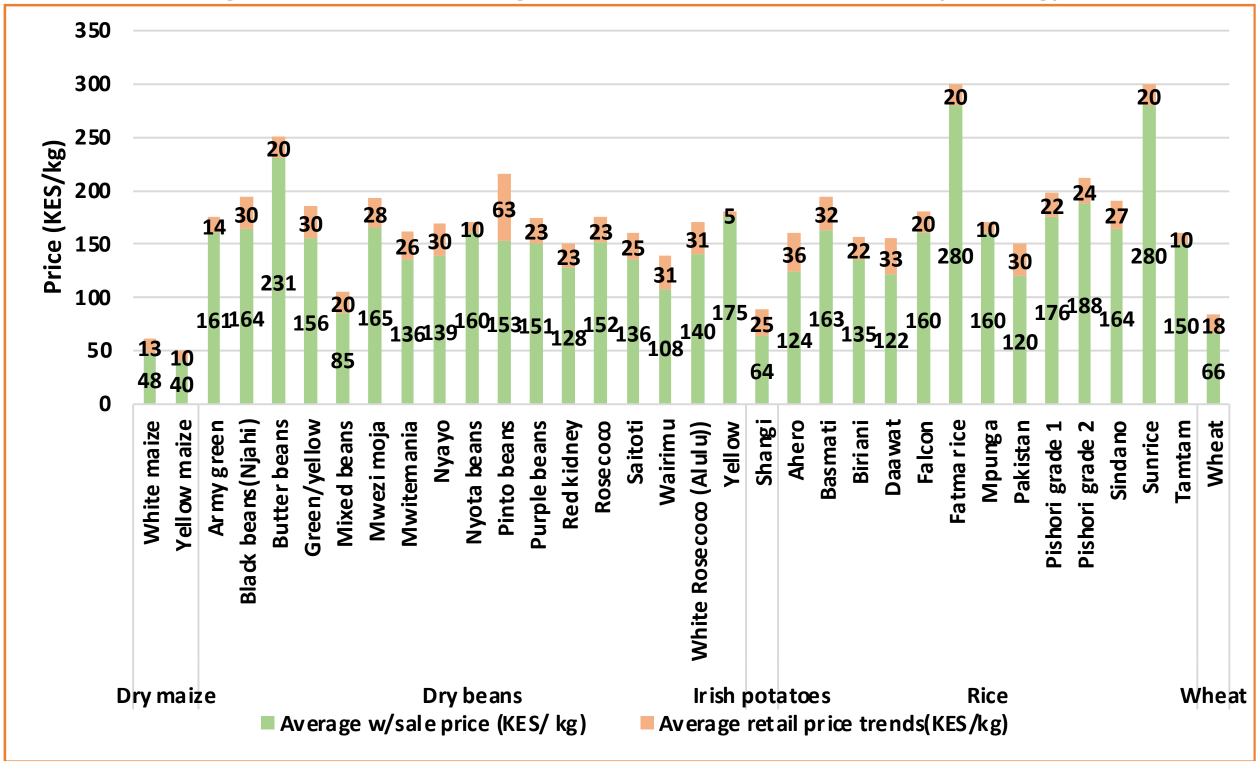
Highlights

- Fluctuations in wholesale and retail pricing stem from several factors, including increased fuel and transportation costs, seasonal variations, intermediary involvement, and rising local demand.
- Lower wholesale prices in Nakuru and Nyeri regions, compared to national averages for all bean varieties, result from market dynamics such as supply and demand, as well as intermediary participation.
- High transportation expenses, intermediary presence, and market dynamics like high demand and low supply contribute to elevated wholesale and retail maize prices in certain regions.
- Price hikes of Irish potatoes in Eldoret, Nairobi, and Nyeri, as well as densely populated areas, are driven by heightened demand, scarcity due to perishability, and intermediary involvement.

