

Sisal Market Report

June 2026 – Addendum 22.06.2026

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09.06.2026

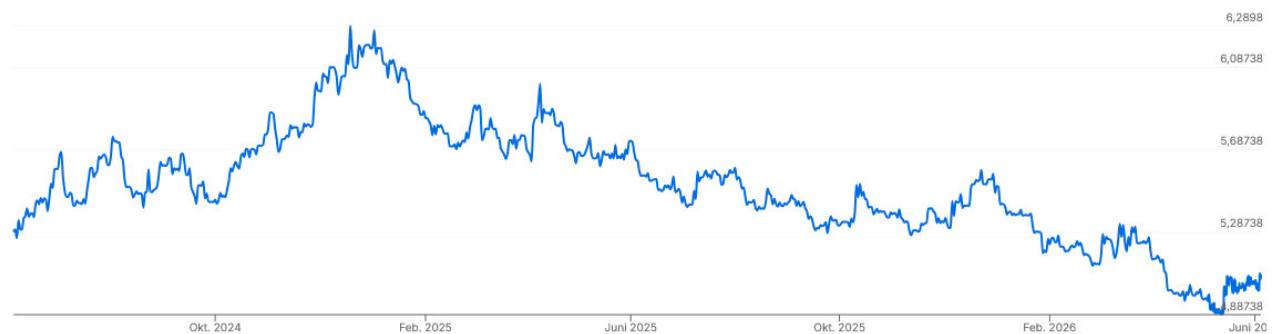
BRAZIL

Export statistics for Sisal fibres from Brazil show a total of about 40.300 tons for the period January to December 2025. By comparison with the previous year (2024 / exports of 36.600 tons), last year's exports have risen by about 10%.

Exports to China clearly dominate, now accounting for around 76% of the total volume exported (approx. 30.500 tons). Next in the ranking are Mexico (3,5%), Algeria (2,5%), Egypt (2,5%), India (2,1 %) and Spain (1,9%).

The weather conditions were generally good throughout the last year - a few shorter dry periods had no impact on production volumes. However, there were also longer periods with drizzle on a daily basis, which prevented the fibre from drying, resulting in delays in production and shipping times.

If we look at the exchange rate over the last two years, we can see a clear trend.



(source: www.xe.com)

From January 2025 (when the exchange rate was at or above USD 6 per real) up to the beginning of this year (when it stood at around USD 5.30 per real), the Brazilian currency has appreciated by around 12%.

The trend continued in first quarter of 2026, with the US dollar falling at times to a low level of USD 4.90 per real in April and May. The exchange rate is currently back around USD 5 per real.

In this context, it is important to understand that the rising export prices for Brazilian Sisal fibres are directly linked to the appreciation of the Brazilian currency (the Brazilian real) against the US dollar.

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Price increases for higher qualities (Type 2DB, Type 1DB) are more significant than for standard quality Type 3DB. Demand for high quality sisal remained quite strong and exceeded by far availability. This is a similar trend to that seen with East African sisal fibre, where demand for high-quality grades has risen sharply in recent months.

The price rises at the turn of the year and in the first quarter of 2026 were further fuelled by the sharp increase in last season's baler twine exports (the baler twine season runs from November to March/April). In 2024, around 11.000 tons were exported (the largest single market is the USA, accounting for around 70% of the total). In 2025, exports of baler twine stood at almost 17.000 tons – a significant increase on the previous year.

It is important to understand this background, because it has led to competition between raw fibre exporters and spinning mills (producers of baler twine). Due to the competitive situation and the resulting increase in demand, the prices at which intermediaries are offering the fibre on the local market have remained very high.

Freight rates for shipment of Sisal fibres and products (yarns / ropes / weavings and carpets) from the port of Salvador / Bahia have remained quite stable throughout the past year. For Far East (Chinese) destinations even reductions had been seen in first quarter 2026. Since the start of the second quarter of this year however the situation in the freight market for shipments from Brazil has unfortunately aligned with the current (global) trend – with gradual increases in base freight rates and the introduction of surcharges.

The increasing number of bookings on 'spot rates' brings along other problems as the time between bookings, deadlines for documentation and delivery of the containers is often very short – just not enough to stow and transport the containers to the port in time.

The EU-Mercosur Interim Agreement has been provisionally applicable since 1 May 2026. It applies to trade in goods between the European Union and the Mercosur countries Argentina, Brazil, Paraguay and Uruguay. The aim of provisional application is to gradually reduce or eliminate customs duties and to open up new market opportunities. Tariffs on baler twine and other yarns, as well as ropes, produced in Brazil and imported to EU destinations, have already been reduced.

