



# **Ukraine. Black Sea region Grain & Oilseed Markets 2022/23**

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**UkrAgroConsult**

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# UkrAgroConsult Market Reports and Research

## Analytical Platform AgriSupp

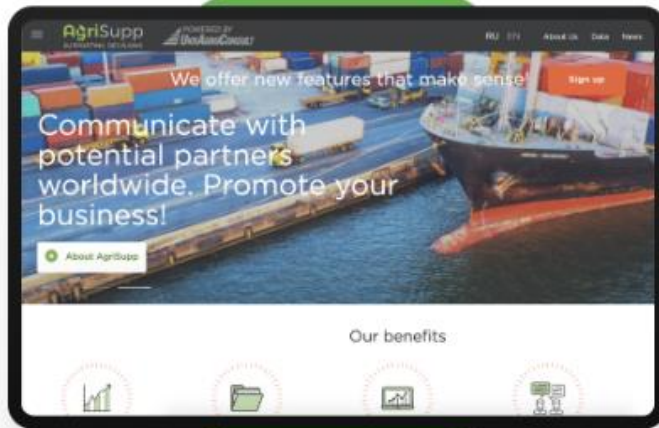
AgriSupp is a multi-functional online platform with market intelligence for grains, pulses and oilseeds markets.

The platform provides access to daily operational information on the Black Sea markets, analytical reports, historical data, as well as online tools for visualizing, comparing and downloading various types of data.

You can use all the necessary information on the Black Sea agricultural markets: Ukraine, Russia, Kazakhstan, Romania, Bulgaria.

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## UkrAgroConsult Market Reports and Research



### Analytical Reports:

- ✓ Ukraine Logistics Trends. Daily & Weekly Report
- ✓ Daily Market Report. Price Trends (Grain, Soybeans, Sunflower)
- ✓ Weekly market review 'Black Sea Grain'
- ✓ Weekly market review 'Black Sea Vegoil'

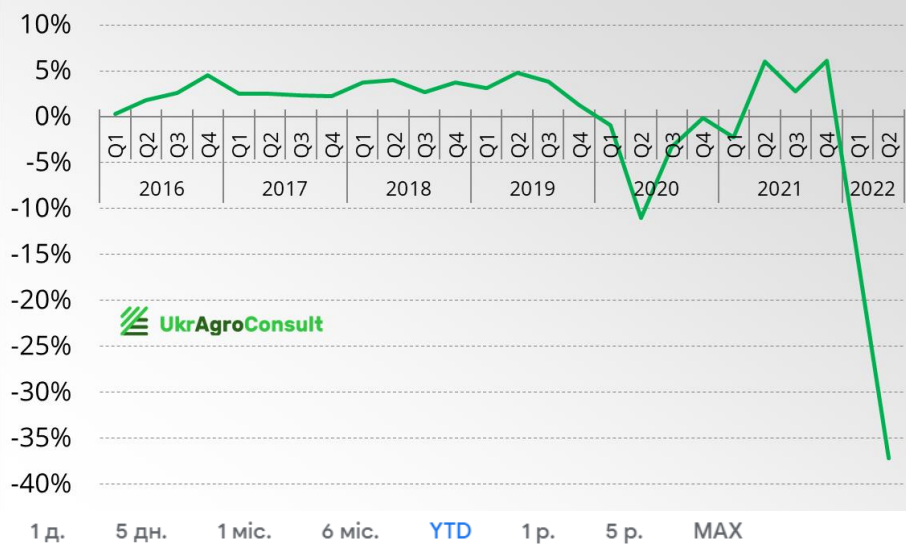
Our analytical reports are based on long-term monitoring and analysis of the global, Ukrainian and Black Sea region commodity markets.

### Get a sample report:

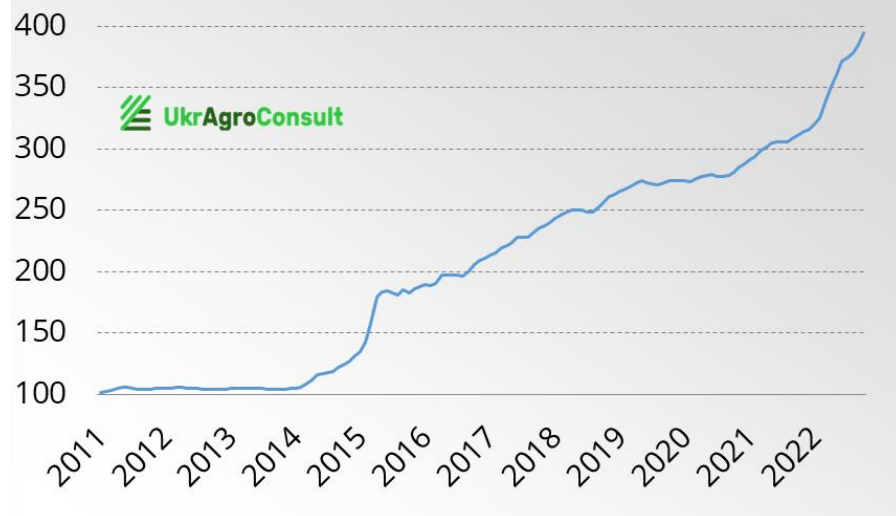
<https://ukragroconsult.com/en/publication/>

