

Overview of the Industry

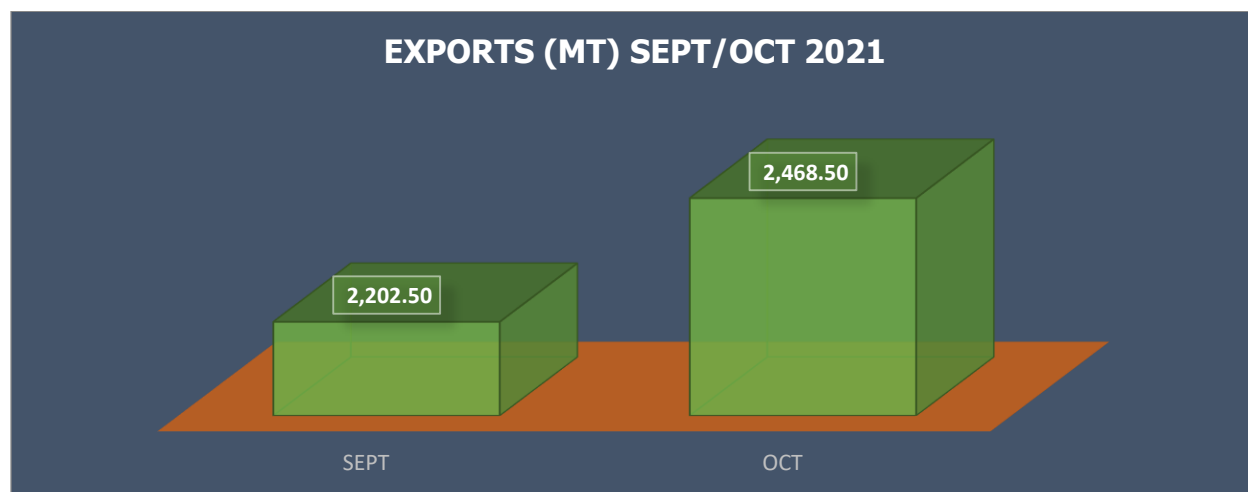
Sisal is predominantly grown by ten (10) sisal estates spread in the Coast, Eastern and Rift Valley regions of the country. Small pockets of production by Smallholder growers are spread all over the arid and semi-arid lands of the country, forming about 5% of the total production. This sisal is mainly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

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 **2,468.5 MT** was exported to various overseas destinations, valued at **Kshs 44,7885,199.6 (USD \$ 4,050,510.50)**.

There was a 12% increase in volumes exported during the period under review in comparison to the previous period as shown in *Graph 1 below*. This increase could be attributed to improved weather condition, where slight rains were experienced in some of the sisal growing regions during the period under review.



Graph 1: Volume of Exports (MT) – September & October 2021

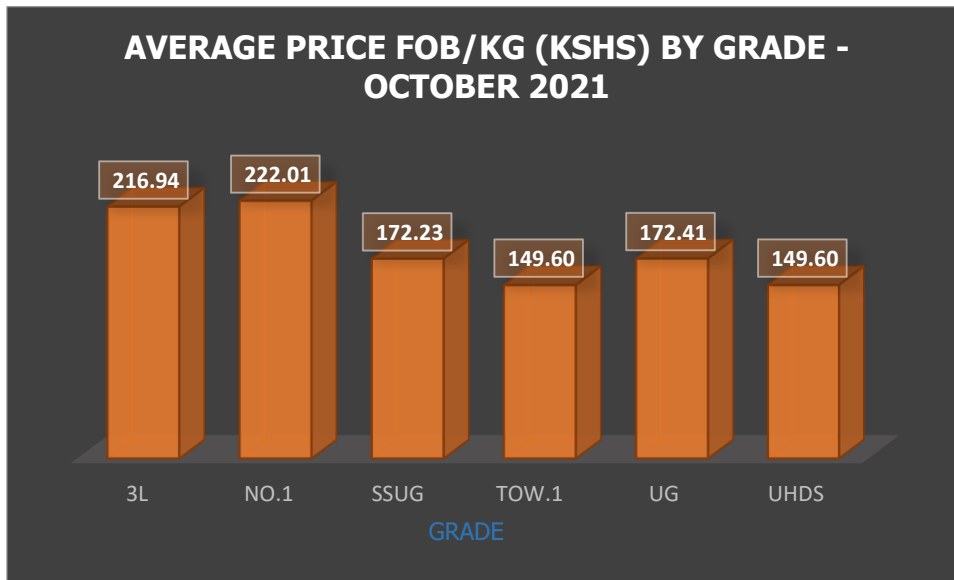
Price and grades

The average F.O.B price of fibre was **Kshs. 179,445 per MT** (or US\$ 1,623 per MT), approximately Kshs **179.45** per Kg during the month under review. There was a slight decrease in price by 1%) during the month under review in comparison to the previous month of September, where the price was Kshs. **181.87** per Kg. This could be attributed to normal market forces of demand and supply.

The highest price offered (F.O.B) during the month under review was Kshs. **222,006** per MT (USD \$ 2,025 per MT) for grade NO.1 exported to Sri Lanka, while the minimum price offered in the same period was Kshs. **105,276** per MT (USD \$ 950 per MT) for grade TOW.1, exported to Ghana.

