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Report Highlights:

Ukraine's 2004 grain and pulse production will increase by an estimated 40% as compared with 2003 – the worst grain crop on record. Ukraine is expected to regain status as a net wheat exporter MY 2004/2005 as both wheat and barley exports are forecast to rise over the current marketing year. Wheat trade will likely be constrained by GOU strategic reserve and intervention purchases and the general need to replenish diminished stocks. GOU purchases should not affect barley exports. Human and feed grain consumption in MY 2004/2004 will likely increase but will remain well below MY 2002/2003 levels due to reduced demand.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Annual Report
Kiev [UP1]
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Executive Summary

The forecast increase in wheat, barley and rye area and yield is expected to offset the anticipated reduction in corn and oat production in 2004. Low winter wheat damage in 2003/2004, sufficient soil moisture, early sowing of spring grains, improved maintenance of agricultural machinery and increased availability of mineral fertilizer have all led to a more favorable initial grain production forecast as compared with last year. MY 2004/2005 consumption of wheat, barley and rye is expected to increase, in line with the rise in production. However, due to the sharp reduction in livestock inventories in 2003-2004, feed demand is not expected to return to MY 2002/2003 levels.

Following on the heels of the worst grain crop on record, MY 2004/2005 should be a year of recovery for Ukraine's wheat stocks and consumption. The anticipated production level should also ensure that Ukraine will return to the status of net wheat exporter with estimated wheat exports at 1.5 million MT. Barley exports are also expected to increase and will likely be unaffected by Government of Ukraine (GOU) purchases. Unlike wheat and barley exports, corn trade in MY 2004/2005 is forecast to decline to MY 2002/2003. Corn trade volumes will be dependent upon the quality of exportable supplies. High quality rice will likely remain the only cereal grain exported from the United States to Ukraine in MY 2004/2005.

Production

Grain and pulse production in 2004 is anticipated to increase by 40% as compared with 20.2 million MT produced in 2003 – Ukraine's worst grain crop on record. Wheat, barley and rye output is expected to expand as compared with the previous year but will remain below the respective crop's 2002 production level.

Wheat. Production in 2004 is forecast to rebound thanks to low winterkill in 2003/2004 and despite reduced plantings of winter wheat in Fall 2003 as compared with the previous year. Most of the territory of Ukraine experienced a relatively mild winter with adequate protective snow cover. This facilitated better-than-average survival of winter grains and significantly improved soil moisture conditions. Post's wheat production forecast (see Wheat PSD) assumes five percent winterkill (versus 64% winterkill last year). Additional spring wheat will be planted on 500,000 hectares previously sown to winter wheat.

Farmers reduced winter wheat plantings intended for grain to 5.5 million hectares compared with 6.7 million hectares planted in Fall 2002. This was due to dry weather conditions at the time of planting in Fall 2003 and scarcity of winter wheat seed due to a disastrous grain harvest. Another factor in the overall reduction in 2003 winter wheat area planted was the significant increase in sunflowerseed and corn plantings that were still in the field during the winter wheat August-September sowing period. According to official estimates, the total area under corn (usually harvested in September-October) and sunflower seed (usually harvested in August-September) increased by 1.8 million hectares over the previous year to 6.1 million hectares.

Barley. Favorable weather conditions in early-to-mid March 2004 allowed spring grain sowing to begin at least one to two weeks earlier this year in all regions. Barley remains the major spring cereal crop in Ukraine. According to the Ministry of Agricultural Policy of Ukraine, farmers planted 1.7 million hectares to spring grains (chiefly spring barley) and pulses as of March 25, 2004. Only 50,000 hectares were planted by the same date last year.

The official GOU forecast of area planted to spring barley in 2003 is 3.5 million hectares. This is in addition to the 534,000 hectares of spring barley planted in Fall 2003. Farmers

generally have sufficient resources to plant as much spring barley as forecasted by the GOU. However, high quality barley seed is in short supply.

Corn. Planting prospects for 2004 remain unclear at this point. The GOU expects 2003 corn area to remain similar to the previous year. On closer inspection, however, it is doubtful that farmers will plant as much corn as in 2002. The lower winterkill significantly reduced area available for spring resowing. Therefore, Post's initial forecast assumes less area under corn than the GOU forecast.

