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Ukraine

Grain and Feed Annual

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Report Highlights:

Grain and feed production in Ukraine is expected to increase for wheat (up 16%), barley (up 18%), corn (up 7%), and rye (up 18%). Exports of grains from Ukraine are also expected to go up next season if no export restrictions apply. Ukrainian grain exports were at first slowed and later limited by export quotas in Marketing Year 2010/11. The Government of Ukraine may continue intervening in the grain market operations in Ukraine by restricting exports, promoting quasi-state trading, and controlling agricultural commodity and product prices.

Executive Summary:

Winter crops are reported to have suffered little to no extreme weather damage and spring planting is about 30% complete at the time of this report. At this early stage in the season wheat production is expected to increase 16% over last year's level of production, barley production is expected to go up by 18% compared to last season's, corn is expected to increase by 7%, and rye is up by 18% due to projections that yields will be better than last year's. Winter wheat is usually about 95% of the country's total wheat crop. Corn planting area is projected to expand slightly, by 6%. Barley and rye plantings are expected to stay relatively unchanged.

Presently soil moisture is low and spring has had a delayed onset this year. Export policy uncertainty hangs over the wheat and feed grains sectors. Exports in 2010 were restricted, and then put under quotas extending to the end of Marketing Year (MY) 2010/11. Consequently, in the expectation that exports will be released from restrictions, export figures are expected to at least double with respect to last year. Wheat and stocks are high due to export restrictions. Barley and rye stocks are tight due to lower harvest last summer.

If the Government of Ukraine (GOU) ceases to restrict grain exports in the next MY 2011/12, the increase in production will result in higher exports mainly for wheat and barley. Total consumption of barley and rye is expected to decline slightly. Consumption of wheat and corn is anticipated to increase slightly by 4% and 10% respectively.

The GOU has intervened in the operations of the grain market in Ukraine in MY 2010/11 by restricting exports and setting more control over agricultural product prices, etc. Administrative reform that came with the new President and a shift in power resulted in many changes in agricultural policy. In the MY 2011/12 the GOU will be expected to intervene in the market operations once again if the following takes place:

- the world market prices for agricultural commodities are on the rise
- international traders are very active purchasing and exporting grains from Ukraine in the beginning of the season
- the volumes of wheat and barley exports are perceived as high at the start of MY 2011/12
- there is a big difference between domestic and world market prices for grains
- domestic prices of wheat or other grains start to grow dramatically

A strong presence of State trading is also expected in the next season in Ukraine. There is a good probability of conclusion of intergovernmental agreements between Ukraine, Russia, Belarus and some North African countries for supply of wheat, barley, and corn.

Commodities:

Wheat

Production:

In 2011, wheat production is expected to increase by 16% year on year and to be about 19.6 MMT. Last year wheat production was 16.8 MMT. FAS Kyiv expects wheat yields to increase in 2011 by about 12% year on year and to average about 3.0 metric tons per ha. This is not the most optimistic forecast. Post expects the following factors to negatively affect prospective harvest: slow economic recovery from the financial crisis of 2008, very limited lending resources along with lower than anticipated profits from the previous year's sales of harvested crop, consequently lower use of fertilizers and treatments, as well as limited use of advanced technologies, and possible unfavorable weather conditions later in the summer of 2011.

According to the State Statistics Committee of Ukraine, almost 6.6 million hectares (ha) were planted with winter wheat for the crop of MY 2011/12. This area accounts usually for 95% of total wheat plantings in Ukraine. A year prior, winter wheat was planted on 6.67 million ha. Winter wheat harvesting area usually decreases somewhat due to winter kill.

Conditions for winter crop planting and plant development in the fall of 2010 differed across the country. According to the Ukrainian Meteorological Center, moisture levels during the winter planting season were good in northern and western parts of Ukraine, while southern, central and most of the eastern regions suffered drought conditions. Very low moisture levels were observed in these regions starting mid-summer and continued into the fall season. These areas were rated 'unsatisfactory' for winter crop plantings.

The winter crop planting campaign in Ukraine started with some delay compared to an average year's practice. However, when weather conditions somewhat improved well into the planting season and planting speed accelerated and exceeded that of fall 2009. On October 1, 2010 the Ministry of Agrarian Policy and Food of Ukraine (MinAg) reported 4.7 million hectares (ha) planted under winter wheat, up 9% to fall 2009 plantings at this date. Later in the fall moisture levels in soil improved and average daily temperatures stayed above the average, which allowed for some late crop development and was good for development of wheat that was planted later than average.

Weather conditions during winter this season did not present any extreme threats to the crops. According to MinAg as of late February 2011 winter crop conditions were reported as unsatisfactory only on 8-10% of the territory of Ukraine. According to the Ukrainian Meteorological Center through February and into March 2011 agricultural lands in Ukraine received minimal precipitation, 50% below normal level. Thus, topsoil moisture may be very unstable this spring. Considering this factor it is expected that some crops will be resuming vegetation in less than favorable conditions and this may affect plant spring development and consequently have an impact on the final harvest figures.

Table 1. Winter Wheat Historic Conditions, Ukraine

Date	Crops in 'Satisfactory' or Better Condition	Crops Rated as 'Weak'
February 2011	95%	5%
February 2010	90%	10%
February 2009	95%	5%
February 2008	90%	10%
February 2007	91%	8%
February 2006	70%	30%
February 2005	89%	11%

In the summer of 2010, Ukraine suffered adverse weather conditions that impacted wheat and other crops. Draught and unusually extended periods of dry weather conditions were observed mainly in eastern, southern, and central regions of the country. These factors played a significant role in the drop in wheat yields to about 2.7 metric tons obtained in MY 2010/11 in Ukraine (as reported in the official Ministry of Agrarian Policy and Food of Ukraine). See more on wheat harvest of summer 2010 in FAS-Kyiv's report Grain and Feed Update_September_2010.

This year, the region is experiencing a late spring. Considering the climate change effect of more drastic temperature fluctuations, summer weather conditions may not be the most favorable this year for wheat crop development, yields, or for harvesting. However, it is still too early to make solid projections about the coming summer season weather conditions and so this crop forecast does not account for such factors as weather.

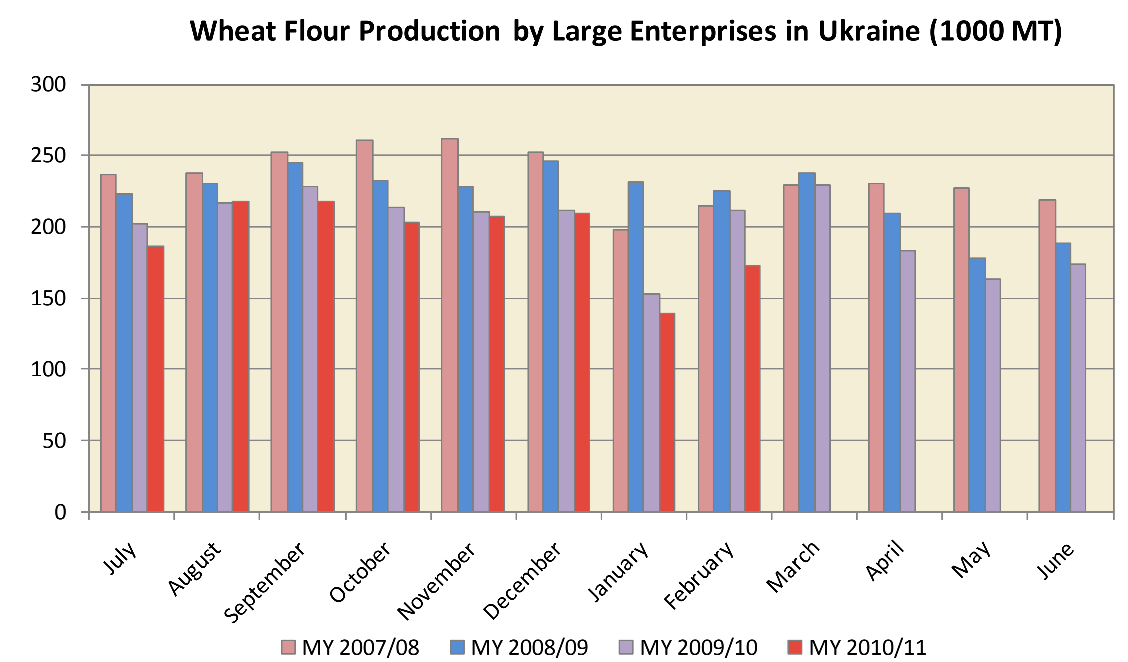
Also, the policy situation in the agricultural sector has been changing a lot and in quite unpredictable ways during the current marketing year. Even though in the most recent media reports the GOU and the Ministry of Agricultural Policy of Ukraine in particular were quoted saying that exports of grains from the country would not be restricted by quotas in the next marketing year, there is some doubt as to whether these statements will hold true throughout the whole next season. The political situation and possible export restricting measures have not been factored in the crop projection made by FAS-Kyiv at this time.

Consumption:

Overall consumption of wheat in Ukraine is expected to increase in MY 2011/12 by over 10% due to greater availability of wheat with forecasted increase in production and large carry-over stocks. Food consumption is expected to increase slightly year over year but continue the downward trend of the last several years (population of Ukraine is gradually declining and was 45.9 million in 2008 compared to 49.5 million in 2000).

The domestic wheat market was slow and prices differed greatly from the world market wheat prices (depending on the month the difference ranged from $50 to $170 in some cases). Export restrictions were first administered on the premise of low crop. The GOU made public statements about a bad crop in 2010 starting in August 2010. One of the official justifications used to establish export quotas was an attempt to regulate the domestic market and to keep bread affordable to citizens of Ukraine. However, domestic wheat prices didn't stay as low as the GOU expected and the situation had the effect of being a disadvantage to flour mills and bread production a few months after grain export quota introduction.

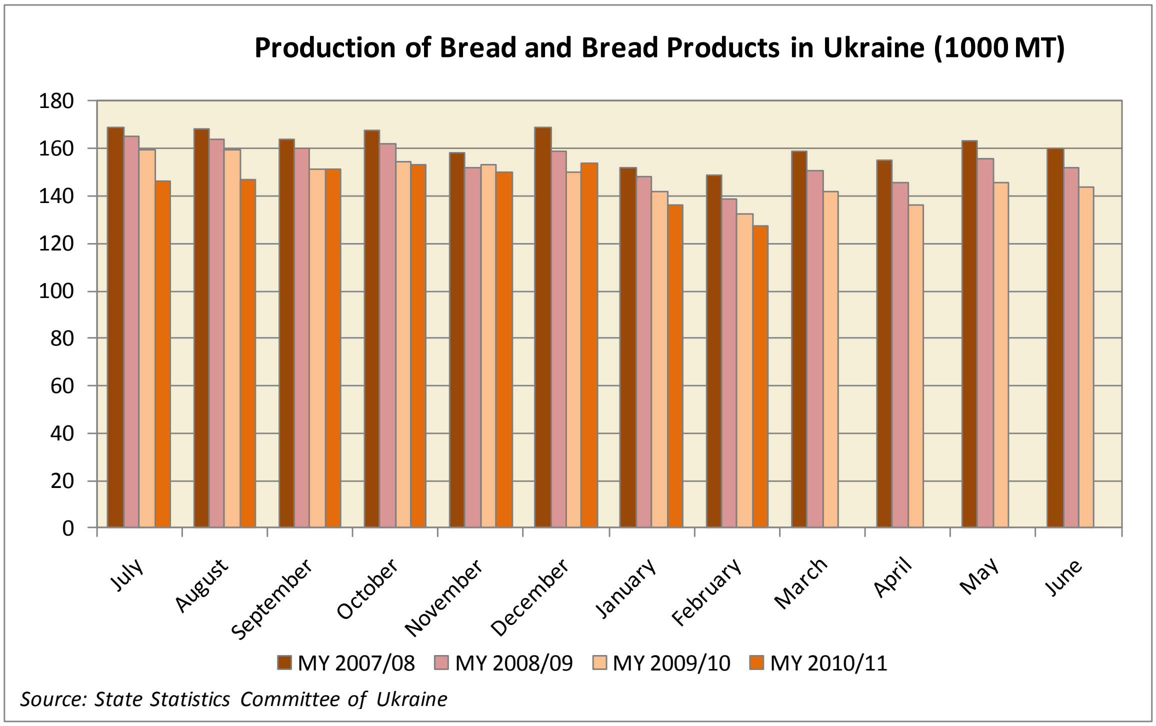
Flour production declined significantly in the first two months of 2011 compared to the levels a year ago. Flour production in January 2011 declined by about 11% compared to January 2010 production according to the data of the State Statistics Committee of Ukraine. And in February 2011 this number dropped by 19% compared to the same period in 2010 (See chart below).



