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.

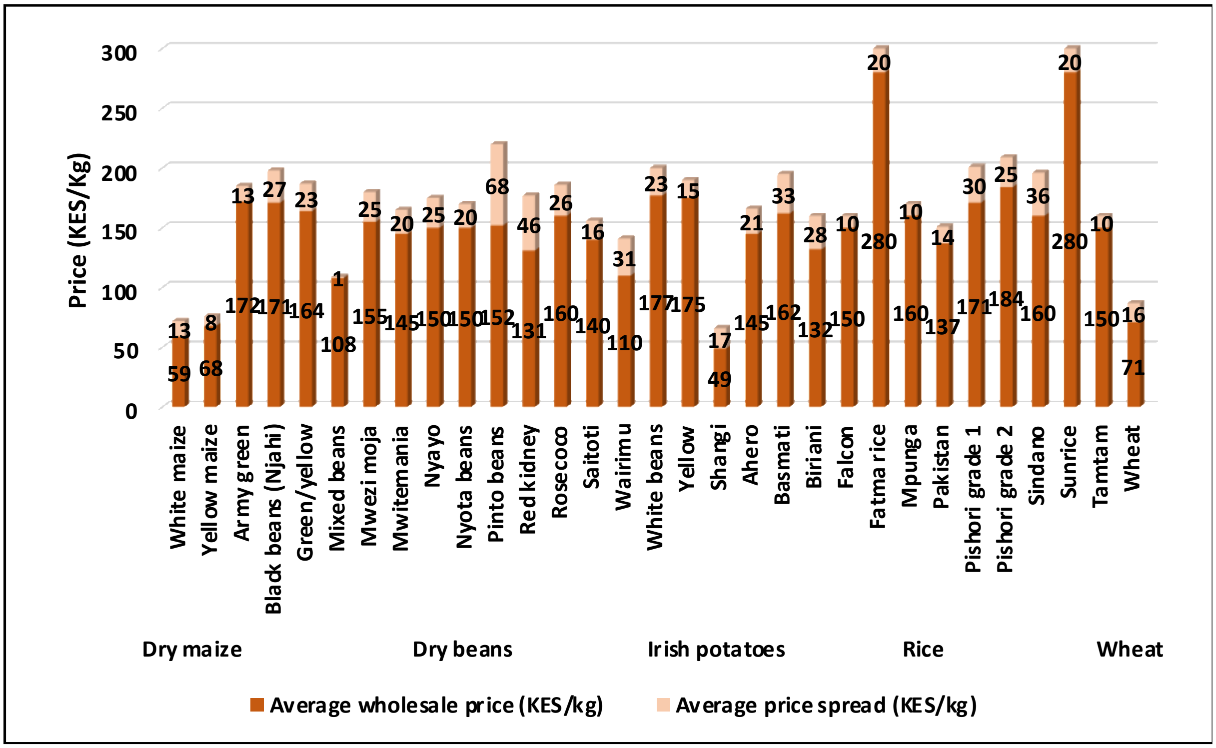
Highlights

- Changes in wholesale and retail pricing can be ascribed to several factors, including increased fuel and transportation costs, seasonal variations, the presence of intermediaries, and rising local demand.
- Price variations across different regions can be attributed to market dynamics, including fluctuations in supply and demand, the involvement of intermediaries, the depreciation of the Kenyan shilling resulting in higher export costs, and elevated transportation expenses due to escalating fuel prices.
- Elevated demand for maize during the start of the school term contributes to increased maize prices in certain regions.
- The surge in Irish potato prices in densely populated areas can be attributed to several factors, including increased demand, scarcity due to the perishable nature of the commodity, the involvement of middlemen, and rising transportation costs influenced by higher fuel prices.

