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Country: Ukraine

Post: Kyiv

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Report Highlights:

This report updates Post's previous Grain and Feed Annual Report (UP2021-0017) with revised production, trade and consumption estimates/forecast for Marketing Year (MY) 2020/21 and MY2021/22.

Production:

The Ministry of Agricultural Policy and Food of Ukraine has published the following data regarding spring planting area as of June 3, 2021: wheat – around 176 thousand hectares (ha); barley – around 1,340 thousand ha; and corn – 5,300 thousand ha.

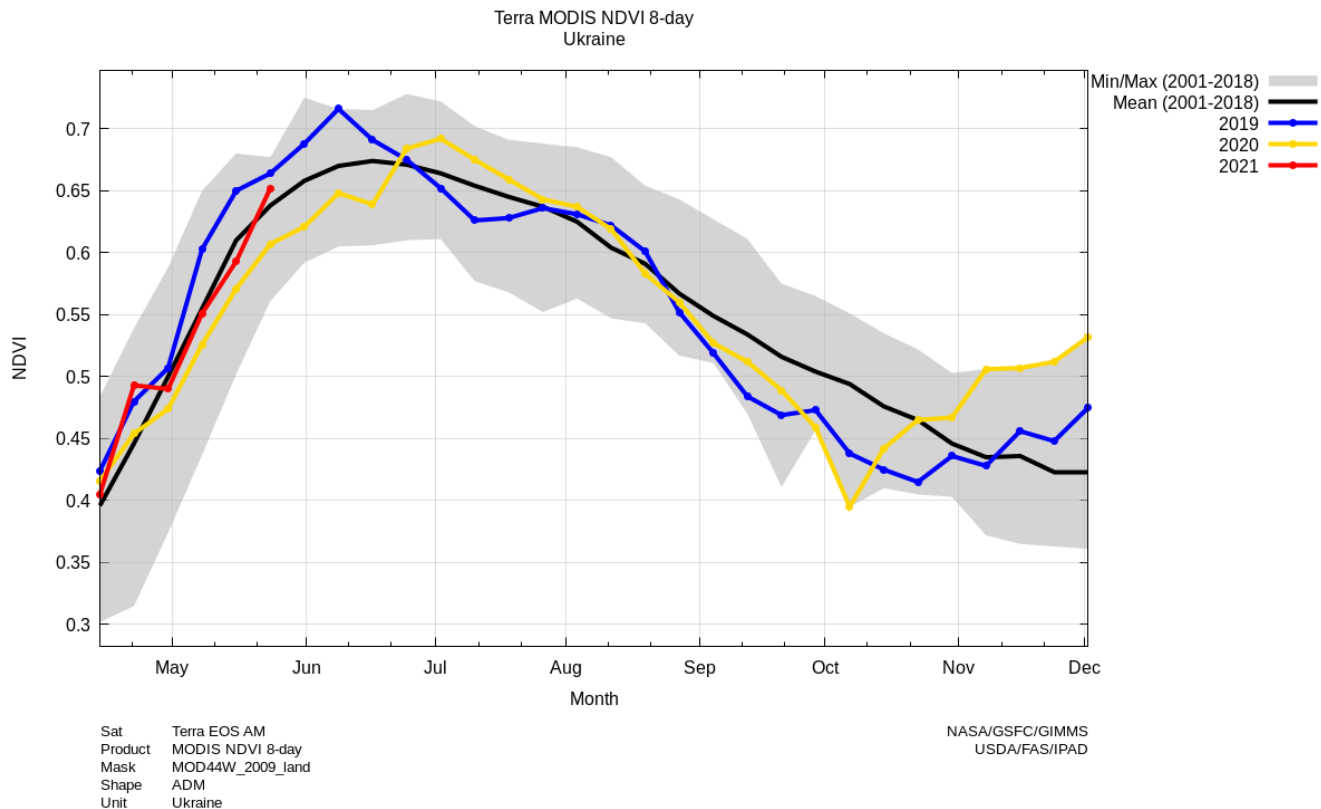
According to information available, FAS Kyiv has calculated spring planting area in Crimea as follows: wheat – 0.3 thousand ha; barley – 43 thousand ha; and corn – less than 1000 ha.

For reporting purposes Post adds Crimea production area to the area reported by the Government of Ukraine (GOU). In the General Outlook section of our Annual [GAIN Report UP2021-0017](#) the calculation of MY2021/22 production areas estimates is the sum of GOU data and information available on production area for Crimea and these estimates are included in the relevant Production, Supply and Distribution (PSD) tables.

Below is a graph that shows the Normalized Difference Vegetation Index (NDVI) for Ukraine. The NDVI is a standardized measure of healthy vegetation. A high NDVI value indicates healthier vegetation and a low NDVI value indicates low or no vegetation.