Source: State Statistics Committee of Ukraine

In part, such a decline was caused by limited milling wheat offers on the domestic market. But the main cause was the fast-growing domestic price of milling wheat. The average reported price EXW (Incoterms – 'goods sold at the seller's premises') of Ukrainian 3rd Grade milling wheat in January 2011 was in the range of $200 to $210. While in February 2011 the same quality wheat was offered at $275-310. This price jump was caused by the appearance on a large domestic market buyer that was purchasing wheat in large quantities and was offering high prices (reportedly the price paid was about $250-260). This large wheat buyer that steered the domestic market was Khlib Investbud, a 51% private and 49% state owned company that is becoming an active trading division of a larger State-run enterprise, the State Food and Grain Corporation of Ukraine.

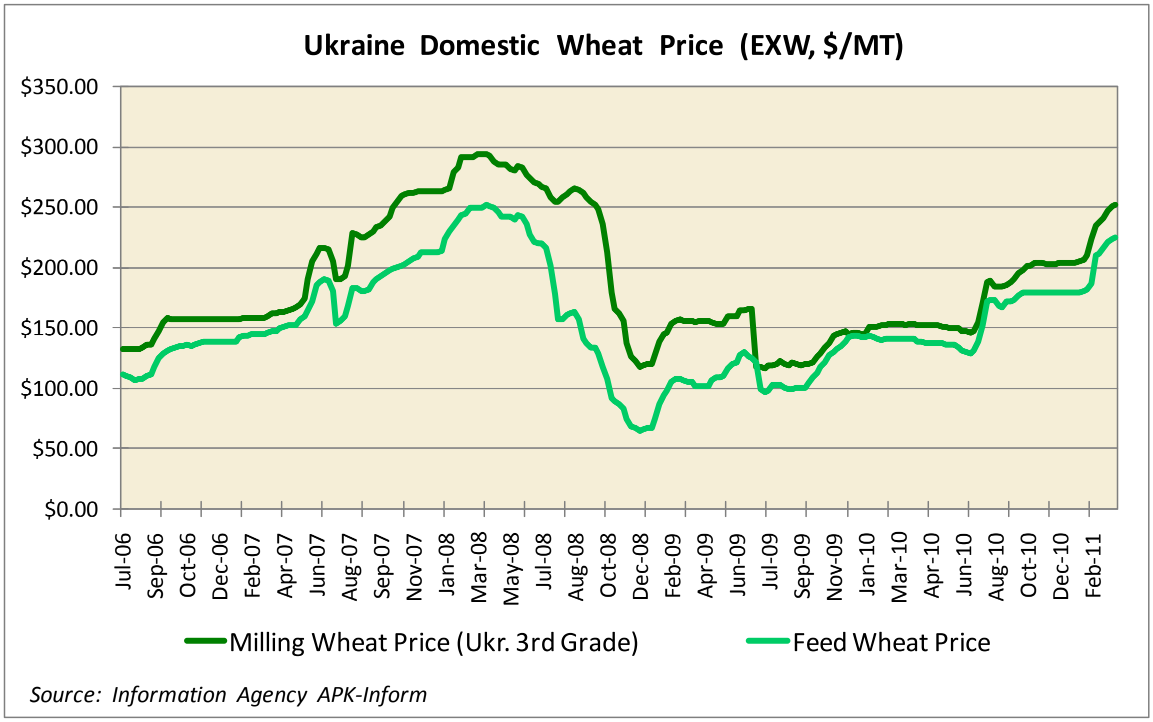
Production of bread and bread products has been steadily declining over the last several years (See chart below for reference). The GOU continues its policy of bread price regulation which shows a negative effect on the industry in general. Bread production in February 2011 declined by 4% or by 5,000 MT on the year. Also, according to the State Statistics Committee of Ukraine, bread production for July 2010 – February 2011 totaled 1,165,000 MT, which is 4% down compared to 1,202,000 MT for the same period in MY 2010/11.



In MY 2011/12 FAS-Kyiv expects wheat consumption for food purposes to stay at the level of MY 2010/11, while feed wheat consumption is expected to increase by approximately 18% compared to MY 2010/11 due to large crop and ample availability of wheat on the domestic market. This forecast may change with various factors impacting harvest progress and export regulations in the new marketing year.

Trade:

Domestic wheat prices in the current season were to a great extent influenced by the GOU policy. Grain export restrictions in Ukraine in MY 2010/11 resulted in a slower growth rate of the domestic feed and milling wheat prices in the first half of the MY. The difference between domestic and world market price of milling wheat at the time was reaching in some cases over $100. However, at the beginning of 2011 domestic wheat prices in Ukraine picked up quite a bit due to the observed increase in market activity. Reportedly, at that time it was grain trading enterprise Khlib Investbud that received the majority of grain export quota for MY 2010/11 and this meant it began to actively buy wheat off the domestic market.



Exports

Wheat exports in MY 2011/12 are expected to reach 9 MMT increasing by over 250% in comparison to the level forecasted by FAS Kyiv 3.5 MMT, for the current MY ending June 2011. Ukraine is expected to have a large crop and high carry-over stocks at the start of MY 2011/12. This forecast assumes the GOU will not reintroduce grain export quotas or restrict grain exports in any other way. Under these conditions it is expected that the trade will be very active at the beginning of MY 2011/12.

Wheat exports in MY 2010/11 were restricted with grain exports quotas that were implemented in October 2010 and extended until June 30, 2011. Thus, current marketing year wheat export trends are quite different from the average year in Ukraine. According to the State Customs Committee of Ukraine, during July-December 2010, the most wheat was exported to the following countries listed in descending order: Syria, Uganda, Libya, Singapore, Philippines, Belarus, Taiwan, Serbia, the United Kingdom, and Russia. Traditional big buyers like South Korea, Bangladesh, Spain, Israel, Jordan, or Syria either purchased very small quantities or did not have a chance to get on the list of destinations for Ukrainian wheat during the current MY. (See Statistical Tables at the end of this report for more details on export quantities and destinations)

The slowdown in wheat trade that was observed in Ukraine in August 2010 due to some unofficial export restrictions and the following official export quotas announcement in October 2010 had a major impact on domestic wheat prices. While food and feed wheat prices were rising in the rest of the world on the news about draught in the Black Sea region and unfavorable weather conditions in Europe that were impacting negatively both yields and production, domestic wheat prices in Ukraine were going down. Traditional grain traders were holding up on wheat purchases at first due to uncertainty over export measures in Ukraine and then due to the fact that most usual grain traders in Ukraine were not able to obtain a share of the export quota. (For more information see FAS-Kyiv report Grain and Feed Update_Ukraine_Sept_2010)

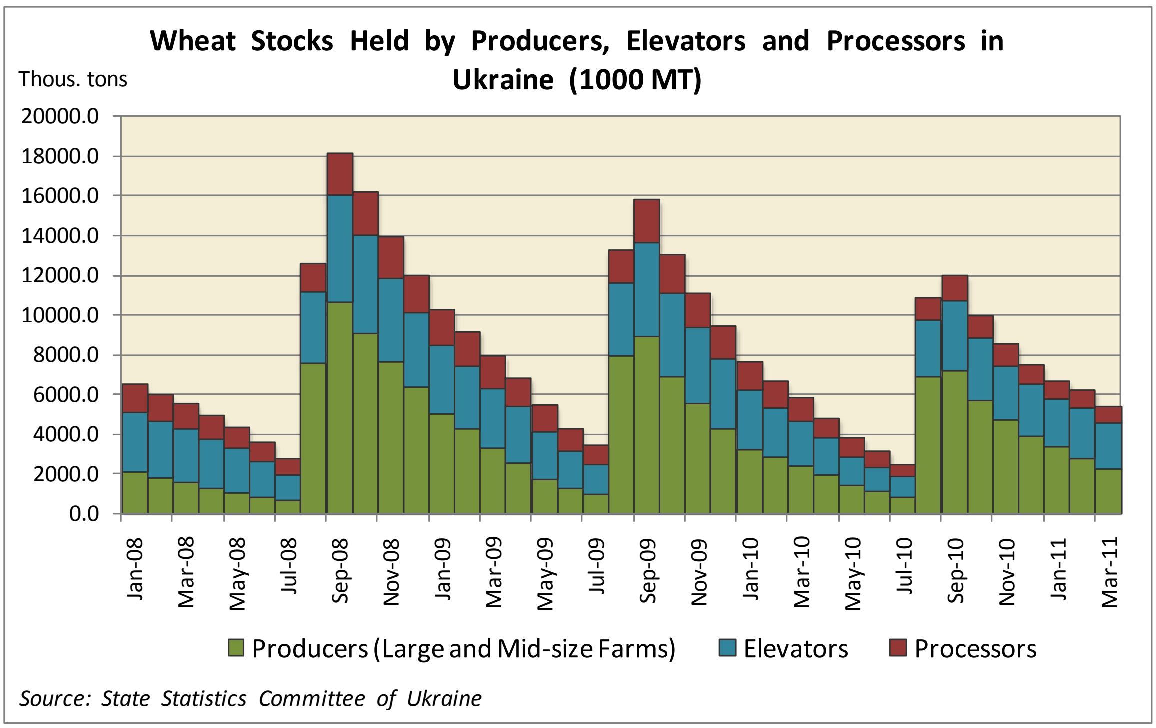
Imports

Wheat imports to Ukraine in MY 2011/12 are anticipated to remain on a minimal level. Under usual circumstances Ukraine imports only small quantities of wheat and wheat flour, mostly durum wheat that is used by processing industry as an input for premium pasta products. Similar to the previous season, the Ukrainian market is not expected to expand in the premium-priced product sector in MY 2011/12. Also, higher than average accumulated wheat stocks in MY 2010/11 and an anticipated ample wheat harvest in Ukraine in 2011 are expected to keep the domestic wheat market well saturated with domestic wheat. In addition, devalued domestic currency and a prolonged economic slow-down along with limited investment resources will keep the domestic buyers away from the higher priced foreign origin wheat.

Stocks:

FAS-Kyiv expects wheat ending stocks in MY2010/11 to reach almost 4,2 MMT due to grain export quotas that were extended until the end of the current marketing year. This means that the carry-over wheat stocks are expected to be more than 70% higher on the year.

As of March 1, 2011 in Ukraine wheat stocks were at about 5.3 MMT, 92% compared to last year (5.8 MMT were held in stocks on March 1, 2010). The chart below shows the accumulation of wheat stocks on Ukraine's farms (2.2 MMT) and at designated storage (2.3 MMT) and processing facilities (0.8 MMT). At the beginning of the current marketing year, July 2010, wheat stocks in Ukraine were approximately 2.4 MMT, which is one third or one million tons less than 3.4 MMT stocks held in Ukraine on July 1, 2009.



This data does not include stocks held at small and private farms in Ukraine that account for up to 20% of all wheat produced in the country.

