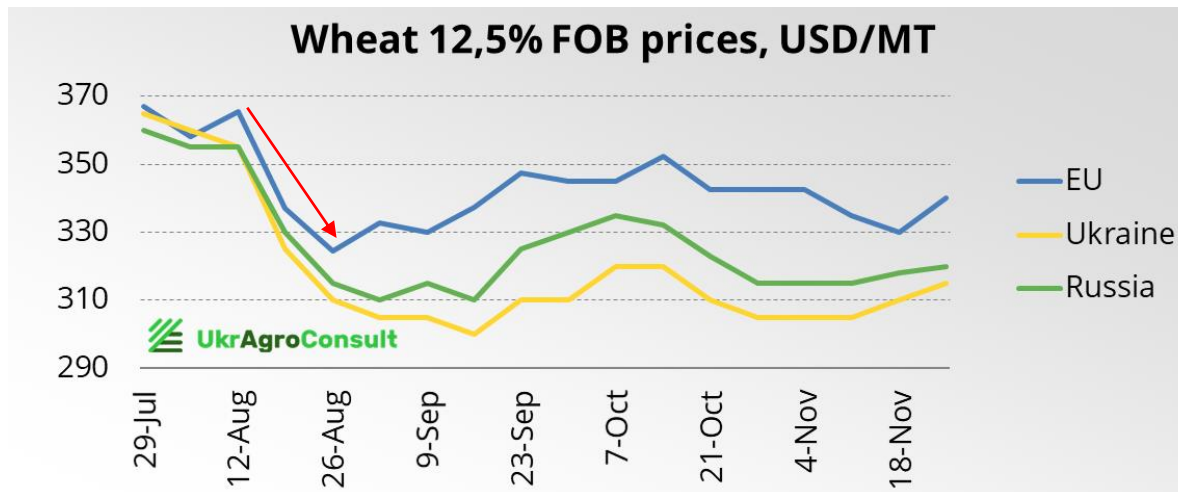
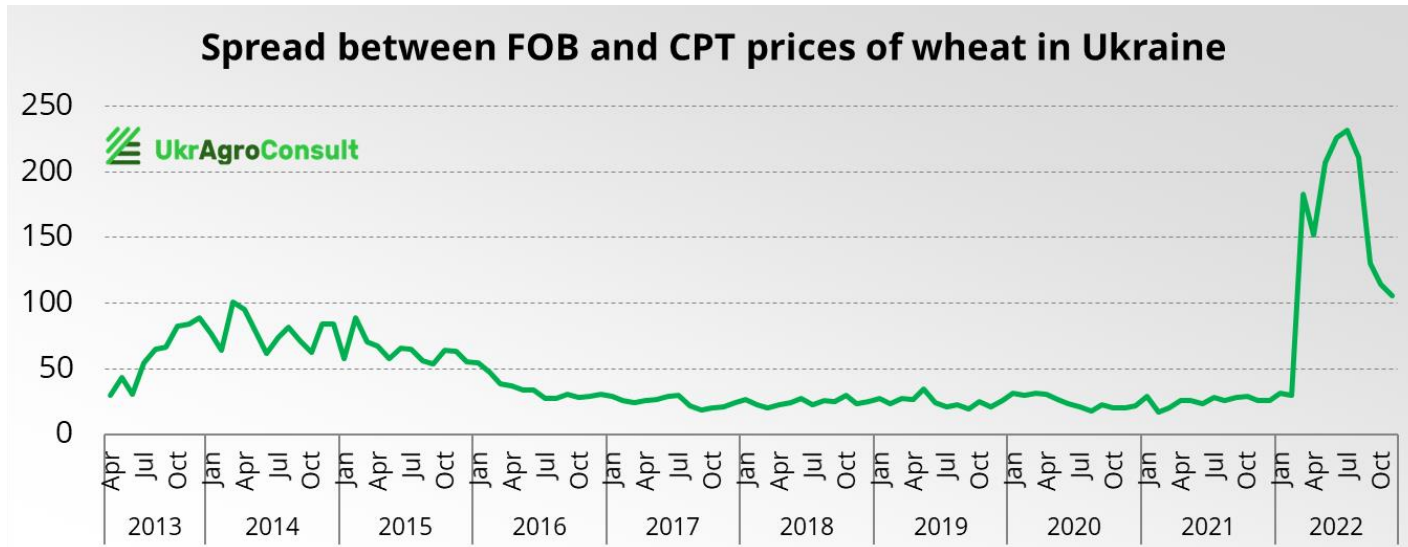




