

Black Sea Wheat Market Faces New Competition and Price Pressure Ahead of Harvest

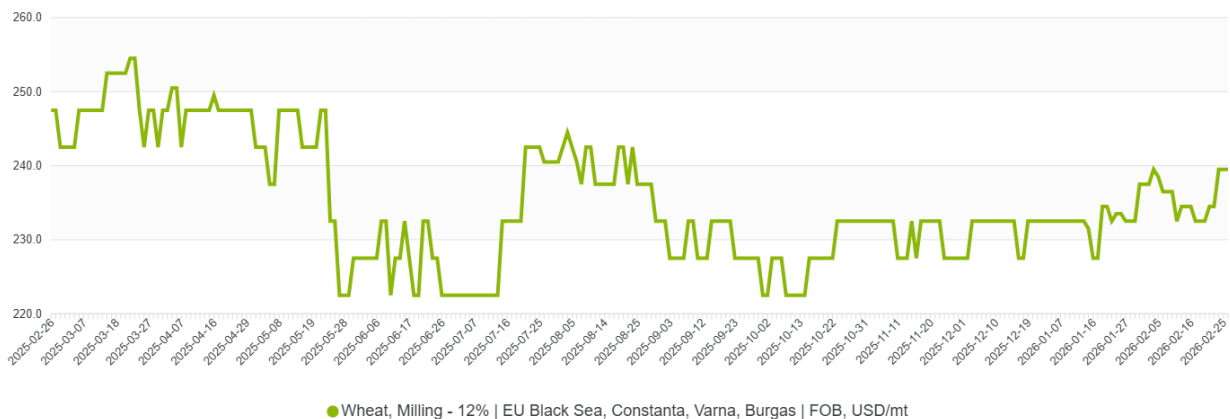
Romania

Romania market monitors winter crop condition in Ukraine hoping for some price rises

Average Romanian milling wheat (12%) price rose about USD 6/mt w/w, returning close to a seasonal high (about USD 239/mt FOB Constanta). The support came mainly from the geopolitical tensions, weather-related issues in the Black Sea and recent large tender of Algerian OAIC. Also, the tensions between Iran and the US are closely watched.

Most likely the price rise is short-term due to high global wheat stocks.

Wheat, Milling - 12% | EU Black Sea, Constanta, Varna, Burgas | FOB, USD/mt



Algeria OAIC booked about 360 KMT of wheat at (USD 259-260/mt CIF Algeria) CIF. This price is higher than in the previous tenders, final purchases might be higher than initial figure, too. The wheat might be supplied entirely from the Black Sea, including Romanian origin. Strikes at Argentinian ports may slow down exports and this gave more benefits to Black Sea suppliers, as Argentinian traders might be cautious to sell at OAIC tender.

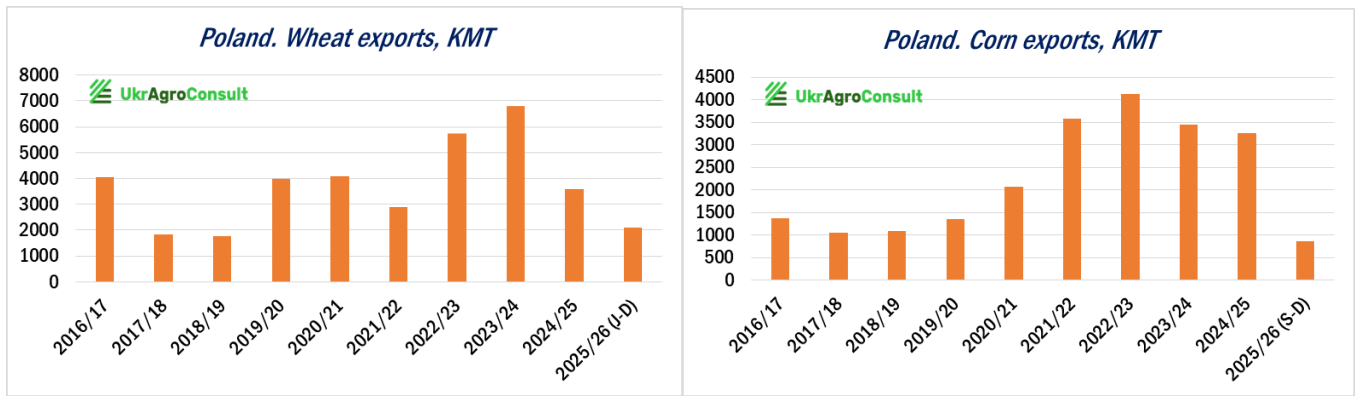
European market focuses on the excessive rains in the Western part of France. Currently this factor influence is limited due to drier weather forecasts and potentially higher 2026 wheat area, expected in France.

