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

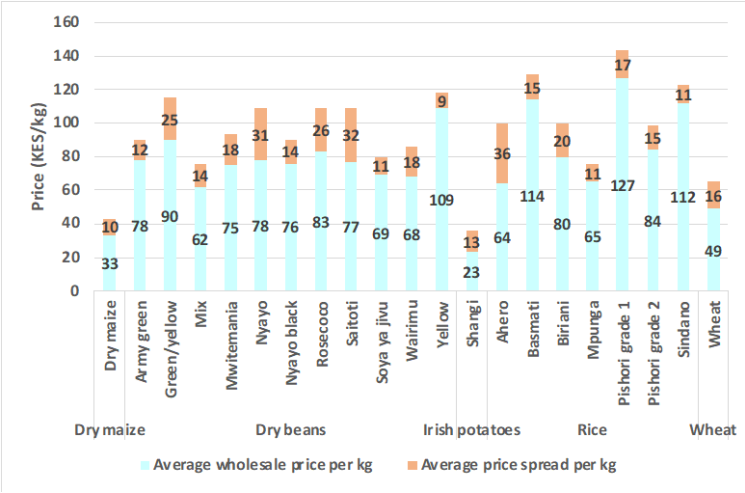
- During, prices for a majority of food commodities in Kenya increased slightly due to an increase in transaction costs driven by rising fuel prices.
- Average retail prices were higher than average wholesale prices. Aside from yellow beans, all commodities recorded price margins above 10%. This means that the transaction costs incurred by traders were largely transferred to consumers, resulting in higher retail prices.
- Both wholesale and retail commodity prices for the selected commodities varied regionally and when compared to national averages. These variances can be explained by with seasonality, proximity to production zones, and level of demand and transaction costs.
- Commodity prices also varied within regions, as indicated by a variation in weekly prices. This variation can be explained by the sources of the commodity, as well as by prices at the. source/producer prices.

Overall Wholesale and Retail Prices for September

As expected, average retail prices were higher than wholesale prices during the month of September (Figure 1). Aside from yellow beans, all commodities recorded price margins above 10%. Food commodities that recorded prices margins of 30% and above included dry maize (30%), Nyayo beans (40%), Rosecoco beans (31%), *Saitoti* (42%), *Shangi* Irish potatoes (57%), Ahero rice (56%), and dry wheat (33%). Higher wholesale and retail price margins were recorded in September than in August; this can be attributed largely to the increase in fuel costs that subsequently drove up the cost of food, transport, and production. The higher margins also indicate that transaction costs (e.g., transportation, processing, etc.) were largely transferred to consumers in September.

.

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



Source: Daily Market Survey for the month of September

Wholesale and Retail Commodity Prices

Commodity prices for the selected commodities varied regionally, as shown in Table 1, and when compared to national[1] average wholesale prices for the month of September (90KES/kg). Average wholesale prices for green/yellow beans were higher in Eldoret (122KES/kg) and Nairobi (92KES/kg), while average retail prices were higher in Eldoret (123KES/kg), Kisumu(139KES/kg), Nairobi (120KES/kg), and Nyeri (128KES/kg) compared to the overall retail price of 115 KES/kg. Most dry beans varieties, including *Mwitemania,* Rosecoco, and *Wairimu,* recorded higher average retail and wholesale prices in Eldoret, Kisumu, Mombasa and Nairobi. Most of these regions also recorded higher prices for Rosecoco beans compared to the government recommended price of 93KES/kg. This can be explained by the fact that most bean varieties were imported from neighboring Uganda. Rising fuel prices also played a role in higher bean prices. Apart from Nakuru and Nyeri, all other regions recorded higher average retail prices compared to the government recommended price of 76KES/kg for *Mwitemania* beans. The low prices in Nakuru and Nyeri can be attributed to the fact that some of the bean supply was harvested within those regions and in neighboring counties during the months of August and September, thus driving local prices below the national average.