The NDVI for 2021 has become more similar to the NDVI seen for Ukraine in 2019. Based on this data, Post has reported its marketing year (MY) 2021/22 yield estimates for winter crops (wheat, rye and half of barley areas) at the same level as in MY2019/20.

MY2021/22 yields for spring crops (corn and over half of barley areas) are set below MY2019/20 levels based on assumptions of low moisture levels in June and July 2021. This is likely to have a negative impact on the productivity of corn and, partially, barley. The resulting MY2021/22 yield and production estimates are included in the relevant PSD tables.



Trade:

Based on published Ministry of Agricultural Policy and Food of Ukraine’s data, Ukrainian grain exports during the period July 2020 to May 2021, totaled: wheat – 15.6 million metric tons (MMT), barley – 4.1 MMT, corn – 20.4 MMT, rye – 2 thousand metric tons (MT) and wheat flour – 109 thousand MT.

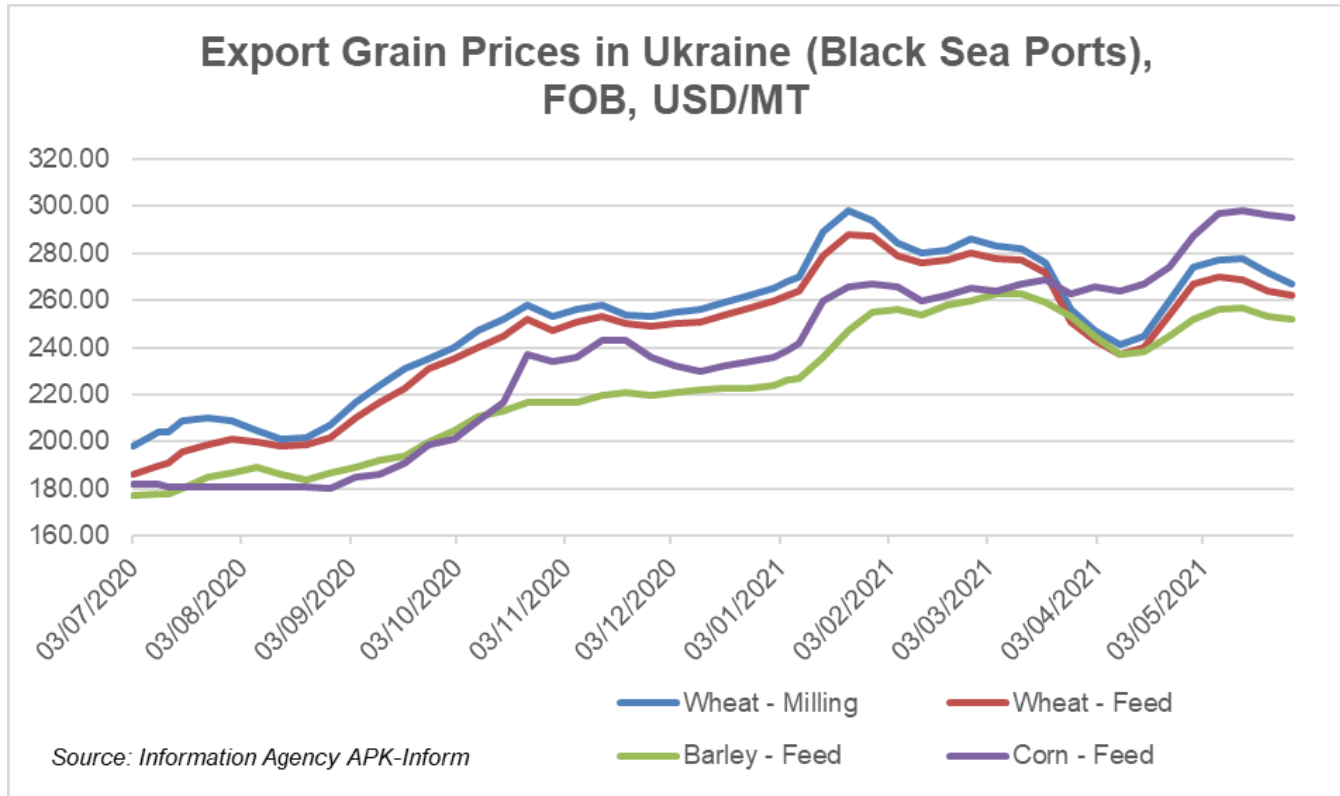
Based on this data, Post estimates MY2020/21 exports as:

- wheat – 16.4 MMT, including wheat flour converted to wheat grain equivalent (please refer to relevant PSD for more details);
- barley – 4.2 MMT;
- corn – 21.5 MMT (this value is valid under Post’s assumption of a relatively stable export prices for corn in Ukraine - please refer to the Consumption section for more details); and
- rye – 2 thousand MT.

