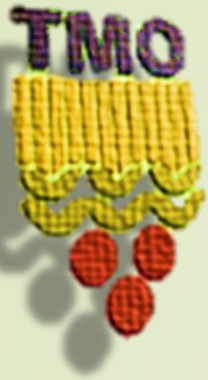


Grain Markets and TMO Policies



Çağatay MARAŞ
HEAD OF TRADE DEPARTMENT
**GENERAL DIRECTORATE OF
TURKISH GRAIN BOARD**

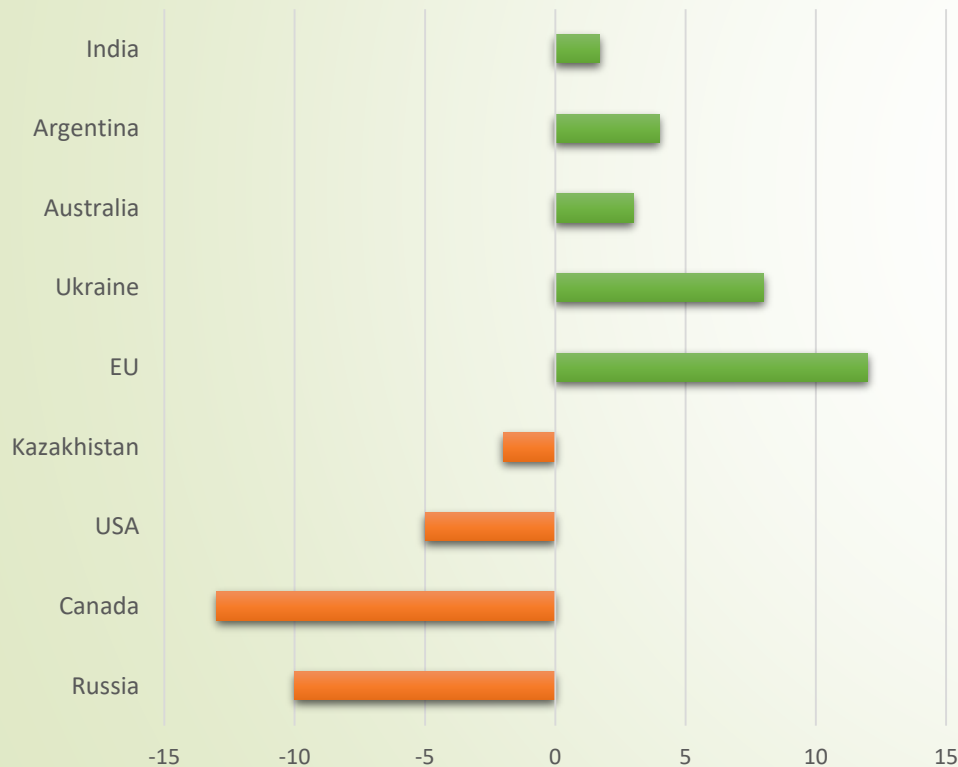


2021/22 SEASON WORLD MARKET DEVELOPMENTS

The main agenda of the season we left behind:

- Drought
- Protective measures
- Increase in freight rates– container shortage
- High stock policy of importing countries
- Increasing inflation rates in major economies
- Rise in input and energy markets
- Russia-Ukraine Crisis
- **Conclusion: Increasing Commodity Prices**

Wheat Production Change in Main Exporters (Million tons)





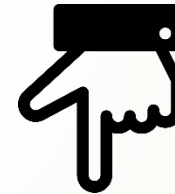
“

As of February 2022;

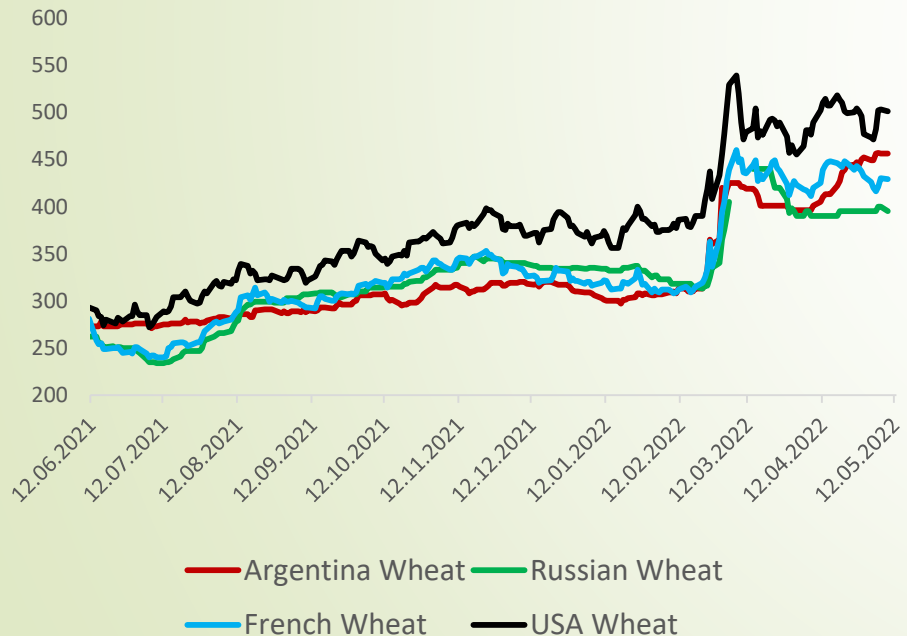
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Russia-Ukraine Crisis