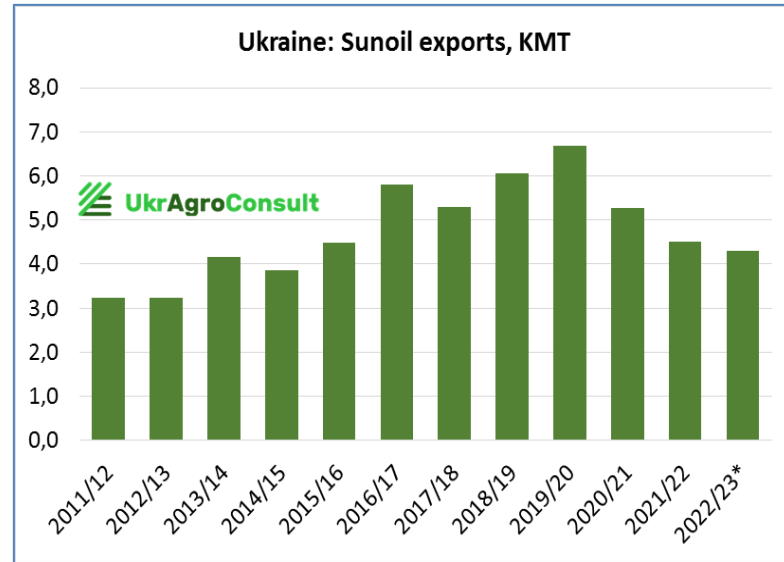
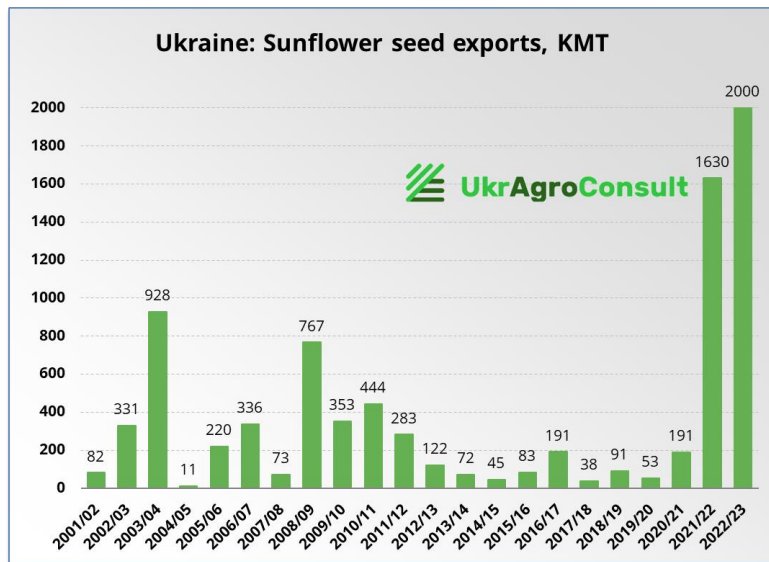
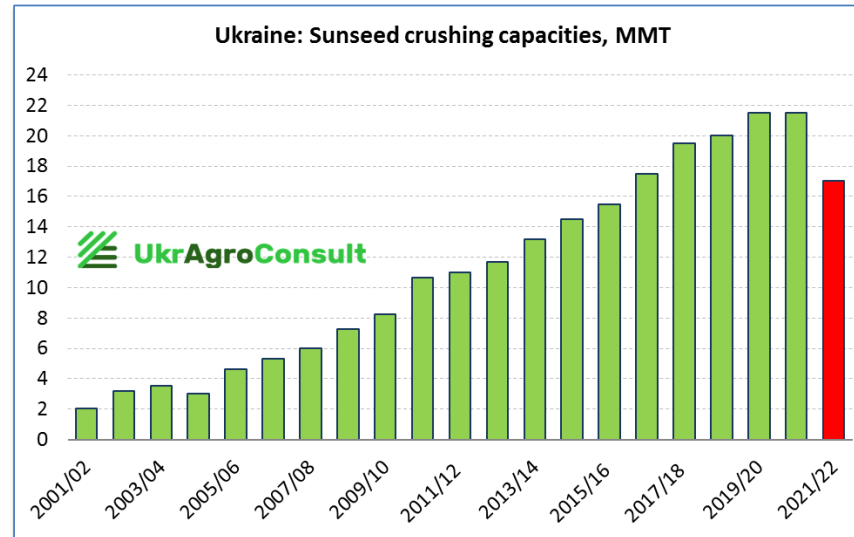
Black Sea as a Global Change Maker: 2022-2023 Outcomes & Prospects

