

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

Date: 9/3/2010

GAIN Report Number: UP1018

Ukraine

Post: Kiev

Grain and Feed Update

Report Categories:

Grain and Feed

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Report Highlights:

Wheat and barley harvesting is complete in Ukraine; the wheat crop is 17.9 million tons. Barley production totaled 9.2 million tons. The Government of Ukraine has slowed exports allowing the state Agrarian Fund to make grains transactions and replenish stocks.

General Information:

Production

The grain harvesting campaign is in progress in Ukraine. According to August 18 reports from the Ministry of Agrarian Policy of Ukraine, wheat and barley were harvested on 99% of area planted. There were 17.841 million tons of wheat in bunker weight produced as of that date, 83.1% compared to the same date in 2009. Country average wheat yields stand at 2.84 tons per hectare, which is a relatively good yield for Ukraine but it is 11% below last year's 3.2 tons per hectare. Barley production totaled 9.224 million tons on August 18, 2010, coming in at 73.2% of the harvest one year ago. This year barley's average yield was 2.14 tons per hectare, which is 15% below the last year's 2.52 tons per hectare level.

According to official data, total area sown to all grains for 2010 decreased as compared to the 2009 crop. However, area under corn increased by over 27% compared to that in 2009. Area under other crops decreased. See Table 1 for details.

Table 1. Area planted under grains in Ukraine for 2010 crop

Crop	Area Planted, 1,000 ha				Change, 2010 to 2009	
	2010	%	2009	%	Area, 1,000 ha	%
Wheat (winter and spring)	6461.3	24.2	6852.4	25.4	-391.1	-5.7
Barley (winter and spring)	4514.4	16.9	5121.8	19.0	-607.4	-11.9
Corn	2736.3	10.2	2148.6	7.9	587.7	27.4
Oats	328.5	1.2	432.6	1.6	-104.1	-24.1
Rye (winter and spring)	287.6	1.1	468.2	1.7	-180.6	-38.6
Buckwheat	215.4	0.8	273.4	1.2	-58.0	-21.2
Total grains	14543.5	54.4	15297.0	56.8	-753.5	-4.9

Source: State Statistics Committee of Ukraine

Ukraine has experienced adverse weather conditions in late winter-early spring and in summer. The winter season saw some excessive precipitation that formed a good cover to save the winter crops from below average temperatures. However, by late February, in some regions an ice crust formed on the fields that in some cases lasted over 30 days. This resulted in winter crops losses. The most impacted crops were rape and barley. Table 2 shows winter crop kill data for Ukraine up to the end of the spring planting campaign.

Table 2. Grain crop winter kill, Ukraine, 2010, 1,000 ha

Crop	Winter Crop Area Planted		Winter Kill	
	Area	%	Area	Percent of winter plantings
Wheat	6754.1	77.4	562.8	8.3
Barley	1642.2	18.8	156.2	9.5
Rye	334.7	3.8	14.8	4.4
Total grains	8731.0	100.0	733.8	8.4

Source: State Statistics Committee of Ukraine

Grain harvesting in Ukraine began in June. It started in Southern regions and progressed to the North. At the beginning of the harvesting season heavy rains occurred in the South and in Western Ukraine. Then in July and

in August Eastern and Central regions experienced unusually high temperatures that lasted for weeks. Some fields didn't see rain in over a month. This was one of the factors in the equation that resulted in the lower average yields and lower quality of cereals in Ukraine compared to the previous year. Harvesting of wheat, barley and rye in Ukraine was complete by the last week of August (see Table 3 for bunker weight produced).

Table 3. Production of Grains in Ukraine, 2010

Crop	Area Harvested, 1000 ha	Produced, 1000 ha	Yield, tons/ha
Wheat	6295.3	17918.7	2.85
Barley	4322.3	9236.2	2.14
Rey	281.4	512.0	1.82

Source: Ministry of Agrarian Policy of Ukraine

Market

According to industry data average prices of milling wheat (Ukrainian Grade 2) sold in storage facilities (EXW contracts) in late August were at about \$ 193 (price converted from national currency UAH at average National Bank of Ukraine exchange rate for corresponding period). Feed wheat for the same term was priced on average at \$158 (EXW). The price of feed barley (EXW) varied on average between \$158 and \$165, depending on the quality. Corn from last year's harvest was priced at \$177-184 (EXW).

