

Voluntary Report – Voluntary - Public Distribution

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Report Name: New Polish Agricultural Commodity Exchange is Operational

Country: Poland

Post: Warsaw

Report Category: Agricultural Situation, Agriculture in the Economy, Agriculture in the News, Grain and Feed, Sugar

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Report Highlights:

A new Polish spot commodity exchange, which was established as a public-private partnership, began trading in October 2020. While the Agricultural Exchange Market (AEM) officially opened in March 2020, and completed one trade in May 2020, meaningful wheat and rye trading did not occur until the following October. AEM operators expect that trading will continue to increase as the exchange becomes more established.

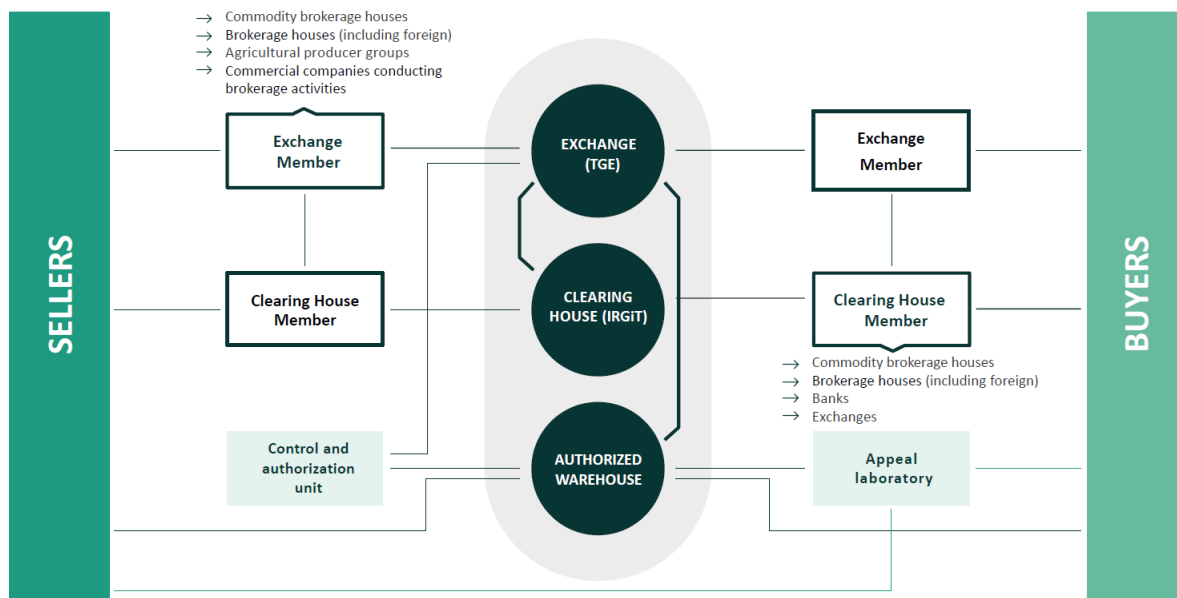
General Information:

The AEM was developed as a public-private partnership by the Polish Ministry of Agriculture’s (MinAg) National Agricultural Support Center and Commodity Energy Exchange (TGE S.A.). TGE S.A continues to operate the AEM with financial assistance from the Government of Poland. To date, the AEM has only traded wheat and rye, but TGE S.A. plans to trade corn and rapeseed by Spring 2021. It also plans to gradually expand to sugar, milk powder, and pork carcasses as it becomes more established. MinAg is hopeful that the AEM will create commercial opportunities and enhance Polish food and agriculture’s competitiveness domestically and in foreign markets.

The AEM officially opened in March 2020, however after only one transaction in mid-May, trading stopped. Wheat and rye trading started to occur with more regularity as of October 2020. AEM is organized for spot trading, but TGE S.A. plans to add futures trading after the exchange becomes more established.

Since the launch of AEM, twenty private warehouses have signed on as affiliates. These warehouses are required to meet specific organizational and technical requirements defined by AEM. Commodities sold on AEM must meet consistent and high-quality standards, as defined by the AEM. New quality standards for wheat and rye, and other details about AEM are available on its [website](#). To date, turnover on the AEM has been low, as many farmers are holding on to grain stocks in expectation of higher prices. Post will continue to monitor AEM’s status and new commodities introduced to trading. Corn will likely be the next commodity traded on AEM.

Chart 1: AEM Structure



Source: <https://www.tge.pl/rtrs-about-the-market>

Attachments:

No Attachments.