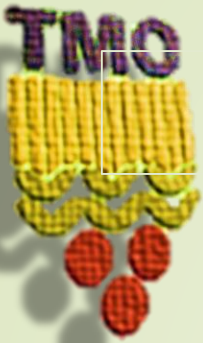
- Black Sea shipping traffic has come to a standstill
- Rapid rise in world prices
- Risks for new season harvesting and planting in Ukraine
- Additional protective measures



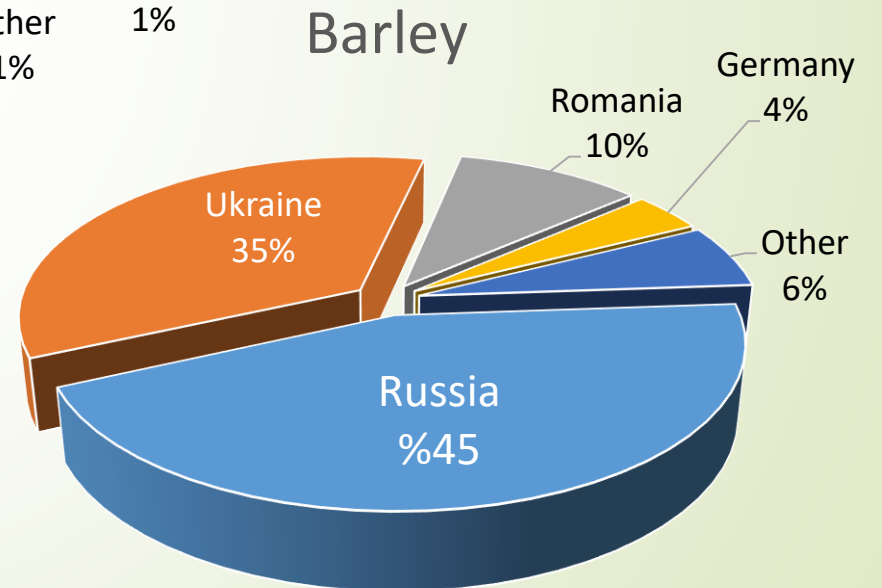
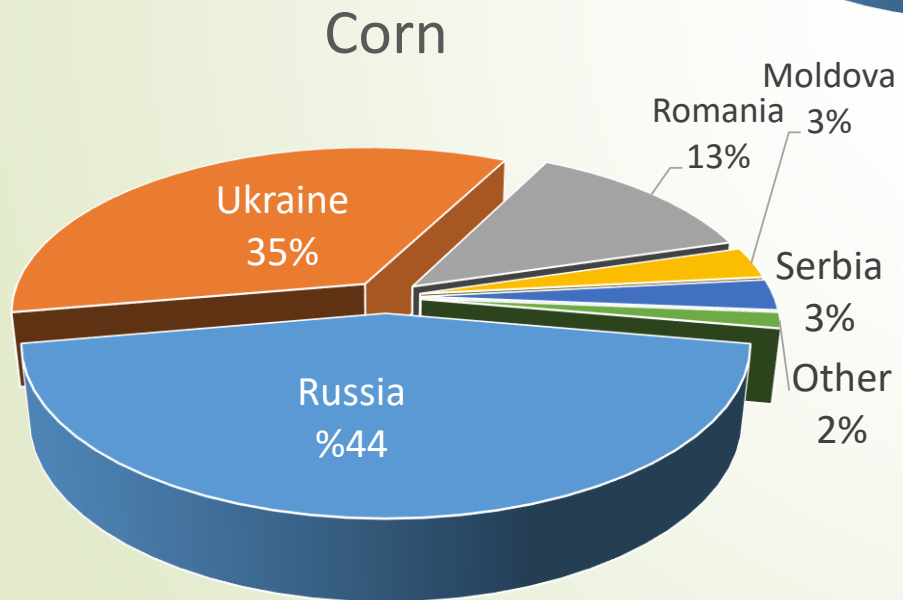
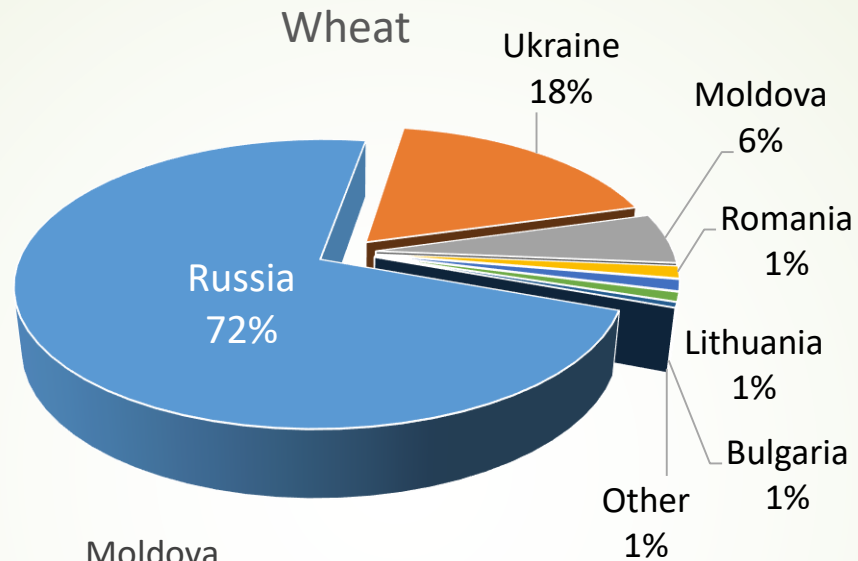
Wheat Prices FOB \$/TON

