



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 4/27/2005

GAIN Report Number: UP5008

Ukraine

Oilseeds and Products

Annual

2005

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Report Highlights:

Oilseed production in Ukraine is expected to increase in 2005 in response to high prices and expansion of crush capacity. Increased production will result in record high processing, an unprecedented level of sunflower seed and oil exports, and higher domestic consumption of oilseed products in MY 2005/2006. Soybean meal will remain the only oilseed product imported into Ukraine from the United States. Along with recent trade information for all major oilseeds, meals and oils, this report also provides a brief description of improvements in the oilseed processing industry, information on structural changes in vegetable oil consumption and policy assumptions behind trade forecasts.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Kiev [UP1]
[UP]

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Executive Summary

Higher profitability of sunflower seed and soybeans compared with grains and pulses will likely result in a 10% increase in the area planted with oilseeds in 2005. Assuming normal weather conditions, 2005 oilseed production is currently forecasted to increase 30% above 2004's level and slightly above the record high level registered in 2003. Unlike in MY 2003/2004, increased sunflower seed production will be almost entirely adsorbed by the domestic oilseed crushing industry and will not result in significant exports. Ukrainian oilseed processors, protected by the 17% export duty, will crush an estimated 4.5 million tons of oilseeds in MY 2005/2006, the highest level in the country's history. Rapeseed exports are not restricted by the export duty and are expected to increase during the next marketing year in response to rising demand from the European bio-diesel industry.

Increased crush and production of oilseed products will result in increased domestic consumption of oils and meals in MY 2005/2006 when compared to the current marketing year. A record high level of sunflower seed oil and meal exports (1.2 million tons for each product) is also anticipated. In MY 2005/2006, sunflower seed oil will remain the major vegetable oil consumed in Ukraine. Its consumption share, however, will continue to shrink because the local food industry will increase the usage of lower priced tropical oils. Imports of tropical oils are expected to rise to 200,000 tons next marketing year.

Two new plants capable of crushing sunflower seed and soybeans are scheduled to begin operations in the Port of Illichivsk (near Odesa) in MY 2005/2006. Currently, it is anticipated that these plants will not import soybeans for crushing next marketing year as sunflower seed processing assures higher margins compared with other oilseeds. Soybean meal imports are forecasted to increase slightly in MY 2005/2006 in response to growing demand for high quality protein meals from the domestic broiler industry; although, U.S. producers will not likely benefit from increased sales due strong price competition from Brazil and Argentina. U.S. soybean meal will likely continue to be imported to Ukraine in insignificant quantities via European ports.

Production

Sunflower seed production in 2005 is forecasted to increase due to higher area planted when compared with the previous year and despite lower than average yield expectations. Sunflower seed area expansion is forecast to take place at the expense of reduced corn acreage. Sunflower seed has been the most profitable crop in Ukraine (see GAIN Report # UP5007 <http://www.fas.usda.gov/gainfiles/200504/146119339.pdf> for a rate of return comparison for sunflower seed, grains and sugar beets).

The Ministry of Agricultural Policy of Ukraine has announced its 2005 sunflower seed area forecast at 2.75 million hectares. While the GOU continues to base its forecasts on environmental recommendations rather than on farmers' planting intentions, FAS Kiev believes that the area planted with sunflower seed will increase **to 3.8 million hectares** this year. Dniprotetrovsk, Kyrovohrad, Zaporizhzhya, Donetsk, Mykolayiv, Odesa, Kharkiv, Poltava and Luhansk Oblasts located in South Eastern Ukraine account for 50% of the country's arable land but are responsible for 85% of sunflower plantings. The GOU is concerned that farmers often plant sunflower in the same fields for 2-4 years and do not follow a recommended seven-year crop rotation. Considering the low rates of mineral fertilizer application in sunflower seed cultivation that range roughly 60 kilograms of nitrogen per hectare in active ingredient matter, the threat of depleting soil fertility is quite real. However, there has been no effective mechanism to restrict sunflower seed plantings. For instance, farmers planted 3.5 million hectares of sunflower seed in 2004 but the GOU forecasted only 2.5 million hectares.

To factor in the negative effects of short sunflower crop rotation and depleted soil fertility, FAS Kiev used lower than average yield estimates in its initial production forecast provided in the Sunflower Seed PSD Table. A late spring in 2005 has also delayed sunflower sowing by one-to-two weeks and can negatively affect crop yields. According to official sources, farmers planted 418,000 hectares of sunflowerseed as of April 19, 2005, in contrast with 948,000 hectares planted by the same date last year.