Overall Wholesale and Retail Prices for January

In January 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 1% to 10%. These included dry beans [Army green (8%), mixed beans (1%), and yellow beans (9%)] and rice [Falcon (7%), Fatma (7%), Mpunga (6%), Sunrice (7%), and Tamtam (7%)]. For many commodities, particularly dry beans and rice, the majority recorded price differentials ranging from 10% to 18%. Conversely, commodities such as White maize (22%), pinto beans (45%), Red kidney beans (35%), Shangi Irish potatoes (35%), and Wheat (23%) experienced price differentials exceeding 20%. 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 January 2024

Wholesale and Retail Commodity Prices

Various bean varieties were found across different regions, with Black beans (Njahi), Green yellow, and Wairimu being available in all selected areas. Additionally, Mwitemania was prevalent everywhere except in Kisumu, while Saitoti was present in all regions except Kisumu and Nyeri. Nyayo and Rosecoco, on the other hand, were present in all regions except Nyeri. Eldoret and Nakuru regions reported the highest accessibility to bean varieties due to their status as the major producing regions in the country. As expected, retail prices for all bean varieties were higher than wholesale prices. In comparison to the national wholesale average prices, wholesale pricing for most bean varieties was higher in the Eldoret, Kisumu, Mombasa, and Nairobi regions, while retail pricing was higher in the Eldoret and Kisumu regions. These price disparities can be attributed to market dynamics such as supply and demand, the presence of intermediaries, the depreciation of the Kenyan shilling leading to higher export costs, and increased transportation expenses due to rising fuel prices.

Due to significant crop damage caused by enhanced rainfall from El Niño, Kenya imported 90% of the total traded beans. Traders anticipated higher prices in the first half of 2024 and thus imported beans in response to the damaged crop (ICPAC, 2024).

All regions except Nairobi, Kisumu, and Nakuru reported dry white maize, while these regions reported yellow maize. Compared to the national average wholesale and retail prices of 59KES/kg and 72KES/kg for dry white maize, Eldoret (67KES/kg) and Mombasa (75KES/kg) showed higher wholesale prices, and Nairobi (79KES/kg) showed higher retail prices. Dry yellow maize had higher average national wholesale (68KES/kg) and retail prices (76KES/kg) compared to dry white maize. Nakuru and Nairobi recorded higher retail prices for yellow maize at 85KES/kg each, whereas Nakuru recorded a higher wholesale price of 83KES/kg. Increased demand for maize during the opening period of schools contributes to high maize prices in some regions. High transportation costs, the presence of middlemen, and market characteristics like high demand and low supply also contribute to high wholesale and retail prices. The opening of schools in January is expected to lead to a rush to sell maize to obtain fees, potentially affecting market prices (The Star Newspaper, January 2024).

Irish potatoes exhibited significantly higher prices in Nairobi, with rates reaching 87KES/kg compared to the national average wholesale price of 49KES/kg. Similarly, Nakuru and Nairobi displayed notably higher retail prices of

98KES/kg and 75KES/kg, respectively, in contrast to the national average price of 66KES/kg. The price hikes in densely populated areas can be attributed to various factors, including heightened demand and the scarcity of the commodity due to its perishable nature, the presence of middlemen, and increased transportation costs driven by higher fuel prices.

All regions reported the presence of Biriani and Pishori rice, with Sindano rice being common in all regions except Nairobi. Additionally, Mombasa had varieties like Tamtam, Mpunga, Fatma, and Sunrice, while Eldoret had Falcon and Kisumu had Ahero and Pakistan rice. Basmati rice, a non-aromatic type, was found 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 a heavy reliance on the international market to meet consumption demands, leading to elevated prices due to importation expenses. These costs are further compounded by the depreciation of the Kenyan shilling against the dollar and high marketing expenses.

Eldoret (90KES/kg) and Kisumu (76KES/kg) had high wholesale prices for wheat compared to the country's average of 71KES/kg for dry wheat. In addition, retail prices in Eldoret (100KES/kg), and Nyeri (105KES/kg) were higher than the national average (87KES/kg). Given the heavy dependence on imports to satisfy domestic wheat demand and the declining value of the Kenyan shilling against the dollar, the availability and prices of wheat are susceptible to fluctuations in international trade dynamics, potentially leading to price hikes.

