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Grain and Feed

Grain and Feed Annual Report

2009

Approved by:

Ann E. Murphy, Agricultural Attaché
Office of Agricultural Affairs

Prepared by:

Oleksandr Artiushyn, Agricultural Specialist

Report Highlights:

Grain and pulse production is expected to decrease by more than 20% in 2009 compared to the record crop of 2008. Global financial turmoil hit the Ukrainian economy and its banking sector hard, and the following credit crunch may result in decreased input application, possibly lowering crop yields and grain quality. The bumper crop and substantial carryover stocks resulted in record export sales in the 2008/09 marketing year, promoting Ukraine to the list of top grain exporters. Grain exports are expected to slow down in the 2009/10 marketing year, but to remain on above average levels, particularly due to increased carry-over stocks.

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

Table of Contents

Executive Summary	3
Wheat	4
Wheat PSD Table	4
Production.....	4
Consumption	5
Exports.....	6
Possible Destinations for Ukrainian Wheat Exports for 2009/2010 MY	7
Imports	7
Stocks	7
Barley	9
Barley PSD Table	9
Production.....	9
Consumption	10
Exports.....	10
Stocks	10
Corn	12
Corn PSD Table	12
Production.....	12
Consumption	13
Trade	13
Stocks.....	14
Rye	14
Production.....	14
Consumption	14
Trade	14
Rye PSD Table	15
Stocks	15
Oats	15
Oats PSD Table	15
Peas	16
Peas PSD Table	16
Policy (All Grains)	16
Grain Storage Capacities	18
Port Infrastructure for Grain Export and Transit	19
Statistical Tables	21
Final Statistic Data on Grain and Pulse Production in Ukraine (2008)	21
Grain Production Breakdown.....	21
Harvested Area and Average Yield of Ukraine's Major Grains	22
Wheat Exports by Country, Year-to Year Comparison (1,000 MT)	22
Monthly Wheat Exports by Destination (July 2008 – January 2009), 1,000 MT	23
Barley Exports by Country, Year-to Year Comparison (1,000 MT)	24
Monthly Barley Exports by Destination (July 2008 - January 2009), 1,000 MT	25
Corn Exports by Country, Year-to Year Comparison (1,000 MT)	26
Monthly Corn Exports by Destination (July 2008- January 2009), 1,000 MT	27
Grain Exports and Transit by Ukrainian Ports (2007, 2008), 1,000 MT.....	27

Executive Summary

Production of grains and pulses (wheat, barley, corn, rye, oats and peas) is expected to decline by over 20% in 2009. Weather conditions have been relatively favorable for crop development so far, but lower credit availability is likely to result in a decrease in input application, leading to lower grain yields and possibly impacting grain quality. Considering a large area of winter grains and their conditions, we expect total grain production to remain at above average levels. Grain exports are expected to decrease to some extent, while relatively large carryover stocks will help Ukraine to stay a large grain supplier in the 2009/10 season.

Ukraine harvested a record high grain and pulse crop in the 2008/09 marketing year. According to State Statistical Committee data, total grain and pulse production increased by 82% year over year and totaled 53.3 million tons in 2008, benefitting from increases in both harvested area (by 14.4% to 15.4 million ha) and yields (by 59.2% to 3.5 tons per ha), particularly due to exceptionally favorable weather conditions. Ukrainian agricultural producers benefited from record-high prices for agricultural commodities in 2007 and early 2008, allowing them to increase input application for the 2008/09 harvest. A record grain crop combined with large carryover stocks (based on previously applied export quotas) increased an export surplus of wheat, barley and corn, leading to a decline in domestic prices. In spite of a relatively high pace of export sales, the bumper Ukrainian grain supply resulted in a plunge in domestic grain prices, especially for feed grains. Increased competitiveness globally and regionally, renewal of protectionism in some foreign markets (EU import duties, lower import subsidies in Saudi Arabia etc) and higher risks caused by the global financial turmoil (e.g. problems with bank payments, lower credit availability) adversely affected Ukraine's grain trade, but a recent 35% devaluation of local currency has had a positive impact on grain export sales.

Amid larger grain availability and low domestic prices, the Government of Ukraine (GOU) switched its policies in regard to grain market from restricting grain exports to supporting domestic prices. In the 2007/08 and 2006/07 marketing years, the GOU applied grain export licenses and quotas to curb grain prices and consequently food inflation, which brought large carryover stocks and significant losses to farmers and grain traders. In the 2008/09 marketing year, the GOU was mostly involved in interventional grain purchases to support domestic prices of grains. Problems with value added tax (VAT) refunding to grain exporters continue, making grain trading companies pass the risks of VAT non-refunding to local producers through price discounting. The GOU adopted a procedure that allows grain exporters to receive a prompt VAT refund if they purchase grain directly from the state-run Agrarian Fund. In the 2009/10 marketing year, the GOU plans to continue interventions on grain market. It has already included some grains, namely wheat and rye, into the list of products to be regulated in the 2009/10 marketing year, but serious state budget constraints may lead to a lack of funds for interventional purchases.

As to export policies, Ukraine became a member of the World Trade Organization (WTO) on May 16, 2008. Ukraine agreed to apply export licensing requirements and other similar export regulating measures in conformity with WTO rules after the accession. However, grain export restrictions, expected to be abolished from the day of Ukraine's accession, were removed only 1.5 month after the accession. Considering the upcoming Presidential elections in Ukraine (in early 2010), the GOU is expected to be alarmed at possible food price increases, and if market conditions lead to high grain prices (which are often considered by the GOU officials as the main source of bread and meat price increases), the GOU is likely to intensify its administrative pressure on the grain market.

Wheat

Wheat PSD Table

Ukraine										
Wheat										
	2007 Revised			2008 Estimate			2009 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		07/2007	07/2007		07/2008	07/2008		07/2009	07/2009	MM/YYYY
Area Harvested	5,950	5,951	5,951	7,050	6,700	7,054	0	0	6,700	(1000 HA)
Beginning Stocks	1,428	1,161	1,428	1,526	2,108	2,160	3,126	2,818	3,148	(1000 MT)
Production	13,900	13,937	13,938	25,900	19,000	25,883	0	0	19,430	(1000 MT)
MY Imports	334	10	5	100	10	5	0	0	5	(1000 MT)
TY Imports	334	10	5	100	10	5	0	0	5	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	15,662	15,108	15,371	27,526	21,118	28,048	0	0	22,583	(1000 MT)
MY Exports	1,236	500	911	10,000	5,000	10,500	0	0	7,000	(1000 MT)
TY Exports	1,236	500	911	10,000	5,000	10,500	0	0	7,000	(1000 MT)
Feed Consumption	3,100	3,100	3,000	4,400	3,600	4,400	0	0	4,000	(1000 MT)
FSI Consumption	9,800	9,400	9,300	10,000	9,700	10,000	0	0	9,400	(1000 MT)
Total Consumption	12,900	12,500	12,300	14,400	13,300	14,400	0	0	13,400	(1000 MT)
Ending Stocks	1,526	2,108	2,160	3,126	2,818	3,148	0	0	2,183	(1000 MT)
Total Distribution	15,662	15,108	15,371	27,526	21,118	28,048	0	0	22,583	(1000 MT)
Yield	2.336	2.342	2.342	3.674	2.836	3.669	0	0	2.900	(MT/HA)

Production

In 2009, wheat production is expected to decline by 25% on lower harvested area and possibly lower average yield. However, favorable weather conditions (mild winter and minimal winter-kill) are likely to result in a better than average crop. According to the data from the State Statistical Committee, 6.50 million hectares of winter wheat (usually about 95% of Ukraine's total wheat output) were planted for 2009/10, compared to 6.89 million ha for 2008/09.

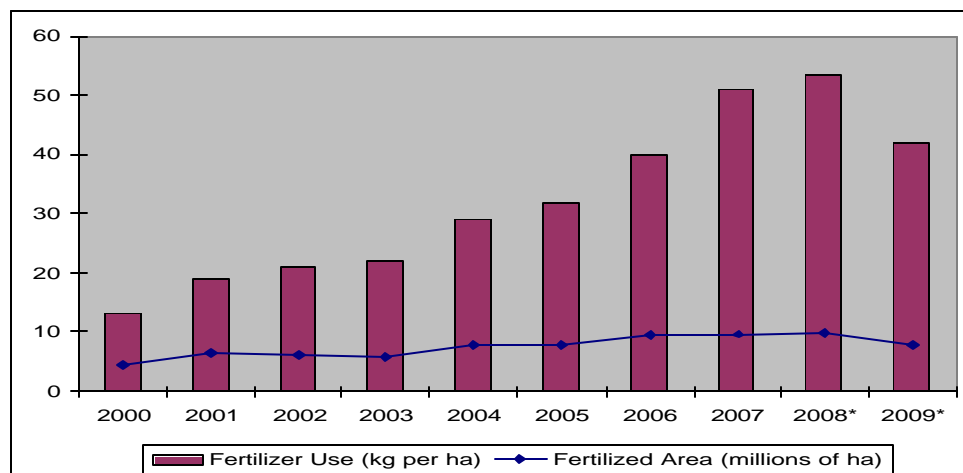
Weather conditions during the winter wheat planting campaign were mostly favorable for crop establishment. When winter wheat planting started there was a period of warm and dry weather, but soil moisture was mostly adequate for planting. Cool and wet weather conditions that interrupted winter wheat planting in September 2008 replenished soil moisture. The following period of warm and dry weather allowed farmers to complete winter wheat planting.

Weather conditions during winter period (from December to February 2009) were mostly favorable for winter wheat crop development. Temperatures were gradually declining from November to December 2008. Average temperature in January was by 0.5-2 degrees Celsius above than normal. Frosts in early January (air temperatures dropped below -20 degrees Celsius in some eastern regions of Ukraine) did not damage winter wheat crops, as they were covered with snow. Temperatures in February were relatively mild. Snow and rains in the middle of February replenished soil moisture, enabling winter crops to grow and develop quickly after winter wheat resumes vegetative growth in March.

