



Dmitri Rylko
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And the team of
IKAR LLC

*Russian and Black Sea wheat and grains situation and outlook
as of May 10, 2024*

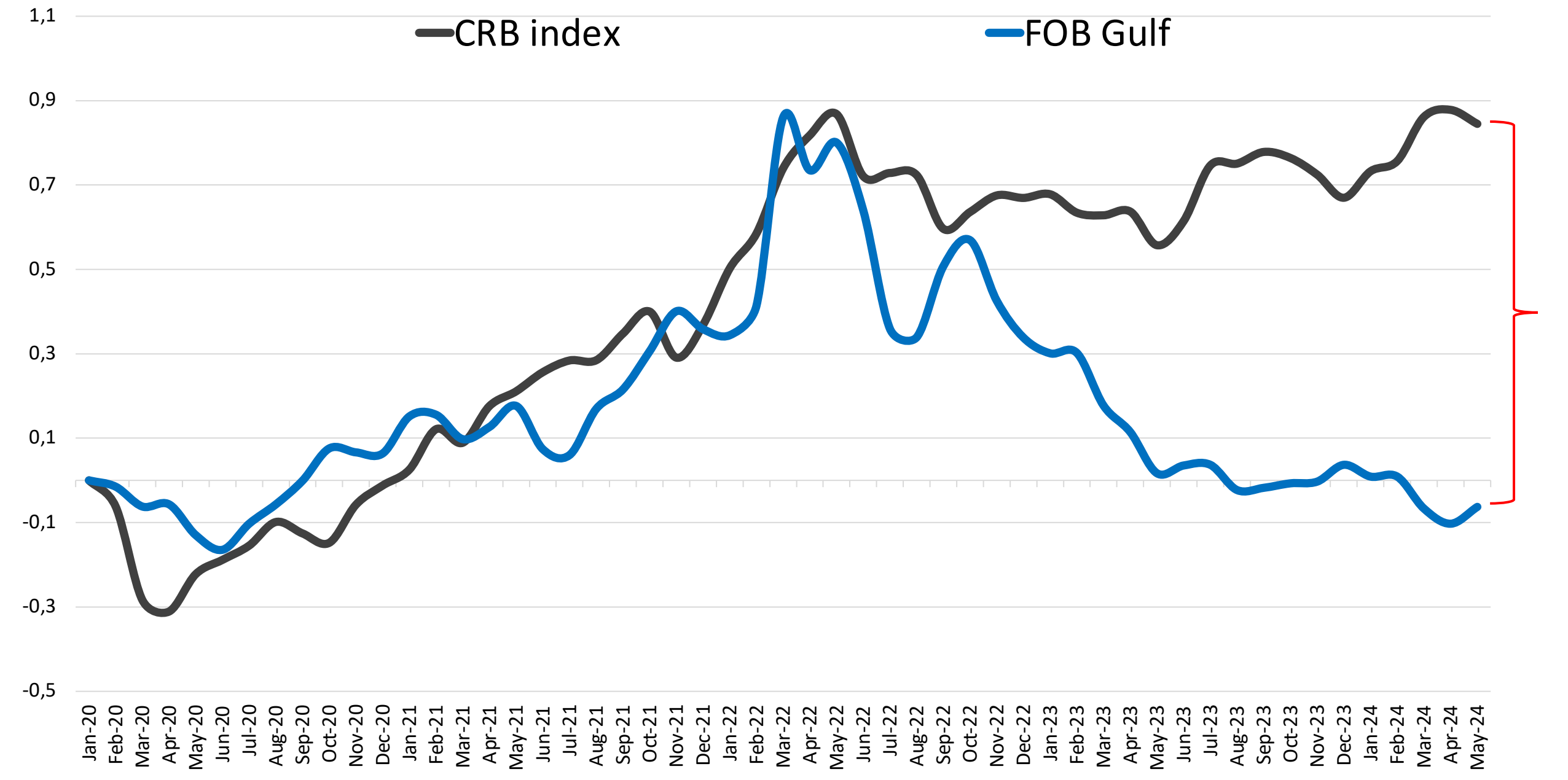
Ankara, May 10, 2024



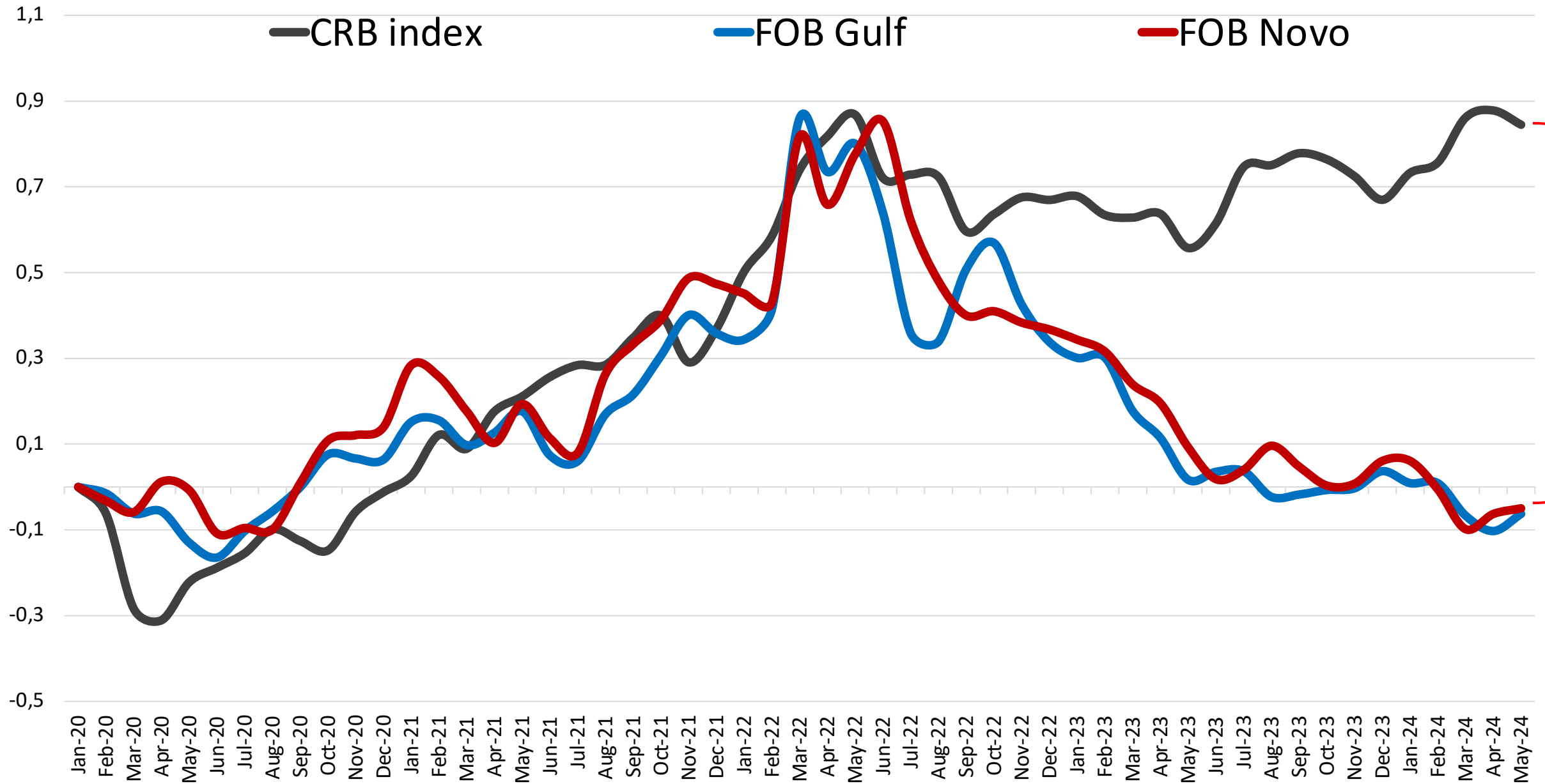
Some key points

- Russian and Ukraine wheat destinations restructuring
- 2024 regional crop production and export forecasts
- Regional wheat price evolution (2024/25 revolution!?)
- Tectonic changes in domestic export organization and infrastructure
- Wheat flour export insights

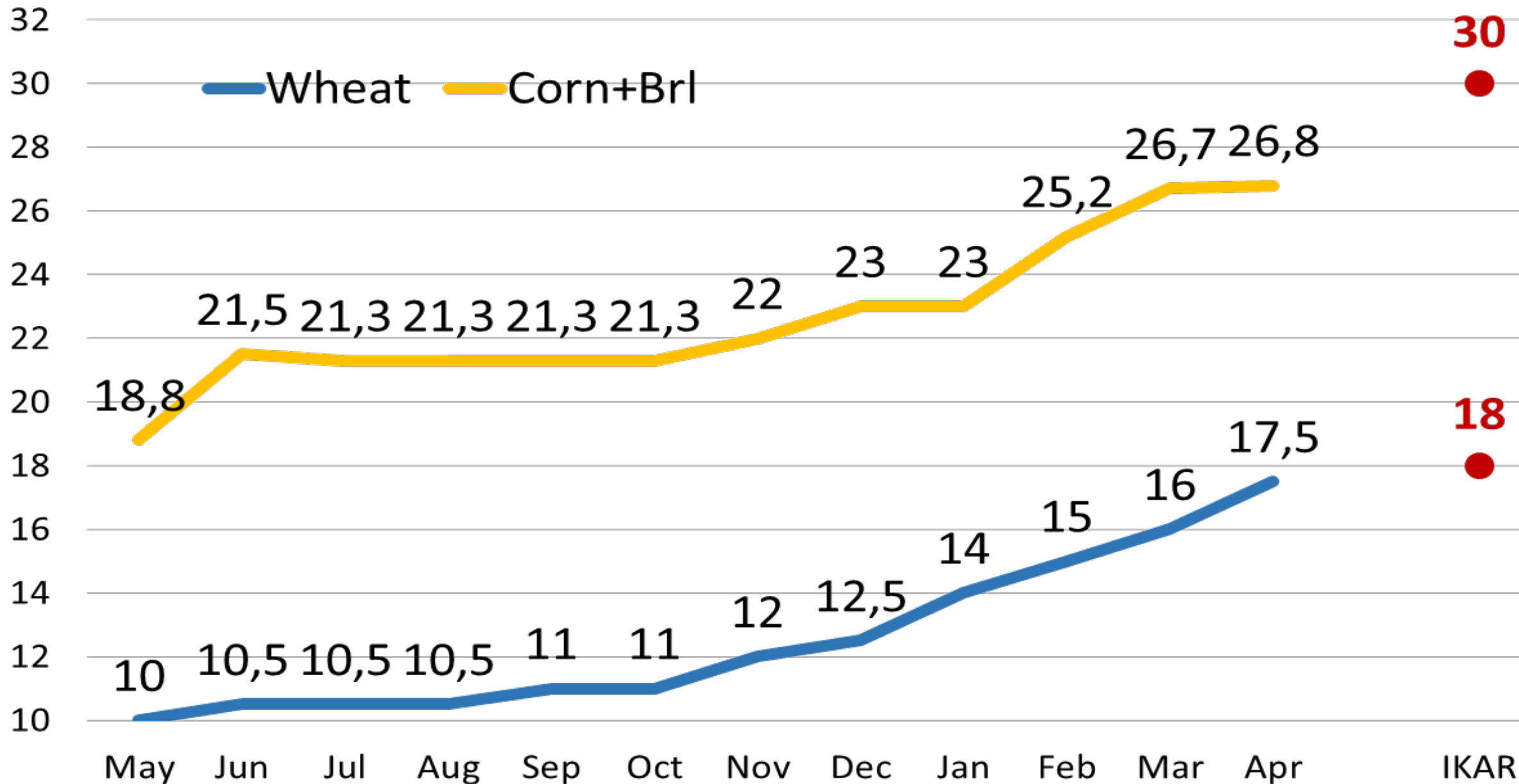
CRB index and wheat FOB prices



CRB index and wheat FOB prices



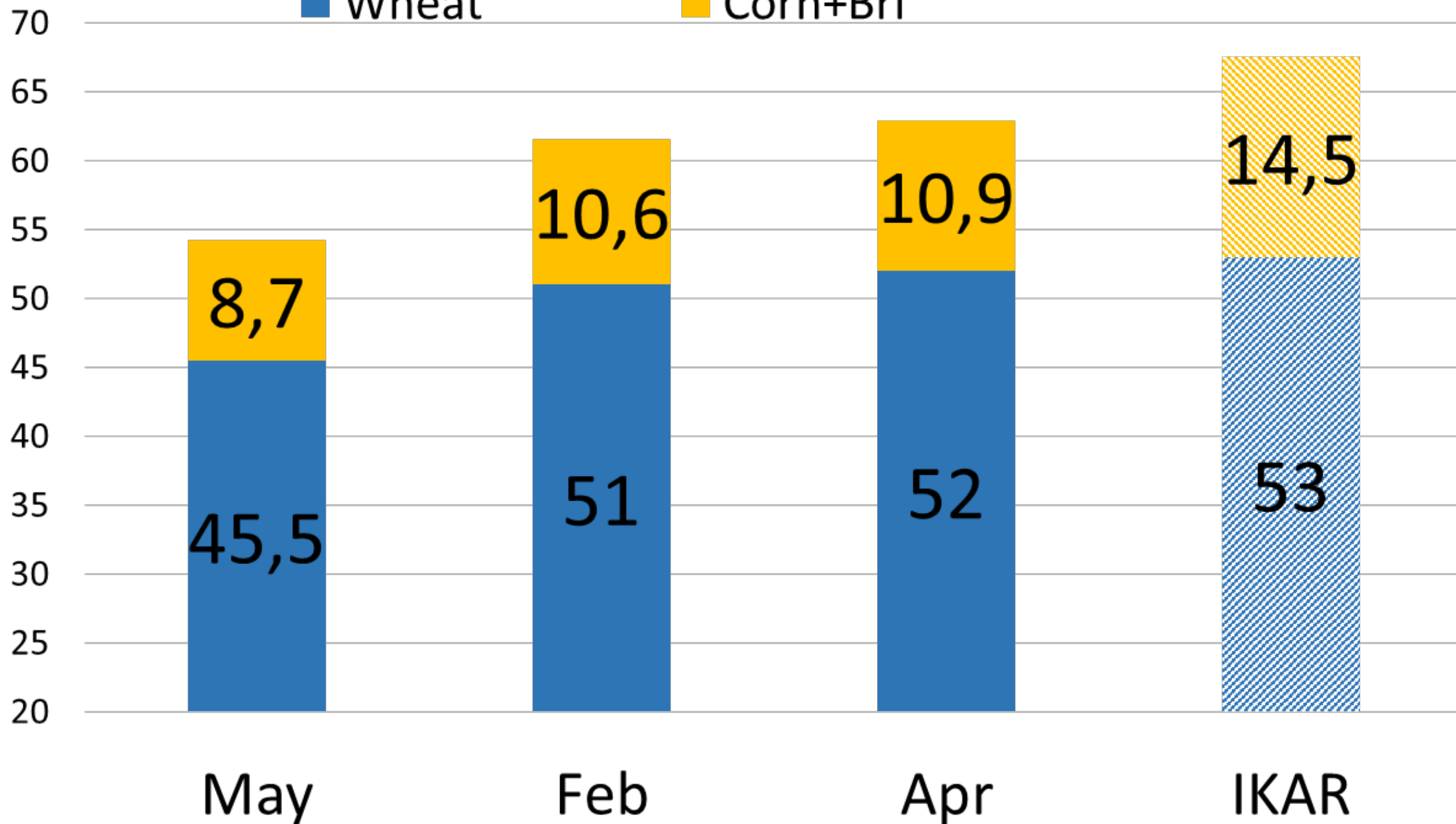
USDA forecasts evolution for Ukraine grains export, MMT



