Ukraine's Agricultural Exports Slow As A Large Crop Faces Expensive Logistics

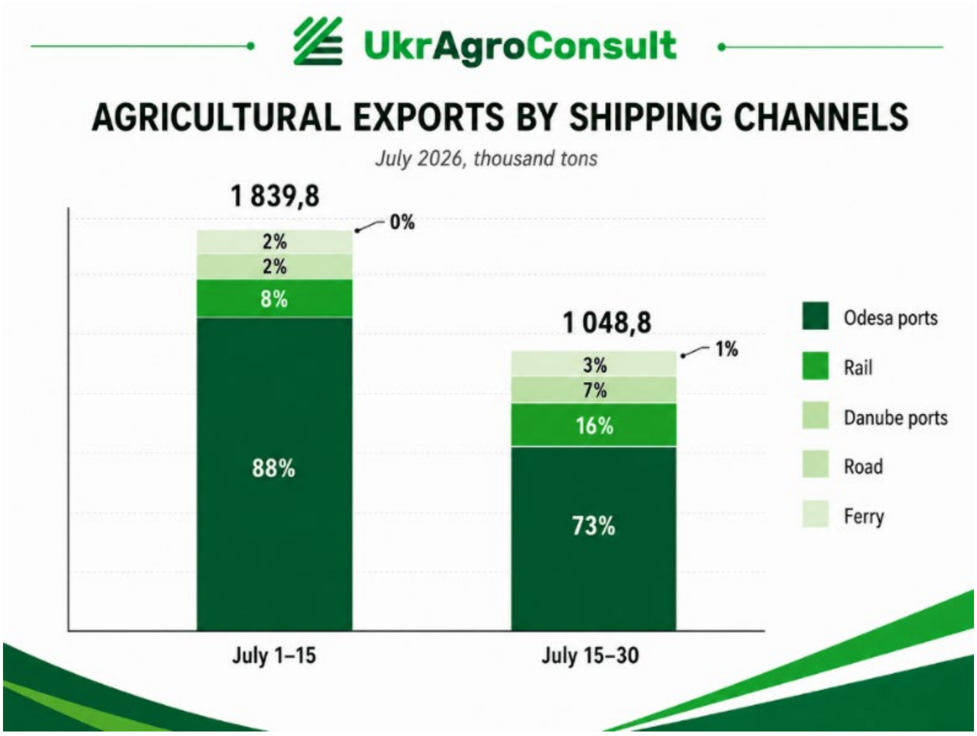
- ***Ukraine exported about 2.9 M mt of agri products in July, down 33% m/m, russian attacks disrupted commercial shipping and port infrastructure.***
- ***Cargo is moving back toward the Danube, but low water levels, restricted barge loading and freight costs of $33–36/mt are severely reducing margins.***
- ***Low Danube water levels limit barge loading by about 30%.***
- ***A large harvest may become a storage problem.***

UkrAgroConsult currently estimates Ukraine 2026 grain crop at approximately 64 M mt. Usually, the large harvest would support exports, terminal loading and demand for domestic transport. Currently, 64 M mt generate problems with exports.

According to UkrAgroConsult, Ukrainian July exports were 2.9 M mt, 33% less than in June, before the attacks started. The 2.9 M mt estimate is based on the preliminary dataset used in this analysis. Another source - UCAB estimates July exports bigger at 3.67 M mt, down 23.4% m/m. The difference probably reflects product coverage or the reporting date.

The July 2026 result was approximately in line with July 2025. However, last year's harvest started later, delaying the increasing supply of new-crop grain. In July 2026, more grain was available, but logistics were less able to ship it.

Data for the second half of July already show a sharp reduction in exports through the Greater Odesa/POC (POC = Pivdennyi, Odesa, Chornomorsk) ports. They do not yet show the full shift toward land borders and the Danube ports because rebuilding logistics chains takes time.



Optimistic scenario is that alternative routes could operate in full strength by late Aug. But the rerouting may replace only 50-55% of the shipments previously made through the deep-sea ports.

The small number of vessels continuing to enter and leave the Greater Odesa ports face high security and insurance risks. On August 5, the Guinea-Bissau-flagged dry bulk vessel MERA QUEEN, carrying Ukrainian wheat, was hit in the Black Sea. The incident was confirmed by the Ukrainian Sea Ports Authority. Such incidents make alternative routes increasingly attractive even if they are more expensive.

Ukrainian railway grain logistics, Aug 5 2026

Shipping risk accelerates the rerouting. Rail data already reflect the change. By early August, grain wagon per day unloading in Greater Odesa/POC ports is almost negligible even if to compare with the previous week only. Grain routes are changing: number of wagons heading to Danube ports increased even for a week. This rerouting looks more like emergency actions.

Logistics indicator	Feb 11	March 10	April 30	May	June	July 30	Aug 05
Wagon unloading at the POC ports, wag/day	1,158	1,270	1,233	n/a	1,054	690	192
Grain wagons heading to POC ports, wagons	10,538	10,057	8,701	n/a	5,136	1,356	568
Wagon loading toward POC ports, wag/day	1,260	1,263	1,210	n/a	468	580	52
Grain wagons toward Danube ports, wagons	42	10	140	n/a	170	1,141	1,296
Wagon unloading at Danube ports, wag/day	40	20	16	n/a	50	51	157

POC = Pivdennyi, Odesa, Chornomorsk.

Source: UkrAgroConsult basing on Ukrainian Railway figures. The April figures are dated 30 April 2026, the June values are taken from the 2 July 2026 operational update, and the July figures reflect the operational update as of 30 July 2026.

The Danube cannot fully replace Odesa. Alternative exports are constrained not only by border and terminal capacity but also by cost. The water deficit on the Danube has reduced maximum barge loading by approximately 30% on the Izmail-Constanța route. A significant improvement is not expected before Sept.

Freight on this route is estimated at $30-35/mt, from 100% up to 200% higher that the rates before the attacks on the Odesa ports. The cost per ton rises sharply after barge loading is less by about 30 % due to low Danube with logistics and operating costs remaining the same. Late July average Reni/Izmail-Constanța barge rate reported at around $28/mt, 100% more vs. early July.

UkrAgroConsult does not exclude, that large stocks could be accumulated inside the country in Sept-Dec 2026. Large stocks would pressure domestic prices, particularly in regions far from the western borders and Danube terminals.

Farmers' margin declining factors

- Freight of $30–35/mt, the Izmail–Constanța.
- Additional costs: rail delivery to a Danube port, transshipment, waiting time, storage, financing and possible quality losses. The complete alternative route can therefore be substantially more expensive than direct delivery through a deep-sea terminal.
- Wider spread between inland and export prices.

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