According to the Ukrainian Meteorological Center, 95% of the winter crop is categorized as “good” or “satisfactory”. Only 5% is categorized as “weak” as of February 2009, implying above average potential for winter crop yields. These indicators are good compared to the past four year data:

February 2009 – 95% is in good or satisfactory condition. 5% is weak;
 February 2008 – 90% is in good or satisfactory condition. 10% is weak;
 February 2007 – 91% is in good or satisfactory condition. 8% is weak;
 February 2006 – 70% is in good or satisfactory condition. 30% is weak;
 February 2005 – 89% is in good or satisfactory condition. 11% is weak.

Despite good winter crops conditions, we expect wheat yields to decline by approximately 21% year over year and to average 2.9 tons per ha in 2009 (average wheat yields stood at 2.3-2.9 tons per ha in 2005-2007). One of the drivers for record high grain yields in the 2008/2009 marketing year was increased input application. We expect both fertilized area and average fertilizer use rate for the 2009/2010 crop to decline because of financial hardship.

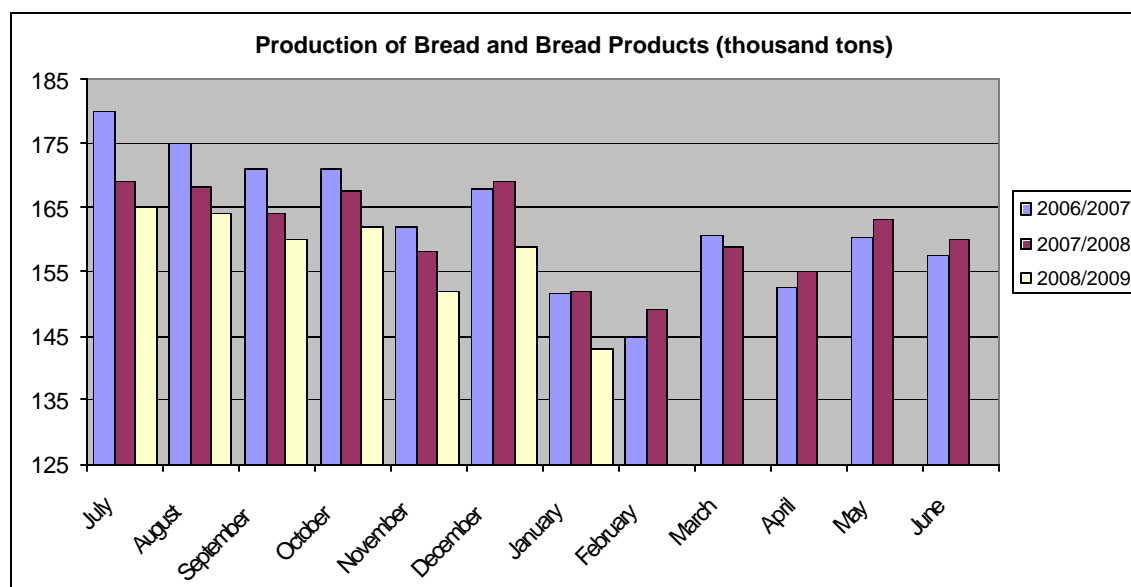


Fertilized Area and Fertilizer Use Rate in Ukraine

Source: State Statistics Committee of Ukraine, * – FAS-Kyiv estimates

Consumption

An expected decrease in wheat production in 2009 should result in slightly lower wheat consumption when compared to the 2008/2009 marketing year. We expect food consumption to track demographic changes in the 2009/2010 marketing year (population of Ukraine gradually declined to 46.1 in February 2009 from 49.5 in February 2000), but households may need to increase consumption of cheap bread products and cereals as economic hardship in Ukraine that follows the global financial crisis will not allow them to purchase more expensive protein foods. Ukrainians spent approximately 50% of disposable income on food products in 2008.



Source: State Statistical Committee of Ukraine

In spite of a high wheat crop in 2008, flour production decreased to 1.6 million tons during 7 months (July-January) of 2008/2009, which is 7% less compared to the same period of the 2007/2008 season. The decrease was mostly attributed to lower production of bread and bread products that decreased by 5% in July-January of 2008/2009 compared to the same period of the 2007/2008 marketing year. The GOU continuously tries to regulate bread prices through limiting profit margins for bakers and retailers (especially for so called "social bread"), which has an adverse impact on domestic wheat flour production. On the other hand, wheat flour exports in July-January 2008/2009 hit record highs and exceeded 140 thousand tons.

Increased feed consumption of wheat in the 2008/2009 marketing year is related to its higher availability in terms of both price and quantity. According to the Ministry of Agriculture, production of feed wheat (Grade IV) and low-quality food wheat (Grade V) accounted for 50.8% and 12.5% of the 2008/2009 wheat crop, respectively. Increased share of low quality wheat was mostly attributed to the period of wet weather in summer 2008.

In the 2009/2010 marketing year, we expect wheat consumption to decline by approximately 7%. Feed consumption is expected to go down by 9%, but the forecast may be changed based on wheat quality (we expect the share of feed quality wheat in total wheat production to remain high in the 2009/2010 crop due to worse agricultural technologies and lower inputs application amid the credit crunch).

Exports

In the 2009/2010 marketing year, Ukraine's wheat exports are expected to decrease by 33% year over year totaling 7.0 million tons, which constitutes the second largest wheat exports in Ukraine's history. Total wheat exports are expected to hit record at 10.5 million tons in the 2008/2009 marketing year due to both large crop and carry-over stocks based on grain export restrictions in the 2007/2008 marketing year. Ukraine had reportedly exported 8.7 million tons of wheat by mid-March 2009 when this report was written.

This forecast assumes the GOU will not reintroduce export quotas on grains for the 2009/2010 marketing year. Demand for quality Ukrainian food wheat stayed strong in North African, Middle Eastern and Asian markets. Exports of feed quality wheat will be sold to the traditional markets of Spain, Italy, Israel, etc. The table below provides a forecast of wheat exports by region for the next marketing year.

Possible Destinations for Ukrainian Wheat Exports for 2009/2010 MY

Destinations	July 2006- June 2007	July 2007- June 2008	July 2008- June 2009*	06/07 Share	07/08, Share	08/09, Share*
North Africa	699	204	2,520	21%	22%	24%
Other Africa	184	38	630	6%	4%	6%
EU - 25	611	188	2,835	18%	21%	27%
South-East Asia	254	81	1,890	8%	9%	18%
Middle East	682	300	1,890	20%	33%	18%
South America	0	0	0	0%	0%	0%
Other Countries	901	100	735	27%	11%	7%
Total	3,330	911	10,500	100%	100%	100%

Source: State Statistics Committee of Ukraine

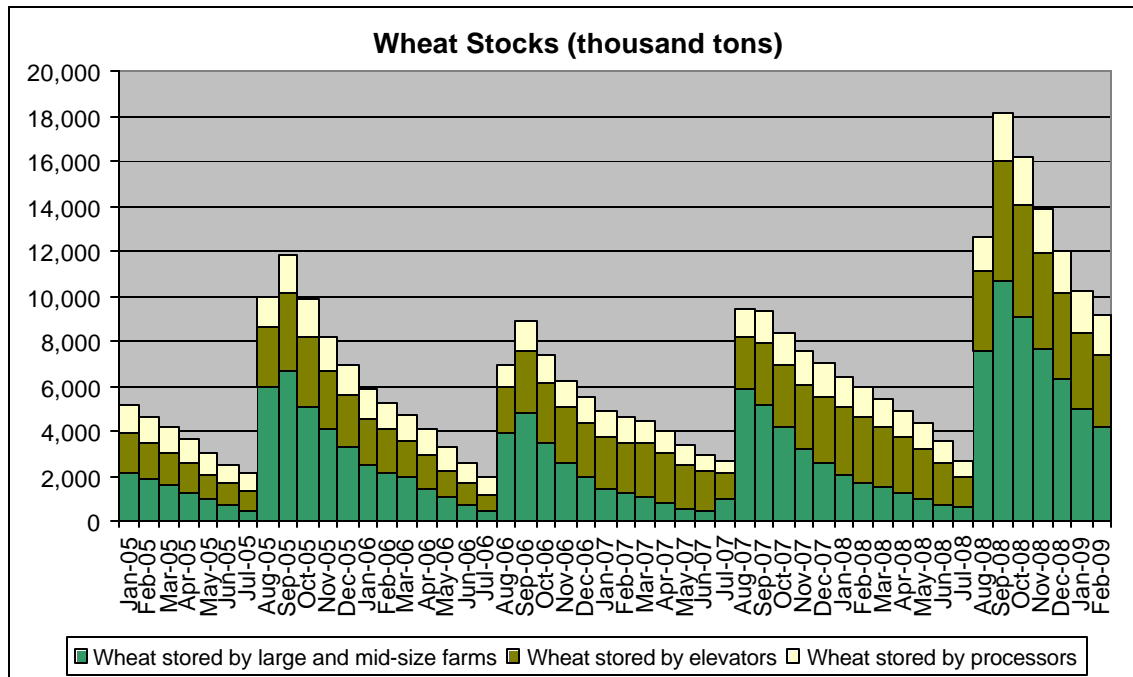
*08/09 – FAS Kyiv forecast

Imports

Wheat imports for the 2009/2010 marketing year are likely to remain low. Ukraine does not import much wheat, except for rare situation when very unfavorable weather conditions lead to significant wheat crop losses. Some processing companies have imported durum wheat, but such purchases are not performed often, and considering the current 35%-devaluation of local currency and the economic hardship in Ukraine (leading to lower demand for high quality pasta products) these imports are expected to be minimal in the 2009/2010 marketing year.