USDA forecasts evolution for Russian grains export, MMT

■ Wheat

■ Corn+Brl

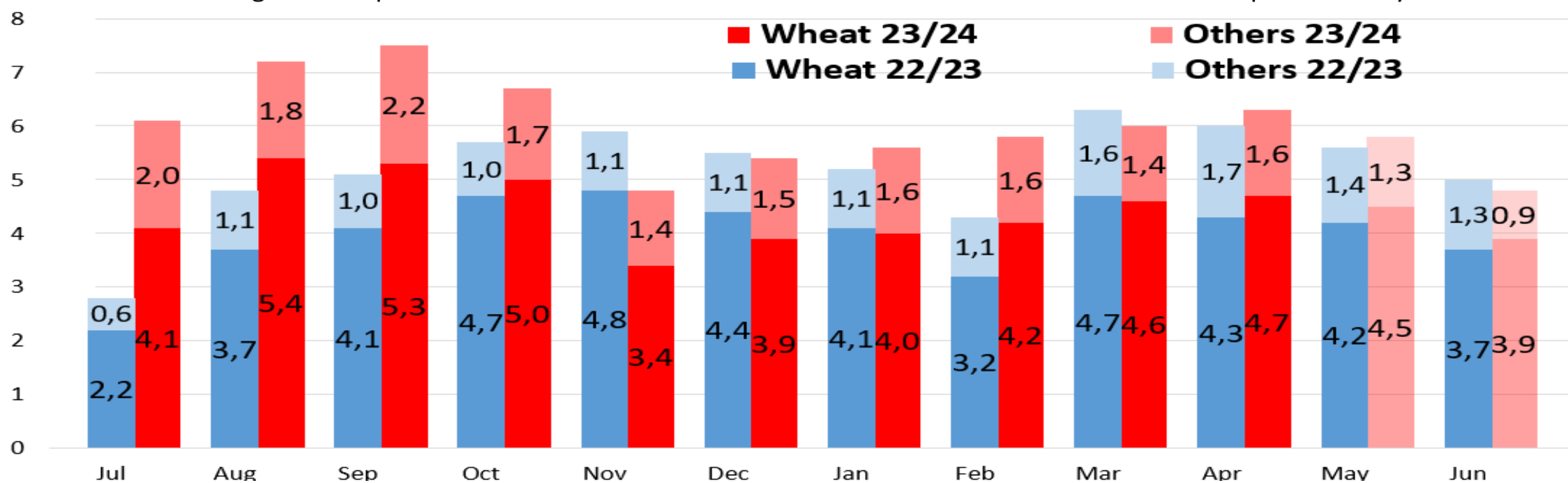
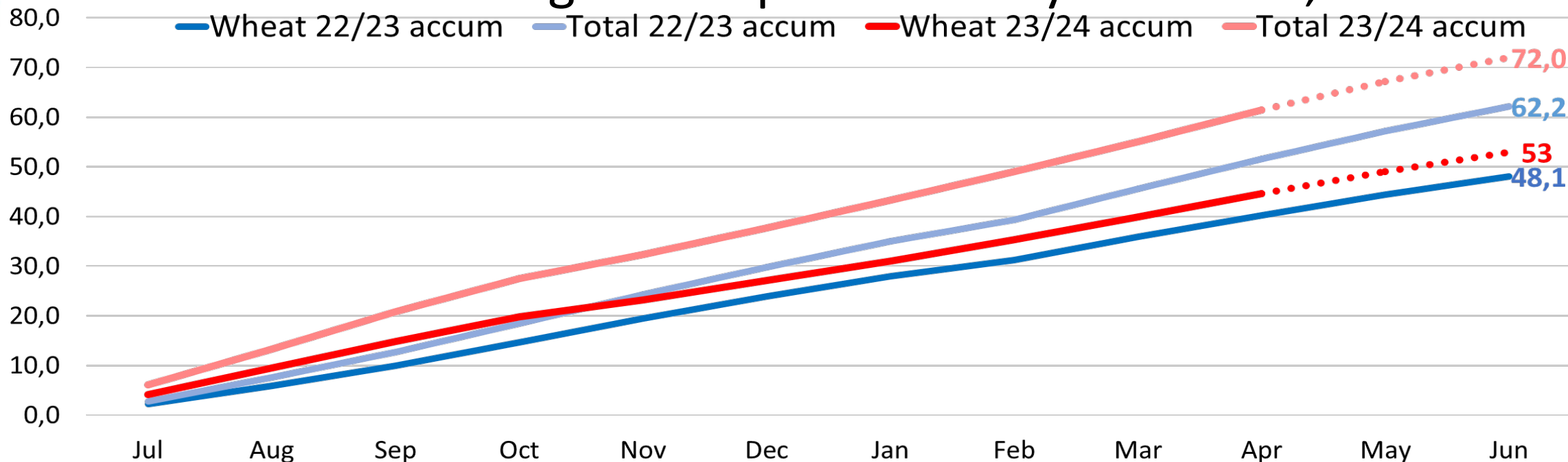




Russian wheat and grains industry in 2023/24:
the perpetual struggle of record high stocks with record high exports

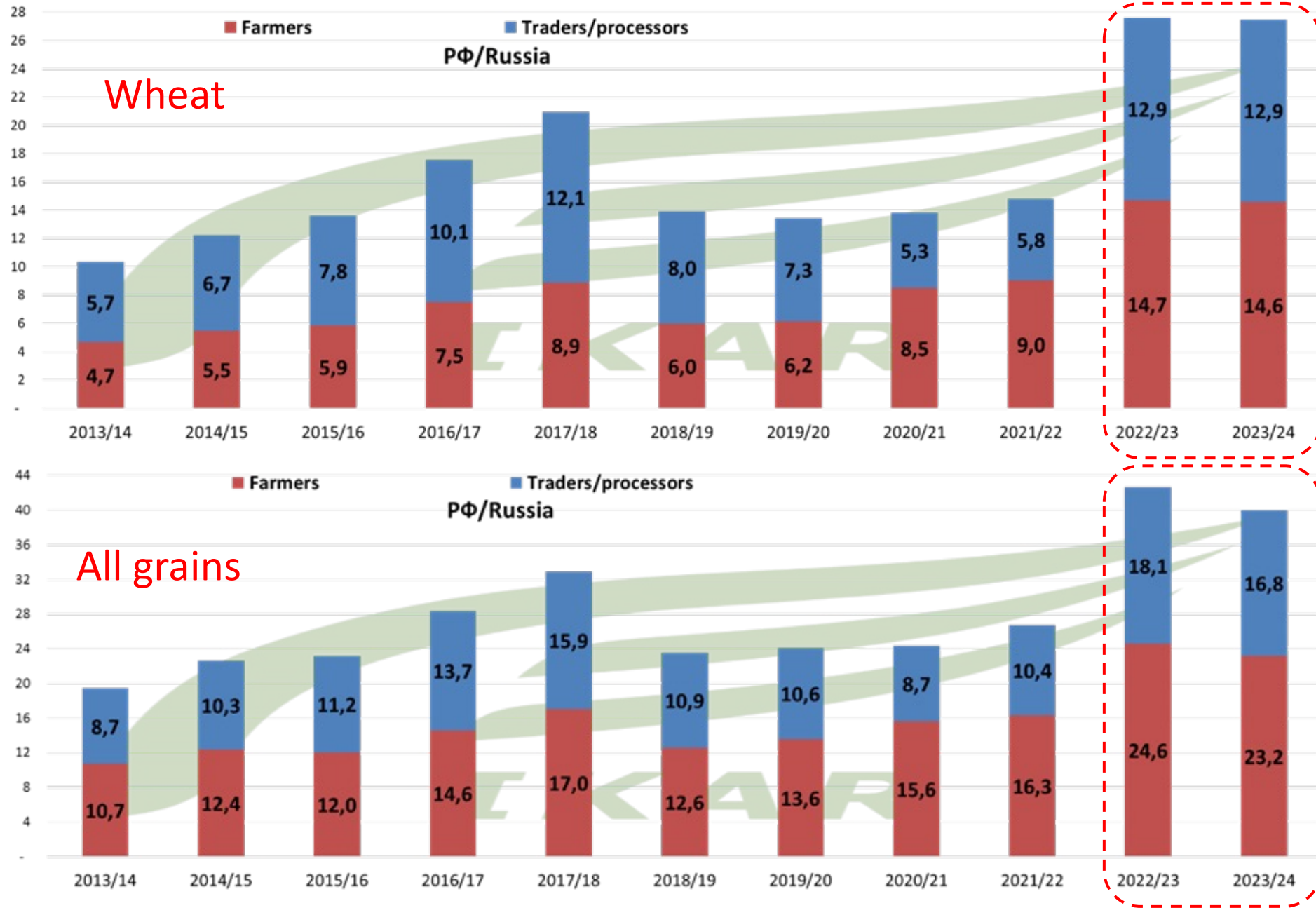


Russian wheat and grains export monthly evolution, MMT



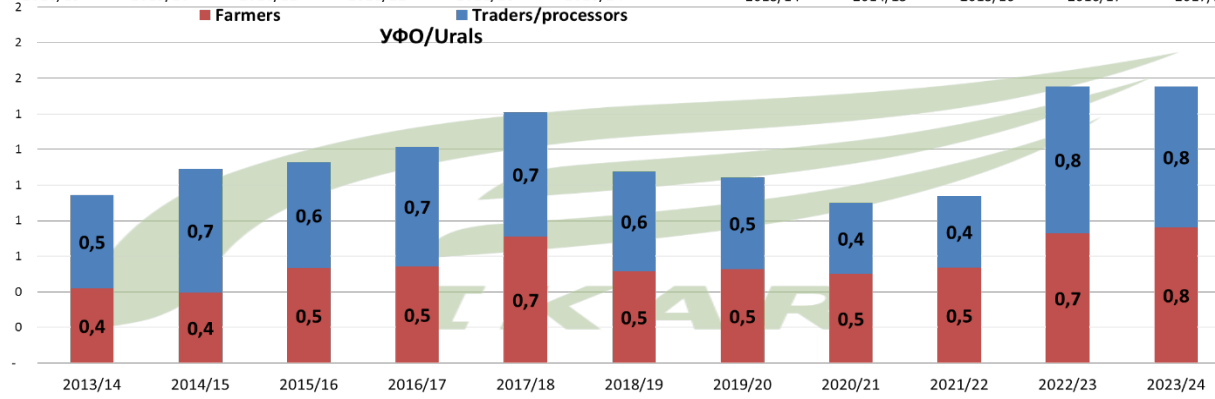
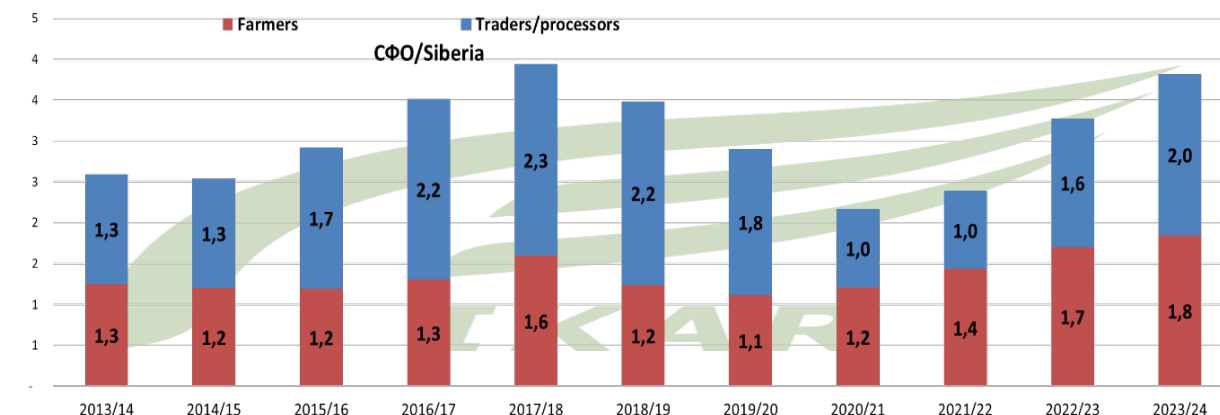
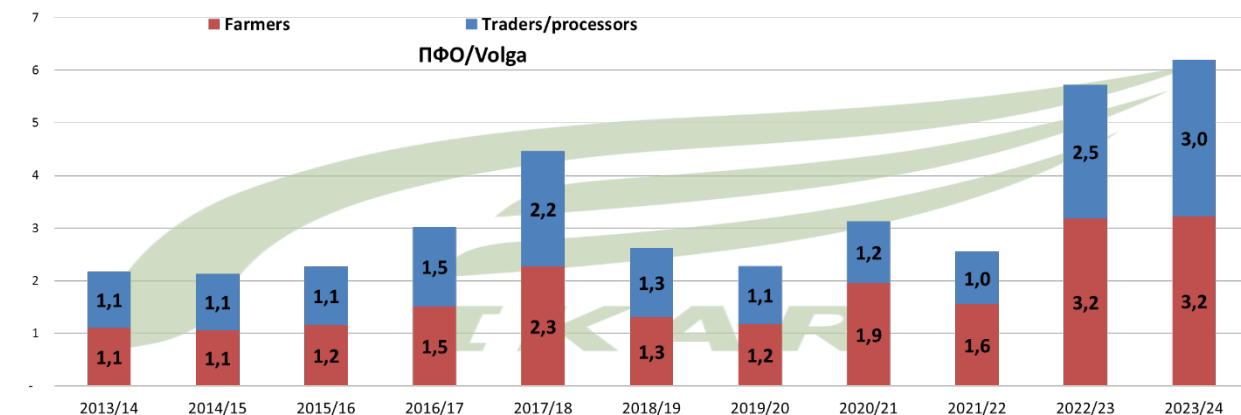
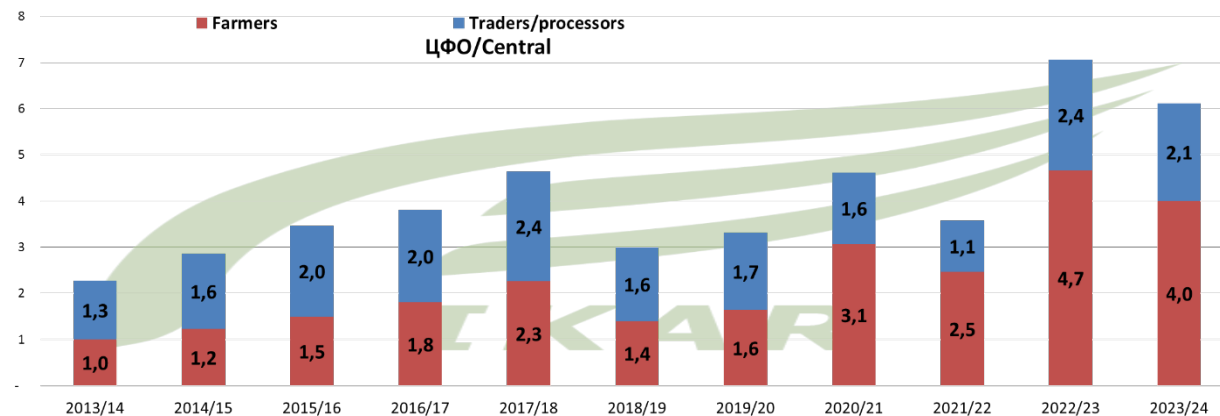
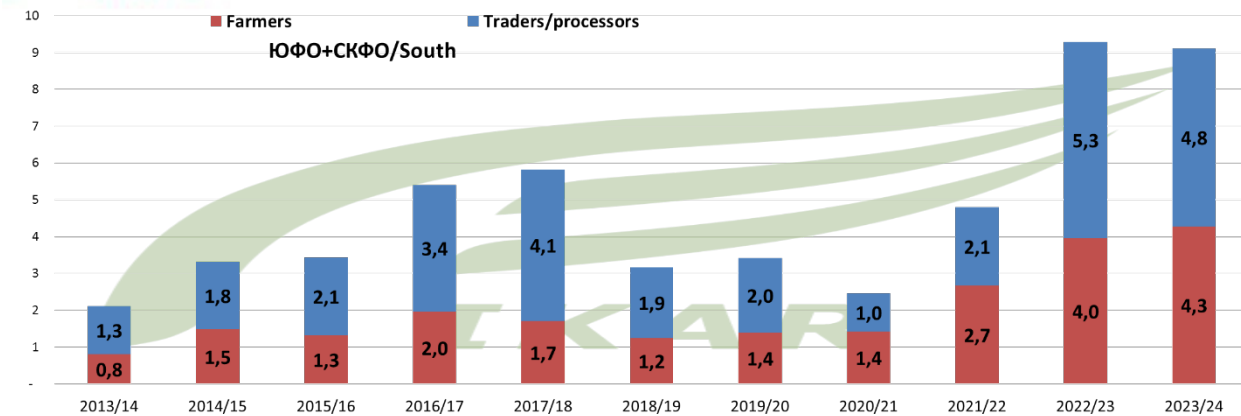