Dry maize recorded slightly higher wholesale prices in Nairobi (34KES/kg) compared to the national average wholesale price of 33KES/kg. Retail prices for dry maize were higher in Kisumu (46KES/kg), Nairobi (49KES/kg), and Nyeri (47KES/kg) compared to the overall average retail price (43KES/kg). However, all regions recorded higher average retail prices of dry maize compared to the government recommended price of 33KES/kg. Higher maize prices can again be contributed to increased fuel prices and low supply; the maize crop is mainly harvested from September to November in Kenya's major growing regions.

Irish potatoes were still in season in September, leading to stable supply and lower prices across the regions. The exception was the Nairobi region, which recorded higher wholesale (43 KES/kg) and retail prices (63KES/kg) compared to the national averages of 23KES/kg and 36KES/kg, respectively. Notable was a larger price margin between wholesale (20KES/kg) and retail (27KES/kg) prices of Irish potatoes (*Shangi* variety) in Nairobi region when compared to the national average prices. This can be attributed to increased fuel prices, involvement of many middlemen, and a high demand for the commodity. As a populous city with limited agricultural activities, Nairobi is a net importer of food items from surplus regions across the country. All regions except the Nairobi region saw lower average wholesale and retail prices of Irish potatoes compared to the government recommended price of 50KES/kg,

Various rice varieties were recorded across country, but Pishori[2] rice was common to all regions. Compared to the national retail average price of 144 KES/kg, Pishori grade1 rice recorded higher prices in most regions including Eldoret (150 KES/kg), Mombasa (157KES/kg), Nyeri (162 KES/kg), and Nairobi (151KES/kg). However, all varieties across all regions experienced lower prices than the government recommended price for Basmati rice of 170KES/kg.

Dry wheat saw higher retail prices in Nairobi (80 KES/kg), Nyeri (KES/kg 70), and Eldoret (70 KES/kg) and higher wholesale prices in Eldoret (50 KES/kg), Mombasa (52KES/kg), and Nairobi (59 KES/kg) compared to the national average retail price (65 KES/kg) and the national average wholesale price (49 KES/Kg). Notably,

[1] *Prices from the 6 regions combined; Mombasa, Nairobi, Nakuru, Eldoret, Kisumu and Nyeri*

[2] *Kenya's version of Basmati rice*

all regions recorded higher prices compared to the government recommended price of 36KES/kg. This can be attributed to seasonality, as wheat is mainly harvested in September, and increases in the cost of transport due rising fuel prices.

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

Commodity	Variety	Average wholesale price per kg						Average retail price per kg					
		Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri
Dry beans	Army green			78						90			
	Green/yellow	122	76	81	92	82	89	123	139	90	120	90	128
	Mix						62						76
	Mwitemania			80	83	65	72			90	120	70	90
	Nyayo		74	76	83				122	90	117		
	Nyayo black			76						90			
	Rosecoco	102	77		84	75	77	112	127		120	90	99
	Saitoti		75	78	83				126	90	120		
	Soya ya jivu			69						80			
	Wairimu	79	64	69	68	62	67	87	103	80	94	70	82
	Yellow	109						118					
Dry maize	Dry maize	32	32	32	34	32	35	39	46	40	49	35	47
Irish potatoes	Shangi	14	17	26	43	21	20	17	38	35	63	35	29
Rice	Ahero		64						100				
	Basmati	112		108		114	123	120		120		130	147
	Biriani			80						100			
	Mpunga			65						76			
	Pishori grade 1	150		133	131	84	135	152		157	151	100	162
	Pishori grade 2	94	82			76		95	121			80	
	Sindano	124		112		112	99	125		122		125	120
Wheat	Dry wheat	50	39	52	59	44	48	70	60	60	80	50	70

Source: *Daily Market Survey for September*

Wholesale and Retail Price Trends by Region

Variations in weekly prices were recorded across regions. A comparison of week 1 and week 5 in the Eldoret region depicted that all dry beans and *Shangi* Irish potatoes showed a reduction in both wholesale and retail prices during September. On the other hand, all rice varieties and dry wheat saw stable wholesale and retail prices.