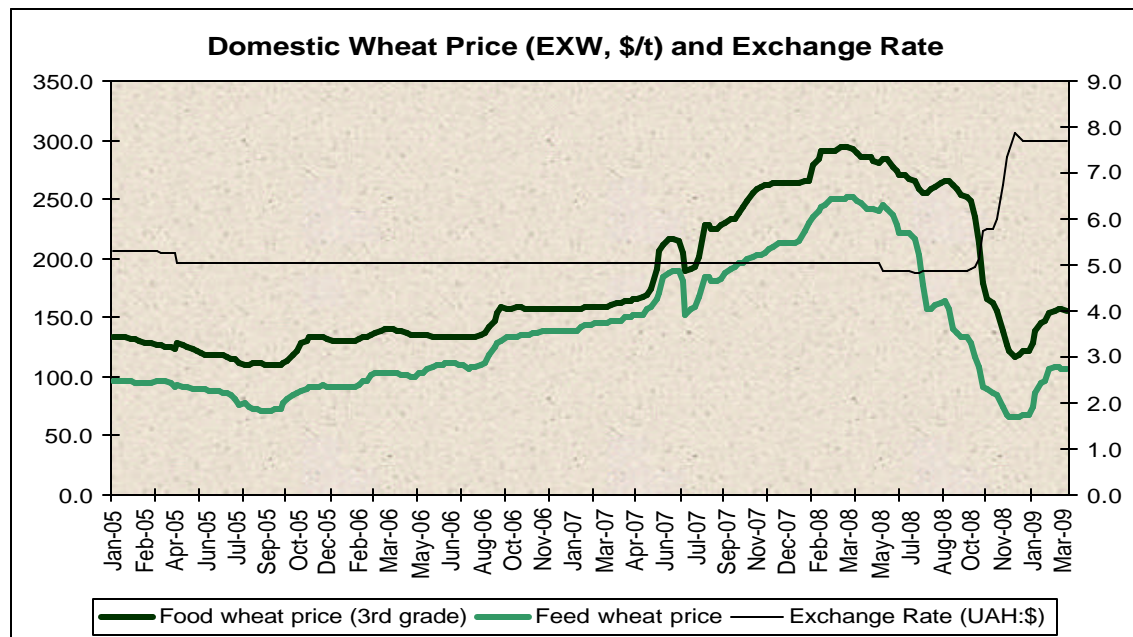
Stocks

In marketing year 2009/2010, wheat ending stocks are expected to be lower than they in marketing year 2007/2008 due to decreased wheat supply. Information on monthly wheat stocks held by farmers, elevators and processors is provided below. (Please note: the stock information provided below does not account for wheat stored by small farms and private households which accounts for up to 20% of all wheat produced in Ukraine).



Source: State Statistics Committee of Ukraine

As the GOU had not applied export restrictions for wheat in the 2008/2009 season, domestic prices of wheat in Ukraine have been linked to world wheat prices. Increased supply exerted a very negative pressure on domestic wheat prices in the beginning of the 2008/2009 marketing year when many farmers were selling grains to get cash for the winter crop planting campaign. A rapid devaluation of local currency in the end of 2008 (Ukrainian currency plummeted by 35% against the US dollar) accelerated the drop of US\$-denominated wheat prices (export-oriented wheat market needed time to adjust to the new exchange rate through further export sales).



Source: Informational Agency APK-Inform

Domestic prices started rising in the beginning of 2009 on both the world wheat price increase and a gradual adjustment to exchange rate change. Wheat prices denominated in UAH have already reached levels that are considered "appropriate" by some farmers as some agricultural inputs are supplied domestically and their prices did not increase as much as those of imported goods. As of mid-March 2009, wheat prices have stabilized.

We expect domestic wheat prices to follow global trends in the 2009/2010 marketing year if the GOU does not apply export restrictions or other administrative measures to limit domestic wheat prices. Considering forthcoming Presidential elections (early 2010), it may happen, for example, if Ukrainian currency continues to devalue at a quick pace pushing domestic wheat prices (through large export sales) to increase significantly.

Barley

Barley PSD Table

Ukraine										
Barley										
	2007 Revised			2008 Estimate			2009 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		07/2007	07/2007		07/2008	07/2008		07/2009	07/2009	MM/YYYY
Area Harvested	4,100	4,079	4,088	4,150	4,200	4,167	0	0	4,800	(1000 HA)
Beginning Stocks	960	950	960	665	250	800	1,490	250	1,016	(1000 MT)
Production	6,000	5,980	5,981	12,600	9,000	12,611	0	0	11,040	(1000 MT)
MY Imports	49	20	4	25	0	5	0	0	5	(1000 MT)
TY Imports	50	20	4	25	0	5	0	0	5	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	7,009	6,950	6,945	13,290	9,250	13,416	0	0	12,061	(1000 MT)
MY Exports	1,044	700	1,045	6,000	3,000	6,600	0	0	5,700	(1000 MT)
TY Exports	3,814	700	1,045	5,300	3,000	6,600	0	0	5,700	(1000 MT)
Feed Consumption	3,600	4,100	3,500	4,100	4,100	4,100	0	0	3,900	(1000 MT)
FSI Consumption	1,700	1,900	1,600	1,700	1,900	1,700	0	0	1,600	(1000 MT)
Total Consumption	5,300	6,000	5,100	5,800	6,000	5,800	0	0	5,500	(1000 MT)
Ending Stocks	665	250	800	1,490	250	1,016	0	0	861	(1000 MT)
Total Distribution	7,009	6,950	6,945	13,290	9,250	13,416	0	0	12,061	(1000 MT)
Yield	1.463	1.466	1.463	3.036	2.143	3.026	0	0	2.300	(MT/HA)

Production

Winter barley planted area for 2009/2010 increased by 43% year over year and totaled 1.27 million ha. Winter barley represents usually 10-15% of total barley production. The increase in winter barley planted area is attributed to high prices of barley before the winter crop planting campaign, as well as to favorable weather conditions. Winter frosts damaged some barley crops in the southern regions, but most crops are currently in good or satisfactory condition.

The Ministry of Agriculture forecasts spring barley area to increase to 3.49 million ha in 2009, compared to an estimated 3.36 million ha in 2008. The large barley area is attributed to strong demand for barley throughout the season and thus relatively high prices compared to other feed grains (for example, feed corn).

On the other hand, we expect an average barley yield to decrease from last year's record levels by 24%, leading to a 16% decrease in total barley production. Therefore we expect total barley production to decrease to 11.0 million tons, which is close to high average levels of previous seasons.

Consumption

Barley feed use is expected to decrease slightly in the 2008/2009 marketing year, particularly due to lower production. Feed use of barley in the 2009/2010 marketing year is also expected to be pressured by the recent developments in Ukraine's livestock sector. The economic meltdown led not only to a significant decrease in disposable incomes and thus lower demand for protein foods, but also to serious problems for some meat producers, resulting in lower meat production or putting off expansion plans for large poultry farms (see GAIN report UP9003 [Crisis Meat Consumption and Import Trends](#) for details).

Compound feed production has decreased in the current marketing year. About 2.5 million tons of compound feed was produced in Ukraine in eight months of the 2008/2009 marketing year (July-February), which is 11% less compared to what was produced in the same period of the 2007/2008 marketing year. In February 2009, Ukrainian companies produced 288,300 tons of compound feed, which is 5% less compared to production in February 2008.

The financial crisis has adverse impacts on different industries in Ukraine, including malt production. Malt production declined dramatically in January-February 2009. In February 2009, for example, malt production totaled only 21,700 tons, which is 54% less than in February 2008. As malt production was higher in the beginning of the 2008/2009 marketing year compared to one in the beginning of the previous season, total malt production in eight months of the 2008/2009 marketing year (July-February) totaled 311,500 tons, which is 1% less compared to the amount produced in the same period of the 2007/2008 marketing year.

Exports

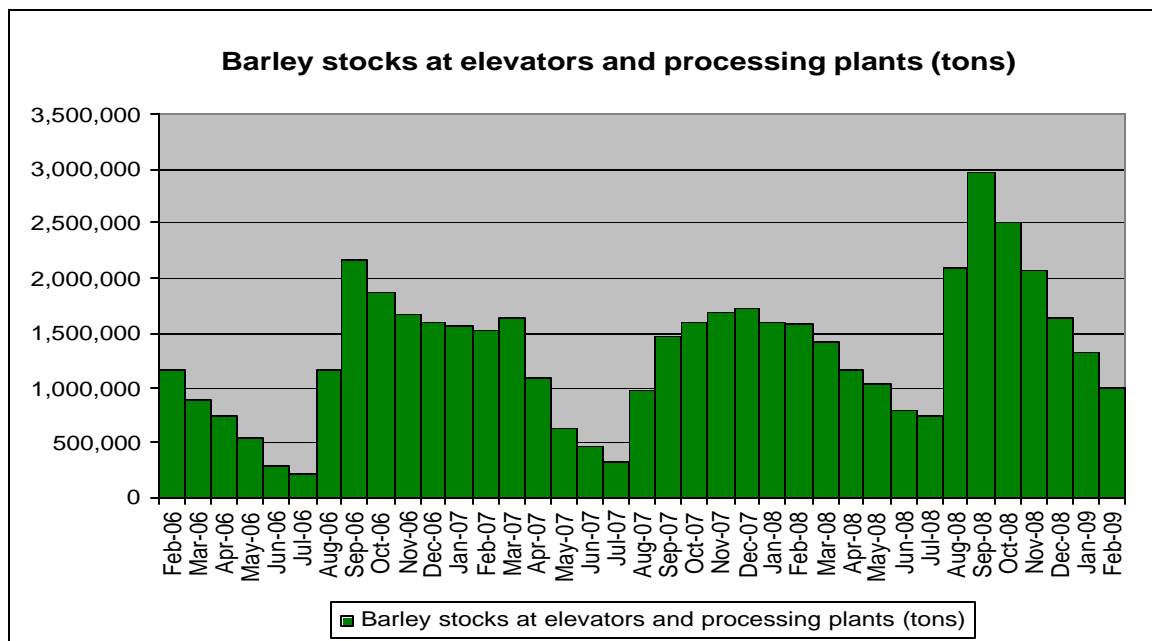
In the 2009/2010 marketing year, barley exports are expected to remain substantial, but lower (at 5.7 million tons) compared to exports in the 2008/2009 marketing year due to lower barley supply. Barley exports increased significantly in the 2008/2009 marketing year when the GOU cancelled export quotas.