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

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		156		190		185		180		172	185
	Black beans (Njahi)	203	153	160	164	169	170	220	221	170	188	171	225	171	198
	Green/yellow	180	174	165	167	157	142	195	231	170	181	171	177	164	187
	Mwitemania	170		140	148	132	129	184		150	174	141	184	145	165
	Nyayo	155	146	165	158	124		174	214	170	178	138		150	175
	Red kidney		151			129	104		221			135	177	131	177
	Rosecoco	158	153	170	166	152		175	215	180	190	171		160	186
	Saitoti	160		125	155	120		175		150	178	122		140	156
	Wairimu	100	137	135	103	89	99	125	204	140	123	90	166	110	141
Dry maize	White maize	67	58	75	60	48	49	73	70	75	79	62	75	59	72
	Yellow maize		53		67	83			61		85	85		68	76
Irish potatoes	Shangi	46	43	40	87	39	37	48	68	60	98	75	44	49	66
Rice	Basmati	190	167		137	159	157	220	239		160	171	187	162	195
	Biriani	150	147	130	95	116	157	200	164	140	120	150	188	132	160
	Pakistan		148				120		159				140	137	151
	Pishori grade 1	200		200	173	148	157	230		220	193	185	192	171	201
	Pishori grade 2	200	169					220	199					184	209
	Sindano	190	162	160		151	143	200	247	170		190	178	160	196
Wheat	**Wheat**	90	76	60	62	70	67	100	85	75	82	75	105	71	87

Source: Daily Market Survey for the month of January 2024

Wholesale and Retail Price Trends by Region

There were fluctuations in weekly prices across regions during the first week and weeks two through five. In Eldoret, there was a diverse range of outcomes, with most commodities maintaining consistent prices, while some experienced decreases and a few saw increases in wholesale prices. In terms of retail prices, most commodities experienced declines, except for maize and Shangi Irish potatoes, which saw increases of 7% and 4%, respectively, when comparing prices from week 1 to week 5, driven by increased demand.

In Kisumu, there were mixed price trends observed for commodities when comparing week 1 to week 5. While most commodities experienced decreasing prices, a few remained stable. However, there were notable increases in prices for specific commodities, including Shangi Irish potatoes (7%), Pishori grade 2 rice (3%), and dry wheat (3%).

In Mombasa, a comparison of wholesale and retail prices between weeks 1 and 5 reveals that all other food items, including all varieties of dry beans, white maize, all types of rice, and wheat, showed no change in wholesale or 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 stood out with increased wholesale and retail prices of 6% and 5% respectively. This rise is attributable to scarcity and high demand for the perishable commodity, which is highly sought after for delicacies in the populous city.

In the Nairobi region, commodities displayed mixed price trends, with most of them experiencing either decreasing or stable prices. However, notable exceptions were observed for certain bean varieties, including Black beans (Njahi) and Nyayo beans, as well as Shangi Irish potatoes, which showed increasing wholesale and retail price trends. A comparison of wholesale price trends between week 1 and week 5 revealed that some commodities, such as Black beans (Njahi), Nyayo beans, Shangi Irish potatoes, and wheat, experienced price increases of 6%, 5%, 6%, and 2%, respectively. These price hikes could be attributed to seasonal factors, increased marketing costs, and market dynamics.

A comparison of wholesale and retail prices between week 1 and week 5 revealed a mixture of price trends, encompassing stability, increases, and decreases. Notably, certain commodities experienced price increases in the wholesale market, including white dry maize (2%), yellow dry maize (17%), and Shangi Irish potatoes (13%). Similarly, these commodities saw corresponding increases in retail prices, with rises of 8%, 14%, and 14%, respectively. In contrast, all rice varieties available in the region and wheat maintained stable wholesale prices over the specified period.

When comparing prices between week five and week one, Nyeri exhibited both price rises and decreases across various food commodities. At the wholesale level, notable price increases were observed for Mwitemania beans (9%), Wairimu beans (5%), dry maize (12%), and Shangi Irish potatoes (5%). These fluctuations in wholesale and retail

FOCUS ON MAIZE ACROSS SELECTED REGIONS

Maize cultivation in Kenya is widespread, with significant production occurring in various regions such as the Rift Valley, Western Kenya, Nyanza, Central Kenya, and parts of Eastern Kenya. Notably, Uasin Gishu and neighboring Trans-Nzoia are regarded as Kenya's breadbasket, owing to their expansive maize and wheat farms that contribute significantly to the nation's overall harvest. Farmers grow a variety of maize types, including hybrid varieties developed through crossbreeding for enhanced traits like high yield potential and disease resistance. Additionally, open-pollinated varieties are favored by small-scale farmers due to their ability to save seeds for replanting, while specialized types like highland and drought-tolerant varieties cater to specific agro-climatic conditions.