The Brazilian economy recovered in the first three months of 2026, driven by private consumption and stronger investment, against a backdrop of a tight labour market and government economic stimuli that overshadowed the prospects of interest rate cuts. Latin America's largest economy grew by 1.1% compared with the previous quarter, according to figures released by the national statistics office, IBGE, at the end of May.

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The Brazilian government declared in a statement on 03rd June that it had “profound differences” with the United States’ proposal to impose new tariffs linked to forced labour. The statement said this move distorted the issue of protecting working conditions in order to justify unilateral, protectionist measures.

The proposal to impose tariffs of up to 12.5% on imports from 60 countries, including Brazil, came after the Trump administration determined that these countries had failed to curb trade in goods produced using forced labour – a claim rejected by the US’s trading partners.

In the 2026 Brazilian elections, President Luiz Inácio Lula da Silva, aged 80, is standing for a fourth term. His opponent is Flávio Bolsonaro, who is backed by his imprisoned father, former President Jair Bolsonaro.

Lula and Bolsonaro are not the only candidates in the field. Governor of Minas Gerais Romeu Zema (2019–2026) of the NOVO party and ex-Governor of Goiás Ronaldo Caiado (2019–2026) of the center-right Social Democratic Party (PSD) are also running for presidency. After changing parties and joining PSD, which is led by power broker Gilberto Kassab, Caiado became the nominee debunking two other governors in the caucus who then stepped out from the race. Meanwhile, Renan Santos, an activist, has seen his support grow among young Brazilians. Candidacies will be official in July. The first round of voting takes place on 4 October, with the run-off scheduled for 25 October.

KENYA

According to the Kenya Sisal Board (KSB), about 23.300 tons of Sisal fibre and Tow had been exported in the period from January to December 2025. This results in an average monthly export volume of approximately 1,900 tons.

Reviewing the past years, export volumes have been as follows:

2020:	28.770 tons
2021:	29.515 tons
2022:	28.900 tons
2023:	23.000 tons
2024:	26.112 tons
2025:	23.300 tons

(source: KSB / Kenyan Sisal Board / the quantities are approximate)

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The major importing countries in 2025 were:
(the quantities are approximate)

Nigeria:	8.500 tons (36,4 %)
Saudi Arabia:	2.700 tons (11,6 %)
China:	2.300 tons (9,8 %)
Morocco:	2.100 tons (8,9 %)
Senegal:	1.280 tons (5,5 %)
Ghana:	1.080 tons (4,6 %)
Spain:	830 tons (3,6 %)
Benin:	750 tons (3,2 %)
Guinea:	630 tons (2,7 %)
Philippines:	520 tons (2,3 %)
Belgium:	480 tons (2 %)
India:	300 tons (1,3 %)
Togo:	250 tons (1,1 %)
Ivory Coast:	220 tons (1 %)

Exports to Nigeria have continued to decline – by around 10% compared with 2024. The volume of exports to Saudi Arabia has remained very stable over recent years, whereas exports to Morocco rose by 600 tons last year (to a total of 2,100 tons in 2025). Exports to West African countries like Senegal, Benin, Guinea as well as Ivory Coast and Togo show an upward trend.

The construction industry (Sisal fibres are used for plastering / gypsum works) remains the most important sales market for Kenyan Sisal fibres. Exports to this industry account for more than 75% of the total exported Sisal fibers and Tow.

Mombasa Port is undergoing a massive modernization drive to boost capacity and reduce wait times. Key developments include a \$820 million investment by French company CMA CGM to upgrade container terminals, the construction of new berths (23 and 24), and the deepening of existing berths. The installation of digital, automated port gates (Smart Port Gates) is progressing rapidly. A Software upgrade of the terminal operating system ensures a smoother logistics chain to the African hinterland (including Uganda, Rwanda and South Sudan).

Kenya's political landscape in 2026 is characterised by far-reaching reorientations and shifts in party politics in the run-up to the presidential elections. Following the massive protests led by young people (Gen Z) in previous years, the country finds itself caught between repressive state measures, economic reforms and intense coalition-building.

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Focus on major projects: The Ruto government is seeking to score political points and create jobs through increased investment in infrastructure (road construction, the Talanta Sports City stadium, affordable housing). To ease the ongoing discontent over the high cost of living, President Ruto announced a 12% increase in the minimum wage (or 15% in the agricultural sector). Security reports (such as G4S's World Security Report) identify political instability and civil unrest as the greatest risks facing the country. The aftermath of the previous mass protests remains deeply ingrained in society.

