

### 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, most of which is mainly grown along the boundary and hedge rows.

On average, production on monthly basis is about 2,500 MT of which, over 90% of the fibre produced is 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 1,892.10 MT of fibre was exported to various destinations, valued at Kshs. 424,096,140.60, or USD. 3,508,602.48

There was significance decrease in volumes exported during the month under review in comparison to the previous month of September of approximately 42%. This fall could be attributed to by an increase in demand for the fibre in the month of September which led to many estates going overboard in production, to ensure the demand was met. However, this affected the supply for the current period as it was impossible for the estate to meet the demand as they had reached their limit of production, hence the low exports.

Due to the ever increasing demand for sisal, it has become clear that the current production cannot match the current demand, implying that even in the current period, many importers were at lose of where to get sisal from. So the low exports mean that many clients were left out with no supplies. *See chart 1 below for details.*

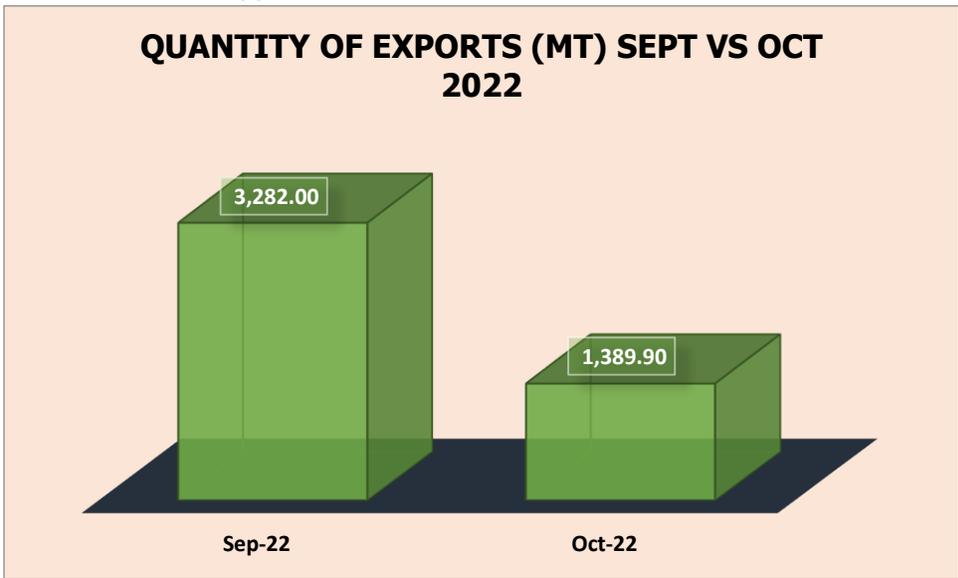


Chart 1: Export Volumes (MT) Sept vs Oct 2022

## Price and grades

The average F.O.B price of fibre was **Kshs. 222,103.59** per MT (or US\$ 1,838.59 per MT), approximately **Kshs 222/=** per Kg during the month under review. In comparison to the previous month of September, there was insignificant increase in price of approximately 1% in the period under review.

The highest F.O.B price offered during the month under review was USD 2,413 per MT (KShs 292,571.09 per MT) or Kshs. 292.57 per Kg for grade SSUG exported to Nigeria, while the lowest price offered in the same period was USD \$ 1200 per MT (Kshs. 145,288.2 per MT) or Kshs. 145.29 per Kg for grade UHDS, exported to Benin.