However, the maize trade in Kenya faces several challenges that affect both farmers and traders. Price volatility is a significant issue, driven by factors like weather fluctuations, market speculation, and government policies on imports and exports. Post-harvest losses due to inadequate storage facilities and pest infestations also contribute to reduced profitability for maize traders. Moreover, high transportation costs, particularly in rural areas where maize is grown, add to the overall expenses of marketing maize.

Furthermore, maize traders encounter difficulties in accessing reliable markets and market information, limiting their ability to make informed decisions and negotiate favorable prices. Government regulations, trade policies, and licensing requirements pose additional hurdles, impacting the operations and profitability of maize traders. Intense competition, both locally and internationally, further complicates marketing efforts and affects profit margins.

In January 2024, Eldoret, Mombasa, and Nairobi experienced elevated wholesale prices for white dry maize, while Eldoret, Mombasa, Nairobi, and Nyeri reported higher retail prices compared to the national averages. Moreover, Nakuru and Nairobi observed heightened retail prices for yellow maize in comparison to the national average. These increased prices can be attributed to heightened demand, seasonal fluctuations, and elevated marketing expenses.

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

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 maize	White maize	67	58	75	60	48	49	73	70	75	79	62	75	59	72
	Yellow maize		53		67	83			61		85	85		68	76

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

prices in the region are influenced by seasonal variations and marketing factors.

Comparison of National Average Prices between December 2023 and January 2024

A comparison of overall prices (national averages for all commodities) for December 2023 and January 2024 reveals that most of the wholesale and retail prices remained stable or declined (refer to Table 2). Most commodities exhibited stable retail and wholesale prices, ranging between a 3% decrease and a 5% increase, while a few experienced decreases ranging from -5% to -13%, and slight increases ranging from 5% to 16%. This trend could be attributed to the availability of food commodities from various producing areas, as well as imports from neighboring East African countries and beyond.

Table 2: Comparison of December 2023 and January 2024 prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/ Kg)		
		Dec-23	Jan-24	Percentage change	Dec-23	Jan-24	Percentage change
Dry beans	Army green	179	172	-4%	192	185	-4%
	Black beans (Njahi)	165	171	4%	196	198	1%
	Green/yellow	166	164	-1%	191	187	-2%
	Mixed beans	105	108	3%	106	109	3%
	Mwezi moja	184	155	-16%	206	180	-13%
	Mwitemania	144	145	1%	169	165	-2%
	Nyayo	152	150	-1%	179	175	-2%
	Nyota beans	151	150	-1%	180	170	-6%
	Pinto beans	164	152	-7%	220	220	0%
	Red kidney	152	131	-14%	174	177	2%
	Rosecoco	163	160	-2%	190	186	-2%
	Saitoti	140	140	0%	158	156	-1%
	Wairimu	112	110	-2%	142	141	-1%
	White beans	172	177	3%	190	200	5%
	Yellow	175	175	0%	195	190	-3%
Dry maize	White maize	55	59	7%	71	72	1%
	Yellow maize	65	68	5%	71	76	7%
Irish potatoes	Shangi	45	49	9%	60	66	10%
Rice	Ahero	163	145	-11%	170	166	-2%
	Basmati	169	162	-4%	199	195	-2%
	Biriani	138	132	-4%	160	160	0%
	Falcon	150	150	0%	160	160	0%
	Fatma rice	255	280	10%	270	300	11%
	Mpunga	160	160	0%	170	170	0%
	Pakistan	133	137	3%	148	151	2%
	Pishori grade 1	168	171	2%	193	201	4%
	Pishori grade 2	184	184	0%	210	209	0%
	Sindano	159	160	1%	192	196	2%
	Sunrice	255	280	10%	260	300	15%
	Tamtam	150	150	0%	160	160	0%
Wheat	Wheat	71	71	0%	91	87	-4%

