

Overview of the Industry

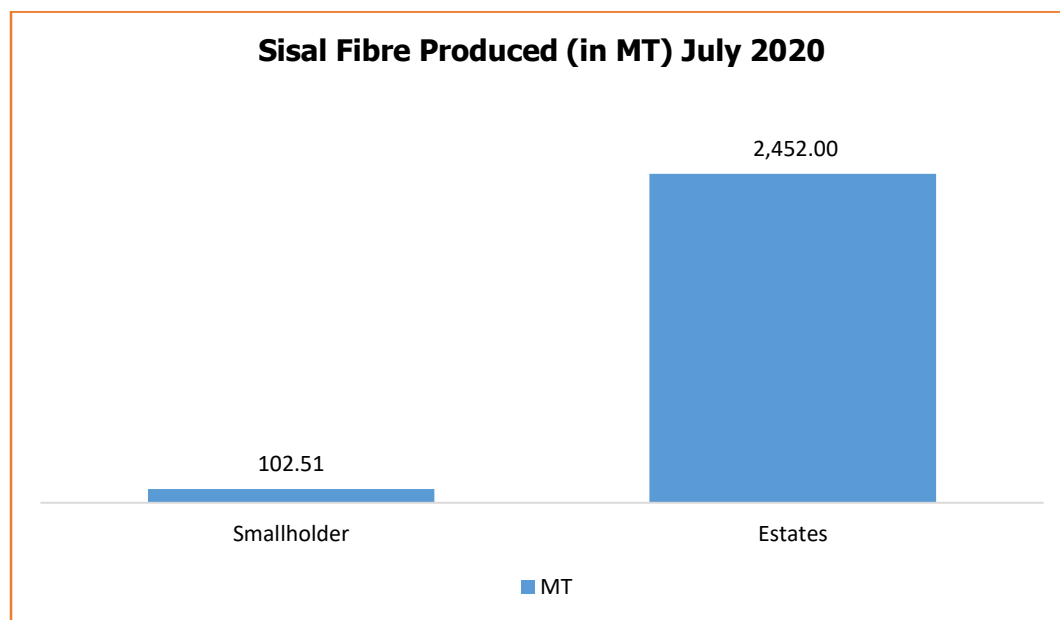
Sisal is predominantly grown by ten (10) sisal estates in Kenya which are spread in the Coast, Eastern and Rift Valley regions. Small pockets of production by Smallholder growers are spread all the country forming about 5% of the total production.

Over 90 % of sisal produced in Kenya is exported to over 30 destinations worldwide annually while the rest is sold to local spinning factories and the rural cottage industries.

Production

A total of **2,533.01 MT** of fibre was produced, valued at approximately **Kshs 414,711,696.20** during the month under review. As shown in *Graph 1* below, 97% of the fibre was produced by the Estates while the rest was by smallholder growers.