# Economy contraction

## GDP, % by quarter

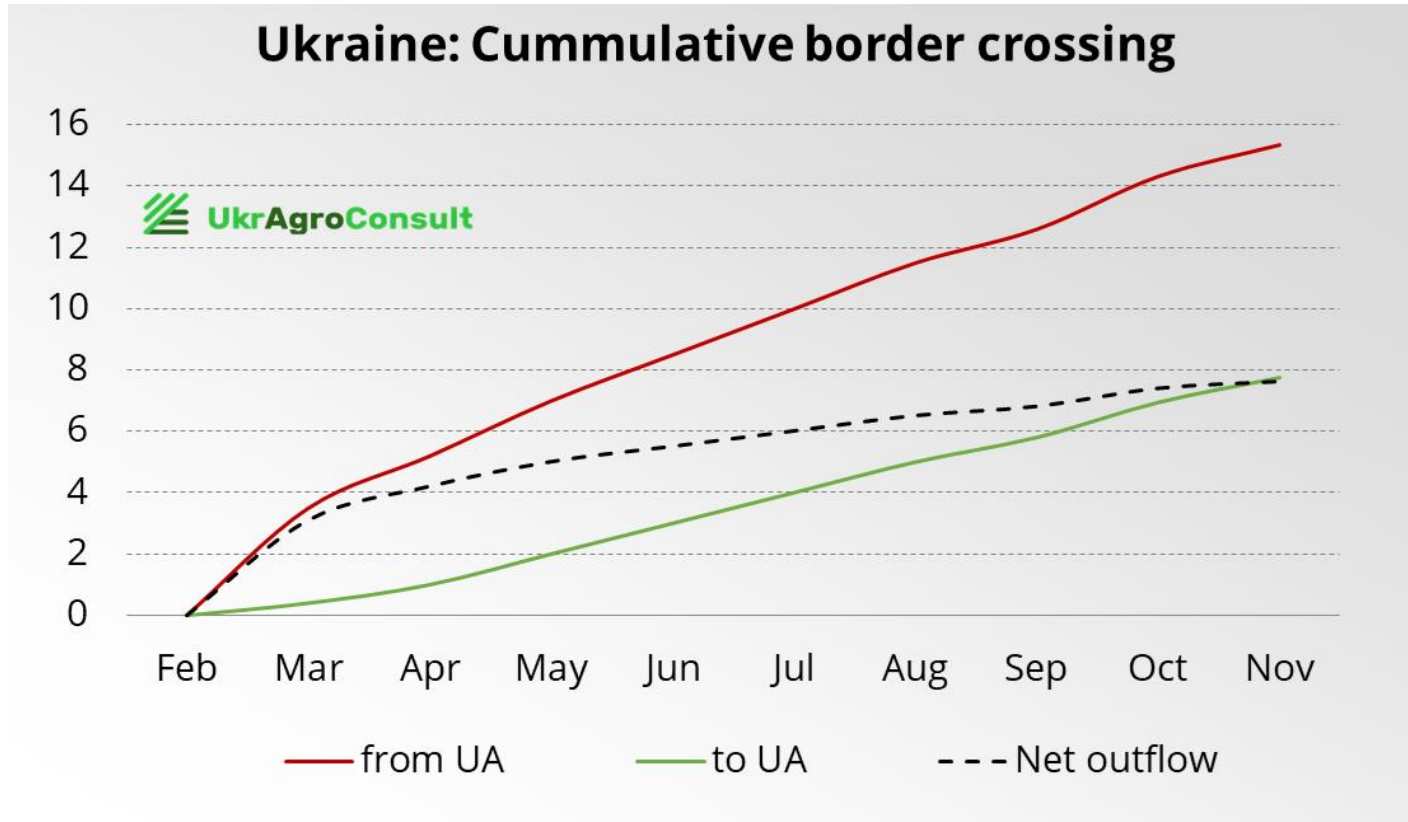


## CPI (100%=2010)



- GDP: -37%
- UAH to USD: -26%
- CPI: +69% since Feb 2022

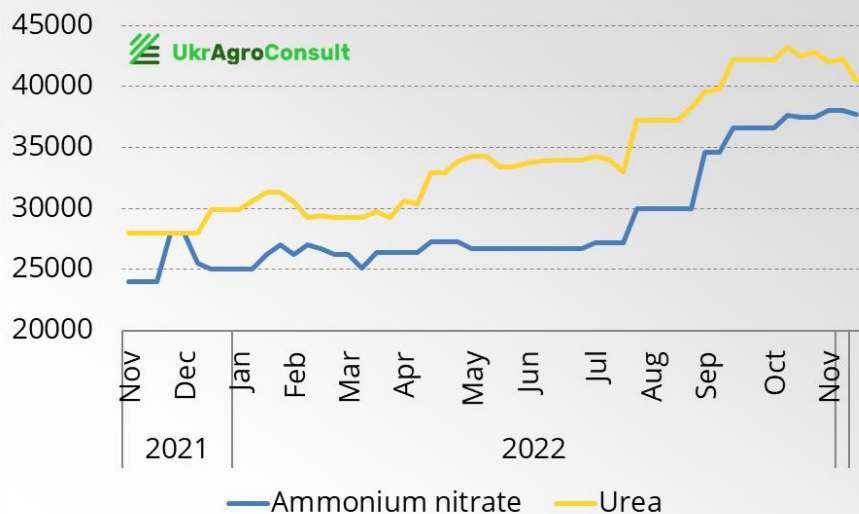
# Population migration/decrease



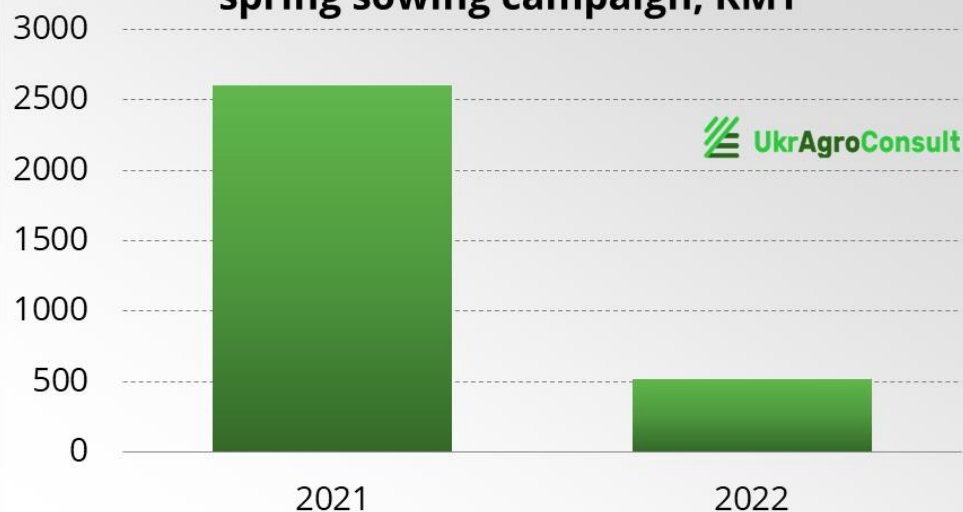
Source: UN Refugee Agency

# Shortage and higher inputs costs

Prices of mineral fertilizers, UAH/mt



Supply of mineral fertilizers during spring sowing campaign, KMT



# Storage shortage

| Region       | Elevators blocked, MMT |
|--------------|------------------------|
| Donetsk      | 1.2                    |
| Luhansk      | 0.9                    |
| Zaporizhzhia | 2.2                    |
| Kherson      | 2.0                    |
| <b>TOTAL</b> | <b>6.3</b>             |