Following last year's extensive winterkill, farmers increased area sown to winter rye in Fall 2003 to 778,000 hectares, an annual increase of 28%. This is attributed to rye's greater cold resistance as compared with winter wheat and barley, making it the safer choice. While **rye** production in 2004 is forecast to increase over the previous year, it will likely remain below 2002 production due to lower yields and expectations of normal weather.

Post adjusted the [estimates of grain and pulse production in 2003](#) to match the finals released by the State Statistics Committee of Ukraine in late February 2004.

Consumption

Assessing Ukraine's food and feed grain consumption remains a challenging task with many unknowns. The GOU does not publish individual estimates of utilization for wheat, barley, corn or any other cereal grain. Overall grain consumption in MY 2004/2005 is forecast to rise based on expectations of lower grain prices that should stimulate both human and feed consumption in MY 2004/2005. However, a declining human population coupled with a rapid reduction in livestock inventories in recent months indicates that neither human grain consumption nor cereal feed utilization in MY 2004/2005 will recover to MY 2002/2003 levels.

A State Statistics Committee of Ukraine survey of household purchases of bread, pasta, flour, pastry and confectionary products determined total CY 2002 wheat consumption at 5 million MT in wheat equivalent. Unfortunately, the survey did not account for on-farm consumption by rural private households. Post increased the **feed wheat** consumption estimate for MY 2002/2003 and MY 2003/2004 based on the relatively low estimate of human consumption derived from the survey mentioned above.

Lower anticipated **wheat** prices in MY 2004/2005 over the current marketing year should allow **feed wheat consumption** to recover from its lowest level ever in MY 2003/2004. While feed wheat is expected to partially replace corn in feed rations during MY 2004/2005, it will remain the third most important feed grain in Ukraine after barley and corn.

Assuming normal weather conditions in 2004, **barley consumption for malting purposes** is forecast to increase in MY 2004/2005 due to steadily increasing demand for malt from the brewing industry and new private investment in the domestic malting industry. Post estimates that barley consumption for malting purposes will increase from 250,000 MT this marketing year to 315,000 MT in MY 2004/2005. This reflects a single year rise in malting barley's share of total barley domestic utilization from 4% to 5%. Official Ukrainian statistics report that domestic malt production increased to 185,000 MT from 171,000 MT produced in CY 2002. Imports of non-roasted malt (HS 110710) rose from 40,000 MT to 51,000 MT. The import duty for malt is quite high at 30%, encouraging domestic production.

The major constraint for domestic malt production is low quality. For 2003, barley quality was lower than for the previous year and failed to meet quality expectations of the Ukrainian malt producers. According to *APK-Inform*, 70% of barley produced in 2003 had protein

content higher than 12.5%, too high for malt production. Malt producers require a maximum of 11.5% protein.

Trade

While the MY 2004/2005 export season should be a "recovery" year for consumption and stocks, exports of wheat and barley are anticipated to rise with increased production.

The wheat export forecast for MY 2004/2005 assumes that the GOU will be active in purchasing grain to both replenish stocks and create an intervention fund as mandated by legislation (see Stocks section). Barley exports should continue unhampered by government purchases. Post will revise the current wheat export forecast upward if there is no evidence of active government purchases in MY 2004/2005.

Wheat imports in MY 2003/2004. Trade sources within Ukraine confirmed a purchase by Ukrainian grain traders of 57,000 MT of U.S. Hard Red Winter Wheat and 16,000 MT of Argentine wheat in March 2003. The buyers of both shipments have tried to resell this wheat to third countries because of recently flattened domestic prices. They have had no success to date. Romania, Moldova and, surprisingly, Russia have been mentioned as possible destinations. If the U.S. shipment does arrive in Ukraine, it will be the first **commercial sale** of wheat to this Former Soviet Republic since gaining independence in 1991.

Wheat and wheat flour imports in July 2004-February 2004 totaled 3.2 million MT (in wheat equivalent) with Kazakhstan and Russia being the major suppliers. Considering the expected wheat arrivals mentioned above, outstanding import commitments and the resumption of VAT payments via promissory notes, Post has increased the estimate of wheat imports in MY 2003/2004 by 200,000 MT.