Production, Supply and Demand Data Statistics:

Table 2. USDA Official and FAS-Kyiv Forecast Production Supply and Demand Statistics

Wheat Ukraine	2009/2010			2010/2011			2011/2012		
	Market Year Begin: Jul 2009			Market Year Begin: Jul 2010			Market Year Begin: Jul 2011		
	Revised			Estimate			Forecast		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Harvested (1000 HA)	6,753	6,753	6,754	6,284	6,600	6,284			6,525
Beginning Stocks (1000 MT)	3,101	3,349	3,113	2,358	2,939	2,433			4,181
Production (1000 MT)	20,866	20,885	20,886	16,844	19,140	16,845			19,600
MY Imports (1000 MT)	28	5	3	50	5	3			3
TY Imports (1000 MT)	28	5	3	50	5	3			3
TY Imports from U.S. (1000 MT)	0	0	0	0	0	0			0
Total Supply (1000 MT)	23,995	24,239	24,002	19,252	22,084	19,281			23,784
MY Exports (1000 MT)	9,337	9,000	9,157	3,500	7,500	3,500			9,000
TY Exports (1000 MT)	9,337	9,000	9,157	3,500	7,500	3,500			9,000
Feed and Residual (1000 MT)	3,300	3,000	3,312	2,800	2,900	2,800			3,300
FSI Consumption (1000 MT)	9,000	9,300	9,100	8,800	9,000	8,800			8,800
Total Consumption (1000 MT)	12,300	12,300	12,412	11,600	11,900	11,600			12,100
Ending Stocks (1000 MT)	2,358	2,939	2,433	4,152	2,684	4,181			2,684
Total Distribution (1000 MT)	23,995	24,239	24,002	19,252	22,084	19,281			23,784
Yield (1000 MT)	3.	3.	3.0924	3.	3.	2.6806			3.0037

Commodities:

Barley

Production:

Barley production in MY 2011/12 is forecasted by FAS-Kyiv to increase by 18% compared to the previous year and reach about 10 MMT on the expectation of better yields. Winter barley planted area was about 1.2 million hectares, down 6% on year. However, spring barley planted area for crop 2011/12 is anticipated to remain at last year's level or go up slightly, by about 3% and to reach 3.1 million hectares.

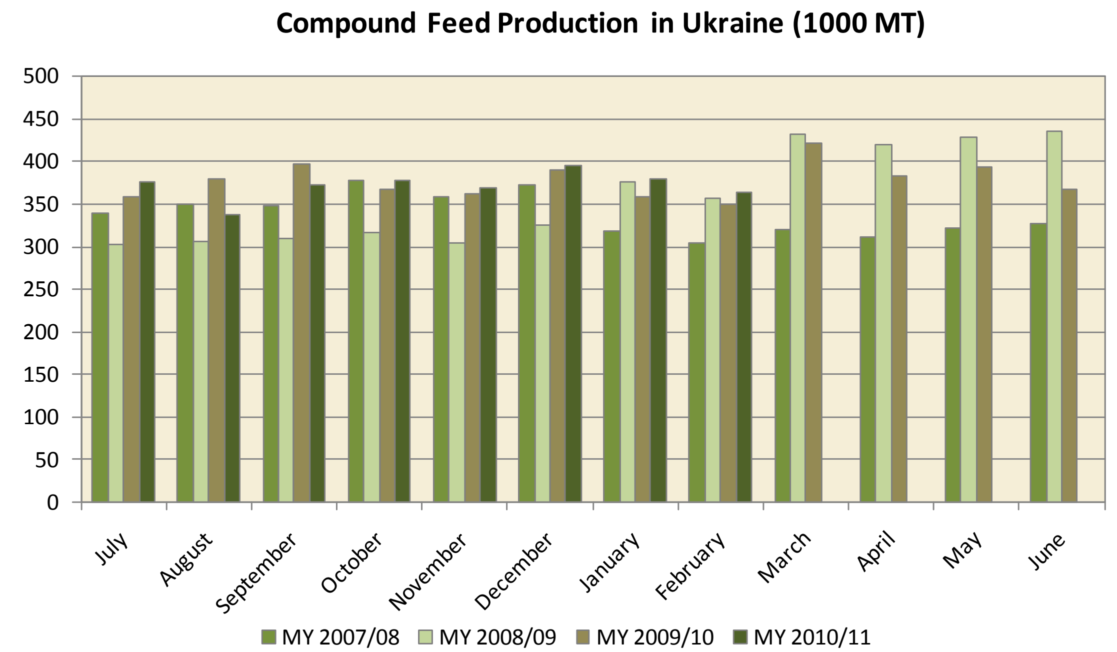
The overall reduction in barley plantings is due to a number of factors. Ukraine experienced unfavorable weather conditions at the beginning of the winter planting season in the fall of 2010. Barley exports were restricted and fell under grain export quota regulation in MY 2010/11. Uncertainty exists in Ukraine as to the GOU's future policy on regulation of the grain market. Thus, international traders will be not as aggressive in purchasing barley for export between July and August 2011. The situation may change if exports are allowed to flow freely later in the season. Finally, the government's grain policy in MY 2010/11 resulted in unsold stocks and low domestic grain prices at the first half of the current MY. This and slow economic recovery resulted in agricultural producers having limited resources for the planting campaign. Farmers may be expected to concentrate their production resources on the less risky and more profitable crops such as sunflower, rapeseed, and soybeans.

Winter barley plantings experienced favorable weather conditions and are ready to resume germination this spring. According to the Ministry of Agricultural Policy and Food of Ukraine, only 5% of winter barley plantings are in 'weak' condition as of the beginning of March 2011.

Post projects barley yields to increase by 17% from 1.97 MT/ha in MY 2010/11 to 2.30 MT/ha in MY 2011/12 on the expectation of more favorable weather conditions during the crop growth and harvesting season. This however, may change if anything like extreme heat or flooding that Ukraine suffered last season also happens this summer as well.

Consumption:

Barley consumption has increased in Ukraine in MY 2010/11 in part due to greater availability on the domestic market and lower prices because of the season's export restrictions in Ukraine. Another factor that stimulated consumption is some growth in the animal sector. Poultry and swine production growth is anticipated by Post in the next season (see FAS-Kyiv reports Poultry and Products Annual Report_Ukraine_Oct 2010 and Livestock and Products Annual Report_Ukraine_Oct 2010). However, the livestock sector will not utilize more barley in the coming year as it is continuing a general downward trend.



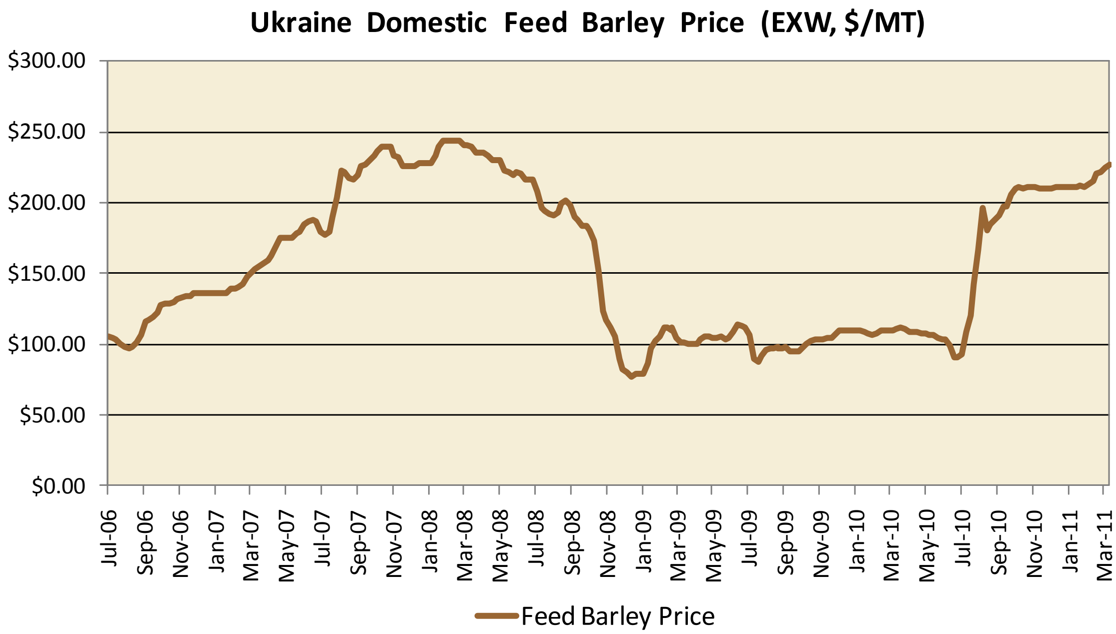
Source: State Statistics Committee of Ukraine

Despite lower overall crop in MY 2010/11, compound feed production has been on the same level and growing slightly in Ukraine this year. According to the State Statistics Committee of Ukraine, over the first eight months of this season, since July 2010, compound feed production reached 2,975,000 MT, 0.4% more compared to 2,965,000 MT over the same period last season. An increase in consumption of compound feed in Ukraine is stimulated by the large agricultural enterprises that developed and are still expanding vertically integrated and efficient domestic egg and poultry production.

Overall barley consumption in Ukraine in MY 2011/12 is estimated by FAS-Kyiv to decline by 5% on the expectation of unrestricted exports in the next season. Also, a decline in feed use in Ukraine by 7% compared to last year is forecasted by Post for MY 2011/12.

Trade:

The domestic market for barley saw a price jump at the beginning of MY 2010/11 due to world market influence and lower than expected harvest in Ukraine. Within a month, from August to September 2010, the average EXW price in Ukraine went from about $100 to almost $200 per metric ton for feed barley. Then in October 2010 the GOU implemented grain export quotas limiting export of barley. After the initial price increase the domestic market was characterized by stable but slow price growth (see chart below).



Source: Information Agency APK-Inform

Exports

FAS-Kyiv expects barley exports in MY 2011/12 to increase by over 50% on the year if no export restrictions are imposed in the new season. Good crop and favorable world market conditions would stimulate barley exports from Ukraine in the new season.

Barley exports in MY 2010/11 were estimated by FAS-Kyiv to not exceed 2.7 MMT due to lower crop and export restrictions imposed in Ukraine since the start of the season. Grain export quotas that among other major crops included barley was originally announced in Ukraine in October 2010 and was extended to continue until June 30, 2011. Thus, barley exports in MY 2010/11 are expected to decline by over 60% on the year.