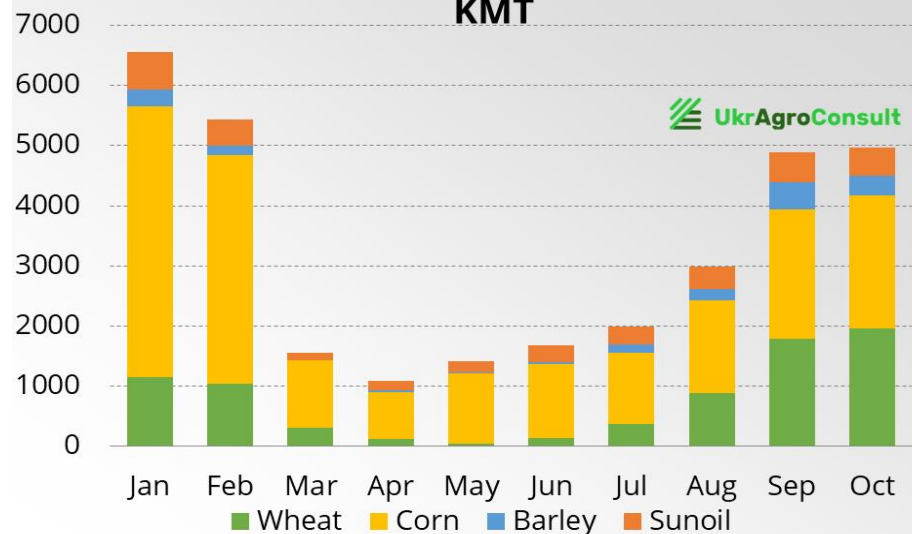


## Alternatives:

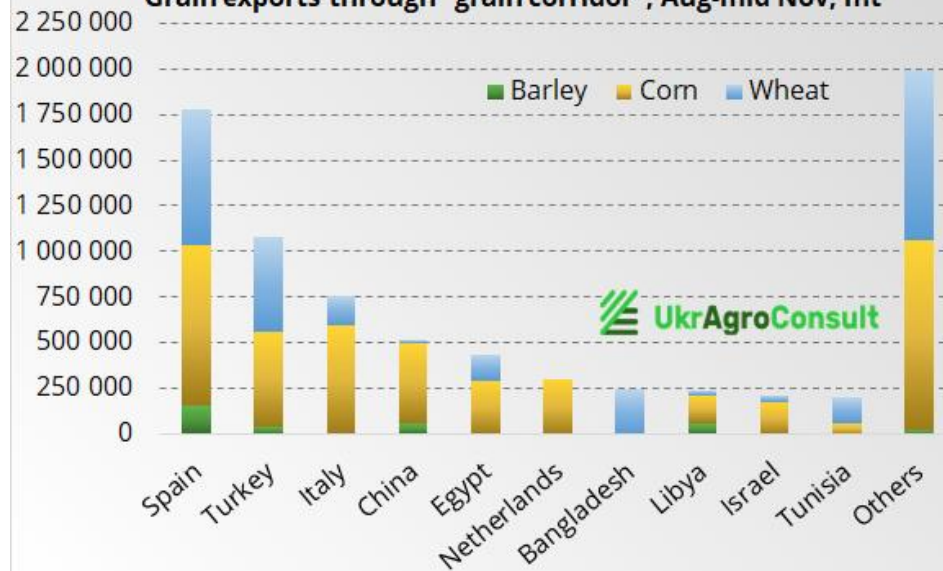
- Storage in neighboring countries
- Big silo bags and other grain containment systems
- Wintering of unharvested corn in the fields

# "Grain corridor"

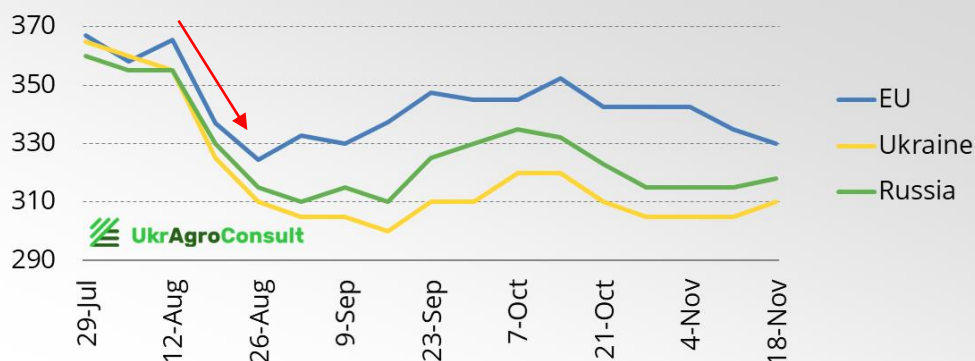
**Ukraine: Main crops exports in 2022, KMT**



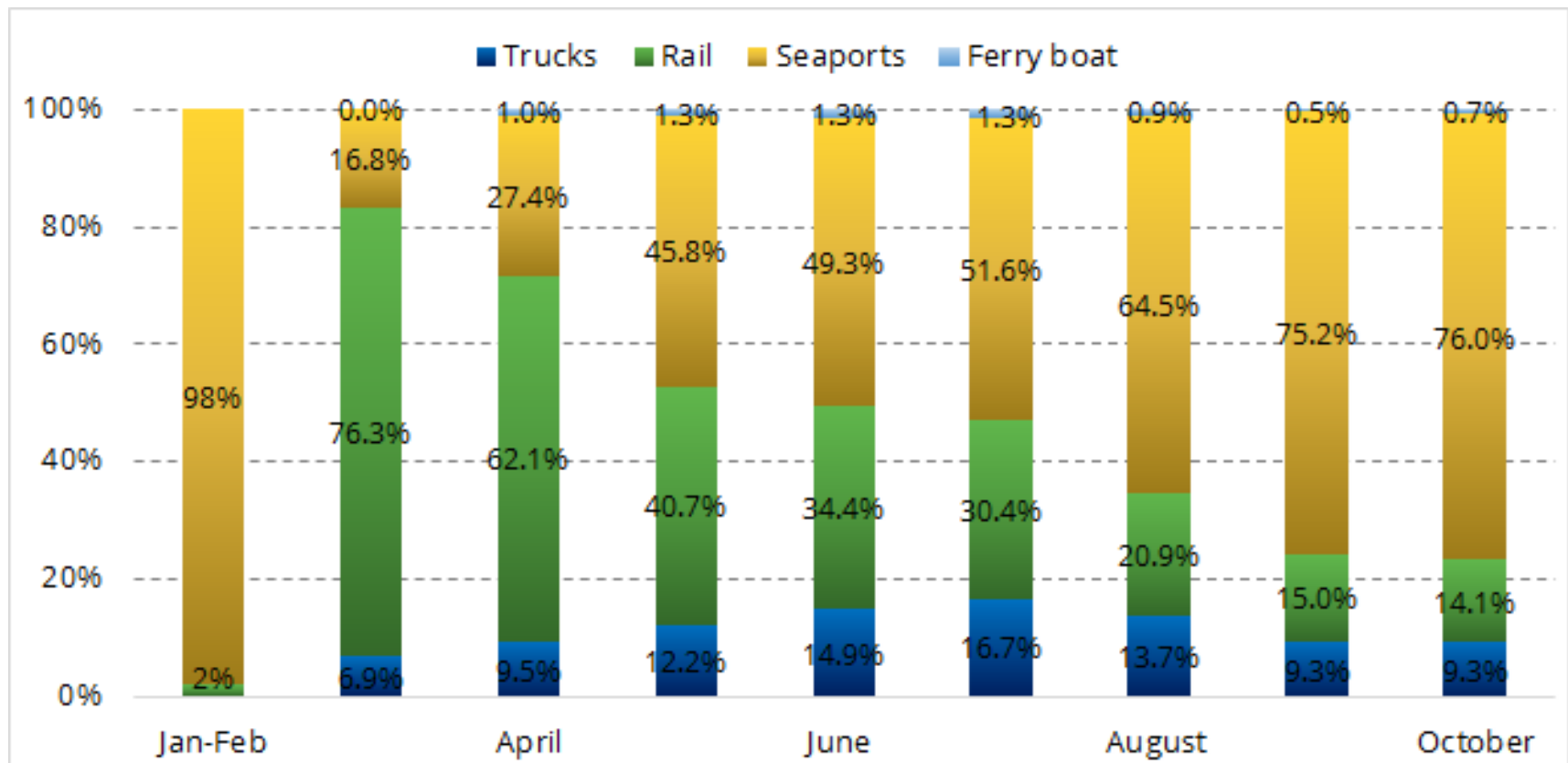
**Grain exports through "grain corridor", Aug-mid Nov, mt**



