



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

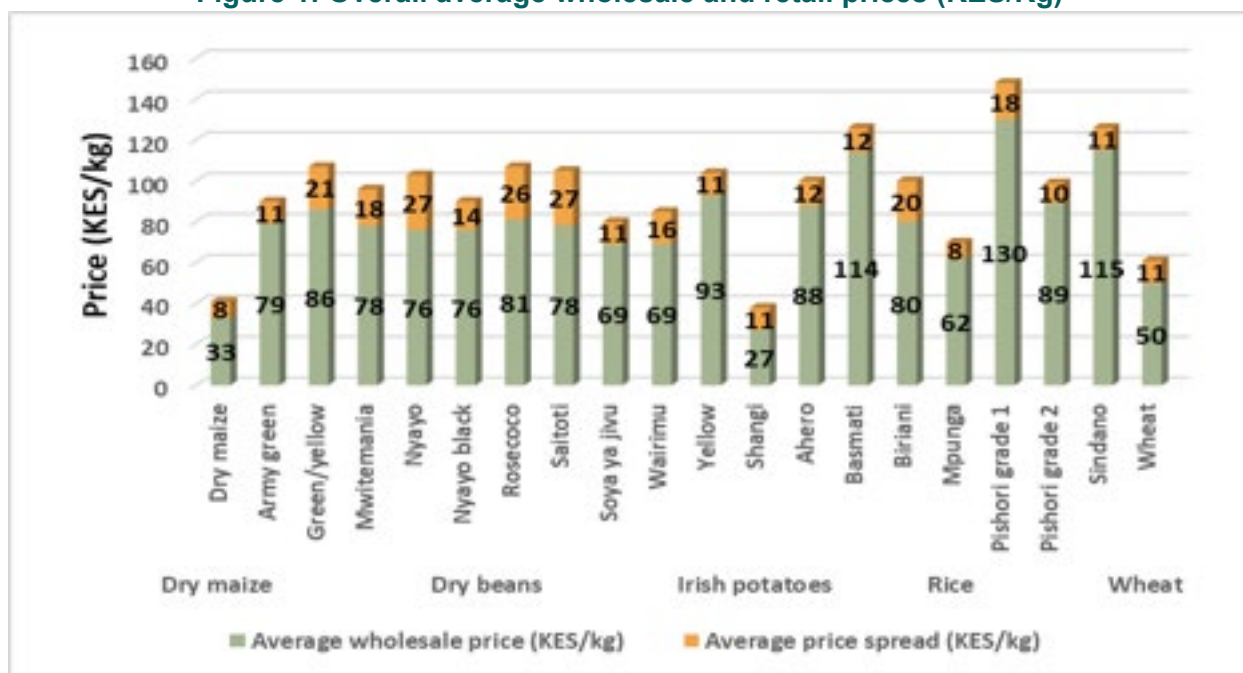
- ▶ As expected, prices were generally significantly higher in the larger urban markets of Nairobi, Mombasa, and Kisumu in November due to high demand.
- ▶ With a few exceptions, prices for most food items remained stable in November.
- ▶ Dry maize prices recorded significant decreases, especially in major producing areas and surrounding markets. This was due to the peak harvesting season in the main producing zones. It is expected that maize prices will remain low until February 2022.
- ▶ Rice, wheat, bean, and Irish potato prices are expected to increase further due to increased demand during the festive season (mostly December).

Overall Wholesale and Retail Prices for November

Average wholesale and retail prices for maize, beans, potatoes, rice, and wheat in major Kenyan markets in November are shown in Figure 1. In a trend indicating the easing cost of produce, most commodities recorded lower price margins of between 10% and 18%. These included some dry beans varieties (Army green (14%), Nyayo black (18%), Soya ya Jivu (16%), yellow beans (12%)) and most rice varieties (including Mpunga (13%), Pishori grade 1

(14%), Pishori grade 2 (11%), and Sindano (10%)). On the other hand, dry maize (24%), wheat (22%), Biriani rice (25%), green/yellow beans (24%), and Mwitmania beans (23%) recorded price margins of between 20% and 25%. Commodities that recorded the highest price margins of between 32% and 41% included Nyayo beans (36%), Rosecoco beans (32%), Saitoti beans (35%), and Irish potatoes (41%). Production source, transport costs, re-packaging costs, seasonality, and the existence of middlemen and produce brokers all contributed to the differences in wholesale and retail price margins.