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

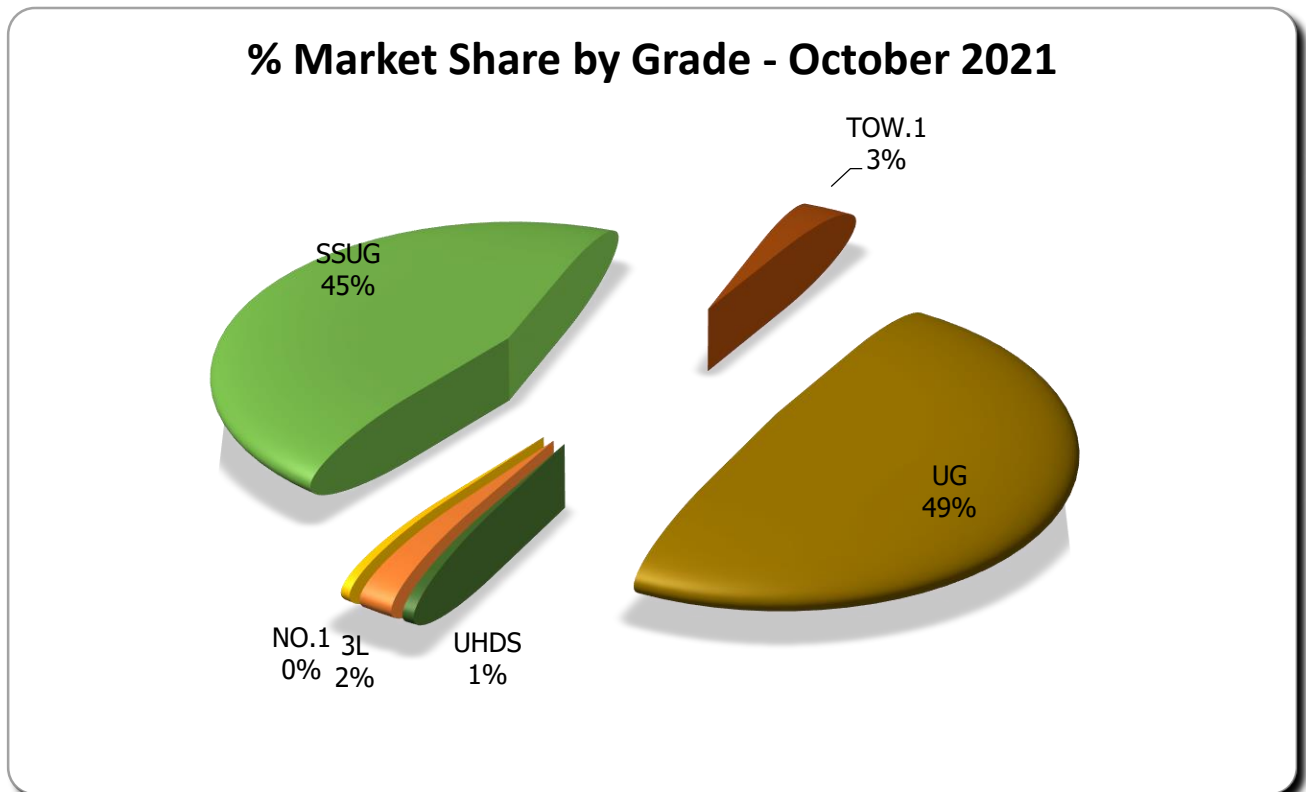
prices per Kg was that of grade NO.1 at Kshs 222.01 per Kg, while the lowest was Tow.1 and UHDS at Kshs, 149.60 per Kg.



Graph 2: Average F.O.B Price per Kg by Grade (in Kshs) October 2021

Export share by Grades

Grade UG was the most popular with an export volume share of 1,206.3 MT, representing a 49 % of all fibre traded, followed by SSUG with 1,113.2MT representing 45 % of the market share. For more details, See Pie Chart 1 below.



Pie Chart 1: Market Share % by Grade October 2021

Exports by Destinations

There were a total of 14 export destinations worldwide during the month under review, down from 18 in the previous month.

Nigeria continued being the leading Overseas destination where a total of 900.50 MT were exported, an equivalent of 36% of all exports. Other top destinations were Spain, Ghana, S/Arabia and Morocco, in that order. There has been a noticeable drop in position by China from being in top 5 in previous periods to position 8 in the month under review, a major concern because in year 2013, and other years it was the leading Overseas destination. *For details, see Pie Chart 2 and Table 1 below.*

The top five (5) export destinations volume comprised of an equivalent of 69% of all the sisal fibre exports during the month under review, indicating the importance of these particular Overseas markets.



Pie Chart 2: % Market Share for various Export destinations - October 2021

Table 1: Exports by Destinations October 2021

Destination	Tons	Price FOB/ton US \$	Total value US \$	Price per ton (Kshs.)	Total value (Kshs.)
Nigeria	900.50	1,576.10	1,429,228.00	174,289.00	158,132,638.37
Spain	320.00	1,722.50	546,920.00	190,825.35	60,549,636.96
Ghana	295.00	1,300.00	429,300.00	143,503.70	47,419,986.87
S/Arabia	274.00	1,783.00	482,265.00	197,339.20	53,329,505.85
Morocco	166.00	1,779.00	300,692.50	101,938.22	33,250,494.65
Egypt	140.00	1,640.00	226,460.00	181,469.11	25,019,944.91
Togo	67.00	1,585.00	110,190.00	175,203.95	12,184,657.05
China	56.00	1,800.00	100,800.00	198,349.38	11,107,565.28
India	56.00	1,595.00	89,320.00	174,668.85	9,781,455.60
Indonesia	56.00	1,679.38	94,045.00	185,593.65	10,393,244.12
Belgium	48.00	1,955.00	93,840.00	216,941.66	10,413,199.68
Mauritania	48.00	1,475.00	71,400.00	163,095.02	7,892,459.70
Oman	28.00	1,725.00	47,700.00	191,751.00	5,302,332.00
Sri Lanka	14.00	2,025.00	28,350.00	222,005.61	3,108,078.54
	2,468.50		4,050,510.50		447,885,199.58