Soybean production in 2005 will likely continue the upward trend that began in the mid-1990s. The increase in the area planted this year, however, is not anticipated to be as significant as in previous years. The Ukrainian farmers have been able to improve soybean yields mostly due to locally bred short and mid-term varieties. Therefore, FAS Kiev assumed higher than average yields in its initial 2005 production forecast (see PSD table in the Statistical Tables Section).

Rapeseed production is also forecasted to increase in 2005 compared to the previous year mostly due to higher winter rapeseed area planted. The area planted in Fall 2004 increased to 148,000 hectares from 92,000 hectares in 2003. Attractive export prices in MY 2004/2005 and recovered seed production prevailed over farmers' memories of the unprecedented 95% winter kill in 2002/2003. Both factors contributed to increased plantings. Spring rapeseed plantings this year are forecasted to increase only slightly from 62,000 hectares planted in 2004 due to low yields in contrast with winter rapeseed. Ukrainian farmers still lack financing and necessary technology to achieve good yields, and to minimize harvest and post-harvest handling losses. Normal weather conditions and average yields were assumed in 2005 production forecasts (1.16 MT/ha for winter and 0.79 MT/ha for spring rapeseed).

Crush Capacity Expansion. According to FAS Kiev estimates, oilseed crushing capacity will reach 5.2 million tons of sunflower seed by the end of MY 2005/2006, compared with 4.5 million tons in MY 2004/2005. Contrary to expectations (GAIN Report UP4010 dated 5/17/2004), two new plants in the Port of Illichivsk will have a smaller crushing capacity of 0.6 million tons per year.

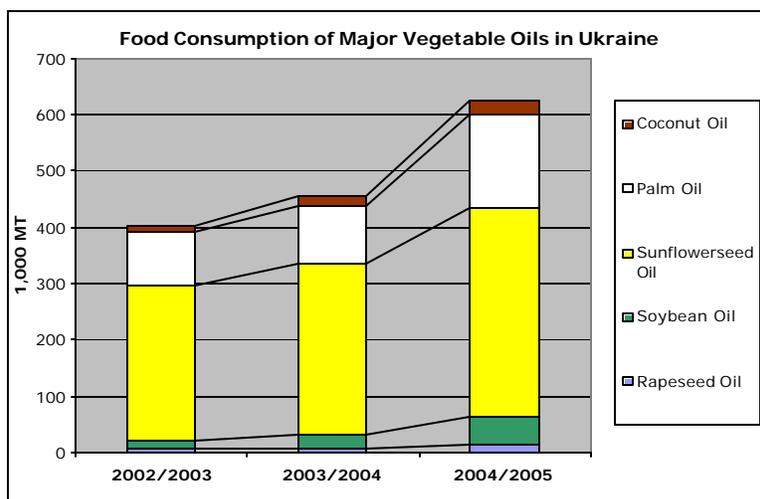
ADM and Risoil intend to launch their joint venture crushing plant in June 2005. It is expected that the plant will reach its intended capacity of 200,000-250,000 tons of sunflower seed ton per year only in MY 2005/2006. The nearby vegetable oil export terminal located in the Port will increase its tank storage capacity to 50,000 tons and will allow for increased exports from this plant. Bunge-Ukraine intends to launch its crushing plant (located in the same port) with an estimated capacity of 400,000 tons per year in December 2005-February 2006. Also, Ukrainian crushers will likely add 100,000 tons to their crush capacity by modernizing existing facilities.

Consumption

Protein meal utilization will increase slightly in MY 2005/2006 to reflect growing demand from the broiler industry. It is also expected that swine inventories will increase by the end of MY 2005/2006 resulting in increased demand that will be met by local suppliers.

Vegetable oil consumption in MY 2005/2006 will likely continue to increase as a result of increased consumer purchasing power. However, the share of sunflower oil utilized by the local food processing industry will decrease due to strong export demand and stable high premiums compared with tropical oils. According to available information, the average CIF price of imported palm oil in September 2003-August 2004 was \$560/MT, compared with \$720/MT FOB price for locally produced sunoil (\$160/MT premium). Although the premium

declined to \$130/MT in January-February 2005, Ukrainian margarine producers and other users of vegetable oils are expected to continue switching towards lower priced oils in their production. The graph and table below illustrate trends and structural changes in vegetable oil consumption in Ukraine over the past three marketing years.