So far, new crop outlook in the key EU exporters remain positive, including Romania. Romanian farmers report that soils are well-watered and winter crops are entering spring with considerable moisture reserves. They expect significant price pressure in barley and wheat ahead of the upcoming harvesting. Romanian farmers are closely watching any news on Ukrainian crops as Ukraine remains large competitor for Romanian grains. After the recent frosts in Ukraine the confirmation of crop losses may give some support to the grain prices in the region.

Poland

Domestic market disbalance in 2025/26. In Feb 2026, grain exports once again became the key topic in the Polish market, as the scale of stocks significantly exceeds domestic consumption capacity.

In the current season, the export potential of all grains is estimated at over 14 M mt, while only around 4.5 M mt were shipped between July and Dec. This leaves approximately 9-9.5 M mt still in the domestic stocks that must be marketed before the start of the new marketing year. Otherwise, price pressure will intensify further.



Source: EuroStat

The idea of involving the state-owned company Elewarr in the grain domestic use is of limited impact due to the company potential:

- Total storage capacity is about 800 K mt.
- A portion is already occupied by strategic reserves.
- Estimated grain purchases/use - 300-500 K mt.

Against a multi-million-ton surplus, this volume is not market-changing.

A similar situation applies to the Government Agency for Strategic Reserves (RARS), whose potential purchases are measured in hundreds of thousands of tons rather than millions.

Time pressure is increasing. The new harvest will arrive in a few months, while storage facilities, particularly in eastern and southeastern regions, are already loaded heavily.

Domestic demand cannot absorb this supply. Expansion of processing or feed usage requires time and does not provide immediate effect.

Under these conditions, exports remain the only efficient instrument to balance the grain market in 2025/26. However, Polish exporters face intense competition in MENA markets from Russia and Romania, these suppliers benefit from more competitive logistics. Polish exports to Saudi Arabia declined significantly due to firm prices mirroring this trend.

The current market trends. By mid-Feb, the Polish grain stabilized at relatively low price levels. The main pressure factor remains global competition combined with large domestic stocks six months ahead of harvest.

High transport costs through Baltic ports continue to undermine export competitiveness.

Domestic prices are signaling about slowly recover, mainly under the influence of exchange signals. This looks more like a slight demand activation but indication of fundamental drivers deficit to encourage a sustained upward trend.

- Milling wheat: approx. 721 PLN/mt (€171/mt)
- Feed wheat: approx. 683 PLN/mt (€162/mt)

Barley has been rising for the second consecutive week and is currently trading within 590-730 PLN/mt (€140-173/mt).

Poland. Grain prices, EUR/mt

Commodity / Quality	Date		+/-, %
	19.02.2026	26.02.2026	
Grain - Wheat - Milling	170.36	170.74	0.23
Grain - Wheat - Feed	161.79	161.87	0.05
Grain - Barley - Food	154.05	154.77	0.47
Grain - Barley - Feed	153.94	152.86	-0.70
Grain - Corn - Feed	168.00	170.67	1.59

Grain - Rye - Food	133.75	134.62	0.65
Grain - Rye - Feed	130.29	130.89	0.46
Grain -Triticale - Feed	147.54	146.94	-0.41
Grain - Oat - Feed	120.68	121.29	0.50
Peas	193.47	189.52	-2.04

Bulgaria

Winter wheat is in excellent condition following a warm February. Vegetation resumed 10-12 days earlier than normal.