Sergey Feofilov
Maryna Marynych
Maksym Kharchenko
UkrAgroConsult

Impact from “grain corridor” on prices

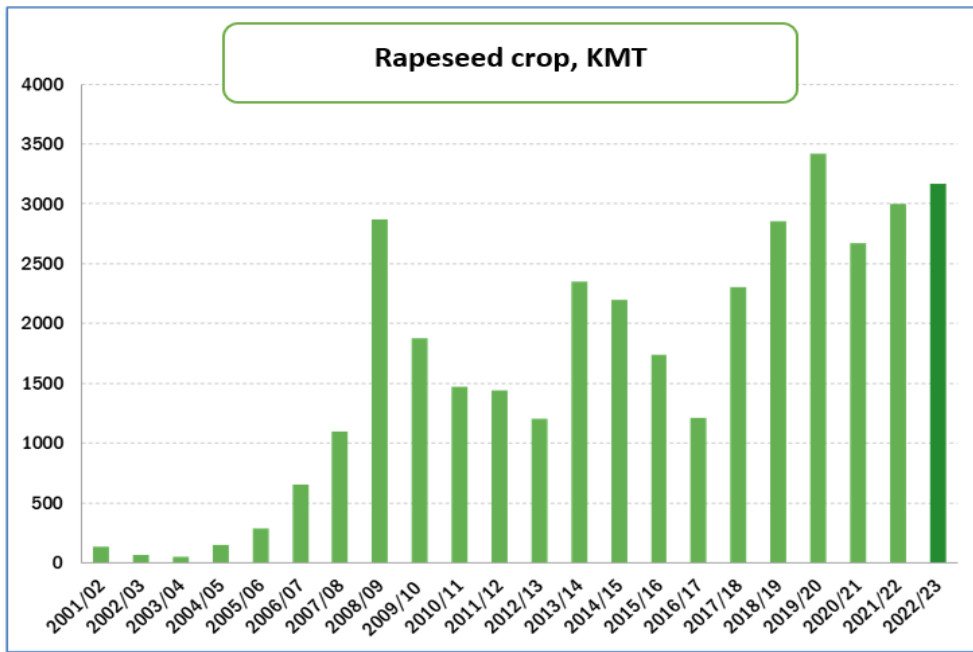


Crushing Sector Changes



Rapeseed Market Scenarios in MY 2022/23

KMT	22/23	21/22	Change, +/-
Crop	3168	3003	+165
Export	2950	2670	+280
Crushing	200	335	-135
Share of crushing in the crop, %	6,3	10,8	-4,5



Share of crushing in the rapeseed crop is at 10 years low

Sunseed and oil Market Scenarios in MY 2022/23

MMT	22/23	21/22	Зміни, +/-
Area, Th ha	5,1	6,75	-1,65
Crop	10,9	16,5	-5,6
Export	10,9	11,7	-0,8
Crushing	100%	71%	+29%
Share of crushing in the crop, %	2,0	1,63	+0,37
Stocks	0,25	2,4	-2,15
Sunoil production	4,6	4,9	-0,3
Sunoil exports	4,3	4,5	-0,2

Record areas and crop, unusually high sunflower stocks

Share of crushing in sunseed crop decreased to 70% comparing to previous 97-99%

Soybean Market Scenarios in MY 2022/23

KMT	22/23	21/22	Зміни, +/-
Area, Th ha	1600	1350	-1,65
Crop	3720	3498	-5,6
Crushing	1300	1300	-0,8
Share of crushing in the crop, %	35	37	+29%
Export	2400	1390	+0,37
Stocks	374	613	-2,15