The estimate of wheat exports in the current marketing year was reduced due to the lack of recorded exports.

The estimate of barley exports in MY 2003/2004 has been increased to reflect the export pace to date. Barley exports totaled 1.2 million MT in July 2003-March 2004 while Ukraine's commodity exchanges registered export contracts for an additional 300,000 MT.

Please refer to GAIN Reports AGR #UP3010 and UP4004 for available wheat, barley, corn and rye trade matrices. These reports can be downloaded from the FAS web site at the following location: <http://www.fas.usda.gov/scriptsw/attacherep/default.asp>

Grain Export Infrastructure Improvements

Lower production in the Black Sea region during CY 2003 resulted in a sharp reduction in the volume of grain handled at Ukrainian ports. The cumulative export, import and transit of grains dropped from 12.5 million MT in CY 2002 to 6.6 million MT in CY 2003 ([Grain Handling by the Ukrainian Ports in 2003](#)). Private investors continue to improve grain export infrastructure. **It has been estimated by Post that Ukraine's maximum port export capacity has increased to 2.2 million MT per month compared with 1.7 million MT one year ago.**

In February 2004, an investor from Cyprus completed construction of a new grain export terminal in Sevastopol, a deep-water port located in Southern Crimea. The terminal has 10 silos with each capable of storing 10,000 MT of grain. A grain export terminal with the capacity to store up to 20,000 MT and load vessels of up to 12,000 MT recently opened at the Kerch Fish Port.

Grain Transit

Due to its geographic location, Ukraine has been an important transit point for grains exported from Russia, Kazakhstan and Moldova. With this report, Post is providing data on [grain transit via Ukrainian Ports](#).

As Ukraine's own exports declined in January-March 2003, wheat and barley transiting from Kazakhstan and Russia became more important for the continued operation of Ukraine's port elevators and railroads. To encourage grain transit, Ukrainian Railways reportedly lowered tariffs for transiting grain in July-December 2003 by 39%.

Stocks

The GOU declared its intentions to purchase 2.5-3.0 million MT of grain (mostly wheat) produced in 2004 to use for future interventions. Under this proposed scheme, the State Committee of Ukraine for the State Material Reserves (Derzhreserve) would be required to purchase 1.0-1.5 million MT while Khib Ukrainy and the regional governments would be required to purchase 500,000 and one million MT, respectively. It is doubtful that this proposal will fully materialize due to existing budget constraints. Nevertheless, Post has assumed an increase in government-held MY 2004/2005 wheat ending stocks.

In 2003, the GOU started to publish estimates of [grain stocks](#). PSD estimates of rye and rice ending stocks for MY 2002/2003 and 2003/2004 were increased to levels in excess of GOU official estimates. This is because the GOU estimate does not account for grain held by small farmers. It is also not clear how the GOU estimate accounts for strategic and intervention stocks held by Derzhreserve. Ukrainian legislation makes no clear distinction between strategic stocks, which is de-facto classified information, and intervention stocks, which should be public knowledge. The estimate for MY 2003/2004 wheat ending stocks was increased to account for high stocks reported by government sources as of March 1, expected monthly consumption levels for the remainder of the marketing year and outstanding import obligations.

Policy

The GOU is required by law to announce the "pledge" price for grain¹ by March 31 of each year. As of April 1, 2004, the price under which the GOU will conduct pledge purchases² in MY 2004/2005 has not been announced. This price support mechanism has never been used effectively because the GOU has failed to offer farmers a competitive price. For example, the price offered to farmers in July-August 2003 under pledge purchases for wheat was UAH 605/MT (\$113/MT) while the market price was at least 50% higher. It is uncertain whether pledge purchases will be effective in supporting farm gate prices in MY 2004/2005. Most likely, the GOU will conduct direct purchases of wheat at market prices following the harvest.

Flour interventions from Derzhreserve have been the main force behind stable domestic wheat prices. According to various sources, Derzhreserve sold 35,000 MT of wheat flour in January-February 2004 to stabilize prices and was prepared to sell an additional 35,000 tons. The State Reserves Committee prefers to utilize its own milling capacity to produce and sell flour rather than sell wheat directly from stocks.