**Wheat 12,5% FOB prices, USD/MT**

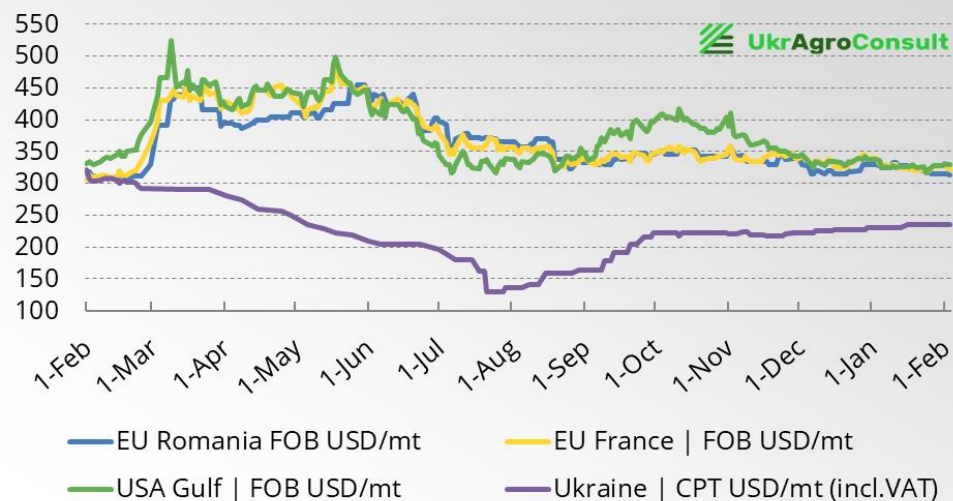


# The evolution of logistics: from sea to land and back

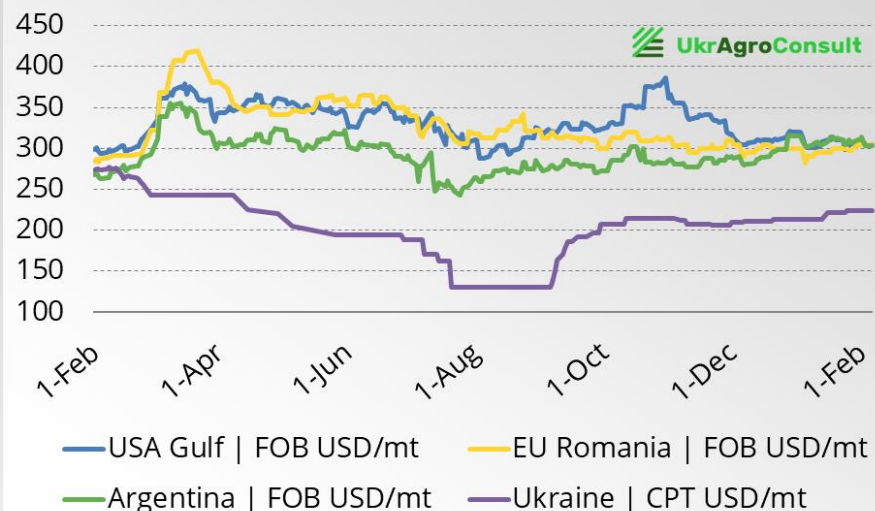


# Correlation between global and domestic prices

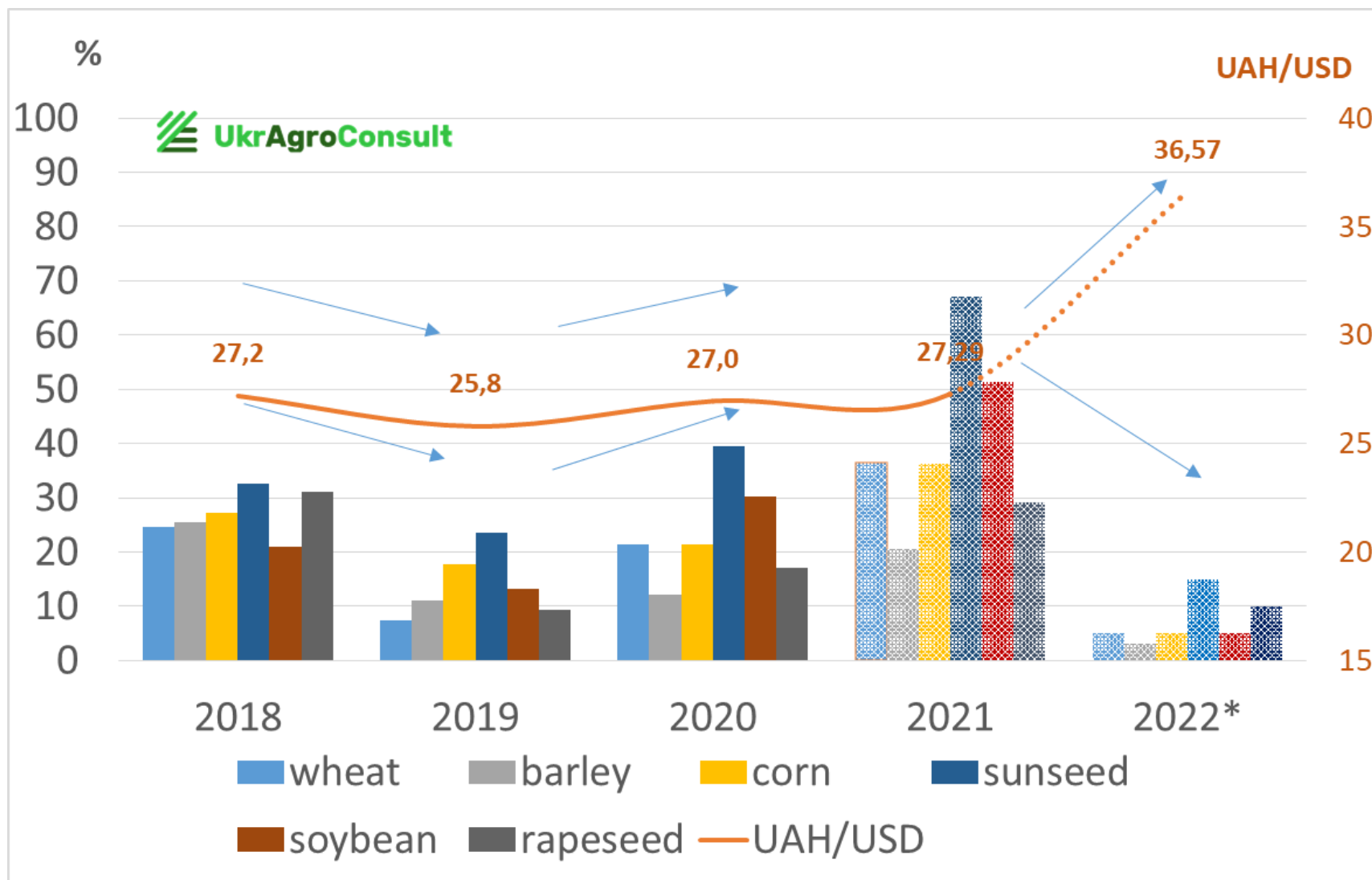
## Wheat prices, USD/mt



## Corn prices, USD/mt



# Sharp decrease of crop margin



# Market Scenarios. Growing transformation. Winter crops 2023 areas modification .

- By region:

| Region         | Crop 2022     | Crop 2023     | %           |
|----------------|---------------|---------------|-------------|
| East           | 1367.7        | 232.8         | -83%        |
| West           | 1332.9        | 1307.7        | -2%         |
| North          | 851.3         | 741.6         | -13%        |
| Center         | 2226.4        | 2005.1        | -10%        |
| South          | 3252.1        | 1427.4        | -56%        |
| <b>Ukraine</b> | <b>9030.4</b> | <b>5714.6</b> | <b>-37%</b> |

