



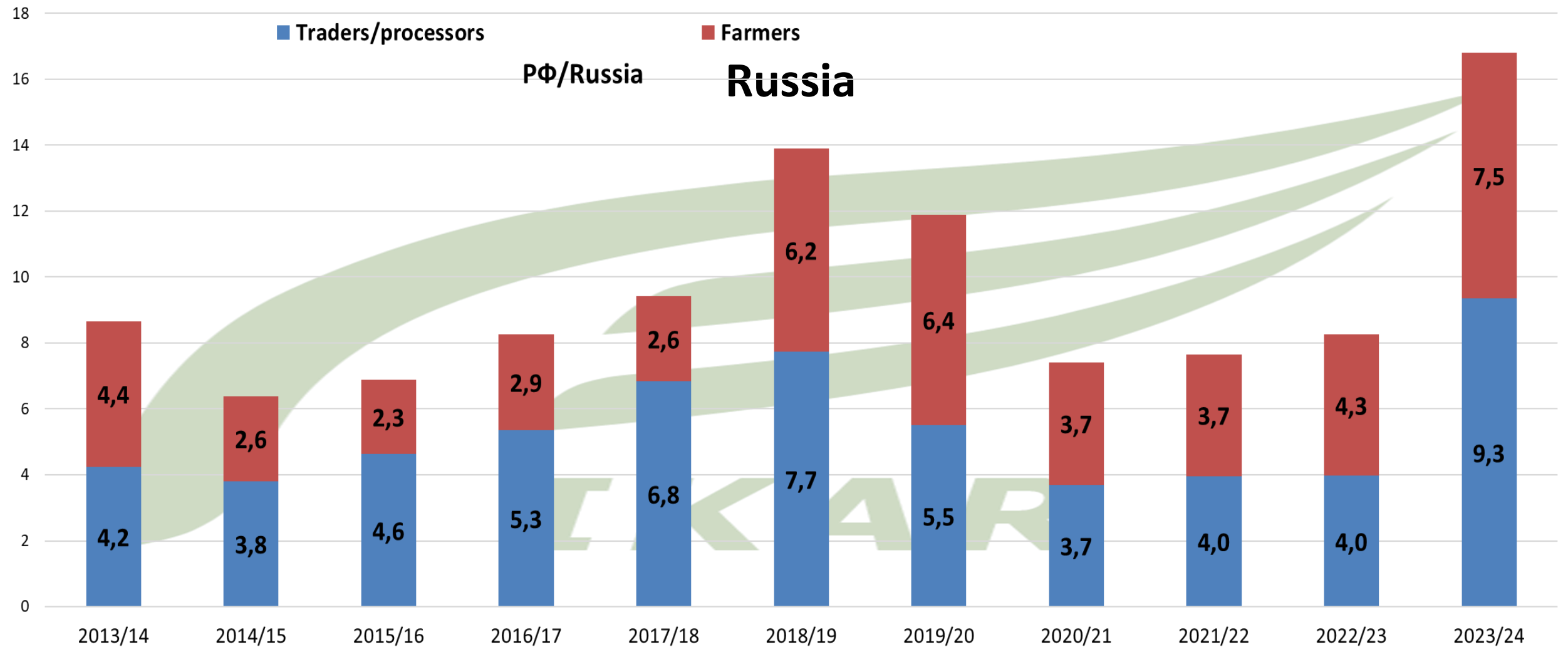
Dmitri Rylko
General Director
And the team of
IKAR LLC

*Russian wheat and grains situation and outlook
as of August 31, 2023*

Istanbul, August 31, 2023

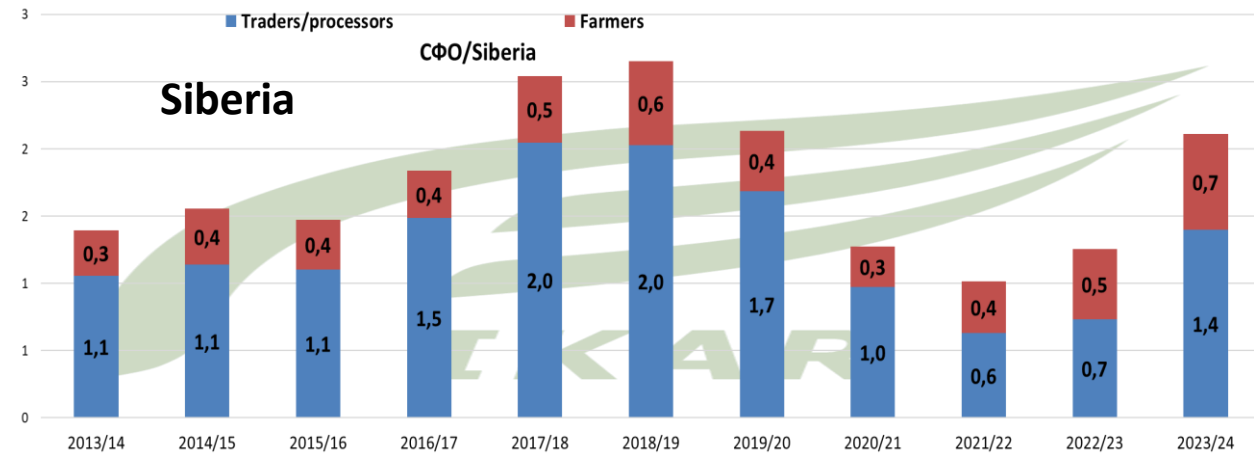
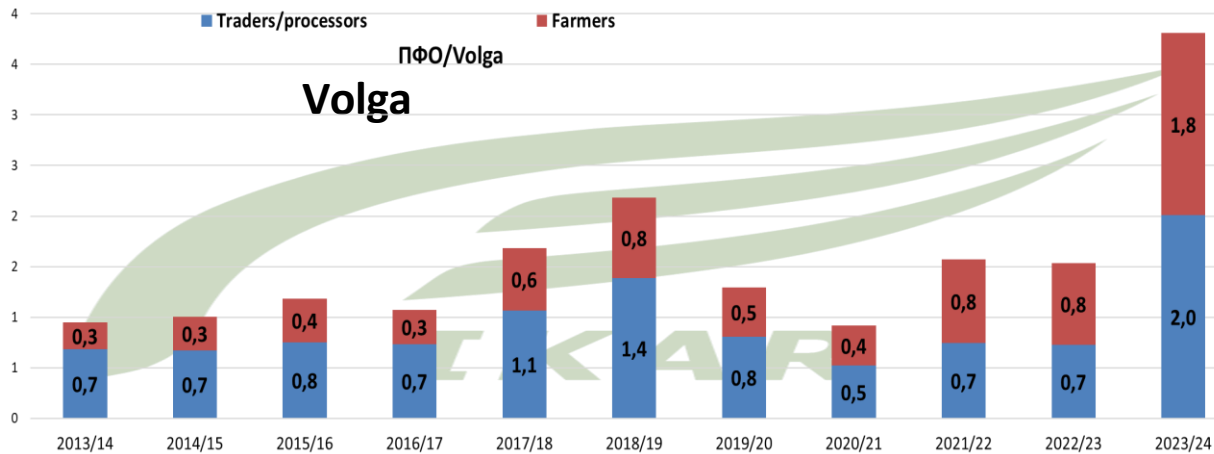
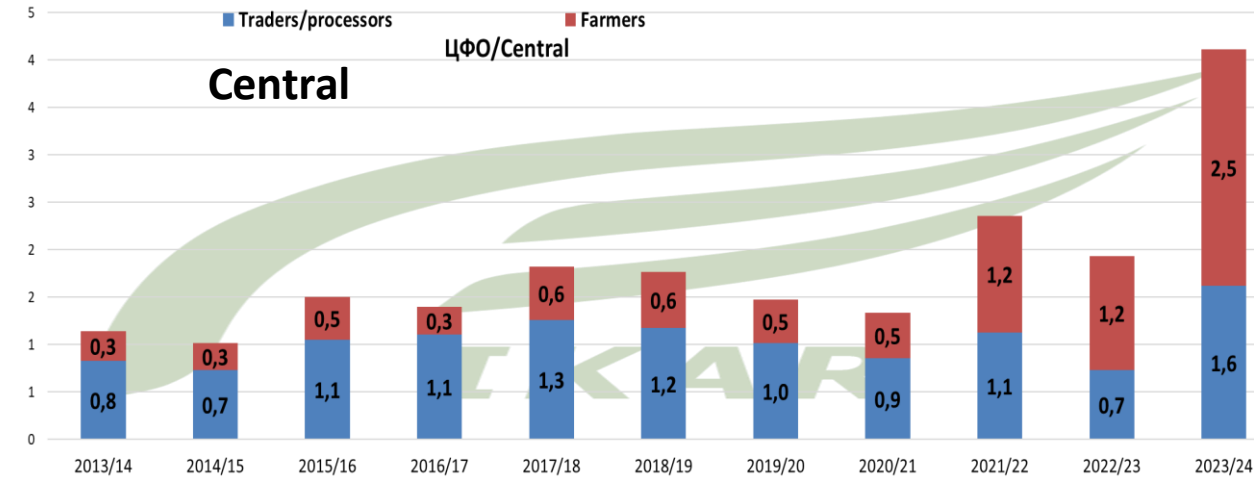
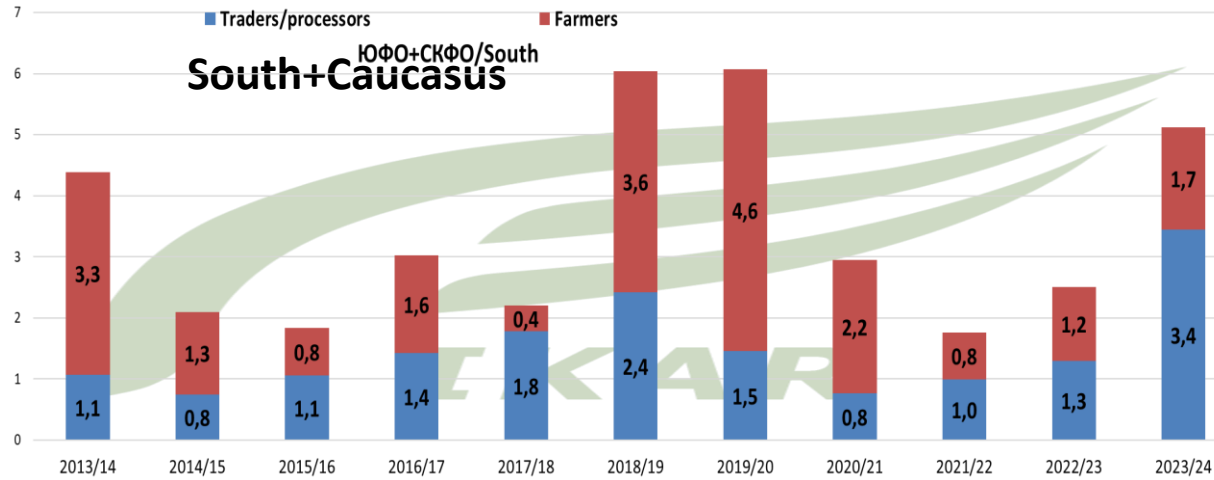


Start-up July 1 large entities wheat stocks in Russia, MMT



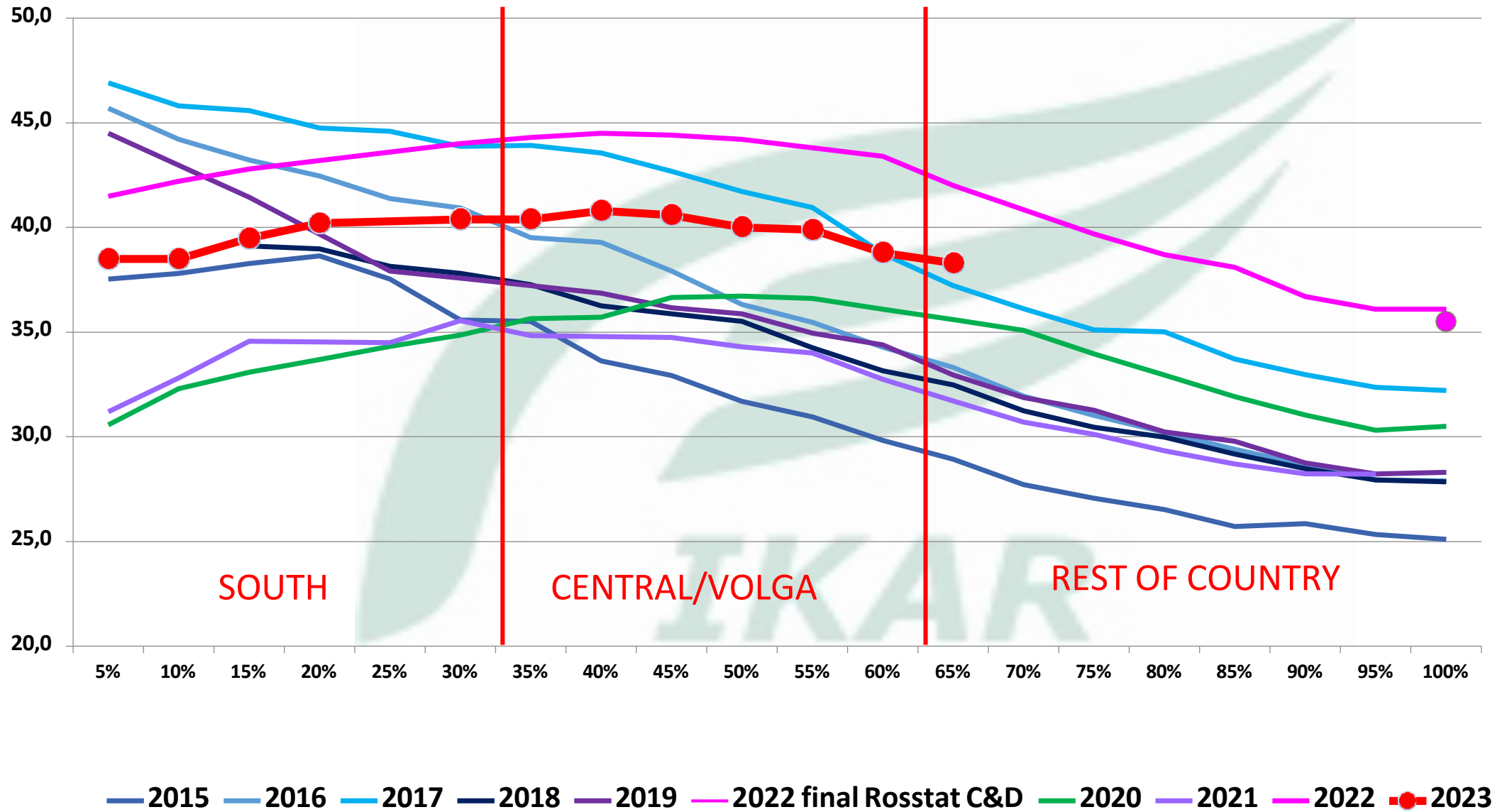


Start-up July 1 large entities wheat stocks in Russia, MMT





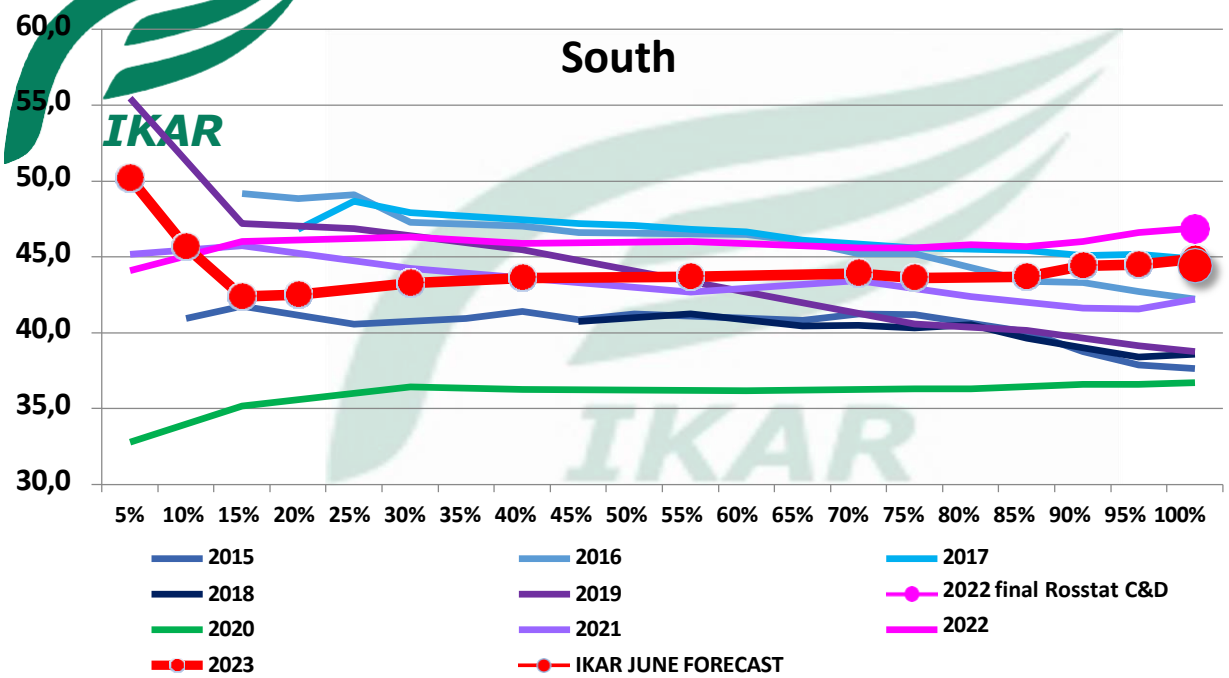
Russia: wheat yields per % of harvested area