TANZANIA - Addendum dd 22.06.2026

According to the Tanzania Sisal Board (TSB), approximately 36,400 metric tons of Sisal fiber and Sisal Tow were exported between January and December 2025. This marks another slight increase in export volume over the past year.

Trends in export volume over the past few years:

2020: 27,605 metric tons
2021: 28,900 metric tons
2022: 32,445 metric tons
2023: 36,290 metric tons
2024: 35,975 metric tons
2025: 36,400 metric tons

(Source: TSB / Tanzania Sisal Board / figures are approximate)

The production volume of Sisal fiber has also increased steadily in recent years:

2023: 56,700 metric tons
2024: 61,220 metric tons
2025: 66,900 metric tons

(Source: TSB).

The main importing countries in 2025 were:

(figures are approximate)

China: 11,160 metric tons (31%)
Nigeria: 7,180 metric tons (19.7%)
Ghana: 5,400 metric tons (14.8%)
Morocco: 4,400 metric tons (12.4%)
Spain: 1,855 metric tons (5%)
India: 1,300 metric tons (3.6%)
Senegal: 990 metric tons (2.7%)

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Guinea:	580 metric tons (1.6%)
Saudi Arabia:	550 metric tons (1.5%)
Togo:	340 metric tons (0.9%)
Mauritania:	320 metric tons (0.9%)
Egypt:	280 metric tons (0.8%)

The trend of recent years—with rising export volumes to countries where Sisal fibers are used in the construction sector—continued last year as well. These destination countries (Nigeria, Morocco, Ghana, Saudi Arabia, and other West African countries, such as the “newcomers” Senegal and Guinea) now account for nearly 60% of Tanzania’s exports.

China (accounting for 31% of exports) remains the largest single market, although exports to that country declined by about 1,000 metric tons in 2025.

The volume of exports to Nigeria has declined (from about 9,500 metric tons in 2024 to 7,200 metric tons in 2025). Exports to Morocco have remained at a consistently high level, whereas the volume exported to Ghana has risen sharply (from about 3,500 metric tons in 2024 to 5,400 metric tons in 2025). Notably, exports to India have grown rapidly—from just about 350 metric tons in 2024 to 1,300 metric tons last year.

A planned mega-refinery project backed by Nigerian industrialist Aliko Dangote is fuelling regional competition in East Africa. Both Kenya and Tanzania are vying to host an investment that could become one of the continent’s most landmark energy projects. The refinery, which is still in the planning and development phase, is seen as a potential turning point for a region that, despite significant crude oil reserves, remains heavily dependent on imported refined fuels.

Dangote estimated the construction costs at between 15 and 17 billion dollars. If the project goes ahead, it could reshape fuel supply chains, reduce reliance on imports and strengthen industrial capacity across East Africa. Tanzanian President Samia Suluhu Hassan met with Dangote Group Chairman Aliko Dangote at State House in Dar es Salaam on 16 May 2026. On this occasion, Dangote thanked President Samia for personally taking charge of resolving the issues at the Mtwara cement plant.

It is reasonable to assume that this appreciation goes beyond mere courtesy and forms the economic basis for the discussions regarding the refinery. The Dangote cement plant in Mtwara is an existing industrial facility of the Dangote Group in Tanzania, whose operational challenges, according to the State House statement, were escalated to the presidential level and resolved. Dangote’s statement that all challenges have now been satisfactorily resolved and that the government’s interventions have boosted investor confidence and operational efficiency is a public endorsement by the industrialist of the investment climate in Tanzania.

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Tanzania is advancing a series of infrastructure projects to expand capacity and improve operations at the Port of Dar es Salaam, as freight volumes continue to rise. Current operations are hampered by the limited number of berths, meaning that an average of 20 ships have to wait offshore every day.

The expansion plans include the construction of four new berths, numbered 12 to 15, as well as two further berths with a total length of 500 metres. Two further berths are currently being developed in the Malindi area as part of a wider initiative to increase the total number of berths from 12 to 22.

Additional port modernisation works involve the expansion of oil reception and storage facilities, as well as the construction of a rail terminal within the port. This is intended to improve cargo handling and strengthen connections to inland transport networks. Rail connectivity is also a key component of the programme.

