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Ukraine

Grain and Feed

Annual

2005

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Report Highlights:
In 2005, total grain and pulse production in Ukraine will decrease an estimated 12% compared with 2004 when farmers harvested 42 million MT—the country's most abundant crop since 1990. Lower production will result in lower feed grain usage compounded by substantially reduced cattle and swine heards and lower grain exports in MY 2005/2006. However, wheat exports are forecasted to increase when compared to the current marketing year (MY) as replenished domestic stocks and little or no government interventions will result in higher export supplies. Imports of rice, high-quality past products and malting quality barley will increase slightly due to an expected decrease in import tariffs for all major grains and processed cereals from the existing level.

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

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Executive Summary

For 2005, grain and pulse production in Ukraine **is forecast 12% below last year's level, which was a** 14-year high, due to reduced harvested area and lower yields. As a result of the unusually late spring in 2005 and low corn profitability in MY 2004/2005, the area for spring barley and corn is expected to fall by 200,000 hectares. This will result in higher sunflower seed and soybean plantings. Although winter grains have not suffered any significant damage this year, the late arrival of spring will prevent higher than average yields.

The expectation of lower production in 2005 will be reflected in a 7% reduction in grain exports in MY 2005/2006 from an estimated 10 million MT for the current marketing year. Forecasted increases in wheat and pea exports in MY 2005/2006 will be offset by substantially lower barley and corn export sales. Replenished wheat stocks and the absence of funding for market interventions will result in more attractive prices for the next export season. Appreciation of the local currency compared with the U.S. dollar and higher domestic railroad tariffs will decrease Ukraine's grain competitiveness but are not expected to significantly affect exports.

Feed grains consumption in MY 2005/2006 will also decrease by an estimated 7% from the revised level of the current marketing year to mirror the continued drastic reduction in cattle and swine inventories (-9% and -11% respectively in CY 2004). Higher feed wheat consumption will only partially replace greater than expected reductions in feed corn and barley usage in MY 2005/2006. Lower supply of feed grains, however, will not affect the steadily increasing demand for compound feeds from the domestic broiler industry. Ukrainian broiler meat producers will, no doubt, continue increasing production and compound feed usage, at the expense of diminishing demand from the livestock industry in MY 2005/2006. The production of compound feedstuffs in Ukraine is forecast to increase to 2.4 million tons in MY 2005/2006 (+30% over MY 2004/2005 estimate) and will account for 19% of total domestic feed usage while the remaining grain will continue to be fed with no or minimum processing. It is not anticipated that Ukraine's compound feed industry will actively use non-grain feed ingredients in the near future.

Rice imports will likely increase slightly in MY 2005/2006. Rice will most likely remain the only grain imported into Ukraine from the United States. The U.S. share of imported rice will continue to be insignificant and limited to premium quality products. Imports of pasta and high quality barley for malting purposes are also anticipated to increase in MY 2005/2006. Ukraine's agricultural and food market has been protected by prohibitive import duties for years. The new government intends to substantially reduce import tariffs on all agricultural and food products, including grains, flour and pasta products, as an adjustment measure before the country's accession to the World Trade Organization.

Wheat

Wheat PSD Table

Ukraine							
Wheat							
	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 Harvested	2500	2456	5550	5900	0	6400	(1000 HA)
Beginning Stocks	3258	3092	1131	1200	2831	3200	(1000 MT)
Production	3600	3599	17500	17500	0	17300	(1000 MT)
TOTAL Mkt. Yr. Imports	3365	3365	200	50	0	60	(1000 MT)
Jul-Jun Imports	3365	3365	200	50	0	60	(1000 MT)
Jul-Jun Import U.S.	57	57	0	0	0	0	(1000 MT)
TOTAL SUPPLY	10223	10056	18831	18750	2831	20560	(1000 MT)
TOTAL Mkt. Yr. Exports	66	66	3500	3800	0	4000	(1000 MT)
Jul-Jun Exports	66	66	3500	3800	0	4000	(1000 MT)
Feed Dom. Consumption	225	425	2500	2400	0	3000	(1000 MT)
TOTAL Dom. Consumption	9026	8790	12500	11750	0	12500	(1000 MT)
Ending Stocks	1131	1200	2831	3200	0	4060	(1000 MT)
TOTAL DISTRIBUTION	10223	10056	18831	18750	0	20560	(1000 MT)

Production

Ukraine's wheat production in 2005 is forecasted slightly lower than in 2004 despite increased plantings and due to lower expected yields. The area planted with winter wheat increased from 5.5 million hectares in fall 2003 to 6.3 million hectares in 2004 as a result of favorable weather and improved availability of seeds and other agricultural inputs. The initial production forecast is based on the assumptions that 400,000 hectares, or 6% of the combined winter wheat and yet-to-be planted spring wheat area, will not be harvested due to winterkill and economic reasons (low yields, etc). This estimate is slightly lower than 8% of the total area planted with wheat that was not harvested last year. The 2005 yield forecast is based on 1999-2004 average yields, and excludes data for the disastrous wheat harvest of 2003.

Winter wheat conditions are currently assessed as good in all major producing areas. Winter grains continued the vegetation until November 20, 2004 (10 days beyond average terms for entering dormancy) due to the warm weather. The first snow melted by mid December 2004. Although there was almost no protective snow cover in December 2004-January 2005, temperatures were not low enough to damage the crop. A period of cold weather in early-mid February had been preceded by snowfalls that assured adequate protection of winter wheat in all major grain producing areas. It is expected that the most recent cold weather snap in early-mid March will not damage winter grains. Although, snow thaw, which has been delayed this year by at least 14 days, might stimulate development of fungi diseases.

For whether related information and impact on winter grains in Ukraine please refer to the following publications: Winter Grain Conditions in Ukraine and Russia (http://www.fas.usda.gov/pecad/highlights/2005/01/ukr_12jan05/index.htm), "Ukraine: Snow Protects Wheat from Frigid Weather" http://www.fas.usda.gov/pecad/highlights/2005/02/ukr_15feb05/index.htm)

Consumption

A slight decrease in wheat production forecasted for 2005 will not be reflected in reduced domestic usage in MY 2005/2006. Ukraine's wheat supply fully recovered during the current marketing year after the disastrous harvest of 2003 and is expected to allow for higher feed and human consumption in MY 2005/2006. The Government of Ukraine (GOU) has not budgeted grain purchases for the 2005 crop year similar to those conducted in July-November 2004 (see the Policy Section). Therefore, domestic wheat prices in MY 2005/2006 will more closely correlate with export market prices and will likely stay below this year's trend. Higher cost of production in 2005 (i.e. increased prices for diesel fuel, mineral fertilizer, plant protection chemicals and other agricultural inputs) as compared with 2004 will be significant, but not the leading factor in determining domestic wheat prices. Reduced corn supply in MY 2005/2006 coupled with farmer's unwillingness to sell wheat at low prices will likely result in increased feed wheat consumption next marketing year.

Bread will remain the major wheat-based product consumed in Ukraine, followed by wheat flour for home cooking and macaroni and pasta products. Ukraine's household consumption data recently released by the State Statistics Committee of Ukraine (see table below) provide a better foundation for assessing residual feed wheat utilization. Conversion of bread, pasta, confectionary, flour and other wheat-based products to wheat flour and, then to a grain basis, provides a better consumption estimate that accounts for significant family usage by nearly six million rural households. Based on the household survey data, FAS Kiev determined that for MY 2003/2004 direct human ***consumption*** was slightly lower than estimated. Therefore, FAS Kiev **increased the MY 2003/2004 estimate of feed wheat utilization** at the expense of food usage. Such an increase also corresponds with reports on the low quality of grain produced in 2003.