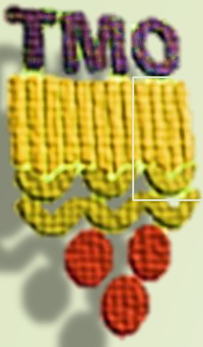


Kazakhstan- wheat and flour export quota
Trade Measures of countries such as Hungary-Serbia
Russia- sunflower oil quota
Indonesia- palm oil export ban



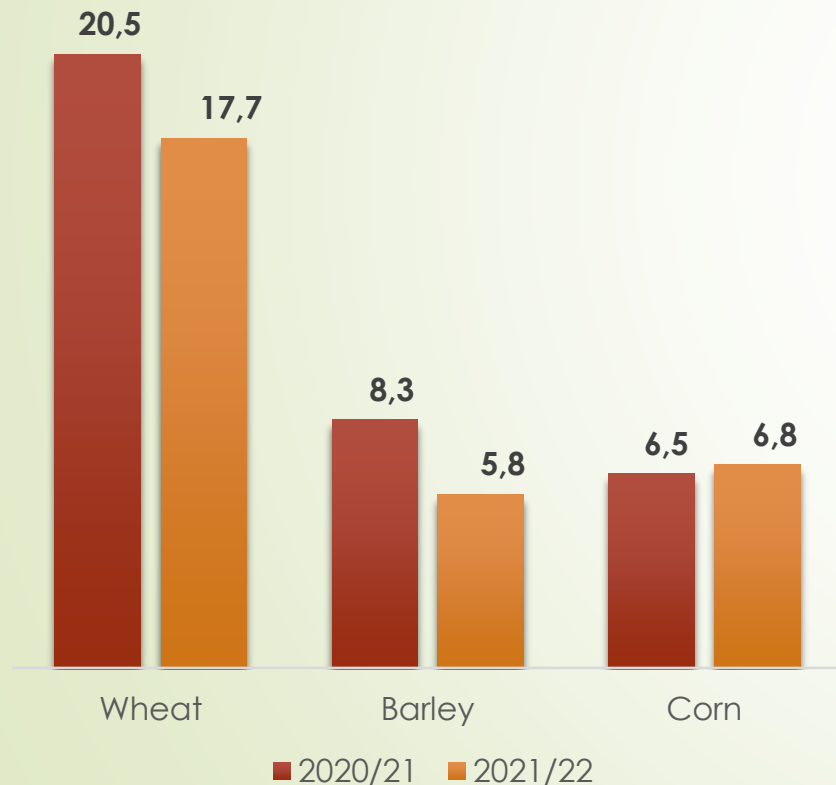
COUNTRY SHARES IN IMPORTS OF TURKEY (2021)





2021/22 SEASON DOMESTIC GRAIN MARKETS

Grain Production of Turkey
(million tons)



- Production loss due to drought:
 - %14 decrease in wheat production
 - %31 decrease in barley
 - %4 increase in corn
- Reasons for the additional demand for milling wheat:
 - Shift to milling wheat due to the price increases of feed raw materials such as barley and corn
 - The demand increase in pasta industry for milling wheat due to the negative impact of the drought on durum wheat especially in the southeast
- Increase in exchange rate and import costs