Big enterprises stocks in Russia as of April 1, MMT



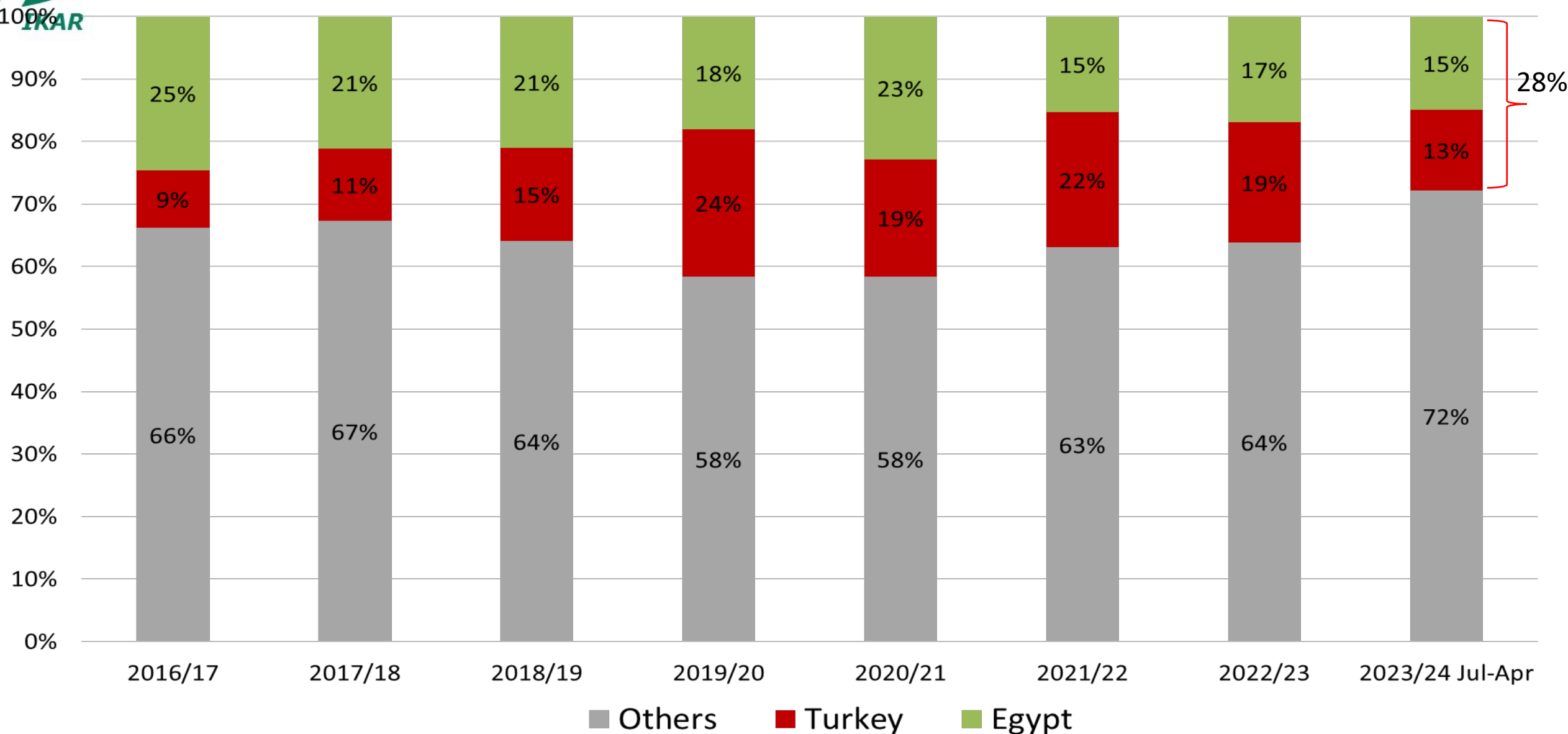


Wheat stocks in Russia as of April 1, MMT





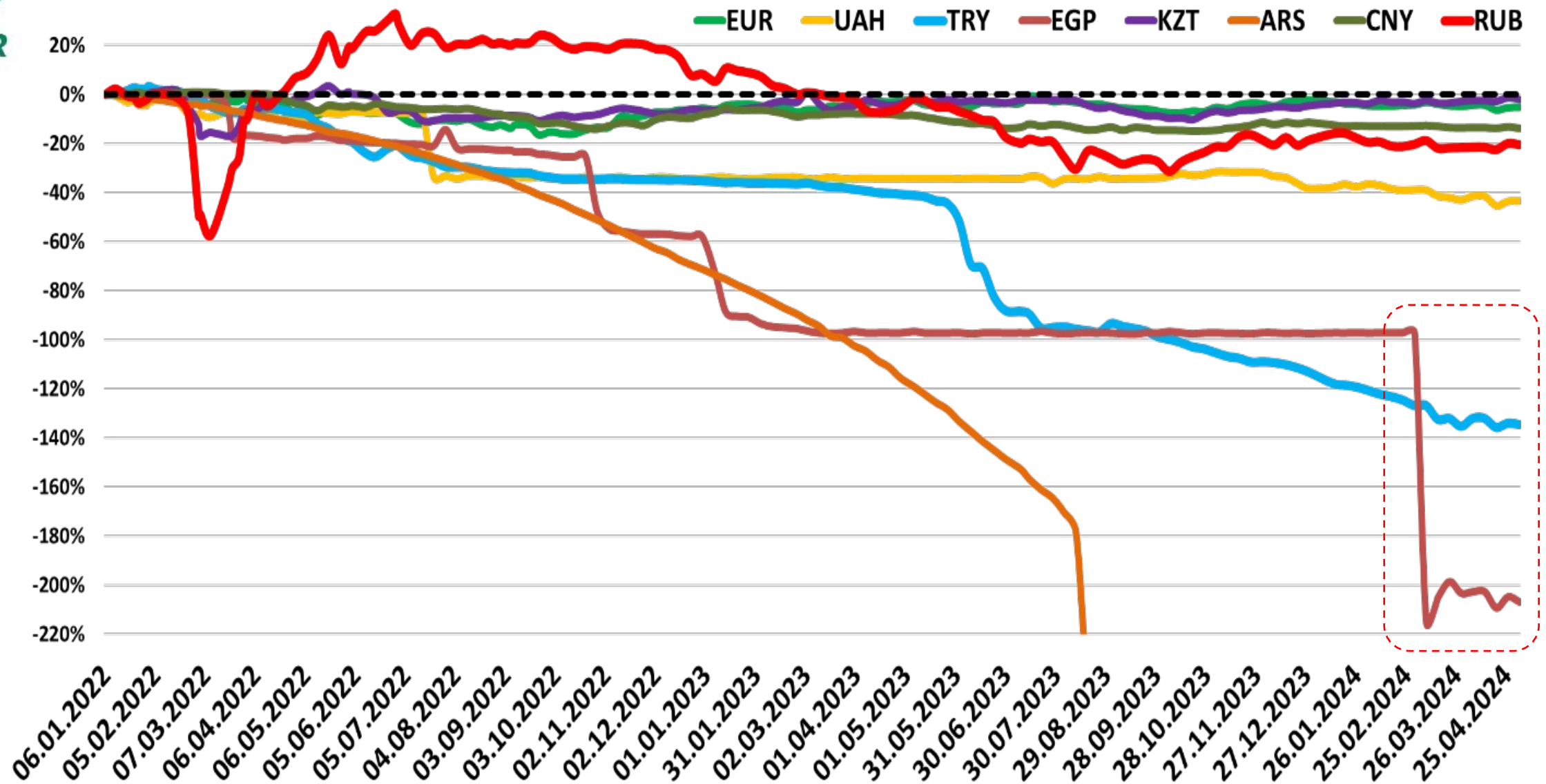
Lowest ever Turkiye and Egypt Russian wheat export share, %



Record high wheat export to Bangladesh (3.3 mmt), Pakistan (2.1), Kenia (1.5), Yemen (1.5), Indonesia (1.4), Mexico (0.85), Italy (0.5), Tunisia (0.5), etc.



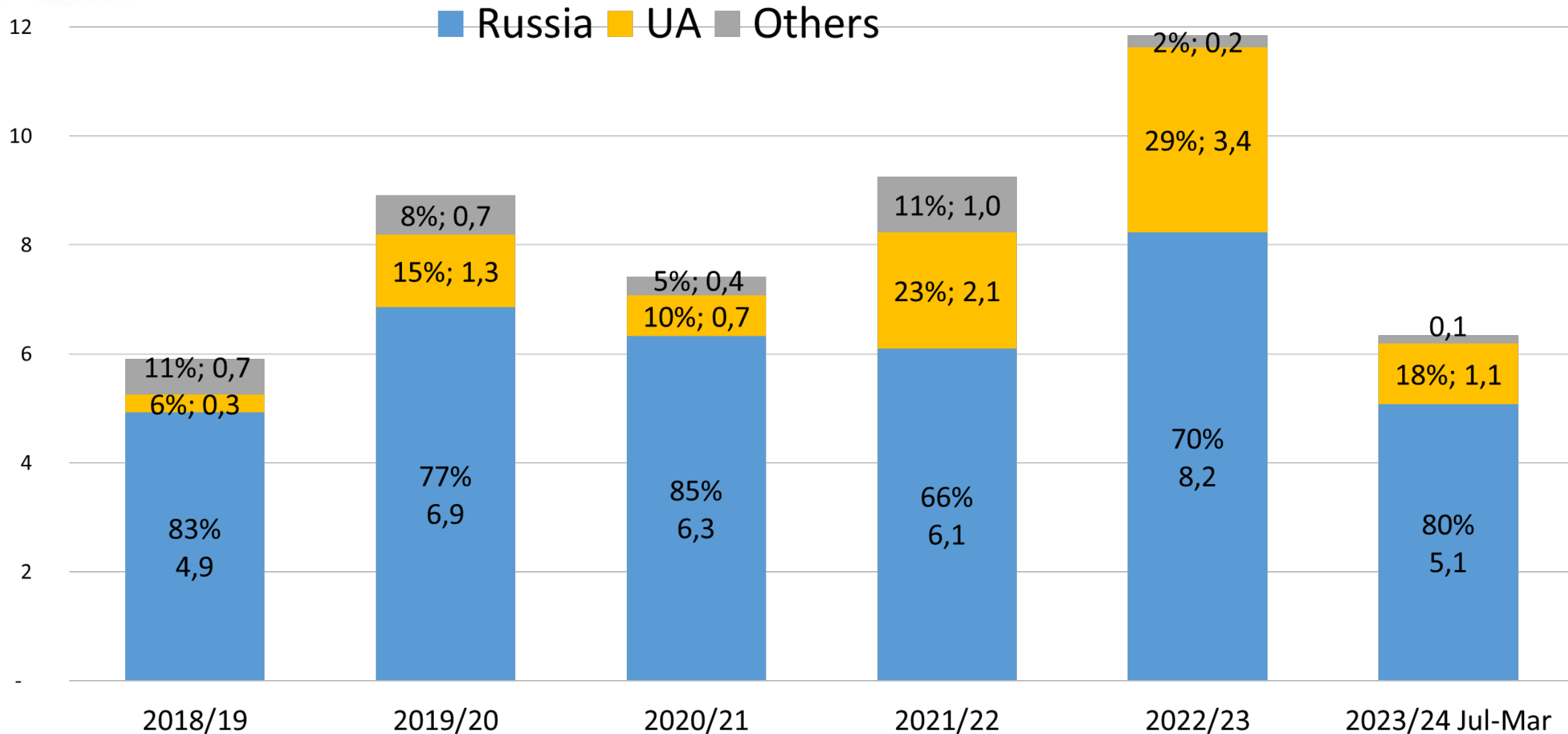
Major “grain” currencies to USD dynamics