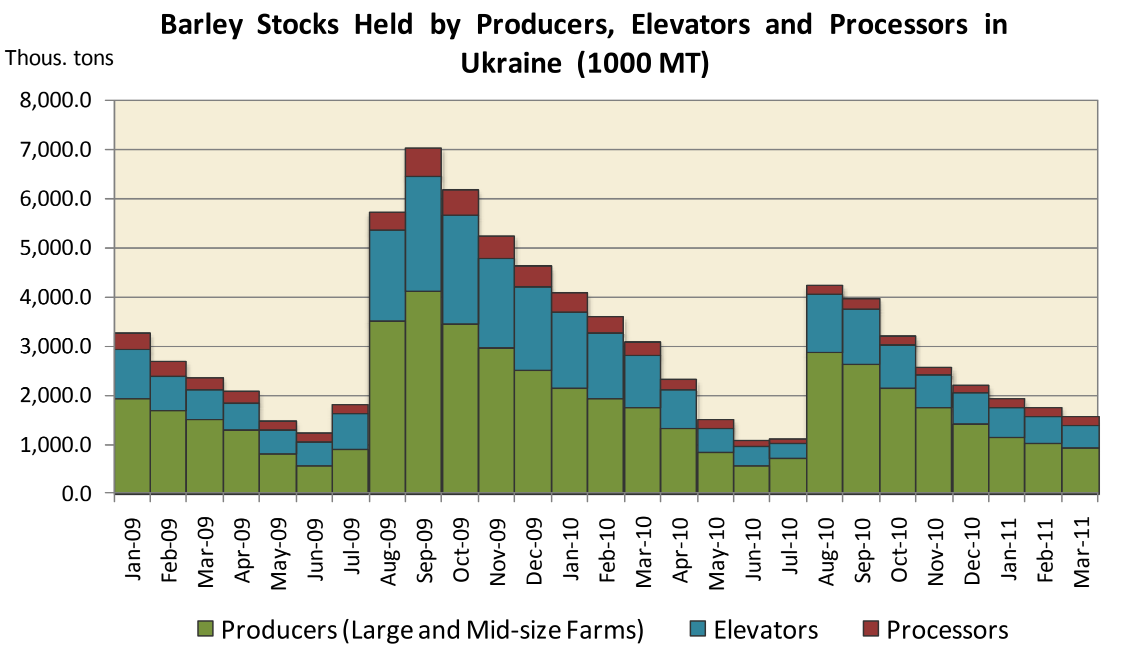
According to the State Customs Committee, Ukraine exported 2.4 MMT of barley during July-December 2010, compared to 3.1 MMT for the same period a year ago. Also, during the first three months of the current Marketing Year (MY: October-September), October-December 2010, Ukraine exported a mere 0.5 MMT barley according to the data from the State Customs Committee of Ukraine. By contrast, exports of barley form Ukraine for the same period in 2009 were over 1.5 MMT.

The main destinations for barley exports in MY 2010/11 to date were Oman, Switzerland, Syria, South Korea, Georgia, the Netherlands and Spain. Some of the traditional buyers of Ukrainian barley like Saudi Arabia, Jordan, or Iran were pretty much left out of the game due to early season export restrictions and consequent extension of grain exports quotas in Ukraine until the end of June 2011.

Next season's barley exports are expected to resume as usual if no export restrictions are imposed at that time in Ukraine. However, the demand picture may change as some of the major buyers are reconsidering future contracts with Ukraine due to high risk of Ukraine's government interference in market operations as experienced in the current season.

Stocks:

Barley stocks in Ukraine were much lower this year in comparison to the previous marketing year. As of March 1, 2011 there were almost 1.6 MMT of barley in stock in Ukraine, 50% year on year (3.1 MMT held in stocks on March 1, 2010). This figure includes 0.9 MMT held by large and mid-size farms (producers), about 0.5 MMT at elevators, and almost 0.2 MMT at processing enterprises. This data does not include stocks held at small and private farms in Ukraine.



Source: State Statistics Committee of Ukraine

Production, Supply and Demand Data Statistics:

Table 3. USDA Official and FAS-Kyiv Forecast Production Supply and Demand Statistics

Barley Ukraine	2009/2010			2010/2011			2011/2012		
	Market Year Begin: Jul 2009			Market Year Begin: Jul 2010			Market Year Begin: Jul 2011		
	Revised			Estimate			Forecast		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Harvested (1000 HA)	4,994	4,993	4,994	4,317	4,500	4,317			4,266
Beginning Stocks (1000 MT)	1,055	1,068	1,102	967	1,199	1,109			798
Production (1000 MT)	11,833	11,831	11,833	8,484	10,500	8,484			10,000
MY Imports (1000 MT)	11	0	7	5	5	5			0
TY Imports (1000 MT)	12	0	11	5	5	5			0
TY Imports from U.S. (1000 MT)	0	0	0	0	0	0			0
Total Supply (1000 MT)	12,899	12,899	12,942	9,456	11,704	9,598			10,798
MY Exports (1000 MT)	6,232	5,700	6,233	2,500	5,000	2,700			4,100
TY Exports (1000 MT)	5,752	5,700	5,753	2,800	5,000	2,900			4,200
Feed and Residual (1000 MT)	4,000	4,400	4,000	4,200	4,200	4,500			4,200
FSI Consumption (1000 MT)	1,700	1,600	1,600	1,600	1,600	1,600			1,600
Total Consumption (1000 MT)	5,700	6,000	5,600	5,800	5,800	6,100			5,800
Ending Stocks (1000 MT)	967	1,199	1,109	1,156	904	798			898
Total Distribution (1000 MT)	12,899	12,899	12,942	9,456	11,704.	9,598			10,798
Yield (1000 MT)	2.	2.	2.3694	2.	2	1.9653			2.3442

Commodities:

Corn

Production:

Corn production is expected to increase by 7% over the previous year and reach 12.7 MMT on the expectation of an increase in planting area and better weather conditions for crop this season compared to the last year's extreme heat and draught. The area planted under corn in spring 2011 is expected to be approximately 2,8 million ha, an increase of about 6%. A favorable world market situation with steadily growing demand for corn year after year has underpinned the price increases. Ukraine's growing domestic demand for corn, created by growing poultry production also stimulates corn production in the country. In addition, hog production is beginning to develop on the industrial level. Local analysts predict hog numbers will grow by ten digits for the next year.

However, corn yields in MY 2011/12 are estimated by FAS-Kyiv to stay at about the level of the current season. Although last year corn yields were negatively impacted by adverse weather conditions, this year the reason for stagnant yields may be seed quality. In recent years corn crops in Ukraine have seen a significant improvement in yields due to better quality seeds used by more and more producers. It is estimated that about 40-60% or all corn sown in Ukraine depends on seed imports. This year, all seed imports have been delayed. About 80% of all seeds intended for import and for planting in spring 2011 were not inside the country as of March 2010. This may result in farmers using lower quality seeds, and this would consequently have a negative effect on yields and crop quality.

Consumption:

Total consumption of corn in Ukraine in MY 2011/12 is expected to increase by almost 7% on the year. Feed consumption will drive the change. There are several factors that FAS-Kyiv anticipates will affect the development on the corn market in Ukraine in the next season.

First, grain traders will not be as aggressive in buying corn as they were in the few previous years. The developments with grain export restrictions and introduction of grain export quotas for the season of 2010-2011 is still fresh in their memory. There is some uncertainty as to the future GOU actions in this regard. This factor will keep domestic corn prices somewhat lower making domestic inputs attractive to the feed industry.

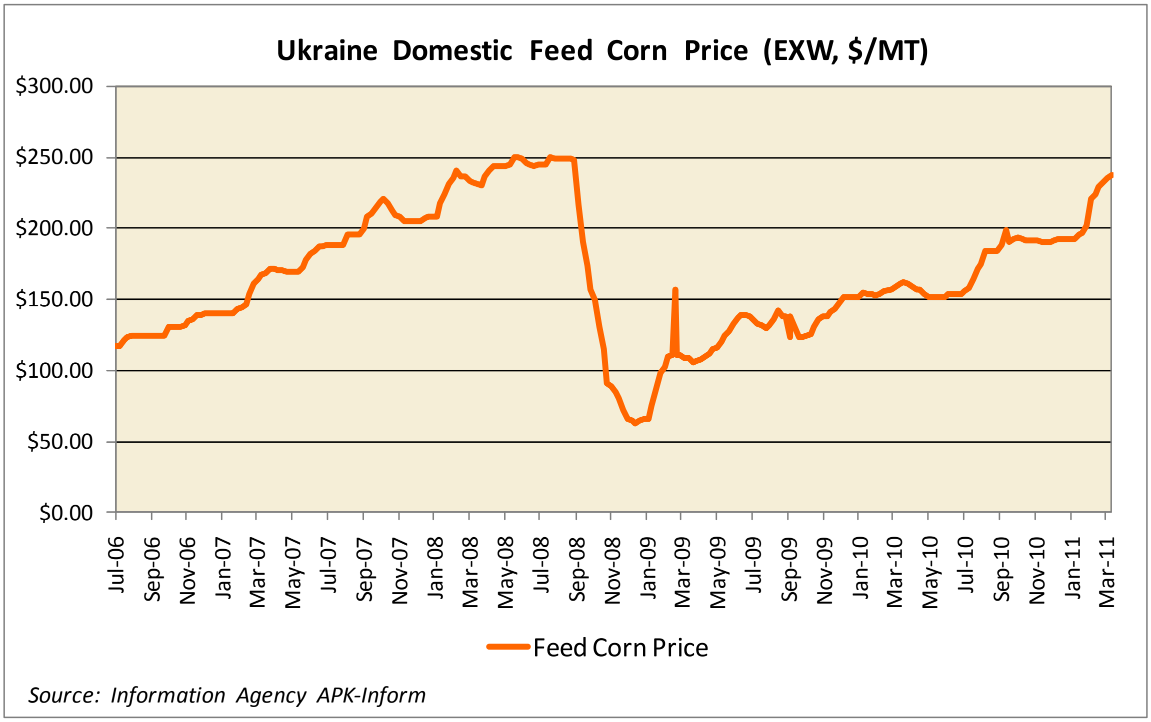
Second, growing domestic poultry production which uses corn as a major feed ingredient creates growing demand for this crop. These large industrial poultry producers in Ukraine are vertically integrated. These corporations purchase some feedstock but also have their own crop production and thus are able to optimize input costs.

Third, a continuing downward trend in the beef /dairy livestock sector in Ukraine will have a negative effect on the demand for corn in the domestic market.

Trade:

After a major drop in corn prices in late 2008, domestic corn price in Ukraine has been slowly recovering. By the beginning of October – the current MY 2010/11 – domestic corn price saw a significant increase to the average level of $192 where it stayed until the beginning of February 2011.

Wheat export difficulties that were observed in Ukraine in August and September 2010 influenced traders' interest in exports of other commodities like barley, corn, and oilseeds. In addition, at the time, Ukraine as well as other Black Sea Region countries was experiencing extreme weather conditions for weeks in a row. This stimulated domestic prices of corn to grow. Another price increase for corn in Ukraine occurred in late February 2011 on the expectation that export quotas would be lifted by end of March.



Exports

For the next marketing year corn exports are estimated by FAS-Kyiv to increase slightly, by 3% on year and reach 6 MMT in MY 2011/12. Demand for corn on the world market is expected to remain strong. Russia and Belarus may once again get into the top buyers list for Ukraine while the share of the traditional major buyers of Ukrainian corn from the recent years, Egypt, Libya, and Tunisia, may decline. See historic data on exports of corn from Ukraine in the Statistical Tables Section in the end of this Report.

Corn exports in Ukraine in MY 2010/11 were affected by grain export quotas that were imposed in October 2010 and were extended twice to remain in place until the end of June 2011. The corn export limit was originally set to 2 MMT but was increased to 5 MMT for the duration of the current grain export quota, until June 30, 2011.

Over the first three months of MY 2010/11 that began in October 2010, according to the State Customs Committee of Ukraine, there were 1.4 MMT corn exported from Ukraine, 58% lower than last year (over 2.4 MMT corn exported from Ukraine during the same period in 2009).