The main concern among farmers is a dry March. Forecasts for the next 14 days indicate limited rainfall and temperatures of +12...+16°C, which may dry the topsoil layer. Many market participants suspect that the narrative of a “dry spring” is being amplified to support old-crop wheat prices.

Farmers are actively applying the first nitrogen fertilization. However, due to low wheat prices, many of them reduced fertilizer application rates to cut costs. This may negatively impact yield potential later in the new 2026/27 season.

Farmers are actively offering grain for sale to clear storage space for seeds and spring campaign materials. Elevators are accelerating export shipments to make room for Argentine sunflower imports and upcoming new crop flows. March-April traditionally marks storage clean-up ahead of harvest.

Algeria's Jan 2026 wheat tender pressured Bulgarian traders to reduce domestic procurement prices. The tender price of \$253-254/mt C&F served as a benchmark for them, as Algeria remains the leading destination for Bulgarian wheat exports. At the same time, Bulgarian farmers began resisting further price declines and started holding back high-quality wheat.

On Feb 24-26, Algeria (OAIC) held another large tender for approximately 600 K mt of wheat for April-May shipment. Prices formed in the range of \$259-260/mt C&F. Algeria purchased 120-150 K mt of Bulgarian wheat at \$259.5-260.5/mt C&F. Bulgarian traders leveraged quality positioning to raise their domestic offers to assemble large lots for tenders.

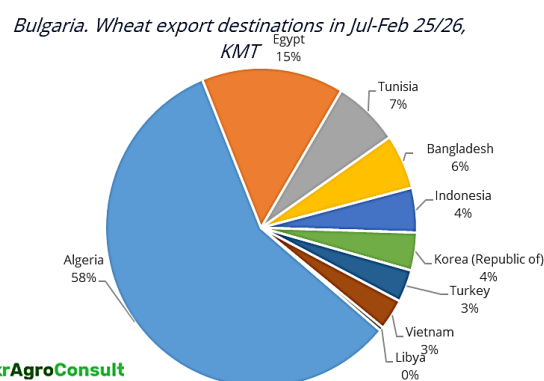
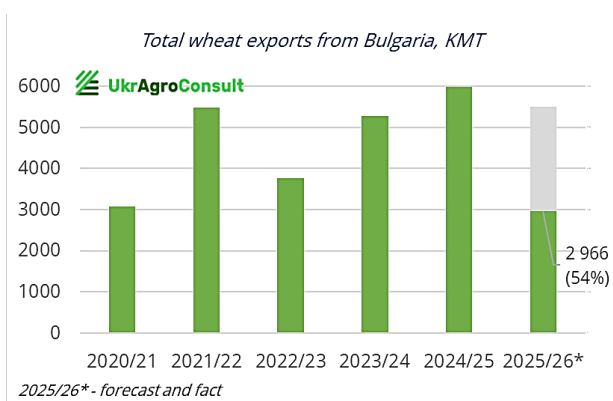
The price increase compared to Jan reflected:

- Higher logistics costs.
- Stricter quality requirements.

Russian exporters had to include additional cleaning costs due to quality concerns, reducing their share in the tender.

Bulgarian traders are actively contracting smaller Handysize parcels for Tunisia and Libya.