Household Consumption of Products containing Wheat in Ukraine (2002 and 2003)

Products Containing Wheat Flour	Conversion Coefficient for Wheat Flour	CY 2002		CY 2003	
		Product Consumption per Household, kg per year	Wheat Flour Equivalent per year, 1,000 MT	Product Consumption per Household, kg per year	Wheat Four Equivalent per year, 1,000 MT
Wheat bread	0.80	171.50	2,466	168.95	2,430
Rye and rye-wheat bread	0.56	55.03	554	53.20	536
Wafers	0.51	0.96	9	0.92	8
Cookies and pastry	0.51	12.65	116	10.75	98
Buns	0.51	5.58	51	4.54	41
Crackers and bagels	0.51	0.87	8	0.83	8
Dietary bread and products	0.51	0.26	2	0.21	2
Pasta	0.94	41.53	702	40.37	682
Other pasta products	0.94	0.62	11	0.55	9
Cakes	0.80	1.22	11	1.34	12
Other confect. products	0.80	0.63	6	0.59	5
Wheat flour	1.00	60.66	1,090	53.28	958
Semolina	1.00	2.35	42	2.34	42
Total, wheat flour equiv. per year	-	-	5,068	-	4,831
Wheat grain equivalent (*1.368)			**6,933**		**6,609**

Data source: FAS Kiev calculations based on the State Statistics Committee of Ukraine's Sample Survey of Households' Incomes and Expenditures. Conversion coefficients are based on official statistics or industry sources. The assumption that "wheat bread" contains 80% of wheat flour and "rye bread" contains 24% of rye flour and 56% of wheat flour respectively was made to enable the conversion.
Note: there were 17,975,774 households in Ukraine in 2002.

The previous MY 2004/2005 estimate for feed wheat consumption has been reduced to account for the drastic decrease in cattle and swine inventories in late 2003 through 2004. Please refer to FAS-Kiev 2004 Livestock Annual Report for details.

Trade

The quality of the 2005 wheat crop, the feed wheat to corn price ratio in key South Asian markets, freight costs and the expected appreciation of the local currency bring uncertainty that could affect the **MY 2005/2006 export forecast**. FAS Kiev believes that Ukraine will continue to ship predominantly feed-quality wheat to the following major destinations in MY 2005/2006:

Country/Region	Quantity, 1,000 MT	Comments
EU-25	1,200	Low quality wheat will be supplied within the 2.4 million TRQ. Ukrainian exporters may ship slightly more or less than 1.2 million tons depending on export competition form the Russian Federation.
South Korea	800	Low quality wheat will once again be exported to South Korea assuming favorable wheat vs. South American corn landed price.
Philippines, Indonesia	200	Milling-quality wheat.
Israel	500	Predominantly feed wheat.
North Africa	1,300	Mostly milling quality wheat.

In MY 2002/2003, aggressive export pricing allowed Ukrainian feed wheat to reach Canada while milling quality wheat landed as far away as Brazil. The completion of stock replenishment that was associated with high domestic prices in MY 2004/2005 will not play a role in wheat exports for the next marketing year. Sufficient grain reserves will likely stimulate higher wheat exports in MY 2005/2006 as compared with the revised MY 2004/2005 estimate. Ukraine's export forecast provided in the PSD table can possibly increase 500,000 MT at the expense of feed usage if export demand becomes higher than weak feed demand from the under-financed domestic livestock industry.

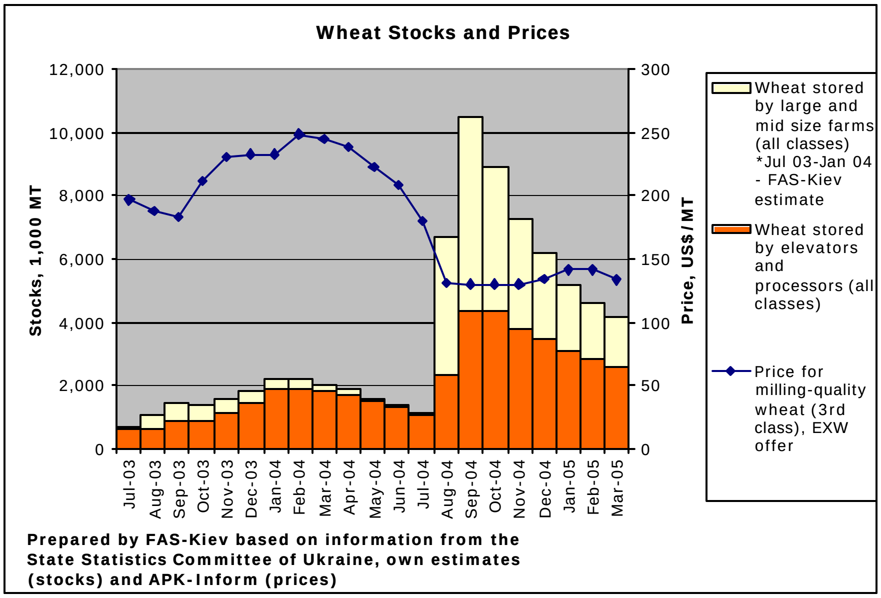
Wheat exports in MY 2004/2005 will likely exceed earlier estimates due to significant export shipments to date (see Monthly Export Data provided in Statistical Tables Section) and considering outstanding wheat export shipments mostly to North Africa. According to available unofficial export statistics, 1.9 million tons of low quality wheat was exported to the EU-25, Israel and South Korea while remaining shipments are believed to be milling-quality exports.

Wheat flour and pasta trade has been accounted for in the PSD. For **MY 2005/2006, wheat imports** will slightly increase compared with the revised level for the current marketing year. There are expectations that the GOU will substantially reduce import duties effective beginning the next marketing year. As a result, imports of high quality pasta and products from EU-25 are forecast to increase in MY 2005/2006 (see Policy Section for details on the new import duty levels).

Stocks

MY 2005/2006 ending stocks are forecasted to increase due to anticipated accumulation of commercially inaccessible grain held by small private households. This important category of producers increased its share of the area planted with wheat from 16% last year to 18% this year.

FAS Kiev has increased the carry over estimate for MY 2004/2005 to account for revised consumption estimates that are supported by monthly stock data. The GOU reported the stocks held by large and middle-sized farms, elevators and processors at 4.1 million tons as of March 1, 2005. Please note that the official estimate does not account for stocks held by small farms and private households.



Barley

Barley PSD Table

Ukraine							
Barley							
	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 Harvested	4600	4600	4500	4500	0	4300	(1000 HA)
Beginning Stocks	1667	1072	928	438	1078	968	(1000 MT)
Production	6850	6833	11100	11100	0	9500	(1000 MT)
TOTAL Mkt. Yr. Imports	228	50	50	30	0	80	(1000 MT)
Oct-Sep Imports	200	50	50	30	0	80	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	8745	7955	12078	11568	1078	10548	(1000 MT)
TOTAL Mkt. Yr. Exports	1517	1517	4200	4200	0	4000	(1000 MT)
Oct-Sep Exports	2557	2557	3800	3800	0	4000	(1000 MT)
Feed Dom. Consumption	4500	4500	4800	4700	0	4000	(1000 MT)
TOTAL Dom. Consumption	6300	6000	6800	6400	0	5700	(1000 MT)
Ending Stocks	928	438	1078	968	0	848	(1000 MT)
TOTAL DISTRIBUTION	8745	7955	12078	11568	0	10548	(1000 MT)

Production

In **2005,** Barley production **is forecast below** the record high crop of last year; although, it is expected to be above the five-year average. Spring barley has historically been used for re-sowing the areas with perished winter grains. Winter wheat kill in 2005 will be lower than last year; therefore, a smaller area will require re-sowing. High barley prices in January-March 2005 (see the graph in the Stocks Section) are expected to prevent further curtailing of the area under barley to levels observed in late 1990s-early 2000. The current forecast is based on the assumption that 4 million hectares of spring barley will be planted in addition to 478,000 hectares of winter barley sown in September-October 2004. Winter barley is planted only in Southern Ukraine due to poor winter resistance. The area under this crop has decreased for the second year in a row for that reason. An estimated 5% of winter barley planted in Fall 2004 died over the winter as compared with 6.6% that perished last year.