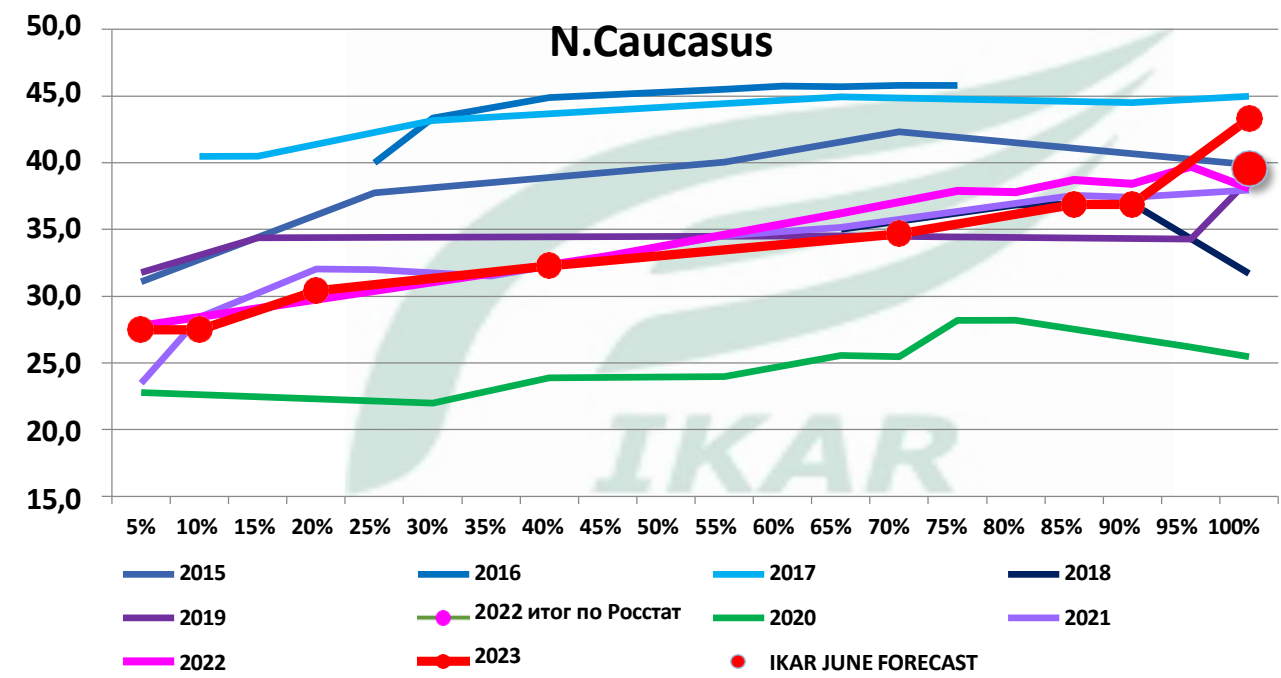
Russian wheat yields per harvested area, c/ha



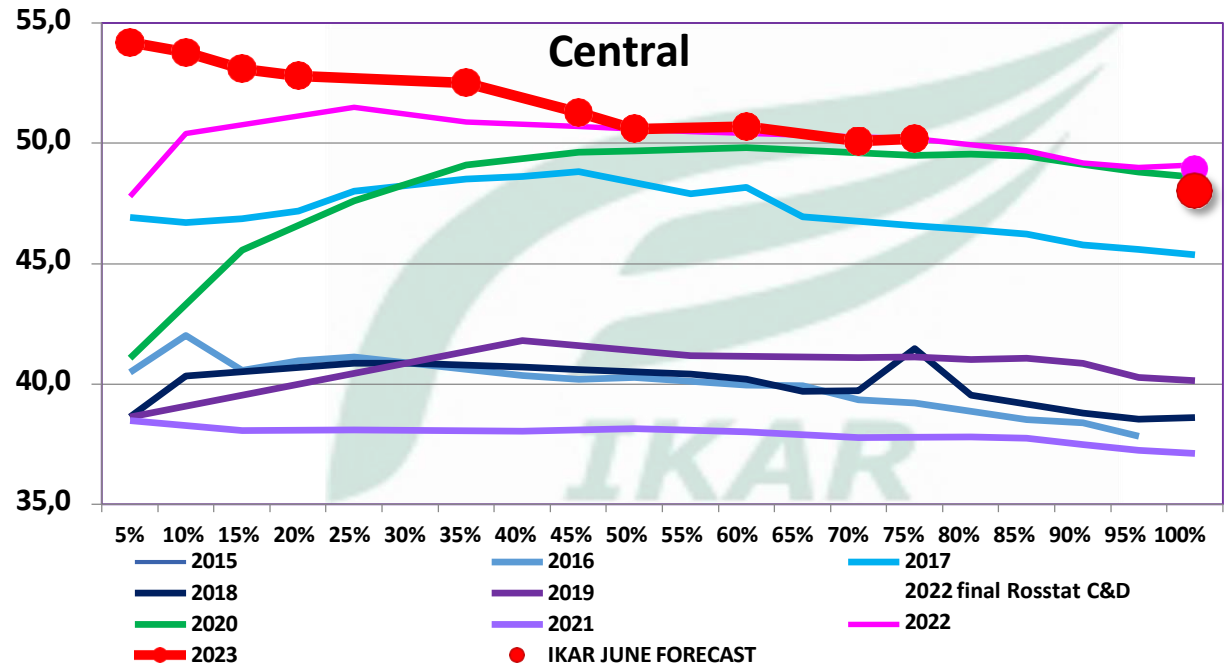
South



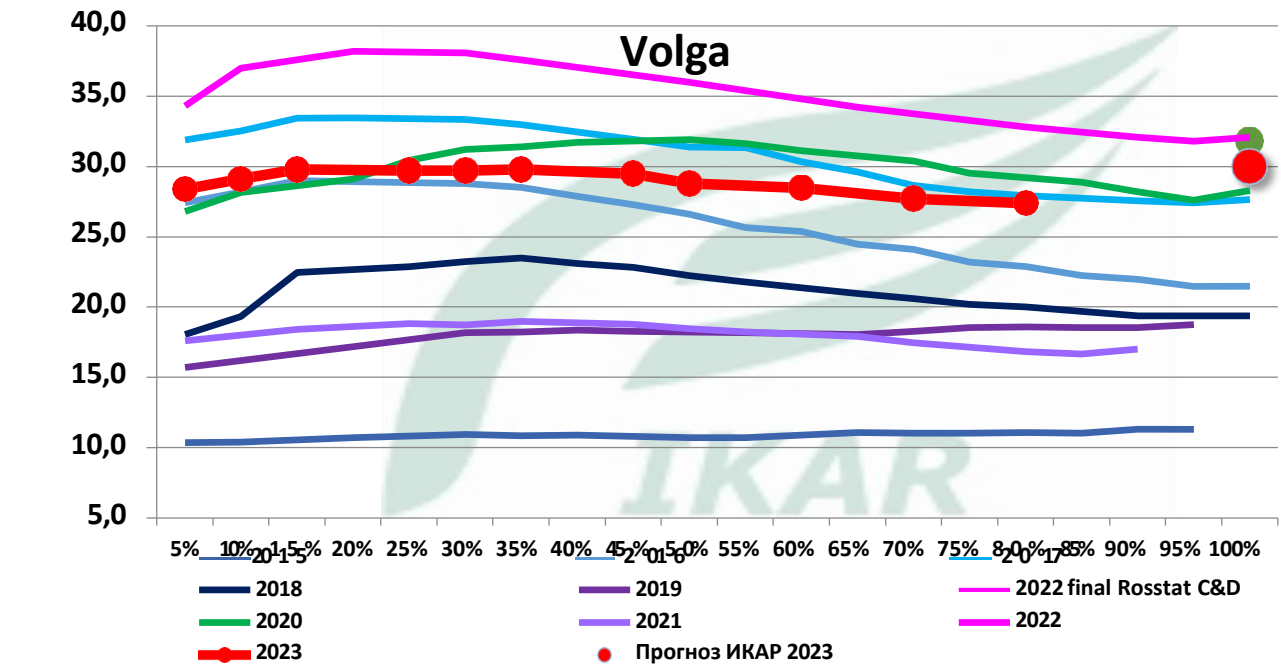
N.Caucasus



Central



Volga



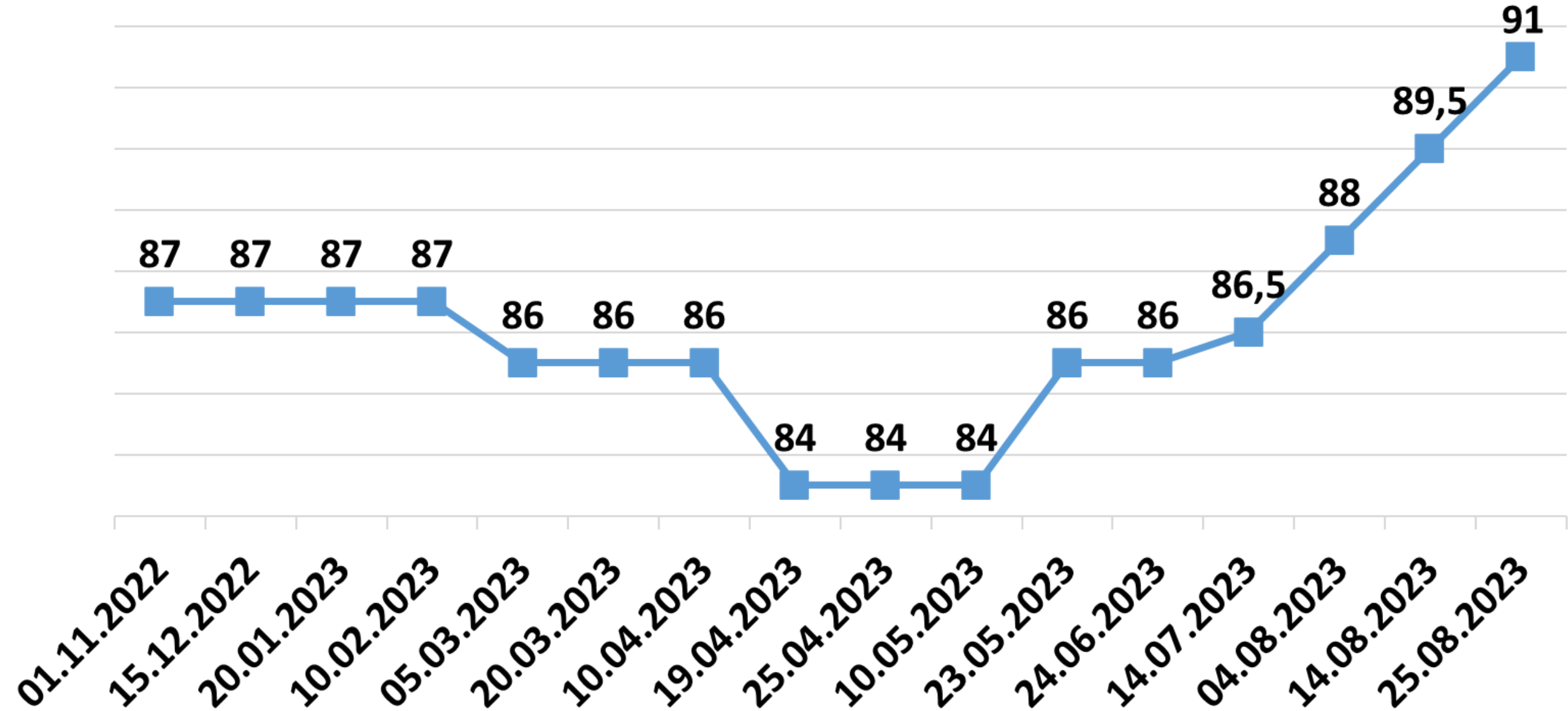


Silo bags in Russia





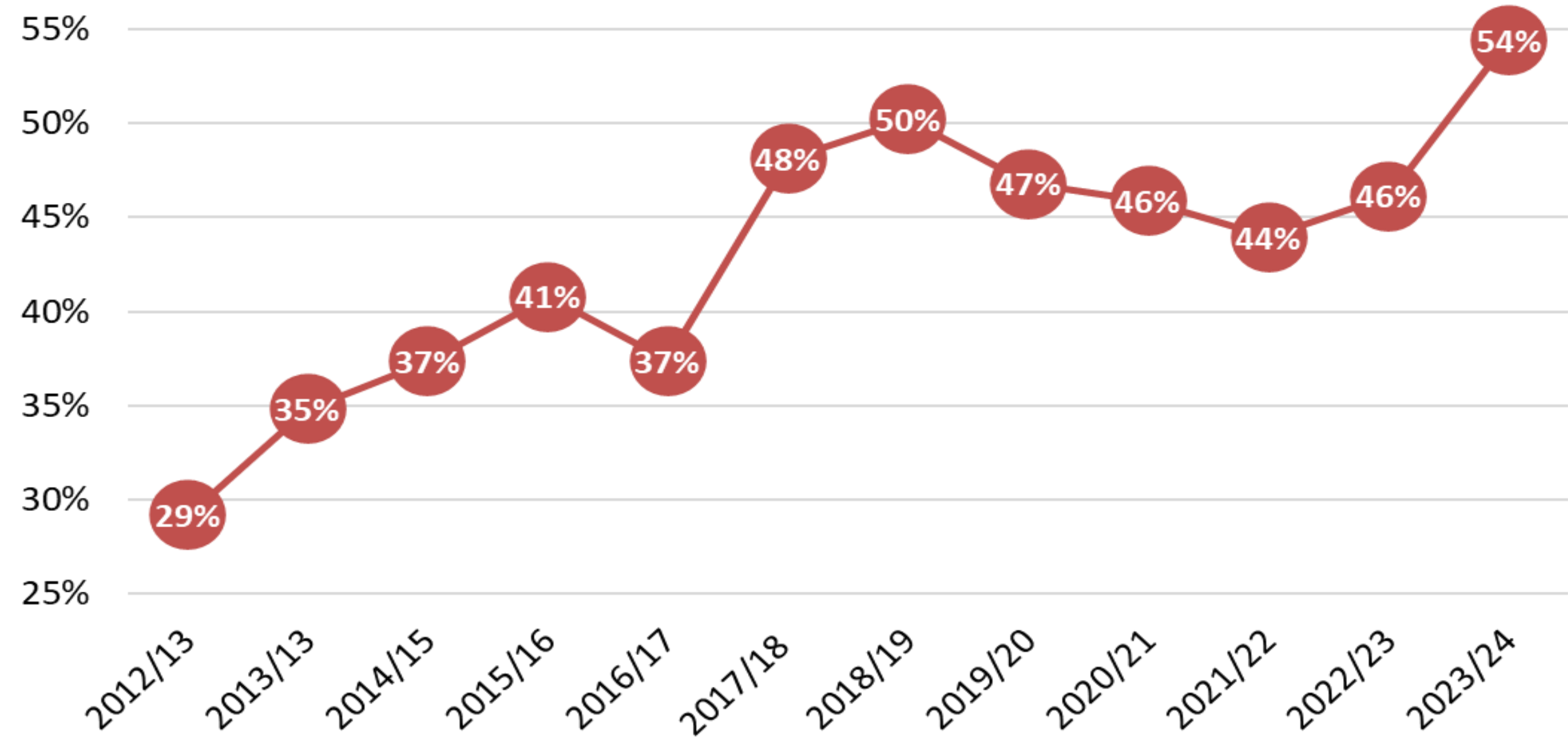
IKAR's Russian wheat crop 2023 forecast evolution, MMT



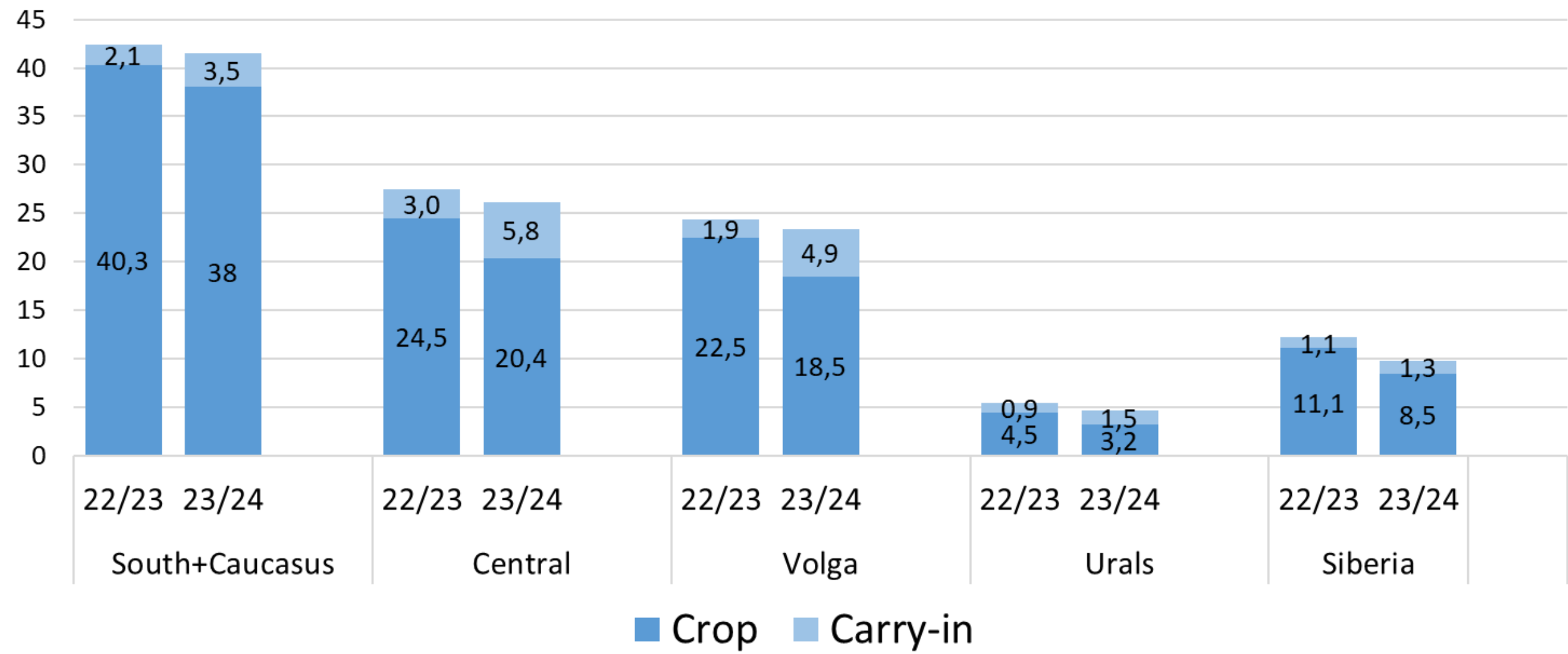


Russian wheat export to crop ratio

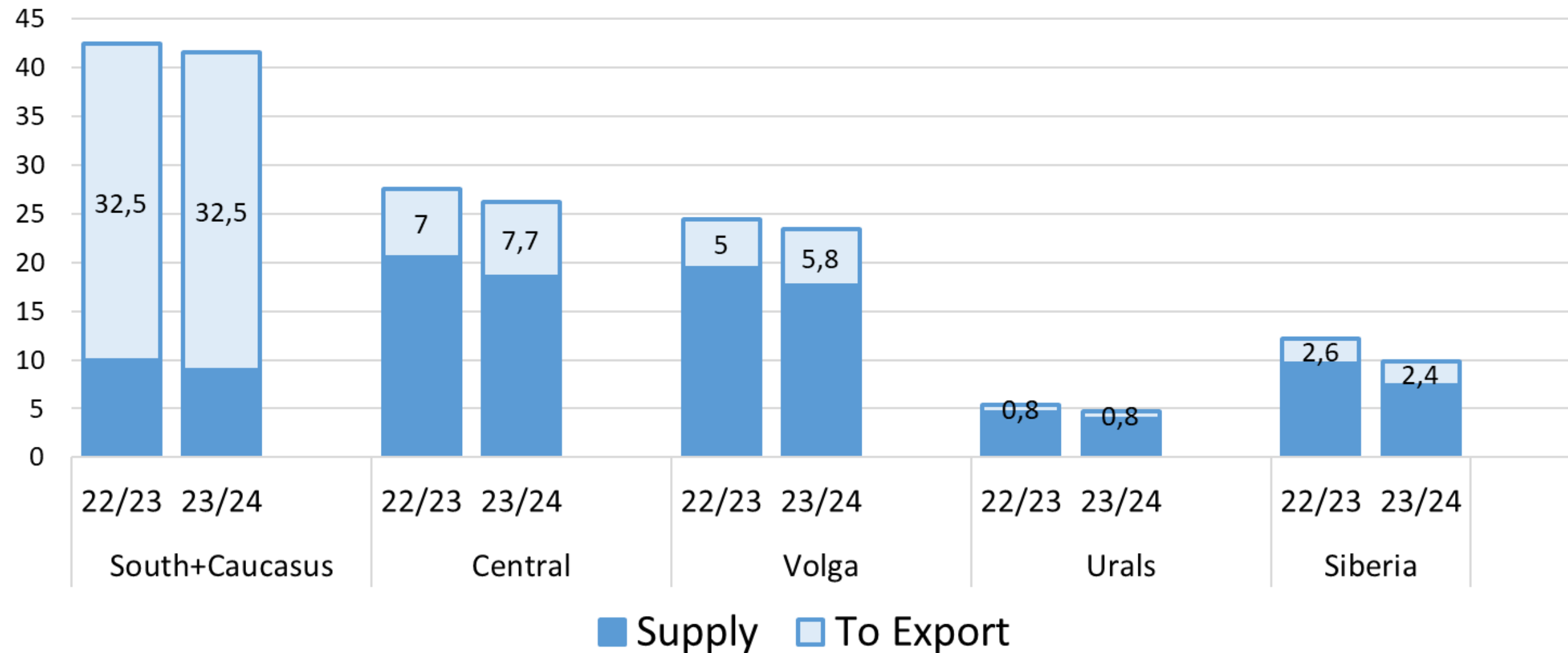
For the first time in history of Russia the relation of export to total production will be above 50%