Source: Post own assessment based on official USDA estimates and Ukraine's foreign trade statistics

Table: Structural Changes in Vegetable Oil Consumption in Ukraine (MY 2002/2003-2004/2005)

Oil type	2002/2003	2003/2004	2004/2005*
Rapeseed Oil	1%	1%	2%
Soybean Oil	3%	5%	8%
Sunflowerseed Oil	68%	67%	60%
Palm Oil	23%	23%	26%
Coconut Oil	3%	4%	4%

* Preliminary estimate

Source: Post own assessment based on official USDA estimates and Ukraine's foreign trade statistics

Trade

The most recent available trade data is provided in the Statistical Tables Section. FAS Kiev updated MY 2004/2005 trade estimates after factoring in the most current trade information.

Oilseed Exports

Ukraine's sunflower seed exports in MY 2005/2006 will likely continue to be restricted by the existing 17% export tax (see the Policy Section for more information). While the MY 2005/2006 export forecast envisions an increase over the current marketing year level, it represents only a short-term trade opportunity rather than a trend.

Rapeseed exports have not been restricted by the export duty. Demand is being driven by the European biodiesel industry. Therefore, MY 2005/2006 rapeseed exports from Ukraine will likely increase.

A slight reduction in soybean exports is foreseen in MY 2005/2006 from the revised MY 2004/2005 level due to increased domestic industrial crush and soybean meal demand.

In MY 2004/2003 mustard exports outpaced rapeseed exports (see tables in the Statistical Section for details). Ukrainian exporters seem to be comfortable with this niche oilseed crop and will likely continue mustard seed exports in MY 2005/2006.

Oilseed Imports

Peanuts will likely remain the major oilseed import to Ukraine in MY 2005/2006. China, India and Uzbekistan are the leading suppliers. High import duties on sunflower seed and rapeseed significantly restrict imports to Ukraine. No oilseed imports are forecasted for MY 2005/2006 despite the anticipated built up of crush capacity at the end of MY 2005/2006 (see the Policy Section).

Although imported soybeans are subject to a zero duty, it is unlikely that the two new crushing plants in Illichivsk will import soybeans next year. Both plants would rather enjoy high sunseed crush margins compared to other oilseeds. Their owners have better access to low cost financing and will be better positioned to secure sufficient sunflower stocks when compared to Ukrainian crushers.

Oilseed Meals Trade

Exports of sunflower and rapeseed meals are forecast to increase next marketing year to reflect the record high crush. Exports will continue to supply traditional markets (EU, Israel, Turkey and Morocco).

Despite increased soybean production and crush, soybean meal imports in MY 2005/2006 are anticipated to increase slightly from the revised MY 2004/2005 level. There have been some complaints about the low protein level in Ukrainian soya beans in MY 2004/2005. Vertically integrated broiler producers in Ukraine are therefore expected to continue importing high quality soybean meal in small lots (2,000-7,000 tons per month) from reliable suppliers.

Oils Trade

Assuming forecasted oilseed production and crush, Ukraine's sunflower oil exports will likely reach a record high level in MY 2005/2006. Ukraine will continue supplying sunflower oil to EU-25, Former Soviet Union, Turkey, Saudi Arabia and other traditional destinations. Please note that the trade data provided in the Statistical Tables Section is based on official Ukrainian customs statistics that often does not reflect actual export destinations. According to FAS Kiev's assessment, there have been no sunflower oil shipments to Switzerland from Ukraine. Export shipments declared for this country most likely landed in the Middle East and North Africa.

Ukraine imported insignificant quantities of refined and bottled sunflower oil under existing free trade agreements with Former Soviet Union (FSU) countries. Considering the expected increase in domestic vegetable oil production in MY 2005/2006, FAS Kiev does not foresee significant imports of sunflower seed, soybean or rapeseed oil in MY 2005/2006.

MY 2005/2006 palm and coconut oil imports will likely increase to 200,000 tons to meet rising demand from the Ukrainian food processing industry. There have been some improvements in port handling infrastructure that allow for increased tropical oil imports.

Policy

The status quo will likely remain for the 17% export duty. Farming groups continue to lobby for the cancellation of the 17% export duty while Ukrainian Oilseed Processors Association supports the existing export duty. In the meantime, Ukrainian agricultural policy has lacked any flexibility that would allow for sunflower seed trade when necessary.