Key

<3 but >-5	Stable
>-5 but >-13	Decrease
>=5 but <16	Slight increase

Source: Daily Market Survey for the month January 2024

FOCUS ON NAKURU REGION

Kisumu, situated in western Kenya, lies near Lake Victoria, the largest freshwater lake in Africa and globally. Ranking as Kenya's third-largest city, following Mombasa and Nairobi, Kisumu holds significance within the Lake Victoria Basin, where it stands as the third-largest city after Mwanza, Tanzania, and Kampala, Uganda. Despite being situated in an area characterized by food deficits and low agricultural production, Kisumu's proximity to Lake Victoria fosters an environment conducive to agricultural and aquatic activities. In Kisumu County's Kano Plains, rice cultivation thrives under irrigation, representing a vital agricultural activity in the region. Notably, the northern and eastern edges of the Kano Plains boast some of Kenya's most productive sugarcane fields, with key production centers located in areas such as Kibos, Miwani, and Chemelil. Additionally, Kisumu County contributes to the agricultural landscape with a diverse range of produce, including fresh vegetables, poultry, beans, sweet potatoes, and maize.

Despite facing challenges related to food deficits and limited agricultural production, Kisumu's strategic location near Lake Victoria positions it as a significant agricultural hub. With a focus on rice cultivation, sugarcane production, and a variety of agricultural products, Kisumu County plays a crucial role in contributing to Kenya's agricultural sector. Kibuye Market, renowned as one of the largest open-air markets in Eastern and Central Africa, serves as a pivotal hub for gathering commodity prices. Located in the Nyanza region, the market caters to neighboring sub-counties and counties, offering a wide array of fresh produce, agricultural goods, and non-agricultural commodities. Both wholesale and retail transactions take place within the market premises, providing a diverse range of agricultural products to meet varying consumer needs. Managed by the County government of Kisumu, Kibuye Market operates as a public shopping venue accessible to all. Its operational hours commence daily at 4:00 am, ensuring early access to fresh produce and commodities for traders and consumers alike. The market experiences peak activity on Saturdays and Sundays, drawing large crowds of traders seeking to engage in bustling trade transactions and vibrant commercial exchanges.

Traders in Kisumu source a variety of food commodities from different regions. Dry maize, for instance, is obtained from Trans-Nzoia (Kitale), Busia (Kenya-Uganda border), and Uasin-Gishu (Eldoret) counties. Irish potatoes are typically sourced from Elgeyo-Marakwet, and Nakuru counties (Molo), while dry beans are sourced from Western Kenya and Uganda (Busia). Wheat, on the other hand, is predominantly sourced from Busia (Kenya-Uganda border). Rice was obtained from Ahero and Mwea irrigation schemes and imports from Tanzania and Pakistan.

In January, most commodities experienced price reductions when comparing retail prices from week 1 to week 5, with decreases ranging from 3% to 17%. However, the wholesale and retail prices of Shangi Irish potatoes increased by 19% and 7%, respectively. This price hike can be attributed to factors such as scarcity, increased marketing costs, and market dynamics.

Table 3: Average Retail and Wholesale Prices, Kisumu 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	136	135	134		135	217
	Black beans(Njahi)	143	142	142	142	142	230
	Green/yellow	160	159	158	158	159	230
	Nyayo	138	138	138	138	138	209
	Pinto beans	151	149	148	148	149	221
	Red kidney	143	143	143	143	143	221
	Rosecoco	151	150	149	149	150	214
	Wairimu	136	135	134	136	135	183
Dry maize	White maize	56	56	57	57	56	71
	Yellow maize	53	54	54	54	54	61
Irish potatoes	Shangi	51	48	46	48	49	113
Rice	Ahero	118	115	115	115	116	160
	Biriani	107	107	101	98	103	148
	Pakistan	113	113	113	113	113	150
	Pishori grade 2	152	152	152	152	152	200
Wheat	Wheat	79	79	76	79	78	92

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

Outlook for the Month of February

The projected changes are outlined for the month of January:

- The prices of food commodities in February will fluctuate due to seasonal factors, international developments, and increased energy costs.
- As a result of the depreciation of the shilling, the prices of imported food items such as rice and wheat are expected to rise in the upcoming months.
- As energy costs continue to rise due to new levies and taxes, along with an increase in marketing costs, food items such as beans, maize, and Irish potatoes are expected to see an increase in prices in the coming months.

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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