The initial 2005 yield forecast for barley is slightly lower than the five-year average due to unusually late sowing and fears that barley will not have time to benefit from current soil moisture. The late spring has already delayed crop planting by 7-14 days as compared with normal planting terms. Favorable weather conditions in early-to-mid March 2004 allowed for a much faster sowing. For whether related impact on spring grains plantings, please refer to the following publication: "Ukraine: Cool March Weather Delays Spring Planting" (http://www.fas.usda.gov/pecad/highlights/2005/03/ukr%5F01apr05/) prepared by the Production Estimates and Crop Assessment Division of the FAS.

Consumption

MY 2005/2006 barley consumption is anticipated to decline from the current marketing year due to lower demand from the domestic livestock industry. Cattle and swine inventories declined by 9% and 11%, respectively in 2004 and are forecast to continue a downward trend into 2006, reducing the consumption basis. Barley usage for malting purposes in MY 2005/2006, however, is forecasted to increase, as *Oblon*, Ukraine's largest beer producer, intends to finish its new 60,000-ton malting facility by the end of 2005. Barley utilization for malting purposes in MY 2005/2006 will increase to 350,000 MT and will reach 6% of total consumption as compared with the 5% estimated in MY 2004/2005.

The MY 2004/2005 feed barley consumption estimate has been reduced to account for cattle and swine slaughter in late 2003 and 2004. Please refer to FAS-Kiev 2004 Livestock Annual Report for details.

Trade

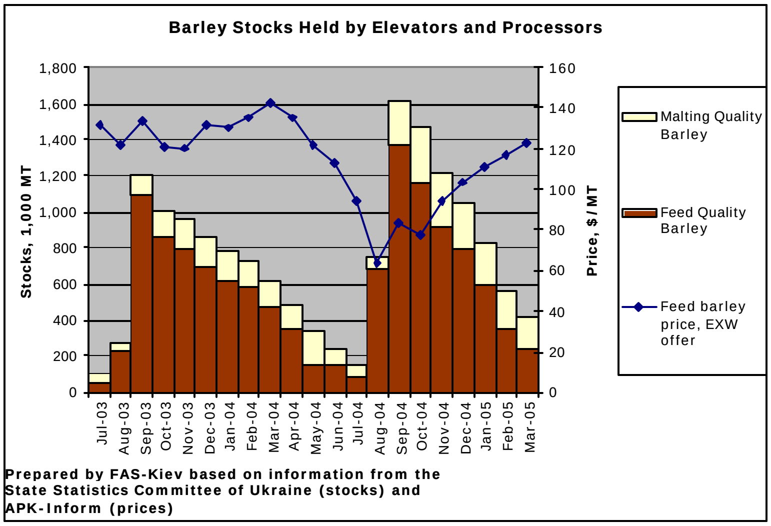
MY 2005/2006 barley exports from Ukraine are forecast to decline insignificantly and are anticipated to be the second largest in history behind the record level recorded in MY 2004/2005. Although export competition from the Russian Federation and Kazakhstan for traditional markets will likely resume in MY 2005/2006, relatively low barley production costs in Ukraine, lower transportation expenses to ports as compared with competitors, and significantly reduced domestic demand will likely enable Ukraine to compete aggressively with the Former Soviet Union (FSU) countries and other suppliers. Current projections for barley exports in MY 2005/2006 have the following geographical distribution: Saudi Arabia – 1.7 million MT; Middle East (Israel, Syria, Jordan) – 0.8 million MT; North Africa – 0.5 million MT; Japan – 0.3 million MT; EU-25, Iran and FSU countries - 0.2 million MT each, other countries – 0.1 million MT.

For MY 2005/2006, imports of mostly malting-quality is forecast to increase slightly due to expected import tariff reductions that would enable imports from the EU and other non-FSU countries. Ukrainian malt producers have often complained about shortages of high quality malting barley in the domestic market necessary to meet strict malt specifications. Please refer to the Policy Section for details on expected barley import tariff reductions.

FAS Kiev recommends reducing USDA's current data for MY 2003/2004 barley imports into Ukraine after factoring in 667,000 MT of Russian and 181,000 MT of Kazakh barley destined to Saudi Arabia, Cyprus, Iran, Kuwait and Israel **transited Ukraine** (see Grain Transit Section for details). Official Ukrainian trade statistics indicates that imports in July 2003-June 2004 were only 39,000 MT. Most likely, Russian exporters indicated Ukraine as an export destination without actual knowledge of the final destination since trade from Ukrainian ports is generally conducted by international grain traders. There are no incentives to smuggle barley into Ukraine due to free-trade agreements (FTA) with the Russian Federation and Kazakhstan; therefore, Ukraine's official trade statistics closely reflect actual barley trade.

Stocks

Barley ending stocks for **MY 2005/2006** will likely decrease from the current marketing year due to lower anticipated supply. Nearly six million private households that account for 30% of barley output (and raise 60% of cattle and 70% of hogs) will remain the major stock-holders.



The GOU has published information on commercially available barley stocks held by elevators and processors since July 2003. As of July 1, 2004, Ukrainian elevators and processors had 151,000 MT of barley, of which 70,000 MT was malting-quality. FAS-Kiev believes that carryover stocks for **MY 2003/2004** were low due to official estimates of commercially available grain and a poor barley crop harvested by the households in 2003).

Corn

Production

The area planted with corn in 2005 will likely decrease from last's year record level. Ukrainian farmers usually factor in crop prices prior to sowing. The record high corn crop harvested in 2004 coupled with the humid weather, resulted in low prices for predominantly low-quality grain. Despite high yields, many farmers lost money on corn in MY 2004/2005. They had hoped for prices that were comparable to those in MY 2003/2004 (see the graph in the Stocks Section). 2005 corn yields are forecast to be much higher than those achieved in mid-late 1990s as farmers' access to quality seeds and crop protection technologies has improved since then.

Corn PSD Table

Ukraine							
Corn							
	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		10/2003		10/2004		10/2005	MM/YYYY
Area Harvested	2000	2000	2300	2300	0	1900	(1000 HA)
Beginning Stocks	832	725	844	737	1454	1437	(1000 MT)
Production	6850	6850	8800	8800	0	6300	(1000 MT)
TOTAL Mkt. Yr. Imports	0	0	10	0	0	0	(1000 MT)
Oct-Sep Imports	0	0	10	0	0	0	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	7682	7575	9654	9537	1454	7737	(1000 MT)
TOTAL Mkt. Yr. Exports	1238	1238	1800	1800	0	1100	(1000 MT)
Oct-Sep Exports	1238	1238	1800	1800	0	1100	(1000 MT)
Feed Dom. Consumption	4900	4900	5700	5600	0	4900	(1000 MT)
TOTAL Dom. Consumption	5600	5600	6400	6300	0	5600	(1000 MT)
Ending Stocks	844	737	1454	1437	0	1037	(1000 MT)
TOTAL DISTRIBUTION	7682	7575	9654	9537	0	7737	(1000 MT)

Consumption

For next marketing year, Corn utilization for feeding purposes is forecasted to plunge 13% from the revised MY 2004/2005 estimate due to lower production and higher than expected prices. Feed wheat will only partially replace corn in feeding rations. The forecasted reduction in feed corn consumption also corresponds with the expected lower feed demand from the domestic livestock industry.

Trade

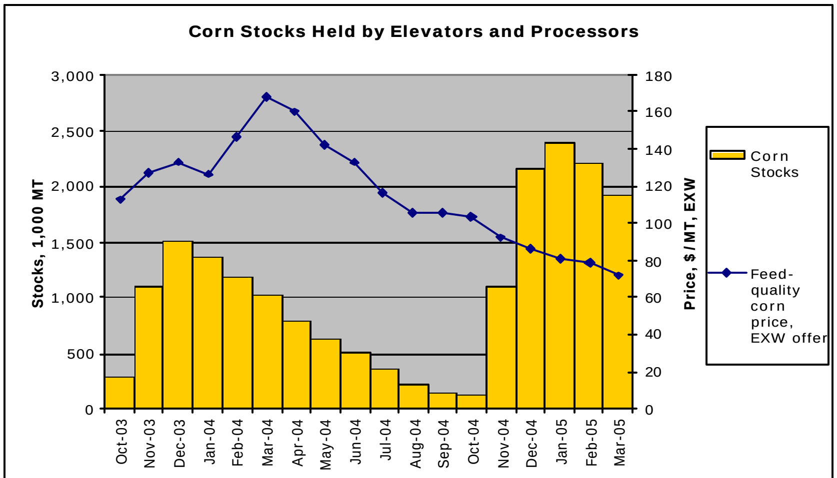
Lower corn production in 2005 will reduce supplies available for exports. Belarus, the Russian Federation and Israel are expected to remain the major buyers in MY 2005/2006.