Dues to the bad harvest conditions, increasing world prices and concern over food security in the country the Government of Ukraine (GOU) decided to strictly control grain exports. In late July export shipments of grain were slowed down and officials had a series of meetings to discuss a possibility of implementing grain export quotas. However, up until now no official export restrictions such as export bans or export quotas were issued. Grain exports are taking place but at a much slower rate than usual. There is reportedly a Memorandum of Agreement governing exportable grains. This MOA was supposedly signed by officials from the Ministry of Agrarian Policy, traders, and millers. On the public side the GOU has announced plans of the Government of Ukraine's Agrarian Fund to buying domestic grain to replenish stocks.

The new marketing year began July 1, 2010. There was a period of high export activity in early July in Ukraine. But then the world market prices for wheat and other grains as well as oilseeds started increasing exponentially on the news of extreme drought in Russia and fears over bad harvests elsewhere in the world. Domestic prices of wheat in Ukraine also picked up fairly quickly. At that time the GOU stated its concerns with food security and bread price sensitivity of the majority of population. A slowdown in exports of grains from Ukraine occurred.

The State Customs Service reported exports of over 1 million tons of grains and oilseeds in July 2010, of which there were about 360,000 tons of wheat, 410,000 tons of barley, and 80,000 tons of corn. In August 2010, exports of wheat stayed close to 380,000 tons: barley – 650,000 tons, and corn – 50,000 tons. Total grains and oilseed exports from Ukraine in August 2010 came to over 1.4 million tons. In contrast, in July 2009, wheat exports from Ukraine totaled at over 620,000 tons, barley – over 700, 000 tons, and corn – 290,000 tons.

Stocks

Total grain and oilseed stocks in Ukraine, according to the Ministry of Agrarian Policy, were at about 2 million

tons by the beginning of the new marketing year. The Agrarian Fund (AF) is a state enterprise responsible for maintaining a state grain reserve. The AF, which conducts state purchases of milling and feed wheat, barley, corn and other grains and oilseeds, had started purchases of this year's crop. In an average year AF is responsible for holding about 1/5 of the overall domestic consumption level, which amounts to about 1.2 million tons of grain. The President of Ukraine this year ordered the Agrarian Fund to acquire 5 million tons of various types of grain. According to the Ministry of Agrarian Policy, as of September 1, 2010, AF has bought 228,000 tons of wheat.