The export duty that has been enforced since MY 2000/2001 has achieved its goal of increasing domestic sunflower seed crush and exports of valued-added products (oil and meal) from Ukraine. However, it has kept domestic sunflower seed prices 3-21% below the export parity price level (the price farmers could have received without the export duty in place). This was the case after record high sunseed production in MY 2003/2004. Crushers suffered from shortages of sunflower seed in MY 2004/2005 because of the prohibitive EUR 500 per ton import duty on sunflower seed.

Considering on-going investments in crushing facilities, a gradual decrease of the export duty would protect a somewhat overheated sector without damaging investor interests as would be the case if the export duty was eliminated completely at once. At this point it is unlikely that the GOU would pursue either option in MY 2005/2006. **Therefore, the initial FAS Kiev trade forecast assumes the status quo will remain.** The Government is planning to significantly reduce tariffs for most agricultural products; however, these reductions won't apply to oilseeds and products.

In June 2004, the Parliament of Ukraine adopted the Law on the State Support of Agriculture that mandated authority for grain and sunflower seed market interventions to the Executive branch. The motives behind sunseed market interventions are not clear considering the extremely high profitability of this crop. Therefore, it is highly unlikely that the GOU will begin making market interventions in MY 2005/2006.

Statistical Tables

Oilseeds

Sunflower Seed PSD Table

Ukraine							
Oilseed, Sunflowerseed							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Area Planted	4000	4000	3500	3500	0	3800	(1000 HA)
Area Harvested	3807	3807	3300	3400	0	3700	(1000 HA)
Beginning Stocks	25	25	28	29	19	22	(1000 MT)
Production	4252	4252	3050	3050	0	4100	(1000 MT)
MY Imports	2	2	2	3	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	1	1	1	3	0	0	(1000 MT)
TOTAL SUPPLY	4279	4279	3080	3082	19	4122	(1000 MT)
MY Exports	950	950	50	10	0	100	(1000 MT)
MY Exp. to the EC	500	500	50	5	0	70	(1000 MT)
Crush Dom. Consumption	3150	3150	2870	2910	0	3830	(1000 MT)
Food Use Dom. Consump.	30	30	30	30	0	30	(1000 MT)
Feed,Seed,Waste Dm.Cn.	121	120	111	110	0	130	(1000 MT)
TOTAL Dom. Consumption	3301	3300	3011	3050	0	3990	(1000 MT)
Ending Stocks	28	29	19	22	0	32	(1000 MT)
TOTAL DISTRIBUTION	4279	4279	3080	3082	0	4122	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	924	867	300	354	0	80	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Sunflower Seed Exports from Ukraine, MT

Major Destinations	Sep 02-Aug 03	Sep 03-Aug 04	Sep 03-Jan 04	Sep 04-Jan 05
Turkey	83,258	147,110	72,904	60
France	29,069	111,916	111,896	0
Hungary	679	105,278	49,366	119
Spain	49,329	102,118	69,509	0
Pakistan	31,268	72,644	72,644	0
Georgia	15,276	63,680	27,887	0
Netherlands	38,379	53,784	38,905	0
Portugal	7,680	45,496	35,830	0
Switzerland	7,963	36,256	12,514	0
United States*	5,854	34,562	29,538	99
Others Not Listed	62,022	154,831	112,285	3,905
Ref. EU-25 Total	157,789	500,297	360,670	3,676
Grand Total	330,776	927,675	633,278	4,183

Data Source: State Customs Service of Ukraine (HS 1206)

*Note: As declared by Ukrainian exporters. For official U.S. import agricultural statistics, please refer to <http://www.fas.usda.gov/ustrade/>

MY 2004/2005 sunflower seed imports to-date have been limited to 3,000 MT from Hungary

Sunflower Seed Prices Table

Prices in	US\$	per uom	1 MT
Year	2004	2005	% Change
Jan	261.67	292.23	12%
Feb	290.81	286.85	-1%
Mar	286.15	302.97	6%
Apr	274.93	299.01	9%
May	289.2		
Jun	272.5		
Jul	259.59		
Aug	244.73		
Sep	292		
Oct	301.52		
Nov	303.42		
Dec	295.92		

EXW Offer Price.