Ukraine had reportedly exported 6.4 million tons of barley by mid-March 2009. Because of such a high pace of export sales, FAS-Kyiv is forecasting high barley exports for the 2008/2009 marketing year (6.6 million tons). Saudi Arabia is expected to remain the main destination point in the 2009/2010 marketing year, accounting for up to 60% of Ukraine's barley exports. The remaining exports are expected to be shipped to other traditional markets in the Middle East and North Africa.

Stocks

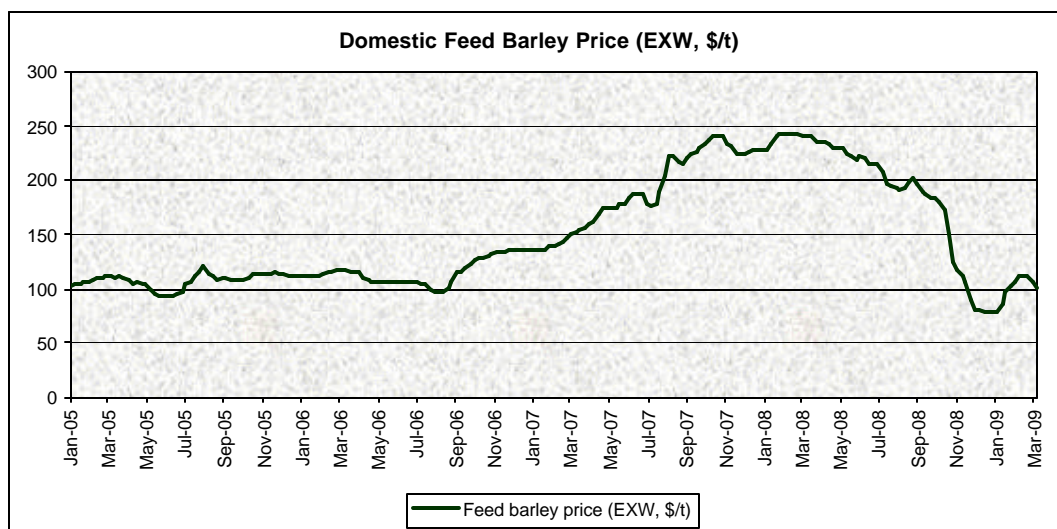
In the 2008/2009 marketing year, ending stocks for barley are expected to be higher compared to those in the 2007/2008 season due to increased supply. However, the difference is not dramatic, as current active exports of barley are quickly drawing down ending stocks for the 2008/2009 season, while export restrictions imposed by the GOU did not allow exporters to realize in full the export potential of barley in the 2007/2008 marketing year.

Next year barley stocks may depend on the government's export policy, but they are likely to be higher than average levels. (Monthly barley stocks for the past two marketing years are provided below. Please note that the graph does not account for barley stored on farms and by private households)



Source: State Statistics Committee of Ukraine

Domestic prices of feed barley plummeted in fall 2008 amid high availability and rapid devaluation of local currency. However, barley prices were higher compared to prices of feed corn that was harvested later when the problems with the lack of storage capacities intensified. Starting from January 2009, feed barley prices increased, particularly on export demand. Currently, feed barley prices have stabilized and follow world market trends.



Source: Informational Agency APK-Inform

Corn

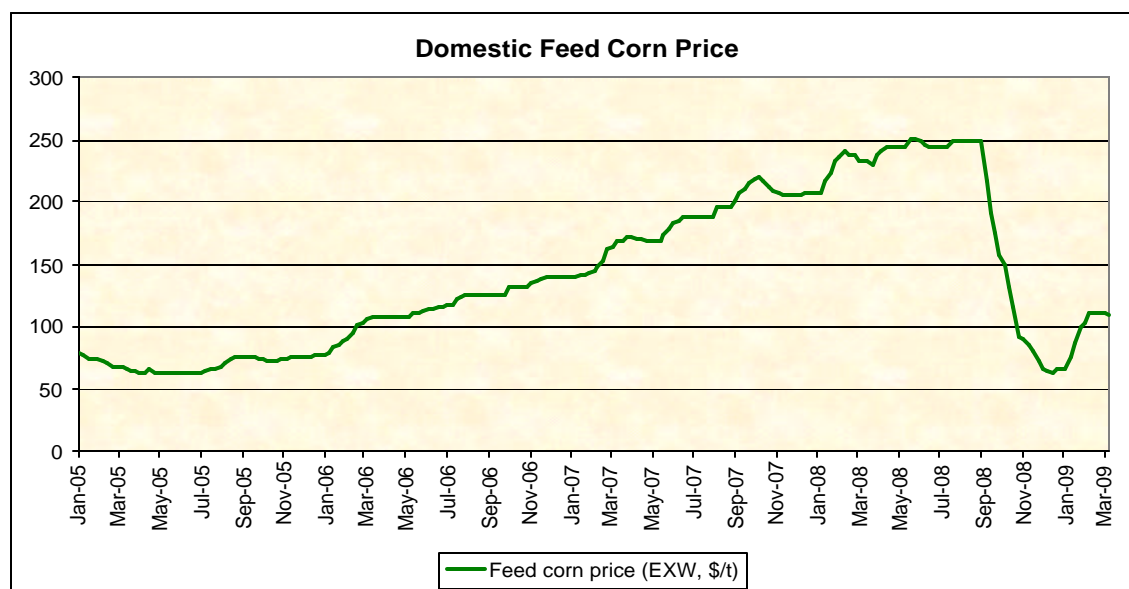
Corn PSD Table

Ukraine										
Corn										
	2007 Revised			2008 Estimate			2009 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		10/2007	10/2007		10/2008	10/2008		10/2009	10/2009	MM/YYYY
Area Harvested	1,900	1,902	1,903	2,400	1,650	2,424	0	0	1,950	(1000 HA)
Beginning Stocks	1,069	1,015	1,069	715	1,959	751	2,040	579	2,233	(1000 MT)
Production	7,400	7,424	7,421	11,400	7,000	11,422	0	0	7,800	(1000 MT)
MY Imports	20	20	35	25	20	10	0	0	10	(1000 MT)
TY Imports	20	20	35	25	20	10	0	0	10	(1000 MT)
TY Imp. from U.S.	2	0	2	0	0	2	0	0	2	(1000 MT)
Total Supply	8,489	8,459	8,525	12,140	8,979	12,183	0	0	10,043	(1000 MT)
MY Exports	2,074	800	2,074	4,000	2,500	4,000	0	0	3,000	(1000 MT)
TY Exports	2,074	800	2,074	4,000	2,500	4,000	0	0	3,000	(1000 MT)
Feed Consumption	5,000	5,000	5,000	5,400	5,200	5,200	0	0	5,000	(1000 MT)
FSI Consumption	700	700	700	700	700	750	0	0	700	(1000 MT)
Total Consumption	5,700	5,700	5,700	6,100	5,900	5,950	0	0	5,700	(1000 MT)
Ending Stocks	715	1,959	751	2,040	579	2,233	0	0	1,343	(1000 MT)
Total Distribution	8,489	8,489	8,525	12,140	8,979	12,183	0	0	10,043	(1000 MT)
Yield	3.895	3.903	3.900	4.750	4.242	4.713	0	0	4.000	(MT/HA)

Production

Corn production is expected to decrease due to a possible decrease in planted area, particularly related to the credit crunch, as well as low profitability of corn growing in the 2008/2009 marketing year.

A record corn crop in 2008 amid large crops of other feed grains led to a sharp decline in domestic feed corn prices in the beginning of the current 2008/2009 marketing year (October/September). This drop was the deepest compared to the drop in prices of other grains. Being a feed crop that is harvested the last among major feed grains, corn is often considered as one that brings lower profits to farmers when large feed grain crop (or total supply) is anticipated. Moreover, it is more risky to plant corn, as wet weather in the fall sometimes results in low quality of feed corn.



Source: Informational Agency APK-Inform

In MY 2008/2009, because of the record grain crop and large carry-over stocks, some farmers also faced problems with corn storage due to lack of grain storage capacity in some Ukrainian regions. As prices of feed corn went down, and the prices of grain silo services increased (including the price of grain drying), some farmers in Ukraine decided not to harvest some planted corn crops and abandoned them.

We expect the harvested area of corn to decrease by approximately 20% year over year in the 2009/2010 marketing year. The Ministry of Agrarian Policy is more optimistic about this crop area and forecasts the corn planted area in 2009 at 2.5 million ha.

While it is too early to make reasonable assumptions on weather impacts, corn yield is expected at 4.0 tons per ha, and this forecast may be optimistic based on lower input application in 2009. Average corn yields varied in the range of 3.46-4.32 tons per ha in 2003-2007. Therefore we expect corn production to drop by 32% year over year in 2009, which is still above average.

Consumption

Feed use of corn is expected to decrease in the 2009/2010 marketing year due to lower supply, as well as possibly lower than previously expected demand from the livestock and poultry industry.

