

Overview of the Industry

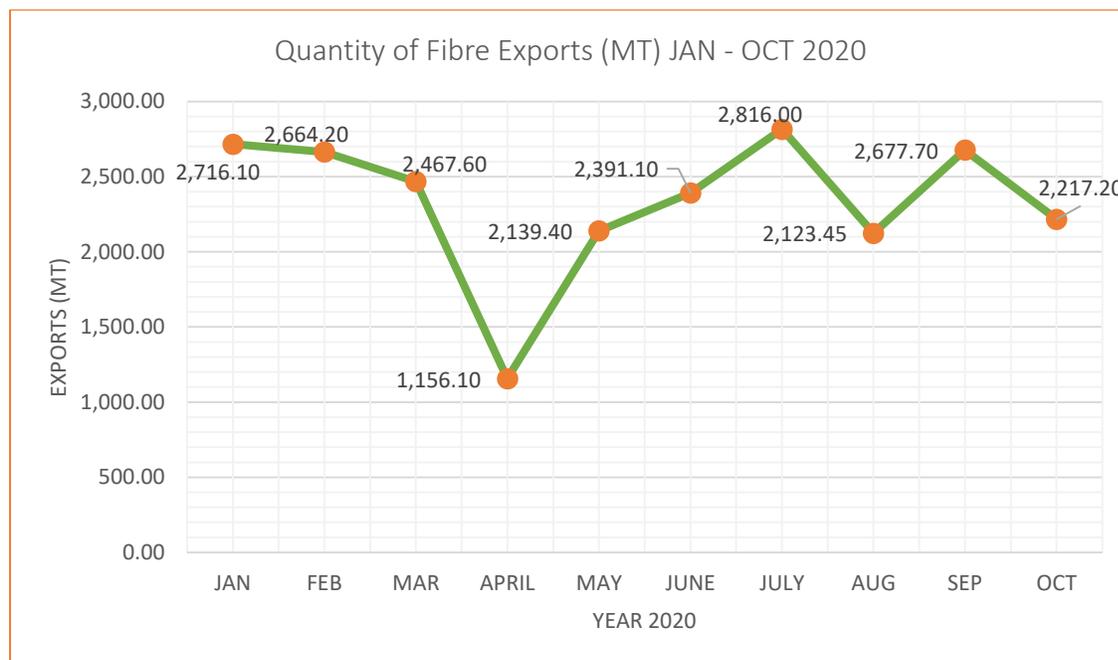
Sisal is predominantly grown by ten (10) sisal estates spread in the Coast, Eastern and Rift Valley regions of the country. Small pockets of production by Smallholder growers are spread all over the arid and semi-arid lands of the country, forming about 5% of the total production. This sisal is mainly grown along the boundary and hedge rows.

The average monthly production of sisal fibre is 2,500 MT of which over 90% of the fibre produced being exported to over 30 destinations worldwide annually, while the rest is sold to local spinning factories and the rural cottage industries.

Quantity and value of fibre exports

During the month under review, a total of **2,217.2 MT** was exported to various overseas destinations, valued at **Kshs 3,412,707.50**. This was a 17% drop in volume exported, in comparison to the previous month of September as shown in *Graph 1 below*:

The drop in exports could be attributed to heavy rains experienced during the month which interfered with the harvesting and processing activities.

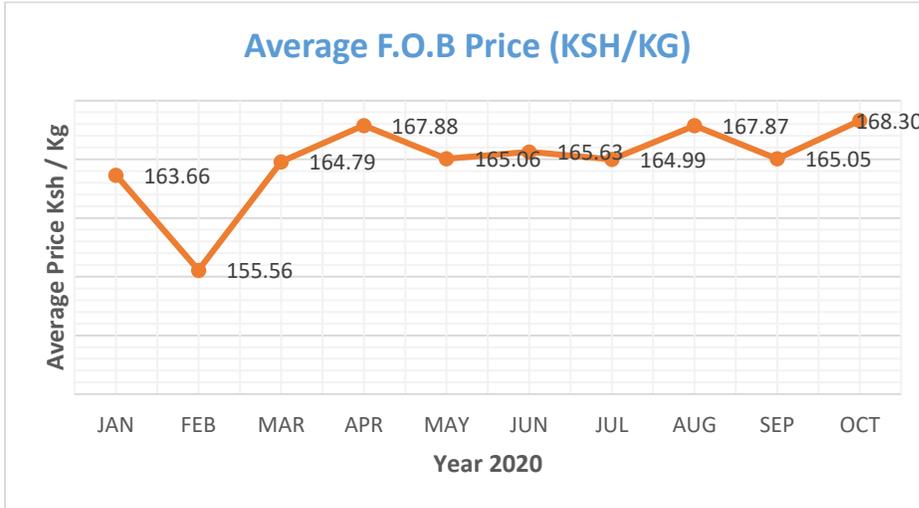


Graph 1: Volume of Exports (MT) – Jan - Oct 2020

Price and grades

The average price of fibre was Ksh **168,302.79** per MT (or US\$ 1,549 per MT), approximately Kshs 168.30 per Kg during the month under review. This was a slight increase in price by 2 % in comparison to the previous month of September as shown in *Graph 2 below*.