Data source: APK-Inform (www.agrimarket.info); Prices as of last Friday of each month

Please refer to GAIN Report # UP4010 dated 5/17/2004 for previous years' price information

Soybeans PSD Table

Ukraine							
Oilseed, Soybean							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Area Planted	209	209	272	272	0	320	(1000 HA)
Area Harvested	188	188	256	256	0	300	(1000 HA)
Beginning Stocks	2	2	3	3	7	7	(1000 MT)
Production	232	232	363	363	0	380	(1000 MT)
MY Imports	1	1	1	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	235	235	367	366	7	387	(1000 MT)
MY Exports	61	61	75	30	0	20	(1000 MT)
MY Exp. to the EC	34	34	40	15	0	10	(1000 MT)
Crush Dom. Consumption	151	151	250	294	0	330	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed,Seed,Waste Dm.Cn.	20	20	35	35	0	37	(1000 MT)
TOTAL Dom. Consumption	171	171	285	329	0	367	(1000 MT)
Ending Stocks	3	3	7	7	0	0	(1000 MT)
TOTAL DISTRIBUTION	235	235	367	366	0	387	(1000 MT)
Calendar Year Imports	1	1	1	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	42	42	50	38	0	15	(1000 MT)
Calindr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Soybean Exports from Ukraine

	Sep 02-Aug 03	Sep 03-Aug 04	Sep 03-Jan 04	Sep 04-Jan 05
Turkey	0	21,318	13,143	5,100
Hungary	878	13,096	6,150	498
Netherlands	3,045	7,809	7,809	0
United Kingdom	0	4,707	4,704	0
Switzerland	0	2,999	998	0
Italy	0	2,866	2,866	0
Belgium	0	2,810	2,810	0
Austria	0	2,382	0	0
Romania	0	1,163	0	0
United States*	0	533	533	6,780
Others Not Listed	3,381	1,100	309	3,843
Ref. EU-25 Total	4,233	33,670	24,340	740
Total	7,304	60,783	39,322	16,221

Data Source: State Customs Service of Ukraine (HS 1201)

*Note: As declared by Ukrainian exporters. For official U.S. import agricultural statistics, please refer to <http://www.fas.usda.gov/ustrade/>

Rapeseed PSD Table

Ukraine							
Oilseed, Rapeseed							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2003		07/2004		07/2005	MM/YYYY
Area Planted	265	265	155	155	0	210	(1000 HA)
Area Harvested	54	54	107	107	0	160	(1000 HA)
Beginning Stocks	1	1	1	1	2	2	(1000 MT)
Production	51	51	149	149	0	170	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	52	52	150	150	2	172	(1000 MT)
MY Exports	33	33	80	80	0	90	(1000 MT)
MY Exp. to the EC	25	25	60	65	0	80	(1000 MT)
Crush Dom. Consumption	16	16	65	65	0	77	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed,Seed,Waste Dm.Cn.	2	2	3	3	0	3	(1000 MT)
TOTAL Dom. Consumption	18	18	68	68	0	80	(1000 MT)
Ending Stocks	1	1	2	2	0	2	(1000 MT)
TOTAL DISTRIBUTION	52	52	150	150	0	172	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	26	26	70	81	0	90	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Rapeseed Exports from Ukraine, MT

Major Destinations	Jul 02- Jun 03	Jul 03- Jun 04	Jul 03- Jan 04	Jul 04- Jan 05
Hungary	6,499	22,397	14,259	36,654
United States	2,395	6,010	5,951	2,772
Switzerland	1,801	1,287	1,287	796
Latvia	0	1,227	1,227	6,233
Netherlands	1,151	1,043	1,043	1,033
Lithuania	5,800	525	467	6,637
Germany	18	160	60	215
Poland	155	75	0	1,589
Bulgaria	0	63	0	0
Russia	13	15	12	0
Others Not Listed	4,663	0	0	17,911
Ref. EU-25 Total	16,484	25,428	17,057	61,880
Total	22,494	32,802	24,307	73,840

Data Source: State Customs Service of Ukraine (HS 1205)

*Note: As declared by Ukrainian exporters. For official U.S. import agricultural statistics, please refer to <http://www.fas.usda.gov/ustrade/>

Rapeseed Prices

Year	2004	2005	% Change
Prices in	US\$	per uom	1 MT
Jan	251.36	216.82	-14%
Feb	251.41	217.02	-14%
Mar	251.44	217.76	-13%
Apr	251.47	227.72	-9%
May	234.74		
Jun	197.33		
Jul	216.33		
Aug	207.08		
Sep	207.23		
Oct	212.95		
Nov	212.96		
Dec	212.99		