Overall Wholesale and Retail Prices for April

In April 2024, Figure 1 displays the average wholesale and retail prices of maize, beans, potatoes, rice, and wheat across major Kenyan markets. Certain commodities exhibited price differentials ranging from 3% to 15%. These included dry beans [Army green, (9%), butter beans (9%), Rosecoco (15%), and yellow beans (3%)] and rice [Falcon (13%), Fatma (7%), Mpunga (6%), Pishori grade 1 (13%), Pishori grade 2 (13%), Sunrice (7%), and Tamtam (7%)]. For most commodities, particularly dry wheat, dry maize (white and yellow), dry beans (Njahi, green yellow, mixed, mwezi moja, Mwitemania, Nyayo, Purple, Red Kidney, Wairimu, and Alulu), and rice, (Ahero, Basmati, Biriani, Daawat, Pakistan, and Sindano), recorded price differentials ranging from 16% to 29%. Conversely, commodities such as Pinto beans and Shangi Irish potatoes experienced significantly higher price differentials of 41% and 39% respectively. The observed fluctuations in wholesale and retail pricing can be attributed to various factors, including elevated fuel and transportation expenses, seasonal fluctuations, the involvement of intermediaries, and escalating local demand.

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



Source: Daily Market Survey for the month of April 2024

Wholesale and Retail Commodity Prices

Different regions featured various bean varieties, with Black beans (Njahi), Green yellow, Mwitemania, Nyayo, Wairimu, and Rosecoco being prevalent in all selected areas. Additionally, Army green was widespread except in Kisumu and Nyeri, while Saitoti was present in all regions except Nairobi and Nyeri. Mixed beans were specific to Nakuru, while Nyota and Yellow beans were exclusive to the Eldoret region. Pinto and Red Kidney beans were available in Kisumu and Nyeri regions. Eldoret and Nakuru regions reported the highest availability of bean varieties, reflecting their prominence as major producing regions in the country. Notably, retail prices for all bean varieties exceeded wholesale prices. Comparatively, wholesale and retail pricing for most bean varieties were higher in the Eldoret and Kisumu regions than the national average. Conversely, Nakuru and Nyeri regions recorded lower wholesale prices compared to the national averages for all available bean varieties. These price variations can be attributed to market dynamics such as supply and demand, as well as the involvement of intermediaries.

Kisumu and Nakuru reported both dry white and yellow maize, while all other regions reported dry white maize only. In comparison to the national average wholesale and retail prices of 48KES/kg and 61KES/kg for dry white maize, Eldoret (50KES/kg), Mombasa (75KES/kg), and Nairobi (72KES/kg) showed higher wholesale prices. Additionally, Mombasa (75KES/kg), Nairobi (72KES/kg), and Nyeri (65KES/kg) exhibited higher retail prices. Factors such as high transportation costs, the presence of middlemen, and market dynamics like high demand and low supply contribute to these high wholesale and retail prices. Based on the April 2024 East Africa Price Bulletin by FEWS NET, staple food prices continue to exceed the five-year average. This is primarily attributed to elevated local demand and increased transportation and marketing expenses.

Irish potatoes showed significantly higher prices in Eldoret, Nairobi, and Nyeri, reaching 67KES/kg, 93KES/kg, and 70 KES/kg, respectively, compared to the national average wholesale price of 64KES/kg. Similarly, Kisumu and Nairobi displayed notably higher retail prices of 113KES/kg and 104KES/kg, respectively, in contrast to the national average price of 89KES/kg. The price hikes in densely populated areas can be attributed to various factors, including heightened demand, scarcity of the commodity due to its perishable nature, and the presence of middlemen. According to a report from Kenyans.co.ke Newspaper in April 2024, Irish potato prices remained high due to higher demand compared to supply.

All regions reported the availability of Biriani and Pishori rice, with Sindano rice being prevalent in all regions except Nairobi. Additionally, Mombasa offered varieties such as Tamtam, Mpunga, Fatma, and Sunrice, while Eldoret featured Falcon and Kisumu had Ahero and Pakistan rice. Basmati rice, a non-aromatic type, was present in all locations except Mombasa. Eldoret and Kisumu recorded higher retail and wholesale prices for most common rice varieties. Although rice ranks as the third most consumed cereal in Kenya, following maize and wheat, it is also the least cultivated crop. This imbalance results in heavy reliance on the international market to meet consumption demands, leading to elevated prices due to importation expenses.