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



Source: Daily Market Survey for the month of November

Wholesale and Retail Commodity Prices

Most dry beans recorded lower wholesale and retail prices in most selected regions. Similarly, all regions recorded lower wholesale prices for Rosecoco beans compared to the government recommended price of 93KES/kg. This can be attributed to seasonality; most producing areas in the Central and Rift Valley regions harvested in August and September, and thus market prices were lower in November due to surplus beans in markets.

As anticipated, wholesale and retail prices for major commodities varied regionally (Table 1). The national average price for green/yellow beans was KES 86/kg, with higher wholesale prices in Eldoret (96 KES/kg) and Nyeri (94KES/kg). Average retail prices were higher in Kisumu (137 KES/kg) and Nyeri (122 KES/kg) compared to the

national retail average of 107 KES/kg. Wholesale prices for the other bean varieties ranged from 76KES/kg to 81KES/kg, while retail prices ranged from 90KES/kg to 107 KES/kg.

Dry maize recorded lower wholesale and retail prices in most regions other than Kisumu and Nairobi, which recorded slightly higher wholesale price (36KES/kg in both regions) compared to the national average wholesale price of 33KES/kg. Kisumu, Nairobi, and Nyeri also recorded slightly higher retail prices compared to the national average retail price of 41KES/kg. Notably, Eldoret showed the lowest maize prices compared to other regions, both wholesale (27KES/kg) and retail (30KES/kg). This is attributable to Eldoret's location within the major maize producing zone: the "breadbasket" of the country. In addition, November marked the peak of the maize harvesting period, which is normally conducted between October and January.

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

Product	Variety	Average of w/sale price per kg						Average of retail price per kg						Total average wholesale price	Total average retail price
		Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri		
Dry beans	Army green			79						90				79	90
	Green/yellow	96	85	82	80	77	94	108	137	90	106	80	122	86	107
	Mwitmania			82	85	70	76			90	120	72	100	78	96
	Nyayo		74	76	77					119	90	100		76	103
	Nyayo black			76						90				76	90
	Rosecoco	95	80		77	74	78	108	128		100	85	114	81	107
	Saitoti		76	80					120	90				78	105
	Soya ya jivu			69						80				69	80
	Wairimu	78	70	69	63	62	70	85	100	80	89	63	95	69	85
Yellow	93							104					93	104	
Dry maize	Dry maize	27	36	33	36	31	34	30	45	40	50	33	46	33	41
Irish potatoes	Shangi	17	27	27	44	22	23	20	49	35	63	33	28	27	38
Rice	Ahero		88						100					88	100
	Basmati	112		108		115	122	120		120		130	135	114	126
	Biriani			80						100				80	100
	Mpunga			62						70				62	70
	Pishori grade 1	150		135	150	83	133	152		160	160	113	155	130	148
	Pishori grade 2	94	96			76		95	121			80		89	99
Sindano	124		110		122	103	125		120		135	122	115	126	
Wheat	Wheat	33	66	55	54	43	51	45	75	60	78	48	70	50	61

Source: Daily Market Survey for the month of November

Compared to the national average wholesale price of 27KES/kg, Irish potatoes recorded lower prices in most regions except for Nairobi, which recorded a wholesale price of 44KES/kg. Kisumu and Nairobi recorded higher retail prices of 49KES/kg and 63KES/kg, respectively, compared to the national average retail price of 38KES/kg. The higher prices may be explained by a combination of factors including low local production, high transport costs, and high demand in these major urban areas. Moreover, all regions apart from Nairobi saw lower prices than the government recommended price of 50KES/kg.

Various rice varieties were available across regional markets, but Pishori rice was common to all regions. Compared to the national retail average price of 130 KES/kg, Pishori grade 1 rice recorded higher prices in several regions, including Eldoret (150 KES/kg), Mombasa (135KES/kg), and Nairobi (150KES/kg). However, all varieties across all regions saw lower prices than the government recommended price for Basmati rice of 170KES/kg.

Compared to the national average wholesale price of 50KES/kg, dry wheat saw slightly higher wholesale prices in Kisumu (66 KES/kg), Mombasa (55 KES/kg), and Nairobi (54 KES/kg), and higher retail prices in Nyeri (70KES/kg), Kisumu (75 KES/kg), and Nairobi (78 KES/kg), compared to the national average retail prices of 61 KES/kg. Notably, all regions except for Eldoret and Nakuru recorded higher dry wheat prices compared to the government recommended price of 36KES/kg. Eldoret and Nakuru and their

surrounding areas are major wheat producing zones; hence, the lower prices in these regions can be attributed to the start of the wheat harvest in September. The high prices recorded in other regions can be attributed to increased fuel prices and the involvement of middlemen.