After completing her state visit to Russia early June, President Samia stated that Tanzania no longer limits itself to partnerships with specific global blocs, but is prepared to cooperate with any country that can contribute to national development.

Tanzania is pursuing a broad-based and inclusive strategy of international cooperation aimed at accelerating the country's economic and social development in the face of changing global political and economic dynamics.

“In economic diplomacy, one seizes every opportunity that arises to boost one's own economy,” President Samia said during an interview with journalists accompanying her on her trip on 6 June 2026. She noted that changes in global politics and economic systems had prompted Tanzania to adopt a more pragmatic and open approach to foreign policy.

MADAGASCAR

Exports of Sisal fibre and Tow (according to statistics from Madagascar Customs) reached a total of approx. 6.544 tons for the period January to December 2025.

Compared with the previous year, this represents an increase of more than 15%. This marks the first increase we have seen in years, following a period of stagnation and a decline in production and export volumes. This development is remarkable given that activity on owner-managed plantations has fallen sharply. It would therefore suggest that the 'grey market', which we have reported on repeatedly, continues to engage in overexploitation – to an ever-greater extent.

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The major importing countries in 2025 were:
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China:	1.800 tons (27 %)
Morocco:	1.700 tons (26 %)
Saudi-Arabia:	690 tons (10,5 %)
India:	420 tons (6 %)
Egypt:	370 tons (5,6%)
Pakistan:	360 tons (5,6 %)
Libya:	232 tons (3,5 %)
Oman:	180 tons (2,8 %)
Spain:	180 tons (2,8 %)
Senegal:	170 tons (2,5 %)
Ivory Coast:	150 tons (2,3 %)

Morocco is now on a par with China in terms of export volume. Exports to Saudi Arabia and Spain have fallen, whereas volumes to Pakistan have risen. For the first time, Nigeria appears as a buyer of sisal fibre from Madagascar in the 2025 export figures.

When looking at exports, it is important to understand that exports are handled by two different ports. First it is EHOALA in the south of the island. Over the past decades, Sisal fibre have been exported almost exclusively through this port, which is located near the sisal plantations.

The second port, through which meanwhile about 40% of Sisal fibre exports are being shipped, is the port of TOAMASINA, located over 1,000 km further north. It must be clearly stated that the structures behind the majority of Sisal exports through this port are highly dubious - especially with regard to the procurement of raw fibre.

Looking at the destinations we see a similar trend for Madagascar Sisal as we see for exports of Sisal fibres from Kenya. Over the past two years the construction industry (Sisal fibres are used for plastering / gypsum works) has become the most important sales market for Madagascar Sisal fibres. Exports to this industry now account for about 70% of the total exported Sisal fibers and Tow. Accordingly, the main buyers are countries such as Morocco, Saudi Arabia, Egypt, Pakistan and a number of West African countries.

Madagascar's 2026 economy relies heavily on an agriculture sector that is constantly challenged by erratic weather patterns and severe climate shocks. Real GDP is projected to grow by roughly 4 %, but chronic poverty and a heavy dependence on rain-fed subsistence farming make communities highly vulnerable.

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With focus on the Grand South, severe rainfall deficits and extreme dryness have repeatedly disrupted agricultural production, driving acute food insecurity and creating localized drought conditions.

Madagascar faced a devastating cyclone season in early 2026, most notably struck by back-to-back tropical cyclones Fytia and Gezani in late January and February 2026. Cyclone strikes frequently damage crucial rice fields and destroy local infrastructure. While main seasonal harvests (like cassava, sweet potatoes, and off-season rice) are providing temporary relief, the impacts of persistent climate shocks force nearly two million people into targeted humanitarian assistance programs during lean seasons.

The country remains a global leader in high-value cash crops, most notably vanilla, cloves, and pepper. Cultivation of these crops, particularly in eastern regions, is seasonally driving elevated agricultural labor demand. Governmental and international organizations are actively funding programs to improve climate-adapted seeds, diversify crops, and develop resilient agricultural value chains.

The political tensions in Madagascar increase. A leading opposition MP has announced that he has asked the country's Supreme Court to remove President Michael Randrianirina from office over alleged constitutional violations. This move comes just a few months after Randrianirina, a colonel in the armed forces, took power in October – following massive, youth-led protests that forced former President Andry Rajoelina to flee the country, sparked by anger over worsening water and electricity shortages. Since then, hopes for reform have gradually faded. In recent weeks, there have been renewed small but persistent protests, led mainly by young Malagasy people frustrated by the slow pace of change. ■

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