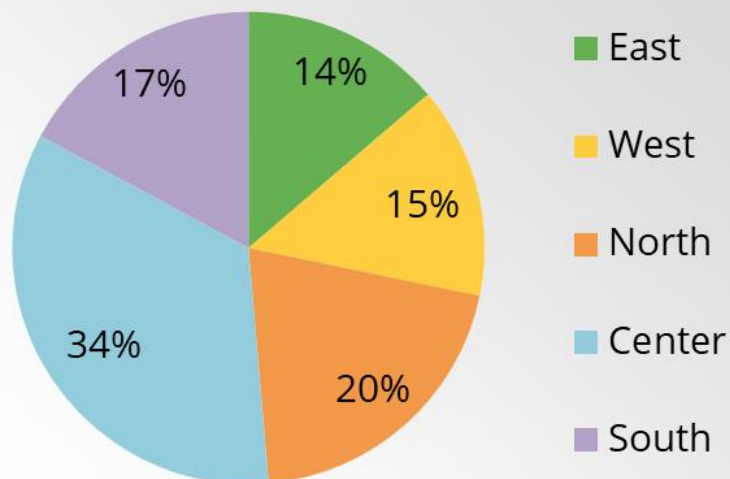
- By crop:

| Crop            | Crop 2022     | Crop 2023     | %           |
|-----------------|---------------|---------------|-------------|
| Winter wheat    | 6538.4        | 3989.4        | -39%        |
| Winter barley   | 969.0         | 675.7         | -30%        |
| Winter rapeseed | 1413.5        | 963.9         | -32%        |
| <b>Ukraine</b>  | <b>9029.4</b> | <b>5714.6</b> | <b>-37%</b> |

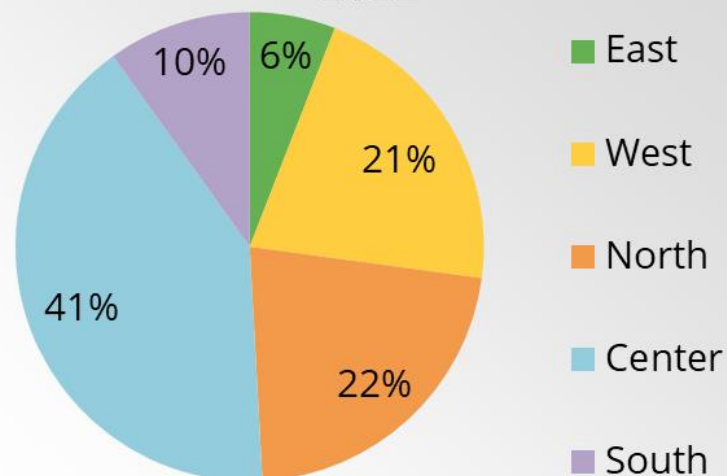
# Market Scenarios. Growing transformation.

## Spring 2022 areas modification

**Spring crops sowing areas in 2021**

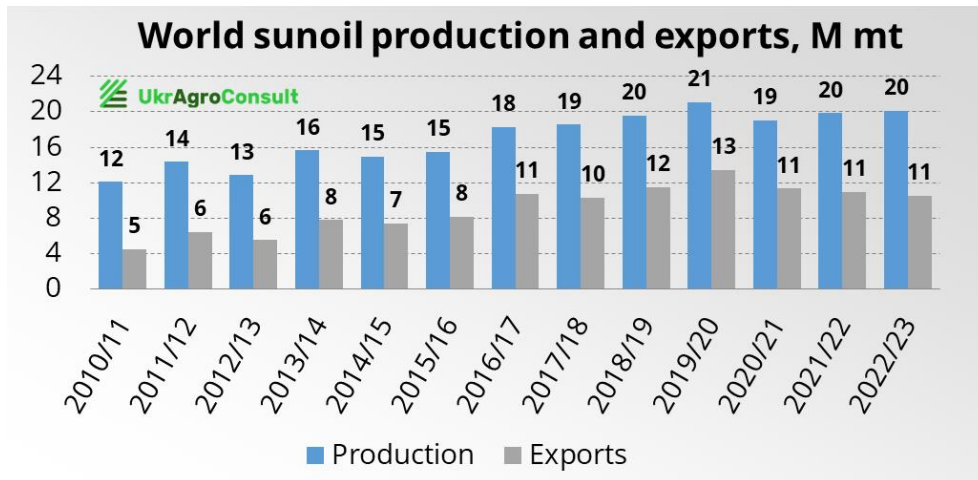


**Spring crops sowing areas in 2022**

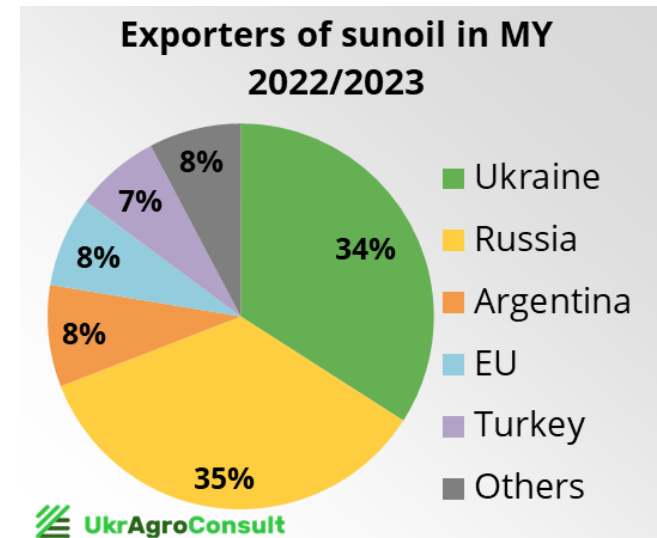
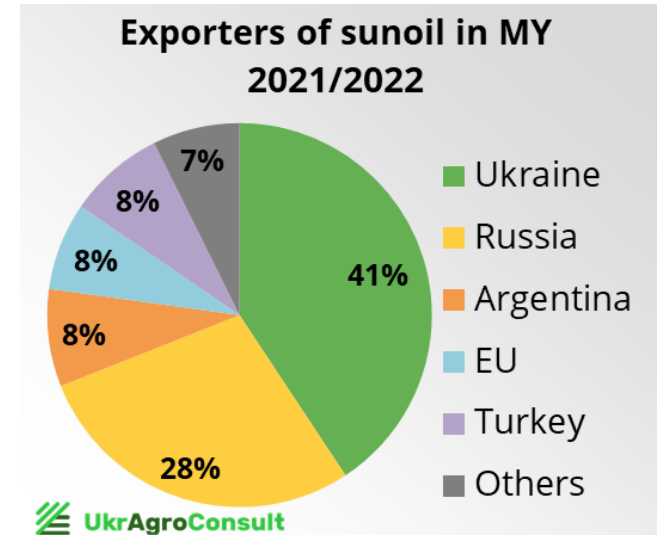