Two biggest Russian wheat importers are in not very strong economic situation



Turkish wheat import, RU/UA share, MMT

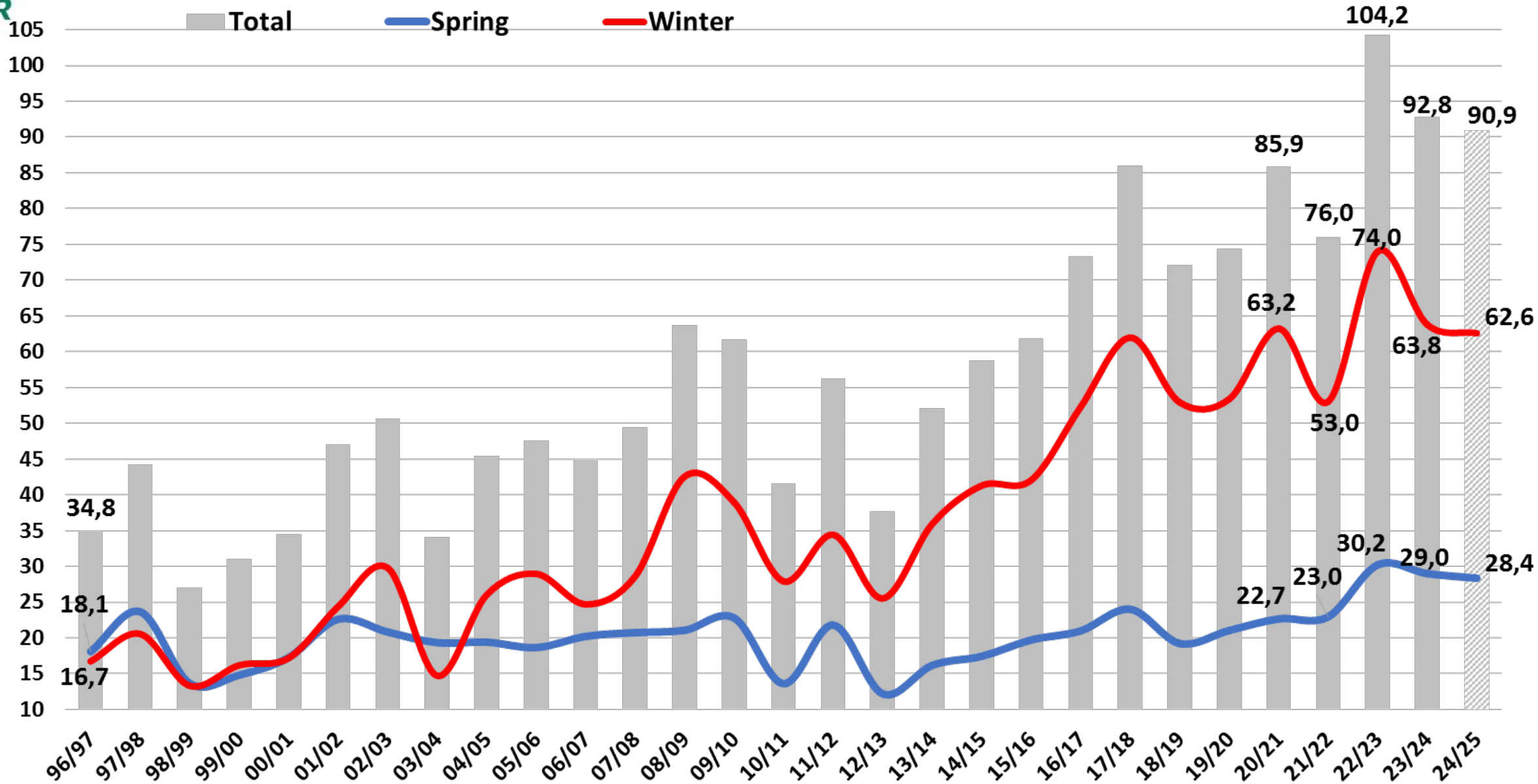




New season contours

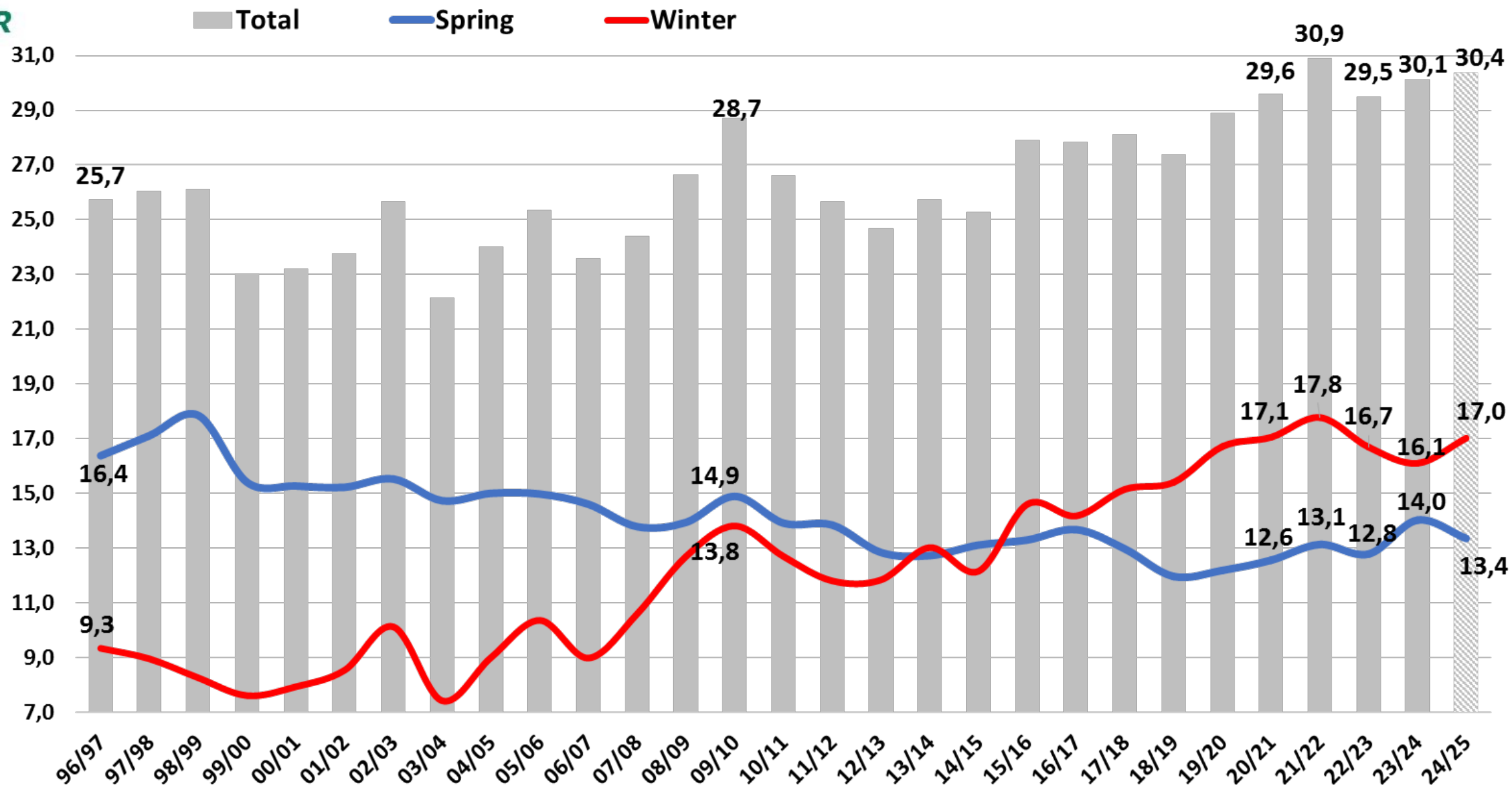


Russian wheat crop, MMT





Total wheat area in Russia, mln. ha

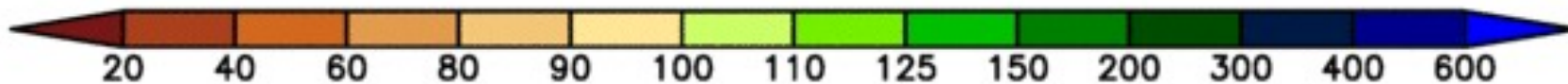
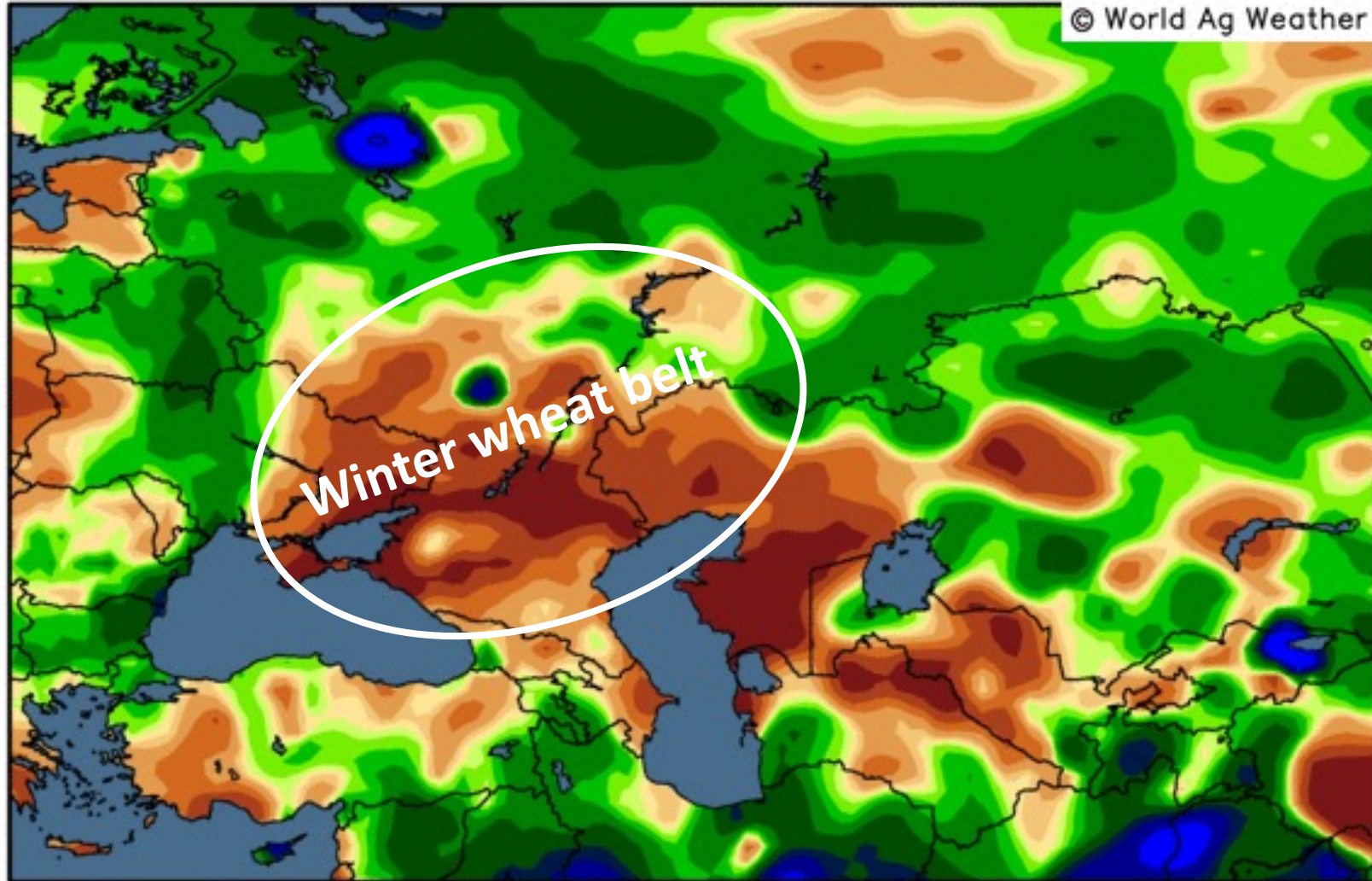




Cumulative 30 ppt to normal, %

30-day Precipitation Analysis

Percent of normal through 5 May 2024

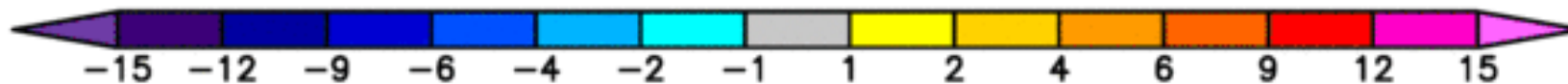
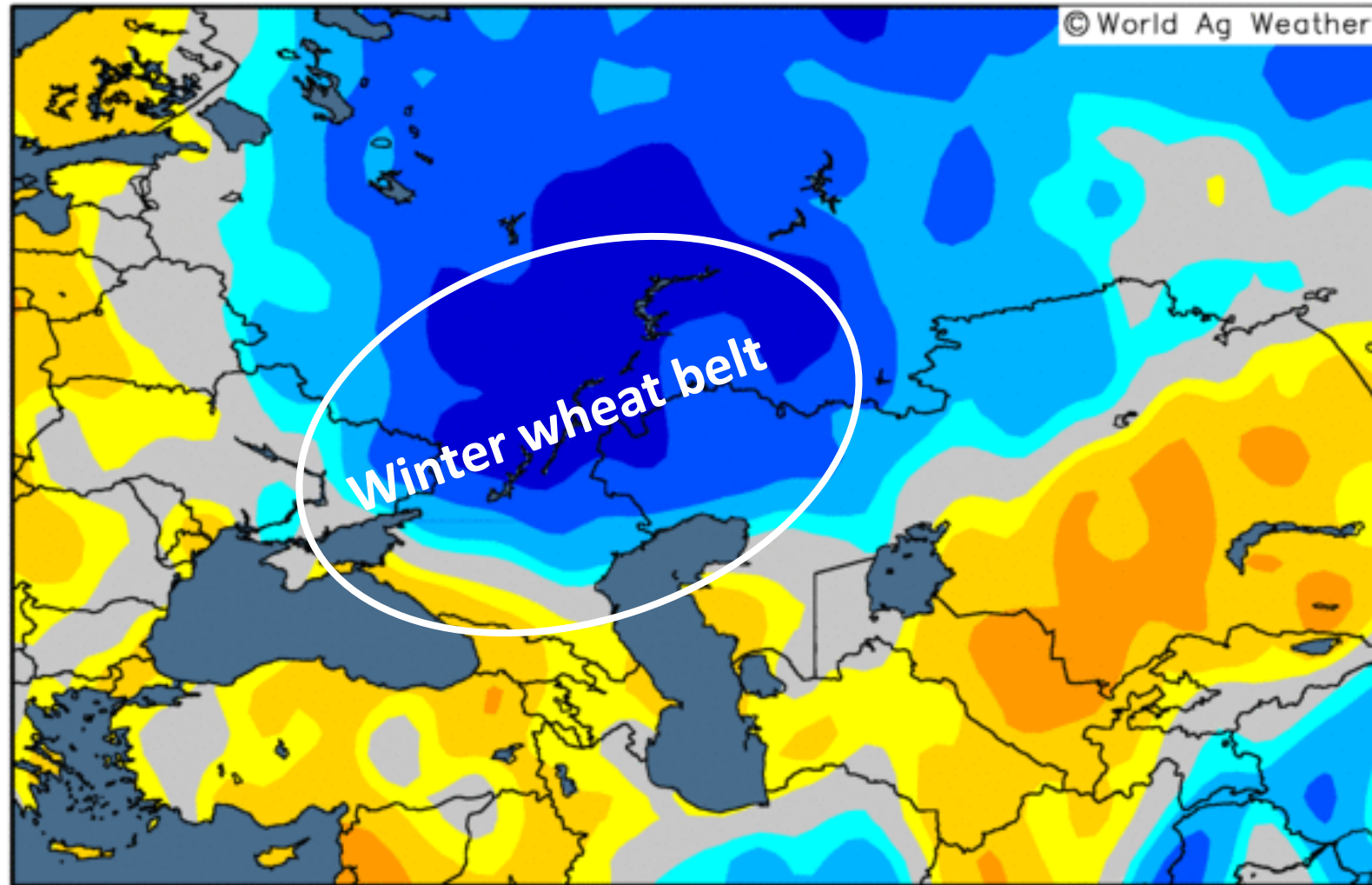




Early may temps in Russia are much below normal

Minimum Temperature Departure from Normal (°C)

3 days ending 5 May 2024





Pea in Western Stavropol,
May 7, 2024



Winter wheat in Voronezh
destroyed by frost, May 7, 2024



19th IKAR' Russian crop-tour Jun-Jul 2024 !



Same rout for many years + same team = always accurate and prompt results!

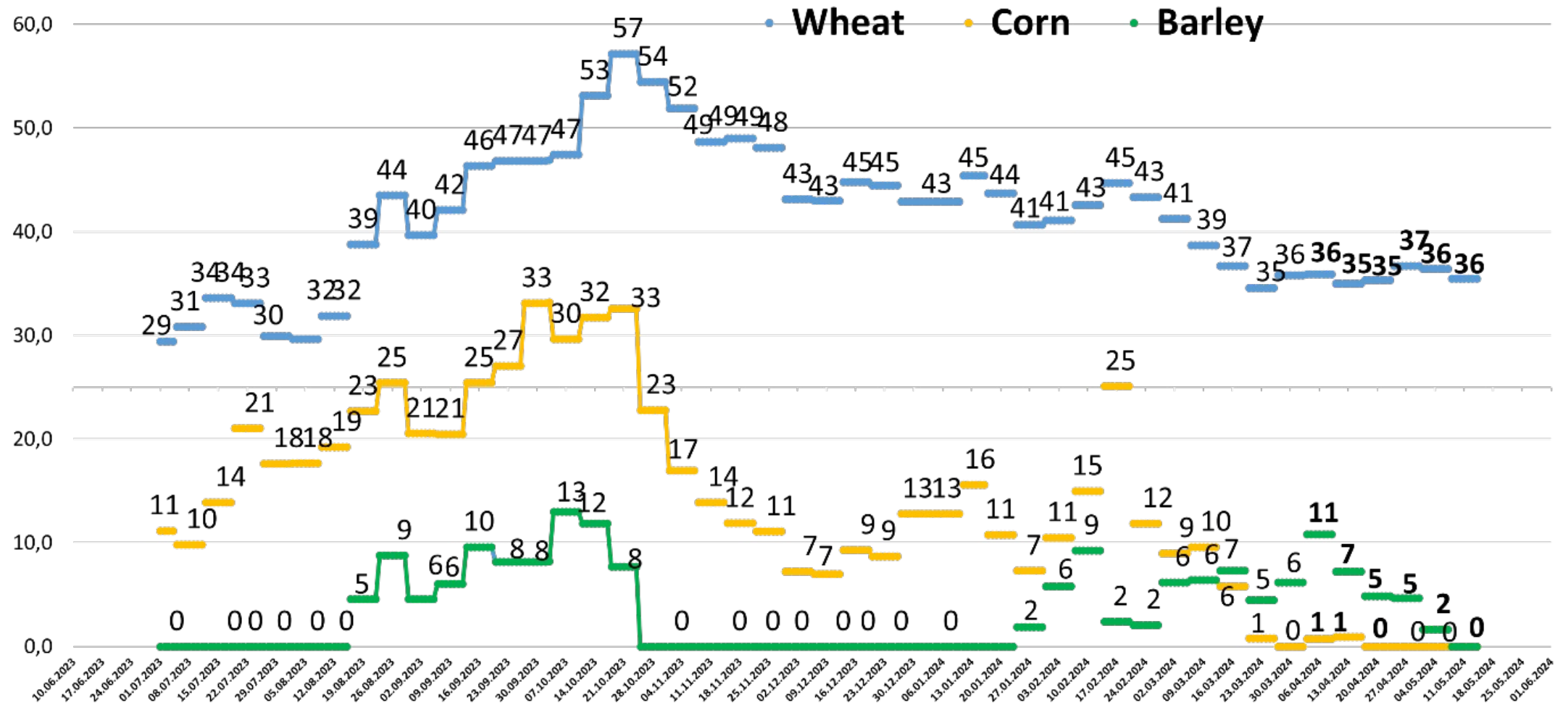


Russian wheat SnD, MMT

Wheat, MMT	2021/22	2022/23	2023/24	2024/25		
			base	base	min	max
Carry-in	9,3	9,6	18,9	17,3	17,3	17,3
Production	76,0	104,2	92,8	91,0	86,0	92,0
New territories supply	1,0	4,0	3,5	3,0	3,0	3,0
Import	0,2	0,1	0,1	0,1	0,1	0,1
Total resources	86,5	117,9	115,3	111,4	106,4	112,4
Dom.disappearance	43,5	51,0	45,0	45,0	44,5	45,0
Export (23/24 - potential)	33,4	48,1	53,0	50,5	48,0	51,0
Total utilization	76,9	99,1	98,0	95,5	93,5	96,0
Carry-out	9,6	18,9	17,3	15,9	13,9	16,4
GIF	0,0	3,0	4,3	4,3	4,3	4,3



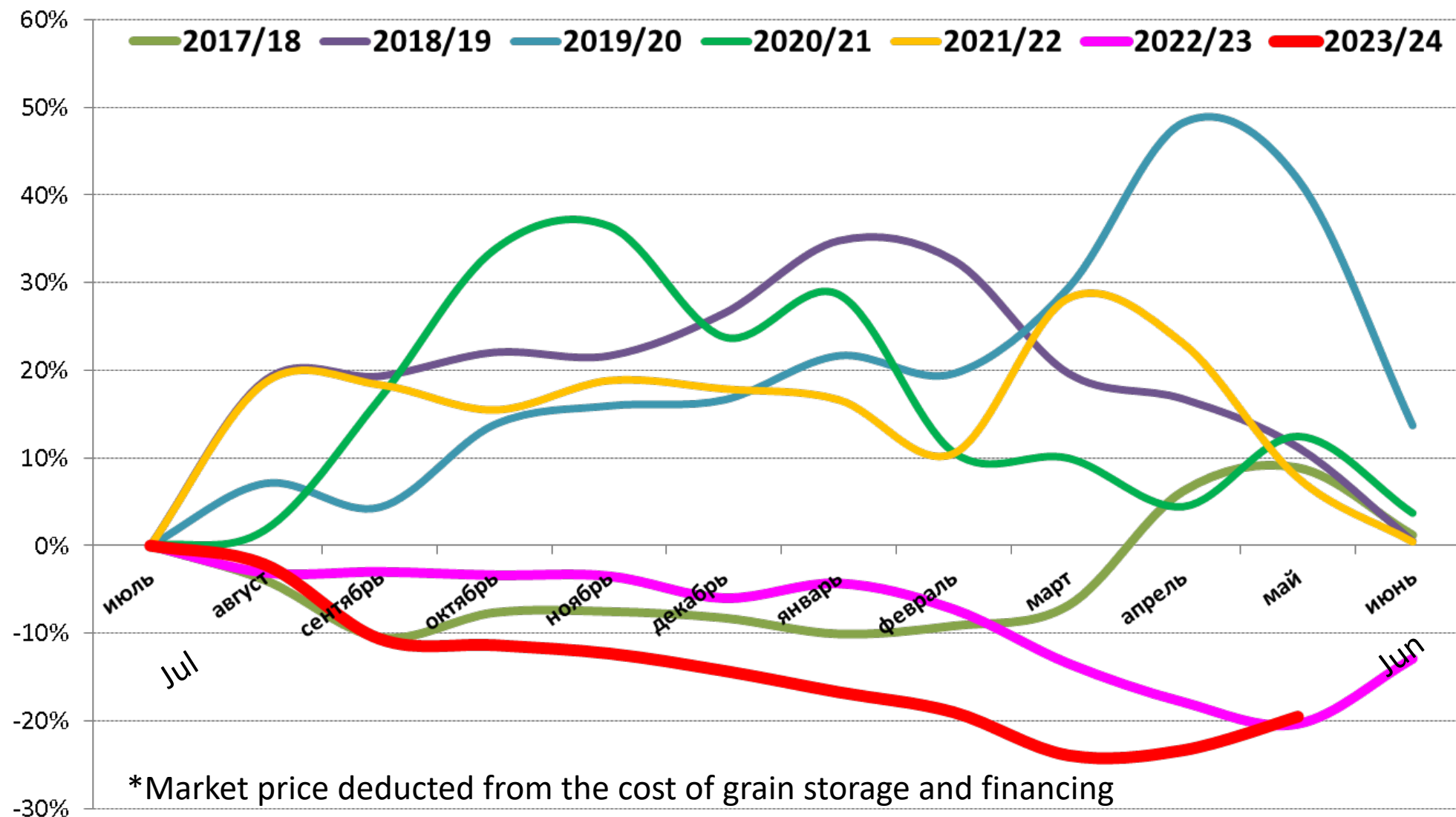
Floating export duties discussion



Diminished farmers profitability vs. federal budget needs, amid reactive nature of the world wheat market...