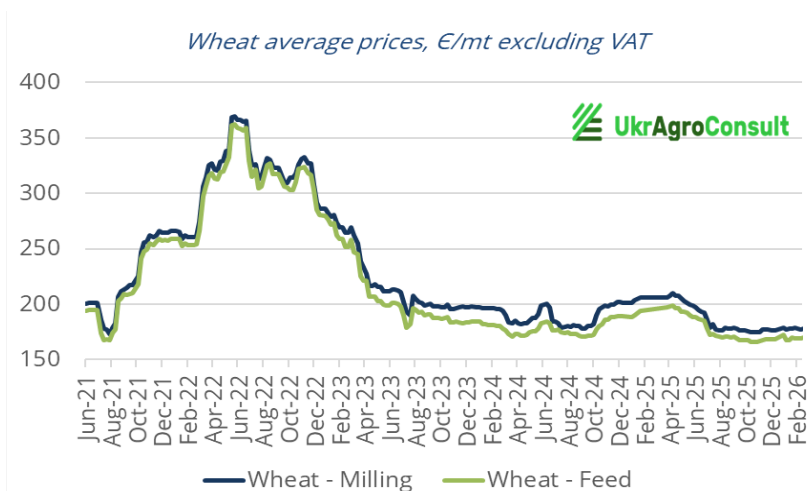
Milling companies are not building large stocks. Financially constrained, they avoid tying up working capital in inventories. Additionally, the option to import Ukrainian wheat remains a competitive factor in price negotiations.



Source: Ministry of Agriculture and Food of Bulgaria for 2020-2025, UkrAgroConsult estimation for 2025/26

Wheat average prices, BGN/EUR/mt excluding VAT

Commodity	Date			% w/w, 25
	19.02.2025	11.02.2026	18.02.2026	
Wheat - Milling	403/206	346/177	348/178	0.6
Wheat - Feed	379/194	331/169	332/170	0.6



Source: Ministry of Agriculture and Food of Bulgaria

russia

Winter crop conditions. According to the Hydrometcenter and Rosselkhozcenter, 96-97% of winter crops are currently in good or satisfactory condition. Only 3-4% are classified as poor or failed, mainly in the Volgograd and Saratov regions due to autumn drought.

Snow cover across most areas in Feb reduced the risk of winterkill during short but sharp frosts. However, market participants remain skeptical about the optimistic official assessment.

- The key short-term risk is rapid snowmelt and potential ice crust formation.
- GFS and ECMWF models indicate warm temperatures of +5 to +12°C over the next two weeks, triggering early vegetation.
- Traders are factoring in the risk of return frosts in March when planning export strategies.

Overall, the market is in a wait-and-see position. The positive official stance is often considered as an attempt to encourage farmers to increase sales, reducing this way the chances of prices being bullish.

Logistics

Rail transportation of wheat to Black Sea ports is currently subordinated to military logistics. (source: freight forwarder chats in Novorossiysk and Taman.)

- Grain railcars are waiting 3-5 days on reserve tracks.
- The bottleneck is locomotive availability, not wagon supply.

Alternative river logistics via the Volga-Don Canal is currently closed. Navigation opens in early April, but due to unusually warm weather, early opening (7-10 days ahead of schedule) is possible, which would ease railway congestion. Reopening of river logistics could strengthen Russian wheat competitiveness in the Black Sea region.

In the Rostov region, traders are using a “small navigation” scheme:

- Grain is trucked to river terminals
- Loaded onto river-sea barges
- Transported to Port Kavkaz
- Re-loaded onto larger vessels there.

However, severe shallowing of the Don River forces barges to sail 20-30% underloaded, increasing per-ton logistics costs.

Quality

Importers are beginning to price in additional discounts for russian wheat due to quality risks. Egyptian quarantine authorities reported the detention of a 60 K mt of russian wheat due to fungal contamination and protein content not matching contract specifications.

This is small lot in the context of Egypt's total imports, GASC applies strict quality controls:

- The 60 K mt rejection may involve penalties.
- Increased scrutiny on following shipments from the same supplier.

Officially, Egypt states that domestic stocks are sufficient. However, the incident highlights Egypt's dependence on russian wheat. In the first eight months of 2025/26, Egypt imported approx. 7.8-8.2 M mt of wheat, of which 5.5-5.8 M mt (68-71%) originated from russia.