Wholesale and Retail Price Trends by Region

Varied weekly prices were recorded across regions in November. In Eldoret, all rice varieties and dry wheat recorded stable wholesale and retail prices. Most dry bean varieties recorded stable wholesale and retail prices with the exception of green/yellow, Rosecoco, and yellow beans; all these showed increases in retail prices of between 10% and 22%. Although beans were still in the harvest season in November, these latter varieties are highly demanded in urban areas and during the festive season. Dry maize showed a reduction in wholesale price (4%), which is attributable to seasonality; on the other hand, Irish potatoes recorded an increase in wholesale prices by 9%.

In Kisumu, a comparison between week five and week one showed a combination of stable and increased retail and wholesale prices for most commodities, due to factors of seasonality, involvement of middlemen, and increased fuel costs. Most dry bean varieties recorded increased wholesale and retail prices, with a few seeing stable prices. Irish potatoes showed increases in both wholesale and retail prices (13% and 5%, respectively), whereas most rice

varieties and dry maize portrayed stable prices; these trends can be attributable to surplus produce from neighboring producing regions.

A comparison of wholesale prices between week five and week one in Mombasa showed stable prices for most commodities but slight increases in prices for Army green beans (4%) and Irish potatoes (10%). Stable retail prices were observed in the region for all selected commodities. These stable prices can be attributed to surplus produce from neighboring producing regions.

The Nairobi region saw mixed results in November, with different commodities seeing stable, reduced, or increased prices. Retail prices between week five and week one showed stable prices for dry maize, Pishori grade 1 rice, and Rosecoco beans. Similarly, slight increases (of less than 10%) in wholesale and retail prices were recorded for green/yellow beans, Wairimu beans, and dry wheat. A reduction in wholesale prices for Mwitmania beans (3%) and retail prices for Irish potatoes (2.6%) were also recorded in the region.

A comparison of wholesale and retail prices between week five and week one in Nakuru showed a reduction of prices for most commodities, stable prices for a few, and increased prices only for Pishori grade 1 rice. Reductions in both wholesale and retail prices were observed for Rosecoco beans, Wairimu beans, dry maize, Irish potatoes, and dry wheat. Reductions in wholesale prices ranged between 3% and 13%, while reductions in retail prices ranged between 5% and 20%. Mwitmania beans, Pishori grade 2 rice, and Sindano rice showed stable wholesale and retail prices.

Nyeri saw a reduction of prices for most commodities. Reductions in both wholesale and retail prices were recorded for green/yellow beans, dry maize, and most rice

varieties (Basmati rice, Pishori grade 1 rice, and Sindano). Reductions ranged between 5% and 16% for wholesale prices and between 6% and 12% for retail prices. Some dry beans, including Rosecoco and Wairimu, saw increased wholesale and retail prices due to reduced supplies; wholesale prices recorded a slight increase of between 1% and 4%, while retail prices increased more significantly at between 23% and 28%. These variances in wholesale and retail prices can be attributed to production source, market access, re-packaging costs, transport costs, seasonality, and the existence of middlemen and produce brokers. Irish potatoes showed a significant increase in wholesale prices between week one and weeks two through five (31%, 29%, and 30%, respectively), which could be an indication of seasonality and rising demand during the festive season.

Comparison of National Average Prices

A comparison of overall prices (national averages for all commodities) in the six-month period between June to November (Table 2) shows a variable degree of change, with different commodities seeing increasing, decreasing, or stable prices. Most commodities showed declining prices, with reductions of more than 10% for both wholesale and retail prices for most dry beans varieties (Army green, Nyayo, Rosecoco, and Saitoti beans), Irish potatoes, and wheat. Commodities that experienced price increases of more than 10% included Wairimu beans, Pishori grade 2 rice, and Sindano rice. Compared to the month of June, most producing regions were in the harvesting period in November, resulting in a surplus of commodities even in the populous cities; the observed price variations during the period can be attributed to seasonality of produce, transportation costs, and import costs.