FAS Kiev continues to predict that corn exports for **MY 2004/2005 will** be a record high despite the slow pace of exports to date (see the Statistical Section) and reported quality problems because of aflatoxins. Corn stocks are unusually high (see the graph on next page) while prices remain to be attractive for exporters. 150,000-200,000 MT shipments to Iran are expected to take place in the near future, a new destination for Ukrainian corn.

FAS Kiev zeroed corn imports for the current marketing year as there has been no non-seed corn trade.

Stocks

Corn ending inventories in MY 2005/2006 will decrease and will mirror lower anticipated production.



Prepared by FAS-Kiev based on information from the State Statistics Committee of Ukraine (stocks) and APK-Inform (prices)

Rye

Rye PSD Table

Ukraine							
Rye							
	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 Harvested	400	400	725	725	0	600	(1000 HA)
Beginning Stocks	325	325	140	188	300	348	(1000 MT)
Production	625	624	1600	1600	0	1100	(1000 MT)
TOTAL Mkt. Yr. Imports	96	144	10	0	0	0	(1000 MT)
Oct-Sep Imports	32	120	10	0	0	0	(1000 MT)
Oct-Sep Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1046	1093	1750	1788	300	1448	(1000 MT)
TOTAL Mkt. Yr. Exports	6	5	150	100	0	80	(1000 MT)
Oct-Sep Exports	6	5	150	100	0	80	(1000 MT)
Feed Dom. Consumption	100	100	150	300	0	200	(1000 MT)
TOTAL Dom. Consumption	900	900	1300	1340	0	1050	(1000 MT)
Ending Stocks	140	188	300	348	0	318	(1000 MT)
TOTAL DISTRIBUTION	1046	1093	1750	1788	0	1448	(1000 MT)

Production

Rye is produced mostly on poor sandy soils of Northern Ukraine. Farmers reduced the area planted with rye from 865,000 hectares in Fall 2003 to 660,000 hectares in 2004 in response to limited domestic demand and the lack of export shipments. Lower plantings and yields are forecast and will contribute to lower crop output for 2005 as compared with both the previous year and 1999-2004 production average.

Consumption

Rye is used primarily for bread production and, to a limited extent, by ethanol producers and is not generally considered as a feed grain in Ukraine. Feed millers and ethanol producers will likely decrease rye utilization in MY 2005/2006 from MY 2004/2005 due to lower expected production and will likely switch to low-quality wheat. The level of rye processing into flour is not expected to change from the current marketing year due to almost unchanged demand for wheat and rye bread.

Trade

For MY 2005/2006, rye exports are forecasted lower compared with the revised estimate for the current marketing year. It is expected that the Russian Federation and Belarus will be responsible for 70,000 MT of rye purchases from Ukraine in MY 2005/2006. Some exports to EU-25 are also possible but will depend on import duty levels.

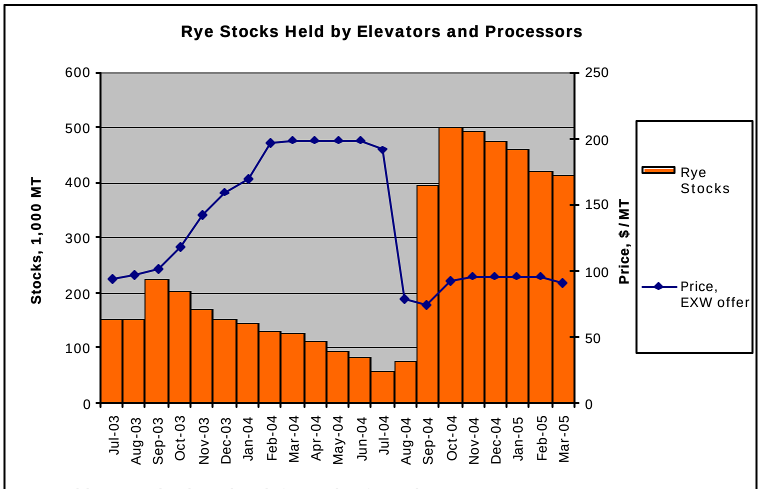
Replenishment of rye stocks in MY 2004/2005 and farmers' memories of high prices in MY 2003/2004 are preventing prices from falling to the level that would make exports to the EU attractive. Therefore, FAS Kiev lowered the export estimate for MY 2004/2005 to reflect only the cross border trade with neighboring Russia and Belarus. Please refer to the Statistical Section for more details on country specific rye exports from Ukraine.

Rye imports are not forecasted to exceed 1,000 MT in MY 2005/2006 as Ukraine does not import rye during a typical year. FAS Kiev has zeroed out the rye import estimate for the current marketing year since there has been no imports in July 2004-January 2005.

Rye Stocks

Rye carry over stocks in MY 2005/2006 will be slightly lower than the revised MY 2004/2005 estimate due to lower expected production. The stock estimate of as of July 1, 2005 was increased to account for lower expected exports.

The GOU reported **MY 2002/2003** ending stocks held by elevators and processors at nearly 180,000 MT; therefore, the post increased the carry over estimate for this marketing year (see the graph below).



Prepared by FAS-Kiev based on information from the State Statistics Committee of Ukraine (stocks) and APK-Inform (prices)

Oats

Oats PSD Table

Ukraine							
Oats							
	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 Harvested	550	550	525	510	0	500	(1000 HA)
Beginning Stocks	72	72	40	40	35	50	(1000 MT)
Production	925	925	1000	1000	0	900	(1000 MT)
TOTAL Mkt. Yr. Imports	2	2	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	999	999	1040	1040	35	950	(1000 MT)
TOTAL Mkt. Yr. Exports	9	9	5	20	0	10	(1000 MT)
Oct-Sep Exports	10	10	5	20	0	10	(1000 MT)
Feed Dom. Consumption	800	760	850	790	0	730	(1000 MT)
TOTAL Dom. Consumption	950	950	1000	970	0	910	(1000 MT)
Ending Stocks	40	40	35	50	0	30	(1000 MT)
TOTAL DISTRIBUTION	999	999	1040	1040	0	950	(1000 MT)

Production

Due to the lack of strong export demand, Ukraine's oat production has been restrained by declining domestic livestock and horse inventories. Oats are usually planted among the first spring crops. The late arrival of spring in 2005 does not allow the planting of oats to be completed in a timely manner. Therefore, oats production in 2005 is forecast to be lower than last year due to reduced area and yields.

Consumption

MY 2005/2006 feed consumption is forecast to decline reflecting reduced horse and cattle inventories. FAS-Kiev slightly lowered MY 2003/2004 and MY 2004/2005 feed consumption to reflect diminished feed demand and to allow for higher seed and food consumption estimates.

Trade

The Post does not envision any significant level of oat exports from Ukraine in MY 2005/2006. In MY 2004/2005, export shipments outpaced earlier expectations; therefore, FAS Kiev revisited the previous export estimate to account for July 2004-January 2005 shipments to Turkey and Israel (see Export Trade Matrix in the Statistical Section).

Stocks

Ending stocks in MY 2005/2006 will likely decrease from the revised MY 2004/2005 level due to lower expected production. FAS Kiev believes that approximately 70% of stocks will be held by private households and will not be accessible to trade. Elevators and processors will hold the remaining 30%. **MY 2003/2004** ending stock level was increased to reflect information on commercially available stocks.

Rice Marketing.

Rice remains the only cereal grain that could feasibly be imported from the United States. With domestic production ranging between 70,000-80,000 MT per year and increasing disposable incomes, Ukraine's rice imports have been steadily increasing. According to official Ukrainian statistics, the CIF value of rice imports into Ukraine increased from $20 million in CY 2003 to $26 million in 2004. With the exception of some limited food assistance shipments in 2003, U.S. rice trade with Ukraine has been commercial.