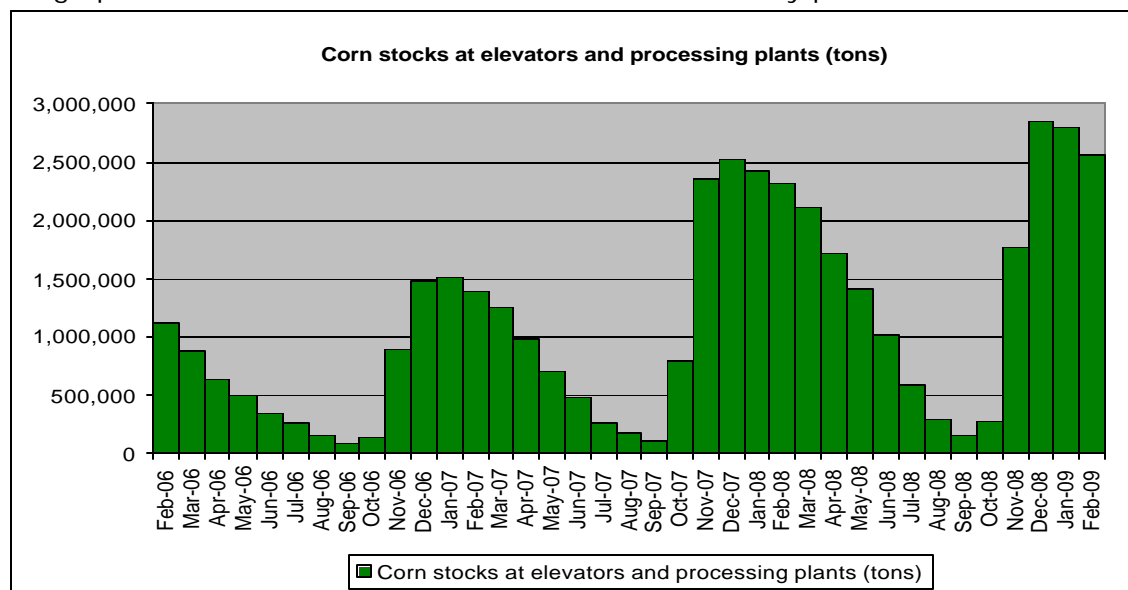
Trade

With weak Ukrainian currency, feed corn exports are expected to reach 4 million tons in the 2008/2009 marketing year (October/September). In the 2009/2010 marketing year, export sales are expected to decline due to lower production, but remain relatively high at 3 million tons, particularly thanks to beginning stocks. The traditional export markets for Ukrainian corn are Former Soviet Union countries (FSU) such as Russia and Belarus. Their export share usually accounts for approximately 20-25% of total exports. Other traditional destinations are Israel, Spain and Iran. However, devaluated currency and large feed grain availability in traditional markets may result in a change of possible destinations.

Stocks

Ending corn stocks for the 2008/2009 marketing year are forecasted to increase in spite of large export sales. Ending stocks for the 2009/2010 marketing year are expected to decrease by 40% year over year due to lower production and exports.

Monthly corn stocks for the past two marketing years are provided below. Please note that the graph does not account for corn stored on farms and by private households.



Source: State Statistics Committee of Ukraine

Rye

Production

Planted area of winter rye for the 2009/2010 crop is estimated at 487 thousand ha, which is slightly less compared to the 2008/2009 crop. Winter rye crops were not seriously damaged during the winter time. We estimate rye harvested area at 450 thousand ha. We expect rye production to decrease to 810 thousand tons, implying a decrease in average rye yield to 1.8 tons per ha. Based on large carry-over stocks due to large 2008/2009 crop, total supply of rye in the 2009/2010 marketing year is expected to be slightly less compared to one in the 2008/2009 season.

Consumption

In the 2009/2010 marketing year, rye consumption is expected to stay close to the levels of the current season, but feed consumption of rye may decrease.

Trade

FAS-Kyiv expects rye exports to decline in the 2009/2010 marketing year. The estimate assumes the government will not reintroduce export quotas.

Rye PSD Table

Ukraine										
Rye										
	2007 Revised			2008 Estimate			2009 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		07/2007	07/2007		07/2008	07/2008		07/2009	07/2009	MM/YYYY
Area Harvested	350	337	337	450	442	459	0	0	450	(1000 HA)
Beginning Stocks	72	37	72	62	40	75	112	0	306	(1000 MT)
Production	550	563	563	1,050	740	1051	0	0	810	(1000 MT)
MY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
TY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	622	600	635	1,112	780	1,126	0	0	1,116	(1000 MT)
MY Exports	10	10	10	100	70	20	0	0	10	(1000 MT)
TY Exports	10	10	10	100	70	20	0	0	10	(1000 MT)
Feed Consumption	50	50	50	100	50	100	0	0	80	(1000 MT)
FSI Consumption	500	500	500	800	620	700	0	0	700	(1000 MT)
Total Consumption	550	550	550	900	670	800	0	0	780	(1000 MT)
Ending Stocks	62	40	75	112	40	306	0	0	326	(1000 MT)
Total Distribution	622	600	635	1,112	780	1,126	0	0	1,116	(1000 MT)
Yield	1.571	1.875	1.671	2.333	1.67	2.291	0	0	1.800	(MT/HA)

Stocks

Rye stocks are expected to remain relatively high in the 2009/2010 marketing year, due to a good crop amid large beginning stocks.

Oats

The area planted with oats is expected to decrease to 380 thousand hectares. The decrease in horse inventories resulted in a decrease in domestic demand for oats. Farmers have been switching to more profitable crops. We expect average oats yield to decrease to 1.8 tons per ha, resulting in a decline of oats production to 630 thousand tons in the 2009/2010 marketing year.

Oats PSD Table

Ukraine										
Oats										
	2007 Revised			2008 Estimate			2009 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		07/2007	07/2007		07/2008	07/2008		07/2009	07/2009	MM/YYYY
Area Harvested	350	356	356	450	380	445	0	0	350	(1000 HA)
Beginning Stocks	18	8	18	18	13	19	18	23	63	(1000 MT)
Production	550	545	544	950	580	944	0	0	630	(1000 MT)
MY Imports	0	0	6	0	0	0	0	0	0	(1000 MT)
TY Imports	0	0	6	0	0	0	0	0	0	(1000 MT)

TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	568	553	568	968	593	963	0	0	693	(1000 MT)
MY Exports	25	0	24	0	0	0	0	0	0	(1000 MT)
TY Exports	25	0	24	0	0	0	0	0	0	(1000 MT)
Feed Consumption	375	390	375	800	420	750	0	0	520	(1000 MT)
FSI Consumption	150	150	150	150	150	150	0	0	150	(1000 MT)
Total Consumption	525	540	525	950	570	900	0	0	670	(1000 MT)
Ending Stocks	18	13	19	18	23	63	0	0	23	(1000 MT)
Total Distribution	568	553	568	968	593	963	0	0	693	(1000 MT)
Yield	1.571	1.531	1.528	2.111	1.526	2.121			1.800	(MT/HA)

Peas

Peas PSD Table

Ukraine										
Peas										
	2007 Revised			2008 Estimate			2009 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		07/2007	07/2007		07/2008	07/2008		07/2009	07/2009	MM/YYYY
Area Harvested	0	280	280	0	330	200	0	0	220	(1000 HA)
Beginning Stocks	0	10	10	0	10	10	0	20	20	(1000 MT)
Production	0	300	300	0	670	425	0	0	396	(1000 MT)
MY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
TY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	0	310	310	0	680	435	0	0	416	(1000 MT)
MY Exports	0	40	47	0	230	80	0	0	80	(1000 MT)
TY Exports	0	40	47	0	230	80	0	0	80	(1000 MT)
Feed Consumption	0	180	180	0	350	255	0	0	240	(1000 MT)
FSI Consumption	0	80	80	0	80	80	0	0	80	(1000 MT)
Total Consumption	0	260	260	0	430	335	0	0	320	(1000 MT)
Ending Stocks	0	10	10	0	20	20	0	0	16	(1000 MT)
Total Distribution	0	310	310	0	680	435	0	0	416	(1000 MT)
Yield	0	1.07	1.07	0	2.03	2.12	0	0	1.80	(MT/HA)

We expect farmers to increase area planted with peas in the 2008/2009 marketing year. However, peas production is forecast to decrease in the 2008/2009 marketing year by 7% due to lower average yield. Due to increased beginning stocks, peas exports are expected to remain on the level of the 2008/2009 marketing year.

Policy (All Grains)

Based on the changes in market conditions in the 2008/2009 marketing year, namely a record domestic grain supply that resulted in a dramatic grain price fall, the GOU switched its policies from limiting grain exports and pushing grain prices down to facilitating grain exports and supporting domestic prices with interventional purchases. In the 2007/08 and 2006/07 marketing years, the GOU used export restrictions (export licensing and quotas) even as late as 2008 to curb prices of some "socially sensitive" commodities and to rein in food inflation.

Export quotas for grains (wheat, rye, barley and corn) in 2008 were set at a size much lower compared to export potential estimated by leading market participants, which consequently brought large carry-over stocks and losses to farmers and grain traders. When Ukraine became a member country of the World Trade Organization (WTO) on May 16, 2008, it agreed to apply export licensing requirements and other similar export regulating measures in conformity with WTO rules after the accession. Among other legal documents, Ukraine signed the WTO Sectoral Agreement on Agriculture, which limits the use of export restricting practices in the future (unlike the majority of WTO documents that deal exclusively with import restrictions). However, it should be noted that grain export restrictions, which were expected to be abolished from the day of Ukraine's becoming WTO member, were removed only 1.5 month after accession.

Based on the law "On State Support of Agriculture in Ukraine", the GOU conducts intervention purchases and sales of agricultural and food commodities to influence (increase or decrease) prices. Based on the Decree adopted on January 21, the GOU plans to intervene particularly on food wheat and rye markets in the 2008/2009 marketing year. The decree stipulates purchasing 889 thousand tons of food wheat and 86 thousand tons of rye. In the 2008/2009 marketing year, the list of state-regulated commodities includes the following grains: food and feed wheat, rye, corn, and barley. The GOU set minimum and maximum prices for the mentioned commodities that are the indicators to start market interventions (respectively, intervention purchases and intervention sales). The GOU may change the list of agricultural commodities that are under intervention regime, volumes and minimum/maximum prices in line with the law "On State Support of Agriculture in Ukraine".