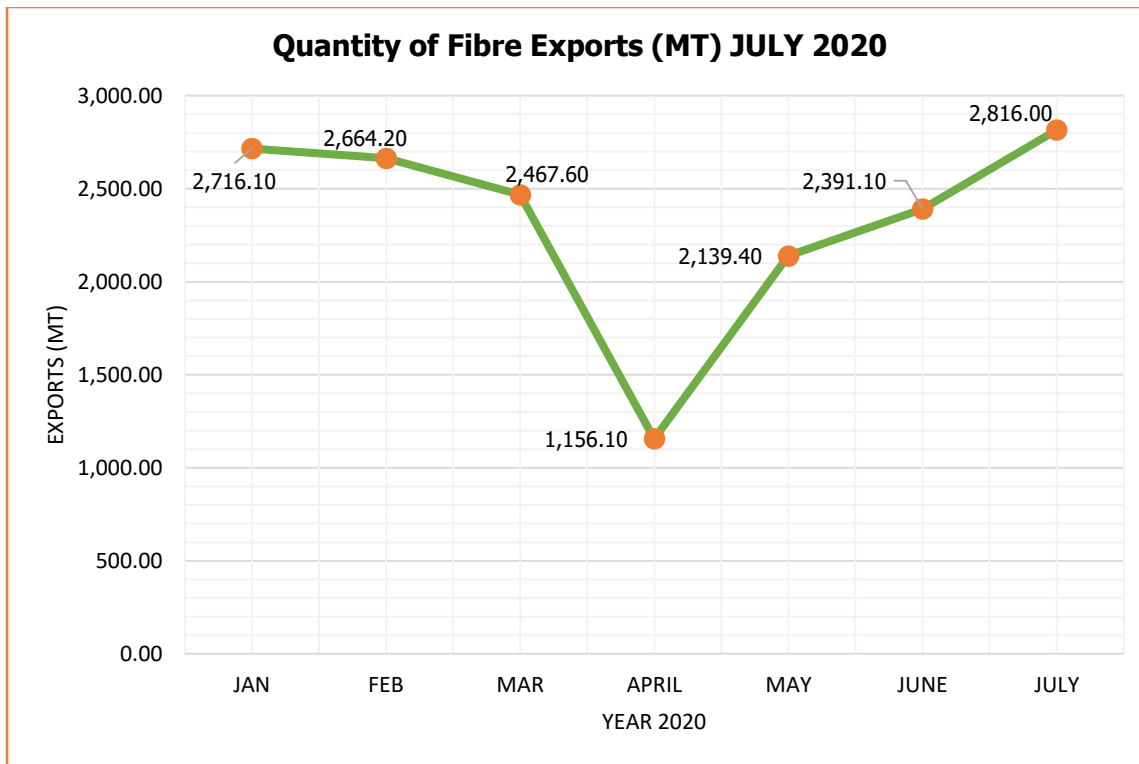
There was a 17% increase in production during the period under review in comparison to the previous month of June where a total of 2,174.17 MT was produced.



Graph 1: Quantity of sisal fibre produced (in MT): July 2020

Quantity and value of fibre exports

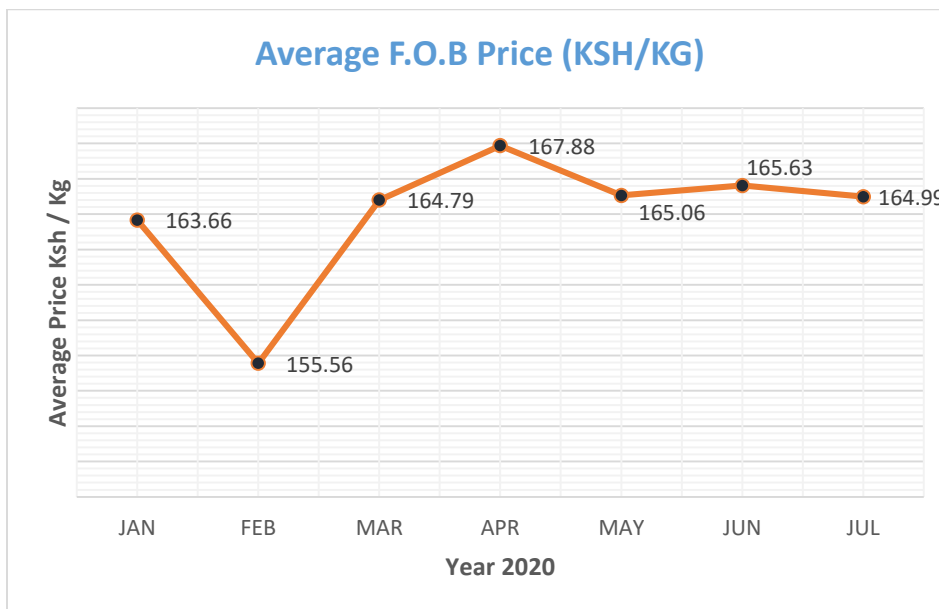
During the period under review, a total of **2,816 MT** was exported to various destinations, valued at **Kshs 452,919,203.63**. This shows a steady rise in export volumes for the last four (4) months. In comparison to the previous months, this is the highest volume so far this year. In comparison to the previous month of June, this was a 17.8% increase, attributed to the fact that most of the industries were resuming full operations after the lull created by COVID – 19 Pandemic in most of the export destinations which had been hit by the pandemic. *See the Graph 2 below.*