Russian wheat total supply, MMT

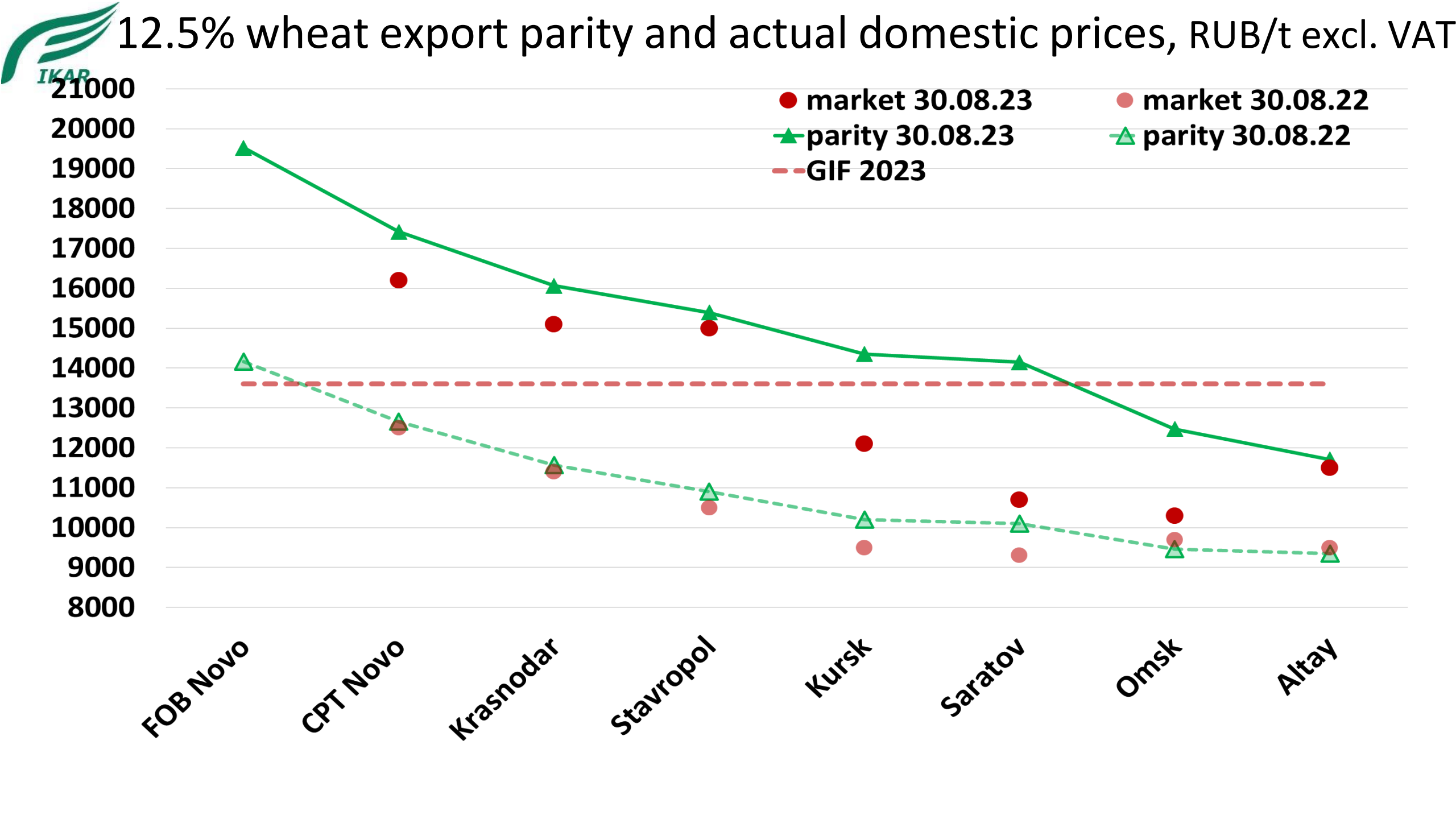


Total wheat supply and export surplus, MMT



In "theory" for first half a year our exporters may not procure from the rest of the country, focusing only on the "South"

12.5% wheat export parity and actual domestic prices, RUB/t excl. VAT





Russian wheat SnD, MMT

Wheat, MMT	2020/21	2021/22	2022/23	2023/24
				base
Carry-ins	8,1	9,3	9,2	17,5
Gross production	85,9	76,0	104,2	91,0
Import	0,2	0,2	0,1	0,0
Total resources	94,2	85,5	113,5	108,5
Dom disappearance	45,5	42,9	48,0	46,7
Export (2023/24 - potential)	39,4	33,4	48,1	49,5
Total utilization	84,9	76,3	96,1	96,2
Carry-outs	9,3	9,2	17,5	12,3
Incl. Intervention stocks	0,0	0,0	3,0	3,0

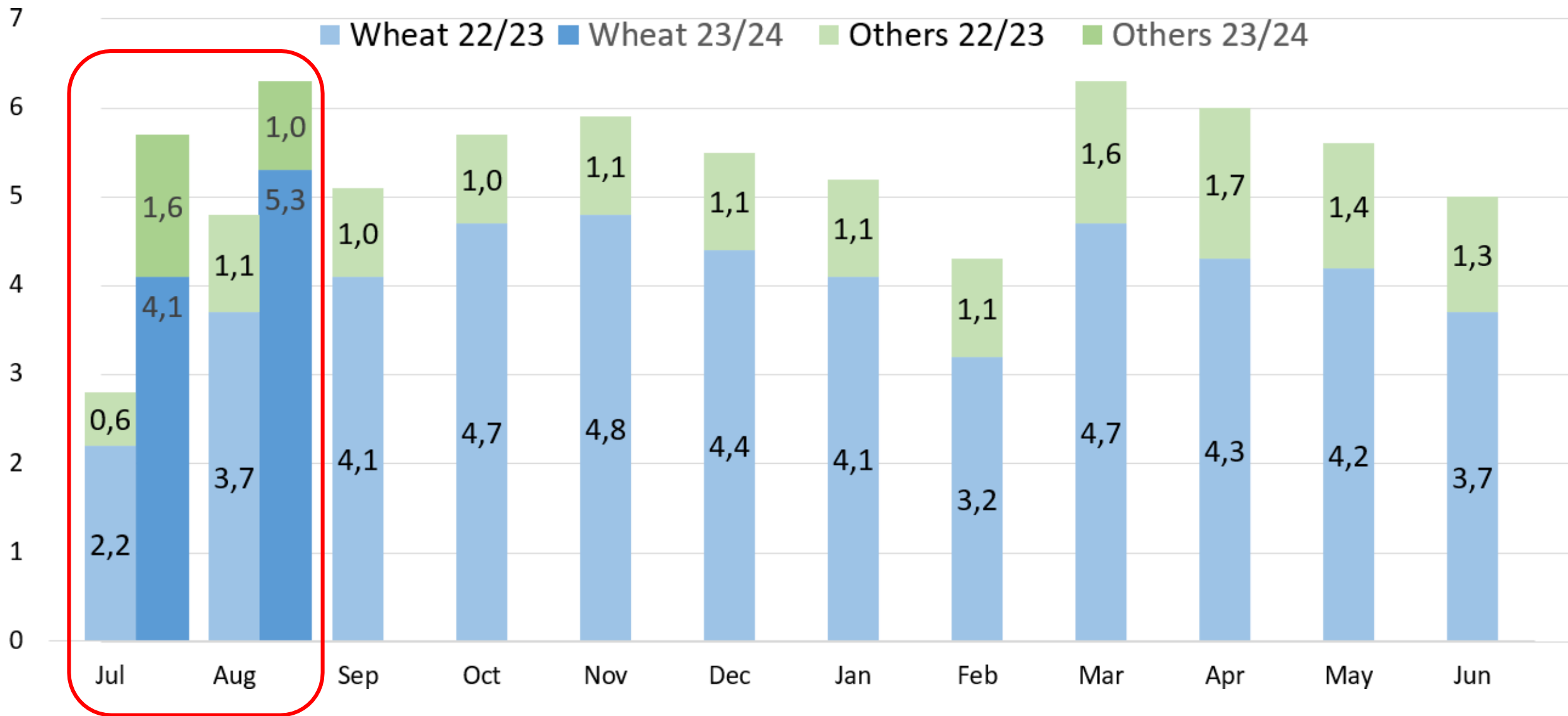


Russian total grain SnD, MMT

Grains , MMT	2020/21	2021/22	2022/23	2023/24
				base
Carry-ins	9,9	11,4	13,1	24,6
Gross production	133,5	121,4	157,7	140,0
Import	0,6	0,6	0,5	0,4
Total resources	144,0	133,4	171,3	165,0
Dom disappearance	81,5	78,5	84,5	83,5
Export (2023/24 - potential)	51,1	41,9	62,2	64,0
Total utilization	132,6	120,4	146,7	147,5
Carry-outs	11,4	13,1	24,6	17,5
Incl. Intervention fund	0,0	0,0	3,1	3,1

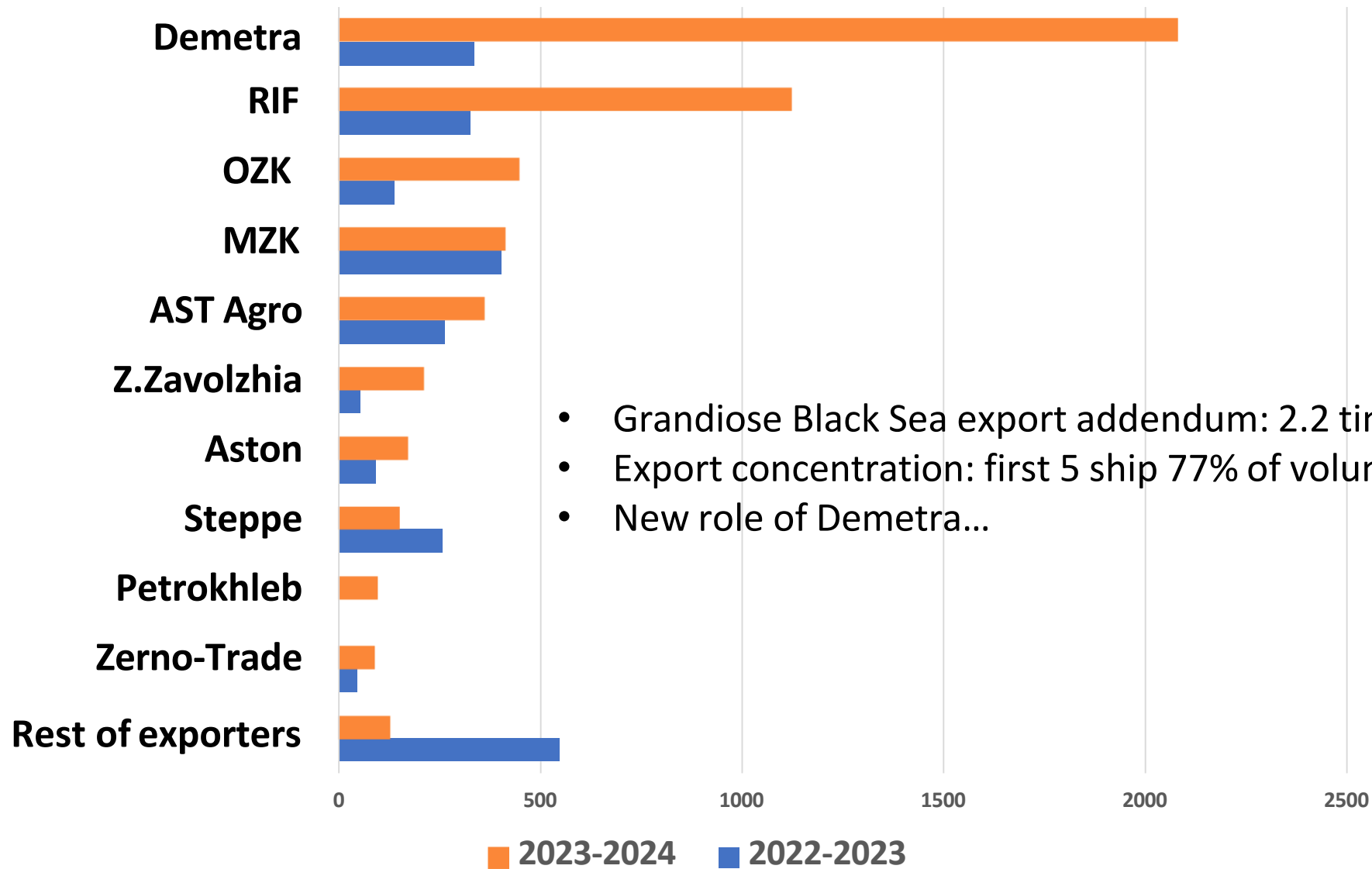


Monthly Rus grain export evolution 23/24 vs 22/23, MMT: Record high start-up 2023/214

