



SUGAR DIRECTORATE

SUGAR MARKET NEWS

August 2023

Highlights:

- 1) Local Sugar Market
 - Ex-factory sugar prices
 - Wholesale sugar prices
 - Retail sugar prices
- 2) Foreign trade
 - Sugar imports
 - CIF value
- 3) World sugar market
Global sugar outlook

The Agriculture and Food Authority – Sugar Directorate produces a monthly newsletter that gives insights into the performance of the sugar industry in a given period. Attention is focused on local sugar production, wholesale and retail prices, imports, exports, sugar by-products and the global sugar market outlook. The August 2023 newsletter gives a comparative analysis of industry performance in the period January to August 2022 and 2023.

Total sugarcane milled by all sugar factories dropped by 25% to 295,809 MT in August 2023 from 395,232 MT in July and 436,694 MT in June. The drop is attributed

to closure of mills in the Western and Nyanza Regions, occasioned by lack of mature cane.

Similarly, sugar made decreased to 27,596 MT from 32,702 MT in July.

Total sugar produced (bagged) in August 2023 was 27,680 MT, 17% drop from 33,246 MT in July.

Sugar sales in August 2023 decreased to 30,562 MT from 33,431 MT in July.

Total closing stocks of sugar held by all factories as at the end of August 2023 dropped to 4,168 MT from 7,051 MT in July.

In August 2023, the average molasses price was Ksh 37,902 per tonne, up 7% from 35,432/tonne in July.

In August 2023, sugar cane prices ranged between Kshs. 5,300 and Kshs 6,086 per tonne with an average price of Ksh 5,684 per tonne, a slight increase from Ksh 5,445 per tonne in the July.

The weighted ex-factory sugar price for August 2023 made a slight

drop to Ksh 9,303 from Ksh 9,538 per 50 kg bag in July and Ksh 8,312 /50kg bag in June.

Wholesale sugar prices decreased to an average of Ksh 9,624 per 50kg bag in August 2023, down 7% from Ksh 10,369 per 50kg bag in July.

Retail sugar prices in August 2023 averaged Ksh 224 per kilo down from Ksh 229 per kilo in July.

Sugar imports in August totaled 57,250 MT, 111% up from 27,179 MT last month. The imports comprised of 47,904 MT Table sugar and 9,346 MT White Refined sugar.

In August 2023, CIF Mombasa landed values for imported white refined sugar averaged Kshs 106,042/tonne compared to Kshs 83,691/tonne for Mill White/Brown sugar.

According to the ISO August 2023 Market Report, the White Sugar Price Index averaged USD 689.86/tonne, down from USD 672.59/tonne in July and USD 670.88/tonne in June.

Kenya Sugar Industry News

The Sugar Directorate will host the 2nd Sugar Industry Innovation Symposium on December 5th to 7th 2023, at the Grand Royal Swiss Resort in Kisumu. The Symposium is annual event which provides a premier platform for sugar industry stakeholders to converge, share insights, and explore growth opportunities.

This year's theme 'Towards Self-Sufficiency and Sustainability' aims to gather sector experts, policymakers, innovators, and researchers to address pressing challenges and opportunities within the sugar sector.

Kenya holds a significant role in the African sugar market, as such, the event underscores the importance of adopting innovative practices and technologies to boost industry resilience, in agronomy, processing, environmental conservation, and market dynamics.

The thematic areas for this year's symposium are:

1. Improving value for the smallholder sugarcane farmer
2. Unlocking soil potential for improved sugarcane productivity
3. Modern milling technologies to minimize wastage
4. Adoption of mechanization to improve efficiency
5. Leveraging digital innovations in the sugar industry
6. Sugar value chain financing
7. Climate change resilience and mitigation

For more information and registration, please visit

<https://sugarinnovation.org>