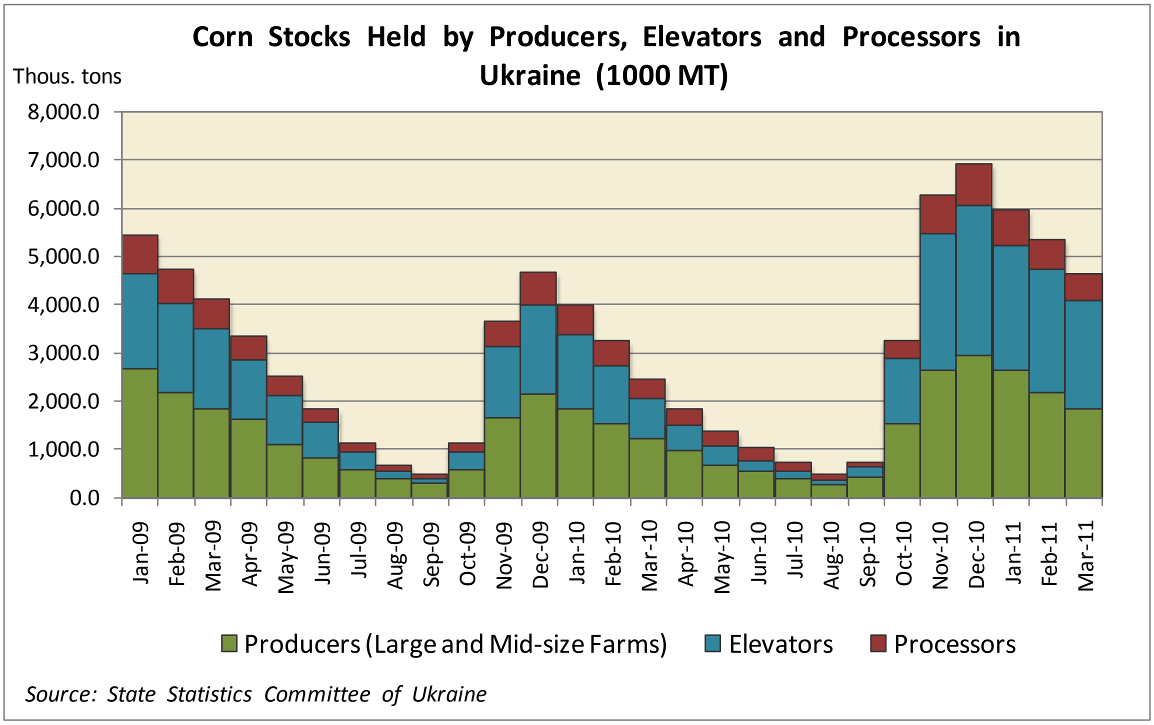
Imports

Ukraine imports minimal quantities of corn, the majority of which are seeds for planting. The United States has been one of the largest suppliers over the last three years, holding 25-50% of the imported corn seeds market in Ukraine. The statistics on imports of corn reflect a composition of at least 90% seeds for planting. See Statistical Tables in the end of this Report for details on corn imports to Ukraine.

Stocks:

Corn stocks in MY 2010/11 remained at good levels during the first half of the season, and in March 2011 were 90% over the level of March 2010. However, ending corn stocks are expected be tight on strong exports and an increase in domestic consumption.

As of March 2011, according to the State Statistics Committee of Ukraine, corn stocks were 4.6 MMT. Corn stocks which 1.8 MMT were held by large and mid-size farms, over 2.2 MMT had accumulated in elevators and about 0.5 MMT at processing facilities.



Production, Supply and Demand Data Statistics:

Table 4. USDA Official and FAS-Kyiv Forecast Production Supply and Demand Statistics

Corn Ukraine	2009/2010			2010/2011			2011/2012		
	Market Year Begin: Oct 2009			Market Year Begin: Oct 2010			Market Year Begin: Oct 2011		
	Revised			Estimate			Forecast		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Harvested (1000 HA)	2,089	2,088	2,089	2,648	2,100	2,645			2,800
Beginning Stocks (1000 MT)	937	789	705	661	567	450			479
Production (1000 MT)	10,486	10,468	10,486	11,919	9,900	11,919			12,700
MY Imports (1000 MT)	10	10	27	10	10	10			5
TY Imports (1000 MT)	10	10	27	10	10	10			5
TY Imports from U.S. (1000 MT)	0	2	7	0	2	5			2
Total Supply (1000 MT)	11,433	11,267	11,218	12,590	10,477	12,379			13,184
MY Exports (1000 MT)	5,072	5,000	5,068	5,500	4,300	5,800			6,000
TY Exports (1000 MT)	5,072	5,000	5,068	5,500	4,300	5,800			6,000
Feed and Residual (1000 MT)	5,000	5,000	5,000	5,700	4,900	5,400			6,000
FSI Consumption (1000 MT)	700	700	700	700	700	700			700
Total Consumption (1000 MT)	5,700	5,700	5,700	6,400	5,600	6,100			6,700
Ending Stocks (1000 MT)	661	567	450	690	577	479			484
Total Distribution (1000 MT)	11,433	11,267	11,218	12,590	10,477.	12,379			13,184
Yield (1000 MT)	5.	5.	5.0196	5.	5	4.5062			4.5357

Commodities:

Rye

Production:

Rye production in MY 2011/12 is estimated at 550,000 MT, an improvement of 18% on the year. This FAS-Kyiv forecast is based on the expectation of favorable weather conditions both for winter and for spring plantings and an average yield of about 2.0 MT/ha. The sown area in MY 2011/12 is expected to be 274,000 ha, a slight decrease from 279,000 ha a year prior.

Consumption:

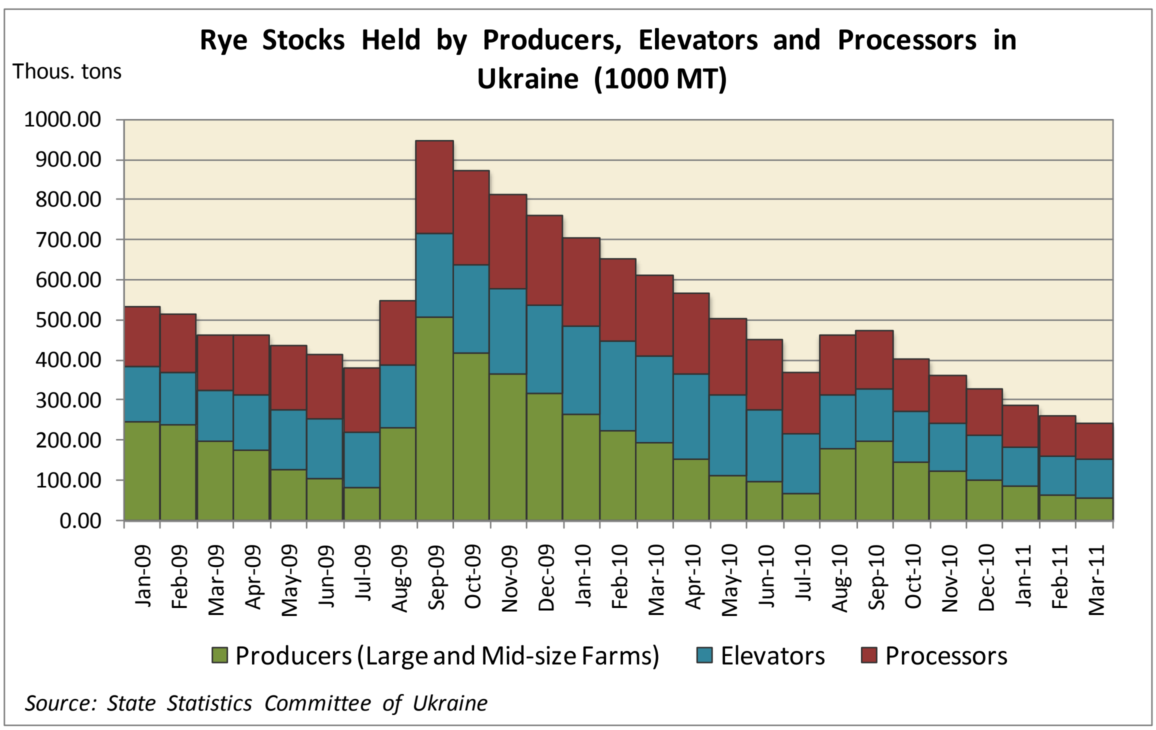
Rye consumption for feed, industrial, and human use is anticipated to decrease in MY 2011/12. Tight stocks and a slowing demand in rye bread consumption resulted in the MY 2010/11 overall consumption to be revised down. Carry-over stocks for the beginning of the MY 2011/12 are estimated by FAS-Kyiv to be a tight call at 146,000 MT.

Trade:

FAS-Kyiv forecasts rye exports for the next MY 2011/12 beginning July 2011 to be lower than in the current MY. Tight supplies and limited demand from international buyers will be the main driving forces for exports for the next season. In MY 2010/11 exports of rye from Ukraine were limited by grain export quotas (see Statistical Tables in the end of this Report for details). Also, there is some probability that rye exports from Ukraine next season may be restricted by the GOU.

Stocks:

Rye stocks accumulated in Ukraine since the harvest in summer 2011 were much lower that 40% year on year, 242 TMT March 1, 2011 stocks, 610 TMT on March 1, 2010.



Production, Supply and Demand Data Statistics:

Table 5. USDA Official and FAS-Kyiv Forecast Production Supply and Demand Statistics

Rye Ukraine	2009/2010			2010/2011			2011/2012		
	Market Year Begin: Jul 2009			Market Year Begin: Jul 2010			Market Year Begin: Jul 2011		
	Revised			Estimate			Forecast		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Harvested (1000 HA)	461	461	461	279	300	279			274
Beginning Stocks (1000 MT)	313	310	381	461	454	367			146
Production (1000 MT)	954	954	954	464	630	465			550
MY Imports (1000 MT)	0	0	0	2	0	2			0
TY Imports (1000 MT)	2	0	2	0	0	0			0
TY Imports from U.S. (1000 MT)	0	0	0	0	0	0			0
Total Supply (1000 MT)	1,267	1,264	1,335	927	1,084	834			696
MY Exports (1000 MT)	56	10	55	125	5	38			25
TY Exports (1000 MT)	93	10	93	100	5	10			55
Feed and Residual (1000 MT)	50	100	100	50	80	50			10
FSI Consumption (1000 MT)	700	700	813	650	700	600			550
Total Consumption (1000 MT)	750	800	913	700	780	650			560
Ending Stocks (1000 MT)	461	454	367	102	299	146			111
Total Distribution (1000 MT)	1,267	1,264	1,335	927	1,084.	834			696
Yield (1000 MT)	2.	2.	2.0694	2.	2	1.6667			2.0102

Commodities:

All Grains

Policy

The grain policy in Ukraine has changed dramatically since summer 2010. A new president was elected in Ukraine in early 2010. His administration launched constitutional and administrative reforms that also changed agricultural policy in Ukraine. The reforms are still in progress and Ministry of Agriculture and Food is still undergoing changes, mostly reductions in executive positions and some redistribution of portfolios.

Within these government changes the Ministry of Agrarian Policy of Ukraine was renamed the Ministry of Agrarian Policy and Food of Ukraine and a new minister appointed. The new minister supports the party of the president and has been moving policy towards more government intervention in markets for agricultural products. Introduction of grain export quotas is the most obvious example of policy turns taken by the GOU. Some of the GOU policy changes were unexpected and were implemented quickly.

Grain export restrictions were implemented in Ukraine in the second half of 2010 starting with burdensome and restrictive State Customs measures applied in ports of loading mainly for wheat exports in August-September 2010 and then with official export quotas coming into force October 19, 2010 and remaining in place until June 30, 2011. The following grains and quantities were covered under the latest export quota regulation:

Corn	5,000,000 MT
Wheat	1,000,000 MT
Barley	200,000 MT
Buckwheat	1,000 MT
Rye	1,000 MT

Export Quota Timeline:

- In late July 2010, additional grain testing was required by the State Customs Service at points of export. The official GOU objective for such measures was the accuracy and compliance with contract terms of each corresponding shipment and prevention of unregistered or grey market deals being executed while the country might experience a shortage of food wheat. This resulted in delays of cargo for up to 8 weeks. Mainly wheat shipments were scrutinized but other grains were also tested and delayed from time to time.