In Kisumu, a comparison between week 5 and week 1 of September showed an increase in wholesale prices for all commodities except *Wairimu* beans, which declined by 7%, and *Saitoti* beans, which saw stable prices across the month. Many commodities showed either reductions or increases in retail prices; the exception was dry wheat, which recorded stable prices.

Stable retail prices were observed in Mombasa region for most selected commodities except *Mpunga* and *Sindano* rice varieties, which recorded a decline of 30% and 8%, respectively, and Pishori grade 1 rice, which showed a 7% increase in retail price. A comparison of wholesale prices between week 5 and week 1 in Mombasa showed stable prices for most commodities but increased prices for Mwitemania beans (7%), dry maize (3%), and wheat (18%). Price reductions were observed for Irish potatoes (8%), *Mpunga* rice (21%), and *Sindano* rice (8%).

The Nairobi region recorded mixed results, with different commodities seeing both increased and stable prices. A comparison of wholesale prices between week 5 and week 1 showed a significant increase in wholesale prices for *Wairimu* beans (15%), dry maize (14%), and Pishori grade 1rice (25%).

Similarly, significant increases in retail prices for *Wairimu* beans (18%), *Nyayo* beans (20%), and Pishori Grade 1 rice (23%) were recorded. Stable wholesale prices were recorded for green/yellow beans, *Mwitemania* beans, Rosecoco beans, and wheat.

Similarly, 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 increased prices for green/yellow beans (6%) and *Shangi* Irish potatoes (2%). Notably, both commodities saw increased prices from week 2 to week 5. Additionally, price reductions were observed for *Mwitemania* beans (7%), Rosecoco beans (4%), *Wairimu* beans (9%), dry maize (3%), and Basmati rice (7%), whereas stable wholesale prices were recorded for Pishori grade 1 and 2 rice, *Sindano* rice, and dry wheat. Stable retail prices were recorded for all commodities across all weeks except for *Shangi* Irish potatoes, which showed an increase of 8%.

Mixed results were also recorded in Nyeri. A comparison of wholesale prices between week 5 and week 1 showed a significant increase in prices for mixed beans (22%), Pishori grade 1 rice (20%), and wheat (41%), as well as a slight increase in green/yellow beans, *Mwitemania* beans, *Wairimu* beans, and *Sindano* rice. On the other hand, most other commodities showed either an increase or a reduction of prices, with the exception of *Mwitemania* beans, *Sindano* rice and wheat, all of which recorded stable prices.

Notably, dry wheat recorded stable retail prices across all the selected regions and increased wholesale price in most regions except Eldoret and Nakuru, which are among the major wheat-producing areas in the country. Variations in wheat prices can be attributed to the costs of production and importation.

Comparison of National Average Prices Between August and September

A comparison of overall prices (national averages for all commodities) for August and September (Table 3) shows varying degree of change in wholesale and retail prices. Most commodities saw stable prices, with decreases of less than 5% for wholesale prices and increases of 5% for both wholesale and retail prices. Some commodities saw increased wholesale prices, including dry maize (6%), mixed beans (9%), Pishori grade 1 rice (8%), and wheat (7%), while others showed increased retail prices, including *Nyayo* beans (5%), *Saitoti* beans (10%), and Irish potatoes (6%). Dry maize and Pishori grade 1 rice recorded increased wholesale and retail prices. Pakistan rice displayed significant decreases in both wholesale (24%) and retail prices (45%). Variations in prices between the two months can be attributed to seasonality, transportation costs, and import costs.