¹ A "pledge" price (or support price) is the price determined and guaranteed by the Government. The price must compensate for the average cost of grain production and assure a certain profit to the farmer.

² Under a "pledge" purchase, the State agent purchases grain from farmers at fixed ("pledge") prices after July 1 while farmers maintain the right to resell this grain before March 1 of the following year. Farmers must reimburse the State agent both the "pledge" price and the cost of grain storage if their grain is sold to another buyer before March 1.

Partial compensation of mineral fertilizer cost is a new policy measure aimed to support farmers in CY 2004. The GOU expects to spend UAH 140 million (\$26 million) to compensate farmers up to 18% of the fixed price set at UAH 550 per 1 MT for ammonium nitrate and UAH 690 per 1 MT of urea. This measure will help Ukrainian farmers to increase the application of mineral fertilizers in 2004 as compared with previous years.

2003 disaster payments. Ukrainian farmers faced serious losses in 2003 due to unprecedented winterkill and the absence of an effective crop insurance program. In order to partially compensate grain farmers for their losses, the GOU provided UAH 20 million (\$3.7 million) in April 2003 and UAH 356 million (\$70 million) in June 2003. Post estimates that disaster payments averaged UAH 70 per hectare (\$13/ha) and compensated for about 30% of production cost losses.

Subsidy for winter grains planted in 2003. Since Ukraine's Parliament authorized disaster payments for the entire CY 2003, the GOU decided to provide the remaining authorized UAH 360 million (\$68 million) as **a subsidy** to those farmers who planted winter grains in Fall 2003. Figuring that Ukrainian farmers planted 7.1 million hectares with winter grains in 2004, the subsidy equaled UAH 51/ha (\$10/ha).

References

Grain and Feed and related reports most recently submitted by FAS/Kiev can be downloaded from the FAS web site at <http://www.fas.usda.gov/scriptsw/attacherep/default.asp>.

Poultry February Update, GAIN Report UP4005 dated February 11, 2004
2004 Grain Pre-finals and Trade, GAIN Report UP4004 dated February 9, 2004
February Oilseeds Update GAIN Report UP4002 dated February 6, 2004
Ukraine: Wheat Import GAIN Report UP3010 dated December 15, 2003

Internet sources (available in English):

News and analytical agencies

APK-Inform <http://www.agrimarket.info/>

Ukragroconsult Ltd <http://www.ukragroconsult.com/new/eng/>

ProAgro <http://www.proagro.com.ua/eng/news/>

Ukrainian Grain Association Portal

http://www.uqa-port.org.ua/cgi-bin/valmenu_portal.sh?1p0000.html

Ukrainian official customs statistics

http://www.customs.gov.ua/ukr/index.php?r_id=12&p_id=17

Statistical Tables

Final Data on Grain Production in Ukraine in 2004 (all types of farms)

Crop	Final area planted, 1,000 hectares	Harvested area, 1,000 hectares	Production	
			Weight before cleaning and drying, 1,000 MT	Final weight, 1,000 MT
Total grain and pulse production, including:	12,495	11,104	21,401	20,223
Wheat, total, including:	2,829	2,456	3,924	3,599
- winter wheat	2,357	2,029	3,126	2,866
- spring wheat	472	427	798	733
Rye, total, including:	407	395	676	624
- winter rye	404	392	671	620
- spring rye	3	3	4	4
Barley, total, including:	5,172	4,601	7,363	6,833
- winter barley	113	102	181	171
- spring barley	5,059	4,498	7,183	6,661
Oats	602	544	1,027	941
Mixed grains	33	25	33	30
Corn	2,170	1,989	6,888	6,874
Millet	311	255	369	337
Buckwheat	366	321	362	309
Rice	22	22	94	84
Sorghum	25	18	26	23
Pulses, total, including:	558	478	637	569
Peas	403	338	418	371
Beans	38	38	55	51
Lentils	1	0	0	0
Broad beans	15	14	18	16
Vetch	74	65	115	104
Lupine	9	8	10	9
Other pulses (chick pea, peavine, etc.)	19	17	20	18
Winterkill in 2002/2003				
Total area planted with winter grains for grain and green feed in Fall 2002	8,430	X	X	X
of which completely perished	5,377	X	X	X