Eldoret (90KES/kg) and Kisumu (67KES/kg) reported elevated wholesale prices for wheat compared to the country's average of 66KES/kg for dry wheat. Additionally, retail prices in Eldoret (100KES/kg), Kisumu (88 KES/kg), and Nyeri (97KES/kg) exceeded the national average (84KES/kg). Most regions witnessed lower wholesale and retail prices for wheat due to the availability of the commodity in the producing regions, resulting in increased supply. According to FPMA Bulletin #3, dated April 12, 2024, international wheat prices experienced a decline in March 2024 due to ample global supplies, relatively favorable crop conditions yet to be harvested, and intense competition on international markets.

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

Product	Variety	Average w/sale price (KES/ kg)						Average retail price (KES/kg)						Total average w/sale 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	180		180	173	111		190		185	190	135		161	175
	Black beans (Njahi)	191	159	160	174	140	157	204	244	170	190	143	211	164	194
	Butter beans	250			241	201		300			250	204		231	251
	Green/yellow	180	174	165	164	114	138	190	227	170	190	143	197	156	186
	Mixed beans					85						105		85	105
	Mwezi moja	170	159		165			180	208		190			165	193
	Mwitemania	170	154	140	149	109	94	180	184	150	172	114	173	136	162
	Nyayo	150	153	165	156	109	103	160	197	170	180	130	180	139	169
	Nyota beans	160						170						160	170
	Pinto beans		154				133		217				190	153	216
	Purple beans		157	145					198	150				151	174
	Red kidney		149			106	144		190			110	195	128	151
	Rosecoco	170	151	170	165	106		180	205	180	190	120		152	175
	Saitoti	170	160	125		90		180	209	150		106		136	161
	Wairimu	100	137	135	100	94	82	125	184	140	120	101	164	108	139
	White Rosecoco (Alulu)	182	154	175		144	144	195	213	80		180	190	145	171
	Yellow	175						180						175	180
Dry maize	White maize	50	40	75	58	38	33	60	50	75	72	50	65	48	61
	Yellow maize		39			67			50					40	50
Irish potatoes	Shangi	67	59	64	93	35	70	70	113	88	104	75	87	64	89
Rice	Ahero		124						160					124	160
	Basmati	190	181		132	167	145	220	248		150	185	170	163	195
	Biriani	176	135	130	97	127	144	196	150	140	120	139	190	135	157
	Daawat		122						155					122	155
	Falcon	160						180						160	180
	Fatma rice			280						300				280	300
	Mpunga			160						170				160	170
	Pakistan		120						150					120	150
	Pishori grade 1	200		200	177	153	171	230		220	195	170	200	176	198
	Pishori grade 2	200	176					220	204					188	212
	Sindano	190	171	160		153	158	200	236	170		180	180	164	191
	Sunrice			280						300				280	300
	Tamtam			150						160				150	160
Wheat	Wheat	90	67	60	66	51	64	100	88	75	83	59	97	66	84

Source: Daily Market Survey for the month of April 2024

Wholesale and Retail Price Trends by Region

There were price fluctuations observed across regions during the first week and weeks two through four. In Eldoret, the majority of commodities maintained stable prices for both wholesale and retail, with the exception of Alulu Rosecoco beans, Shangi Irish potatoes, and Biriani rice, which experienced decreases in wholesale prices of 15%, 15%, and 7%, respectively, along with decreases in retail prices of 18%, 15%, and 6%, respectively. Njahi rice saw a slight increase in both wholesale and retail prices, rising by 1% and 6%, respectively. The stability in most food commodity prices in Eldoret can be attributed to the availability of these commodities from the region itself, neighboring regions, and imports from countries such as Uganda, Tanzania, Pakistan, India, and Thailand.