Rice Imports into Ukraine (HS 1006)

Exporting Country	Jan.-Dec 2002	Jan.-Dec 2003	Jan.-Dec 2004
Egypt	13,962	3,424	31,990
China	2,797	34,989	21,214
Viet Nam	13,544	17,033	12,711
Pakistan	1,231	315	9,484
India	20,196	14,475	7,660
Thailand	399	1,456	7,637
Italy	68	104	4,620
Kazakhstan	0	0	1,909
Uzbekistan	0	0	1,875
United States	641	8,073	1,398
Greece	1,657	0	1,250
Others not Listed	24,368	6,500	585
Total	78,862	86,369	102,333

Source: State Statistics Committee of Ukraine

Although consumer purchases are driven by price rather than quality factors, Ukraine has recently imported more rice from Egypt. In Ukraine, Egyptian rice has a better reputation than rice imported from Asia. U.S. rice exports to Ukraine will likely continue to increase in the long term as consumers become responsive to improved choices of high-quality rice. An expected reduction in import tariffs will also facilitate higher imports (see the Policy Section).

Peas

Peas PSD Table

Ukraine							
Peas							
	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		07/2003		07/2003	MM/YYYY
Area Harvested	0	338	0	270	0	300	(1000 HA)
Beginning Stocks	0	21	0	13	0	23	(1000 MT)
Production	0	371	0	600	0	600	(1000 MT)
TOTAL Mkt. Yr. Imports	0	1	0	0	0	0	(1000 MT)
Jul-Jun Imports	0	1	0	0	0	0	(1000 MT)
Jul-Jun Import U.S.	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	0	393	0	613	0	623	(1000 MT)
TOTAL Mkt. Yr. Exports	0	40	0	200	0	220	(1000 MT)
Jul-Jun Exports	0	40	0	200	0	220	(1000 MT)
Feed Dom. Consumption	0	220	0	270	0	260	(1000 MT)
TOTAL Dom. Consumption	0	340	0	390	0	380	(1000 MT)
Ending Stocks	0	13	0	23	0	23	(1000 MT)
TOTAL DISTRIBUTION	0	393	0	613	0	623	(1000 MT)

Production

Although the area under peas in 2005 will probably increase in response to lucrative export prices, crop production is expected to be unchanged from the 2004 level due to lower yields. The 2003 production estimate in the table above is based on the numbers reported by the State Statistics Committee of Ukraine while the 2004 estimate is based on FAS Kiev's estimates.

Trade

Pea exports from Ukraine are forecast to increase in MY 2005/2006. Unlike with cereals, pea imports are not restricted by high import duties in the EU-25. The EU-25 will account for an estimated 180,000 MT of pea exports from Ukraine while the remaining exports will be directed to India.

Policy (all grains)

Expected Tariff Reductions

For many years the Ukrainian market has been protected by import duties ranging from 20-67% for cereals, 59% for wheat flour and 80-307% for pasta. On March 15, 2005, GOU's executive branch submitted a proposal to the Ukrainian Parliament to significantly reduce import tariffs on all agricultural and food products, including grains, flour and pasta products, as an adjustment measure before the country's accession to the World Trade Organization. The Ukrainian Parliament is scheduled to review the draft legislation on April 5, 2005 and will likely approve proposed reductions in import tariffs.

Expected Reductions to Import Duties for Cereals, Flour and Pasta Products

Ukrainian HS Code	Description	Current Preferential Import Tariff, % and Applicable Limitations	Ad valorem equiv., %	Suggested Import Tariff*, %	Est. reduction, %
	Cereals				
1001 10	Hard Wheat	EUR 40/MT	40	10	75
1001 90	Other Wheat (ex. For Sowing)	EUR 40/MT	53	15	72
1002 00	Rye	EUR 20/MT	20	20	0**
1003 00	Barley	EUR 20/MT	10	10	0**
1004 00	Oats	EUR 20/MT	10	10	0**
1005 90	Corn, Other	30 %, but not less than EUR 20/ MT		10	67
1006 00	Rice	10%, but not less than EUR 0.03/KG		5	50
1007 00	Sorghum	EUR 0.02/KG	2	2	0
1008 10	Buckwheat	EUR 0.05/KG	49	20	59
1008 20	Millet	EUR 0.05/KG	41	20	51
1008 30	Canary Seed	EUR 0.05/KG	41	20	51
1008 90 10	Triticale	EUR 0.05/KG	67	20	70
	Flours				
1101 00 11	Hard Wheat Flour	EUR 0.1/KG	59	20	66
1101 00 15	Soft Wheat Flour	EUR 0.1/KG	58	20	66
	Major Products				
1902 19	Uncooked Pasta	EUR 0.5/KG	80-307	15	81-95
1902 30	Other Prepared Pasta	EUR 0.5/KG	82-102	10	88-90
1902 40	Couscous	EUR 0.5/KG	102	20	80

Prepared by FAS-Kiev based on the Draft Law of Ukraine # 7181 on Amending Certain Legislation Acts (on Customs Tariff) that was introduced by the Cabinet of Ministers of Ukraine to the Parliament on March 15, 2005.

* *Only Ad valorem rates will be applicable as per suggested legislation*

** *Although not officially admitted, transfer of all tariffs from the combined rates to the ad valorem basis will significantly reduce the existing level of market protection.*

Lower import tariffs will result in a slight increase in high-quality pasta imports and malting-quality barley imports from the EU in MY 2005/2006. Imports of other cereals and flour are not anticipated to increase since these products have been covered by Ukraine's FTAs with the Russian Federation and Kazakhstan – the primary trading partners.

GOU Grain Market Interventions

Ukraine's recently revised 2005 budget does not fund GOU market intervention purchases. Therefore, it is not clear how the Executive Branch intends to implement either "pledge"[1] grain purchases (endorsed by the Law of Ukraine On Grain and Grain Market) or intervention purchases[2] (mandated by the Law on State Support of Agriculture) in MY 2005/2005.

Considering that no funding is available for GOU market interventions and that the GOU has re-build its strategic food reserves in MY 2004/2005, FAS Kiev assumes that there will be little or no grain market interventions in MY 2005/2006. The GOU will likely continue discouraging grain exports in MY 2005/2006 via expected 35% hike in railroad tariffs applicable to grain and increasing amounts of VAT refunds owed to grain exporters.

The GOU provided UAH 650 million ($121 million) for grain market interventions in 2004. According to FAS Kiev estimates, in MY 2004/2005 the State Joint Stock *Khlib Ukrainy* and the Committee on the State Material Reserves purchased an estimated 2.4 million MT of grain using various programs. The SJCS Khlib Ukrainy purchased a total of 637,000 MT of grain, including 300,000 MT of wheat (at an equivalent price of $95-147/MT depending on the quality); 206,000 MT of barley (at $83/MT) and 131,000 MT of corn (at $80/MT) under the pledge purchase scheme. Reportedly, farmers have claimed back 190,000 of unspecified grain. It is assumed that farmers claimed back mostly feed-quality barley to re-sell it later to exporters at market prices. The Committee on the State Material Reserves has purchased 1.8 million tons of grain, mostly milling quality wheat for further processing into flour.

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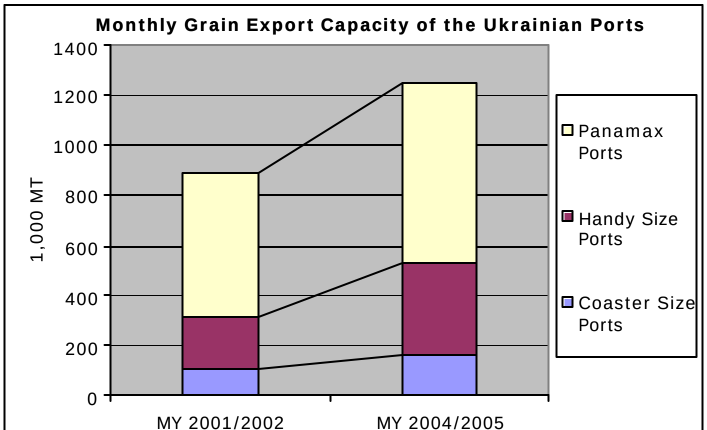
[1] Under a "pledge" purchase, the State Agent purchases grain from farmers at fixed ("pledge") prices after July 1 while farmers maintain the right to resell this grain before March 1 of the following year. Farmers must reimburse the State agent both the "pledge" price and the cost of grain storage if they sell grain to another buyer before March 1. A "pledge" price (or support price) is to be announced before March 31 of each year. The price must compensate for the average cost of grain production and assure a certain profit to the farmer.