Data source: State Statistics Committee of Ukraine

Wheat PSD Table

Ukraine							
Wheat							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2002		07/2003		07/2004	MM/YYYY
Area Harvested	6750	6477	2500	2456	0	5900	(1000 HA)
Beginning Stocks	2961	3081	3252	3092	227	521	(1000 MT)
Production	20550	20556	3600	3599	0	15000	(1000 MT)
TOTAL Mkt. Yr. Imports	810	500	3500	3700	0	300	(1000 MT)
Jul-Jun Imports	810	500	3500	3700	0	300	(1000 MT)
Jul-Jun Import U.S.	4	0	0	50	0	0	(1000 MT)
TOTAL SUPPLY	24321	24137	10352	10391	227	15821	(1000 MT)
TOTAL Mkt. Yr. Exports	6569	6545	100	20	0	1500	(1000 MT)
Jul-Jun Exports	6569	6545	100	20	0	1500	(1000 MT)
Feed Dom. Consumption	4000	4500	725	800	0	2500	(1000 MT)
TOTAL Dom. Consumption	14500	14500	10025	9850	0	12200	(1000 MT)
Ending Stocks	3252	3092	227	521	0	2121	(1000 MT)
TOTAL DISTRIBUTION	24321	24137	10352	10391	0	15821	(1000 MT)

Wheat Prices Table

Country	Ukraine		
Commodity	Wheat		
Prices in	US\$	per uom	1 MT
Year	2002	2003	% Change
Jan	95.85	108.76	13%
Feb	93.96	127.47	36%
Mar	90.19	146.22	62%
Apr	86.35	144.36	67%
May	85.38	143.45	68%
Jun	85.39	196.89	131%
Jul	76.94	187.55	144%
Aug	75.99	183.81	142%
Sep	84.44	211.94	151%
Oct	93.81	230.69	146%
Nov	98.49	233.5	137%
Dec	100.33	233.52	133%

Source: APK-Inform, www.agrimarket.info
Milling quality 3rd class, EXW offer price

Barley PSD Table

Ukraine							
Barley							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2002		07/2003		07/2004	MM/YYYY
Area Harvested	4150	4153	4600	4601	0	4000	(1000 HA)
Beginning Stocks	1324	971	1653	1072	853	455	(1000 MT)
Production	10350	10364	6850	6833	0	9500	(1000 MT)
TOTAL Mkt. Yr. Imports	262	20	150	50	0	0	(1000 MT)
Oct-Sep Imports	245	20	150	50	0	0	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	11936	11355	8653	7955	853	9955	(1000 MT)
TOTAL Mkt. Yr. Exports	2883	2883	1200	1500	0	2500	(1000 MT)
Oct-Sep Exports	2302	2334	1500	1800	0	2300	(1000 MT)
Feed Dom. Consumption	5500	5500	4600	4500	0	4800	(1000 MT)
TOTAL Dom. Consumption	7400	7400	6600	6000	0	6500	(1000 MT)
Ending Stocks	1653	1072	853	455	0	955	(1000 MT)
TOTAL DISTRIBUTION	11936	11355	8653	7955	0	9955	(1000 MT)

Barley Prices Table

Country	Ukraine		
Commodity	Barley		
Prices in	US\$	per uom	1 MT
Year	2002	2003	% Change
Jan	81.76	88.13	8%
Feb	80.8	97.48	21%
Mar	73.28	106.85	46%
Apr	70.39	106.87	52%
May	69.43	105.94	53%
Jun	68.5	131.26	92%
Jul	61.93	121.91	97%
Aug	59.11	133.17	125%
Sep	65.67	120.97	84%
Oct	76.93	120.03	56%
Nov	83.48	131.28	57%
Dec	84.39	130.36	54%