This creates potential openings for Romanian, Bulgarian, and Ukrainian wheat in the Black Sea region.

Laboratories in Rostov and Novorossiysk report a sharp increase in damage from sun pest. Gluten stability is deteriorating, which negatively affects export quality parameters.

Rosselkhoznadzor reports that Morocco and Indonesia requested clarification regarding quarantine weed seeds found in shipments but not declared in phytosanitary certificates. This suggests insufficient cleaning at elevators due to pressure to increase wheat shipments in Feb.

Importantly, this reflects logistical pressure and shipment acceleration rather than a fundamentally poor 2025/26 harvest.

Tenders

Egypt did not conduct large tenders last week but is negotiating replacement of the rejected cargo. Ukrainian wheat is being considered as an optimal blending component to improve russian wheat quality (source: Egyptian importer chats.)

Algeria purchased 300-400 K mt of wheat on Feb 24, including 250 K mt of russian wheat at \$259-260/mt C&F for April-May 2026 shipment.

The key feature: French wheat was displaced. The competitive russian price resulted from Algeria relaxing impurity requirements, enabling cheaper russian offers.

On February 26, Saudi Arabia announced a tender for 655 K mt of wheat for May-July 2026 delivery.

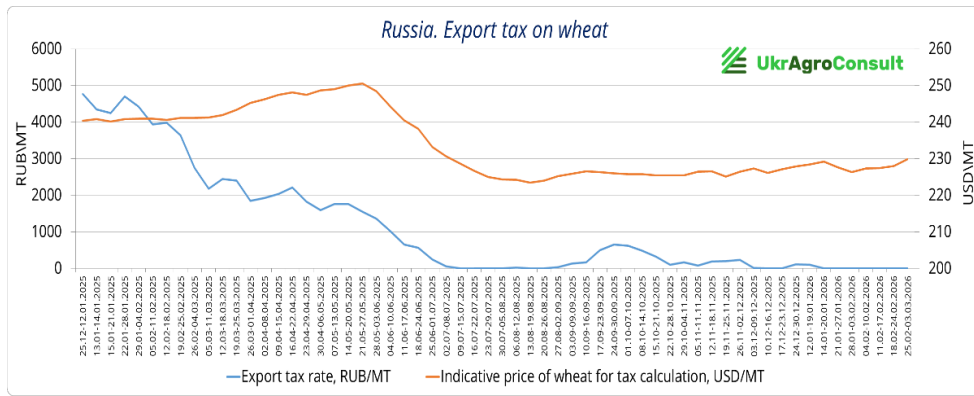
At the previous tender, russian companies secured 600-650 K mt out of 907 K mt total, at \$258-264/mt C&F.

Algeria's lower pricing may set a benchmark for Saudi offers. Argentina is also expected to compete strongly.

Wheat export taxes 26.02-04.03. 2026

Export taxes, RUB/MT	Export taxes, USD/MT
0	229.9 (+0.8%)

Source: Ministry of Agriculture of the russian Federation



Source: Ministry of Agriculture of the Russian Federation

Kazakhstan 2026 sowing

According to the Minister of Agriculture of the Republic of Kazakhstan, the 2026 total sown area is expected at 23.8 M ha (+180 K ha vs. 2025). Wheat area is likely to decline due to low margin in favor of oilseeds.

Sown areas changes, 2026, forecast

- Wheat (-125 K ha)
- Corn (+90 K ha)
- Coarse crops (+242 K ha)
- Barley (+94 K ha)
- Rice (-20.2 K ha)
- Oilseed crops (+55 K ha).

The Gov't intends to approve programs of forward financing of farmers through the Food Corporation of the Republic with subsequent supply of the crop to the investor to load processing facilities. The area under drip irrigation will increase by 29.8 K ha, and traditional irrigation will decrease by 12 K ha.