- On October 18, 2010 the Cabinet of Ministers of Ukraine signed Resolution #938 (October 4, 2010) effective immediately setting export quotas: for wheat – 500,000 MT; barley – 200,000 MT; corn – 2,000,000 MT; buckwheat – 1,000 MT; and for rye – 1,000 MT. A grain export licensing process was coordinated by the Ministry of Economic Development and Trade of Ukraine, formerly called Ministry of Economy of Ukraine. Export license applications required certification of grain quantities that the applicant had at its disposal; these were issued by the Ministry of Agrarian Policy and Food. The application period lasted until November 3, 2010. Lack of clarity and non-transparency characterized the process of quota distribution.
- In December 2010 the Cabinet of Ministers of Ukraine signed Resolution #1182 (December 6, 2010) changing the original export quota legislation. The new regulation extended the duration of the grain export quota regime until March 30, 2011 and increased the quantities of grain allowed for export by 500,000 MT of wheat and by 1,000,000 MT of corn. The applications for the additional grain export quota were collected by the Ministry of Economic Development and Trade of Ukraine between December 31, 2010 and January 6, 2011. Similar to the previous round of quota distribution, market players reported unfair treatment and lack of transparency in the procedures. A majority of grain export quota was awarded to Khlib Investbud, a trading division of a larger State-run enterprise, the State Food and Grain Corporation of Ukraine. As in the previous distribution International and domestic grain trade representative received small shares or no shares of the quotas.
- On April 2, 2011 the Cabinet of Ministers of Ukraine signed Resolution #337 (dated March 30, 2011) again extending the duration of grain export quotas, until June 30, 2011. This legislation increased the quantity of corn exports by 2,000,000 MT and left quantities of the rest of the grains unchanged. A draft law considered by the GOU would allow auctioning of the grain export quotas among qualified participants, but the procedure for this auction of the additional corn quota was not determined at the time this report was written.

The effect of the quotas and the way the quotas were implemented and distributed in MY 2010/11 in Ukraine have caused negative impacts on both Ukraine's agriculture and the world market. There was limited activity on the domestic market while exports were restricted. Millers and bakers were struggling to get inputs at prices that allowed them to make their products (flour, bread) and still sell them at government-controlled prices. Many new agricultural products were recently added to the list of government- controlled items:

- wheat
- grain mixture of wheat and rye (meslin)
- corn
- barley
- rye
- peas
- buckwheat
- millet
- oats
- soybean
- sunflower seeds
- rapeseed
- flaxseed
- hop cones
- sugar beet
- wheat flour
- rye flour
- meat and offal of slaughtered animals and poultry
- milk powder
- butter
- sunflower oil

The Ukrainian Agrarian Confederation has estimated that losses to Ukrainian agriculture are over $1 billion due to grain export restrictions in MY 2010/11. Foregone revenue at peak international prices and the resultant lack of investment and liquidity in the agricultural sector have been calculated variously.

Starting February 1, all export contracts for a variety of agricultural commodities including wheat, corn, barley, soybeans, sunflower seeds and oil, rapeseeds, and others from the list of price-controlled products above must be registered with the GOU in order to be concluded (see FAS-Kyiv report New Measures Governing Export of Grain and Oilseeds Ukraine Feb 2011). The Agricultural Exchange or designated exchanges were made the authority for registration of export contracts. The Agricultural Exchange was created by Cabinet of Ministers Resolution #1285 on December 26, 2005.

In the first months of 2011, the GOU has considered legislation on grain exports that would promote state or quasi-state trading and require grain traders to finance farm operations in Ukraine in exchange for future export quotas. Draft Law #8163 was submitted to the GOU on February 25, 2011. Its predecessor #8053 was widely opposed by the grain trading industry and GAFTA and in late February it was rejected by Parliament. Draft #8163 has been criticized for most of the same reasons that #8053 was opposed, but it has yet to be withdrawn or vetoed.

There appears to be an intention to maintain the role of institution Khlib Investbud, with GOU quotas or without them. On March 16, 2011 it was announced that Khlib Investbud had started a forward contracts campaign for the 2011 crop and intended to purchase 786,000 MT of wheat, 99,000 MT of rye, and 10,000 MT of buckwheat. Khlib Investbud was contracted by the Agrarian Fund to conduct state purchases of grains for the State Intervention Fund. According to the top management of Khlib Investbud, the company was signing futures contracts with Ukrainian farmers with the disbursement of payment as follows:

- 50% contract value paid right after the futures contract signed
- 20% paid right before the harvest
- 30% paid after the harvest to complete the contract

This scheme is said to be developed to provide farmers with financing they need for the spring planting campaign. The GOU put the Agrarian Fund (AF) in charge of providing agricultural producers with inputs (mostly fertilizers and fuel) at discounted prices. AF would provide 10-15% discount on ammonium nitrate fertilizer and about 6.7% discount on fuel. These inputs were to be supplied by Ukraine’s largest fertilizer and fuel producers.

In view of these developments in the agricultural sector of Ukraine the investment community has made a number of statements to indicate dissatisfaction. Investors have warned they will reconsider Ukrainian projects. The European Bank for Reconstruction and Development (EBRD) warned that it is becoming too risky to invest in Ukraine. Also, International Monetary Fund (IMF) included improved grain market conditions and transparency in market operations into its requirements for Ukraine to receive the next tranche of funds the IMF plans to provide under the Stand-by-Agreement.

The GOU adopted a new Tax Code in the beginning of 2011. One of the changes involved modification of the Value Added Tax (VAT) program eliminating grains and oilseeds exporters from the list of those exempt from VAT payments. From now on only producers (first-hand sellers) of grains and oilseeds will be eligible for 0% VAT. Other market players will have to pay 20% VAT on the purchases of these agricultural commodities. This new legislation has both a positive side and a negative side for trade. On one hand, the GOU will no longer be accumulating debt in VAT refunds to the traders. On the other hand, this new legislation created some confusion as to its implementation, and resulted in significant price differences on the domestic market, and created difficulties for the operations of the GOU enterprises like the Agrarian Fund.

Finally, the Ministry of Agrarian Policy and Food of Ukraine expressed the intention to stimulate local seed producers (mostly research institutions under the jurisdiction of National Academy of Agricultural Sciences of Ukraine) to develop domestic planting material of better quality. However, state research facilities lack resources while commercial seed producers are hesitant to team up with local institutions due to uncertainty over Intellectual Property Rights regulation and implementation in Ukraine. In addition, time needed to produce new high-quality varieties or hybrids of corn is usually estimated in years. Consequently, Ukrainian producers of corn will lose in yields this year unless imports of quality corn seeds are allowed in time for the spring 2011 planting campaign.

For MY 2011/12, the GOU could once again introduce grain export quotas or impose some other export limiting restrictions similar to the ones of MY 2010/11. Statements made by the Ministry of Agrarian Policy and Food of

Ukraine and those made by the President's Administration or other GOU officials contradicted one another on many occasions in recent months. However, it is clear at this point that the GOU is determined to exercise more control over grain and feed market operations in Ukraine.

Port Infrastructure for Grain Export and Transit

Ukraine has well developed grain maritime shipment infrastructure. However, it has been expanding its port capacity in recent years. Some ports have undergone reconstruction and enhanced loading speed and their ability to serve more and larger vessels.

In Port Nikolaev, in 2010 the largest Ukrainian grain trader Nibulon deepened the sea floor of the port to allow loading of Panamax-size vessels from the company's terminal. Also, Nibulon had a project to build a fleet of 100 vessels mainly for river transportation of grain and oilseeds in Ukraine (linking mostly Central and Northern regions). The cargo was planned to be transported on the rivers Dnipro and Pivdenny Buh to be stored and consequently exported from Nibulon's port storage facilities at the Black Sea. These projects were financed by international financial institutions (see comments on EBRD above) and are now put on hold because Nibulon had a very unprofitable year due to export restrictions implemented in Ukraine in MY 2010/11.

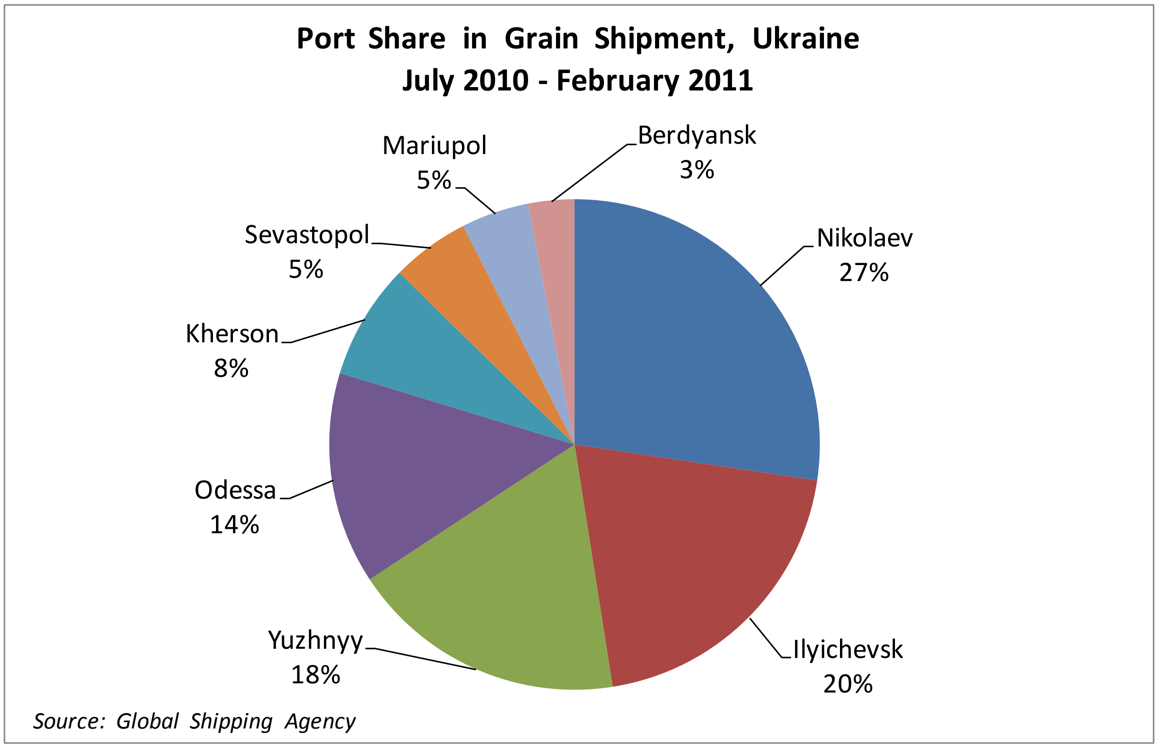
Also, a number of international grain traders like Bunge and CHS have recently acquired port capacities in Ukraine, in ports of Nikolaev and Ilyichevsk. Current agricultural commodity transshipment capacity of ports in Ukraine is estimated by industry experts to be 38 MMT with 12 out of total 18 sea ports in the country having capacities for grain storage and loading for export.

The table and chart below show data on Ukrainian port shipments of grain since the beginning of MY 2010/11. The largest grain shipper so far was the port of Nikolaev with over 2.8 MMT grain shipped between July 2010 and February 2011.