Present value of 12.5% wheat in the South of Russia*



Current wheat export regime (combination of export duties and export quotas) discourages from traditional farmers' storage programs and stimulates for immediate sale, or storage outside of Russia (Turkiye, Egypt, Baltic states...)



Russian durum SnD, MMT

Durum , MMT	20/21	21/22	22/23	23/24	23/25
Carry-in	0,3	0,2	0,3	0,4	0,1
Production	0,7	1,1	1,4	0,9	1,4
Import	0,2	0,1	0,2	0,0	0,0
Total resources	1,2	1,4	1,9	1,4	1,5
Dom.disappearance	0,8	1,0	1,1	0,9	1,1
Export	0,1	0,2	0,4	0,4	0,2
Total utilization	0,9	1,2	1,5	1,3	1,3
Carry-out	0,2	0,3	0,4	0,1	0,2

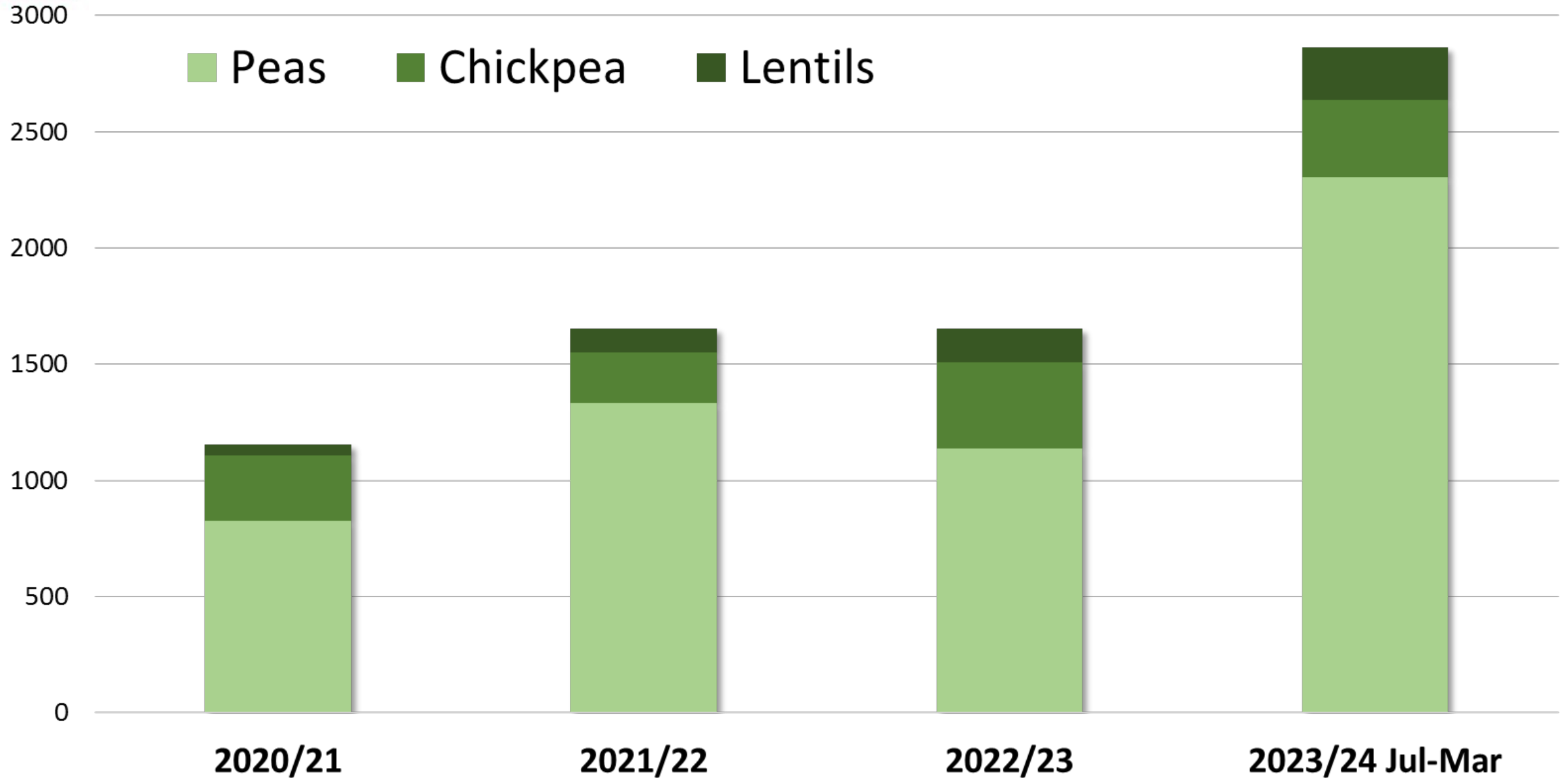


Russian total grain SnD, MMT

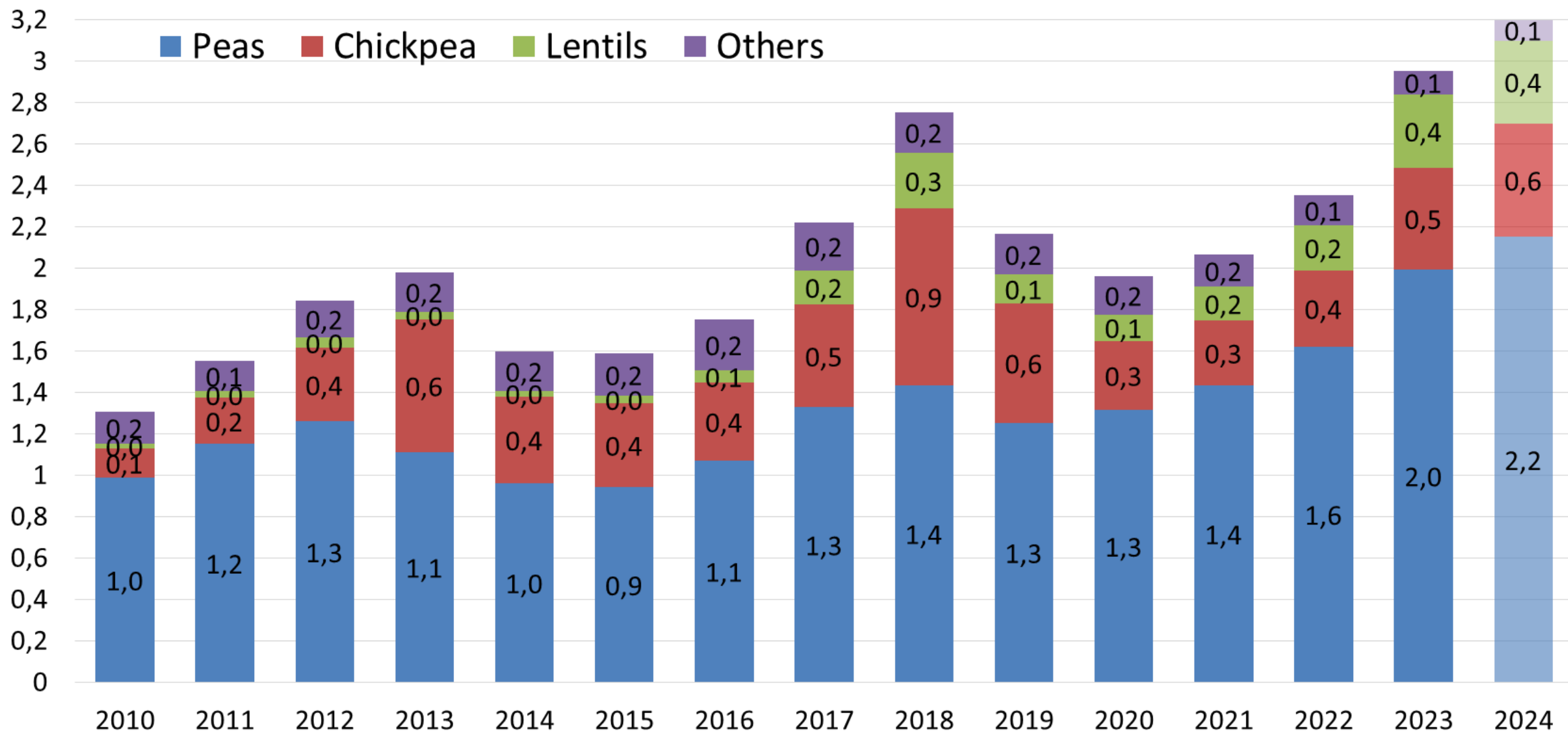
Grains , MMT	2021/2	2022/23	2023/24	2024/25		
	2		base	base	min	max
Carry-in	11,4	15,2	26,5	21,8	21,8	21,8
Production	121,4	157,7	145,3	142,0	133,0	145,0
New territories supply	1,3	4,8	4,0	3,4	3,4	3,4
Import	0,6	0,5	0,5	0,5	0,5	0,5
Total resources	134,7	178,2	176,3	167,7	158,7	170,7
Dom.disappearance	77,7	89,5	82,5	82,0	80,5	83,0
Export (23/24 - potential)	41,9	62,2	72,0	64,5	61,0	66,0
Total utilization	119,6	151,7	154,5	146,5	141,5	149,0
Carry-out	15,2	26,5	21,8	21,2	17,2	21,7
GIF	0,0	3,1	4,4	4,4	4,4	4,4



Incredible record of Russian pulses export, tmt



Pulses planted areas in Russia, mln.ha





Russian peas SnD, MMT

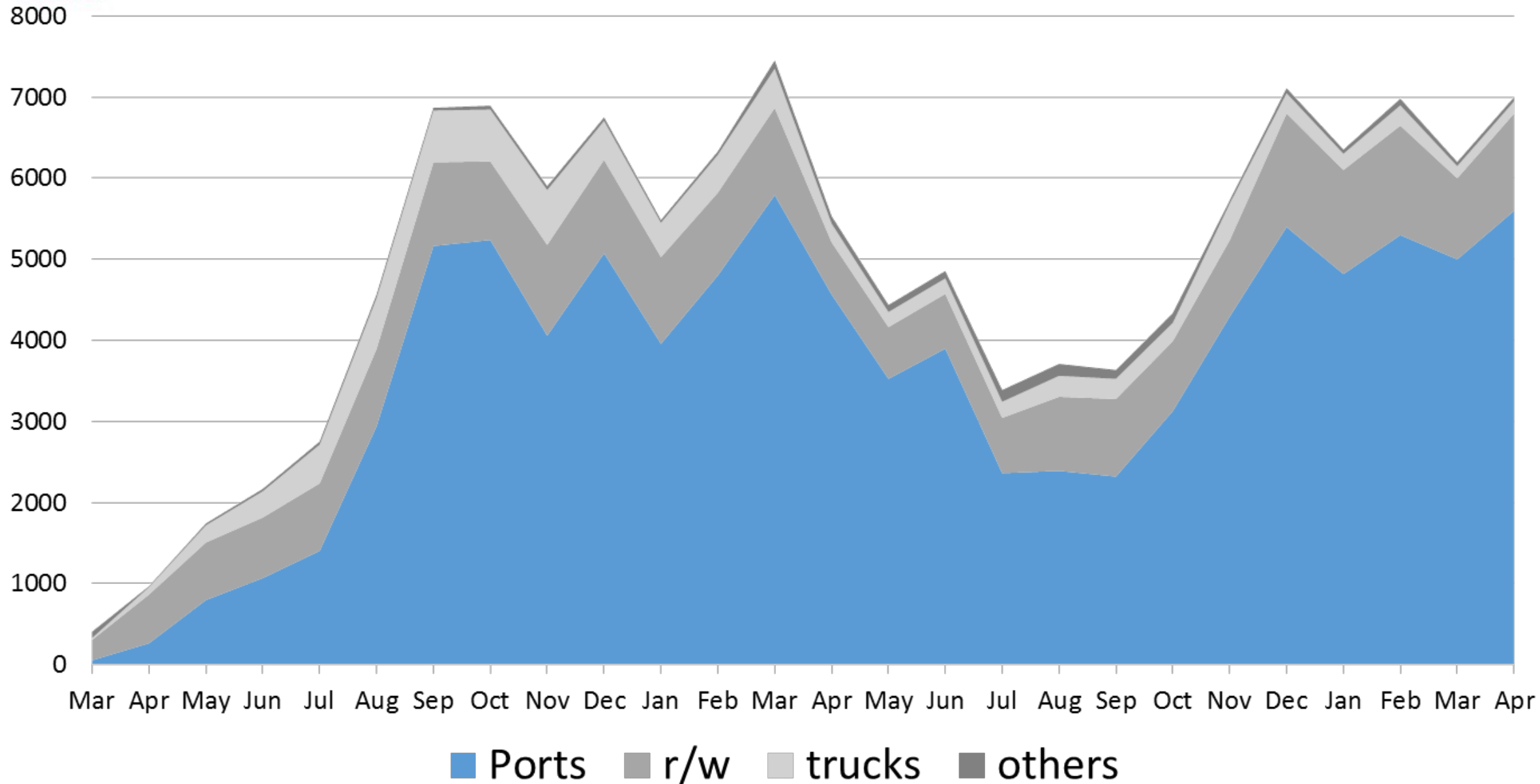
Peas, TMT	2021/22	2022/23	2023/24	2024/25		
				base	min	max
Carry-in	258	222	573	490	490	490
Production	3 167	3 614	4 715	4 000	3 600	4 250
Import	9	6	2	2	2	7
Total resources	3 434	3 842	5 290	4 492	4 092	4 747
Dom.disappearance	1 880	2 130	2 100	2 100	2 000	2 130
Export	1 332	1 139	2 700	2 100	1 900	2 300
Total utilization	3 212	3 269	4 800	4 200	3 900	4 430
Carry-out	222	573	490	292	192	317
Stock/use ratio	7%	18%	10%	7%	5%	7%