The slight increase could be attributed to the market forces of supply and demand due to shortfall in supply experienced during the month under review.

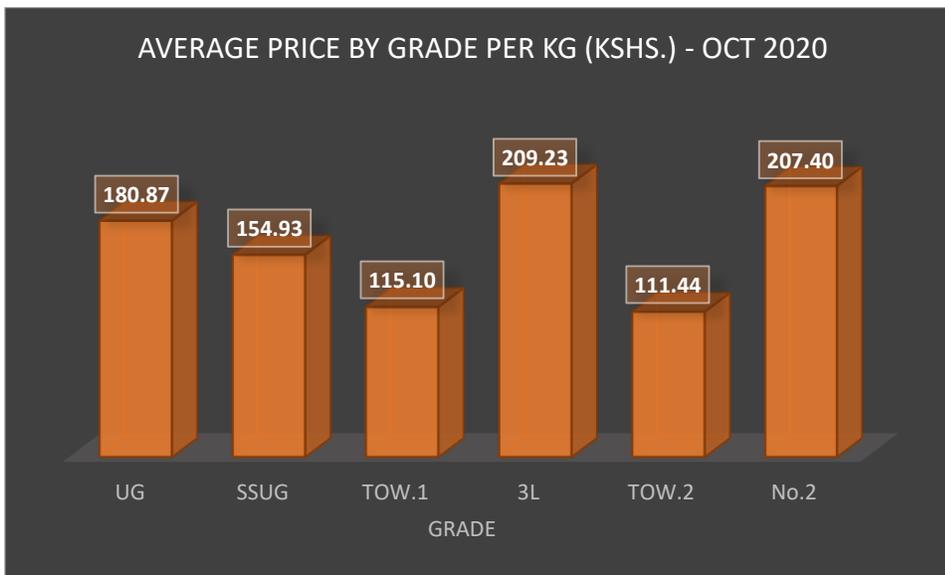


Graph 2: Price Trends Jan – Oct 2020

The highest F.O.B price offered was that of grade 3L at Ksh **210,112.56** per MT (USD \$ 1935 per MT) while the minimum price offered in the same period was Ksh 97,754.85 per MT (USD \$ 900 per MT) for grade Tow 1.

The average F.O.B price per Kg (in Kshs) for the grades is as shown in *Graph 3 below*.

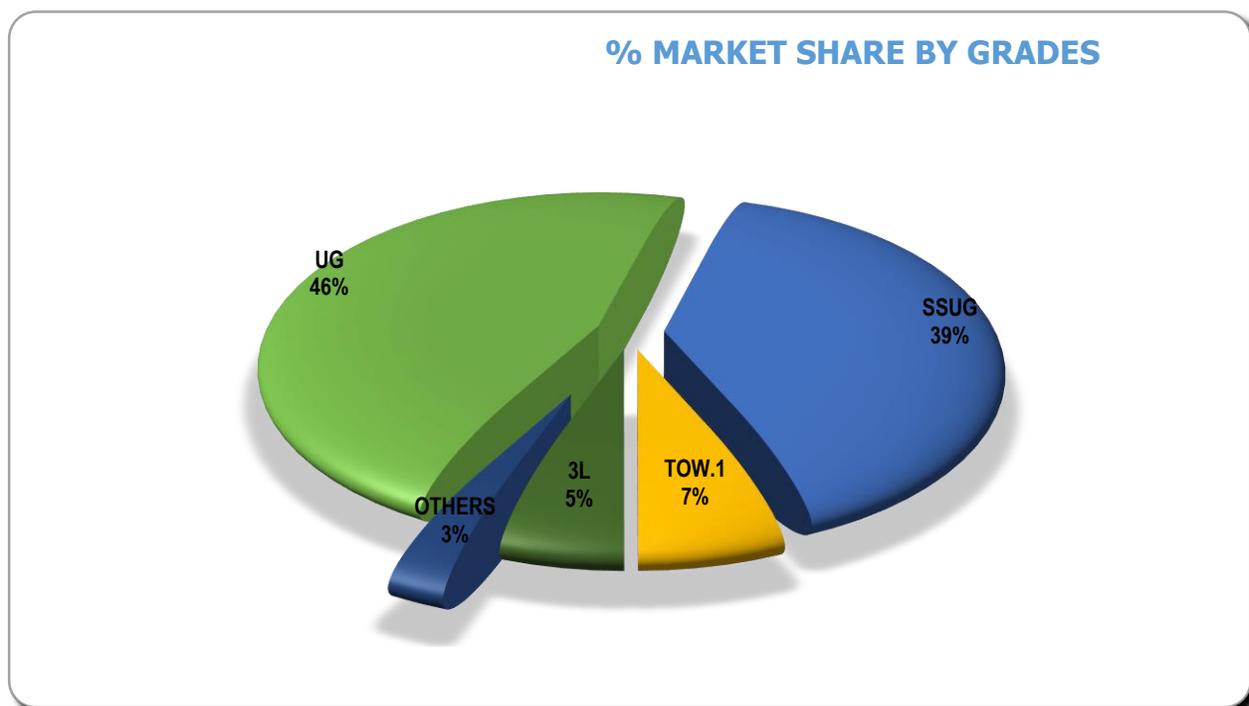
The highest average price offered being that of grade 3L at Ksh 209.23 per Kg while the lowest was that of grade Tow. 2 at Ksh 111.44 per Kg