Wheat Export Statistics by Month and Destination, 1000 MT

Destination	Jul 2009	Aug 2009	Sept 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Total
World	626.7	1164.7	1832.1	1248.7	949.4	1057.1	611.2	324.9	561.6	341.0	235.2	8952.8
Bangladesh	16.1	168.9	647.1	255.3	167.7	13.7	27.5	0.0	86.8	0.0	0.0	1383.1
Korea South	153.8	317.7	117.6	121.6	158.7	254.8	156.2	0.0	0.0	0.0	0.0	1280.3
Spain	22.9	102.0	202.6	163.7	84.8	206.5	18.3	0.0	0.0	0.0	0.0	800.8
Tunisia	0.0	29.6	115.2	100.4	50.6	92.7	75.1	80.0	54.1	109.6	24.9	732.3
Egypt	89.7	99.3	47.3	112.0	38.7	29.7	0.0	47.8	48.9	62.9	98.3	674.7
Kenya	35.3	54.2	67.3	90.1	118.4	107.5	32.5	21.4	68.2	0.0	0.0	594.8
Israel	66.0	67.5	67.7	51.1	26.0	59.6	42.5	37.6	41.0	23.1	24.7	506.9
Syria	9.2	52.9	48.2	102.9	30.5	9.3	12.3	0.0	0.0	0.0	18.6	284.0
Vietnam	10.6	22.8	83.8	10.4	10.4	74.0	4.4	9.2	21.0	17.6	7.3	271.4
Iran	45.9	0.0	34.2	67.4	0.0	64.5	0.0	57.4	0.0	0.0	0.0	269.4
Jordan	0.0	0.0	0.0	0.0	49.4	0.0	52.5	0.0	103.1	0.0	0.0	205.0
Philippines	0.0	0.0	52.1	1.5	9.1	4.3	44.6	1.9	7.7	67.7	4.8	193.8
Unidentified Country	0.0	0.0	0.0	0.0	0.0	64.7	0.0	24.3	40.6	32.5	25.5	187.6
Libya	7.2	28.1	26.4	16.0	0.0	9.3	18.3	16.4	16.4	10.3	0.0	148.3
Indonesia	1.5	2.3	64.4	28.5	5.4	5.8	0.0	0.0	0.0	1.0	5.2	114.1
Djibouti	0.0	21.1	60.0	0.0	20.2	1.3	0.0	0.0	0.0	0.0	0.0	102.6
Italy	13.1	22.7	15.0	17.6	28.7	0.0	0.0	0.0	5.0	0.0	0.0	102.1
Sudan	55.0	11.4	3.2	0.0	0.0	0.0	28.0	0.0	0.0	0.0	0.0	97.5
Lebanon	13.4	26.6	14.8	11.7	0.0	8.7	0.0	0.0	0.0	0.0	12.5	87.7
Turkey	11.3	14.0	27.0	13.0	7.8	1.1	4.8	0.0	2.9	0.0	0.0	81.9
Algeria	7.2	18.4	38.9	0.0	0.0	3.0	2.9	0.0	0.0	0.0	0.0	70.2
Uganda	0.0	0.0	0.0	15.5	15.9	7.0	11.1	8.5	5.0	0.0	0.0	63.0
Yemen	0.0	0.0	25.1	0.0	0.0	0.0	0.0	0.0	36.0	0.0	0.0	61.0
South Africa	0.0	14.1	0.0	0.0	39.1	0.0	0.0	0.0	0.0	0.0	0.0	53.1
Malaysia	0.5	3.3	9.9	9.2	9.3	4.0	2.5	2.3	2.3	1.6	7.6	52.6
Switzerland	2.3	1.0	25.9	9.1	0.0	6.9	0.0	0.9	0.0	0.0	0.0	46.1
Nigeria	20.1	0.0	5.5	0.0	6.0	4.4	6.2	0.0	0.0	0.0	0.0	42.2
United Kingdom	0.5	7.9	8.3	5.1	5.9	0.2	0.0	0.3	2.6	7.4	0.0	38.2
Hungary	0.0	27.5	0.8	0.0	8.2	0.0	0.0	0.0	0.0	0.0	0.0	36.5
United Arab Emirates	0.0	0.0	0.0	0.0	0.0	0.0	34.7	0.0	0.0	0.0	0.0	34.7
Mauritania	16.4	0.0	0.0	18.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	34.6
Netherlands	0.0	7.5	1.3	0.0	13.1	6.4	0.0	0.4	2.5	0.0	2.0	33.1
Sri Lanka	4.8	19.1	2.1	0.0	0.8	1.3	0.0	0.0	0.5	1.0	1.5	31.1
Tanzania	0.0	0.0	0.0	0.0	0.0	0.0	28.7	0.0	0.0	0.0	0.0	28.7
Japan	6.7	4.9	0.0	9.4	3.1	0.0	0.0	0.0	0.0	0.0	0.0	24.1
Taiwan	0.0	1.1	2.0	6.0	2.0	2.2	0.0	1.4	2.2	5.1	1.2	23.3
Korea North	6.4	0.0	0.0	0.0	0.0	10.1	0.0	6.1	0.0	0.0	0.0	22.5
Somalia	0.0	0.0	0.0	0.0	22.0	0.0	0.0	0.0	0.0	0.0	0.0	22.0
Georgia	0.0	1.4	9.1	0.1	4.5	0.0	0.0	0.0	0.0	0.0	0.0	15.0
Congo	8.1	0.0	0.0	0.0	2.1	0.0	2.1	0.0	0.0	0.0	0.0	12.3
Austria	0.0	2.6	0.7	2.8	3.0	0.0	0.0	2.0	0.0	0.0	1.1	12.2
Thailand	0.0	1.6	3.0	1.0	2.0	0.2	0.8	0.0	0.5	0.8	0.0	10.0
Other countries	0.0	0.0	0.0	0.0	2.0	1.5	0.8	3.7	1.1	0.2	0.0	67.8