It should be noted that all major crops (wheat and corn) are estimated to remain well under the established export caps discussed in [GAIN Report UP2021-0006](#), while rye exports slightly exceeded these. Based on available export information as well as export caps, Post estimates that rye exports concluded for MY2020/21.

Consumption and Ending Stocks:

Commodity price trends have shown continued growth in corn prices (both in the domestic market and in the export market). Corn price trends have continued to exceed wheat and barley prices.



For Post's rationale behind consumption and ending stocks estimates included in the PSD tables below, see our previous [GAIN Report UP2021-0021](#).

Production, Supply and Distribution Data Statistics

Wheat

MY2019/20 and MY2020/21 Post's import estimates are 16 and 12 percent lower, respectively, compared to the USDA's official numbers based on available trade data.

MY2020/21 and MY2021/22 Post's export estimates are around four percent lower and two percent higher, respectively, compared to the USDA's official numbers.

MY2020/21 Post's feed and residual consumption estimate is 52 percent higher compared to the USDA's official number based on price argument: wheat is one of the most affordable feed grains on the market. Please refer to relevant graph in Consumption section above as well as feed consumption arguments in General Outlook section of our Annual [GAIN Report UP2021-0017](#) for more details.

MY2019/20, MY2020/21 and MY2021/22 Post's ending stocks estimates are three, 42 and 41 percent lower, respectively, compared to the USDA's official numbers based on estimated production and export volumes for the relevant MYs.

Please be advised that in the PSD table below, both export and import volumes for flour and wheat products (HS Codes 1101, 190219, 190230, 190240) are converted to wheat grain equivalent by multiplying the product weight by 1.368 and added to export volumes for wheat (HS Code 1001) in order to present a comprehensive picture of wheat trade by Ukraine.

Wheat Market Year Begins Ukraine	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	7020	6808	6847	6847	7170	7016
Beginning Stocks (1000 MT)	1555	1555	1507	1465	1452	845
Production (1000 MT)	29171	29144	25420	25420	29000	29467
MY Imports (1000 MT)	94	79	125	110	100	100
TY Imports (1000 MT)	94	82	125	110	100	80
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	30820	30778	27052	26995	30552	30412
MY Exports (1000 MT)	21013	21013	17000	16350	20000	20500
TY Exports (1000 MT)	21013	21013	17000	16350	20000	20500
Feed and Residual (1000 MT)	2200	2200	2500	3800	3000	3000
FSI Consumption (1000 MT)	6100	6100	6100	6000	6000	6000
Total Consumption (1000 MT)	8300	8300	8600	9800	9000	9000
Ending Stocks (1000 MT)	1507	1465	1452	845	1552	912
Total Distribution (1000 MT)	30820	30778	27052	26995	30552	30412
Yield (MT/HA)	4.1554	4.2808	3.7126	3.7126	4.0446	4.2

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2021/2022 = July 2021 - June 2022

Barley

MY2021/22 Post's production estimate is around three percent lower compared USDA's official number.

MY2020/21 Post's import estimate is 2.5-fold higher than USDA's official number based on available trade data included in Annual [GAIN Report UP2021-0017](#).

MY2021/22 Post's import estimate is 70 percent lower than USDA's official number based on assumption that MY2021/22 overall grain production would generate abundance of grains on domestic market, thus repelling incentives for barley imports.

MY2019/20, MY2020/21 and MY2021/22 Post's feed and residual consumption estimates are all around three percent higher compared to USDA's official numbers based on arguments discussed in Consumption section.

MY2019/20, MY2020/21 and MY2021/22 Post's ending stocks estimates are around 16 and 22 percent lower and 26 percent higher, respectively, compared to the USDA's official numbers based on estimated production and export volumes for the relevant MYs.

Barley Market Year Begins	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
Ukraine	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2782	2605	2584	2592	2550	2612
Beginning Stocks (1000 MT)	1008	1008	1053	884	710	556
Production (1000 MT)	9528	9459	7947	7947	9000	8751
MY Imports (1000 MT)	1	1	10	25	10	3
TY Imports (1000 MT)	0	0	10	25	10	3
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	10537	10468	9010	8856	9720	9310
MY Exports (1000 MT)	4984	4984	4300	4200	5000	4300
TY Exports (1000 MT)	4990	4990	4300	4200	5000	4300
Feed and Residual (1000 MT)	3300	3400	2800	2900	2800	2900
FSI Consumption (1000 MT)	1200	1200	1200	1200	1200	1200
Total Consumption (1000 MT)	4500	4600	4000	4100	4000	4100
Ending Stocks (1000 MT)	1053	884	710	556	720	910
Total Distribution (1000 MT)	10537	10468	9010	8856	9720	9310
Yield (MT/HA)	3.4249	3.6311	3.0755	3.066	3.5294	3.3503

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Barley begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Corn

MY2021/22 Post's production estimate is around two percent lower compared to the USDA's official number based on arguments discussed in production section.