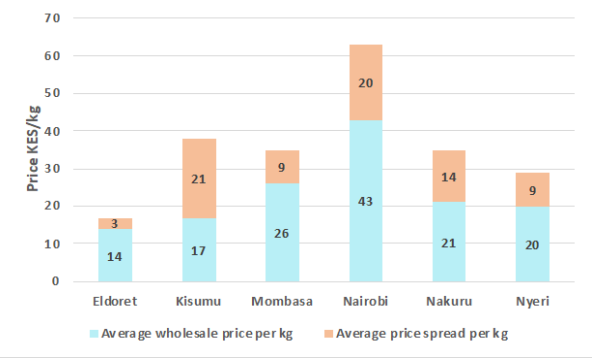
FOCUS ON IRISH POTATOES ACROSS SELECTED REGIONS

Irish potatoes are an important food crop in Kenya, driven by increased and widespread consumptioni n both rural and urban areas. Production volumes for Irish potatoes are second only to maize. The major Irish potato growing regions include Hyandarua, Nakuru, Elgeyo Marakwet, Meru, Nyeri, Kiambu, Taita Taveta, Norak, Bornet, Trans Nzoia, Bungoma, Uasin Gishu, West Pokot, Kisii, Nyamira, Kirinyaga, Murang'a, Baringo, Nandi, Laikipia, and Kericho counties.

National production is far below its potential, largely due to limited use of certified seeds and low use of other production inputs. In 2020, the Government of Kenya introduced regulations that require Irish potato growers, transporters, dealers, and processors to register with counties to standardize trading. These regulations have also set the packaging for all Irish potatoes to be 50 kg bags.

The *Shangi* potato variety recorded various prices across the regions in August. Eldoret and Nyeri recorded relatively lower wholesale and retail prices due to their proximity to production areas compared to Kisumu, Mombasa, and Nairobi, which have marginal agricultural productivity. Nairobi region recorded significantly higher average wholesale (43KES/kg) and retail (63KES/kg) prices, which can be attributed to transportation costs, seasonality, and higher demand.

Figure 2: Average Wholesale and Retail Price (KES/kg) of Irish Potatoes in Selected Regions



Source: Daily Market Survey for the month of September

Table 2: Comparison of August and September prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/ Kg)		
		August	September	Percentage change	August	September	Percentage change
Dry maize	Dry maize	31	33	6%	40	43	8%
Dry beans	Army green	82	78	-5%	94	90	-4%
	Green/yellow	88	90	2%	111	115	4%
	Mix	57	62	9%	73	76	4%
	Mwitemania	74	75	1%	93	93	0%
	Nyayo	75	78	4%	104	109	5%
	Nyayo black	76	76	0%	90	90	0%
	Rosecoco	88	83	-6%	110	109	-1%
	Saitoti	77	77	0%	99	109	10%
	Soya ya jivu	69	69	0%	80	80	0%
	Wairimu	68	68	0%	83	86	4%
	Yellow	111	109	-2%	120	118	-2%
Irish Potatoes	Shangi	23	23	0%	34	36	6%
Rice	Ahero	69	64	-7%	99	100	1%
	Basmati	114	114	0%	125	129	3%
	Biriani	80	80	0%	100	100	0%
	Pakistan	86	65	-24%	137	76	-45%
	Pishori grade 1	118	127	8%	137	144	5%
	Pishori grade 2	81	84	4%	95	99	4%
	Sindano	108	112	4%	123	123	0%
Wheat	Wheat	46	49	7%	64	65	2%

key	
>+5 but <+10	Increase
>-5 but <+5	Stable
>-5 but <-10	slight decrease
<-10	Decreasing

Source: Daily Market Survey for August and September

FOCUS ON KISUMU REGION

Kisumu is the third-largest city in Kenya after the capital, Nairobi, and the coastal city of Mombasa. It is a large market located in a food-deficit area with marginal agricultural productivity; however, the region provides a suitable environment for agricultural and aquacultural activities. Significant food consumed within the city is sourced from outside counties such as Trans-Nzoia, Uasin-Gishu, Narok, and Bomet counties in the former Rift Valley province, as well as Busia (Kenya) and Busia (Uganda).

Commodity prices are collected from Stadium (Corona) market, a new market to which traders were relocated after major open-air markets were closed for major infrastructural transformation and upgrading. The market serves most of the neighboring sub-counties and counties in Nyanza region, which depend on it for fresh produce and other agricultural and non-agricultural products. Various agricultural products are sold in the wholesale market as well as the retail section. Stadium/Corona market is run by the County government of Kisumu and is open for trading for all members of the general public. The market operates seven days a week and on a typical day, the market is open from 3:00 am.