Table 2: Comparison of June and November prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/Kg)		
		June	November	Percent Change	June	November	Percent Change
Dry maize	Maize	31	33	5%	45	41	-8%
Dry beans	Army green	94	79	-16%	105	90	-14%
	Green/yellow	89	86	-3%	126	107	-15%
	Mwitmania	80	76	-5%	108	103	-4%
	Nyayo	86	76	-12%	114	90	-21%
	Nyayo black	78	81	4%	80	107	34%
	Rosecoco	89	78	-13%	115	105	-8%
	Saitoti	77	69	-10%	77	80	4%
	Wairimu	69	93	34%	90	104	15%
Irish potatoes	Shangi	31	27	-13%	47	38	-18%
Rice	Ahero	72	88	22%	92	100	9%
	Basmati	119	114	-4%	134	126	-6%
	Pishori grade 1	120	130	8%	131	148	13%
	Pishori grade 2	72	89	24%	80	99	24%
	Sindano	88	115	31%	111	126	14%
Wheat	Wheat	57	50	-12%	75	61	-18%
		key					
		>+10	Increasing				
		>+5 but <+10	slight increase				
		>-5 but <+5	Stable				
		>-5 but <-10	slight decrease				
		<-10	Decreasing				

Source: Daily Market Survey for June and November

Outlook for the Month of December

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

- Maize prices are expected to be stable (or even decrease) as the crop undergoes harvests throughout the long rain season (December-January 2022). However, prices are expected to remain slightly higher than in previous years due to a projected reduction in production owing to rains and hailstorms in major growing areas of the Central, Rift Valley, and Western regions. Farmers have already reported lower productivity or high losses because of high rainfall in October and November.
- Rice prices are expected to decline as the main production season in the Mwea irrigation scheme began in July and harvests are expected in December and January. In addition, imports may also increase, which would stabilize prices and temper price increases. However, prices may remain high as the demand for rice significantly increases during the festive season.
- Bean prices are expected to increase due to rising demand during the festive season.
- Irish potato prices are expected to increase due to a combination of issues, including the fact that most regions will be past the main harvest season by then. Given the perishable nature of the crop, it does not permit long storage periods. Finally, during the festive season, demand will outweigh supply.
- Wheat prices are expected to remain stable due to minimal, and mostly imported, current stocks. Prices are expected to increase after December as a result of increased demand associated with the festive season.

FOCUS ON NYERI REGION

Nyeri is situated in Kenya's Central Highlands, about 150 km north of Kenya's capital of Nairobi. The town has a relatively low cost of living in comparison to Nairobi and other major urban centers, and food and water are plentiful and relatively cheap.

The main food crops grown in the county are maize, beans, wheat, bananas, Irish potatoes, sweet potatoes, and other vegetables whereas the major cash crops are coffee, tea, and horticulture. Agribusiness is one of the main economic activities within the county; thus, commodities in the region come directly from local farmers and from neighboring counties.

Commodity prices are collected from the modern Karatina open-air market, the second largest regional trading hub for wholesale and retail in East Africa. The open-air market is located in Karatina Town and serves most of the neighboring sub-counties and counties in the region. A variety of goods are sold in the wholesale market as well as the retail section, including all types of fruits, all kinds of vegetables, cereals, and many other market goods. The market operates seven days a week and on a typical day is open from 5am and closes at 8pm.

During November, comparing week four to week one, most commodities recorded reductions in both wholesale (between 5% and 20%) and retail prices (between 6% and 12%). Slight increases in wholesale prices were recorded for Rosecoco beans (4%) and Wairimu beans (1%). The overall price reductions can be attributable to surpluses occasioned by the harvest season in the region and neighboring counties.

Table 2: Average prices (KES/Kg) for commodities in Nyeri

Produce	Variety	Average wholesale price (KES/kg)				Average retail price (KES/kg)				Total average wholesale price (KES/kg)	Total average of retail price (KES/kg)
		Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4		
Dry beans	Green/Amharic	100	98	94	83	128	120	120	120	94	122
	White/Chencha	78	76	75	72	100	100	100	100	76	100
Beans	Red/Chencha	79	76	77	82	102	110	113	130	78	114
	White/Chencha	72	67	68	73	82	98	100	100	70	95
Dry meal	White	37	33	33	34	50	46	44	44	34	46
	Yellow	19	25	24	25	27	30	27	27	23	28
Irish potatoes	White	128	119	117	122	168	133	130	130	122	138
	Yellow	146	130	130	127	168	153	150	150	133	155
Wheat	Hard/grade 1	111	101	100	102	128	120	120	120	103	122
	Soft	52	50	50		70	70	70		51	70

Source: Daily Market Survey for the month of November.

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 Kenya¹.

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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