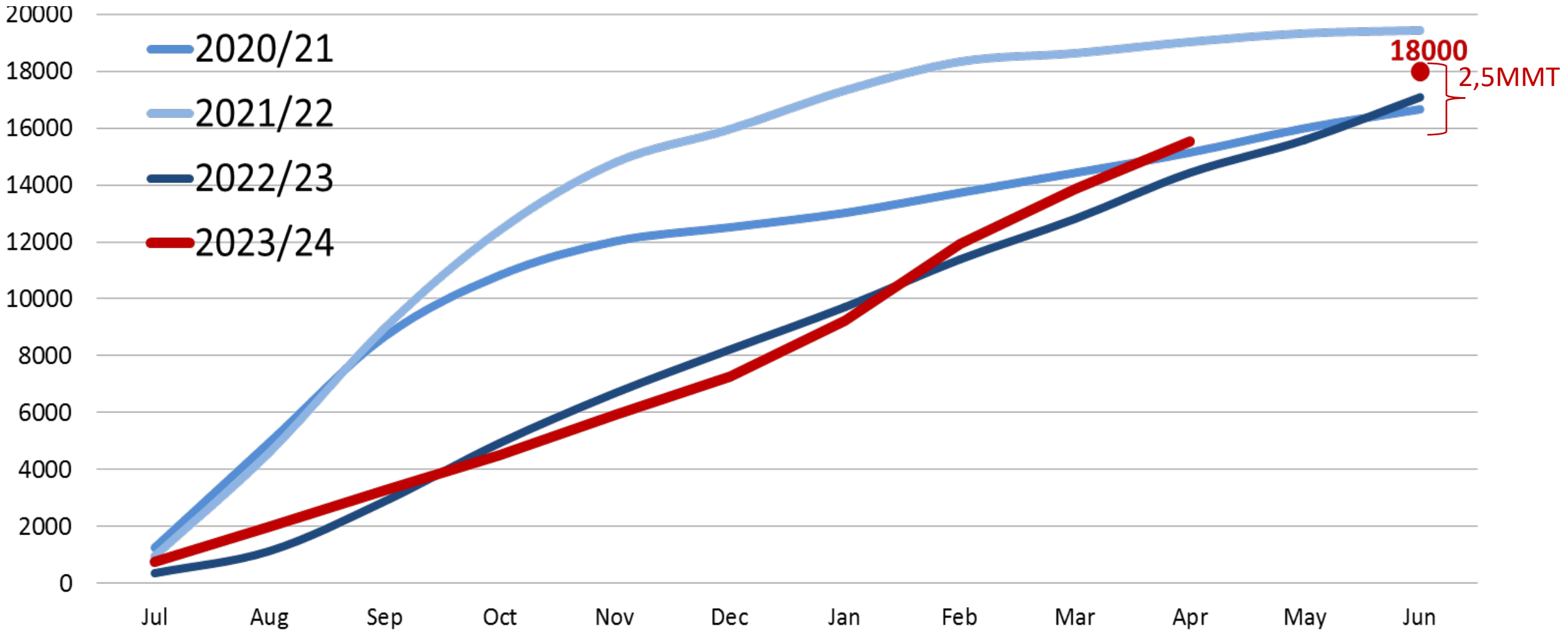
A little bit on Ukraine



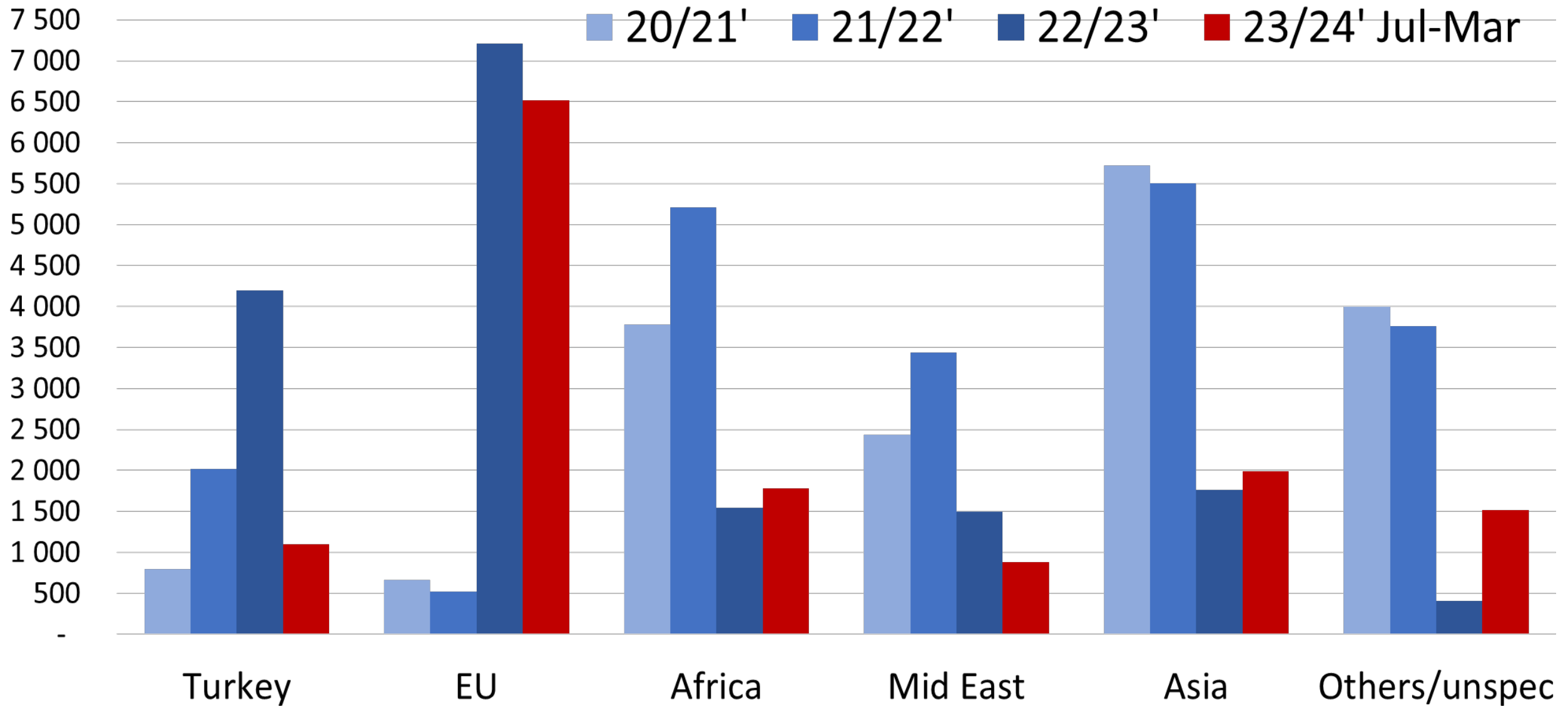
Grains and oilseeds (incl.products) export from Ukraine, TMT



Ukraine wheat export pace, tmt



Ukrainian wheat export basic destinations, MMT



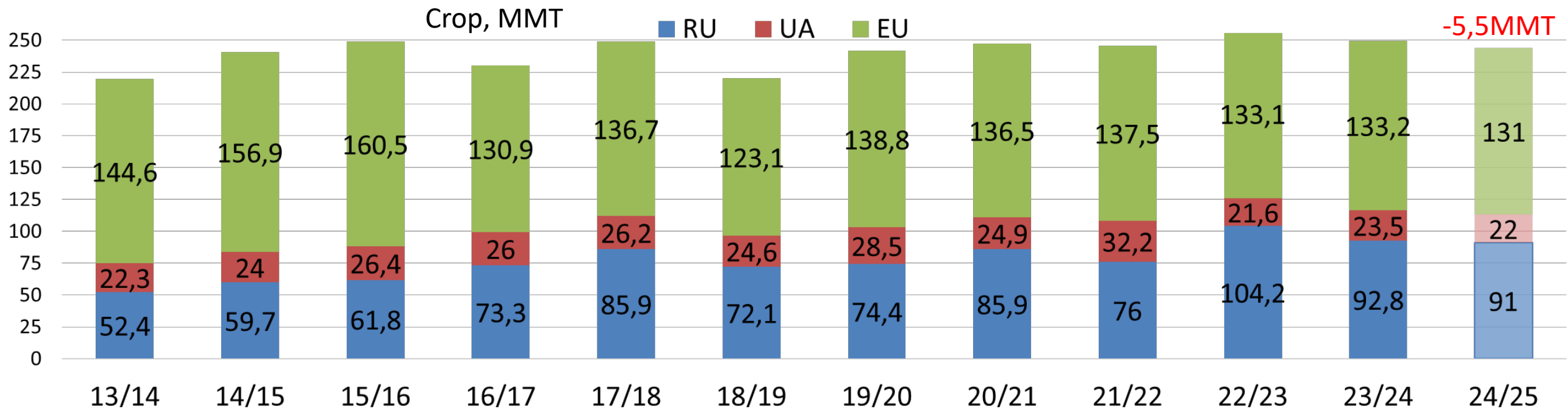
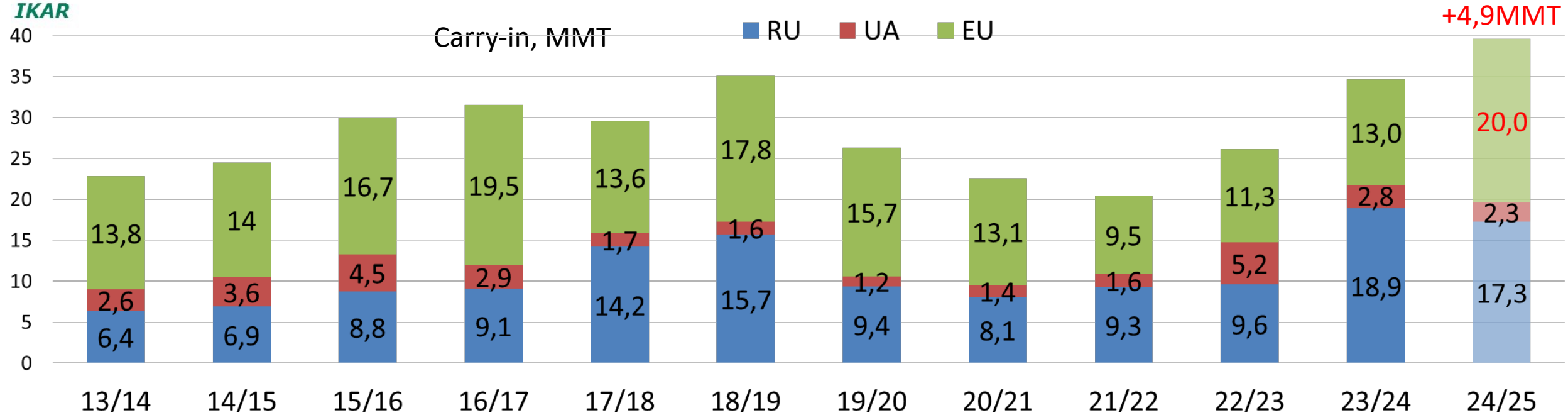


Ukraine wheat SnD

Wheat, MMT	2020/21	2021/22	2022/23	2023/24 base	2024/25 base
Carry-in	1,4	1,6	5,2	2,8	2,3
Production	24,9	32,2	21,6	23,5	22,0
Import	0,1	0,1	0,1	0,0	0,0
Total supply	26,4	33,9	26,9	26,3	24,3
Dom. Disappearance	8,0	9,2	7,0	6,0	5,8
Export	16,8	19,5	17,1	18,0	16,5
Total demand	24,8	28,7	24,1	24,0	22,3
Carri-out	1,6	5,2	2,8	2,3	2,0