MY2020/21 and MY2021/22 Post's import estimates are both around 87 percent higher compared to the USDA's official numbers based on relatively stable corn production areas over the last three years suggesting stable planting material imports.

MY2020/21 Post's export estimate is around six percent lower compared to the USDA's official number based on arguments included in the Trade section above.

MY2021/22 Post's export estimate is around 11 percent higher compared to the USDA's official number based on high level for MY2020/21 ending stocks.

MY2020/21 Post's feed and residual consumption estimate is around 48 percent lower compared to the USDA's official number based on arguments discussed in Consumption and Ending Stocks section above.

MY2021/22 Post's feed and residual consumption estimate is around 14 percent lower compared to the USDA's official number based on assumption that MY2021/22 corn prices would decrease as the result of high ending stocks for MY2020/21, thus fostering its active use in animal feeds.

MY2020/21 Post's FSI consumption estimate is around eight percent lower compared to the USDA's official number, based on stable consumption patterns.

MY2019/20, MY2020/21 and MY2021/22 Post's ending stocks estimates are around five percent higher, 6.5-fold and 2.2-fold higher, respectively, compared to the USDA's official numbers. For more arguments about ending socks, please see our previous [GAIN Report UP2021-0021](#).

Corn Market Year Begins	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Ukraine						
Area Harvested (1000 HA)	4991	5005	5395	5395	5500	5351
Beginning Stocks (1000 MT)	891	891	1478	1546	890	5771
Production (1000 MT)	35887	35855	30297	30297	37500	36654
MY Imports (1000 MT)	29	29	15	28	15	28
TY Imports (1000 MT)	29	29	15	28	15	28
TY Imp. from U.S. (1000 MT)	1	1	0	1	0	1
Total Supply (1000 MT)	36807	36775	31790	31871	38405	42453
MY Exports (1000 MT)	28929	28929	23000	21500	30500	34000
TY Exports (1000 MT)	28929	28929	23000	21500	30500	34000
Feed and Residual (1000 MT)	5200	5100	6700	3500	5600	4800
FSI Consumption (1000 MT)	1200	1200	1200	1100	1200	1200
Total Consumption (1000 MT)	6400	6300	7900	4600	6800	6000
Ending Stocks (1000 MT)	1478	1546	890	5771	1105	2453
Total Distribution (1000 MT)	36807	36775	31790	31871	38405	42453
Yield (MT/HA)	7.1903	7.1638	5.6158	5.6158	6.8182	6.8499

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Rye

MY2021/22 Post's production estimate is around 10 percent lower compared to the USDA's official number based on arguments included in Production section.

MY2020/21 Post's export estimate is 87 percent lower compared to USDA's official number, based on arguments included in the Trade section.

MY2021/22 Post's export estimate is 4.3-fold higher compared to USDA's official number, based on relevant production estimate as well as stable domestic consumption trends.

MY2020/21 and MY2021/22 Post's feed and residual consumption estimates are 80 and 87 percent lower, respectively, compared to the USDA's official numbers based on low rye usage in animal feeds.

MY2020/21 and MY2021/22 Post's FSI estimates are 19 and 30 percent lower compared to USDA's official numbers based on stable consumption patterns for this crop in baking industry.

Rye Market Year Begins	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Ukraine						
Area Harvested (1000 HA)	117	117	140	140	165	164
Beginning Stocks (1000 MT)	47	47	48	48	72	175
Production (1000 MT)	339	339	459	459	530	476
MY Imports (1000 MT)	2	2	0	2	0	2
TY Imports (1000 MT)	2	2	0	2	0	2
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	388	388	507	509	602	653
MY Exports (1000 MT)	8	8	15	2	35	150
TY Exports (1000 MT)	8	8	15	2	35	150
Feed and Residual (1000 MT)	2	2	10	2	15	2
FSI Consumption (1000 MT)	330	330	410	330	475	330
Total Consumption (1000 MT)	332	332	420	332	490	332
Ending Stocks (1000 MT)	48	48	72	175	77	171
Total Distribution (1000 MT)	388	388	507	509	602	653
Yield (MT/HA)	2.8974	2.8974	3.2786	3.2786	3.2121	2.9024

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rye begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Attachments:

No Attachments