CPT Export Price

Data source: APK-Inform (www.agrimarket.info); Prices as of last Friday of each month

Please refer to GAIN Report # UP4010 dated 5/17/2004 for previous years' price information

Mustard Seed Exports from Ukraine, MT

	Jul 02- Jun 03	Jul 03- Jun 04	Jul 03- Jan 04	Jul 04- Jan 05
Bangladesh	4,551	22,590	3,271	4,762
Austria	3,391	19,595	3,089	4,058
Hungary	18,940	11,331	142	22,648
Netherlands	1,230	7,554	620	1,230
Germany	926	2,980	1,369	1,127
Nepal	0	2,501	0	0
India	1,137	2,470	93	1,640
Czech Republic	97	571	546	97
United States*	0	553	0	10
Poland	122	335	817	142
Others Not Listed	695	573	2,914	781
Ref. EU-25 Total	25,280	42,276	8,148	29,936
Total	31,089	71,052	12,860	36,493

Data Source: State Customs Service of Ukraine (HS 1205)

*Note: As declared by Ukrainian exporters. For official U.S. import agricultural statistics, please refer to <http://www.fas.usda.gov/ustrade/>

Meals

Sunflower Seed Meal PSD Table

Ukraine							
Meal, Sunflowerseed							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Crush	3150	3150	2870	2910	0	3830	(1000 MT)
Extr. Rate, 999.9999	0.4063	0.4063	0.4077	0.4055	0.0000	0.4047	(PERCENT)
Beginning Stocks	4	4	4	4	4	4	(1000 MT)
Production	1280	1280	1170	1180	0	1550	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1284	1284	1174	1184	4	1554	(1000 MT)
MY Exports	1000	1089	856	860	0	1150	(1000 MT)
MY Exp. to the EC	640	659	420	650	0	800	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Consum	280	191	314	320	0	400	(1000 MT)
TOTAL Dom. Consumption	280	191	314	320	0	400	(1000 MT)
Ending Stocks	4	4	4	4	0	4	(1000 MT)
TOTAL DISTRIBUTION	1284	1284	1174	1184	0	1554	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	919	919	950	1040	0	900	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Sunflower Seed Meal Exports, MT

Major Destinations	Sep 02- Aug 03	Sep 03- Aug 04	Sep 03- Jan 04	Sep 04- Jan 05
Latvia	95,921	238,742	145,385	85,693
Belarus	167,828	121,545	38,046	77,549
Poland	179,914	203,951	76,818	44,123
Israel	45,293	72,236	23,419	38,099
Morocco	45,534	34,526	11,124	27,817
Lithuania	40,475	53,980	22,416	22,339
Turkey	21,797	63,036	12,589	20,215
United Kingdom	3,275	17,369	4,850	18,465
Denmark	3,053	16,781	0	10,988
Estonia	13,819	14,907	5,422	8,177
Others Not Listed	231,468	252,092	98,140	22,606
Ref. EU-25 Total	424,308	659,338	296,216	199,054
Total	848,376	1,089,165	438,210	376,071

Data Source: State Customs Service of Ukraine (HS 230630)

Sunflower Seed Meal Prices

Prices in	US\$	per uom	1 MT
Year	2004	2005	% Change
Jan	128.49	113.12	-12%
Feb	128.52	113.23	-12%
Mar	128.53	113.61	-12%
Apr	131.36	118.81	-10%
May	150.23		
Jun	146.59		
Jul	139.2		
Aug	139.31		
Sep	139.41		
Oct	139.45		
Nov	139.46		
Dec	139.48		

Domestic EXW offer price for <37% protein meal

Data source: APK-Inform (www.agrimarket.info); Prices as of last Friday of each month

Please refer to GAIN Report # UP4010 dated 5/17/2004 for previous years' price information

Soybean Meal PSD Table

Ukraine							
Meal, Soybean							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Crush	151	151	250	294	0	330	(1000 MT)
Extr. Rate, 999.9999	0.7815	0.7815	0.7920	0.7823	0.0000	0.7727	(PERCENT)
Beginning Stocks	1	1	1	1	0	2	(1000 MT)
Production	118	118	198	230	0	255	(1000 MT)
MY Imports	80	80	70	85	0	90	(1000 MT)
MY Imp. from U.S.	1	1	3	3	0	5	(1000 MT)
MY Imp. from the EC	20	20	20	20	0	10	(1000 MT)
TOTAL SUPPLY	199	199	269	316	0	347	(1000 MT)
MY Exports	1	1	1	3	0	5	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Consum	197	197	268	311	0	340	(1000 MT)
TOTAL Dom. Consumption	197	197	268	311	0	340	(1000 MT)
Ending Stocks	1	1	0	2	0	2	(1000 MT)
TOTAL DISTRIBUTION	199	199	269	316	0	347	(1000 MT)
Calendar Year Imports	85	85	110	85	0	90	(1000 MT)
Calendar Yr Imp. U.S.	1	1	5	4	0	5	(1000 MT)
Calendar Year Exports	1	0	1	2	0	5	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Soybean Meal Exports from Ukraine, MT