# Global Sunoil Market Fundamentals

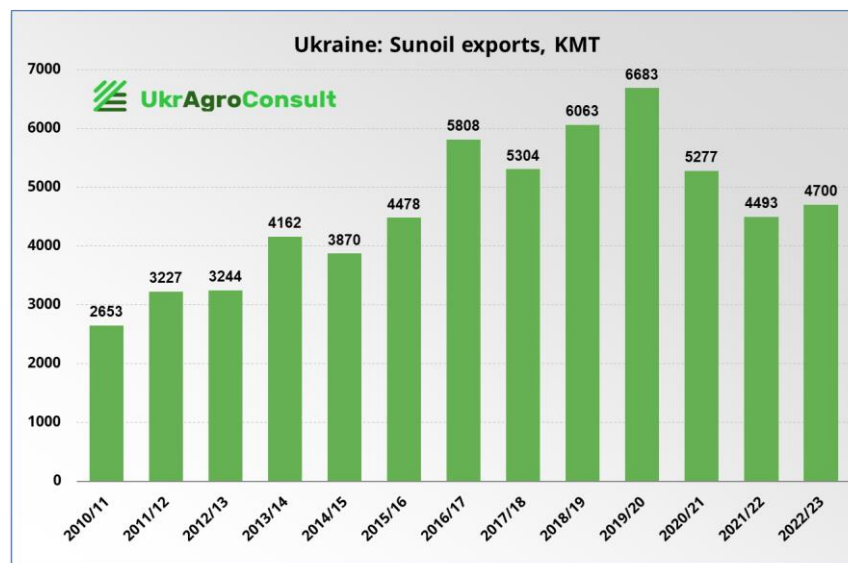
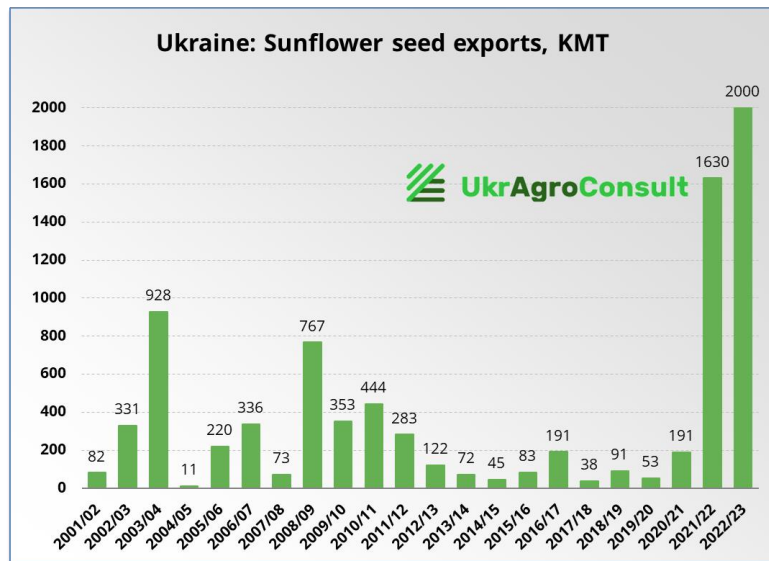
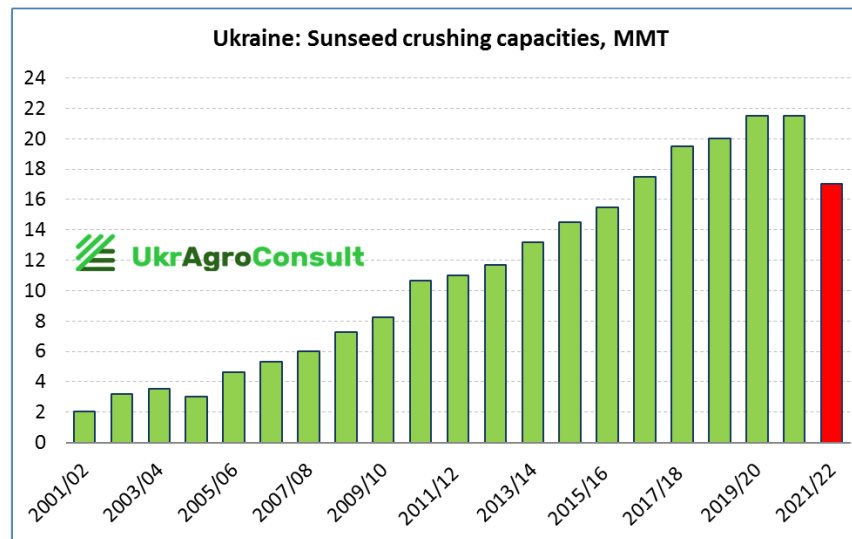
| Імпорт, млн т | 2021/22 | 2022/23 |
|---------------|---------|---------|
| ЄС            | 2,1     | 1,6     |
| Індія         | 1,9     | 1,8     |
| Туреччина     | 1,3     | 0,8     |
| Китай         | 0,5     | 1,1     |
| Іран          | 0,6     | 0,7     |