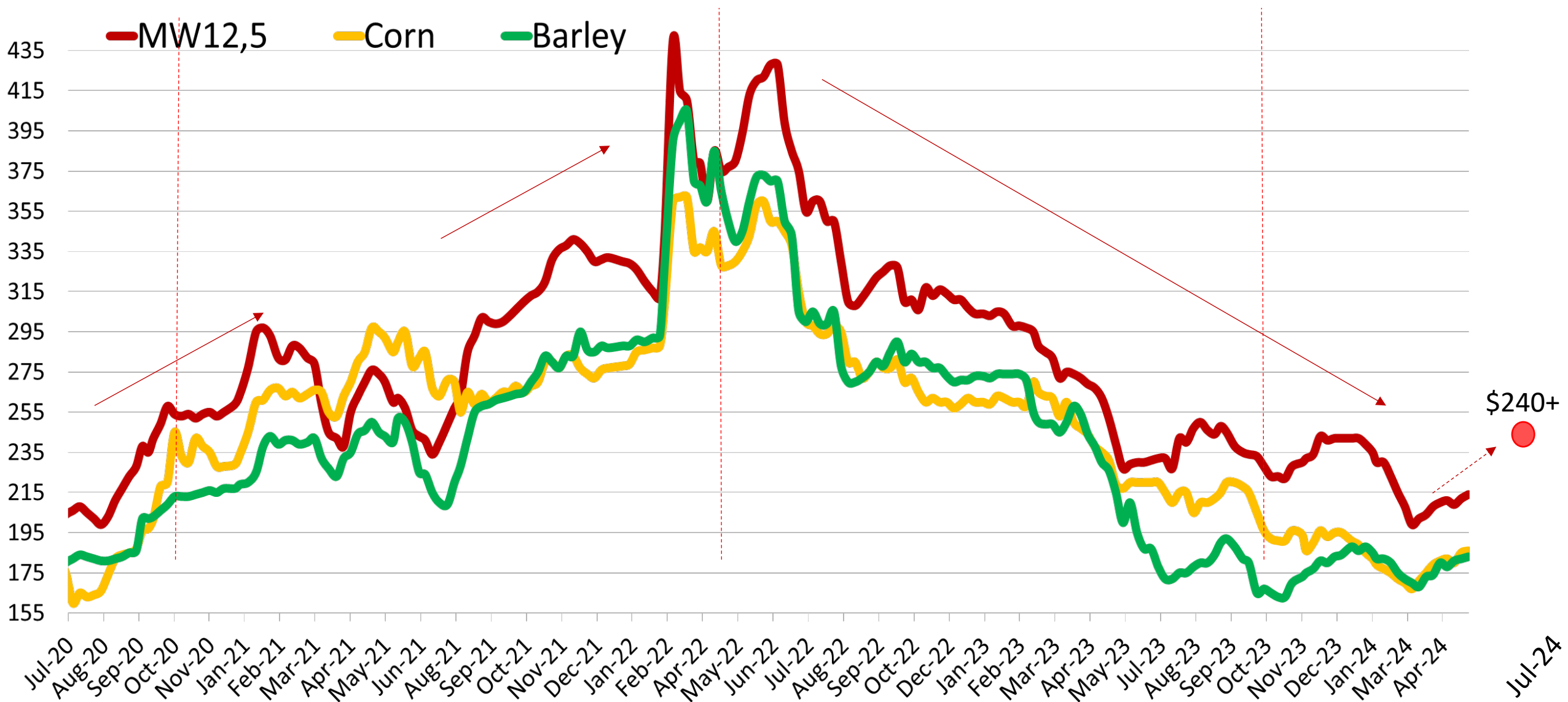


Wheat crop and stocks in EU and Black Sea, MMT, as of May 8



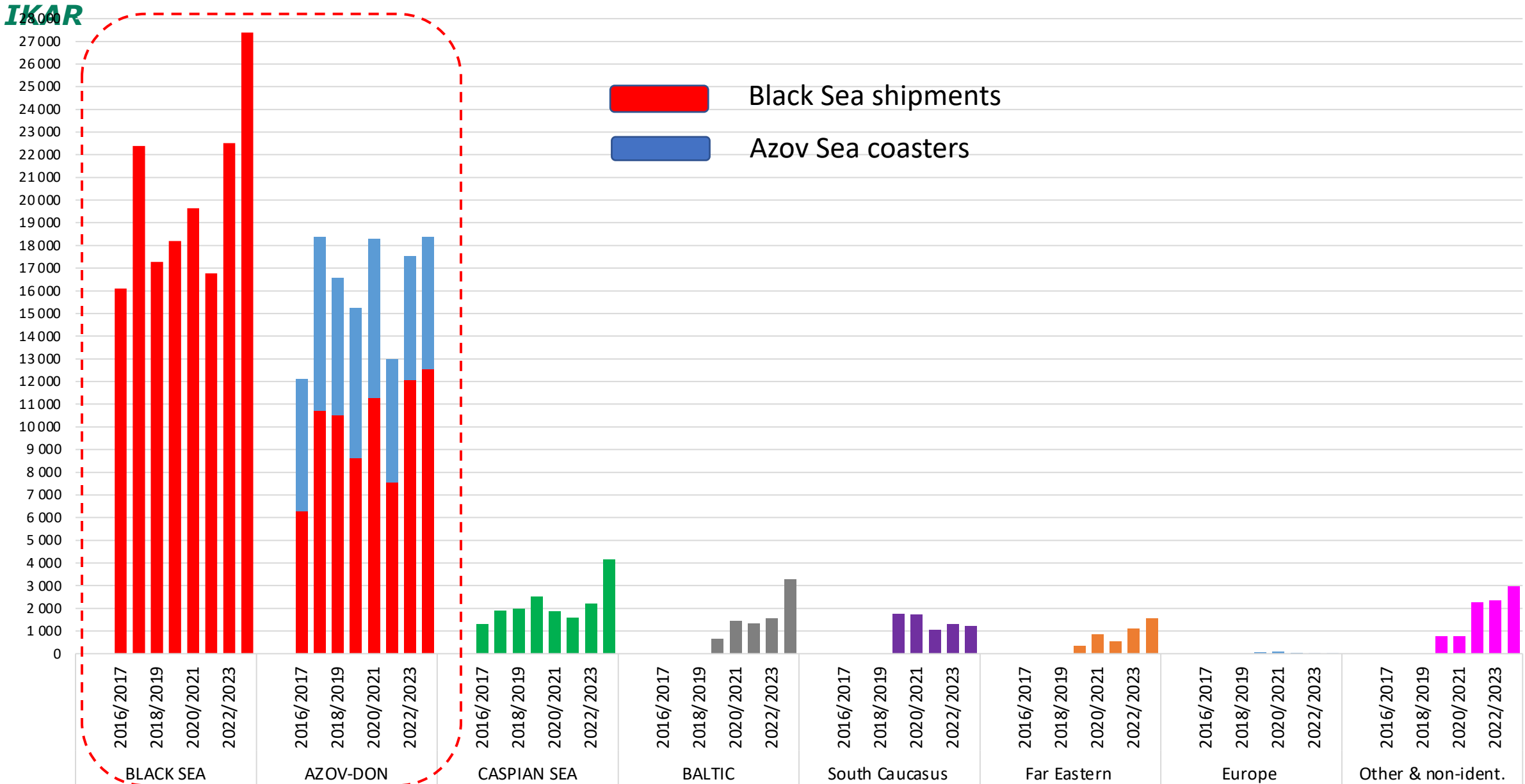


FOB Novo prices evolution, USD/t



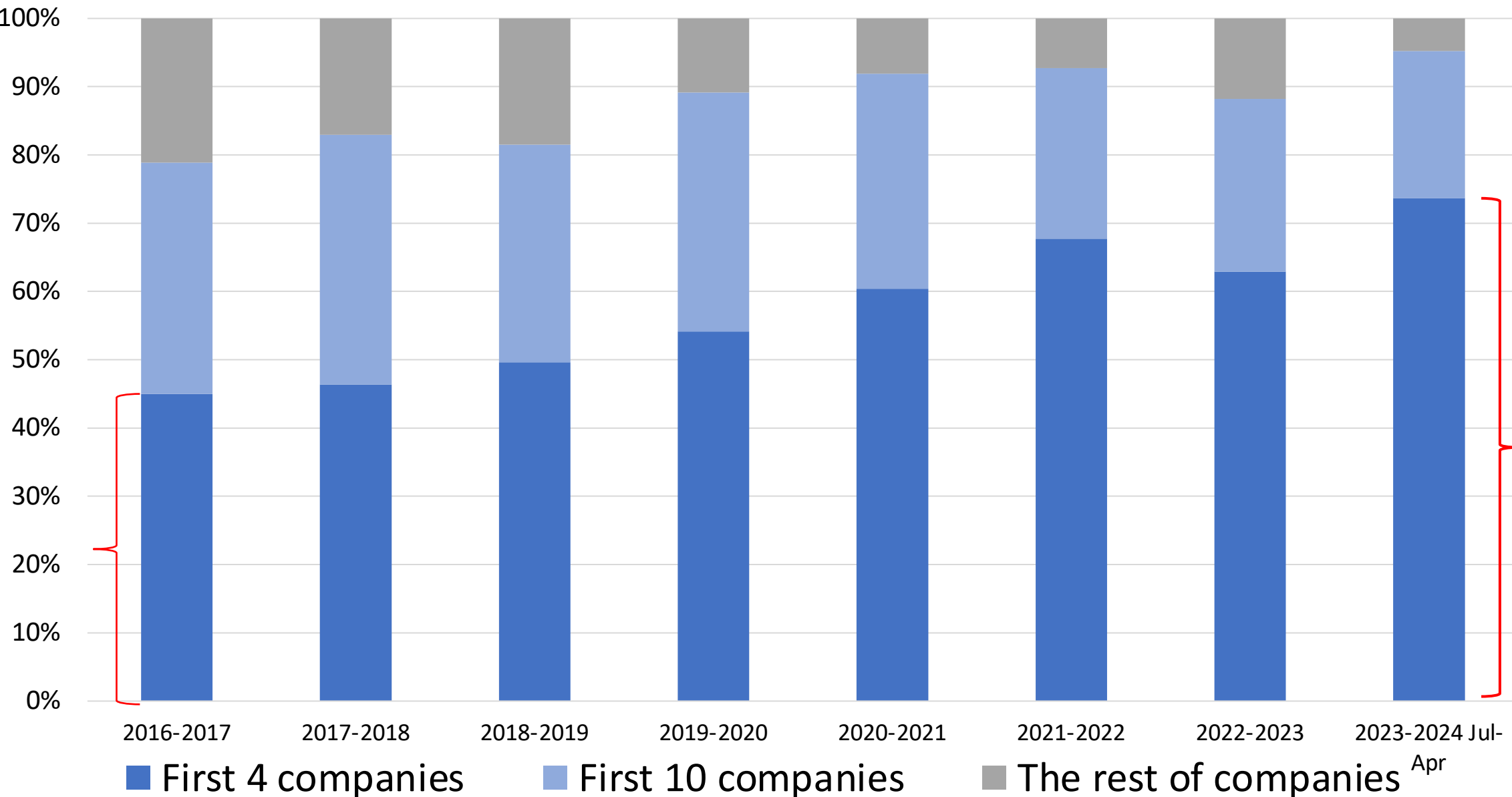


Russian grain export channels, tmt



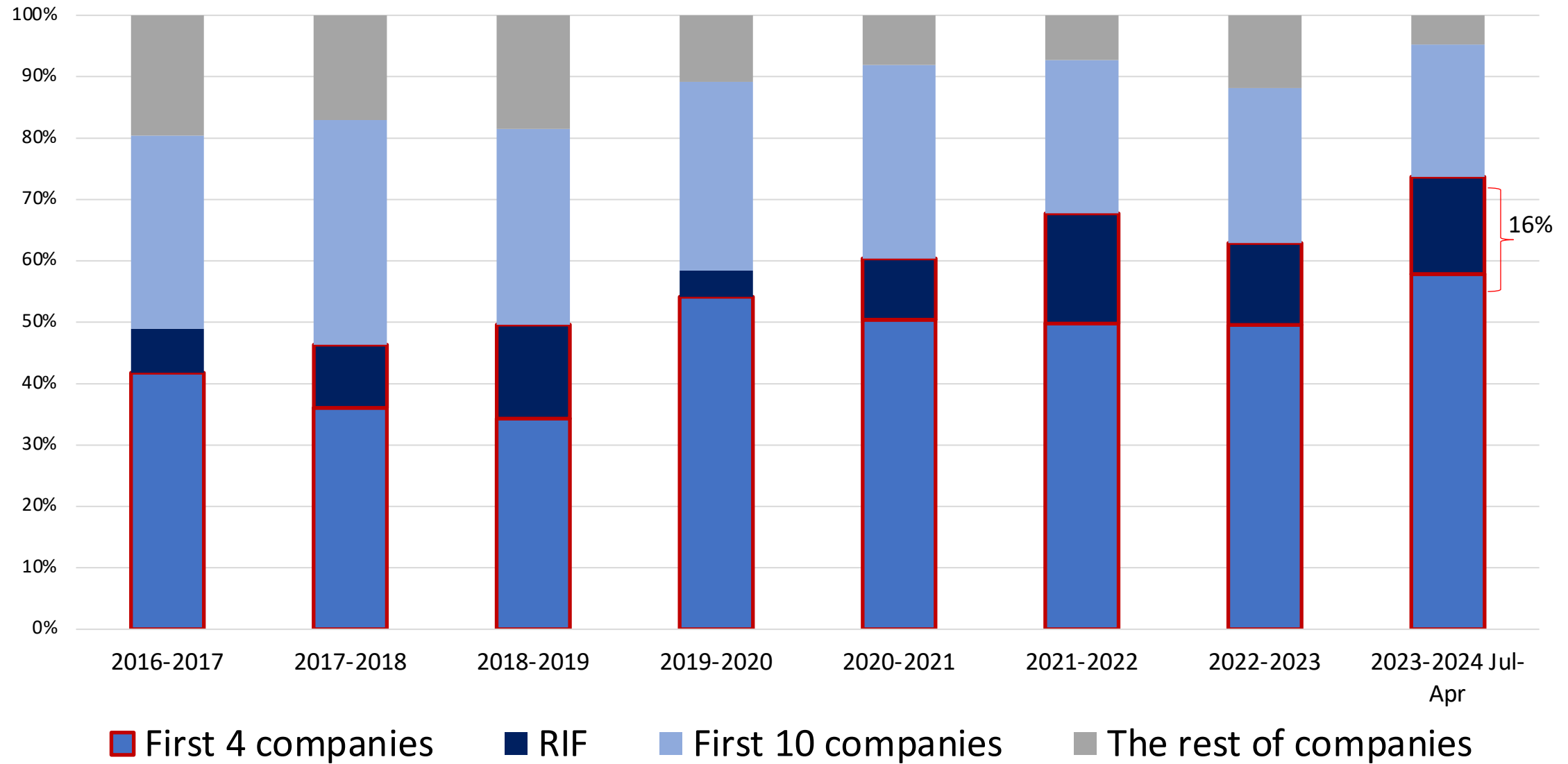


Russian Black Sea: concentration in the export industry, %



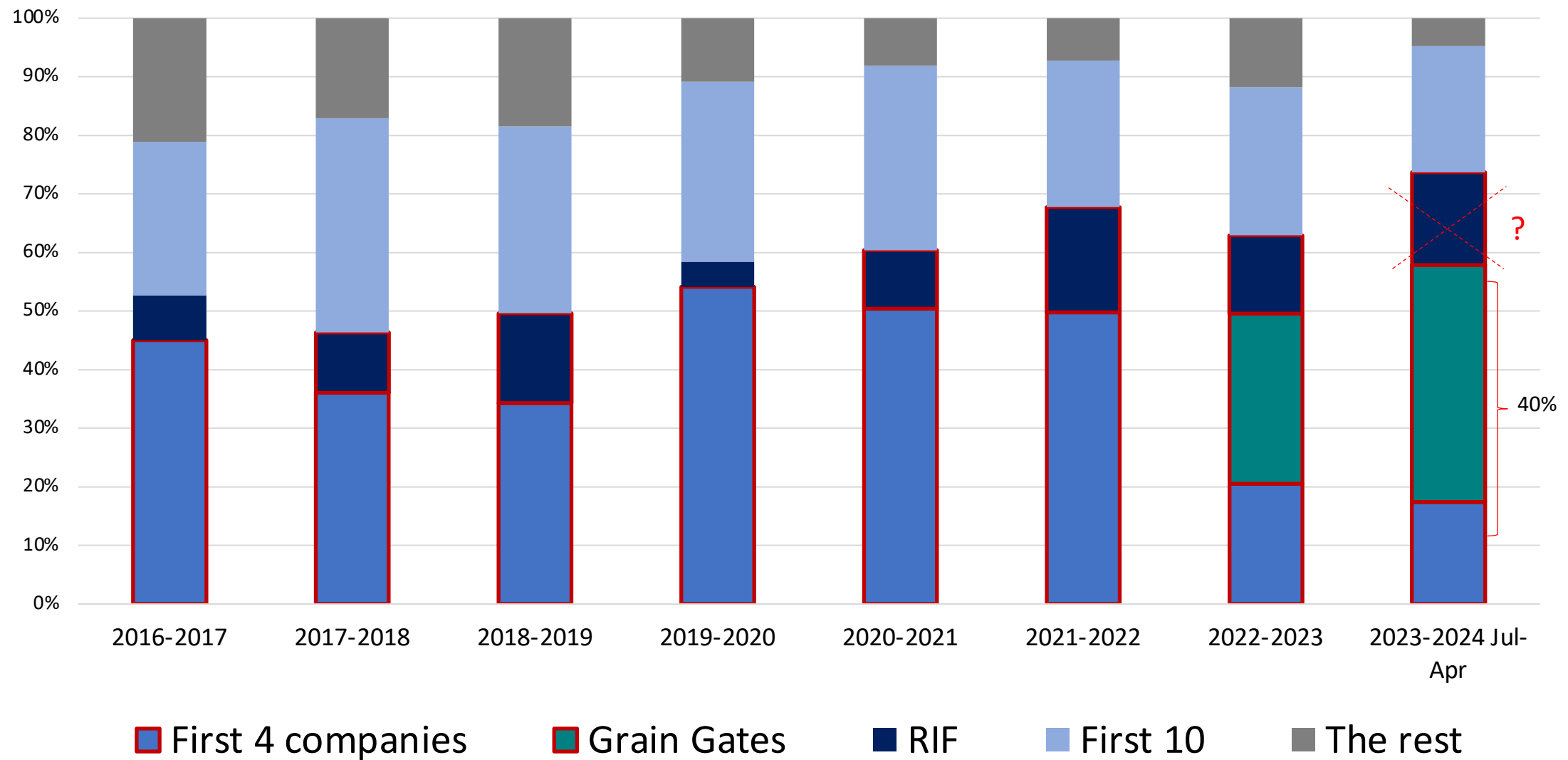


... Including the share of RIF...



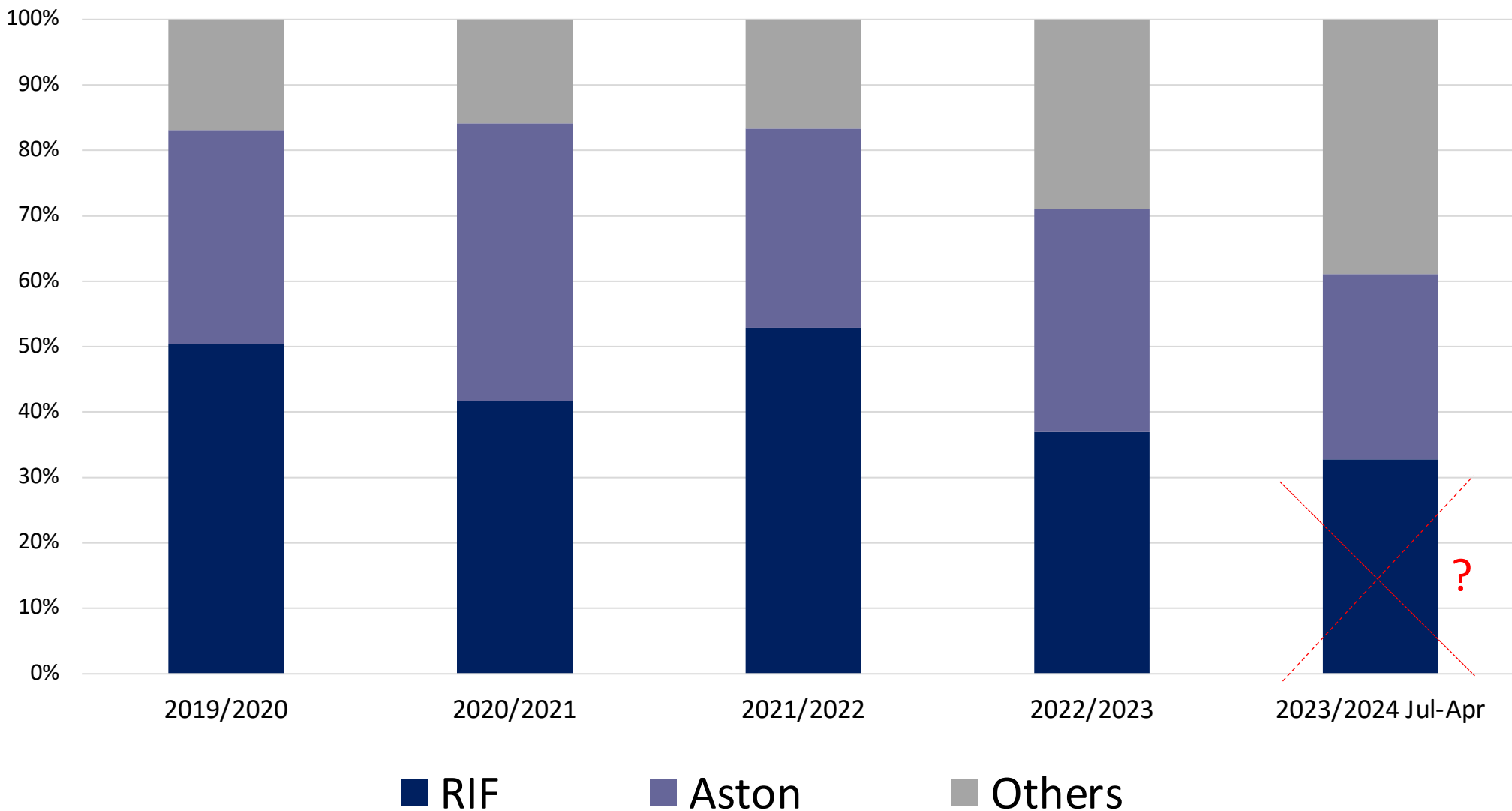


...Including the share of Grain Gates...