Result: Domestic market prices increase since June 2021



2021/22 TMO POLICIES

Procurement and sale prices announced in May

We have reinforced our stocks since June

Barley sales in July

Wheat sales to flour industry in September

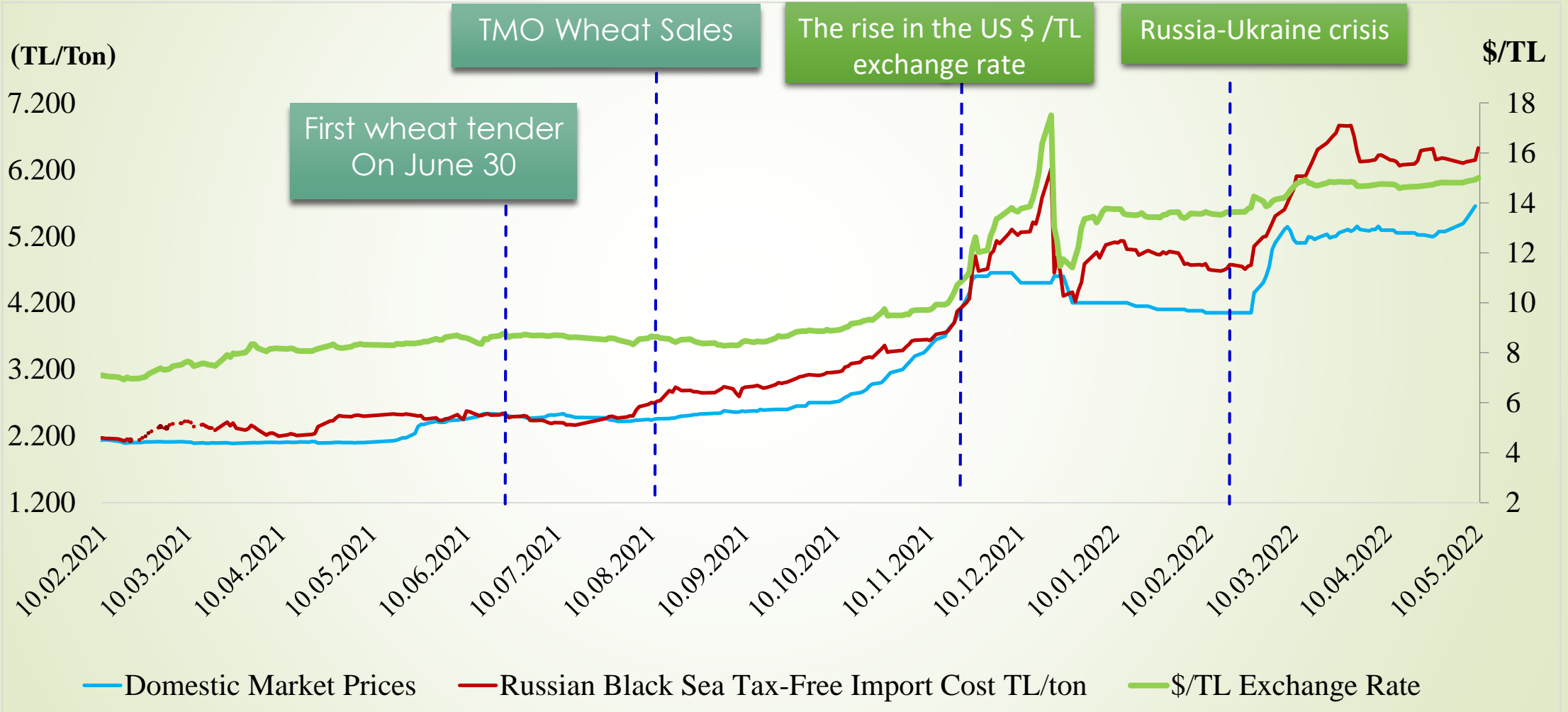
7.9 Million tons of Import Volume

9 Million tons of Sales Volume

Consultation with all sectors in the decision-making process

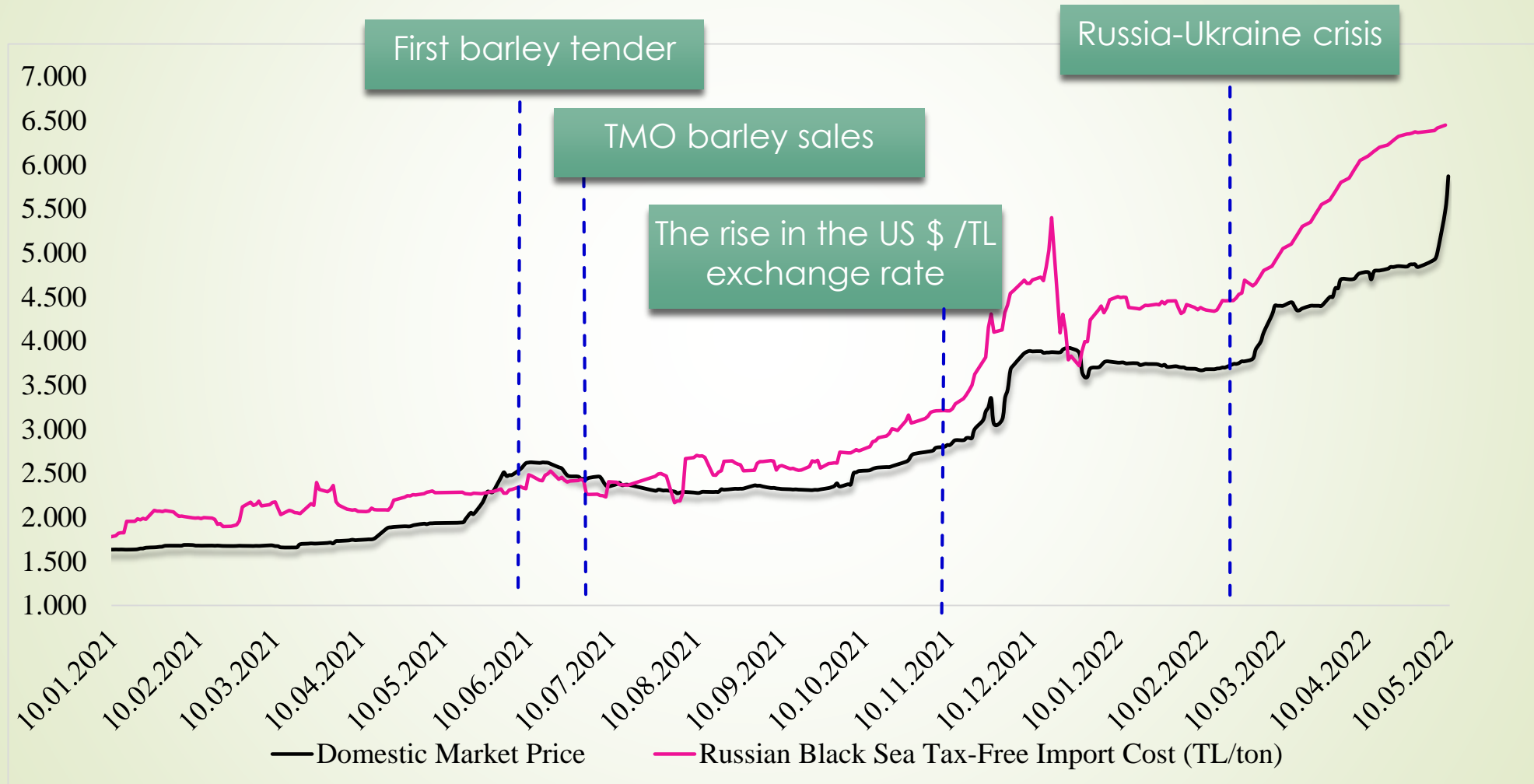