Table 6. Grains Shipped by Port, Ukraine, July 2010 - February 2011

Port	Quantity, MT	%
Nikolaev	2,852,950	27.3
Ilyichevsk	2,104,546	20.2
Yuzhnyy	1,900,457	18.2
Odessa	1,458,276	14.0
Kherson	796,825	7.6
Sevastopol	538,043	5.2
Mariupol	464,956	4.5
Berdyansk	317,919	3.0
Subtotal	10,433,972	100.0

Source: Global Shipping Agency

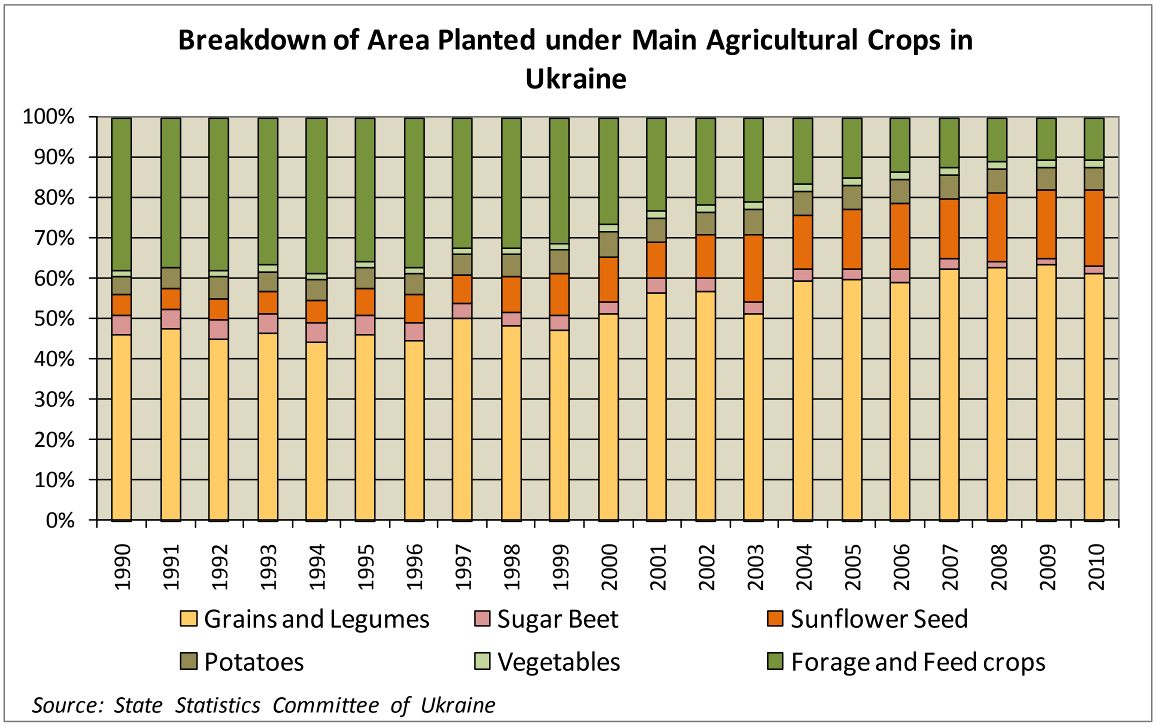

Port Share in Grain Shipment, Ukraine
July 2010 - February 2011
Mariupol 5%
Berdyansk 3%
Nikolaev 27%
Sevastopol 5%
Kherson 8%
Odessa 14%
Yuzhnyy 18%
Ilyichevsk 20%
Source: Global Shipping Agency

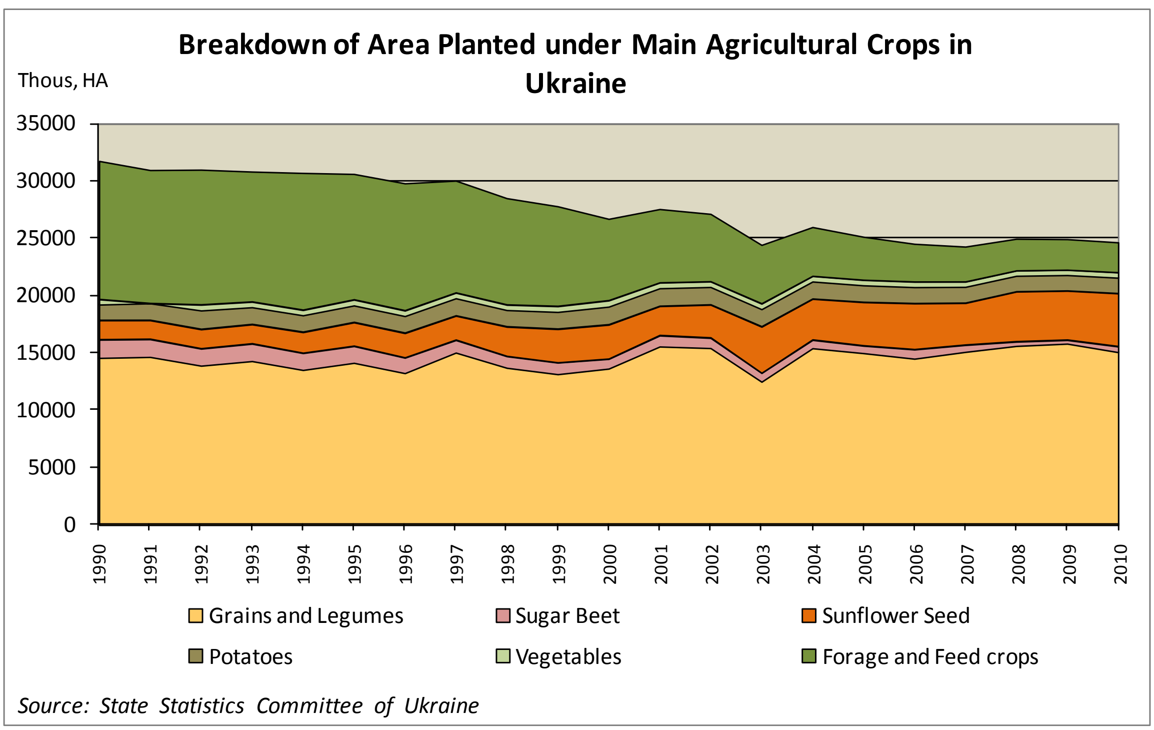
Statistical Tables

Statistical Data on Grains and Pulse Production in Ukraine, 2010

Crop	Area Harvested 1,000 ha	Production 1,000 MT	Yield MT/ha
Wheat	6284.0	16844.5	26.8
Barley	4317.0	8483.6	19.7
Corn	2647.9	11918.6	45
Rye	279.1	464.5	16.6
Oats	310.8	458.3	14.7
Millet	85.4	117.1	13.7
Buckwheat	198.6	133.7	6.7
Rice	29.3	147.9	50.5
Total Grains and Pulses	15469.7	39223.7	26.9

Source: State Statistics Committee of Ukraine


Breakdown of Area Planted under Main Agricultural Crops in Ukraine
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Grains and Legumes
Sugar Beet
Sunflower Seed
Potatoes
Vegetables
Forage and Feed crops
Source: State Statistics Committee of Ukraine


Breakdown of Area Planted under Main Agricultural Crops in Ukraine
Thous, HA
35000
30000
25000
20000
15000
10000
5000
0
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Grains and Legumes
Sugar Beet
Sunflower Seed
Potatoes
Vegetables
Forage and Feed crops
Source: State Statistics Committee of Ukraine

Wheat Export Statistics by Month and Destination, Ukraine, MY 2010/11, 1000 MT

Destination	Jul.2010	Aug.2010	Sept.2010	Oct.2010	Nov.2010	Dec.2010	Subtotal
World	224.6	428.6	610.2	760.7	195.1	361.7	2,581.0
Syria	14.3	97.0	183.0	139.0	40.3	5.1	478.7
Uganda	42.9	99.2	53.5	65.0	28.2	32.7	321.4
Libya	0.5	72.6	45.5	106.9	0.0	61.5	287.0
Singapore	0.0	0.0	16.3	50.0	23.9	102.7	193.0
Philippines	5.6	7.2	14.8	63.0	27.0	73.6	191.1
Belarus	51.2	0.0	42.4	53.3	25.2	9.5	181.5
Taiwan	0.0	41.6	76.7	52.3	0.0	0.0	170.5
Serbia	25.0	25.3	25.5	22.5	27.2	0.0	125.3
United Kingdom	10.8	0.0	11.8	84.5	0.0	0.0	107.1
Russia	0.0	0.0	22.0	29.3	0.0	52.8	104.0
New Zealand	9.1	0.0	36.5	47.7	6.2	0.0	99.5
Rwanda	0.2	58.9	0.0	0.0	0.0	0.0	59.2
South Africa	50.3	0.0	0.0	0.0	0.0	0.0	50.3
Thailand	0.0	0.0	1.6	21.0	5.7	20.9	49.2
Palestine	0.0	0.0	14.4	15.6	0.0	0.0	30.0
Myanmar	0.0	0.0	28.6	0.0	0.0	0.0	28.6
Jordan	0.0	6.7	20.2	0.0	0.0	0.0	26.9
Iraq	0.0	14.6	0.0	3.8	0.0	0.0	18.4
Armenia	7.6	5.4	0.0	0.0	0.0	0.0	13.0
Somalia	0.0	0.0	6.0	1.9	1.0	0.0	8.9
Japan	0.0	0.0	0.0	0.0	7.0	0.0	7.0
Bangladesh	0.0	0.0	3.0	0.0	3.1	0.0	6.1
Albania	0.0	0.0	5.5	0.0	0.0	0.0	5.5
Kenya	0.0	0.0	1.8	3.3	0.0	0.0	5.2
Egypt	0.0	0.0	0.0	0.0	0.0	3.1	3.1
Nigeria	2.4	0.0	0.0	0.0	0.0	0.0	2.4
Kyrgyzstan	2.2	0.0	0.0	0.0	0.0	0.0	2.2
Congo	0.0	0.0	1.3	0.0	0.0	0.0	1.3
Chad	0.7	0.0	0.0	0.5	0.0	0.0	1.3
Sudan	0.6	0.0	0.0	0.5	0.0	0.0	1.1
United Arab Emirates	0.0	0.0	0.0	0.2	0.5	0.0	0.7
India	0.6	0.0	0.0	0.0	0.0	0.0	0.6
Spain	0.5	0.0	0.0	0.0	0.0	0.0	0.5
Malaysia	0.0	0.0	0.0	0.2	0.0	0.0	0.2
Other	0.1	0.0	0.0	0.0	0.0	0.0	0.1

Source: State Customs Committee of Ukraine

Wheat Exports from Ukraine by Destination, MY, 1000 MT

Destination	July 07- June 08	July 08- June 09	July 09- June 10	% Change MY 2009/10 to 2009/08
World	911.2	12,714.6	9,157.4	-28.0
Bangladesh	53.2	1,125.5	1,397.9	24.2
Korea South	0.0	1,227.9	1,280.3	4.3
Spain	31.4	2,881.9	800.8	-72.2
Tunisia	100.4	454.9	757.3	66.5
Egypt	75.9	1,126.2	718.0	-36.2
Kenya	38.5	237.0	644.4	171.9
Israel	155.7	853.0	508.7	-40.4
Syria	14.0	144.5	301.9	109.0
Vietnam	0.0	81.8	275.3	236.5
Iran	0.0	191.8	269.4	40.5
Unidentified Country	0.0	75.5	208.0	175.6
Jordan	99.0	351.4	205.0	-41.7
Philippines	0.0	1,133.6	197.7	-82.6
Libya	13.5	218.2	148.3	-32.0
Indonesia	0.0	59.5	115.3	93.9
Lebanon	0.0	74.6	105.4	41.4
Djibouti	0.0	118.0	102.6	-13.0
Italy	65.2	353.6	102.1	-71.1
Sudan	0.0	20.9	97.5	365.8
Turkey	45.7	193.1	81.9	-57.6
Algeria	0.0	118.7	70.2	-40.8
Uganda	0.0	41.3	63.0	52.4
Yemen	0.0	2.3	61.0	2,501.2
Malaysia	0.0	12.7	54.8	331.9
South Africa	0.0	0.0	53.1	0.0
Switzerland	0.0	20.3	46.1	127.5
Nigeria	0.0	37.6	42.2	12.3
United Kingdom	5.8	90.9	38.2	-58.0
Hungary	0.0	23.0	36.5	59.1
United Arab Emirates	0.0	0.0	34.7	0.0
Mauritania	0.0	49.3	34.6	-29.7
Netherlands	2.9	187.3	33.1	-82.3
Sri Lanka	0.0	23.3	31.1	33.3
Tanzania	0.0	0.0	28.7	0.0
Taiwan	0.0	2.5	25.0	900.7
Japan	0.0	9.1	24.1	166.0
Korea North	0.0	11.2	22.5	101.0
Somalia	0.0	52.6	22.0	-58.2
Georgia	8.8	27.5	15.0	-45.4
Congo	0.0	8.2	12.3	49.8
Austria	0.0	24.0	12.2	-49.3
Thailand	0.0	20.5	10.6	-48.4
Other	201.4	1,029.4	68.3	-93.4