Source: APK-Inform, www.agrimarket.info
Feed quality barley, EXW offer price

Corn PSD Table

Ukraine							
Corn							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		10/2002		10/2003		10/2004	MM/YYYY
Area Harvested	1200	1189	2000	1989	0	1700	(1000 HA)
Beginning Stocks	940	723	859	725	909	809	(1000 MT)
Production	4200	4180	6850	6874	0	5000	(1000 MT)
TOTAL Mkt. Yr. Imports	30	30	0	10	0	10	(1000 MT)
Oct-Sep Imports	30	30	0	10	0	10	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	5170	4933	7709	7609	909	5819	(1000 MT)
TOTAL Mkt. Yr. Exports	811	808	1000	1000	0	800	(1000 MT)
Oct-Sep Exports	811	808	1000	1000	0	800	(1000 MT)
Feed Dom. Consumption	2800	2800	5100	5100	0	3700	(1000 MT)
TOTAL Dom. Consumption	3500	3400	5800	5800	0	4300	(1000 MT)
Ending Stocks	859	725	909	809	0	719	(1000 MT)
TOTAL DISTRIBUTION	5170	4933	7709	7609	0	5819	(1000 MT)

Corn Prices Table

Country	Ukraine		
Commodity	Corn		
Prices in	US\$	per uom	1 MT
Year		1	% Change
Jan	86.46	82.51	-5%
Feb	84.56	97.48	15%
Mar	81.73	114.35	40%
Apr	78.84	119.99	52%
May	76.93	138.76	80%
Jun	76.94	187.52	144%
Jul	76.94	187.55	144%
Aug	80.69	187.56	132%
Sep	76.93	112.53	46%
Oct	78.8	127.53	62%
Nov	78.79	133.16	69%
Dec	80.64	126.61	57%

Source: APK-Inform, www.agrimarket.info
Feed quality barley, EXW offer price

Rye PSD Table

Ukraine							
Rye							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2002		07/2003		07/2004	MM/YYYY
Area Harvested	750	750	400	395	0	750	(1000 HA)
Beginning Stocks	256	256	235	325	55	199	(1000 MT)
Production	1500	1511	625	624	0	1300	(1000 MT)
TOTAL Mkt. Yr. Imports	165	144	200	150	0	10	(1000 MT)
Oct-Sep Imports	225	240	200	120	0	10	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1921	1911	1060	1099	55	1509	(1000 MT)
TOTAL Mkt. Yr. Exports	286	286	5	0	0	50	(1000 MT)
Oct-Sep Exports	270	270	5	0	0	50	(1000 MT)
Feed Dom. Consumption	150	150	50	100	0	200	(1000 MT)
TOTAL Dom. Consumption	1400	1300	1000	900	0	1300	(1000 MT)
Ending Stocks	235	325	55	199	0	159	(1000 MT)
TOTAL DISTRIBUTION	1921	1911	1060	1099	0	1509	(1000 MT)

Rye Prices Table

Country	Ukraine		
Commodity	Rye		
Prices in	US\$	per uom	1 MT
Year	2002	2003	% Change
Jan	58.26	58.13	0%
Feb	59.76	71.23	19%
Mar	58.25	88.11	51%
Apr	56.31	89.99	60%
May	56.29	90.01	60%
Jun	56.3	93.76	67%
Jul	45.04	96.59	114%
Aug	40.34	101.28	151%
Sep	39.4	117.22	198%
Oct	43.15	142.54	230%
Nov	46.9	159.41	240%
Dec	50.63	168.81	233%

Source: APK-Inform, www.agrimarket.info
EXW offer price

Oats PSD Table

Ukraine							
Oats							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2002		07/2003		07/2004	MM/YYYY
Area Harvested	500	500	550	544	0	500	(1000 HA)
Beginning Stocks	85	85	79	72	49	58	(1000 MT)
Production	950	943	925	941	0	850	(1000 MT)
TOTAL Mkt. Yr. Imports	0	0	0	0	0	0	(1000 MT)
Oct-Sep Imports	0	0	0	0	0	0	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1035	1028	1004	1013	49	908	(1000 MT)
TOTAL Mkt. Yr. Exports	6	6	5	5	0	5	(1000 MT)
Oct-Sep Exports	6	6	5	5	0	5	(1000 MT)
Feed Dom. Consumption	800	800	750	750	0	700	(1000 MT)
TOTAL Dom. Consumption	950	950	950	950	0	850	(1000 MT)
Ending Stocks	79	72	49	58	0	53	(1000 MT)
TOTAL DISTRIBUTION	1035	1028	1004	1013	0	908	(1000 MT)