During the month under review, six (6) grades were traded in the export market, and their average F.O.B prices per Kg (in Kshs) is as shown in Graph 2 below, where the highest average price per Kg was that of grade 3L at Kshs 258.51 per Kg, while the lowest was UHDS at Kshs,145.29 per Kg. *For more details see Chart 2 here below.*

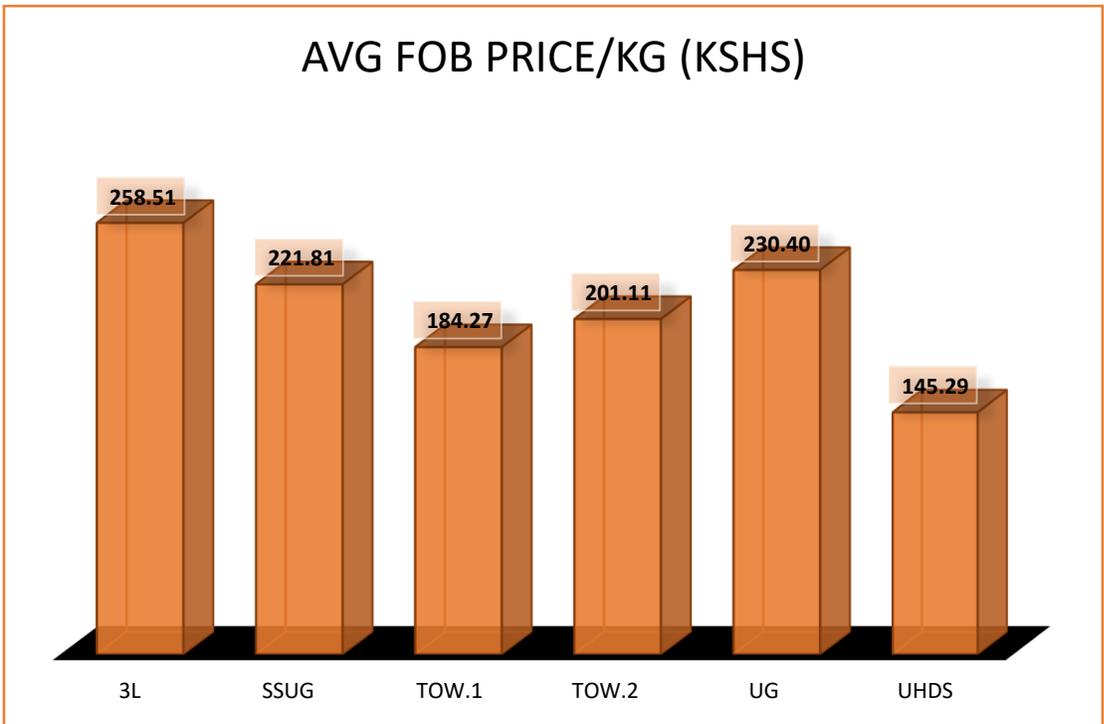


Chart 2: Average Price F.O.B by grade (Kshs/Kg) in October 2022

### Export share by Grades

Grade SSUG was the most popular ahead of UG, with an export volume share of 991 MT, representing a 52 % share of all the fibre traded. A total of 709.30 MT of Grade UG, representing a 38% share came second. For more details other grades see Chart 3 below and Table 1 overleaf.