WHEAT PRICE CHANGES



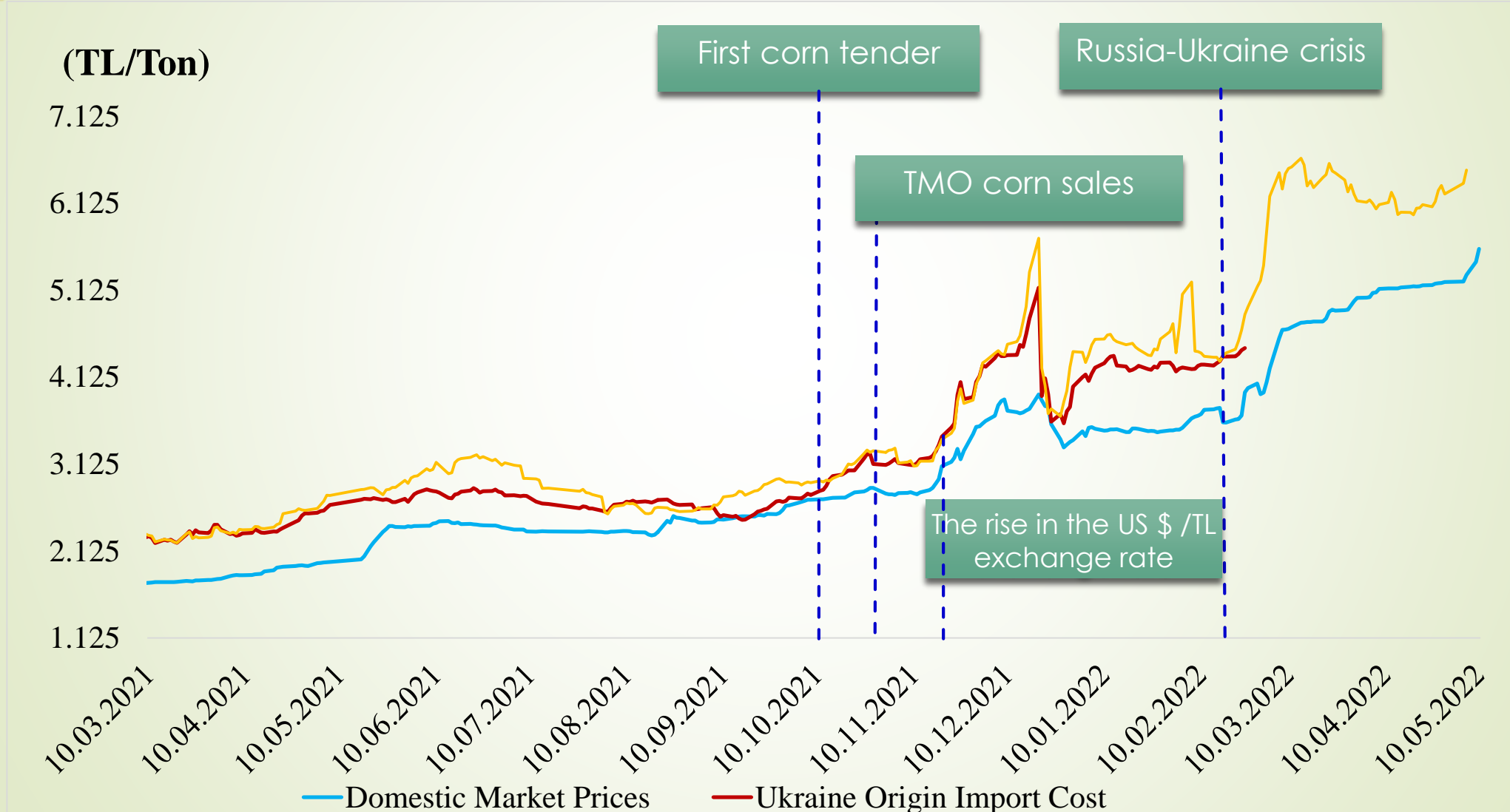


BARLEY PRICE CHANGES





CORN PRICE CHANGE

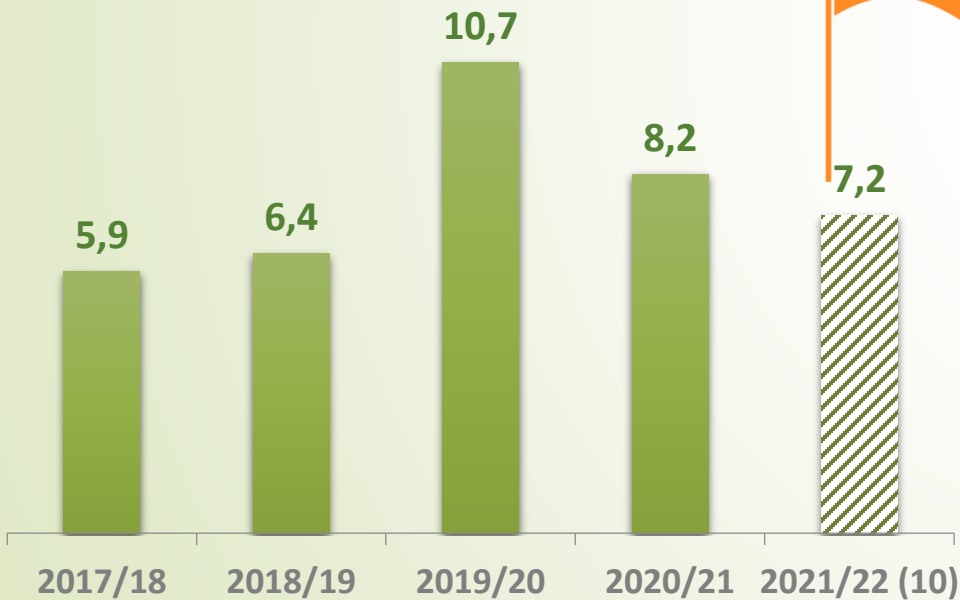




FOREIGN TRADE OF WHEAT AND WHEAT PRODUCTS