[2] According to the law on State Support of Agriculture, interventions (purchase of products) must be triggered if spot or forward market prices during one trading session deviate 5% to 20% above the maximum price established by the GOU.

Market Infrastructure for Grain Export and Transit

There are no technical infrastructure constrains that will prevent Ukraine from handling its own exports and transit grain in the middle term. Private investments into port elevators, peers and other export infrastructure elements allow for an estimated 14 million MT of exports per year. The condition of nearly 540 in-land port elevators coupled with the outdated fleet of railroad cars, however, represents the major mid-to long term technical constrain.

The following graph illustrates the built up in monthly port export capacity.



Prepared by FAS-Kiev based on Mr. Ivan Miroshnichenko's presentation (Cargill- Ukraine) during the Second International Black Sea Grain Conference, Kiev, March 15, 2005

The panamax-size ports of Odessa, Illichivsk and Yuzhny are the leading Ukrainian ports for grain exports. The table below provides information on grain handling (exports, imports and transit), including for the new deep-water port elevator in Sevastopol.

Estimated Grain Handling at the Ukrainian Trade Sea Ports in CY 2004 as compared with CY 2003, TMT

					change in 2004 from 2001, %			
	Export	**Import**	**Transit**	**Total***	**Export**	**Import**	**Transit**	**Total****
Odesa	1,469	5	158	1638	23%	-98%	-68%	-17%
Illichivsk	1,466	2	8	1476	127%	-96%	-99%	-1%
Yuzhny	1,326	0	166	1492	36 times	-	14 times	43 times
Kherson	612	0	11	633	50%	-100%	-95%	-6%
Mykolayiv	587	0	0	623	-21%	-100%	-100%	-22%
Ust-Dunaysk	180	0	214	417	10%	-100%	-2%	3%
Sevastopol**	281	0	10	291	New Port			
Reni	56	0	118	174	14 times	-	-74%	-62%
Mariupil	114	0	0	114	107%	-100%	-100%	-15%
Ismail	98	0	8	106	47%	-100%	-88%	-24%
Berdyanks	44	0	0	44	-43%	-100%	-100%	-75%
Belhorod-Dnistrovsky	40	0	0	40	-	-	-	-
Skladovsk	34	0	0	34	272%	-	-	272%
Kerch	27	0	5	32	5%	-100%	-93%	-68%
Feodosia	10	0	0	10	-	-	-	-57%
Total	**6,343**	**7**	**697**	**7,123**	**86%**	**-99%**	**-72%**	**11%**

Data source: Porty Ukrainy Magazine, various issues, port trade statistics
**Total also includes within port transportation and cabotage*
***New port elevator (July-December 2004 data only)*

In addition to the new port elevator in Sevastopol, opening of the Ukrainian Danube delta for transit has been another major infrastructure improvement in MY 2004/2005. Despite the environmental controversy of the Ukrainian "Danube-Black Sea Channel" (http://www.state.gov/r/pa/prs/ps/2004/32535.htm), the GOU opened the channel for navigation in August 2004. The channel has already been able to attract 64,000 MT of Hungarian corn and wheat transiting to Greece (through the Port of Kiliya) and offers competing channel fees with the Romanian channels. Currently, only 3,000-4,000 MT barges and small vessels can navigate the Ukrainian channel

Despite the increased capacity, grain transit via Ukrainian ports has decreased this marketing year due to lower exports from Russia and Kazakhstan.

Grain Transit via Ukrainian Ports in MY 2003/2004, 1,000 MT

Grain	Origin of transiting grain	Jul 03-Jun 04	Jul 03-Mar 04	Jul 04-Mar 05**	Year-to-year comparison MY 04/05 and MY 03/04
Feed barley	Denmark	8	8	0	-100%
	Kazakhstan	181	161	0	-100%
	Russia	667	648	34	-95%
	Moldova	0	0	40	-
	Hungary	0	0	2	-
Feed barley Total		**857**	**816**	**76**	**-91%**
Feed corn	Hungary	23	11	46	305%
	Moldova	21	21	61	196%
Feed corn Total		**44**	**32**	**107**	**231%**
Feed wheat	Russia	10	10	0	-100%
	Hungary	0	0	4	-
Feed wheat Total		**10**	**10**	**4**	**-58%**
Milling wheat	Argentina*	16	0	0	-
	Canada*	27	0	15	-
	Hungary	4	0	31	-
	Kazakhstan	130	101	96	-5%
	Russia	25	25	6	-74%
Milling wheat Total		**203**	**127**	**149**	**18%**
Rye	**Russia**	**9**	**9**	**0**	**-100%**
Grand Total		**1,122**	**994**	**336**	**-66%**

**Shipments diverted to Libya, Egypt and Israel due to a sharp domestic price decrease at the end of MY 03/04-beginning MY 04/05*
*** transit through mid March 2005*

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Statistical Tables

Wheat Exports by Countries, Year-to-year comparisons, MT

	Jul 02-Jun 03	Jul 03-Jun 04	Jul 03-Jan 04	Jul 04-Jan 05
Spain	1,954,751	5,442	0	470,230
Israel	419,780	10,604	0	427,020
Italy	218,737	0	0	350,815
Indonesia	209,354	0	0	233,813
Tunisia	336,891	0	0	223,973
Philippines	0	0	0	144,022
Hungary	340,229	0	0	134,842
Egypt	261,250	8,056	0	133,951
Korea, South	310,715	0	0	107,500
Morocco	238,290	0	0	100,218
Bangladesh	0	0	0	82,000
United States	27,622	0	0	53,232
Algeria	195,856	0	0	51,487
Eritrea	27,336	0	0	42,450
Sudan	1,700	0	0	38,433
Mauritania	81,673	0	0	35,669
Jordan	26,250	0	0	33,924
Cyprus	0	0	0	29,811
Germany	31,793	0	0	23,888
Libya	12,169	0	0	20,913
Others Not Listed	1,847,253	23,261	988	103,281
Total	**6,541,649**	**47,363**	**988**	**2,841,472**
Ref. EU-25	3,489,442	15,433	0	1,047,049
Share of EU-25 in total exports, %	53%	33%	0%	37%

Data Source: State Customs Service of Ukraine

Monthly Wheat Exports from Ukraine

Month	MT	Month	MT	Month	MT	Month	MT
Jul-01	7,300	**Jul-02**	174,586	**Jul-03**	0	**Jul-04**	12,287
Aug-01	146,200	**Aug-02**	865,705	**Aug-03**	0	**Aug-04**	227,099
Sep-01	557,300	**Sep-02**	1,170,772	**Sep-03**	67	**Sep-04**	505,424
Oct-01	708,400	**Oct-02**	1,260,402	**Oct-03**	921	**Oct-04**	613,684
Nov-01	658,600	**Nov-02**	1,148,440	**Nov-03**	0	**Nov-04**	592,720
Dec-01	752,800	**Dec-02**	1,021,594	**Dec-03**	0	**Dec-04**	556,342
Jan-02	603,686	**Jan-03**	474,353	**Jan-04**	0	**Jan-05**	333,917
Feb-02	519,922	**Feb-03**	226,360	**Feb-04**	0	**Feb-05***	215,000
Mar-02	634,474	**Mar-03**	133,193	**Mar-04**	0	**Mar-05***	150,000
Apr-02	431,069	**Apr-03**	53,342	**Apr-04**	20		
May-02	258,056	**May-03**	5,022	**May-04**	9,976		
Jun-02	215,268	**Jun-03**	7,880	**Jun-04**	36,379		
MY 01/02	**5,493,075**	**MY 02/03**	**6,541,649**	**MY 03/04**	**47,363**	**MY 04/05**	**3,206,472**