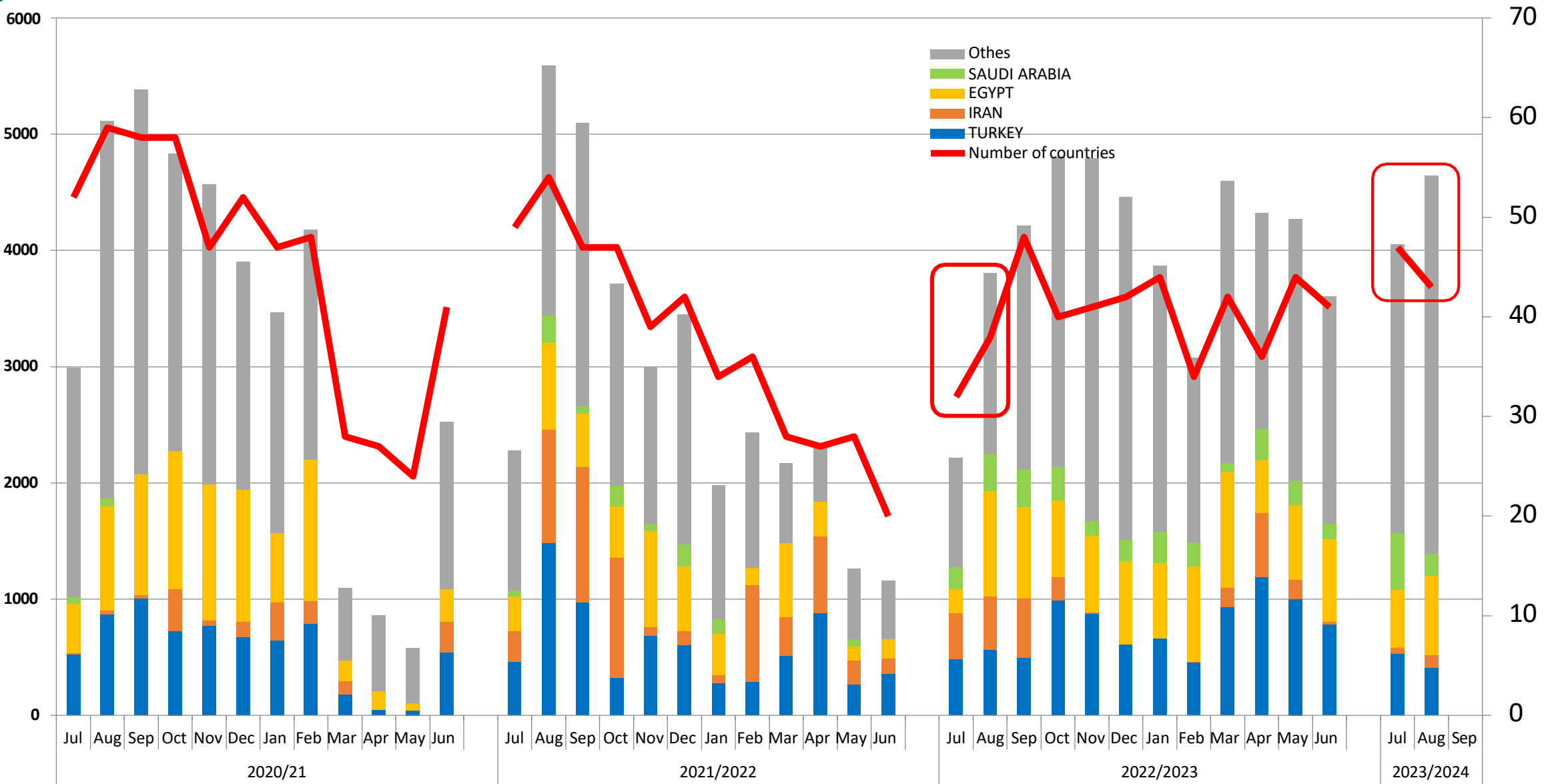




First two months' companies export shipments from Black Sea terminals, tmt

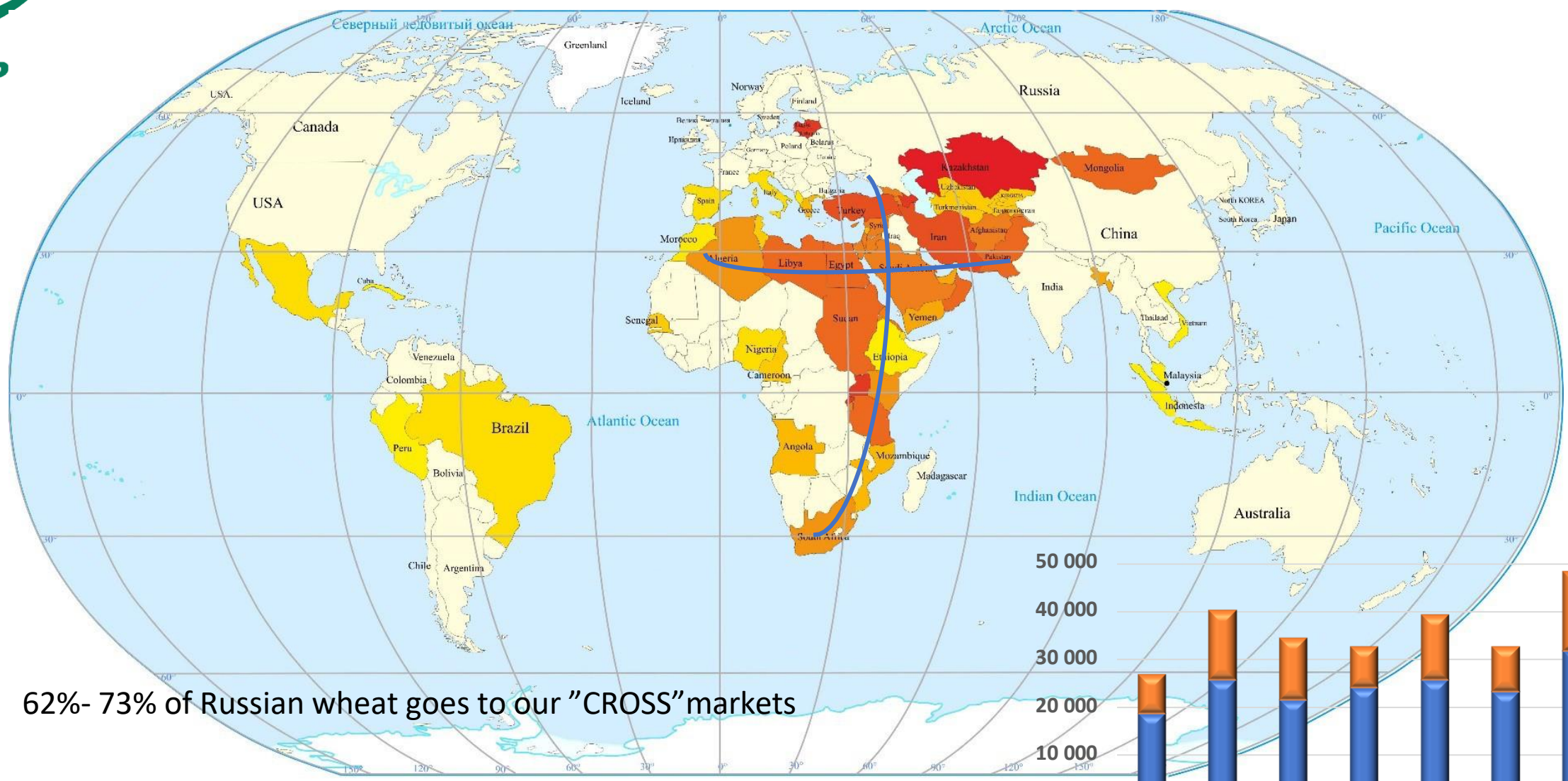


- Grandiose Black Sea export addendum: 2.2 times in Jul-Aug...
- Export concentration: first 5 ship 77% of volume vs. 49% last year
- New role of Demetra...

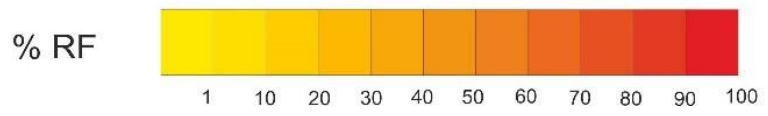




Russian "Wheat Cross"



62%- 73% of Russian wheat goes to our "CROSS" markets



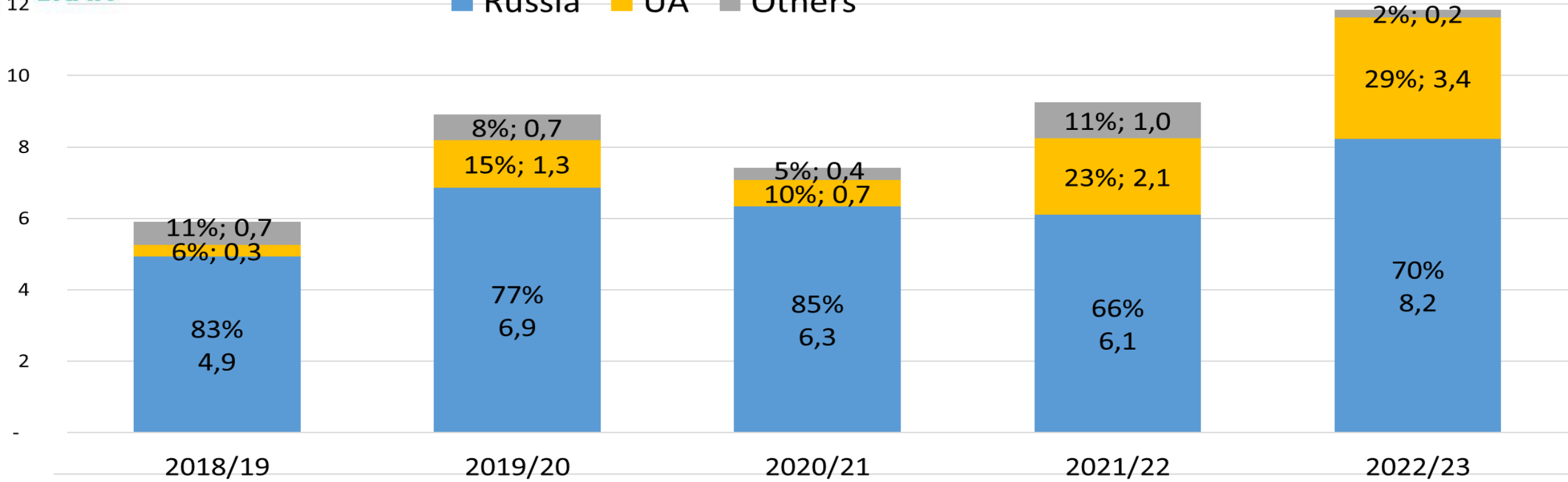
■ "Russian Cross" ■ Rest of markets



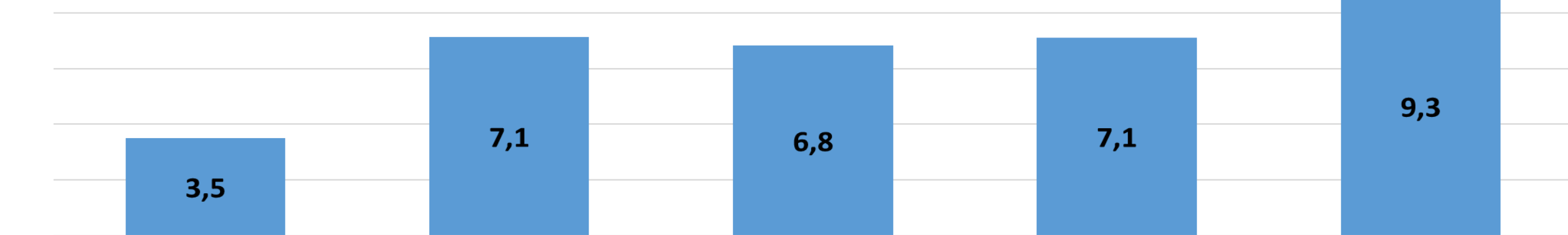
Turkish wheat import, RU/UA share, MMT

12

Russia UA Others

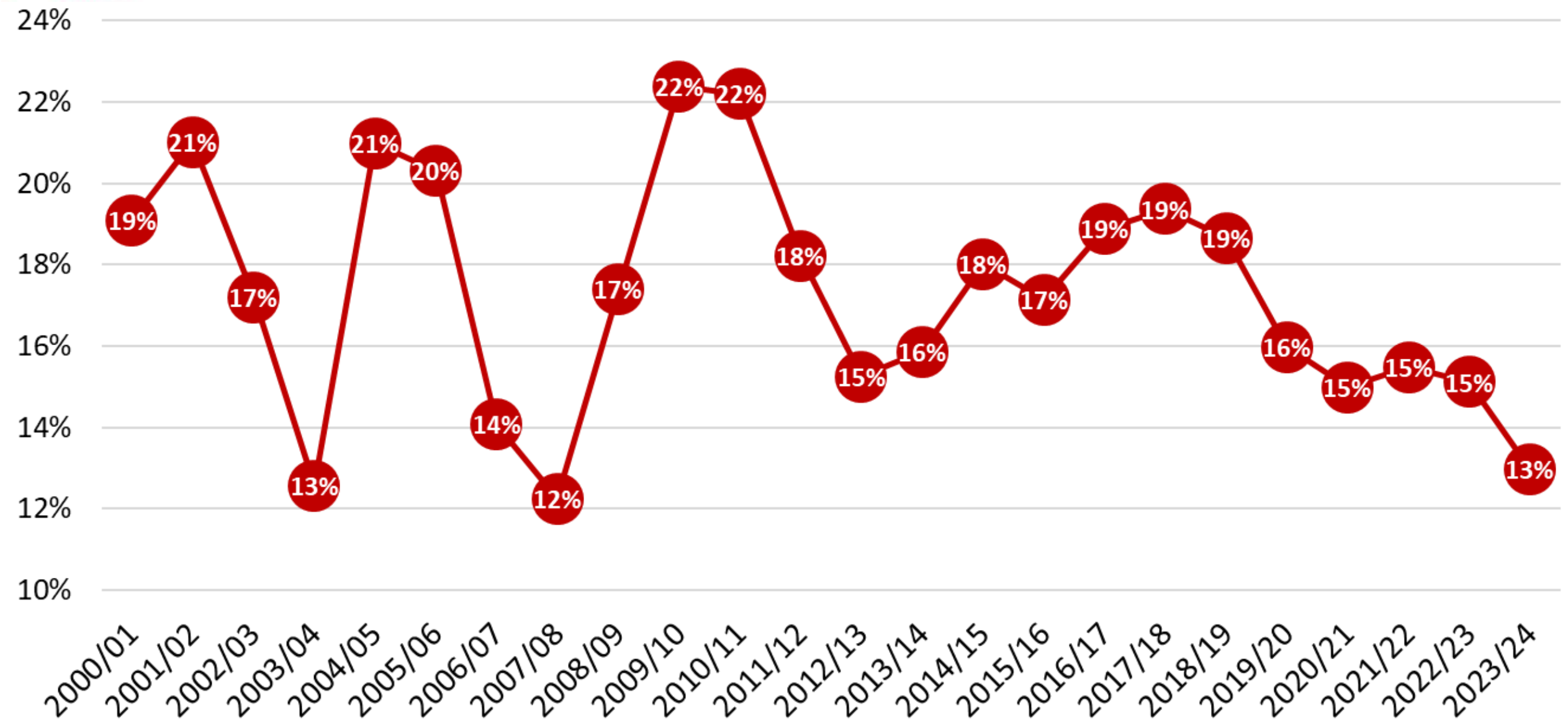


RU wheat export to TR



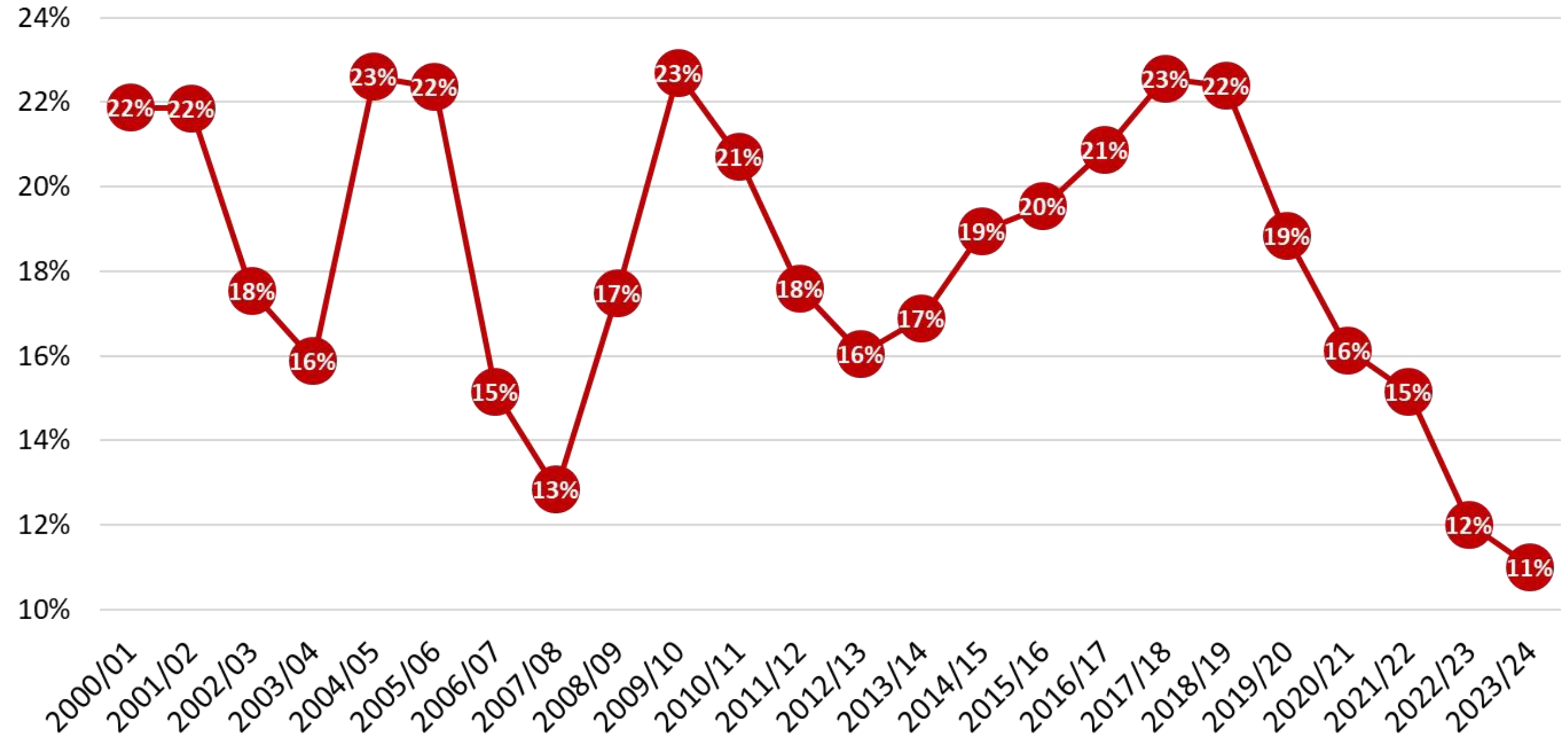


Global wheat exporters stocks to use ratio: one of lowest...



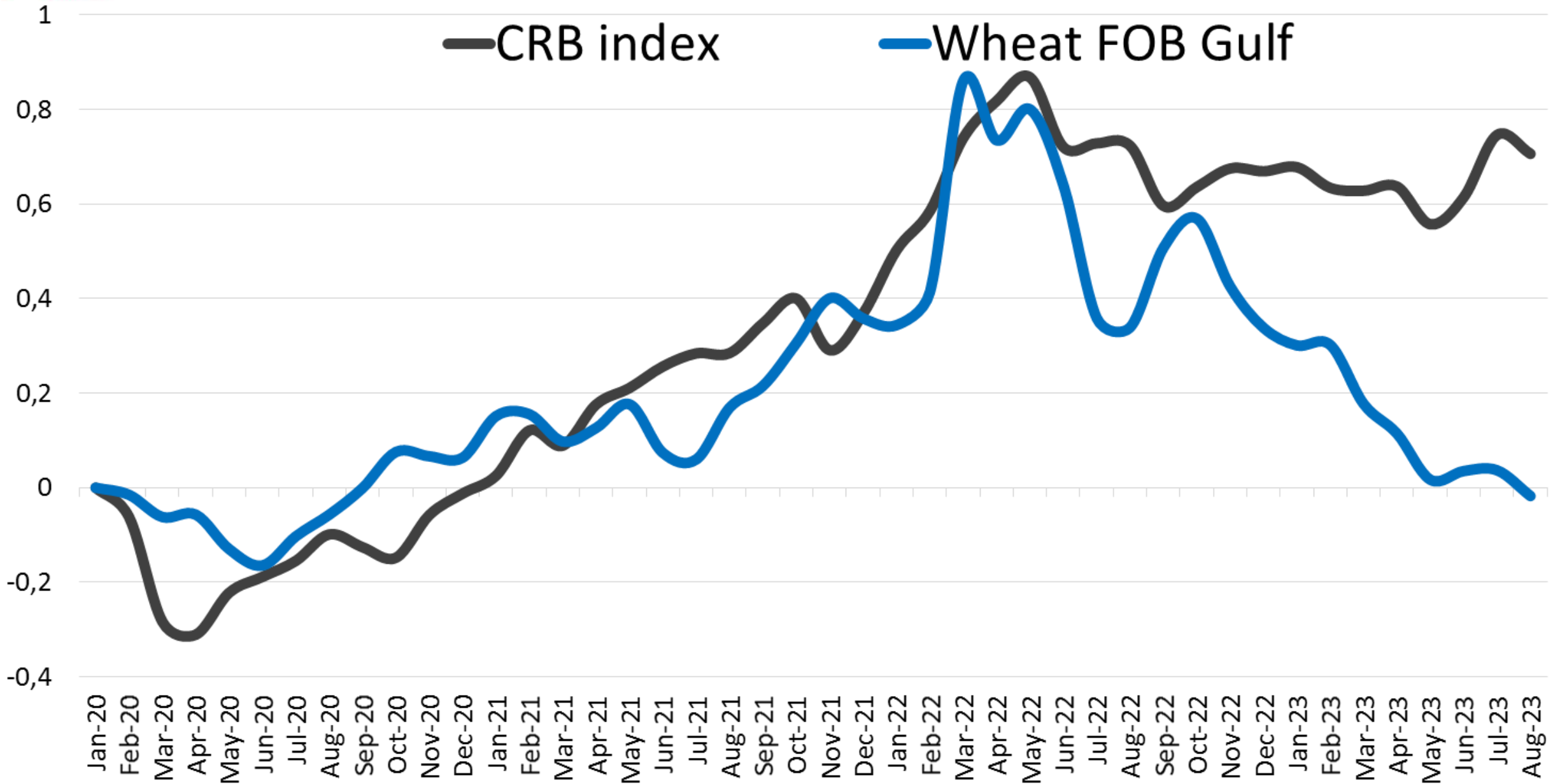


Global wheat exporters stocks to use ratio w/o RU&UA: lowest...