Peas PSD Table

Ukraine							
Peas							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2002		07/2002		07/2002	MM/YYYY
Area Harvested	0	324	0	338	0	400	(1000 HA)
Beginning Stocks	0	13	0	21	0	13	(1000 MT)
Production	0	613	0	371	0	600	(1000 MT)
TOTAL Mkt. Yr. Imports	0	1	0	1	0	0	(1000 MT)
Jul-Jun Imports	0	1	0	1	0	0	(1000 MT)
Jul-Jun Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	0	627	0	393	0	613	(1000 MT)
TOTAL Mkt. Yr. Exports	0	166	0	40	0	150	(1000 MT)
Jul-Jun Exports	0	166	0	40	0	150	(1000 MT)
Feed Dom. Consumption	0	340	0	250	0	340	(1000 MT)
TOTAL Dom. Consumption	0	440	0	340	0	440	(1000 MT)
Ending Stocks	0	21	0	13	0	23	(1000 MT)
TOTAL DISTRIBUTION	0	627	0	393	0	613	(1000 MT)

Rice PSD Table

Ukraine							
Rice, Milled							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2003		01/2004		01/2005	MM/YYYY
Area Harvested	19	20	22	22	0	25	(1000 HA)
Beginning Stocks	0	0	0	10	0	10	(1000 MT)
Milled Production	50	75	55	84	0	90	(1000 MT)
Rough Production	77	0	85	0	0	0	(1000 MT)
MILLING RATE (.9999)	6500	0	6500	0	0	0	(1000 MT)
TOTAL Imports	75	79	75	86	0	85	(1000 MT)
Jan-Dec Imports	75	79	75	86	0	85	(1000 MT)
Jan-Dec Import U.S.	0	1	0	8	0	0	(1000 MT)
TOTAL SUPPLY	125	154	130	180	0	185	(1000 MT)
TOTAL Exports	0	0	0	0	0	0	(1000 MT)
Jan-Dec Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Dom. Consumption	125	144	130	170	0	175	(1000 MT)
Ending Stocks	0	10	0	10	0	10	(1000 MT)
TOTAL DISTRIBUTION	125	154	130	180	0	185	(1000 MT)

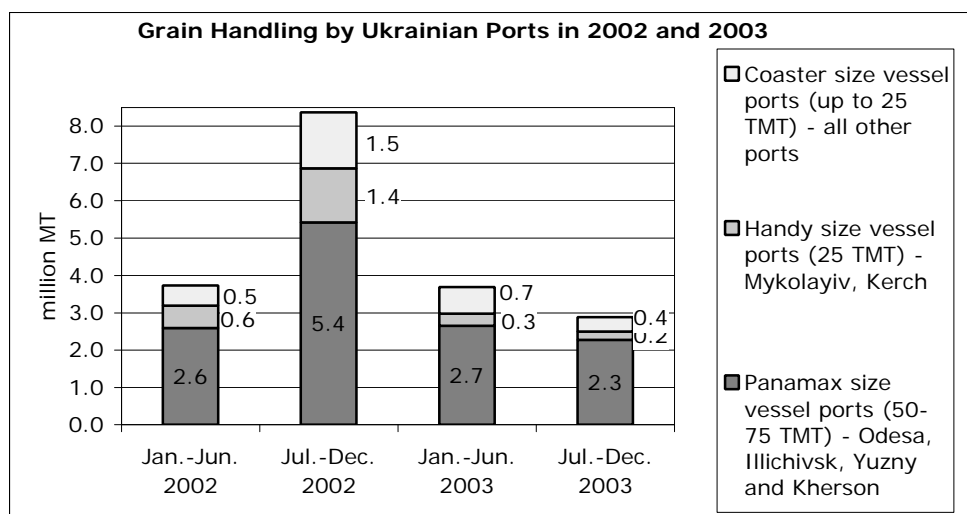
Grain and Oilseed Handling at Ukrainian Ports in 2003 as compared with 2002*
MT in Thousands