Data Source: State Statistics Committee of Ukraine
**FAS-Kiev Estimates*

Wheat Prices, $/1 MT

	2003	2004	
Jan	108.76	248.54	129%
Feb	127.47	245.78	93%
Mar	146.22	238.31	63%
Apr	144.36	223.32	55%
May	143.45	208.45	45%
Jun	196.89	180.41	-8%
Jul	187.55	131.68	-30%
Aug	183.81	129.89	-29%
Sep	211.94	129.99	-39%
Oct	230.69	130.03	-44%
Nov	233.5	134.75	-42%
Dec	233.52	141.37	-39%

Data source: APK-Inform (www.apk-inform.com); EXW Offer Price for 3rd class milling quality wheat

Exports of Wheat Flour and Pasta, MT

HS		Jul 02-Jun 03	Jul 03-Jun 04	Jul 03-Jan 04	Jul 04-Jan 05	% Change, 04/05 from 03/04
1101	Wheat Or Meslin Flour	1,786	3,235	1,646	4,274	160%
190219	Pasta, Uncooked, Not Stuffed	897	1,260	994	206	-79%
190230	Other Prepared Pasta	7,983	7,135	4,058	4,528	12%
	Exports of products in wheat equivalent (*1.368)	**14,591**	**15,910**	**9,163**	**12,324**	**34%**

Data Source: State Statistics Committee of Ukraine

Imports of Wheat Flour and Pasta, MT

HS		Jul 02-Jun 03	Jul 03-Jun 04	Jul 03-Jan 04	Jul 04-Jan 05	% Change, 04/05 from 03/04
1101	Wheat Or Meslin Flour	126,116	228,500	82,600	575	-99%
190219	Pasta, Uncooked, Not Stuffed	67,695	94,509	1,793	1,851	3%
190230	Other Prepared Pasta	2,188	3,441	1,798	2,215	23%
190240	Couscous	1,805	3,072	1	1	-26%
	Imports of products in grain equivalent (*1.368)	**197,803**	**329,522**	**86,192**	**4,641**	**-95%**

Data Source: State Statistics Committee of Ukraine

Barley Exports by Destinations, Year-to-year comparisons, MT

	Jul 02-Jun 03	Jul 03-Jun 04	Jul 03-Jan 04	Jul 04-Jan 05
Saudi Arabia	1,586,513	831,250	738,988	1,297,999
Jordan	0	46,350	0	446,796
Iran	0	13,825	13,825	433,367
Israel	145,833	53,649	35,010	346,062
Syria	61,549	0	0	310,206
Libya	41,885	16,877	16,877	202,589
Tunisia	237,776	0	0	145,304
Hungary	31,785	36,423	23,852	98,292
Morocco	136,315	9,363	3,203	88,782
Algeria	89,967	0	0	26,590
Greece	3,156	3,000	0	21,933
Lebanon	0	0	0	21,204
Italy	14,853	4,404	4,404	17,067
Belarus	329	25,339	0	6,098
United Kingdom	0	24,280	24,280	5,131
Germany	20	11,145	11,145	3,500
Turkey	0	137,487	41,890	3,009
United States	8,213	5,855	5,855	2,845
Russia	0	1,098	0	1,998
Armenia	0	0	0	1,931
Others Not Listed	524,669	296,818	143,636	1,603
Total	**2,882,863**	**1,517,163**	**1,062,966**	**3,482,304**
Ref. Exports to EU-25	290,499	207,019	83,931	145,922
EU-25 share in total exports, %	10%	14%	8%	4%

Data Source: State Customs Service of Ukraine

Monthly Barley Exports from Ukraine

Month	MT	Month	MT	Month	MT	Month	MT
Jul-01	34,700	**Jul-02**	64,814	**Jul-03**	54,273	**Jul-04**	128,531
Aug-01	327,200	**Aug-02**	400,118	**Aug-03**	83,445	**Aug-04**	480,033
Sep-01	379,400	**Sep-02**	601,540	**Sep-03**	380,093	**Sep-04**	948,630
Oct-01	398,500	**Oct-02**	339,483	**Oct-03**	196,198	**Oct-04**	643,017
Nov-01	433,300	**Nov-02**	296,132	**Nov-03**	159,865	**Nov-04**	450,898
Dec-01	385,400	**Dec-02**	287,406	**Dec-03**	127,586	**Dec-04**	543,563
Jan-02	275,303	**Jan-03**	252,055	**Jan-04**	61,506	**Jan-05**	287,632
Feb-02	168,131	**Feb-03**	212,173	**Feb-04**	64,286	**Feb-05***	260,000
Mar-02	111,457	**Mar-03**	151,470	**Mar-04**	103,207	**Mar-05***	250,000
Apr-02	195,772	**Apr-03**	85,833	**Apr-04**	37,382		
May-02	40,942	**May-03**	94,347	**May-04**	136,602		
Jun-02	55,128	**Jun-03**	97,492	**Jun-04**	112,720		
MY 01/02	**2,805,233**	**MY 02/03**	**2,882,863**	**MY 03/04**	**1,517,163**	**MY 04/05**	**3,992,304**

Data Source: State Statistics Committee of Ukraine
**FAS-Kiev Estimates*

Barley Prices

Year	2003	2004	% Change
Jan	88.13	135.06	53%
Feb	97.48	142.59	46%
Mar	106.85	135.1	26%
Apr	106.87	121.98	14%
May	105.94	112.68	6%
Jun	131.26	93.97	-28%
Jul	121.91	63.96	-48%
Aug	133.17	82.83	-38%
Sep	120.97	77.24	-36%
Oct	120.03	94.22	-22%
Nov	131.28	103.65	-21%
Dec	130.36	111.21	-15%

Data source: APK-Inform (www.apk-inform.com); EXW Offer Price for feed quality barley

Corn Exports by Countries, Year-to-year comparisons

	Oct 02-Sep 03	Oct 03-Sep 04	Oct 03-Jan 04	Oct 04-Jan 05
Israel	145,912	3,779	0	209,350
Belarus	32,205	157,919	53,637	113,264
Russia	51,813	408,333	127,187	85,483
Tunisia	70,774	0	0	49,946
Egypt	125,984	0	0	45,649
Syria	6,467	0	0	45,427
Algeria	76,478	0	0	13,276
Armenia	10,842	31,643	17,715	12,019
Libya	32,550	2,631	0	9,518
Turkey	30,353	42,166	7,150	4,158
Italy	0	29,394	19,894	3,798
Georgia	436	3,490	3,300	2,695
Albania	0	8,369	0	1,704
Azerbaijan	1,037	12,395	4,910	1,615
Lebanon	26,510	0	0	836
Poland	82	21,690	0	40
Romania	0	168,375	53,469	0
Hungary	0	84,815	64,099	0
Greece	0	76,952	34,602	0
Lithuania	36,334	59,873	54,710	0
Others Not Listed	159,555	123,703	72,173	0
Total	807,336	1,235,528	512,845	598,777
Ref. EU-25	194,565	346,292	227,058	3,838
Share of trade with EU-25, %	24%	28%	44%	1%

Data Source: State Customs Service of Ukraine

Monthly Corn Exports

Month	MT	Month	MT	Month	MT	Month	MT
Oct-01	14,600	**Oct-02**	24,023	**Oct-03**	52,825	**Oct-04**	27,488
Nov-01	44,400	**Nov-02**	55,858	**Nov-03**	114,237	**Nov-04**	135,350
Dec-01	52,800	**Dec-02**	179,631	**Dec-03**	228,223	**Dec-04**	230,772
Jan-02	28,864	**Jan-03**	159,679	**Jan-04**	117,560	**Jan-05**	205,167
Feb-02	31,825	**Feb-03**	219,076	**Feb-04**	139,571	**Feb-05***	200,000
Mar-02	28,132	**Mar-03**	135,200	**Mar-04**	145,964	**Mar-05***	180,000
Apr-02	36,341	**Apr-03**	13,132	**Apr-04**	148,665		
May-02	15,255	**May-03**	2,770	**May-04**	61,838		
Jun-02	40,505	**Jun-03**	1,907	**Jun-04**	99,112		
Jul-02	21,462	**Jul-03**	0	**Jul-04**	75,428		
Aug-02	25,666	**Aug-03**	0	**Aug-04**	44,038		
Sep-02	9,123	**Sep-03**	16,062	**Sep-04**	8,066		
MY 01/02	**348,971**	**MY 02/03**	**807,336**	**MY 03/04**	**1,235,528**	**MY 04/05**	**978,777**