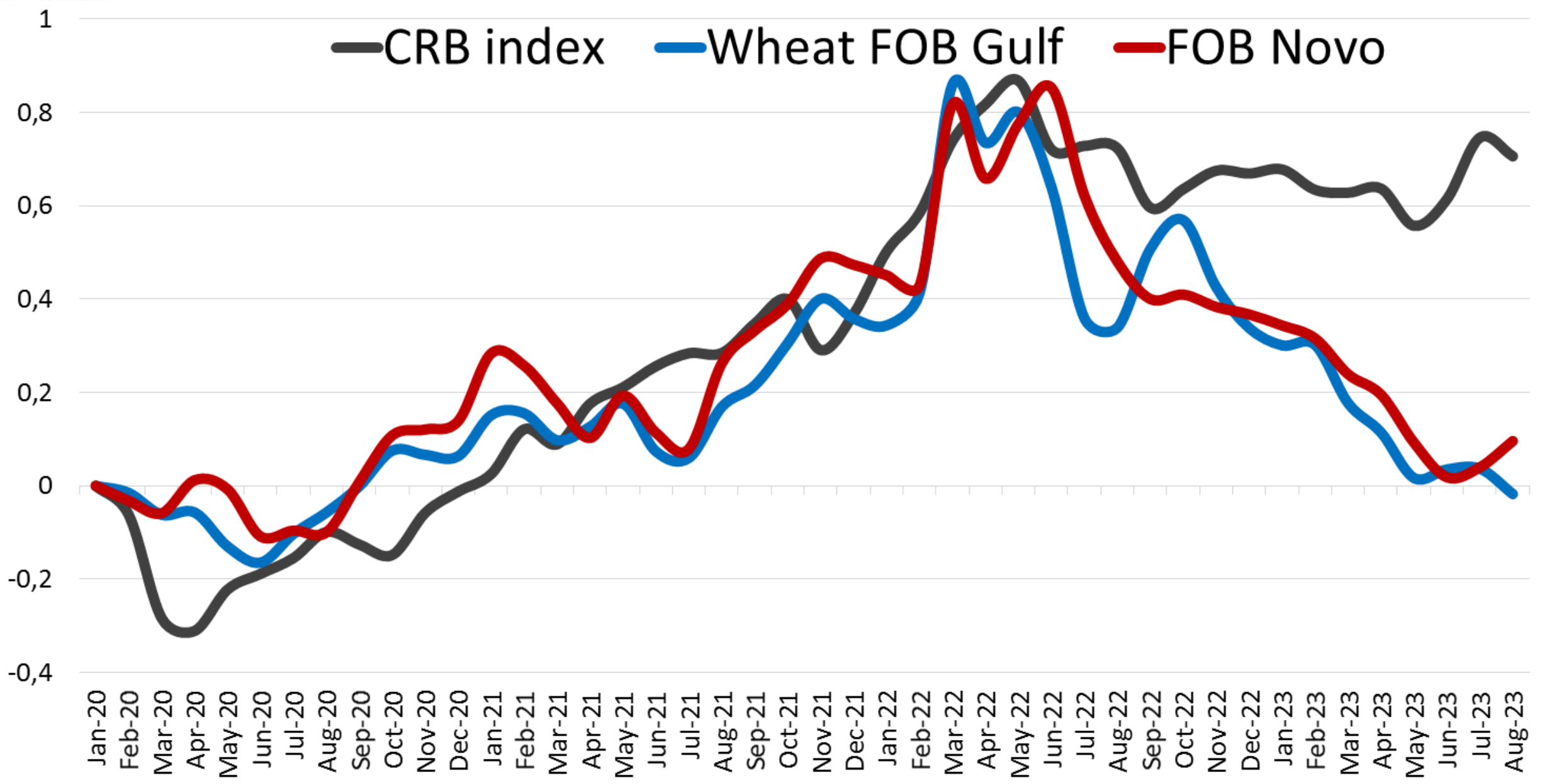


Index CRB and Chicago wheat, Jan 1, 2020 – August 30, 2023





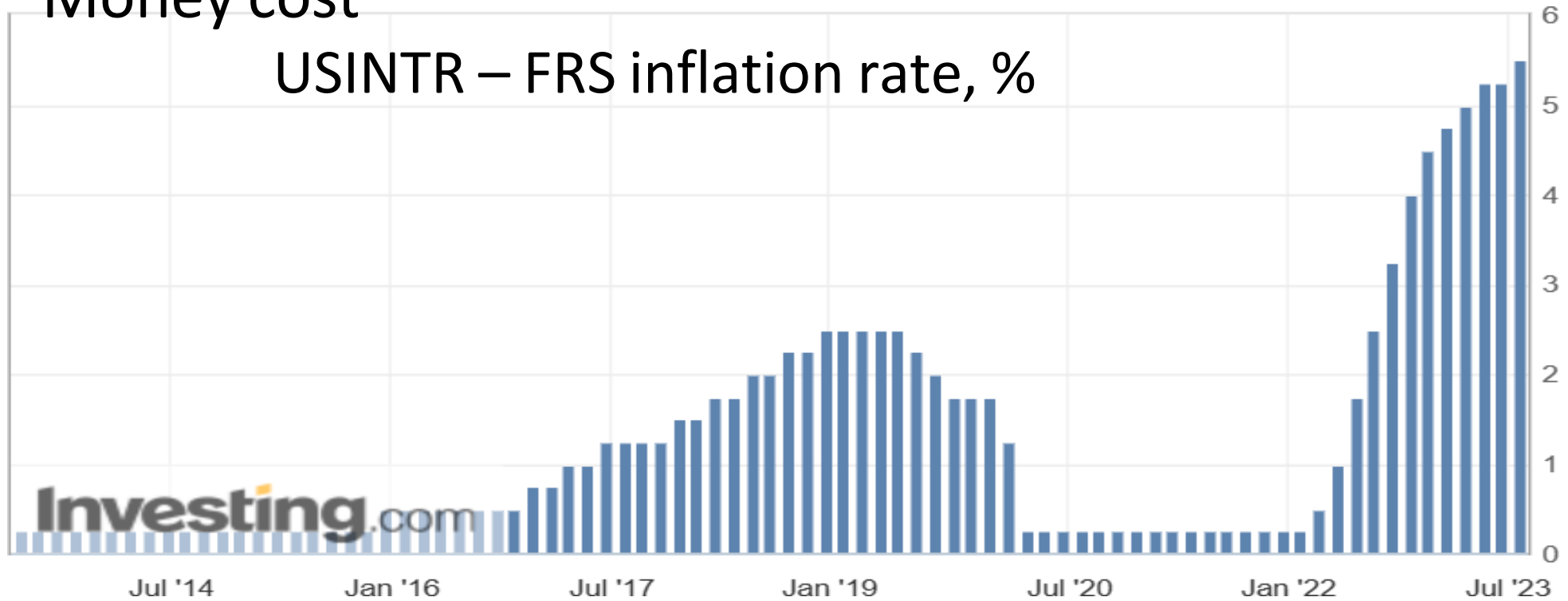
Index CRB, Chicago, and Russian FOB Black Sea





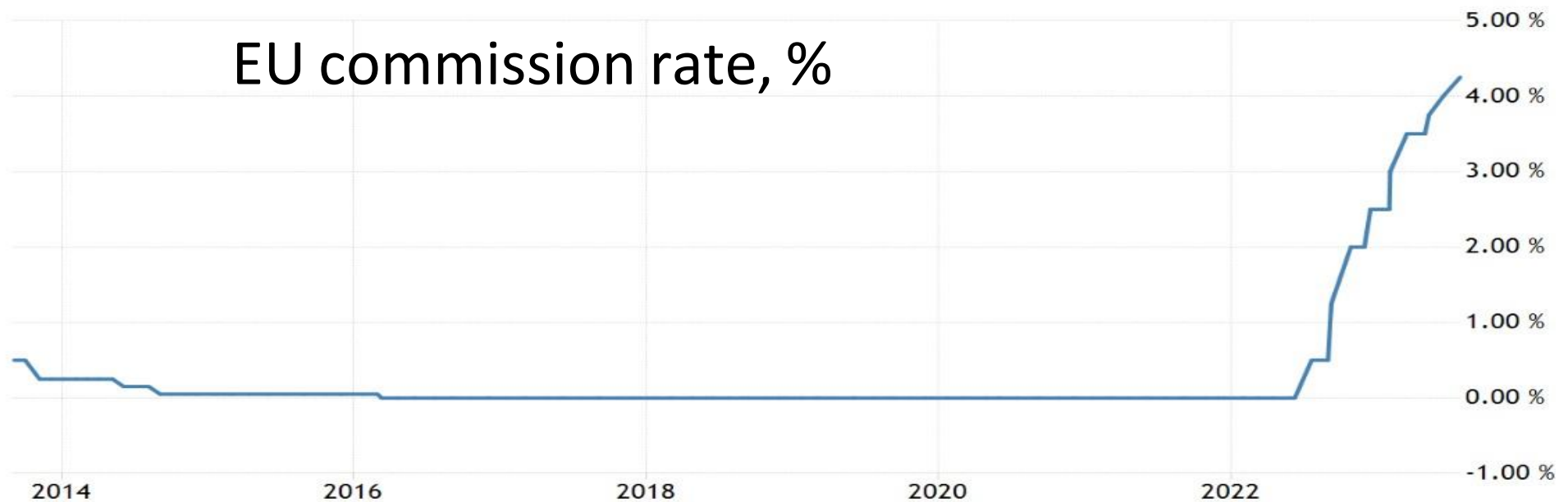
Money cost

USINTR – FRS inflation rate, %



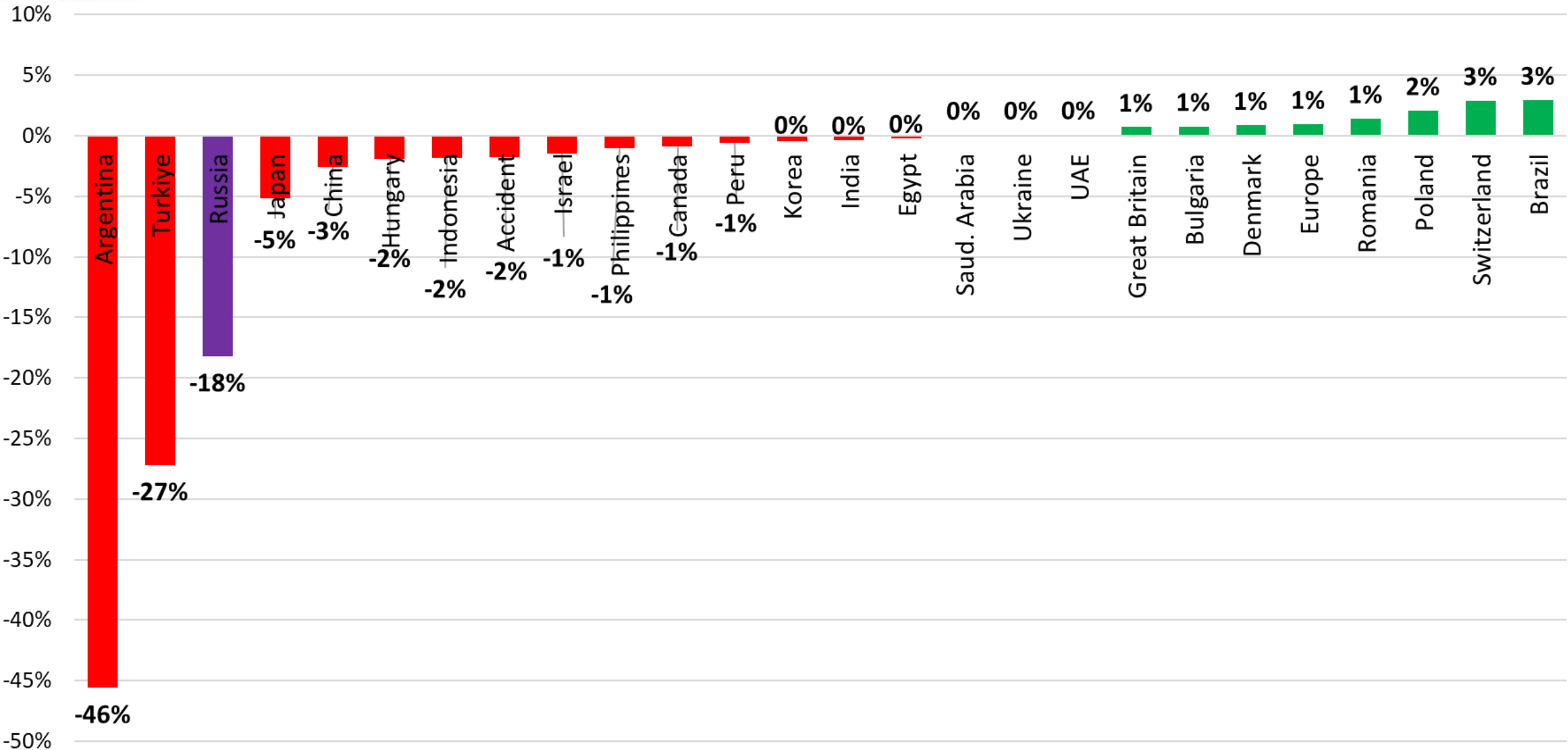
Investing.com

EU commission rate, %





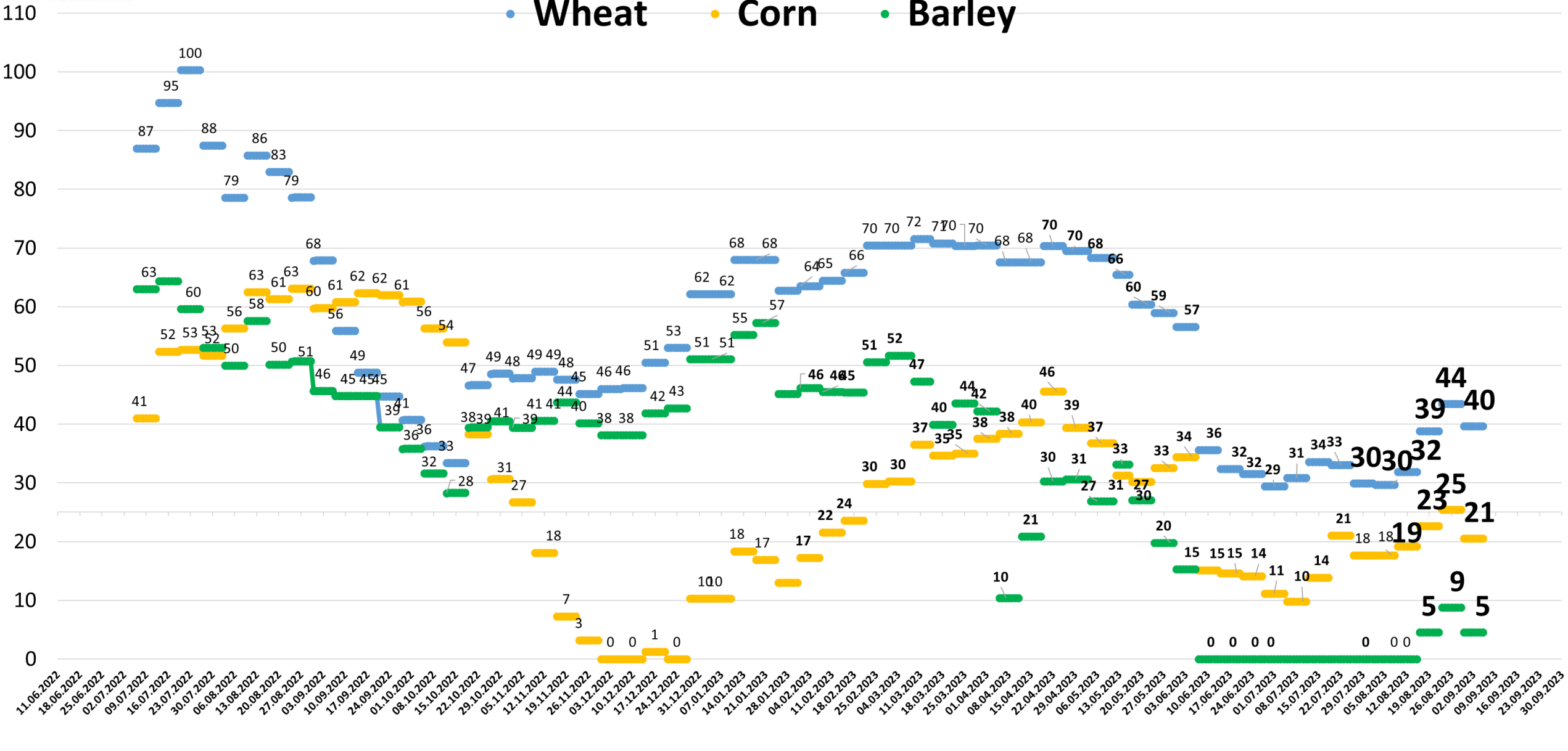
Major "grain" currencies to USD 1 Jun-30 Aug changes