Commodity	Minimum Price	Maximum Price
Soft Wheat		
Grade 1	195	240
Grade 2	184	227
Grade 3	163	200
Grade 4	147	182
Grade 5	126	155
Hard Wheat		
Grade 1	215	265
Grade 2	202	248
Grade 3	184	227
Grade 4	165	203
Grade 5	137	168
Rye		
Grade 1	145	178
Grade 2	132	163
Grade 5	115	141

Note: Prices are based on official exchange rate of 7.7 UAH per 1 US dollar

The GOU also conducts "mortgage" purchases, which implies providing loans to farmers with the soft commodities used as collateral with a simplified procedure of the withdrawal of this collateral (usually, grains) if loans contracted are not repaid. Both interventional and "mortgage" purchases are performed by the state operated Agrarian Fund. State-operated Agrarian Fund has been an active market player in the 2008/2009 marketing year, but may face problems with direct state budget funding in the 2009/2010 marketing year, as the economic meltdown significantly limited state budget incomes. However, Agrarian Fund has recently said it sold approximately 860 thousand tons of grains purchased previously in the 2008/2009 marketing season (at UAH 956 million, or about \$124 million), thanks to the procedure that allows grain exporters to receive a prompt VAT refunding if they purchase

grain directly from the state-run Agrarian Fund. The received funds may be used for further grain purchases.

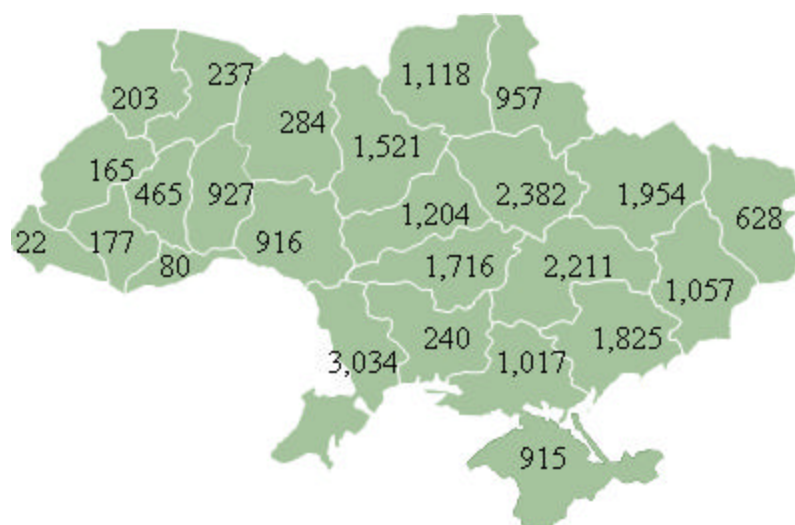
Apart from market regulation with both market and administrative incentives, the GOU provides support to grain growers. However, the GOU cut total spending on agricultural programs and the industry governance by almost 2 times in 2009 compared to the previous year, and the state budget is severely constrained to finance crop subsidy programs in the 2009/2010 marketing year. The GOU has not yet adopted the level of subsidies for grain growers in the 2009/10 marketing year (based on the State Budget in 2009). Domestic grain growers have been subsidized depending on crops they cultivated. In MT 2008/2009, farmers growing wheat, triticale, rye, oats, peas, buckwheat and millet might be able to claim a subsidy of UAH 100/ha (US \$ 18.9/ha), rice – for UAH 220/ha (USD 29/ha). The subsidies were provided only for those farmers growing spring crops that insured 20% acreage. As the level for state subsidies in the 2009/10 marketing year has not been adopted yet, and considering serious cut in budget spending, we expect direct subsidies to have only a very slight impact on planting decisions for the 2009/2010 crop.

Ukrainian grain growers will continue to enjoy serious tax benefits that are the same for all agricultural producers. Current Ukrainian tax legislation allows agricultural companies to retain the 20% VAT charged on product they sell. The amount retained is accumulated to a special account and reinvested into company operations. In addition, companies, whose own agricultural production accounts for more than 75% of their gross sales, can apply to be registered as payers of a fixed agricultural tax in lieu of profit tax, land tax, water tax, municipal tax and some other taxes. This fixed tax is calculated on the basis of estimated value of land leased or owned by a tax payer. The GOU also reimburses interest rate payments on the loans contracted by agricultural producers from local commercial banks. In 2009, the GOU repeatedly pressured local commercial banks to extend the loans taken on by agricultural producers, including grain growers, if they are not able to repay them in time. In 2008, the GOU also reimbursed 50% of the premiums paid by farmers to insurance companies for insuring wheat, rye, corn, soy beans and sunflower, but the program was stopped in 2009, due to scarce budget financing.

Grain Storage Capacities

Total grain storage capacity increased by 2 million tons in 2008. According to the Ministry of Agriculture official, total capacity of certified grain elevators that are allowed to provide grain storage services increased by 3 million tons in 2008 and is currently estimated at 28 million tons (690 grain silos). There is no official data on the total grain storage capacity, as grain processing plants or other private companies that store grain for their own purposes may not report on the storage capacities they have. Based on expert estimates, total grain silo capacities (both certified and non-certified) exceed 35 million tons with loading capacity of 1.4 million tons per day.

Most grain elevators are owned by private companies, but the largest operator of grain silos is state-run State Stock Company (SSC) "Khliv Ukrainy". It operates 105 grain handling enterprises with total grain storage capacity of 7 million tons (about 80 certified grain silos). Its grain processing capacity is estimated at 4 million tons (compound feed plants, mills etc). State Reserve owns 21 grain elevators. Thus, approximately 20% of grain storage silos in Ukraine may be considered as state-run, and the rest is privately owned. The largest private grain silo operators include leading grain trading companies, such as Kernel, Louis Dreyfus, Cargill, Bunge, WJ Grain etc. The lack of grain storage capacity during a record grain harvest has been widely discussed over the 2008/2009 marketing year, and grain elevators were reportedly overloaded in some Ukrainian regions (see below the breakdown of grain storage capacities by regions) and farmers faced losses.



Certified Grain Storage Capacities by Regions, 2008 (in thousand tons)

Source: Ministry of Agrarian Policy, FAS-Kyiv estimates

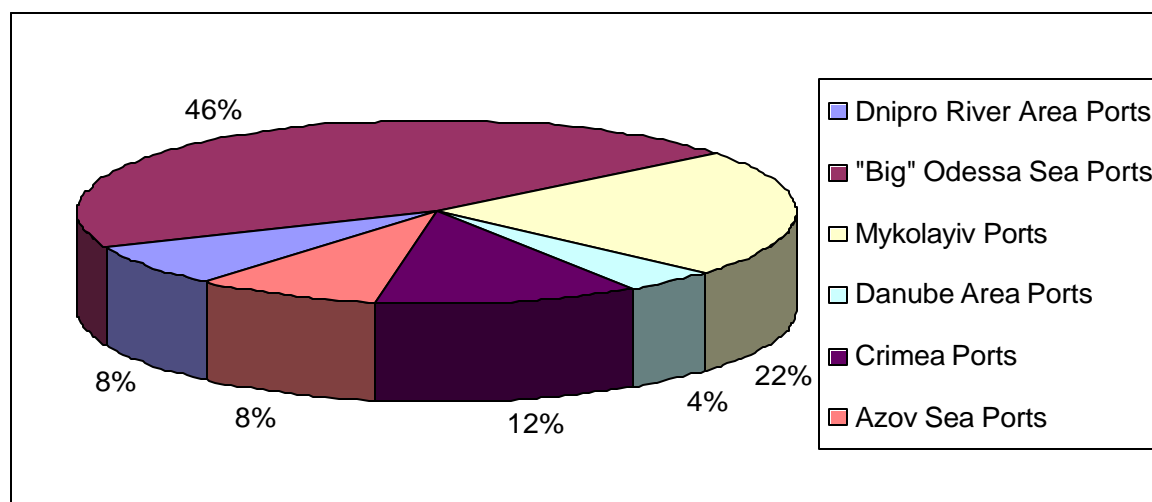
In early 2008, lots of grain growing and trading companies had plans to build new modern grain elevators, but only some succeeded to accomplish their projects, as the financial turmoil has forced most of them to put off capital expenditures due to lower credit availability. Quality of some grain silos built many years ago during the Soviet era is low, and their loading capacity is one of the constraints for prompt grain trade. For example, there are some grain silos with storage capacity of 100,000 tons which load only 10 railcars per day. Some farmers have developed on-farm storage capacities as a response to both the lack of large grain silos and to the increased price of elevator's services.

Port Infrastructure for Grain Export and Transit

Ukraine has well-developed port infrastructure. There are 18 state-run and 7 private sea ports in Ukraine, as well as 12 port terminals on the shores of Black Sea and Azov Sea. Port infrastructure for grain transshipment in Ukraine started growing quickly in the late 1990s and in the beginning of 2000s, as port infrastructure of Soviet times was obsolete and was not able to handle increased grain exports. Moreover, the grain port infrastructure of Soviet Union was import-oriented. In 2001, the capacity of grain transshipment of Ukrainian ports was about 15 million tons per year.

Current transshipment capacity of Ukrainian port grain terminals is estimated at over 26 million tons with grain storage capacity of about 2 million tons, out of which 17 million tons may be transshipped through state ports that have grain storage capacity of about 1 million tons. Ukrainian port infrastructure was able to transship 2.6 million tons per month.

Increased capacity for grain export and transit is attributed to modern private grain port terminals, including Avlita, Traninvestservice, Transbulkterminal, Nibulon, Ukrelevatorprom and others. All the leading grain-trading companies were trying to purchase or build their own grain export facilities. Two port elevators are operated by SSC "Khib Ukrainy". Panamax-size ports in Odesa, Illichevsk and Yuzhnuy (also called "Big" Odessa Ports) are the primary Ukrainian ports for grains.



Grain Transshipment Capacities by Port Location (%)

Source: Global Shipping Agency

In 2008, Ukrainian ports transshipped approximately 12.8 million tons of grain (10.0 million tons of grain exports and 2.7 million tons of grain transit), 9.2 million tons of which was transshipped in the second half of the year. Share of grain transit decreased from 49% in 2007 (when grain export quotas stopped Ukrainian grain exports) to 21% in 2008.