Graph 2: Volume of Exports (MT) - July 2020

Price and grades

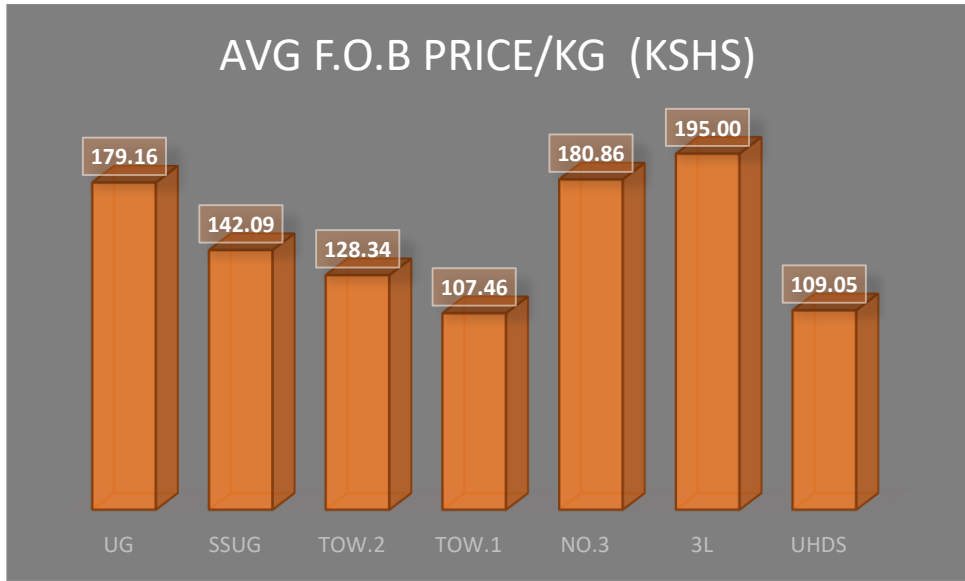
The average price of fibre was Ksh164,986.29 per MT (or US\$ 1550 per MT), approximately Kshs 164.99 per Kg during the month under review. This was a slight drop in price by 0.38% in comparison to the previous month of June as shown in *Graph 3* below.



Graph 3: Price Trends Jan - July 2020

During the period under review, the minimum price offered was Ksh 100,359.95 per MT for grade Tow 1, while the highest price was that of grade 3L at Ksh 203,922.87 per MT

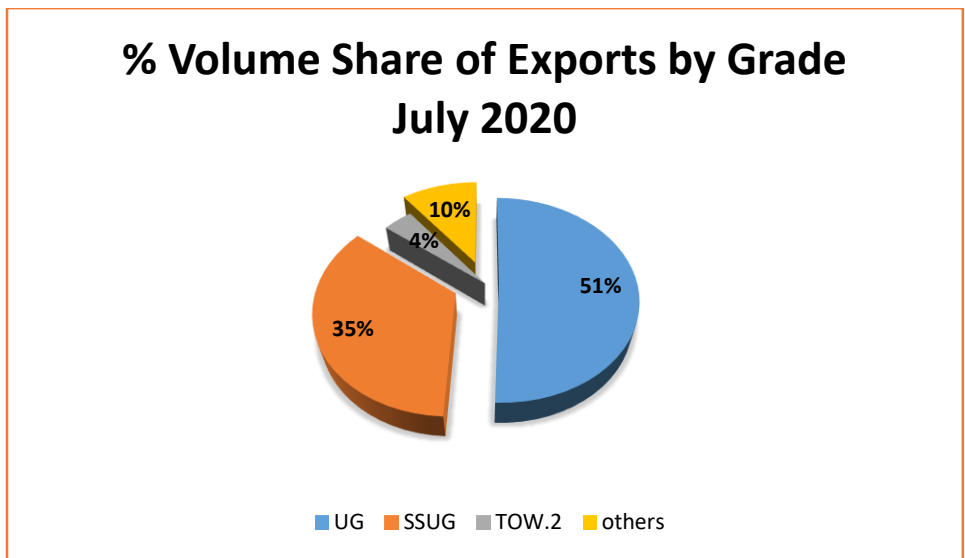
The average F.O.B prices per Kg (in Kshs) for the grades is as shown in Graph 4 below. The highest average price offered being that of grade 3L at 195/= then No.3 and UG