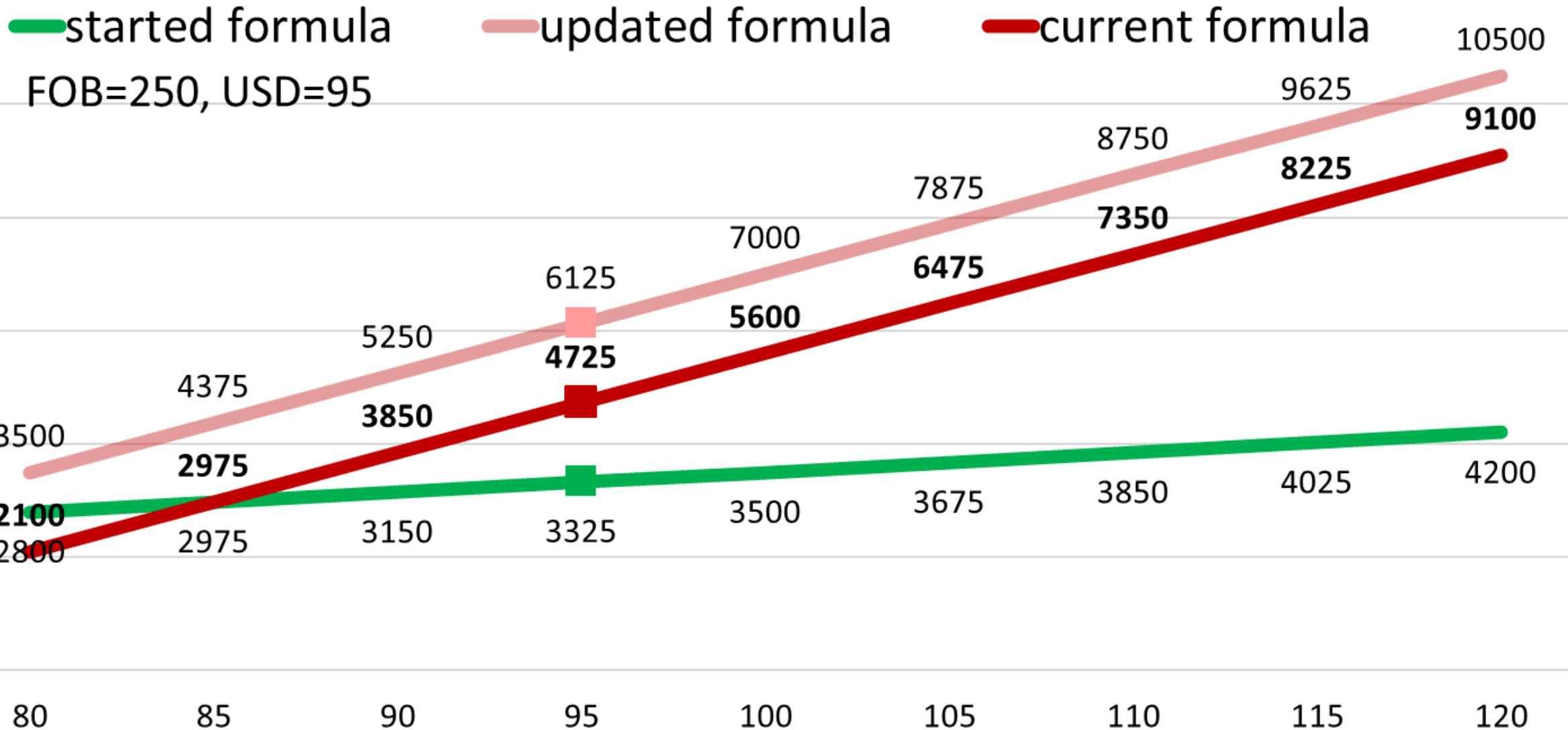
Export duties, USD/t

• **Wheat** • **Corn** • **Barley**

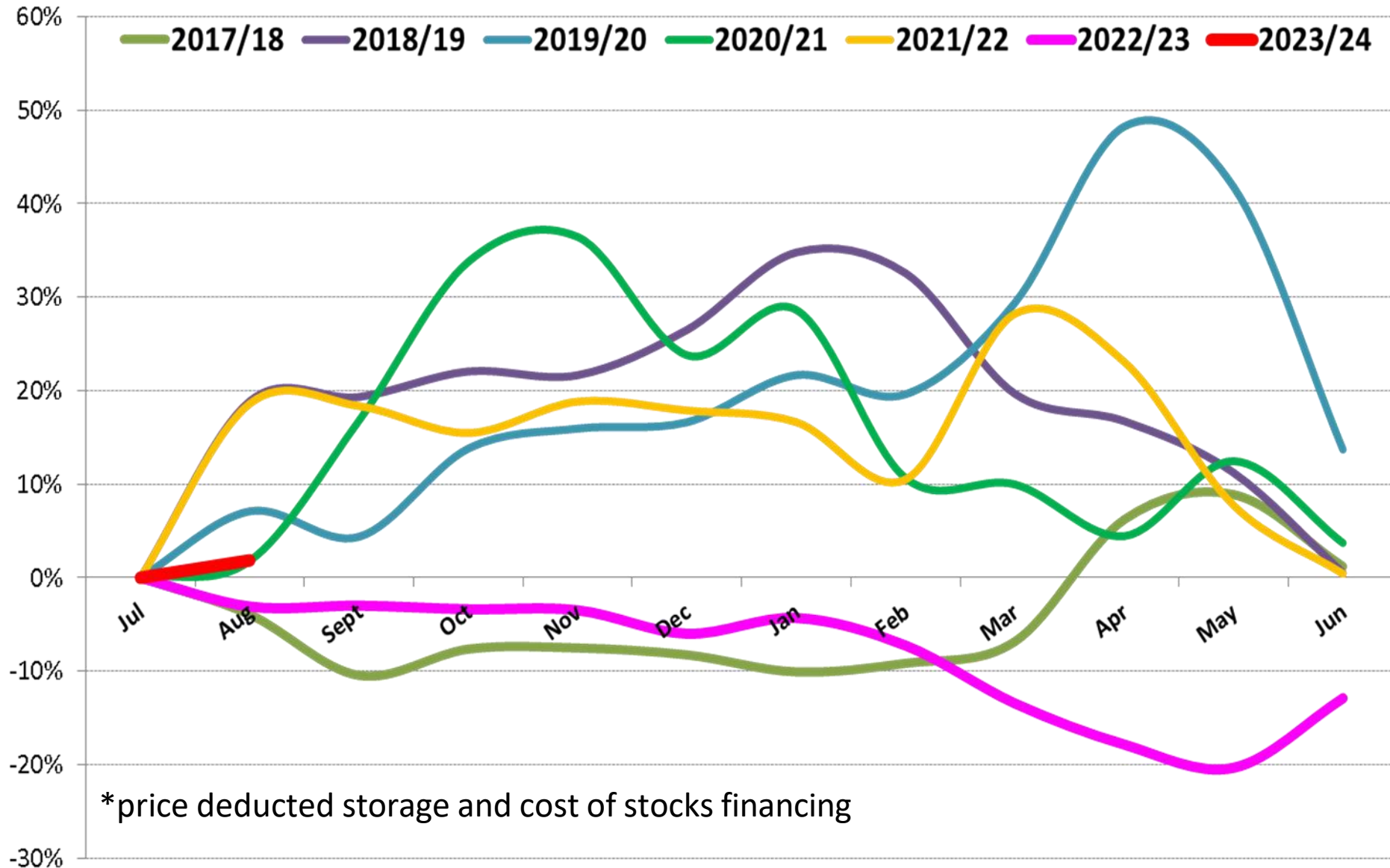




Weekly export duty formulas, previous and new one, Rub/t



“Present value” of South Russian wheat*

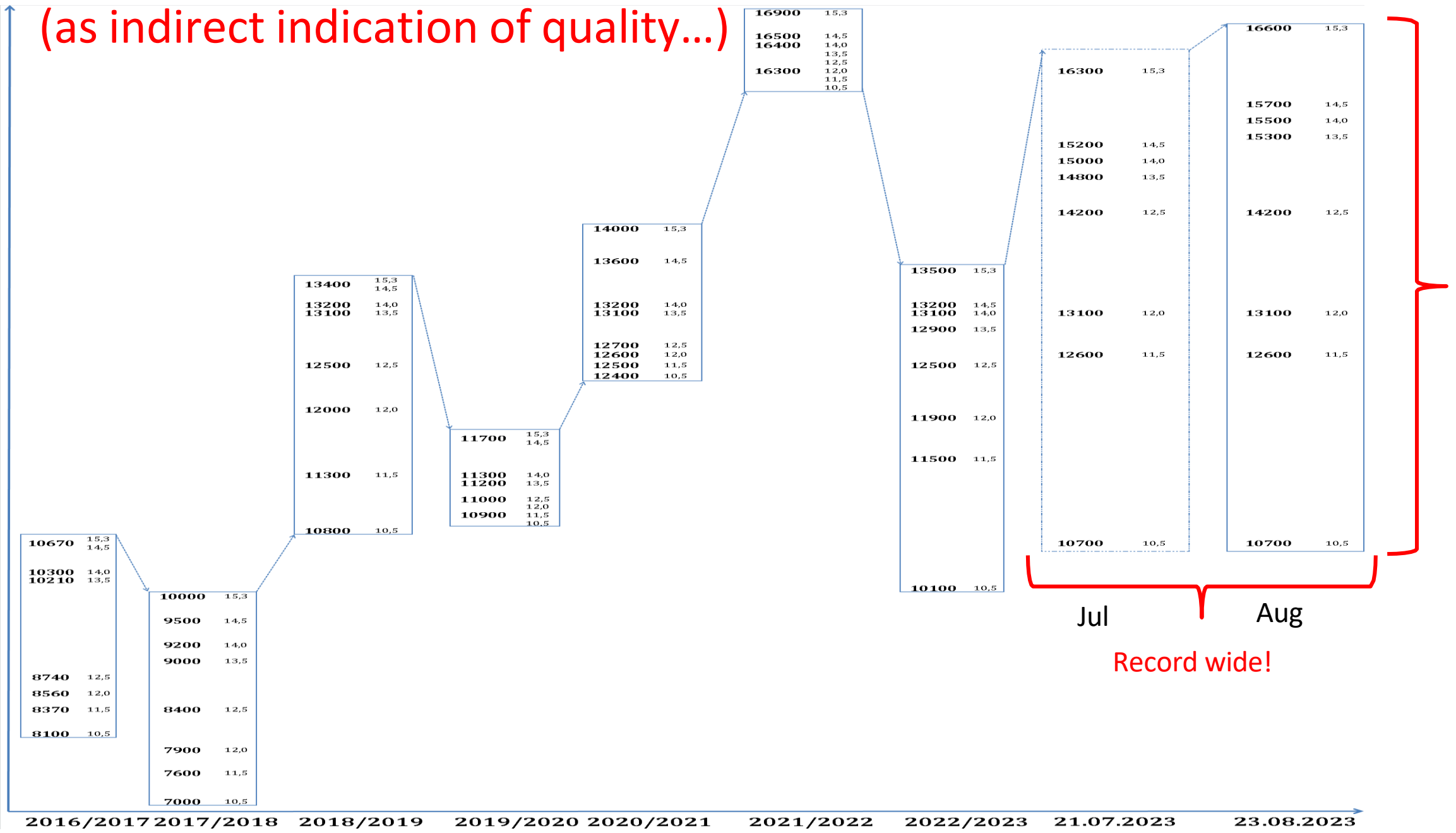


Current regulation converts most of storage premium into duties. It also stimulates storage our our wheat in other countries



Protein price spreads on Azov Sea, end of August each year RUR/ton

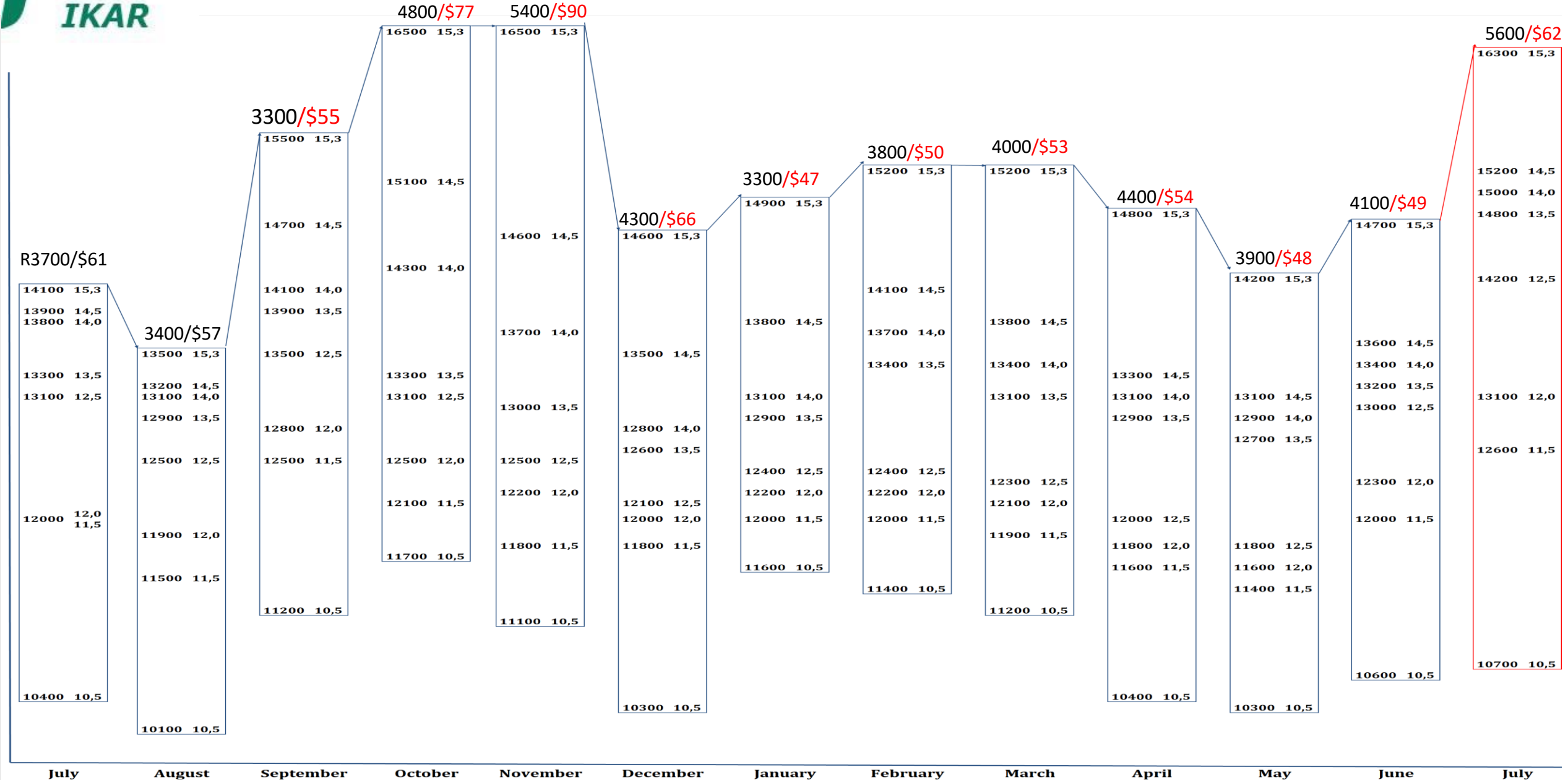
(as indirect indication of quality...)



Record wide!

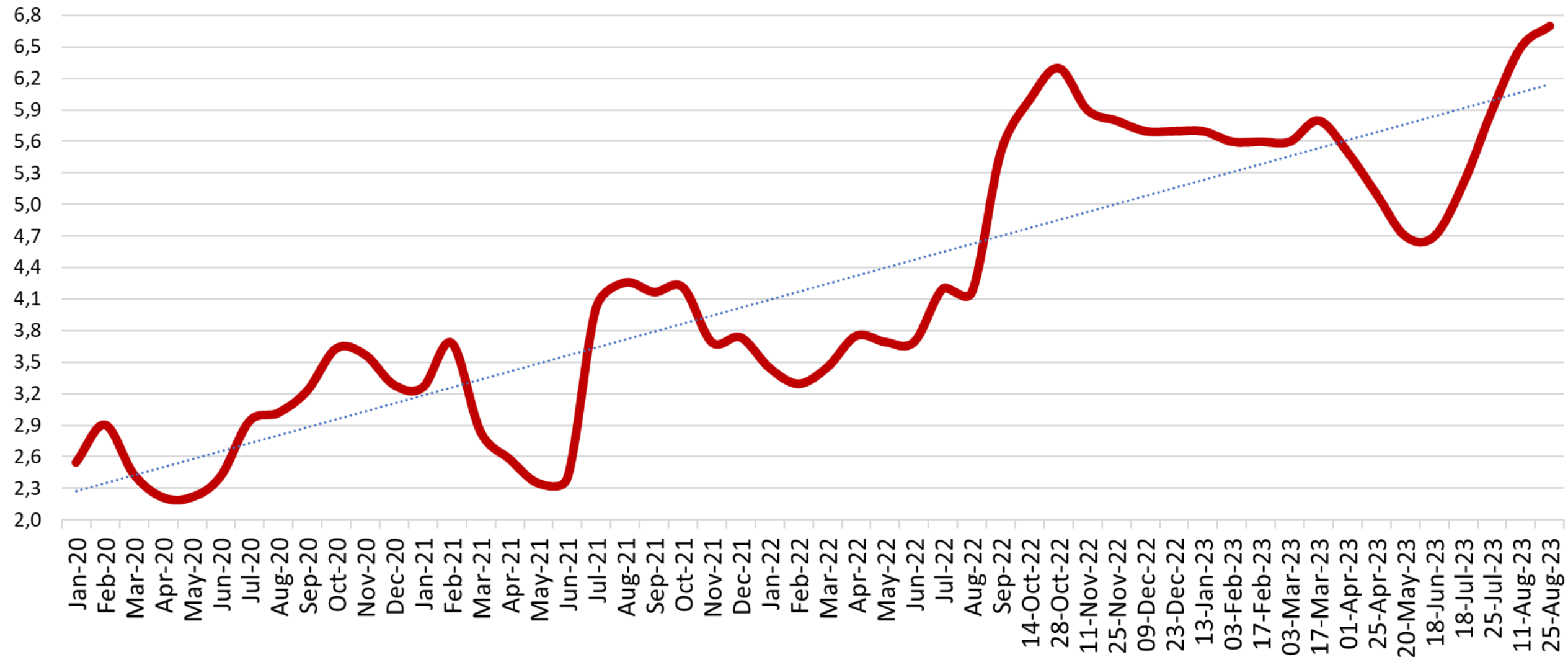


July – June 2022/23 CPT export terminals Azov protein prices and price spreads, RUR/ton