Source: State Statistics Committee of Ukraine

Barley Export Statistics by Month and Destination, 1000 MT

Destination	Jul 2009	Aug 2009	Sept 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Total
World	704.9	861.6	715.0	807.5	354.3	382.1	351.4	363.0	493.5	561.4	351.5	5946.2
Saudi Arabia	623.4	567.0	366.9	359.7	141.1	231.0	148.4	121.5	358.6	474.8	267.9	3660.4
Jordan	0.0	48.9	85.6	59.0	8.6	0.0	51.4	52.5	42.9	62.0	0.0	410.7
Iran	0.0	0.0	0.0	108.2	25.8	41.5	70.7	68.5	58.0	0.0	0.0	372.7
Israel	10.5	36.8	38.3	36.7	46.5	29.3	31.4	40.5	9.0	7.8	7.9	294.6
Libya	0.0	34.3	52.7	40.5	15.1	38.0	7.2	44.5	13.0	0.0	0.0	245.4
Kuwait	0.0	0.0	47.0	0.0	41.5	0.0	29.2	0.0	0.0	0.0	48.5	166.2
Japan	23.4	48.7	0.0	52.8	35.1	0.0	0.0	0.0	0.0	0.0	0.0	160.0
Syria	6.6	41.0	10.2	13.4	8.0	20.1	0.0	0.0	0.0	0.0	0.0	99.3
Morocco	7.1	34.0	22.7	6.5	18.7	0.0	9.1	0.0	0.0	0.0	0.0	98.0
Turkey	0.0	0.0	21.9	39.5	4.0	9.1	0.0	0.0	0.0	0.0	0.0	74.6
Switzerland	0.0	0.0	0.0	51.6	6.5	2.6	0.0	0.0	0.0	4.1	2.0	66.8
Netherlands	19.3	0.0	20.3	7.7	0.0	4.1	0.0	0.0	0.0	0.0	0.0	51.3
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.8	0.0	0.0	22.9	45.7
Vietnam	0.0	0.0	0.0	0.0	0.0	1.6	3.6	8.8	8.0	8.4	1.1	31.5
United Kingdom	0.0	19.5	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.5
Hungary	0.0	7.5	0.0	14.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.2
Lebanon	0.0	13.2	3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.9
Cyprus	0.0	0.0	7.2	7.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.8
Algeria	0.0	0.0	8.1	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.0
Uzbekistan	0.3	0.0	1.7	1.1	1.3	1.9	0.0	2.0	3.0	1.0	0.1	12.2
France	6.1	6.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.1
United Arab Emirates	0.0	0.0	9.0	0.0	1.0	0.3	0.3	0.0	0.0	0.3	0.0	10.8
Kazakhstan	0.0	4.5	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0
Latvia	0.0	0.0	9.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.0
Spain	8.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0
Gibraltar	0.0	0.0	0.0	3.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	5.1
Oman	0.0	0.0	0.0	0.5	0.0	0.0	0.0	2.0	1.1	1.1	0.0	4.6
Pakistan	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	1.1	1.1	2.5
Georgia	0.0	0.0	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0	2.2
Austria	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Armenia	0.3	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8
Moldova	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.1	0.4
New Zealand	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.3
Iraq	0.0	0.0	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Belarus	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Russia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bahrain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: State Statistics Committee of Ukraine