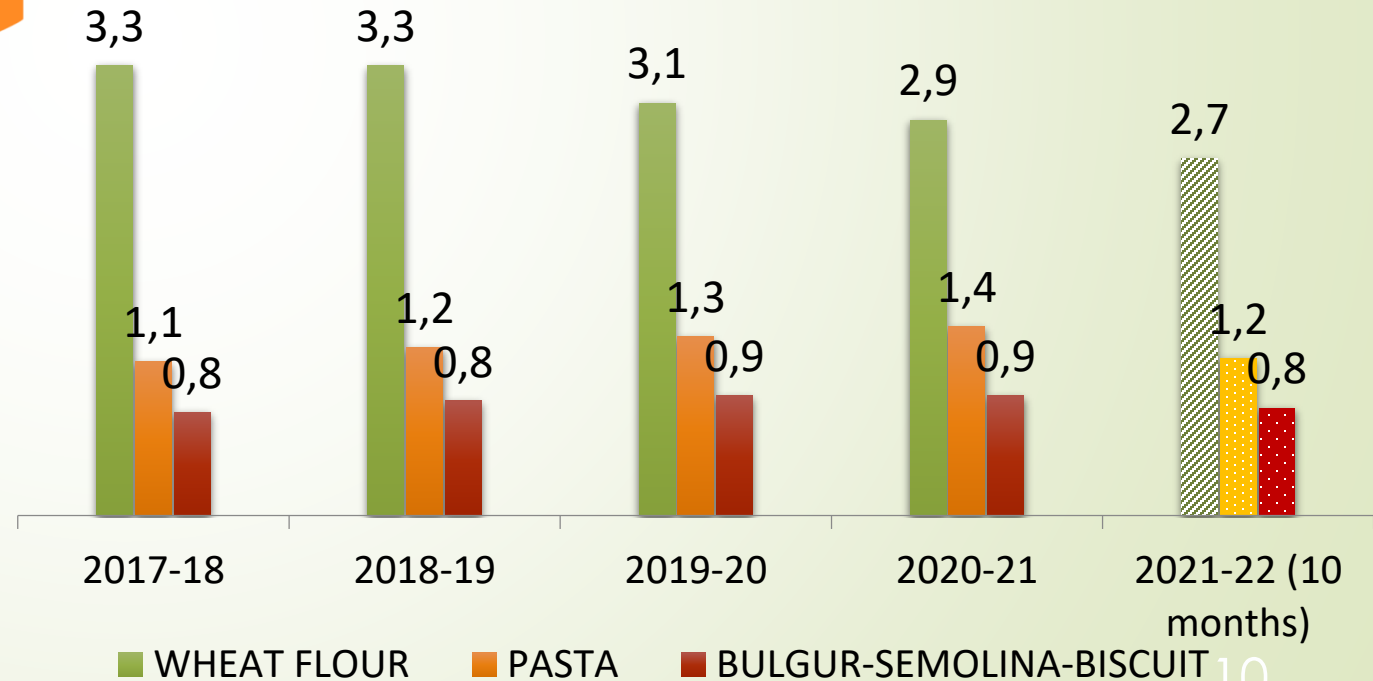
Wheat Imports

(Million tons)



Wheat Product Exports

(Million tons)



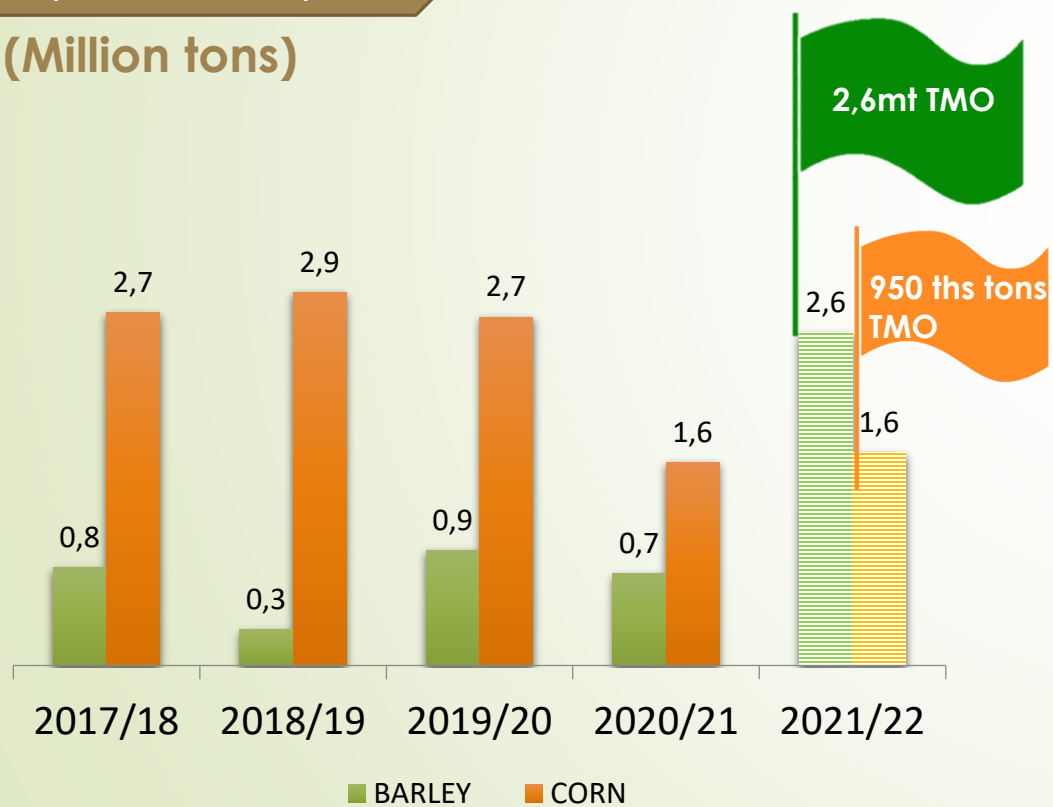
■ WHEAT FLOUR ■ PASTA ■ BULGUR-SEMOLINA-BISCUIT