Port Kavkaz export industry concentration, %





Azov Sea direct-to-end-users coasters: this market channel remains highly competitive

2022/2023		2023/2024	
TOTAL	%	(July-April)	%
ZERNO-TRADE	10	ZERNO-TRADE	10
RIF TD	7	DELTRADE	6
TOP GRAIN LTD	7	TOP GRAIN LTD	5
DELTRADE	5	DOSTAVKA MOREM LLC	4
YUG RUSI	5	ROSTOV GRAIN TERMINAL	4
ZERNO ZAVOLZHIYA TD	5	GRAIN GATES LLC	3
DAYLESFORD MERCHANT	4	RUSALPHATRADE	3
DEREVYANKO V.I.	4	GRAIN SERVICE	3
ROSTOV GRAIN TERMINAL	4	AH STEPPE TD	3
GRAIN SERVICE	4	AZT	3
Others	44	Others	55

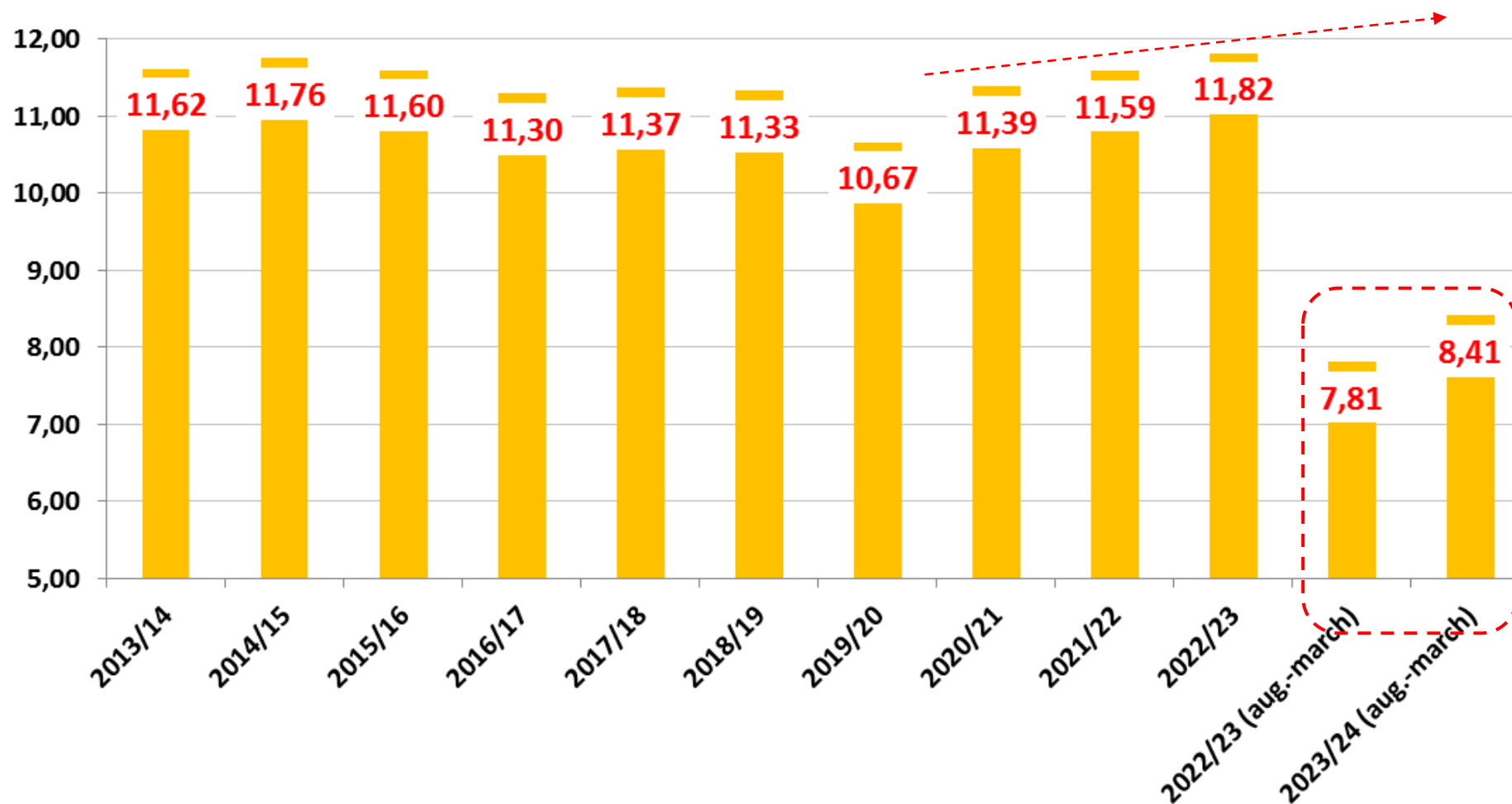
Red names: members of first 10 on Black Sea



Flour market update



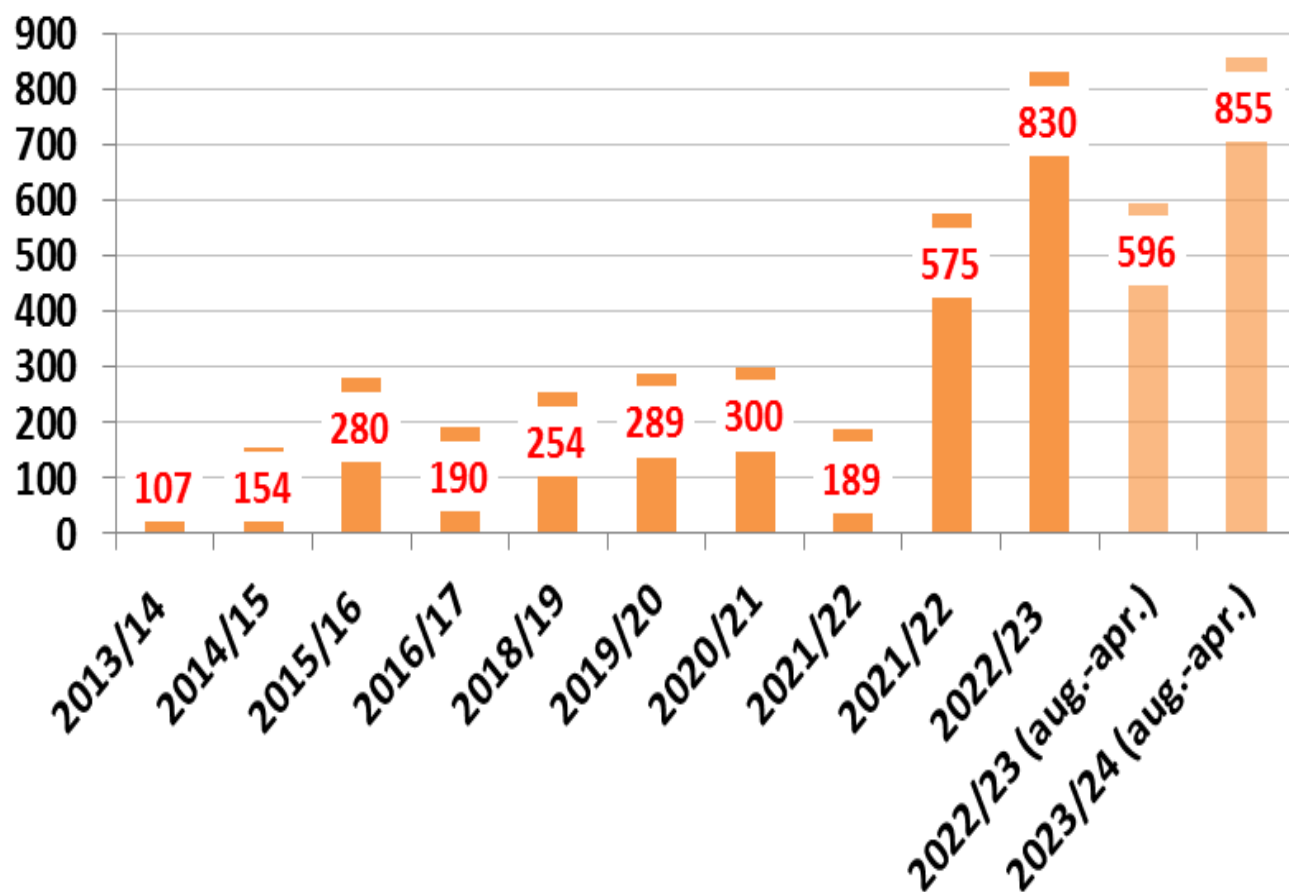
Dynamics of Russian flour production, MMT (IKAR estimate)



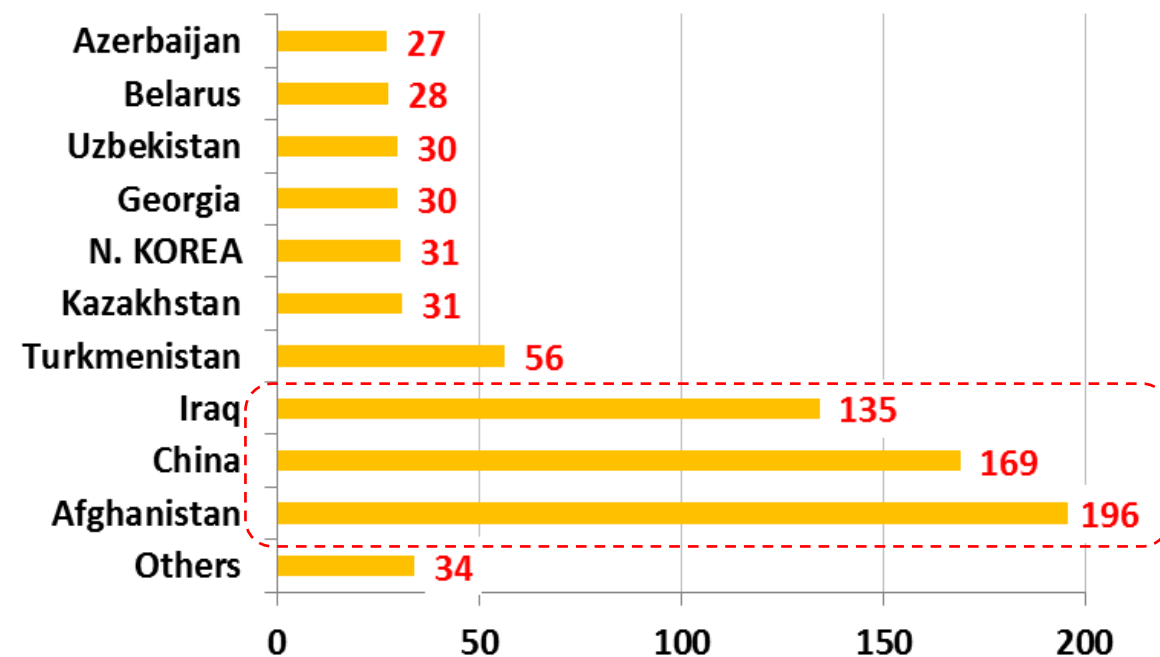


Wheat flour export by Russia, TMT

Dynamics of wheat flour export, Mar-Apr-est.

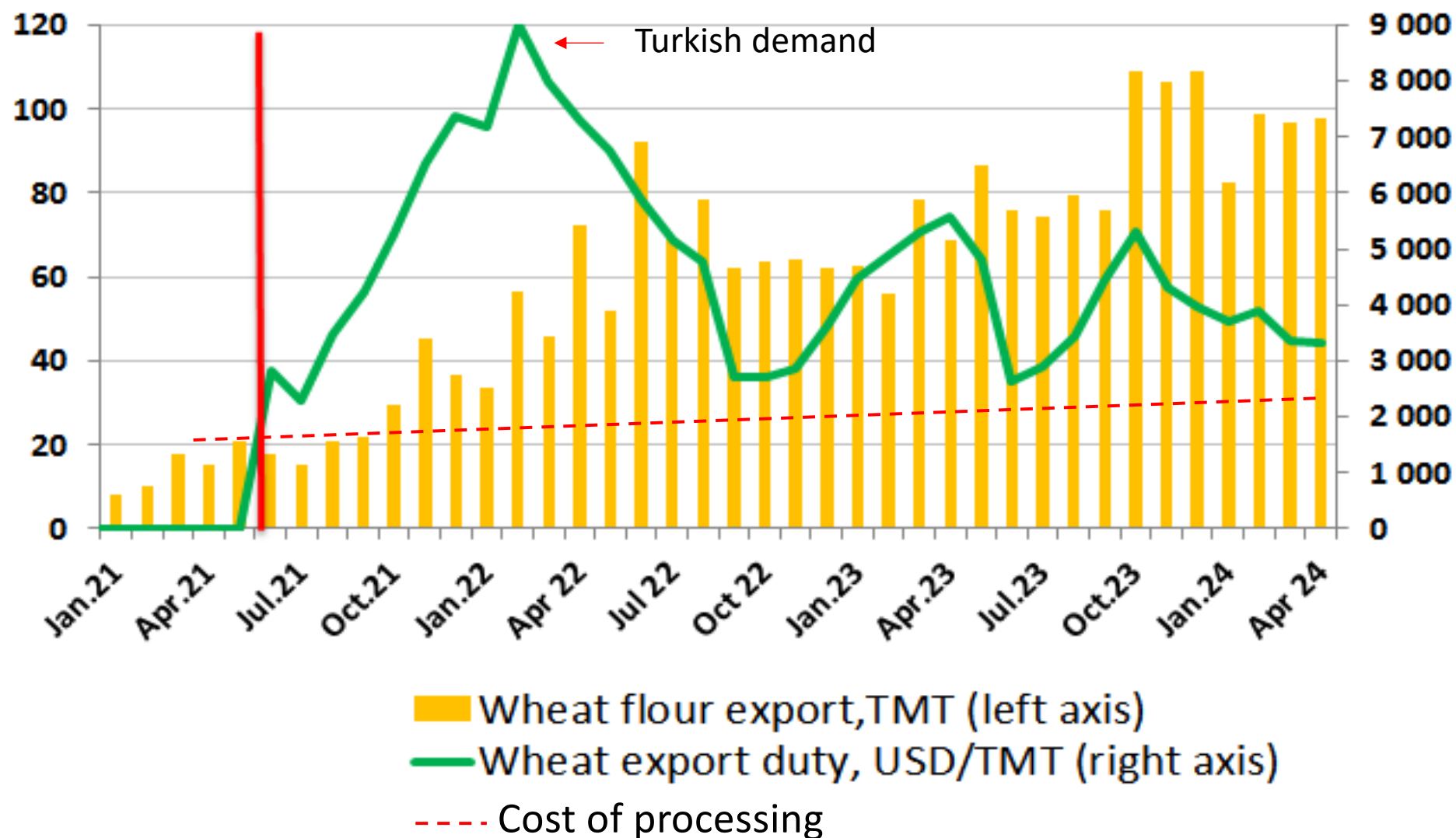


Importing countries of the 2023/24 season (aug.-apr.), Mar-Apr – est.

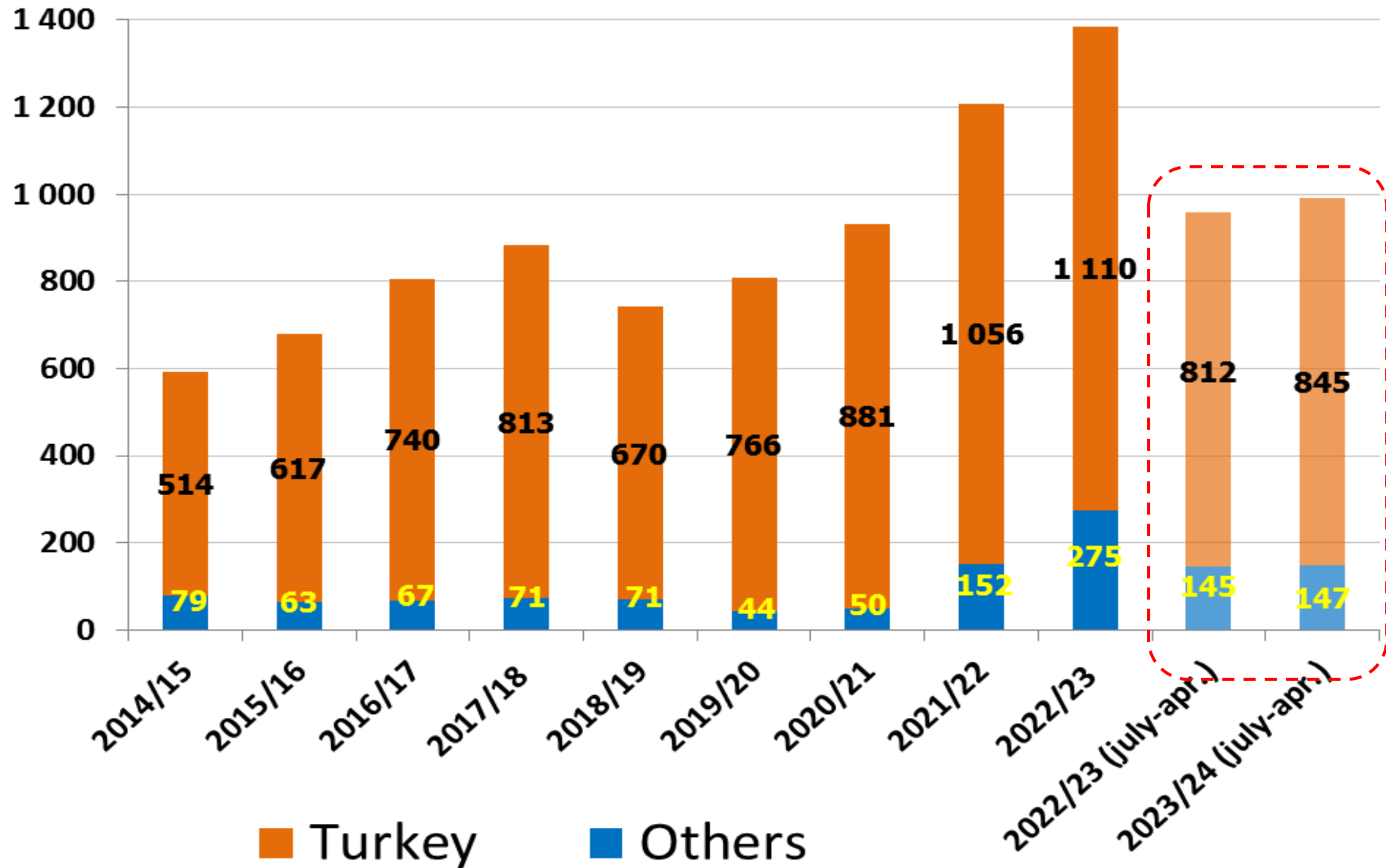




Wheat flour monthly export and wheat export duty



Turkey's volume/share in the wheat bran export, TMT





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- Russian weekly grain
- Russian weekly oilseeds
- Russian Crop Tour – 2024
- July 17-18 Moscow Conference
- Export-import data
- Bespoken reports