Destinations	Sep 02-Aug 03	Sep 03-Aug 04	Sep 03-Jan 04	Sep 04-Jan 05
Russian Federation	0	1,043	0	1,903
Belarus	0	229	0	0
Moldova	171	224	111	0
Total	171	1,496	111	1,903

Data Source: State Customs Service of Ukraine (HS 2304)

Soybean Meal Imports into Ukraine, MT

	Sep 02-Aug 03	Sep 03-Aug 04	Sep 03-Jan 04	Sep 04-Jan 05
Brazil	30,561	52,434	17,641	20,116
Netherlands	26,540	21,907	11,922	10,286
United States	5,892	1,461	0	2,147
Argentina	8,173	3,193	2,151	797
Belgium	594	0	0	652
Russia	134	165	60	195
Yugoslavia	96	39	0	39
Israel	0	0	0	23
Austria	129	0	0	0
Germany	2,710	422	0	0
Others Not Listed	4,650	1,113	814	0
Ref. EU-25 Total	29,972	320,989	11,922	10,938
Total	79,478	80,734	32,589	34,254

Data Source: State Customs Service of Ukraine (HS 2304)

Rapeseed Meal PSD Table

Ukraine							
Meal, Rapeseed							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2003		07/2004		07/2005	MM/YYYY
Crush	16	16	65	65	0	77	(1000 MT)
Extr. Rate, 999.9999	0.5625	0.5625	0.6000	0.5846	0.0000	0.5844	(PERCENT)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	9	9	39	38	0	45	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	9	9	39	38	0	45	(1000 MT)
MY Exports	3	3	16	25	0	30	(1000 MT)
MY Exp. to the EC	1	1	10	15	0	15	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Consum	6	6	23	13	0	15	(1000 MT)
TOTAL Dom. Consumption	6	6	23	13	0	15	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	9	9	39	38	0	45	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	4	4	15	20	0	35	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Rapeseed Meal Exports from Ukraine, MT

Destinations	Jul 02-Jun 03	Jul 03- Jun 04	Jul 03- Jan 04	Jul 04- Jan 05
Israel	4,739	2,510	2,510	4,622
Lithuania	5,783	754	385	9,079
Latvia	764	209	209	1,524
Estonia	108	0	0	0
Poland	1,001	0	0	766
Switzerland	0	0	0	814
Turkey	0	0	0	5,720
Total	12,396	3,473	3,105	22,524

Data Source: State Customs Service of Ukraine (HS 230640)

Oils**Sunflower Seed Oil PSD Table**

Ukraine							
Oil, Sunflowerseed							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Crush	3150	3150	2870	2910	0	3830	(1000 MT)
Extr. Rate, 999.9999	0.4095	0.4095	0.4070	0.4021	0.0000	0.4099	(PERCENT)
Beginning Stocks	19	19	20	20	20	20	(1000 MT)
Production	1290	1290	1168	1170	0	1570	(1000 MT)
MY Imports	4	2	0	3	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1313	1311	1188	1193	20	1590	(1000 MT)
MY Exports	978	978	785	790	0	1150	(1000 MT)
MY Exp. to the EC	300	254	300	300	0	500	(1000 MT)
Industrial Dom. Consum	10	10	10	10	0	10	(1000 MT)
Food Use Dom. Consump.	305	303	373	373	0	400	(1000 MT)
Feed Waste Dom. Consum	0	0	0	0	0	0	(1000 MT)
TOTAL Dom. Consumption	315	313	383	383	0	410	(1000 MT)
Ending Stocks	20	20	20	20	0	30	(1000 MT)
TOTAL DISTRIBUTION	1313	1311	1188	1193	0	1590	(1000 MT)
Calendar Year Imports	0	1	0	1	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	924	924	960	960	0	1000	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Sunflower Seed Oil Exports from Ukraine, MT