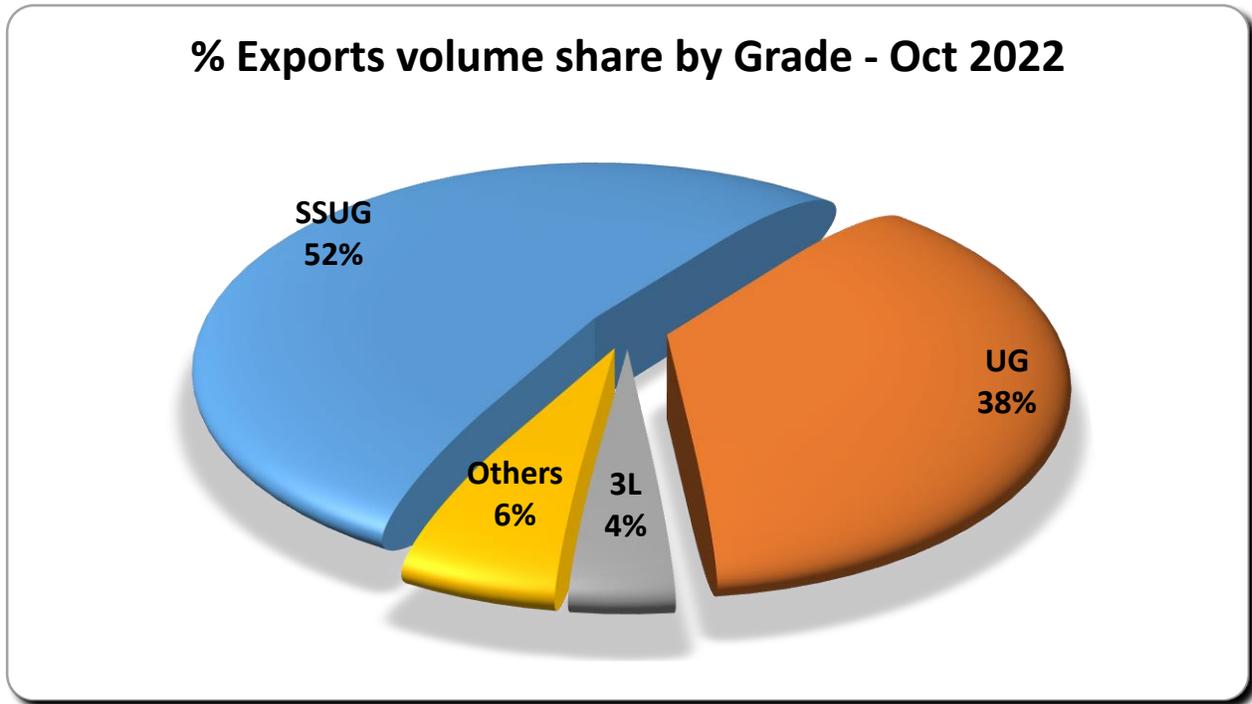


Chart 3: Market Share by grade – October 2022

Table 1: Exports by grades October 2022

Grade	Tons	AVG Price FOB/ton US \$	Total value in US \$	AVG Price per ton (Kshs.)	Total value Kshs.
SSUG	991.00	1,824.91	1,823,291.00	221,813.35	220,944,642.21
UG	709.30	1,921.83	1,342,766.48	230,400.17	161,760,795.52
3L	76.00	2,137.50	163,700.00	258,507.63	19,785,466.93
TOW.1	56.80	1,525.00	82,020.00	184,269.41	9,910,673.45
TOW.2	56.00	1,666.67	93,225.00	201,107.77	11,258,697.89
UHDS	3.00	1,200.00	3,600.00	145,288.20	435,864.60
<b>TOTAL</b>	<b>1,892.10</b>		<b>3,508,602.48</b>		<b>424,096,140.60</b>

## Exports by Destinations

There were a total of 13 export destinations worldwide during the month under review, down from 15 in the previous month. Over half of all sisal exports were made to Nigeria, which continued being the leading destination where a total of 1,684.00 MT were exported, an equivalent of 51% of all exports. Other top destinations were S/Arabia, Ghana and China in that order.

The top five (5) export destinations controlled a market share of 80% of all the sisal fibre exports during the month under review, indicating the importance of these particular markets. China edged its way back to the top 5 export destinations after a low performance for almost two years, indicating its comeback. *For details, see Chart 4 below and Table 1 overleaf.*