Graph 4: Average F.O.B Price per Kg (in Kshs)

Grades Exported

During the month under review, a total of 7 grades were traded in the export market. Grade UG was the most popular with a total volume of 1,425.5 MT of the grade being exported, representing a 51% of all fibre traded as shown in *Pie Chart 1 below*. This was followed by SSUG and TOW 2 in that order. The other grades traded which comprised 14% of exports were Tow.1, No.3, 3L, and UHDS.

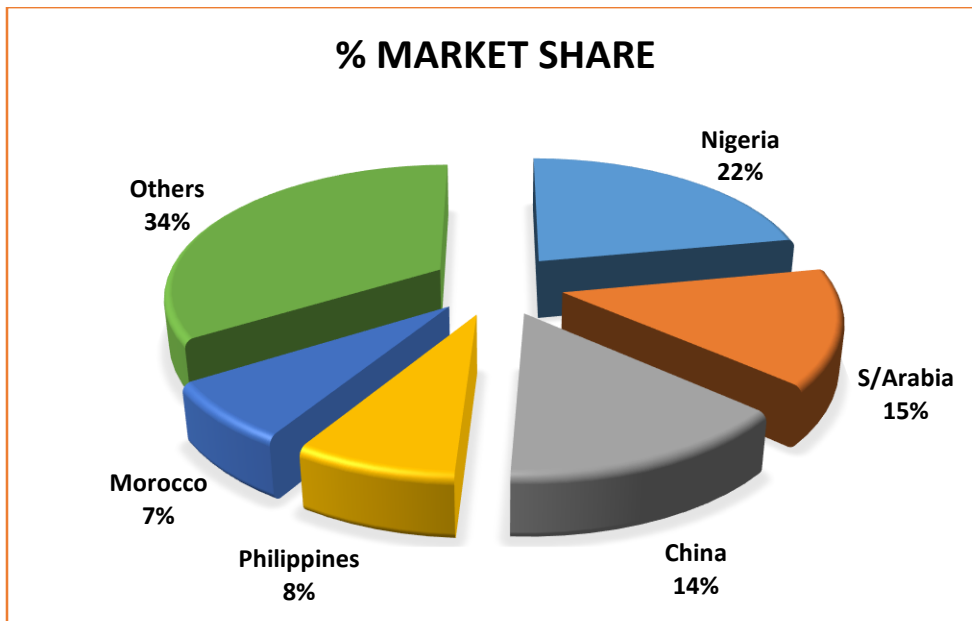


Pie Chart 1: Export Share by Grade July 2020

Export Destinations

During the month under review, there were a total of 18 export destinations worldwide for fibre.

The top five (5) destinations were led by Nigeria, followed by Saudi Arabia, China, Philippines and Morocco in that order as shown in *Pie Chart 2 below*. Over 60% of the fibre totaling 1,862 MT was exported to these five destinations while the rest (about 33% of total volume) was exported to the other thirteen (13) markets.



Pie Chart 2: Market Share % for various destinations July 2020

Domestic Market

During the month under review, a total of 81.01 MT was marketed to Teita Estate Ltd Rope Works Division for manufacturing of various products include ropes and twines. Premier Bag & Cordage Ltd which also manufactures bag and cordage was not in operation for lack of raw materials(fibre)