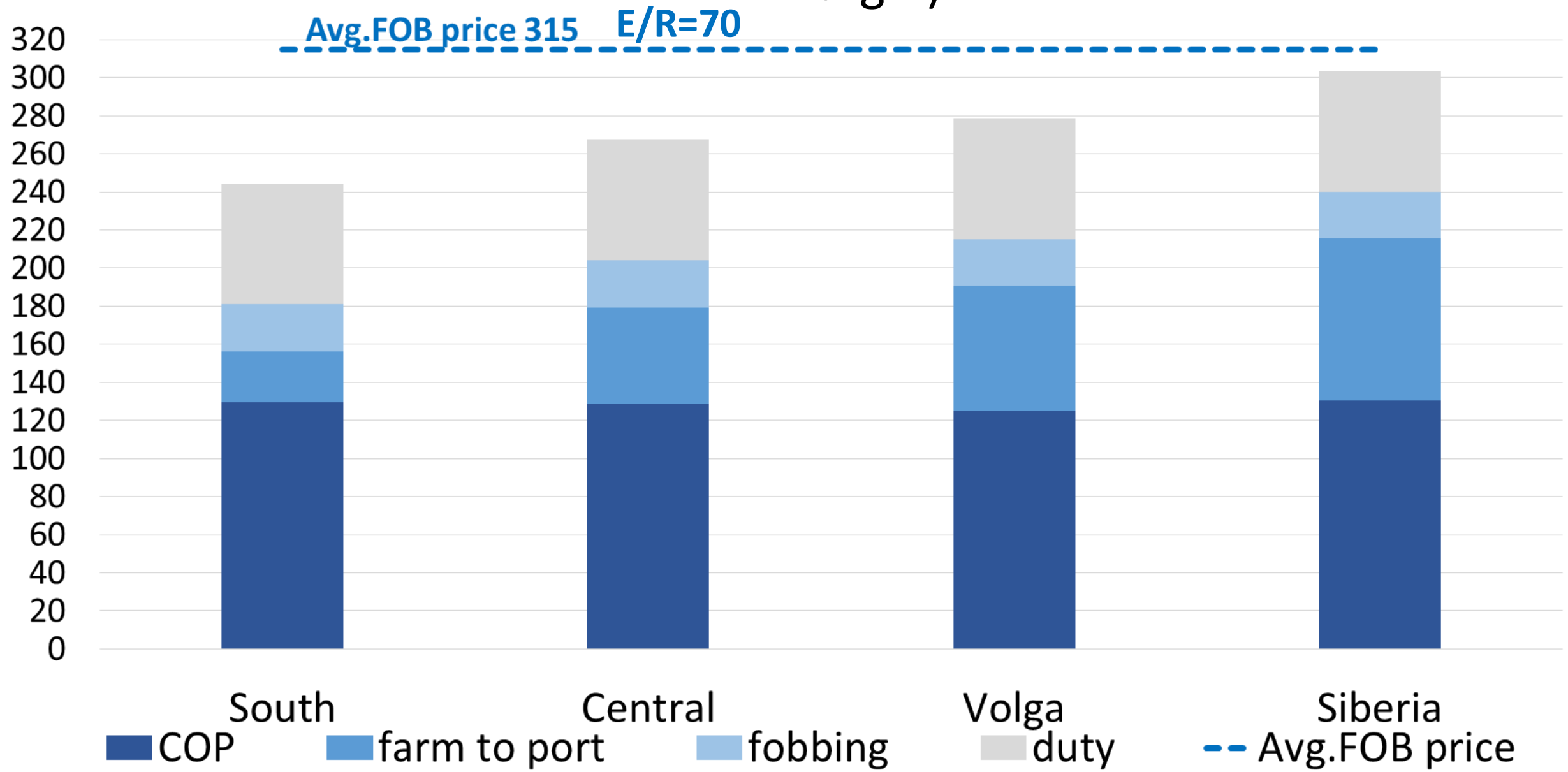


South Russia grain trucks tariffs, rub per 1 mt per 1 km



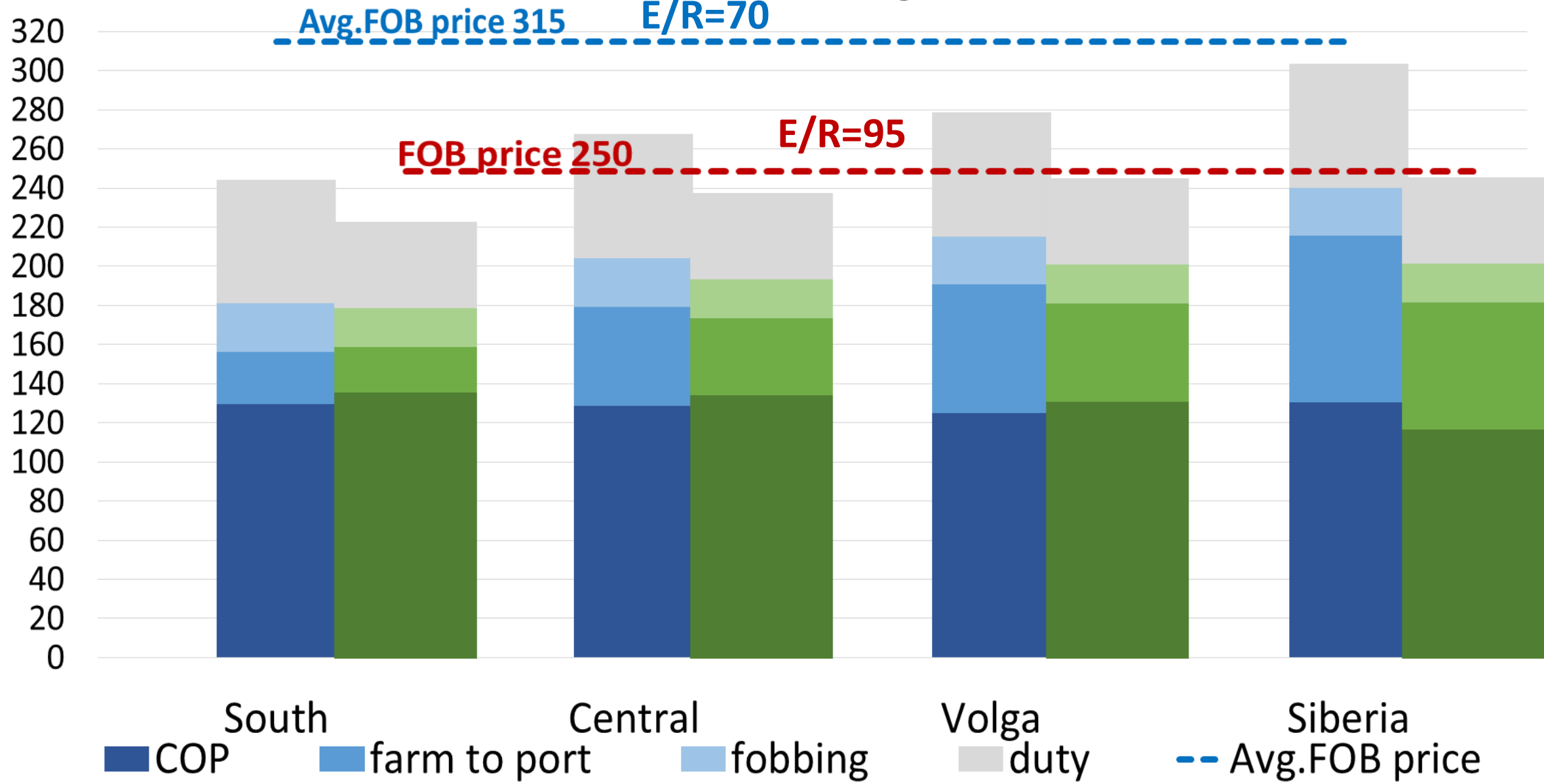


2022/23 Russian wheat FOB cost forecast (excl. farmer and trader margin)



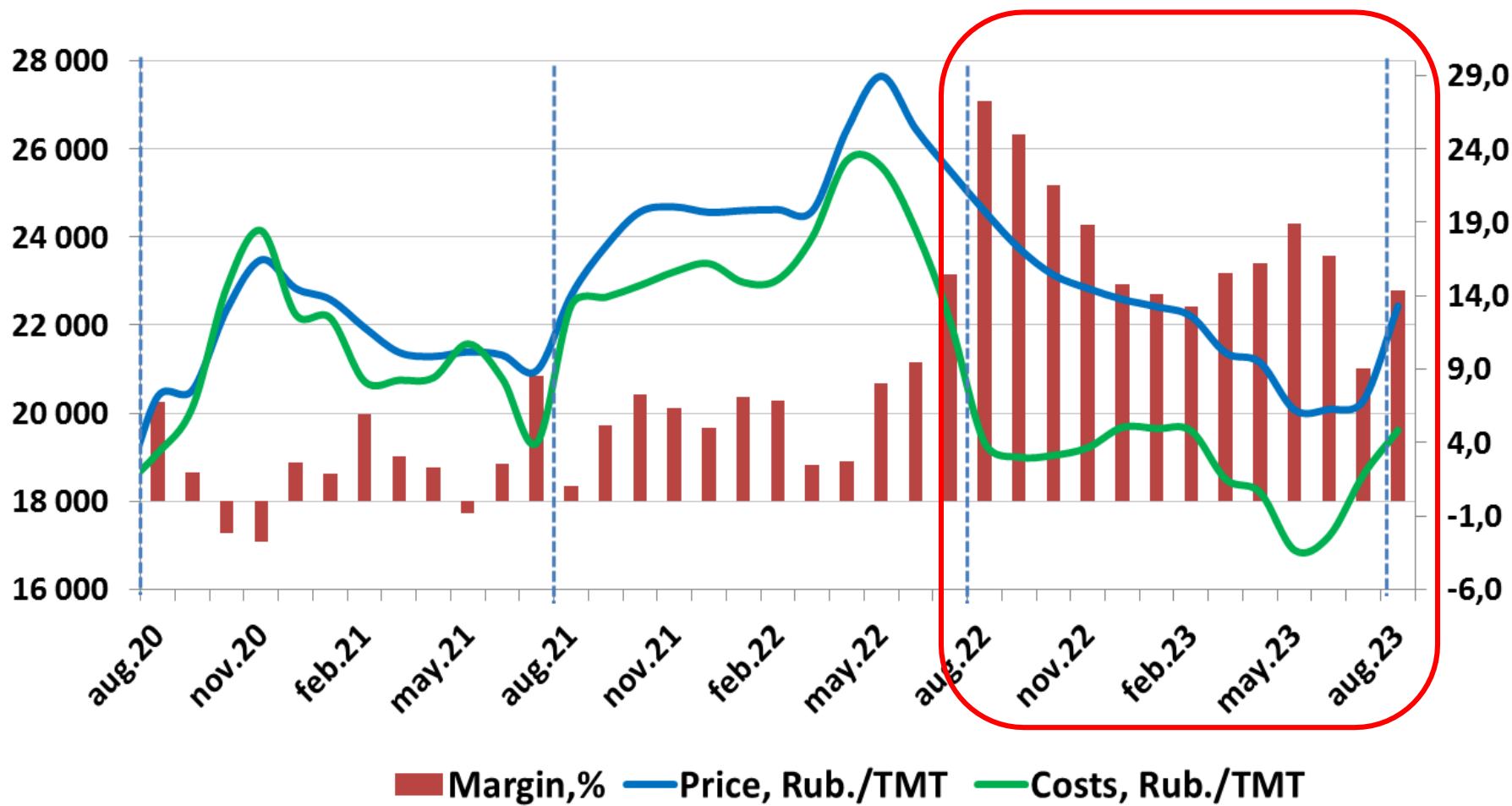


2023/24 Russian wheat FOB cost forecast (excl. farmer and trader margin)