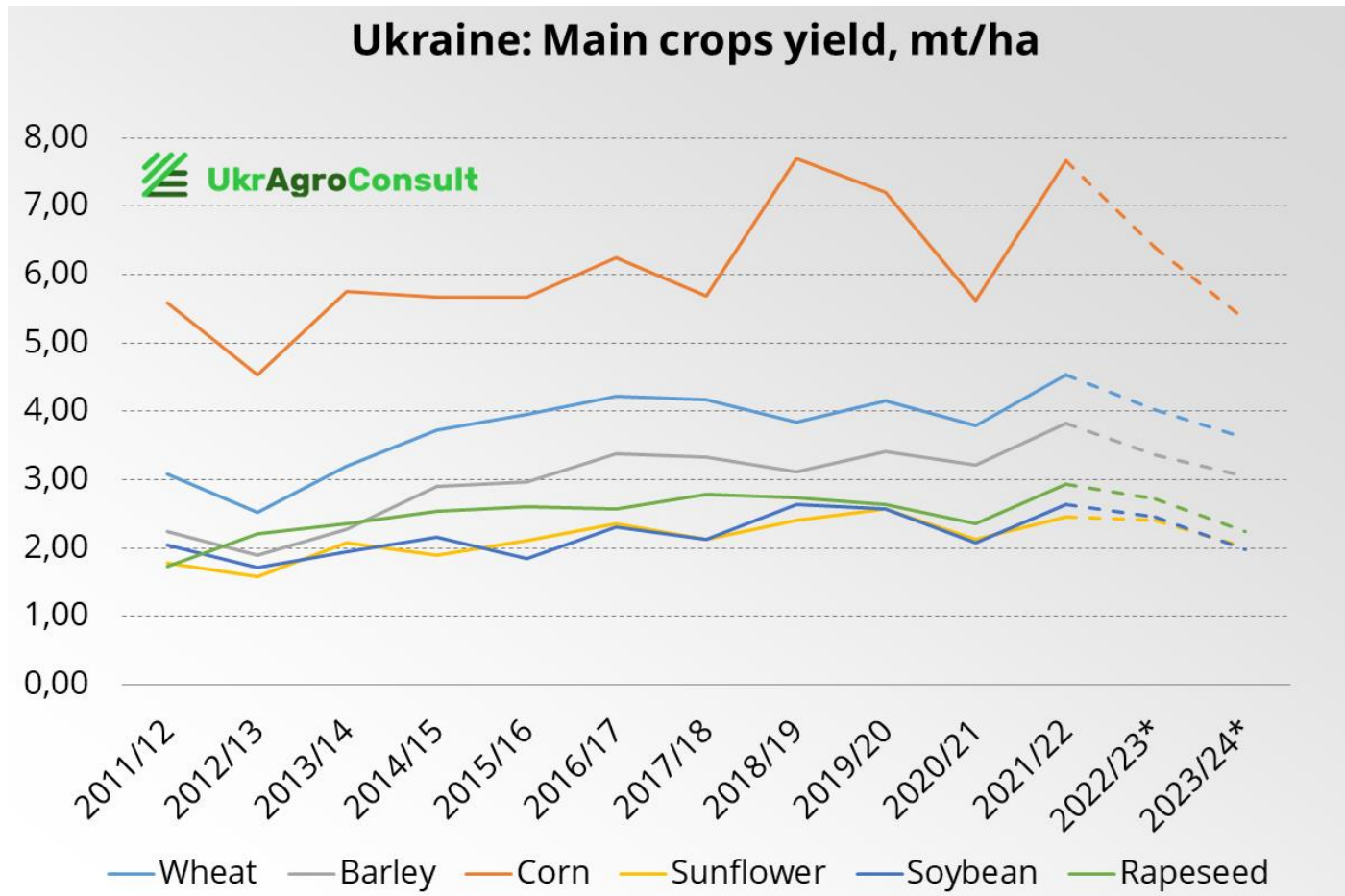
Джерело: USDA, Єврокомісія



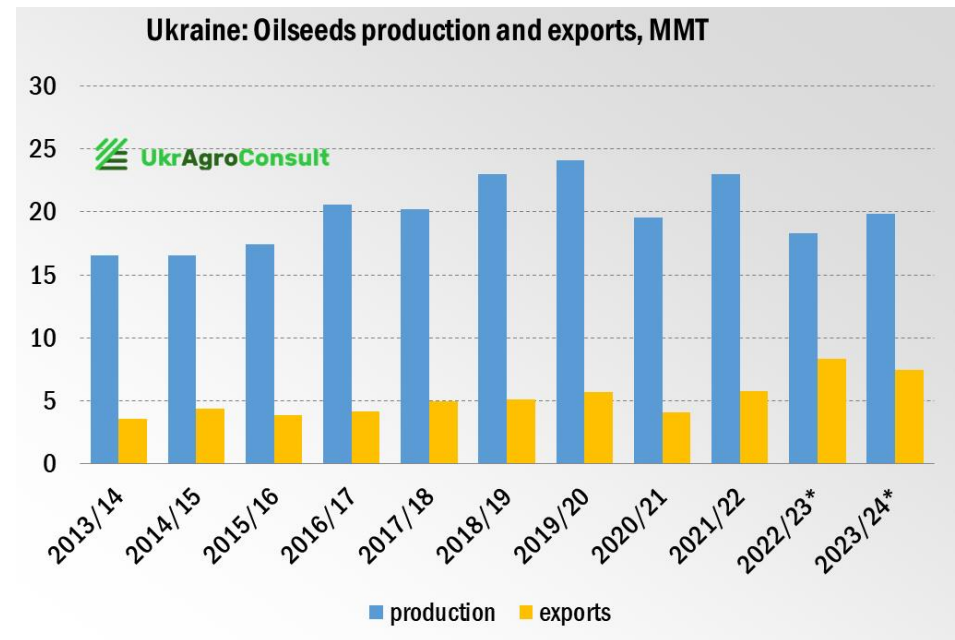
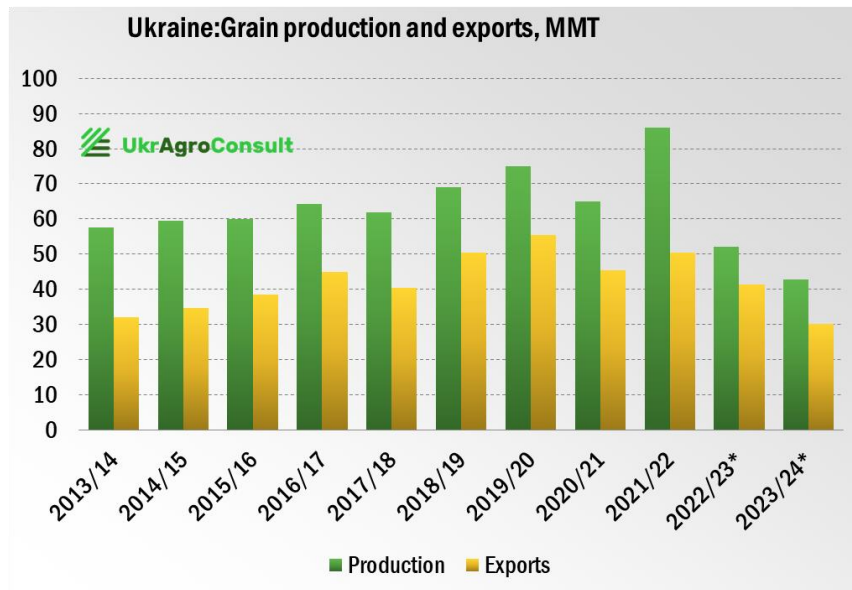
# Market Scenarios. Crushing Sector Changes



# Production estimates for 2023



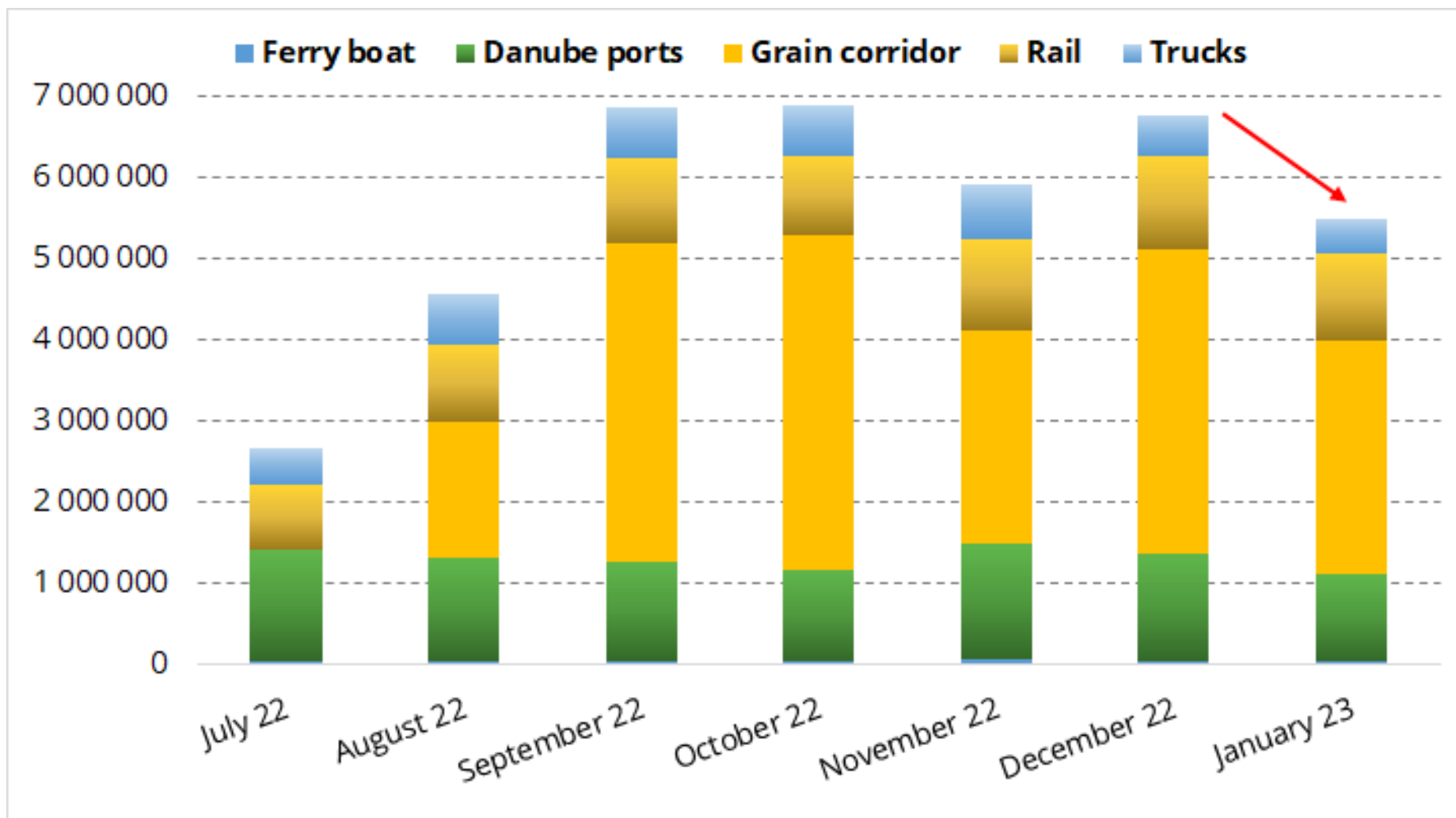
# Decrease of grain and oilseeds production, Ukraine