A bottleneck of grain export infrastructure is railway transportation, particularly weak infrastructure (low capacity) of railway stations located near main grain exporting ports and lack of railways in the areas close to these ports. There is also a lack of railcars to handle increased grain exports and transit. Ukrainian railways, which are state-run, currently use only 12 thousand railcars for grain transportation (based on expert estimates, less than 9 thousand railcars are actually used). Sometimes, the railways administration temporarily bans the supply of grain to some port destinations as the railways are blocked with railcars. Ukrainian railways transported 14.8 million tons of grains in 2008, including over 11 million ton of grains supplied to ports. Total length of railways in Ukraine is estimated at 22.8 thousand km.

The economic meltdown led to a significant drop in exports of metal and some other commodities from Ukraine, which helped grain trading companies export grains. If there were active exports of metal, grain exporters would face much more competition for railway infrastructure. According to Railway Administration (Ukrzaliznytsya) officials, the increase of capacity for grain transportation to Black Sea ports is among the priorities for Ukrzaliznytsya in 2009. The price of grain railway transportation may change in the 2009/2010 marketing year, as tariff plans should be reformed in line with international practices. Currently, Ukrainian railway administration reportedly subsidizes transportation of passengers with transportation of goods, and some railway transportation regulations have not been changed since Soviet times when Ukrainian railway was a part of USSR transportation system.

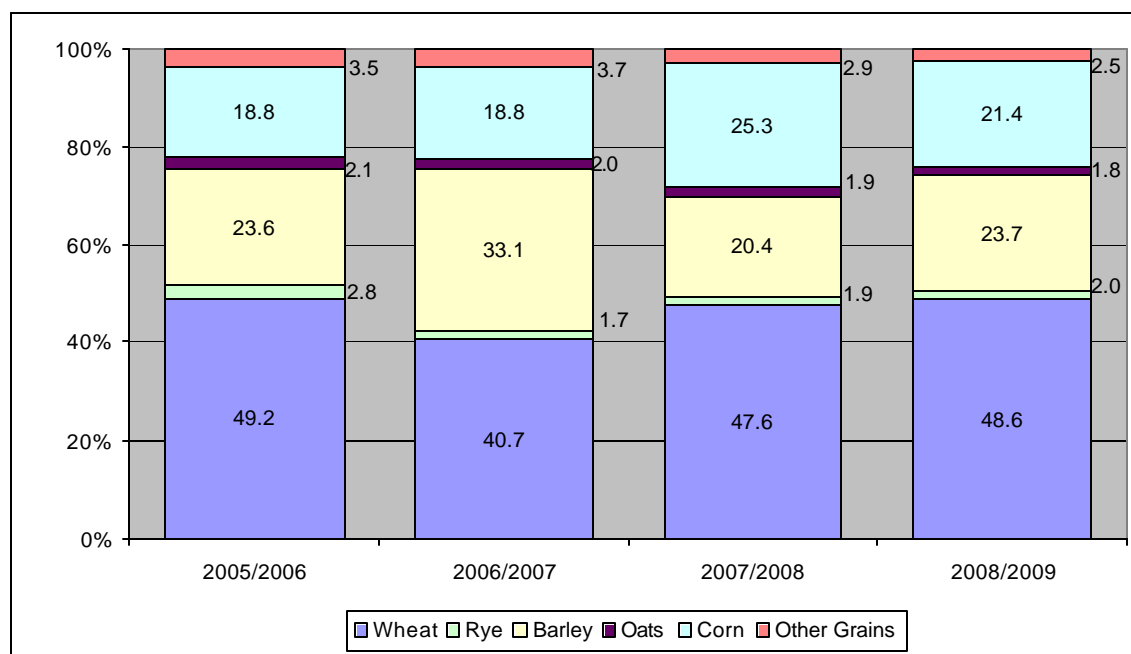
Truck transport is used for grain that is grown in regions close to grain exporting ports (200-300 km), and some grain producers or traders have already purchased trucks to transport grain. Some grain suppliers are reportedly considering increasing the use of internal water transportation (for example, grain is transported by railway or trucks to river ports and then shipped to exporting sea ports or to importing countries). However, railway transportation accounts for approximately 70% of grain transportation, while truck and river grain transportation accounts for only 27% and 3%, respectively.

Statistical Tables

Final Statistic Data on Grain and Pulse Production in Ukraine (2008)

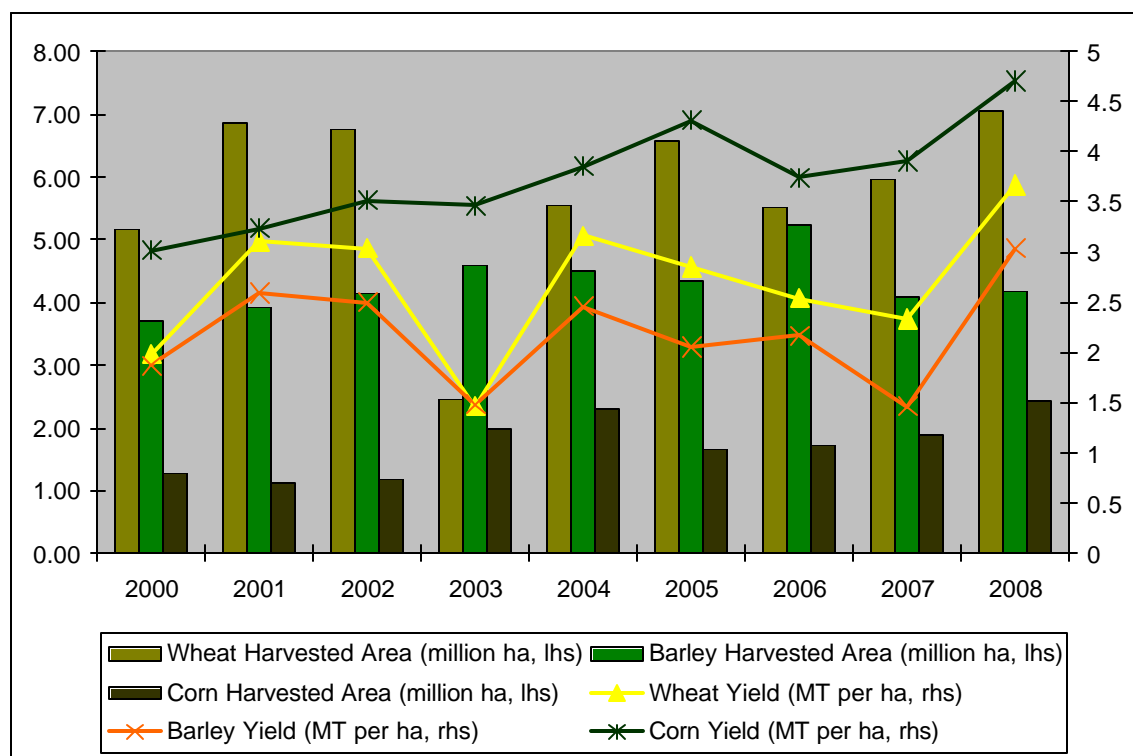
Crop	Area Harvested	Production	Yield
	1,000 ha	1,000 MT	MT/ha
Wheat	7,053.5	25,882.6	3.67
Rye	458.6	1,050.6	2.29
Barley	4,167.1	12,611.2	3.03
Corn	2423.7	11,422.3	4.71
Oats	445.4	944.4	2.12
Millet	141.8	220.7	1.56
Buckwheat	281.8	240.6	0.85
Rice	19.8	100.7	5.09
Total Grain and Pulses	15,363.7	53,264.3	3.47

Source: State Statistics Committee of Ukraine



Grain Production Breakdown

Source: State Statistics Committee of Ukraine



Harvested Area and Average Yield of Ukraine's Major Grains

Source: State Statistics Committee of Ukraine

Wheat Exports by Country, Year-to-Year Comparison (1,000 MT)

Country	July 03 - June 04	July 04 - June 05	July 05 - June 06	July 06 - June 07	July 07 - June 08
Israel	11	470	648	497	156
Tunisia	0	436	363	232	100
Jordan	0	34	157	0	99
Egypt	8	187	307	439	76
Italy	0	478	402	95	65
Azerbaijan	0	0	0	0	59
Bangladesh	0	82	318	190	53
Greece	10	24	3	24	47
Turkey	12	13	0	28	46
Kenya	0	10	242	141	38
Spain	5	1135	709	421	31
Belarus	0	22	62	10	19
Syria	0	23	94	35	14
Libya	0	21	188	11	13
Georgia	0	7	8	16	9
Armenia	0	4	0	9	8
United Kingdom	0	23	40	294	6
Netherlands	0	7	10	0	3
United Arab Emirates	0	0	83	0	0
United States	0	56	6	17	0

Country	July 03 - June 04	July 04 - June 05	July 05 - June 06	July 06 - June 07	July 07 - June 08
Yemen	0	0	309	150	0
Vietnam	0	0	50	0	0
South Africa	0	0	69	25	0
Sudan	0	56	35	0	0
Switzerland	0	0	1	30	0
Morocco	0	144	320	4	0
Mozambique	0	0	39	21	0
Nigeria	0	15	38	0	0
Peru	0	0	36	94	0
Philippines	0	145	199	38	0
Portugal	0	0	0	0	0
South Korea	0	108	405	25	0
Malaysia	0	0	35	2	0
Mauritania	0	71	91	18	0
Belgium	0	0	0	57	0
Brazil	0	0	0	0	0
Albania	0	19	67	19	0
Algeria	0	147	322	14	0
Canada	0	0	0	0	0
Cyprus	0	30	20	5	0
Germany	0	41	0	0	0
Hungary	0	253	205	14	0
India	0	0	18	308	0
Eritrea	0	42	48	0	0
Indonesia	0	234	372	2	0
Other Not Listed	1	39	110	48	67
Total	47	4,377	6,427	3,330	911