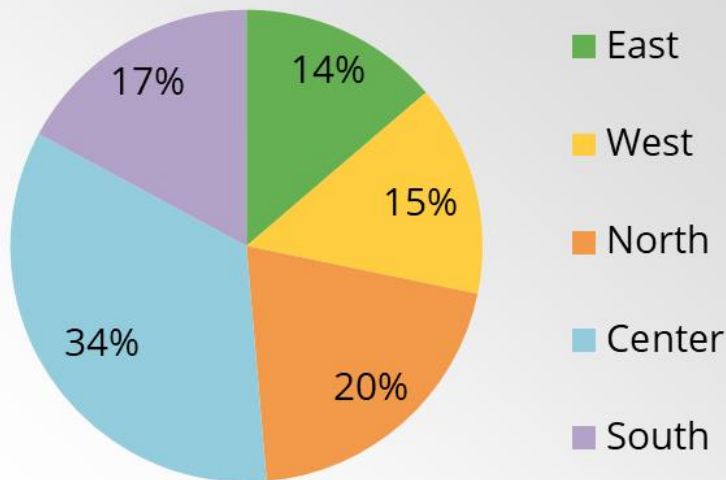
The only oil crop whose area increased in 22/23

sharp increase in exports (+71% Y-o-Y)

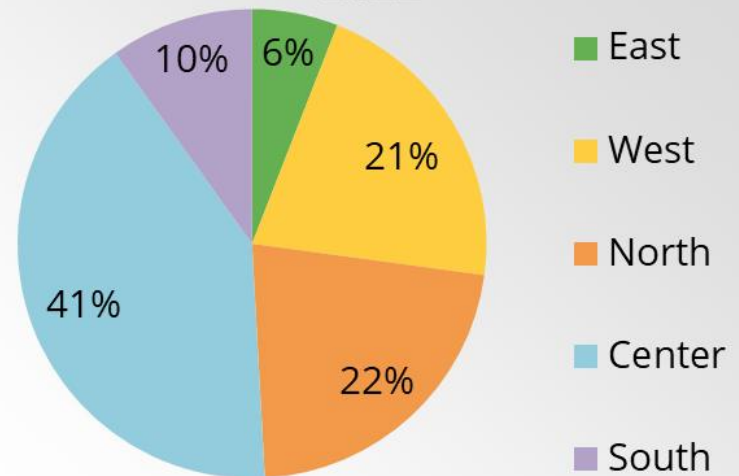
Growing transformation.

Spring crops areas modification

Spring crops sowing areas in 2021



Spring crops sowing areas in 2022



Growing transformation. Winter crops areas modification.

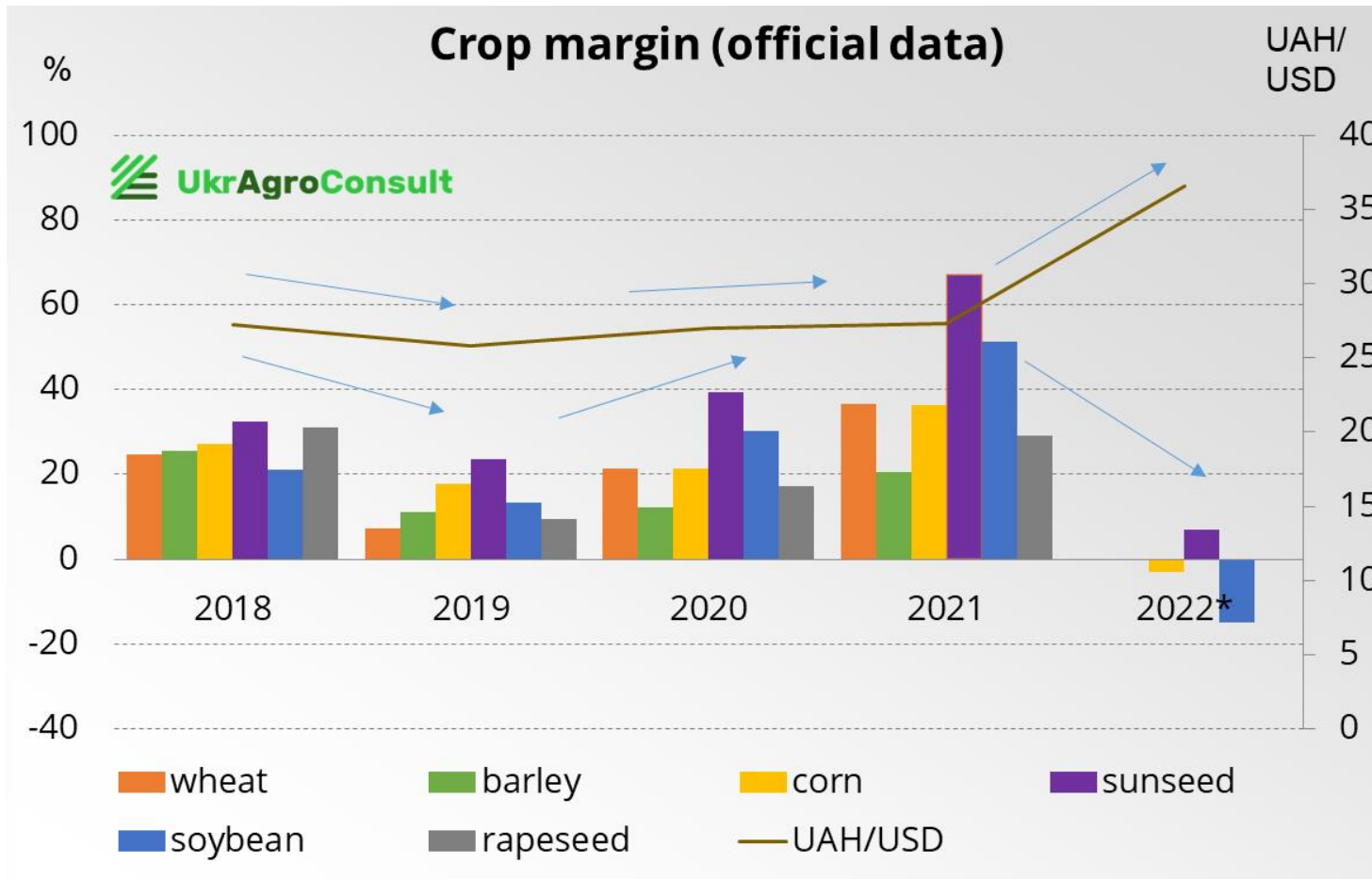
- By region:

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%
Ukraine	9030.4	5714.6	-37%

- 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%
Ukraine	9029.4	5714.6	-37%

How to achieve positive crop margins?

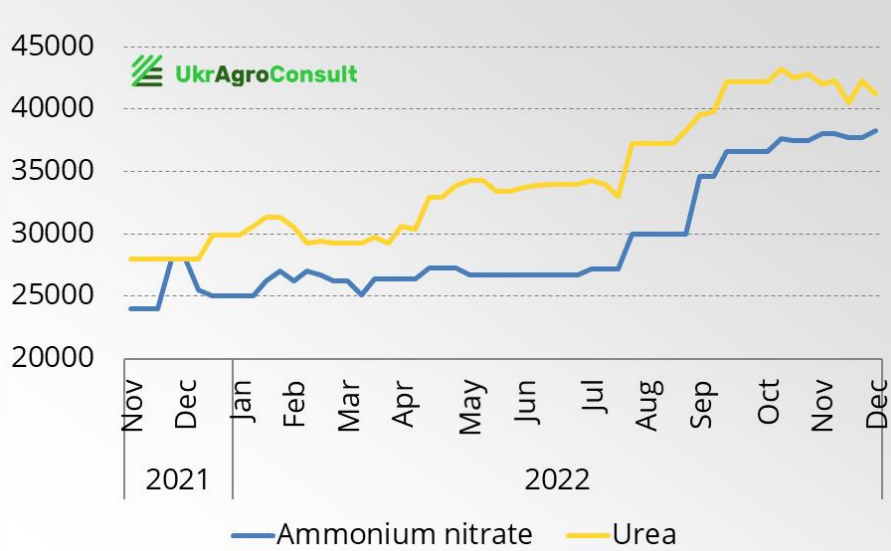


Market Scenarios. Growing transformation. Spring sowing campaign 2023.