Graph 3: Average F.O.B Price per Kg (in Kshs) October 2020

Export by Grades

During the month under review, a total of 6 grades were traded in the export market. Grade UG was the most popular with an export volume of 1,016.8 MT, representing a 46% of all fibre traded. This was followed by SSUG with 865.5 MT representing 39% and TOW 1 with 149.6MT representing 7% market share. The other grades i.e 3L, Tow.2 and No. 2 with 8% share. The details as shown in the *Pie Chart 1 below*



Pie Chart 1: Export Share by Grade October 2020

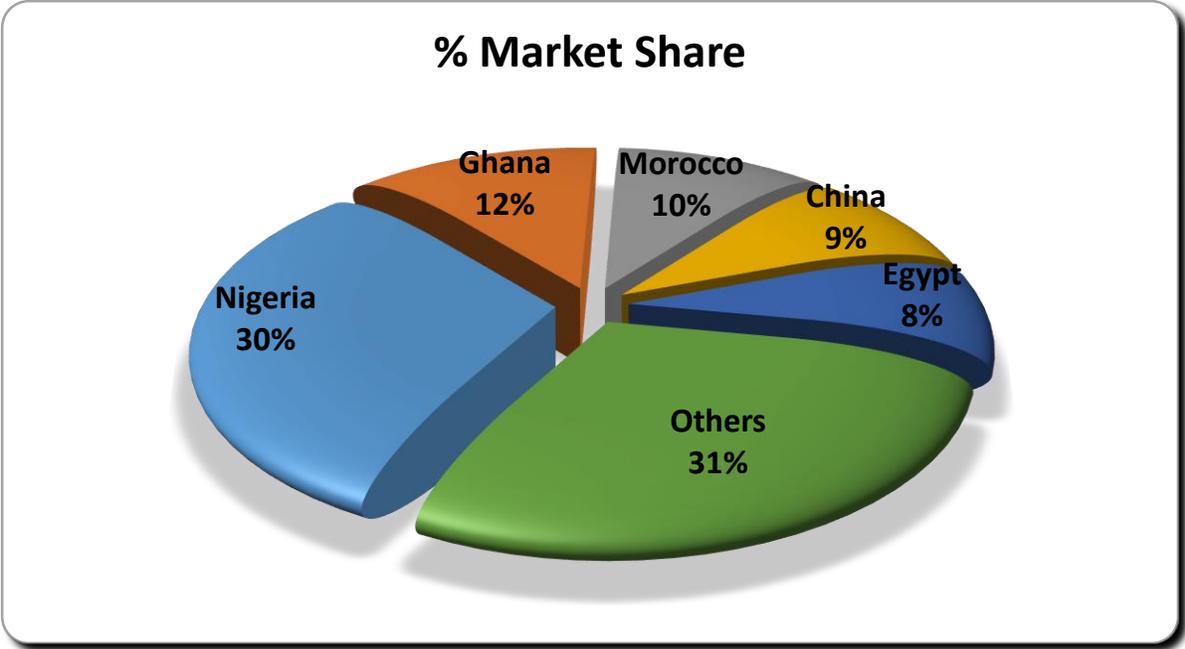
Export Destinations

There were a total of 16 export destinations worldwide for fibre during the month under review, compared to 19 in the previous month.

The top five (5) destinations were led by Nigeria, followed by Ghana, Morocco, China and Egypt in that order shown in *Pie Chart 2 below*.

It is worth noting that Saudi Arabia dropped as a lead export destination to no.7 while Ghana climbed up to position 2 during the month under review.

A total of 1,540.40 MT representing 69% of total volume of exports was exported to the top five destinations while the rest (about 31% of total volume) to the others eleven (11) markets as shown in *Pie chart 2 below*.



Pie Chart 2: Market Share % for various destinations - Oct 2020