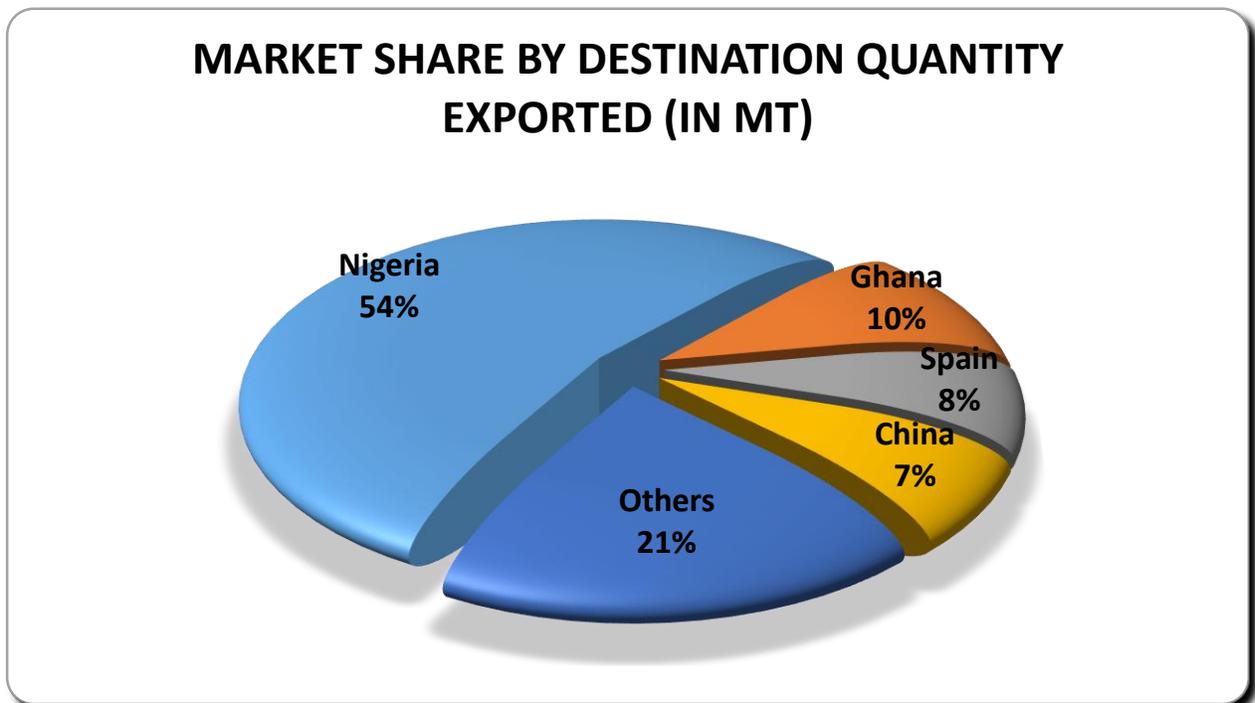


Chart 4: Market Share by Destination October 2022

Table 2: Export Share by Destination – OCTOBER 2022

Destination	Tons	Price FOB/ton US \$	Total value in US \$	Price per ton (Kshs.)	Total value Kshs.
Nigeria	1,012.00	1,898.83	1,903,416.00	229,158.02	230,092,137.93
Ghana	196.80	1,641.67	326,445.00	198,175.02	39,413,163.34
Spain	144.00	2,060.00	289,920.00	248,559.60	34,981,747.20
China	140.00	1,931.67	266,420.00	234,085.87	32,282,655.54
Morocco	84.00	1,773.00	148,932.00	214,950.19	18,055,815.70
Philippines	84.00	1,610.00	135,279.48	194,596.96	16,346,144.24
Egypt	80.30	1,933.33	155,250.00	233,345.57	18,738,607.86
S/Arabia	40.00	1,810.00	75,340.00	218,040.68	9,081,322.48
India	28.00	1,950.00	54,600.00	235,623.18	6,597,449.04
Guinea	27.00	1,875.00	50,625.00	226,560.75	6,117,140.25
Israel	27.00	2,025.00	54,675.00	245,173.84	6,619,693.61
Benin	18.00	1,433.33	27,200.00	173,538.68	3,293,199.20
UAE	11.00	1,850.00	20,500.00	225,187.66	2,477,064.21
TOTALS	1,892.10		3,508,602.48		424,096,140.60