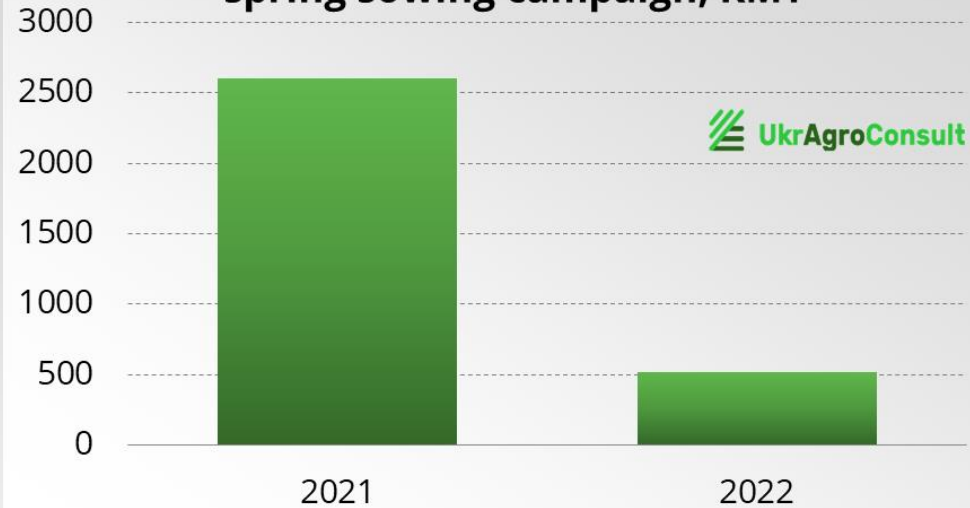
- Spring wheat areas have always been insignificant, but may increase if the exports pace is stable
- Barley and corn areas likely to decline impressively due low demand from China
- Areas under costs saving crops - peas, millet, oats - will remain nearly the same
- Socially significant crops (buckwheat) area will remain high
- Expanded oilseed crops areas due to higher margins
- Farmers decision-making on crop distribution will be delayed until spring