Source: State Customs Committee of Ukraine

Barley Export Statistics by Month and Destination, Ukraine, MY 2010/11, 1000 MT

Destination	Jul.2010	Aug.2010	Sept.2010	Oct.2010	Nov.2010	Dec.2010	Subtotal
World	414.4	835.1	552.6	384.0	82.8	109.1	2,378.0
Oman	235.6	521.9	386.6	342.8	58.2	49.3	1,594.5
Switzerland	13.2	95.1	12.8	18.7	15.0	18.8	173.6
Syria	35.1	34.7	11.2	17.0	9.6	38.4	145.9
Korea South	23.2	22.5	73.4	0.0	0.0	0.0	119.1
Georgia	0.0	71.5	6.6	2.8	0.0	0.0	80.9
Netherlands	36.2	34.8	0.0	0.0	0.0	0.0	71.0
Spain	29.8	26.9	11.0	0.0	0.0	0.0	67.7
Gibraltar	0.0	0.0	33.0	0.0	0.0	0.0	33.0
Bahrain	8.6	0.4	6.0	2.5	0.0	0.0	17.4
Algeria	11.1	3.6	0.0	0.0	0.0	2.5	17.2
Japan	0.0	5.5	10.4	0.0	0.0	0.0	15.9
Israel	3.3	11.5	0.0	0.0	0.0	0.0	14.8
Uzbekistan	5.1	0.0	0.0	0.0	0.0	0.0	5.1
Iraq	4.8	0.0	0.0	0.0	0.0	0.0	4.8
Austria	4.5	0.0	0.0	0.0	0.0	0.0	4.5
Lebanon	0.0	2.8	1.3	0.2	0.0	0.1	4.3
New Zealand	0.0	2.8	0.0	0.0	0.0	0.0	2.8
France	2.7	0.0	0.0	0.0	0.0	0.0	2.7
Iran	0.7	1.0	0.4	0.0	0.0	0.0	2.1
Pakistan	0.5	0.0	0.0	0.0	0.0	0.0	0.5
Saudi Arabia	0.1	0.0	0.0	0.0	0.0	0.0	0.1
Kazakhstan	0.0	0.1	0.0	0.0	0.0	0.0	0.1

Source: State Customs Committee of Ukraine

Barley Exports from Ukraine by Destination, MY, 1000 MT

Destination	July 07-June 08	July 08-June 09	July 09-June 10	% Change MY 2009/10 to 2009/08
World	1045.0	6371.2	6232.7	-2.2
Saudi Arabia	520.0	2555.4	3918.7	53.3
Jordan	99.0	312.2	410.7	31.5
Iran	47.6	1277.5	372.7	-70.8
Israel	44.1	229.4	302.2	31.8
Libya	2.8	120.4	245.4	103.9
Kuwait	0.0	123.4	166.2	34.7
Japan	0.0	0.0	160.0	0.0
Syria	86.2	834.5	99.3	-88.1
Morocco	13.6	48.1	98.0	104.0
Turkey	51.2	25.8	74.6	189.5
Switzerland	5.6	51.1	66.8	30.7
Netherlands	0.0	57.4	51.3	-10.7
Tunisia	43.0	104.7	45.7	-56.4
Lebanon	5.6	39.5	34.6	-12.5
Vietnam	0.0	0.0	33.0	0.0
United Kingdom	7.0	43.7	22.5	-48.4
Hungary	0.0	0.0	22.2	0.0
Cyprus	73.6	121.0	14.8	-87.7
Algeria	0.0	76.8	13.0	-83.1
Uzbekistan	0.0	4.9	12.6	155.9
France	0.0	0.0	12.1	0.0
United Arab Emirates	0.0	83.9	11.1	-86.7
Kazakhstan	0.0	50.5	10.0	-80.1
Latvia	1.0	0.0	9.0	0.0
Spain	0.0	34.0	8.0	-76.5
Gibraltar	0.0	0.0	5.1	0.0
Oman	0.0	34.4	4.6	-86.6
Pakistan	0.0	0.0	3.2	0.0
Georgia	0.0	0.0	2.2	0.0
Austria	0.0	0.0	1.0	0.0
Armenia	0.7	0.3	0.8	157.3
Moldova	0.0	0.1	0.4	403.8
New Zealand	0.0	0.0	0.3	0.0
Iraq	0.0	9.5	0.2	-97.7
Belarus	9.3	6.3	0.2	-97.3
Russia	1.3	0.0	0.0	73.9
Egypt	0.0	0.0	0.0	-100.0
Azerbaijan	0.0	0.9	0.0	-100.0
Italy	6.3	2.8	0.0	-100.0
Germany	0.0	17.1	0.0	-100.0
Greece	26.5	7.8	0.0	-100.0
Qatar	0.0	97.9	0.0	-100.0

Source: State Customs Committee of Ukraine

Corn Export Statistics by Month and Destination, Ukraine, MY 2010/11, 1000 MT

Destination	Oct.2010	Nov.2010	Dec.2010	Subtotal
World	240.4	198.9	965.2	1,404.5
Egypt	95.5	32.6	310.6	438.7
Syria	43.7	32.3	114.5	190.6
Spain	57.1	52.1	75.3	184.6
Libya	6.8	26.2	43.8	76.8
Israel	0.0	37.5	52.1	89.6
Portugal	0.0	0.0	82.3	82.3
Iran	0.0	0.0	63.7	63.7
Tunisia	0.0	0.0	53.8	53.8
Lebanon	9.6	9.1	26.7	45.3
Turkey	0.0	2.8	30.1	32.8
Italy	6.7	0.0	26.4	33.0
France	0.0	0.0	30.1	30.1
Azerbaijan	0.8	0.0	15.9	16.7
Armenia	3.3	0.0	9.5	12.8
Netherlands	0.0	0.0	16.0	16.0
Georgia	2.0	0.0	6.1	8.1
Poland	0.0	6.2	5.7	11.9
Lithuania	3.1	0.0	0.4	3.6
Belarus	4.3	0.0	0.0	4.3
Sudan	3.9	0.0	0.0	3.9
Cyprus	0.0	0.0	2.2	2.2
Hungary	2.0	0.0	0.0	2.0
Uzbekistan	0.0	0.0	0.0	0.0
Estonia	0.4	0.0	0.0	0.4
Latvia	0.7	0.0	0.0	0.7
Russia	0.5	0.1	0.0	0.6
United Kingdom	0.0	0.0	0.0	0.0

Source: State Customs Committee of Ukraine

Corn Exports from Ukraine by Destination, MY, 1000 MT

Destination	Oct 07-Sept 08	Oct 08-Sept 09	Oct 09-Sept 10	% Change MY 2009/10 to 2009/08
World	2074.0	5497.2	5067.6	-7.8
Egypt	0.0	1037.7	1583.1	52.5
Syria	82.8	657.0	652.3	-0.7
Israel	13.3	413.2	514.2	24.4
Libya	10.6	207.2	382.0	84.4
Tunisia	18.5	359.4	316.4	-12.0
Portugal	0.0	52.0	271.0	421.7
Spain	88.2	234.4	261.5	11.5
Japan	0.0	194.1	252.9	30.3
Algeria	16.5	265.5	184.0	-30.7
Turkey	238.4	194.5	165.0	-15.2
Lebanon	5.9	48.8	104.1	113.6
Iran	0.0	695.8	73.7	-89.4
Belarus	127.2	155.1	55.3	-64.3
Kenya	0.0	83.2	46.1	-44.6
Netherlands	12.2	97.7	41.9	-57.1
Georgia	21.2	27.9	28.3	1.5
Sudan	0.0	53.3	23.5	-56.0
Russia	303.5	31.6	17.1	-45.9
Azerbaijan	30.3	34.6	11.6	-66.5
Switzerland	0.0	6.2	10.2	64.8
Cyprus	78.6	29.7	9.5	-68.1
Hungary	6.1	55.6	8.2	-85.2
Jordan	0.0	61.4	8.1	-86.8
Italy	212.7	6.2	7.5	21.7
Armenia	14.4	5.9	7.3	24.2
United Kingdom	0.0	12.7	6.8	-46.5
Lithuania	151.4	21.0	6.4	-69.3
Anguilla	0.0	0.0	6.3	100.0
Malaysia	0.0	3.8	4.0	6.1
Uzbekistan	1.0	17.1	3.1	-82.1
Turkmenistan	0.0	0.1	1.8	3,107.1
United States	0.0	0.0	1.6	100.0
Estonia	12.9	12.1	1.3	-89.3
Latvia	32.1	10.1	1.1	-89.1
Moldova	30.7	0.0	0.4	1,014.3
Kazakhstan	0.1	3.8	0.1	-97.1
Other	565.4	402.7	0.0	-100.0

Source: State Customs Committee of Ukraine

Corn Imports to Ukraine by Origin, MY, 1000 MT

Origin	Oct 07-Sept 08	Oct 08-Sept 09	Oct 09-Sept 10	% Change MY 2009/10 to 2009/08
World	35349.0	18965.0	27047.0	42.6
Hungary	6792.0	2478.0	8095.0	226.7
United States	11176.0	8973.0	6793.0	-24.3
France	9653.0	2474.0	3435.0	38.8
Romania	943.0	1956.0	2531.0	29.4
Canada	1962.0	1851.0	2279.0	23.1
Slovakia	361.0	0.0	734.0	100.0
Austria	1070.0	40.0	721.0	1,702.5
Chile	990.0	6.0	679.0	11,216.7
Argentina	352.0	457.0	362.0	-20.8
Germany	175.0	35.0	314.0	797.1
Turkey	32.0	157.0	214.0	36.3
Belarus	428.0	0.0	199.0	100.0
Croatia	256.0	80.0	138.0	72.5
Russia	1.0	43.0	133.0	209.3
Serbia	729.0	193.0	119.0	-38.3
Spain	133.0	51.0	91.0	78.4
Moldova	0.0	3.0	88.0	2,833.3
Poland	61.0	64.0	75.0	17.2
Switzerland	0.0	0.0	40.0	100.0
New Zealand	0.0	0.0	5.0	100.0
Italy	181.0	104.0	3.0	-97.1
Bulgaria	14.0	1.0	0.0	-100.0
Czech Republic	43.0	0.0	0.0	100.0

Source: State Customs Committee of Ukraine

Rye Export Statistics by Month and Destination, Ukraine, MY 2010/11, 1000 MT

Destination	Jul.2010	Aug.2010	Sept.2010	Oct.2010	Nov.2010	Dec.2010	Subtotal
World	20.9	7.7	9.7	0.0	0.0	0.0	38.3
Egypt	20.9	0.0	9.7	0.0	0.0	0.0	30.6
Syria	0.0	7.7	0.0	0.0	0.0	0.0	7.7

Source: State Customs Committee of Ukraine

Rye Exports from Ukraine by Destination, MY, 1000 MT

Destination	July 07- June 08	July 08- June 09	July 09- June 10	% Change MY 2009/10 to 2009/08
World	0.1	5.7	55.1	872.9
Egypt	0.0	0.0	55.0	0.0
Israel	0.0	0.0	0.0	0.0
Austria	0.0	0.0	0.0	0.0
Latvia	0.0	3.0	0.0	-100.0
Russia	0.1	0.0	0.0	0.0
Turkey	0.0	2.4	0.0	-100.0
Uzbekistan	0.0	0.3	0.0	-100.0

Source: State Customs Committee of Ukraine