Data Source: State Statistics Committee of Ukraine
**FAS-Kiev Estimates*

Corn Prices, $/MT

Year	2003	2004	% Change
Jan	82.51	146.31	77%
Feb	97.48	167.92	72%
Mar	114.35	160.43	40%
Apr	119.99	142.62	19%
May	138.76	133.33	-4%
Jun	187.52	116.52	-38%
Jul	187.55	105.34	-44%
Aug	187.56	105.42	-44%
Sep	112.53	103.61	-8%
Oct	127.53	92.34	-28%
Nov	133.16	86.69	-35%
Dec	126.61	81.05	-36%

Data source: APK-Inform (www.apk-inform.com); EXW Offer Price for feed quality corn

Rye Exports by Countries, MT

	Jul 02-Jun 03	Jul 03-Jun 04	Jul 03-Jan 04	Jul 04-Jan 05
Russia	0	0	0	64,061
Belarus	0	0	0	1,258
Kazakhstan	0	0	0	1,003
Spain	194,212	0	0	0
Netherlands	43,711	0	0	0
Estonia	20,006	0	0	0
Israel	8,778	0	0	0
Hungary	7,116	0	0	0
Portugal	5,185	0	0	0
Luxembourg	4,178	0	0	0
Czech Republic	1,222	0	0	0
Egypt	1,046	0	0	0
Poland	383	0	0	0
Total	**285,837**	**0**	**0**	**66,321**
Ref. EU-25	277,059	0	0	0
Share of EU-25 trade in exports	97%	-	-	0%

Data Source: State Customs Service of Ukraine

Monthly Rye Exports from Ukraine

Month	MT	Month	MT	Month	MT	Month	MT
Jul-01	0	**Jul-02**	4,411	**Jul-03**	0	**Jul-04**	0
Aug-01	0	**Aug-02**	10,053	**Aug-03**	0	**Aug-04**	0
Sep-01	0	**Sep-02**	1,796	**Sep-03**	0	**Sep-04**	5,083
Oct-01	2,700	**Oct-02**	10,940	**Oct-03**	0	**Oct-04**	21,301
Nov-01	7,100	**Nov-02**	48,926	**Nov-03**	0	**Nov-04**	21,617
Dec-01	10,000	**Dec-02**	117,828	**Dec-03**	0	**Dec-04**	12,546
Jan-02	5,825	**Jan-03**	39,882	**Jan-04**	0	**Jan-05**	5,775
Feb-02	91,147	**Feb-03**	34,715	**Feb-04**	0		
Mar-02	113,067	**Mar-03**	17,284	**Mar-04**	0		
Apr-02	57,078	**Apr-03**	0	**Apr-04**	0		
May-02	2,964	**May-03**	0	**May-04**	0		
Jun-02	3,701	**Jun-03**	0	**Jun-04**	0		
MY 01/02	**293,581**	**MY 02/03**	**285,837**	**MY 03/04**	**0**	**MY 04/05**	**66,321**

Data Source: State Statistics Committee of Ukraine

Rye Prices

Year	2003	2004	% Change
Jan	58.13	196.96	239%
Feb	71.23	198.88	179%
Mar	88.11	198.9	126%
Apr	89.99	198.92	121%
May	90.01	199.06	121%
Jun	93.76	191.69	104%
Jul	96.59	79.01	-18%
Aug	101.28	74.36	-27%
Sep	117.22	92.31	-21%
Oct	142.54	96.11	-33%
Nov	159.41	96.11	-40%
Dec	168.81	96.13	-43%

Data source: APK-Inform (www.apk-inform.com); EXW Offer Price

Oats Exports to Countries, MT

	Jul 02-Jun 03	Jul 03-Jun 04	Jul 03-Jan 04	Jul 04-Jan 05
Total	**6,359**	**9,470**	**2,271**	**13,567**
Turkey	0	0	0	7,878
Israel	4,950	0	0	2,426
Hungary	813	9,114	2,102	2,400
Russia	56	18	18	862
Estonia	541	150	150	0
Bulgaria	0	120	0	0
Moldova	0	48	0	0
Yugoslavia	0	20	0	0
Egypt	0	0	0	0
Canada	0	0	0	0

Data Source: State Customs Service of Ukraine

Monthly Oats Exports

Month	MT	Month	MT	Month	MT	Month	MT
Jul-01	0	**Jul-02**	3,405	**Jul-03**	10	**Jul-04**	0
Aug-01	0	**Aug-02**	5	**Aug-03**	8	**Aug-04**	0
Sep-01	17,300	**Sep-02**	549	**Sep-03**	0	**Sep-04**	0
Oct-01	1,100	**Oct-02**	0	**Oct-03**	0	**Oct-04**	7,212
Nov-01	0	**Nov-02**	5	**Nov-03**	150	**Nov-04**	5,335
Dec-01	4,300	**Dec-02**	774	**Dec-03**	302	**Dec-04**	1,020
Jan-02	19,728	**Jan-03**	0	**Jan-04**	1,800	**Jan-05**	0
Feb-02	6	**Feb-03**	7	**Feb-04**	3,247		
Mar-02	2,956	**Mar-03**	790	**Mar-04**	312		
Apr-02	993	**Apr-03**	7	**Apr-04**	3,592		
May-02	5	**May-03**	818	**May-04**	48		
Jun-02	995	**Jun-03**	0	**Jun-04**	0		
MY 01/02	**47,383**	**MY 02/03**	**6,359**	**MY 03/04**	**9,470**	**MY 04/05**	**13,567**

Data Source: State Statistics Committee of Ukraine

Peas Exports by Countries, MT

	Jul 02-Jun 03	Jul 03-Jun 04
Spain	69,694	0
Hungary	27,565	15,850
India	21,459	0
Italy	18,268	9,982
Switzerland	8,753	0
Netherlands	4,474	3,744
Austria	3,441	0
France	3,214	0
Luxembourg	3,150	0
Others not Listed	6,130	5,561
Total	166,149	35,137

Monthly Peas Exports

Month	MT	Month	MT	Month	MT	Month	MT
Jul-01	500	**Jul-02**	7,132	**Jul-03**	11	**Jul-04**	965
Aug-01	6,800	**Aug-02**	48,165	**Aug-03**	2,245	**Aug-04**	24,969
Sep-01	18,900	**Sep-02**	33,901	**Sep-03**	11,098	**Sep-04**	45,709
Oct-01	29,300	**Oct-02**	24,610	**Oct-03**	8,586	**Oct-04**	50,224
Nov-01	17,400	**Nov-02**	21,993	**Nov-03**	2,103	**Nov-04**	9,171
Dec-01	14,000	**Dec-02**	16,275	**Dec-03**	5,122	**Dec-04**	37,211
Jan-02	3,599	**Jan-03**	3,059	**Jan-04**	328	**Jan-05**	3,681
Feb-02	9,494	**Feb-03**	9,386	**Feb-04**	504	**Feb-05**	5000
Mar-02	4,879	**Mar-03**	149	**Mar-04**	1,064	**Mar-05**	
Apr-02	3,193	**Apr-03**	396	**Apr-04**	1,027		
May-02	4,645	**May-03**	404	**May-04**	635		
Jun-02	2,843	**Jun-03**	679	**Jun-04**	2,412		
MY 01/02	**115,553**	**MY 02/03**	**166,149**	**MY 03/04**	**35,137**	**MY 04/05**	**176,932**

Data Source: State Statistics Committee of Ukraine