Source: State Statistics Committee of Ukraine

Monthly Wheat Exports by Destination (July 2008 – January 2009), 1,000 MT

Country	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Total
Spain	153	222	406	336	321	433	56	1,927
South Korea	0	36	117	61	264	116	33	627
Portugal	0	38	33	55	0	83	0	210
Philippines	0	0	0	10	118	56	164	348
Unknown	0	0	0	0	0	51	0	51
Italy	8	65	52	65	46	46	6	289
Israel	97	82	107	132	69	45	71	603
Iran	0	0	0	0	39	42	44	124
Bangladesh	1	1	3	74	0	28	173	280
Libya	13	16	51	8	24	25	23	159
Saudi Arabia	0	0	0	0	36	25	7	68
Greece	8	0	15	13	0	18	0	54
United Kingdom	0	5	6	0	10	15	0	35
Netherlands	8	0	4	7	24	14	0	58

Country	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Total
Korea, North	0	0	0	0	0	11	0	11
Azerbaijan	11	3	4	24	8	10	10	70
Turkey	21	14	10	13	0	7	15	80
Indonesia	0	0	1	3	3	4	0	11
Afghanistan	5	10	6	3	1	3	1	30
Lebanon	17	9	0	6	0	3	5	40
Georgia	4	0	3	10	0	2	0	19
Sri Lanka	0	0	19	0	0	2	0	21
Belarus	4	4	14	9	6	2	1	40
Uzbekistan	2	1	6	3	0	1	1	15
Tunisia	110	81	83	3	0	0	0	278
Uganda	0	0	13	12	3	0	0	27
Egypt	45	206	358	262	105	0	0	976
Sudan	16	0	0	0	0	0	5	21
Switzerland	3	0	0	0	0	0	0	3
Syria	0	10	5	15	13	0	3	46
Kyrgyzstan	2	0	0	0	0	0	0	2
Latvia	0	7	10	0	0	0	0	17
Lithuania	10	8	11	0	0	0	0	28
Morocco	0	0	14	29	0	0	0	43
Nigeria	0	0	5	6	0	0	0	11
Pakistan	36	33	51	0	31	0	3	154
Poland	16	13	8	0	0	0	0	37
Algeria	0	14	20	55	23	0	7	119
Belgium	0	17	0	0	0	0	0	17
Hungary	0	0	11	0	0	0	0	11
Djibouti	0	0	0	0	45	0	21	66
Jordan	46	0	52	89	15	0	0	203
Kenya	0	0	26	25	20	0	15	86
Other Not Listed	9	11	19	5	15	4	6	69
TOTAL	646	908	1,542	1,334	1,238	1,043	671	7,382

Source: State Statistics Committee of Ukraine

Barley Exports by Country, Year-to Year Comparison (1,000 MT)

Country	July 03 - June 04	July 04 - June 05	July 05 - June 06	July 06 - June 07	July 07 - June 08
Saudi Arabia	831	1806	2254	3466	520
Jordan	46	499	543	222	99
Syria	0	428	288	215	86
Cyprus	107	6	27	3	74
Turkey	137	3	0	0	51
Iran	14	433	388	109	48
Israel	54	372	83	157	44
Tunisia	0	195	82	213	43
Greece	3	44	3	16	26
Morocco	9	93	46	68	14

Country	July 03 - June 04	July 04 - June 05	July 05 - June 06	July 06 - June 07	July 07 - June 08
Belarus	25	6	6	24	9
United Kingdom	24	8	55	177	7
Italy	4	28	0	0	6
Switzerland	52	0	2	0	6
Lebanon	0	25	5	0	6
Libya	17	215	71	151	3
Russia	1	5	3	4	1
UAE	29	0	0	39	0
Netherlands	0	0	0	10	0
Panama	0	0	0	6	0
Poland	0	0	0	11	0
Romania	19	0	0	2	0
Algeria	0	39	18	62	0
Germany	11	3	0	4	0
Kuwait	68	0	0	137	0
Hungary	36	101	27	0	0
Japan	0	0	60	0	0
Other Not Listed	27	7	0	6	2
TOTAL	1517	4315	3959	5103	1045

Source: State Statistics Committee of Ukraine

Monthly Barley Exports by Destination (July 2008 - January 2009), 1,000 MT

Country	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Total
Saudi Arabia	401	208	364	377	369	191	91	2,001
Syria	76	138	154	122	92	39	77	697
Morocco	6	0	0	0	0	0	27	33
Tunisia	0	25	0	27	5	24	16	97
Jordan	128	53	53	45	8	0	13	299
Cyprus	35	49	7	8	2	4	9	113
Israel	13	59	23	26	17	0	9	147
Lebanon	11	3	0	0	0	13	7	34
Iraq	0	0	0	0	0	0	6	6
Kazakhstan	7	2	0	9	7	4	3	32
Turkey	0	0	15	10	0	1	0	26
UK	4	9	0	9	0	0	0	22
Spain	0	34	0	0	0	0	0	34
Switzerland	0	12	8	28	0	3	0	51
UAE	0	27	57	0	0	0	0	84
Oman	0	22	0	0	0	13	0	34
Netherlands	0	2	2	1	11	11	0	27
Qatar	0	17	0	40	0	0	0	57
Kuwait	24	0	63	0	0	0	0	86
Libya	6	49	7	13	14	0	0	89
Iran	97	230	226	176	54	150	0	932
Italy	0	3	0	0	0	0	0	3
Belarus	5	0	0	0	1	0	0	6

Country	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Total
Greece	1	3	0	0	0	1	0	5
Algeria	24	25	0	0	0	0	0	49
Other Not Listed	0	0	0	0	0	1	0	1
TOTAL	836	968	978	891	580	455	259	4,966

Source: State Statistics Committee of Ukraine

Corn Exports by Country, Year-to Year Comparison (1,000 MT)

Country	October 03-September 04	October 04-September 05	October 05-September 06	October 06-September 07	October 07-September 08
Russia	408	202	240	63	303
Greece	77	0	0	4	299
Turkey	42	41	8	240	238
Italy	29	4	0	0	213
Poland	22	0	0	0	178
Lithuania	60	0	0	7	151
Belarus	158	254	252	243	127
Spain	7	329	288	48	88
Syria	0	113	196	0	83
Cyprus	5	7	6	9	79
Bulgaria	33	0	0	3	51
Latvia	13	0	0	0	32
Moldova	13	0	0	12	31
Azerbaijan	12	3	5	1	30
Georgia	3	17	41	41	21
Tunisia	0	165	194	19	19
Albania	8	15	17	4	17
Algeria	0	103	155	6	17
Armenia	32	26	0	9	14
Israel	4	294	237	0	13
Estonia	30	0	0	2	13
Libya	3	101	254	25	11
Hungary	85	0	22	6	6
Lebanon	0	24	17	23	6
Romania	168	0	0	0	1
Sudan	0	14	0	0	0
Egypt	0	54	150	196	0
United Kingdom	17	6	45	3	0
Portugal	0	7	79	0	0
Malaysia	0	0	64	0	0
Jordan	0	14	16	0	0
Iran	0	517	169	58	0
Other Not Listed	7	28	9	5	33
TOTAL	1236	2339	2464	1027	2074

Source: State Statistics Committee of Ukraine

Monthly Corn Exports by Destination (July 2008- January 2009), 1,000 MT

Country	Oct-09	Nov-09	Dec-09	Jan-09	Total
Egypt	5	70	101	177	353
Iran	0	0	84	122	206
Japan	0	0	0	41	41
Syria	14	24	44	36	118
Spain	0	0	55	25	80
Israel	0	6	10	24	40
Tunisia	0	28	29	23	79
Netherlands	3	3	28	21	54
Algeria	0	27	18	15	60
Libya	0	21	0	11	32
Turkey	3	1	4	11	19
Belarus	7	23	28	10	68
Azerbaijan	4	5	5	7	22
Switzerland	0	0	0	6	6
Kenya	0	0	0	6	6
Morocco	0	0	7	6	13
Latvia	0	2	2	3	7
Cyprus	0	1	0	3	4
Tajikistan	0	0	2	1	4
Uzbekistan	0	2	4	1	8
Kazakhstan	0	1	2	1	4
Estonia	2	1	3	1	7
Lithuania	1	0	2	1	4
Georgia	0	8	2	0	11
Russia	12	0	2	0	14
Malaysia	0	0	2	0	2
Austria	0	2	0	0	2
Armenia	0	1	0	0	1
Kyrgyzstan	0	0	0	0	0
Lebanon	0	2	14	0	16
Hungary	0	1	3	0	4
Italy	0	3	3	0	6
Other Not Listed	0	0	0	0	0
TOTAL	53	232	454	552	1290

Source: State Statistics Committee of Ukraine

Grain Exports and Transit by Ukrainian Ports (2007, 2008), 1,000 MT

Sea Trade Port	2007			2008		
	Export	Transit	Total	Export	Transit	Total
Belgorod – Dnestr.	8.9	-	8.9	-	-	-
Berdiansk	158.2	41.1	199.5	423.8	20.4	446.4
Izmail	6.6	-	6.7	61.7	-	61.7
Ilychevsk	646.4	826.1	1487.5	1,903.7	455.5	2,359.2

Sea Trade Port	2007			2008		
	Export	Transit	Total	Export	Transit	Total
Kerch Sea	21.1	494.3	515.4	15.8	775.9	791.7
Mariupol	157.1	36.9	196.7	533.2	35.0	570.7
Nikolayev	291.2	197.5	497.9	780.1	248.7	1,042.9
Odessa	1,306.6	874.0	2188.1	3,509.6	585.9	4,097.5
Reny	18.3	380.6	399.1	21.6	271.5	293.1
Skadovsk	27.3	-	27.3	39.6	-	39.6
Ust-Dunaisk	3.2	42.4	45.6	31.5	24.9	56.4
Kherson	708.6	356.5	1085.3	1,383.0	202.0	1,621.9
Yuzhny	-	-	-	1,382.6	68.1	1,428.4
TOTAL	3358.2	3249.4	6,662.7	10,063.5	2,687.9	12,809.5

Source: Ministry of Transport