Corn Export Statistics by Month and Destination, 1000 MT

Destination	Jul 2009	Aug 2009	Sept 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Total
World	289.1	150.0	33.8	346.3	1001.4	1072.0	696.6	555.5	500.2	263.4	279.6	5187.9
Egypt	20.0	24.3	0.0	122.2	303.8	340.8	286.7	105.4	131.7	73.7	61.9	1470.5
Syria	48.9	13.2	0.0	37.6	194.8	185.7	54.3	77.3	32.8	58.0	2.5	705.0
Israel	54.3	11.2	4.8	44.0	41.1	82.9	71.3	81.4	95.1	48.1	28.8	563.1
Tunisia	63.8	0.0	0.0	29.8	76.1	19.9	30.1	36.3	23.6	8.3	57.6	345.5
Libya	0.0	5.4	9.7	11.6	78.1	89.9	0.0	52.4	39.0	5.0	40.5	331.5
Spain	25.2	0.0	5.2	24.9	71.0	112.6	24.8	19.0	0.0	0.0	9.1	291.9
Portugal	0.0	0.0	0.0	0.0	36.5	33.6	81.3	41.5	27.5	0.0	50.6	271.0
Japan	0.0	0.0	0.0	0.0	50.0	49.4	37.7	14.6	92.6	8.7	0.0	252.9
Turkey	23.8	54.0	2.7	11.0	24.9	11.8	7.0	52.1	31.4	5.1	6.2	229.9
Algeria	9.7	3.1	7.1	18.2	29.8	80.5	26.4	29.0	0.0	0.0	0.0	203.8
Iran	9.0	24.9	0.0	29.9	7.6	0.0	36.2	0.0	0.0	0.0	0.0	107.5
Lebanon	0.0	0.0	0.0	0.0	29.0	15.1	21.7	11.0	3.5	13.7	10.1	104.1
Netherlands	0.0	7.2	0.0	0.0	9.1	21.9	8.2	1.5	0.0	0.0	1.2	49.1
Kenya	0.0	0.0	0.0	0.0	26.2	13.9	0.0	6.0	0.0	0.0	0.0	46.1
Belarus	3.3	0.9	0.0	0.4	0.3	1.2	0.0	5.6	14.3	12.7	5.1	43.8
Georgia	4.3	0.0	3.4	1.6	10.4	3.0	0.0	0.0	0.0	2.2	3.0	27.9
Sudan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.7	0.0	24.7
Russia	2.0	2.0	0.0	0.0	0.0	0.6	0.9	3.9	6.6	3.1	1.1	20.3
Cyprus	5.2	0.0	0.0	3.0	0.0	0.0	0.0	6.5	0.0	0.0	0.0	14.6
Switzerland	0.0	0.0	0.0	7.1	2.5	0.6	0.0	0.1	0.0	0.0	0.0	10.2
Azerbaijan	0.0	1.4	0.4	3.3	3.1	0.4	0.0	1.5	0.0	0.0	0.0	10.2
Armenia	5.4	0.0	0.0	0.0	0.0	0.6	0.0	2.8	0.6	0.0	0.0	9.4
Hungary	0.0	0.0	0.0	0.0	2.0	4.6	1.6	0.0	0.0	0.0	0.0	8.2
Jordan	0.0	0.0	0.0	0.0	0.0	0.0	8.1	0.0	0.0	0.0	0.0	8.1
United Kingdom	1.9	0.0	0.0	0.0	1.7	0.0	0.0	0.0	1.1	0.0	2.0	6.7
Anguilla	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.3	0.0	0.0	0.0	6.3
France	6.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1
Uzbekistan	1.3	2.5	0.5	0.0	0.5	0.0	0.0	0.4	0.2	0.1	0.0	5.5
Lithuania	4.2	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	4.6
Malaysia	0.0	0.0	0.0	0.0	2.1	1.9	0.0	0.0	0.0	0.0	0.0	4.0
Turkmenistan	0.0	0.0	0.0	0.0	0.9	0.2	0.2	0.5	0.0	0.0	0.0	1.8
United States	0.0	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6
Latvia	0.3	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.0	1.0
Moldova	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.3
Estonia	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Poland	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Kazakhstan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Czech Republic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Austria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: State Statistics Committee of Ukraine