Shortage and higher inputs costs

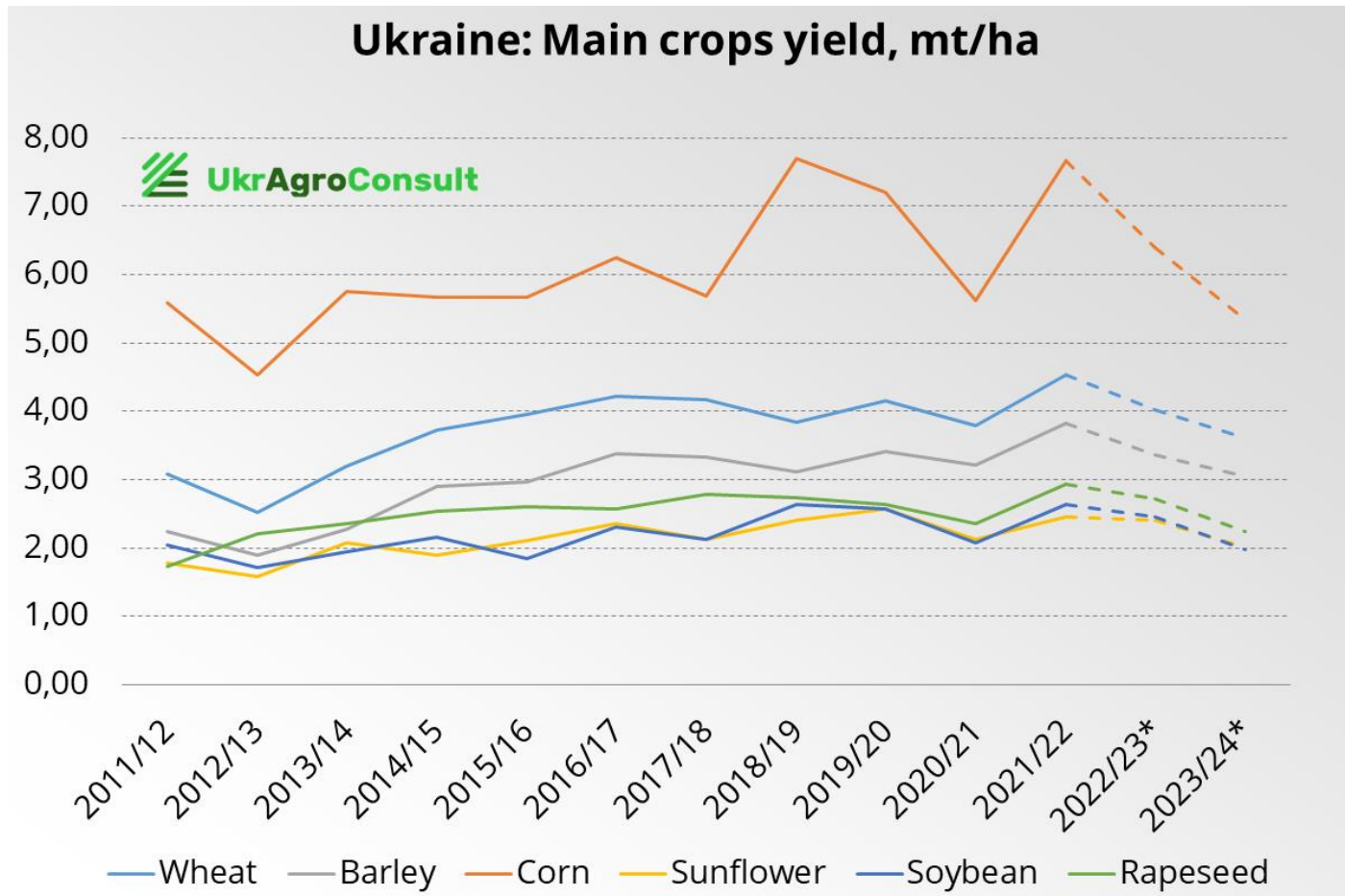
Prices of mineral fertilizers, UAH/mt



Supply of mineral fertilizers during spring sowing campaign, KMT

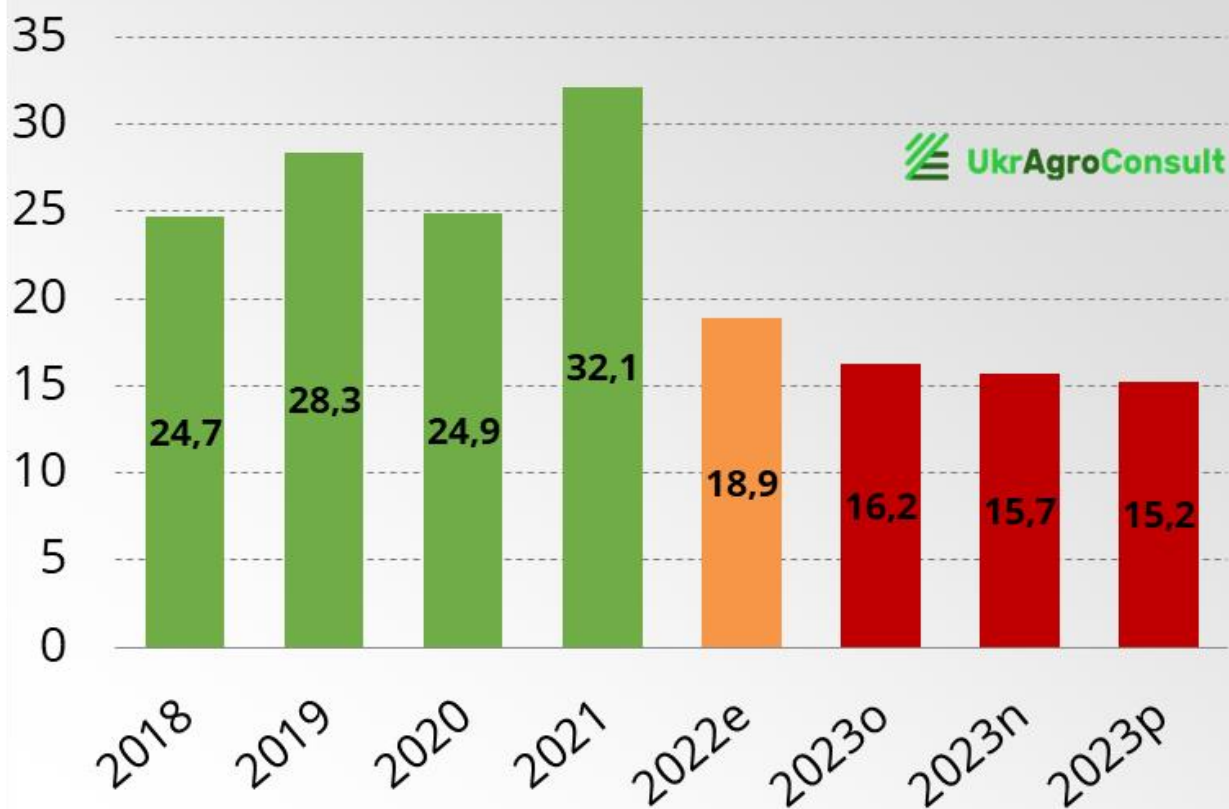


Production estimates for 2023



Wheat Production Scenarios

Ukraine: Wheat crop, M mt



Details:

- Three scenarios - optimistic, neutral, pessimistic
- Area range: 4-4.2 Mil ha
- Yield range: 3.8-3.86 mt/ha
- Small diff. because winter wheat has 97% share

Barley Production Scenarios

Ukraine: Barley crop, M mt

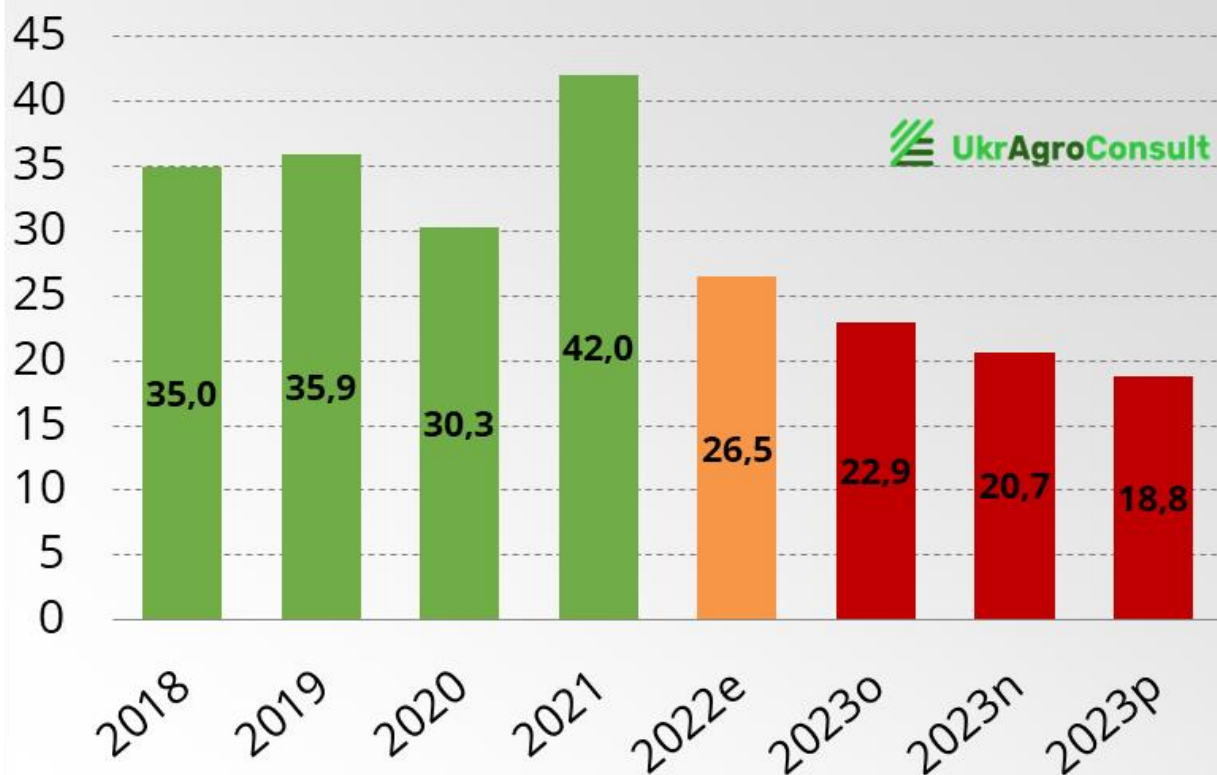


Details:

- Three scenarios - optimistic, neutral, pessimistic
- Area range: 1.2-1.38 Mil ha
- Yield range: 3.0-3.22 mt/ha
- Bigger diff. because winter barley has only 35-45% share

Corn Production Scenarios

Ukraine: Corn crop, M mt



Details:

- Three scenarios - optimistic, neutral, pessimistic
- Area range: 3.3-3.7 Mil ha
- Yield range: 5.7-6.2 mt/ha
- Bigger diff. because corn is 100% spring crop

Strategies 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
 -
- 2025 Strategy for “increasing productivity” turned to “reducing production cost” by optimizing agri technology application
 -
 - 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.



Thank you!

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