Wheat flour prices and marginality of flour milling

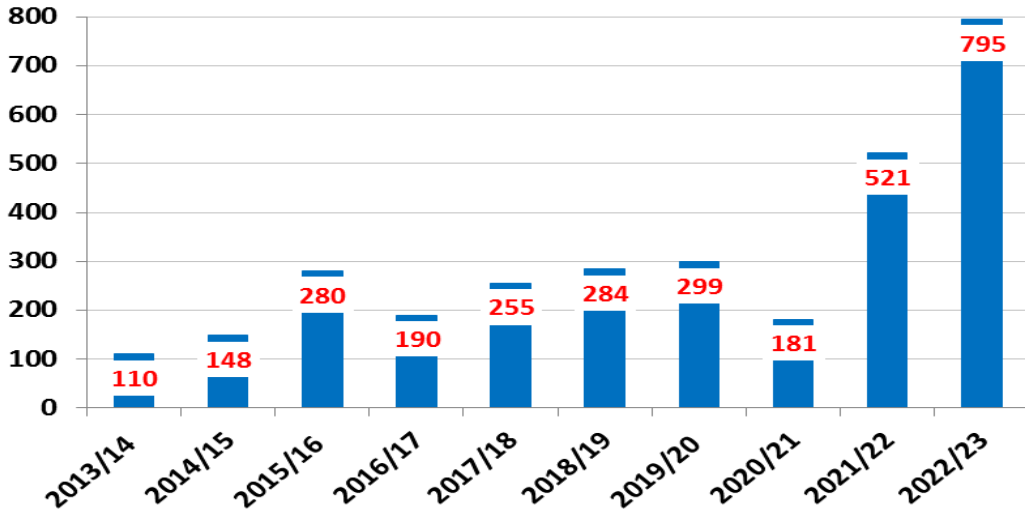


*margin – right axis, price and costs – left axis

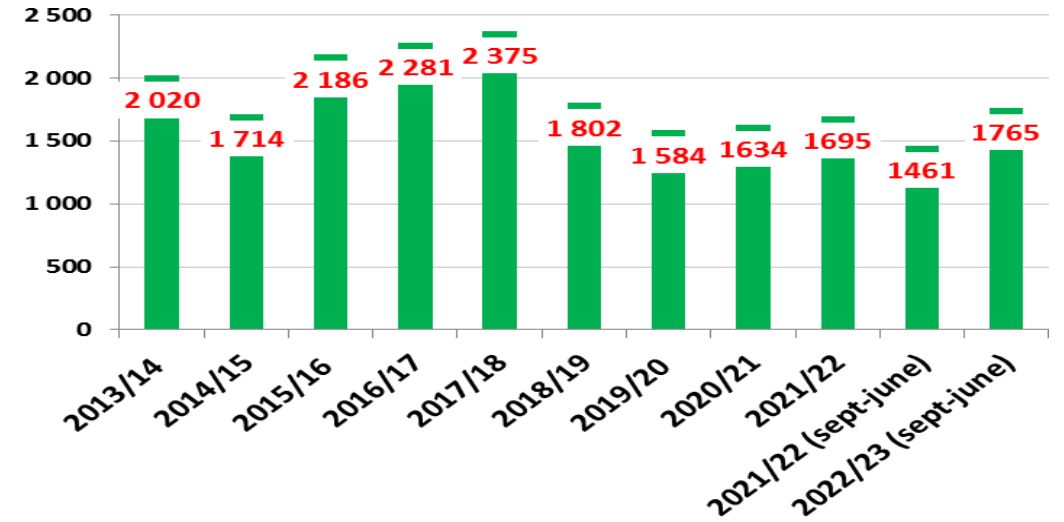


Wheat flour export, TMT

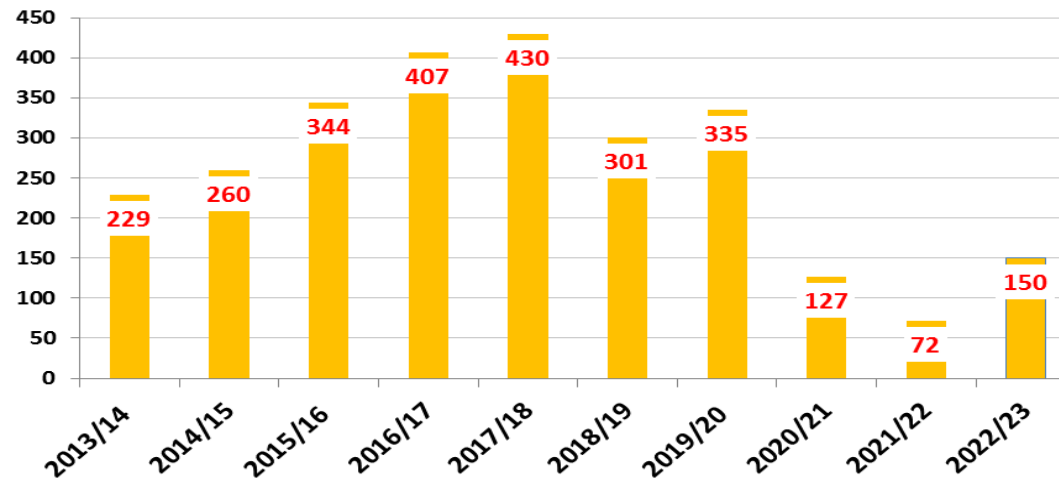
Russia



Kazakhstan



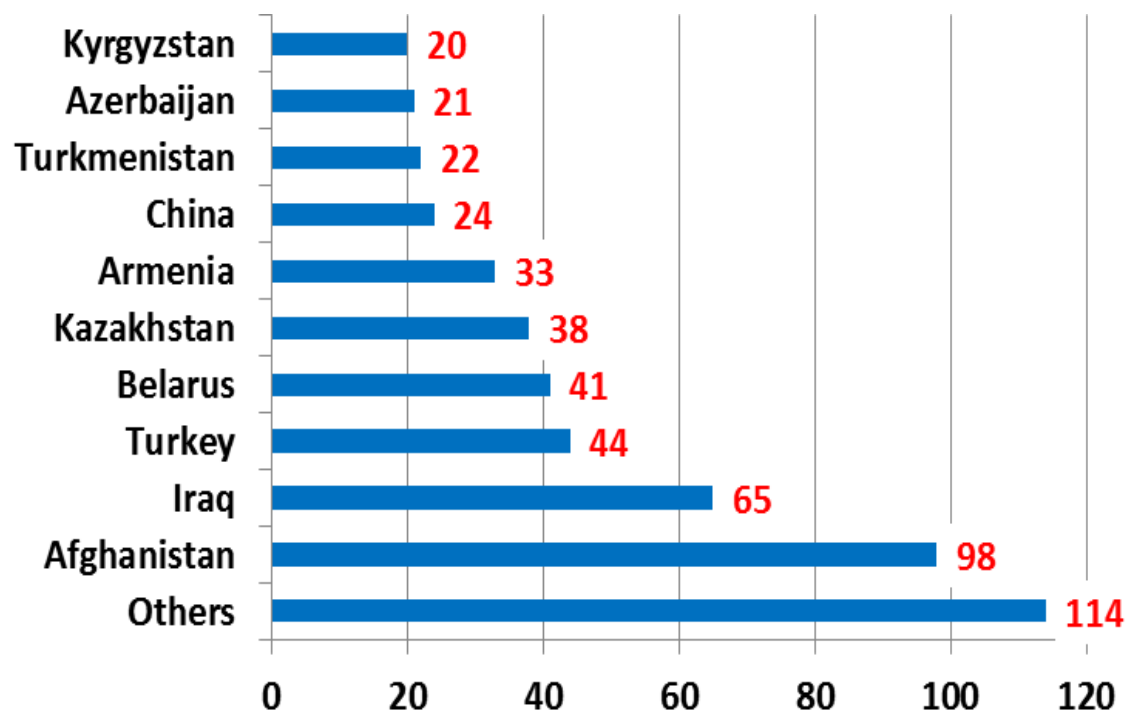
Ukraine



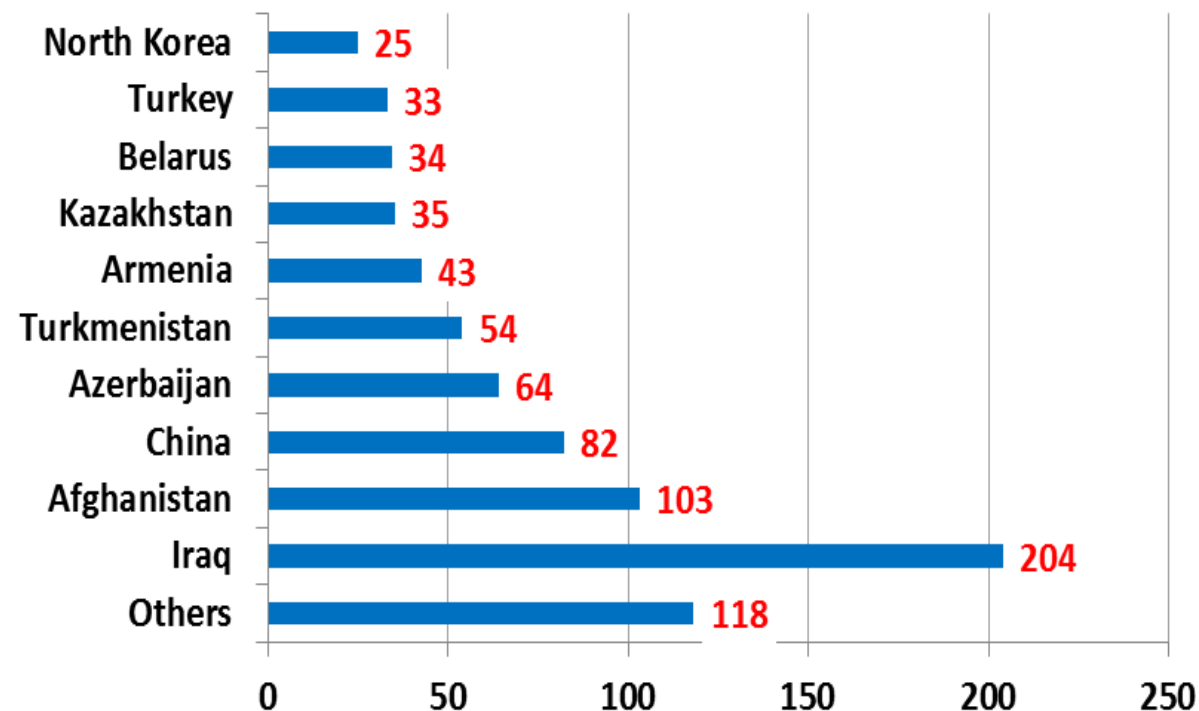


Wheat flour export by Russia (july-june), TMT

2021/22

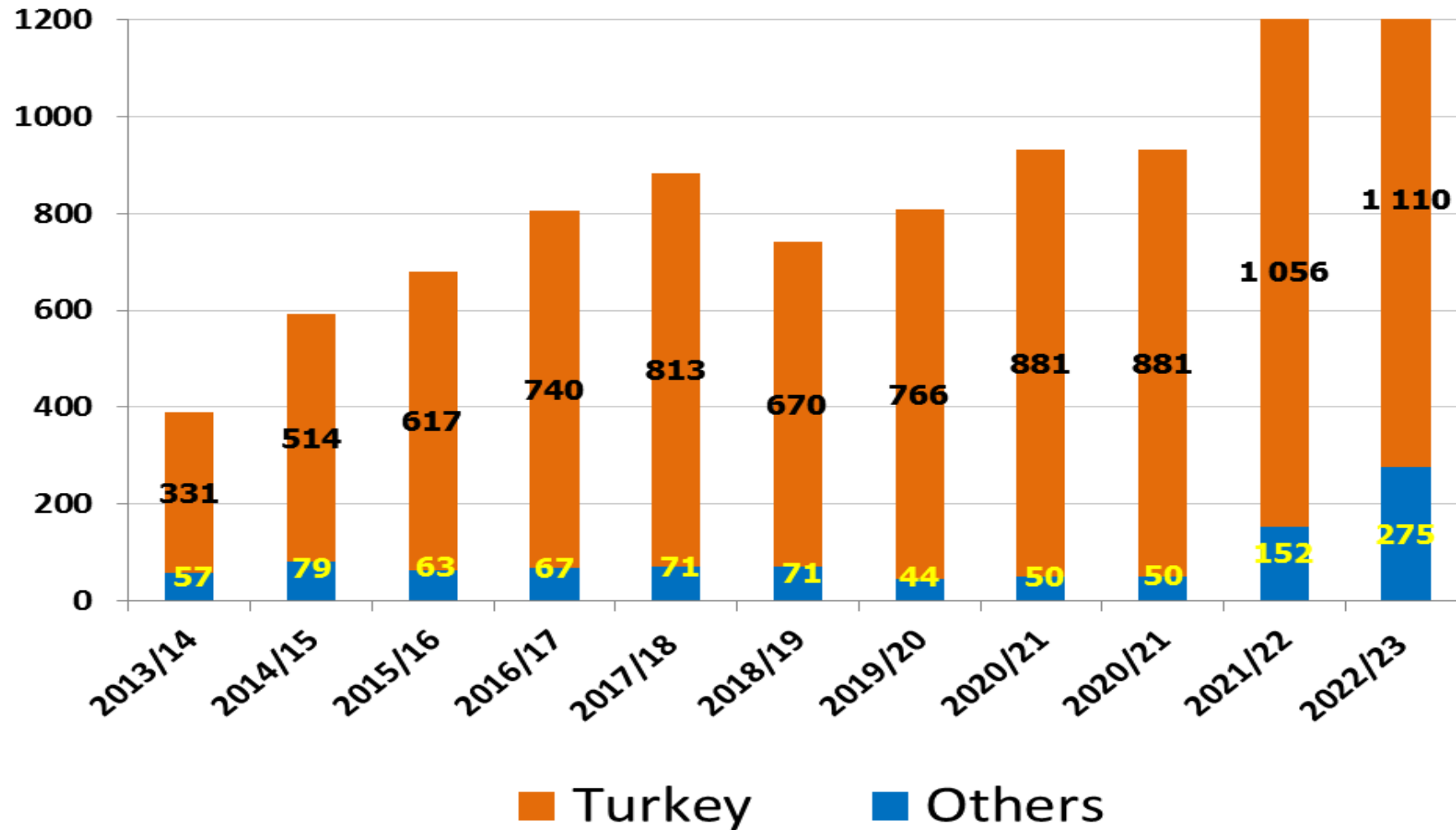


2022/23



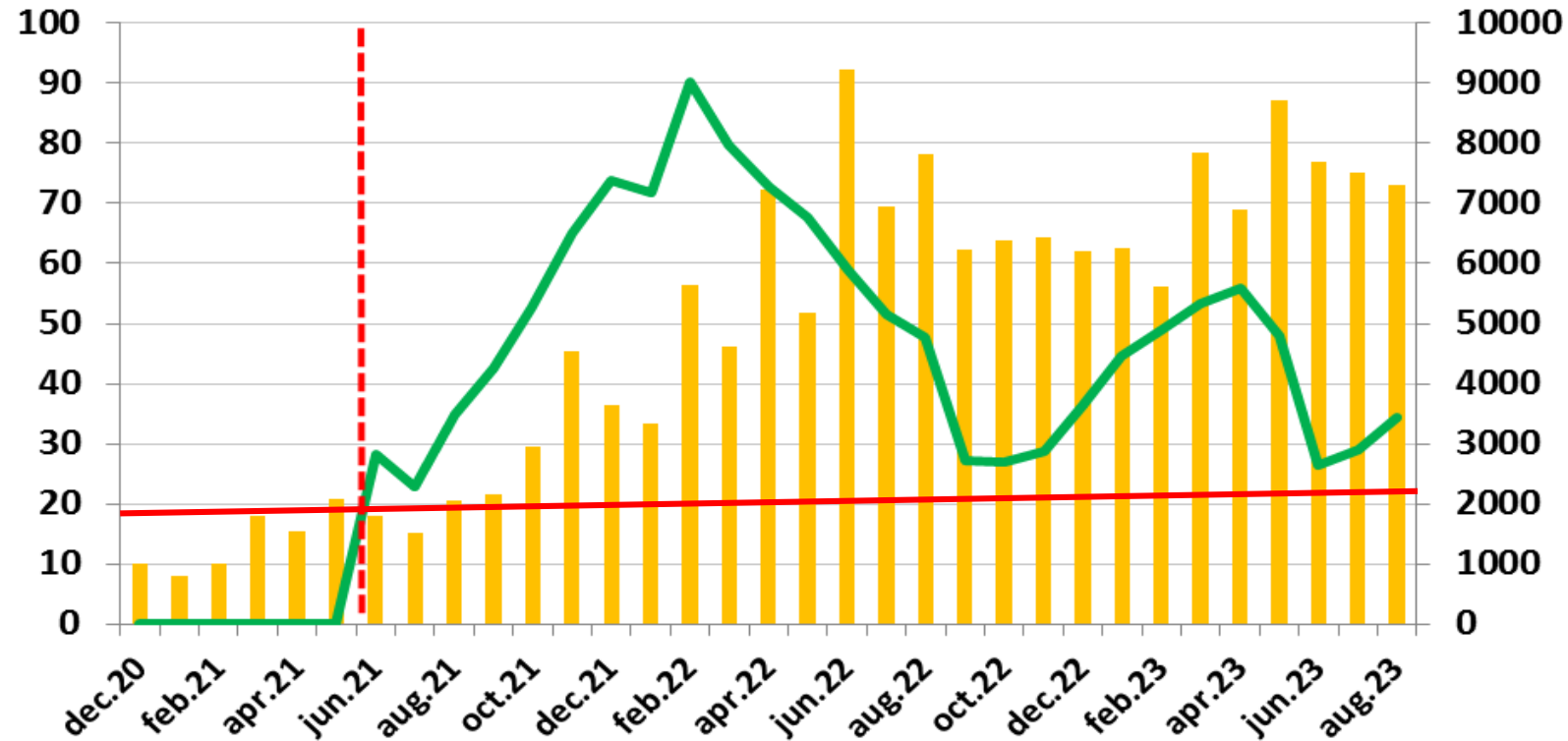


Turkey's share in the wheat bran export by Russia, TMT





Wheat export duty and wheat flour export



■ Wheat flour export, TMT (left axis)

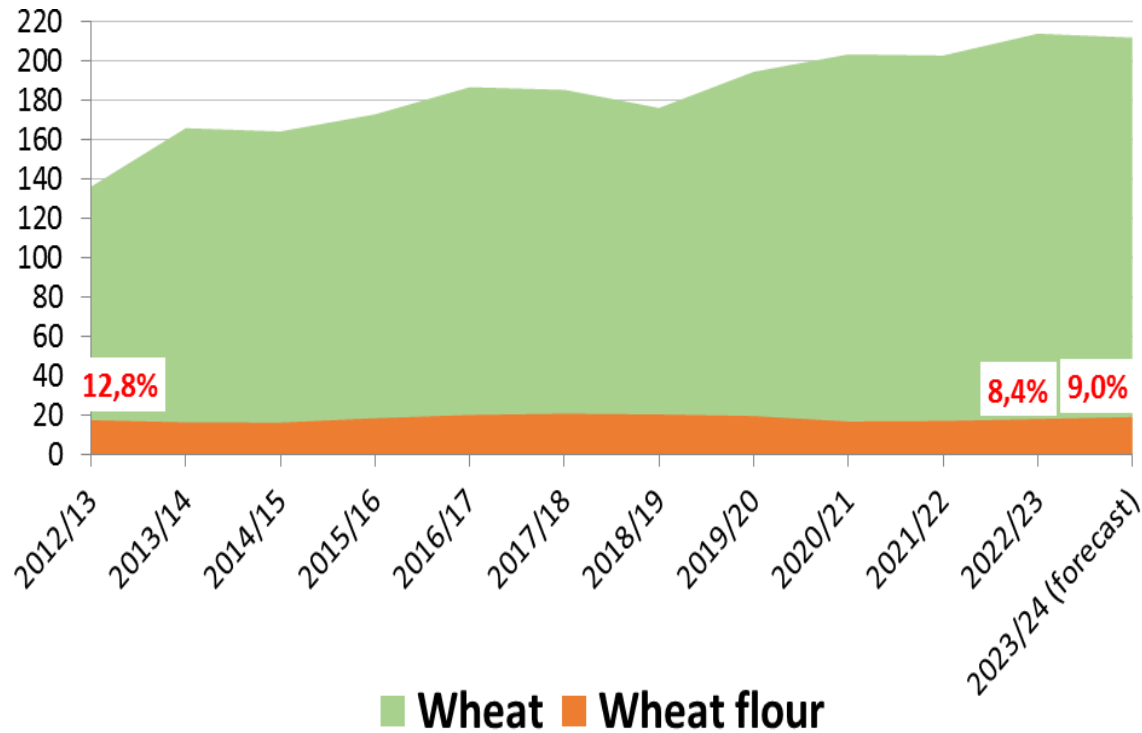
— Wheat export duty, Rub/TMT (right axis)

— Cost of processing

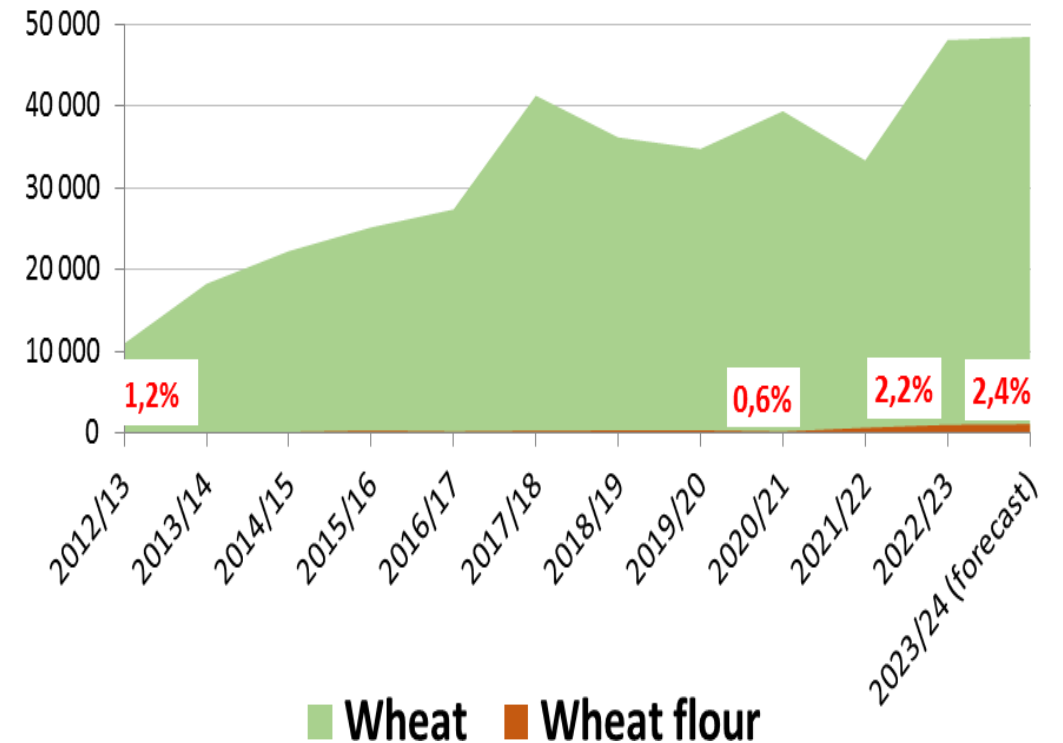


Wheat and wheat flour export

World, MMT

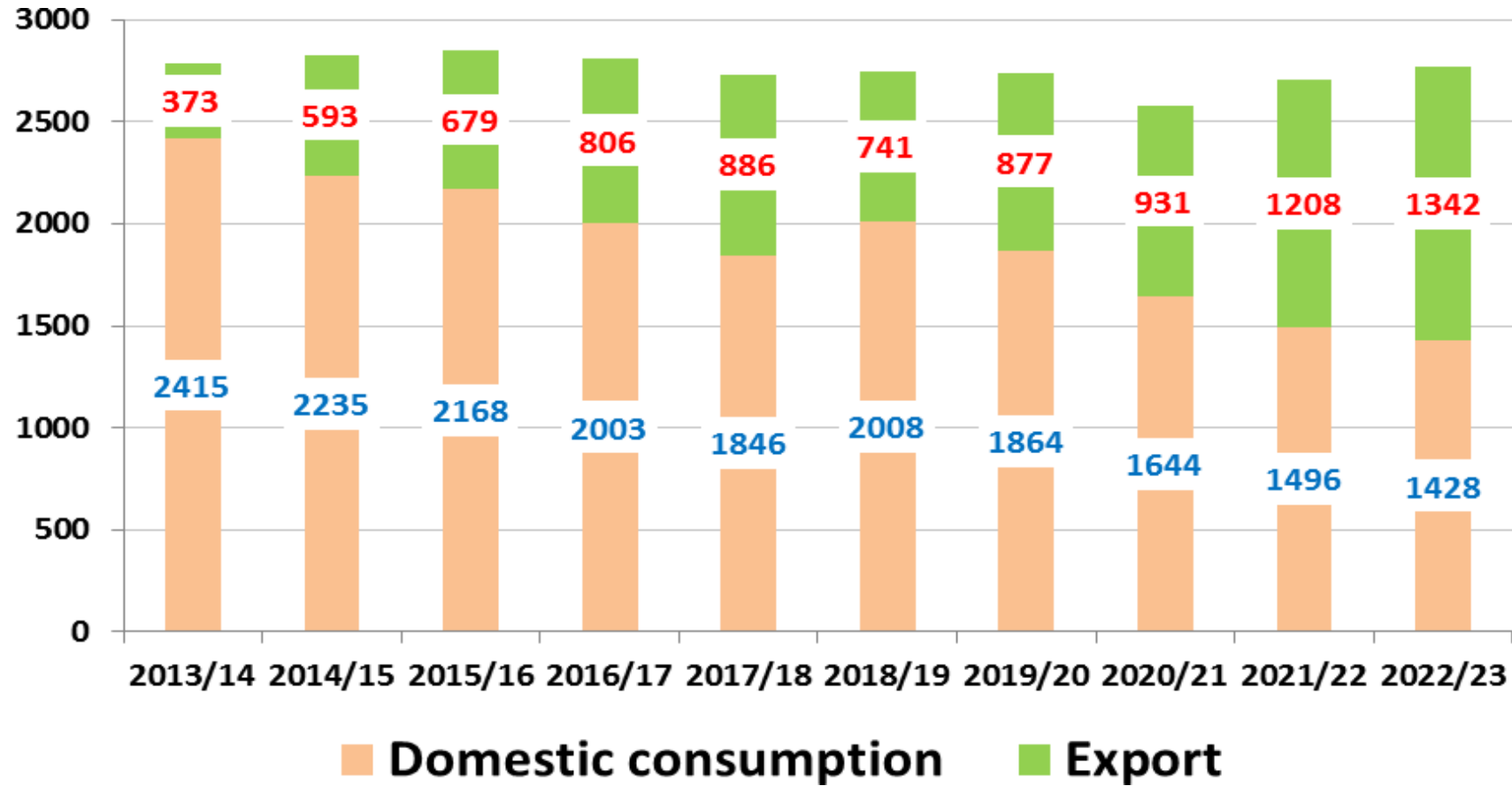


Russia, TMT





Wheat bran export and domestic consumption by Russia, TMT





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Teseccurler!
Thank you!
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