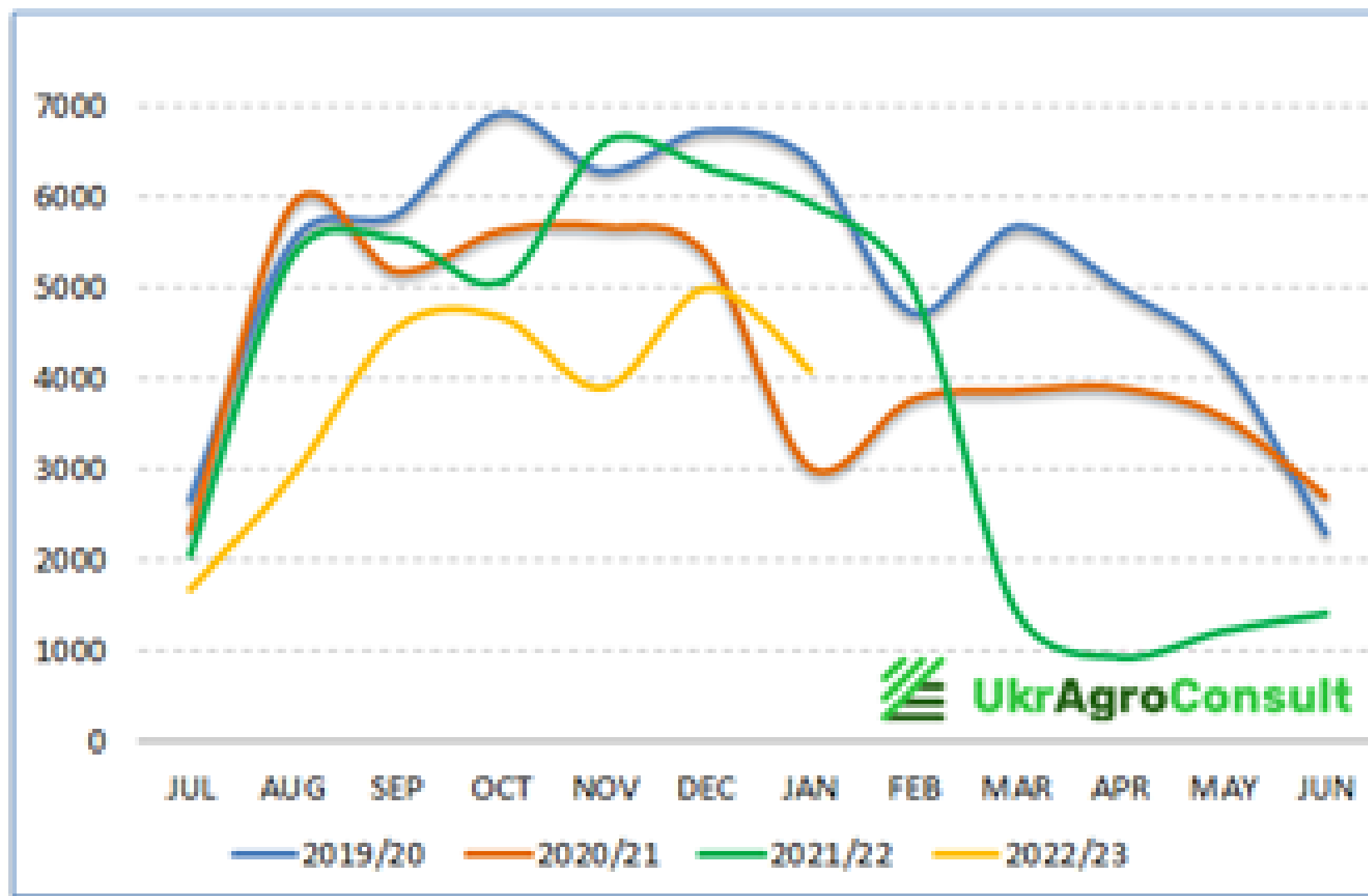
## 2023 Decrease of agri production in Ukraine

| Crop      | 22/23 MY.<br>M mt | 2023/24<br>MY*. M mt | Diff.. % |
|-----------|-------------------|----------------------|----------|
| Wheat     | 18.9              | 15.8                 | -16%     |
| Barley    | 5.4               | 4.2                  | -22%     |
| Corn      | 26.5              | 21.4                 | -19%     |
| Sunflower | 11.1              | 12.8                 | +15%     |
| Soybean   | 3.8               | 4.2                  | +11%     |
| Rapeseed  | 3.3               | 2.9                  | -12%     |

# Agriproducts exports by mode of transport

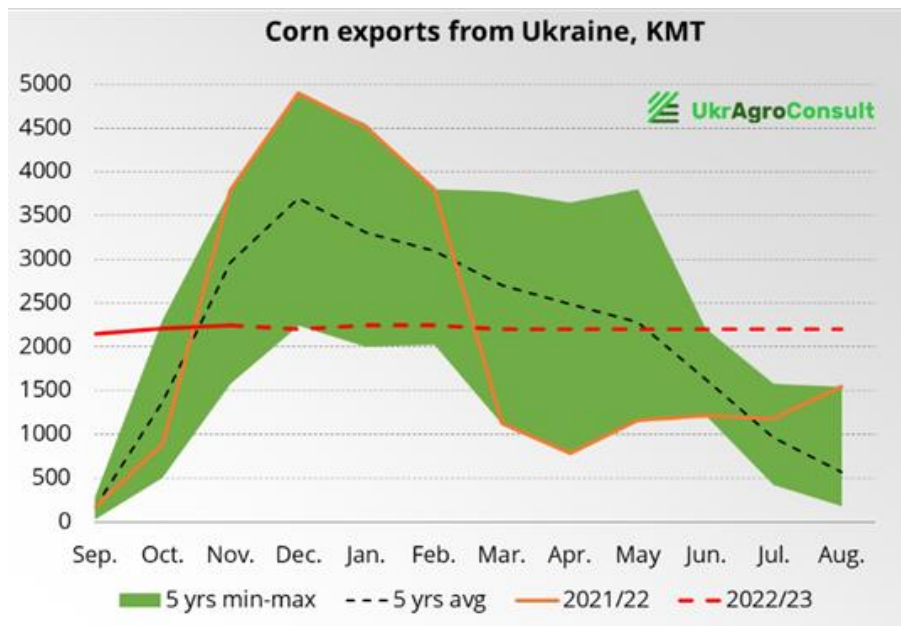


# Agri export behaviour



# Export estimates

| Crop   | UAC        |         | USDA       |         |
|--------|------------|---------|------------|---------|
|        | Production | Exports | Production | Exports |
| Wheat  | 18.9       | 12.5    | 20.5       | 12.5    |
| Barley | 5.35       | 1.95    | 6.4        | 2.4     |
| Corn   | 26.5       | 26.5    | 27         | 17.5    |



# Scenarios of Ukrainian agri sector transformation

- 2022 Domestic market turned into buyer's market from previous
  - seller's market
  - 
  - Decision making switched from long-term to short-term
  -
- 2023 Greater losses at each production stage (equipment, storage, inputs etc.)
  - The weather is less influential factor
  - 
  - Strategy for “increasing productivity” turned to “reducing production cost” by optimizing agri technology application
- 2025
  - Redistribution of investments from production to logistics and storage...later - to processing
  -
- 2027
  - Intentions to develop deeper grain and oilseed processing
- 2030
  - Return to “increasing productivity” strategy
  - 
  - Development of ECO production, wasteless, green initiatives etc.



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