In Kisumu, there were varying price trends observed for commodities when comparing week 1 to week 4. Most commodities showed increasing retail prices, including dry beans (Njahi, Mwezi moja, Mwitemania, Nyayo, Purple beans), with increases ranging between 1% and 10%. Rice varieties (Ahero, Basmati, Pakistan, Pishori, and Sindano) also experienced price increases ranging from 2% to 14%, while wheat saw a 5% increase. Some bean varieties, such as green yellow, Pinto beans, Wairimu, and Alulu Rosecoco, saw retail price increases ranging from 0.3% to 1%. These price increases can be attributed to Kisumu being a non-producing region, sourcing food commodities from various areas and incurring higher prices due to transaction costs.

In Mombasa, comparing wholesale and retail prices between weeks 1 and 4 shows that all other food items, such as various dry bean varieties, white maize, all rice types, and wheat, remained unchanged in both wholesale and retail prices. This stability in prices can be attributed to imports from countries like Tanzania, Uganda, and Pakistan, as well as the availability of food commodities from neighboring producing areas. However, Irish potatoes experienced a notable decrease in wholesale and retail prices, with declines of 8% and 6% respectively. This decline is influenced by the seasonal nature of the commodity and its availability in neighboring producing regions.

In the Nairobi region, when comparing wholesale and retail prices between weeks 1 and 4, it is evident that wholesale prices decreased for all available food commodities except for wheat, which experienced a notable increase of 13%. Regarding retail prices, most food commodities maintained stable prices, except for Shangi Irish potatoes, butter beans, and Mwitemania beans, which saw decreases of 3%, 0.5%, and 6% respectively. Wheat recorded a significant price increase of 13%. The rise in both wholesale and retail prices for wheat can be attributed to high demand and scarcity of the commodity.

A comparison of wholesale and retail prices in Nakuru between week 1 and week 4 revealed a variety of price trends, including stability, increases, and decreases, with most commodities exhibiting decreasing wholesale and retail prices. Commodities that experienced price decreases in the wholesale market included white dry maize (9%), dry beans (Army green, mixed, Mwitemania, Nyayo, and

FOCUS ON WHEAT ACROSS SELECTED REGIONS

Wheat holds significant importance as a staple crop in Kenya, contributing significantly to the nation's daily calorie consumption. Presently, wheat ranks as the second most cultivated cereal crop in Kenya, following maize. It has become even more prominent because of the rising population and the associated increases in urbanization. This has translated into changes in food preferences favoring consumption of easy-to-prepare meals and fast foods such as bread, biscuits, pasta, and noodles, among others. This local wheat production is insufficient to meet domestic demand, and the deficit is typically met through imports. This is due to low yields, inefficient farming techniques, and inadequate post-harvest management practices, particularly during wet climatic conditions at harvest time. Kenya has not yet achieved self-sufficiency in wheat production, leading to an expanding gap between demand and supply. To address the increasing demand for wheat, the country heavily relies on imports, primarily sourced from Austria, Russia, Argentina, Ukraine, and Canada.

In Kenya, wheat cultivation is primarily concentrated in the Rift Valley region, spanning Narok, Nakuru, Uasin Gishu, Trans Nzoia counties, and Nanyuki. Wheat thrives in arid climatic conditions with well-drained soil. Specifically, it performs best under moderate rainfall. The predominant wheat variety cultivated in Kenya is Durum, Other wheat varieties grown in the country include Kenya kingbird, Kenya eagle, KS-Chui, Robin, Pasa, Kenya Chirika, KS Mwamba, KS Farasi, Mbega, Ngamia, Duma, Kenya Tembo, Kenya Mbweha, Kenya nungu, Kenya Kulungu, Kenya paka, Kenya Nyangumi, Kenya Nyambu, Kenya Kongono, Kenya Fahari, Kenya popo, Mbuni, and Kenya Kwale, among others.