Quantity	Sep 02- Aug 03	Sep 03- Aug 04	Sep 03- Jan 04	Sep 04- Jan 05
Switzerland	305,107	255,501	116,814	34,028
Russia	144,577	106,335	40,587	32,327
Spain	17,920	13,452	3,000	31,028
United Kingdom	23,175	99,290	31,263	25,407
Italy	65,542	55,879	30,795	21,629
Turkey	32,677	13,285	2,145	13,042
Algeria	44,981	55,067	45,767	12,366
Iran	1,950	0	0	11,930
Germany	6,370	41,098	10,155	11,245
Egypt	19,930	46,208	20,953	11,240
Others Not Listed	249,249	292,466	68,938	64,314
Ref. EU25 Total	128,789	254,286	80,813	105,202
Total	911,479	978,581	370,417	268,555

Data Source: State Customs Service of Ukraine (HS 1512)

Sunflower Seed Oil Prices

Prices in	US\$	per uom	1 MT
Year	2004	2005	% Change
Jan	-	725.87	!
Feb	708.27	692.58	-2%
Mar	694.28	724.28	4%
Apr	679.34	782.18	15%
May	692.96		
Jun	654		
Jul	653.69		
Aug	720.07		
Sep	734.71		
Oct	753.79		
Nov	739.7		
Dec	739.81		

Domestic EXW offer price for unrefined oil

Data source: APK-Inform (www.agrimarket.info); Prices as of last Friday of each month

Please refer to GAIN Report # UP4010 dated 5/17/2004 for previous years' price information

Soybean Oil PSD Table

Ukraine							
Oil, Soybean							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		09/2003		09/2004		09/2005	MM/YYYY
Crush	151	151	250	294	0	330	(1000 MT)
Extr. Rate, 999.9999	0.1722	0.1722	0.1760	0.1735	0.0000	0.1727	(PERCENT)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	26	26	44	51	0	57	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	26	26	44	51	0	57	(1000 MT)
MY Exports	3	3	9	3	0	5	(1000 MT)
MY Exp. to the EC	1	3	2	1	0	2	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	23	23	35	48	0	52	(1000 MT)
Feed Waste Dom. Consum	0	0	0	0	0	0	(1000 MT)
TOTAL Dom. Consumption	23	23	35	48	0	52	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	26	26	44	51	0	57	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	4	4	5	2	0	5	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Soybean Oil Exports from Ukraine

Destinations	Sep 02- Aug 03	Sep 03- Aug 04	Sep 03- Jan 04	Sep 04- Jan 05
Poland	2,030	452	340	0
Lithuania	1,823	1,857	113	0
Belarus	263	74	0	260
Germany	0.05	0	0	0
Mongolia	0	97	0	97
Moldova	125	0	0	2
Russia	0	230	0	199
Total	4,240	2,710	453	558

Data Source: State Customs Service of Ukraine (HS 1507)

Rapeseed Oil PSD Table

Ukraine							
Oil, Rapeseed							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2003		07/2004		07/2005	MM/YYYY
Crush	16	16	65	65	0	77	(1000 MT)
Extr. Rate, 999.9999	0.3750	0.3750	0.3538	0.3692	0.0000	0.3766	(PERCENT)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	6	6	23	24	0	29	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	6	6	23	24	0	29	(1000 MT)
MY Exports	0	0	9	9	0	13	(1000 MT)
MY Exp. to the EC	0	0	2	7	0	8	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	6	6	14	15	0	16	(1000 MT)
Feed Waste Dom. Consum	0	0	0	0	0	0	(1000 MT)
TOTAL Dom. Consumption	6	6	14	15	0	16	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	6	6	23	24	0	29	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	1	0	5	6	0	15	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Rapeseed Oil Exports from Ukraine

Destinations	Jul 02- Jun 03	Jul 03- Jun 04	Jul 03- Jan 04	Jul 04- Jan 05
Russia	4,374	82	82	184
Belarus	119	59	59	0
Israel	0	6	6	0
Estonia	0	0	0	0
Germany	0	0	0	0
Italy	0	0	0	2,005
Kazakhstan	65	0	0	10
Lithuania	1,980	0	0	3,657
Moldova	0	0	0	1
Poland	0	0	0	326
Romania	125	0	0	0
Tajikistan	0	0	0	0
Total	6,663	147	147	6,183

Data Source: State Customs Service of Ukraine (HS 1514)