FOREIGN TRADE OF BARLEY - CORN AND CORN PRODUCTS

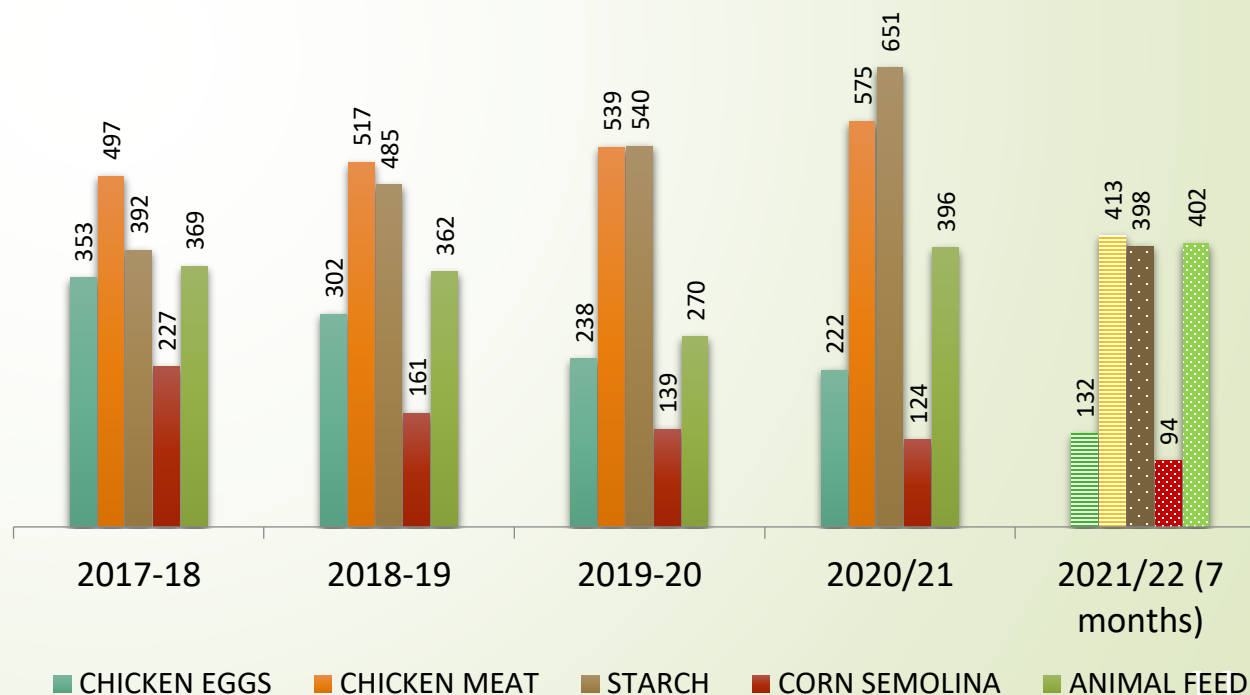
Barley - Corn Imports

(Million tons)



Corn Product Exports

(Thousand tons)





NEW SEASON EXPECTATIONS

- ✓ The precipitation received during the winter was beneficial for the plants.
- ✓ Insufficient rainfall in April caused yield losses in arid areas in the Southeast and Mediterranean Regions.
- ✓ Rainfall in the Central Anatolia Region at the beginning of May lessens the effect of the drought in April.
- ✓ The precipitation until the end of May will be decisive on yield in the regions where the harvest has not started.
- ✓ Wheat production is expected below the long-term average and above last year.
- ✓ A record production is expected in barley.



- ✓ *We follow up the Markets closely.*
- ✓ *Our priority is to reinforce TMO stocks with domestic procurement.*



**Thanks for your
attention**