	Export	Import	Transit	Total**	Change in 2003 from 2002, %			
					Export	Import	Transit	Total**
Illichivsk	646	66	772	1484	-74%		19%	-52%
Odesa	1,191	291	496	1,978	-56%	+26 times	144%	-33%
Mykolayiv	742	34	16	803	-50%		176%	-54%
Kherson	408	19	236	670	-55%		-4%	-42%
Ust-Dunaysk	163	15	218	404	-51%		-20%	-48%
Mariupil	55	59	20	134	-88%		-47%	-73%
Reni	4	0	460	463	-29%		10%	9%
Kerch	26	3	69	98	-91%		132%	-68%
Berdyansk	77	20	68	176	-63%		-23%	-42%
Ismail	67	5	64	139	-62%	-51%	-39%	-52%
Illichivks Fish Port	113	0	1	114	-49%			-48%
Yuzhny	23	0	12	35	-80%		-58%	-76%
Belhorod-Dnistrovsky	21	0	21	44	-66%			-48%
Feodosia	0	0	24	24	-100%		30%	-70%
Skladovsk	9	0	0	9			-100%	210%
Total	3,545	512	2,477	6,575	-63%	+24 times	17%	-46%

Data source: Porty Ukrainy, 2004 issue #1, pages 56-60 and Post's own calculations

* Oilseeds represented an estimated 2% of the volumes handled

**Total includes within port transportation and cabotage



Data source: *Porty Ukrainy, selected issues and Post's own calculations.*
 Port-type grouping is approximate based on grain traders' information.

Grain Transit from Russia, Kazakhstan and Moldova via Ukrainian Ports

Product	Country of Origin	Jan.-Mar. 03	Apr.-Jun. 03	Jul.-Sep. 03	Oct.-Nov. 03	Total for CY 2003	Jan.-Feb. 04
Feed barley	Kazakhstan	89,326	61,613	13,688	99,300	263,926	34,113
	Moldova	737	0	0	0	737	0
	Russia	236,901	147,289	26,565	415,853	826,608	150,944
Feed barley Total		326,964	208,902	48,253	515,152	1,099,271	185,057
Feed corn	Hungary	41,405	0	7,431	0	48,836	0
	Kazakhstan	0	0	0	0	0	351
	Moldova	13,180	5,654	0	9,042	27,877	11,129
Feed corn Total		54,585	5,654	7,431	9,042	76,713	11,480
Feed wheat	Moldova	1,978	250	0	0	2,228	0
	Russia	128,939	92,095	9,580	0	230,614	0
Feed wheat Total		130,917	92,345	9,580	0	232,842	0
Milling wheat	Kazakhstan	639,492	269,256	65,161	22,714	996,622	13,616
	Moldova	5,472	1,012	0	0	6,484	0
	Russia	75,383	104,558	21,987	3,202	205,131	0
Milling wheat Total		720,346	374,826	87,148	25,916	1,208,236	13,616
Rye	Russia	0	0	0	8,501	8,501	0
Rye Total		0	0	0	8,501	8,501	0
Grand Total		1,232,812	681,728	152,412	558,611	2,625,563	210,153

Data courtesy of Ukragroconsult Ltd. The table is based on vessel departure statistics; therefore, grain transit totals differ from port handling statistics provided under Statistical Tables Section.

Ukraine Grain Stocks, 1,000 MT

	As of July 1, 2003	As of January 1, 2004	As of March 1, 2004
Total, including:	1290.8	7713.2	6501.8
- wheat	757.8	2294.4	2201.8
- rye	163.9	174.6	142.9
- millet	4.0	104.7	90.5
- rice	1.1	17.9	10.2
- buckwheat	11.3	110.5	87.3
- corn	51.0	2146.9	1550.1
- barley	149.7	1486.6	1160.1
- oats	16.1	240.6	177.5
- other cereals	24.7	164.9	120.7
pulses, total	9.9	110.7	93.3

Source: Ministry of Agricultural Policy

Excluding private household plots and small farms.