Traders source beans from Western, Rift Valley, and Uganda, while rice is sourced from Western (Bunyala), Nyanza regions (Ahero, West Kano, and Migori-Kuria), and Tanzania. Rice from Tanzania is the most preferred because of its quality. Irish potatoes are sourced from Nakuru (Molo and Mau Narok) and Elgeyo Marakwet counties, while wheat is sourced from Nakuru, Narok, and Uasin-Gishu Counties.

During September, apart from *Saitoti* beans, *Shangi* Irish potatoes, and wheat, all of whose prices remained mostly stable, price fluctuations were recorded for both average wholesale and average retail prices for all commodities. Comparing week 5 to week 1, average wholesale prices greatly increased for *Nyayo* beans (12%) and dry maize (25%). Between week 5 and week 1, *Wairimu* beans saw a reduction in average wholesale prices (7%), while green/yellow beans saw a reduction in average retail prices (4%).

Table 3: Average prices (KES/Kg) for commodities in Kisumu

Commodity	Average wholesale price per kg					Average retail price per kg					Total average wholesale price per kg	Total average retail price per kg
	Week 1	Week 2	Week 3	Week 4	Week 5	Week 1	Week 2	Week 3	Week 4	Week 5		
Green/yellow beans	80	70	70	80	82	140	140	140	140	135	76	139
Nyayo beans	65	75	75	75	73	100	120	127	125	125	74	122
Rosecoco beans	75	75	75	80	80	120	125	128	130	130	77	127
Saitoti beans	75	75	75	75	75	130	120	128	128	125	75	126
Wairimu beans	70	62	63	62	65	110	100	100	100	110	64	103
Dry maize	28	30	30	35	35	45	45	45	46	50	32	46
Irish potatoes	17	17	17	17	17	40	40	40	40	30	17	38
Pishori grade 2	75	83	83	83	82	120	125	120	120	120	82	121
Wheat	35	40	40	40	40	60	60	60	60	60	39	60

Source: Daily Market Survey for the month of September.

Outlook for the Month of October

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

- Maize prices are expected to fall as harvests begin in the major producing areas of the Rift Valley. However, prices expected to remain slightly higher than previous years, as reduced production (owing to rains and hailstorms) is projected.
- Rice prices are expected to increase, as the main production season in the Mwea irrigation scheme began in July with harvests expected in December and January. However, there is the possibility of increased imports, which may stabilize prices and temper these increases.
- Bean prices are expected to remain stable as most producing regions in the Central and Rift Valley regions commenced harvesting in July, August, and September. Prices are expected to start increasing in November.
- Irish potato prices are expected to increase slightly as most regions are past the main harvest season and as the crop does not permit long storage periods.
- Wheat prices are expected to remain stable due to minimal and mostly imported current stocks. This trend is likely to continue until November when prices are then expected to increase due to increased demand associated with the festive season.

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[3].

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

[3] 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.

- 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).

REFERENCES

Food Security War Room (FSWR) (2020). "National and County Governments Protocols During the Corona Virus Pandemic; Proposed Strategies /Plans to Stabilize Staple Food Prices Under the COVID 19 Pandemic."

https://npck.org/Catalogues/NPCKOnlineDocument.pdf Potato Variety Catalogue 2019

https://reliefweb.int/report/world/policy-brief-impact-covid-19-food-security-and-nutrition-june-2020

https://www.centralbank.go.ke/statistics/exchange-rates/monthly-exchange-rate-period-average/

Muthoni, J., & Nyamongo, D. O. (2009). "A review of constraints to ware Irish potatoes production in Kenya." *Journal of Horticulture and Forestry 1*(7), 98-102.

Ministry of Agriculture Livestock and Fisheries (MoALF) (2021). Market Research and Information September 2021 Data.

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