Wheat was present across all the regions with Nakuru recording both the lowest average wholesale and retail prices of KES 51 and KES 59 per Kg respectively. The wholesale prices of wheat were higher than the national average in Eldoret region while the retail prices were higher than the national average in Eldoret, Kisumu and Nyeri regions.

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

	Average w/sale price (KES/kg)						Total average w/sale price (KES/ kg)
Product	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	
Wheat	90	67	60	66	51	64	66
	Average retail price (KES/kg)						**Total average retail price (KES/kg)**
Product	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	
Wheat	100	88	75	83	59	97	84

Source: Daily Market Survey for the month of April 2024.

Wairimu) with decreases ranging between 3% and 18%, Basmati (11%), and Pishori rice (1%). Some dry beans (Njahi, Burrer, Red Kidney, Rosecoco, and Saitoti) and Sindano rice recorded stable wholesale prices. Increased wholesale prices were observed for green yellow beans (7%), Shangi Irish potatoes (28%), Biriani rice (12%), and dry wheat (6%). The rise in prices of certain commodities in the country's capital city can be attributed to increased demand, high transportation costs due to heavy rains, and scarcity.

When comparing prices between week four and week one, Nyeri showed a mix of price rises, stability, and decreases across various food commodities, with most experiencing decreasing wholesale and retail prices. Wholesale prices decreased for all available dry beans, ranging between 1% and 10%, as well as for wheat (5%). Stable wholesale prices were observed for Basmati and Biriani rice varieties, while increasing prices were noted for Shangi Irish potatoes (8%), Pishori rice (1%), and Sindano rice (1%). These fluctuations in wholesale and retail prices in the region are influenced by seasonal variations and marketing factors.

Comparison of National Average Prices between March and April

Comparing the overall prices (national averages for all commodities) between March and April 2024, it's evident that most wholesale and retail prices remained steady or decreased (Table 2). Most commodities demonstrated stable retail and wholesale prices, with fluctuations ranging between 3% and -3%. However, some experienced more substantial decreases, ranging from -4% to -14%, with a few showing significant declines of -15% to -25%. This pattern is likely influenced by the ample availability of food commodities from various producing regions, along with imports from neighboring East African countries and beyond (Pakistan, Thailand, and India).

Table 2: Comparison of March and April prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/ Kg)		
		March	April	Percentage change	March	April	Percentage change
Dry maize	White maize	54	48	-13%	65	61	-7%
	Yellow maize	48	40	-20%	62	50	-24%
Dry beans	Army green	168	161	-4%	178	175	-2%
	Black beans (Njahi)	167	164	-2%	194	194	0%
	Butter beans	231	231	0%	252	251	0%
	Green/yellow	157	156	-1%	183	186	2%
	Mixed beans	101	85	-19%	119	105	-13%
	Mwezi moja	165	165	0%	193	193	0%
	Mwitemania	146	136	-7%	164	162	-1%
	Nyayo	152	139	-9%	169	169	0%
	Nyota beans	160	160	0%	170	170	0%
	Pinto beans	149	153	3%	212	216	2%
	Purple beans	147	151	3%	181	174	-4%
	Red kidney	131	128	-2%	166	151	-10%
	Rosecoco	156	152	-3%	178	175	-2%
	Saitoti	139	136	-2%	159	161	1%
	Wairimu	112	108	-4%	140	139	-1%
	White Rosecoco (Alulu))	143	140	-2%	175	171	-2%
	Yellow	175	175	0%	180	180	0%
Irish potatoes	Shangi	62	64	3%	86	89	3%
Rice	Ahero	134	124	-8%	162	160	-1%
	Basmati	162	163	1%	195	195	0%
	Biriani	135	135	0%	157	157	0%
	Falcon	160	160	0%	180	180	0%
	Fatma rice	280	280	0%	300	300	0%
	Mpunga	160	160	0%	170	170	0%
	Pakistan	137	120	-14%	155	150	-3%
	Pishori grade 1	176	176	0%	199	198	-1%
	Pishori grade 2	185	188	2%	210	212	1%
	Sindano	162	164	1%	189	191	1%
	Sunrice	280	280	0%	300	300	0%
	Tamtam	150	150	0%	160	160	0%
Wheat	Wheat	68	66	-3%	85	84	-1%

Key

<3 but>-3	**Stable**
>-4 but >-14	**Decrease**
>-15 but <-25	**Significant Decrease**

Source: Daily Market Survey for the month April 2024

FOCUS ON Eldoret REGION

Located in Kenya's Rift Valley region, Eldoret serves as the county seat of Uasin Gishu. According to the 2019 Kenya Population and Housing Census, Eldoret ranks as the fifth most populous urban area in the country, closely following Nairobi, Mombasa, Nakuru, and Ruiru. Surrounded by vast agricultural land, Eldoret plays a crucial role as a commercial center for the economy of Uasin Gishu, which relies heavily on large-scale grain production, dairy farming, and horticulture. Moreover, Eldoret serves as a local manufacturing hub, hosting several nationally recognized manufacturing companies.

Eldoret, nestled in a fertile agricultural region, holds a prominent position as a vital contributor to the country's grain reserves, owing to its immense agricultural capacity. It acts as a central hub for wheat and maize production, while local farmers also partake in dairy farming and cultivate diverse crops like beans, Irish potatoes, and various horticultural products. The region receives food supplies from local farmers, neighboring counties, and even East African nations like Uganda and Tanzania. Imported rice were from Pakistan, Thailand, and rice. Prices for essential food items were obtained from the Eldoret Wholesale Market, the town's primary hub for wholesale and retail food transactions.

Throughout April, most commodities sustained consistent wholesale and retail prices. Nevertheless, Irish potatoes witnessed a significant decline in both wholesale and retail values. This reduction is linked to an abundant harvest from key production regions such as Elgeyo Marakwet, Uasin Gishu, Nandi, and Nakuru counties.

Table 3: Average Retail Prices, Eldoret Region

Product	Variety	Average w/sale price (KES/kg)				Total average w/sale price (KES/kg)	Total average retail price (KES/kg)
		Week 1	Week 2	Week 3	Week 4		
Dry beans	Army green	180	180	180	180	180	190
	Black beans(Njahi)	190	190	190	193	191	204
	Butter beans	250	250	250	250	250	300
	Green/yellow	180	180	180	180	180	190
	Mwezi moja	170	170	170	170	170	180
	Mwitemania	170	170	170	170	170	180
	Nyayo	150	150	150	150	150	160
	Nyota beans	160	160	160	160	160	170
	Rosecoco	170	170	170	170	170	180
	Saitoti	170	170	170	170	170	180
	Wairimu	100	100	100	100	100	125
	White Rosecoco (Alulu))	200	190	170	170	182	195
	Yellow	175	175	175	175	175	180
Dry maize	White maize	50	50	50	50	50	60
Irish potatoes	Shangi	73	73	60	62	67	70
Rice	Basmati	190	190	190	190	190	220
	Biriani	180	180	180	168	176	196
	Falcon	160	160	160	160	160	180
	Pishori grade 1	200	200	200	200	200	230
	Pishori grade 2	200	200	200	200	200	220
	Sindano	190	190	190	190	190	200
Wheat	Wheat	90	90	90	90	90	100

Source: Daily Market Survey for the month of April 2024.

Outlook for the Month of May

In May 2024, the following changes are anticipated:

- A substantial decrease in fuel prices from April to May 2024, offering welcome relief in transporting food commodities and potentially resulting in lower food prices.
- The torrential rains witnessed in April have inflicted significant damage on vital infrastructure such as roads and bridges, leading to restricted access to many areas and subsequently raising food transaction expenses.
- The East African region is facing an impending food scarcity crisis and escalating food prices following the devastation caused by excessive rains and floods. This catastrophic event has resulted in casualties, injuries, infrastructure destruction, and extensive damage to farmlands in the region's food-producing areas.

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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