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Your Sunflower Market Eye

DAILY GRAINS PANORAMA

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THE EXPERT SUPPORT ON REPORTING, ANALYSIS, CONSULTING AND BROKERAGE AS PER 24-YEAR SECTOR EXPERINCE

TURKISH/GLOBAL WHEAT MARKETS

A) THE ROLE OF WHEAT IN TURKEY/WORLD:

- **Milling Wheat** is the raw material of **the bread, the staple foodstuff of humanbeings**. **Durum Wheat** is also the raw material of **macaroni, semolina, bulghur** etc. **Feed Wheat** is also one of **main feedstuffies for the animals**.
- **In 2021/22 season**, with **780 Mln T output, the second rank** after **Corn** in global grains production of **2.75 Mlrd T**.
- Globally, **70**% is as **food**, **20**% as **feed** and **10**% as **others** (**seed, technical etc**).
- World **Durum Wheat output** is around **35 Mln T.**
- **In 2021/22 season**, with **15.5 Mln T** of crop size, **the first rank** in **Turkish grains production** of **30 Mln T**.
- In **Turkey**, **80**% is as **food**, **10**% as **feed** and **10**% as **others** (**seed, technical etc**).
- Turkish **Durum Wheat output** is around **2.5 Mln T.**

B) OUR TURKISH & GLOBAL 2022/23 SEASON THE FIRST NEW-CROP SIZE FORECASTS:

- **In 2022/23 season**, global **Wheat output** will be record around **785 Mln T (21/22, 780 & 20/21, 775 & 19/20, 765)** albeit lower-than-forecasted **UKRAINIAN** new-crop size.
- **TOP 4 will be as belows**;
- **China, 137 Mln T (21/22, record 137 & 20/21, 134 & 19/20, 134),**
- **EU-27, 133 Mln T (21/22, record 140 & 20/21, 126 & 19/20, 139),**
- **India, 105 Mln T (21/22, record 110 & 20/21, 107.5 & 19/20, 104),**
- **Russia, 95 Mln T (21/22, 77 & 20/21, 85 & 19/20, 74), but global leader exporter**.
- **In 2022/23 season,** albeit higher forecasts of **18 – 19 even 20 Mln T**, our **Turkish Wheat new-crop size** forecast is around **17.5 Mln T (21/22, 15.5 & 20/21, 18 & 19/20, 18)** including around **3.0 Mln T** of **Durum. Nevertheless, global weather conditions till harvestings and during harvestings will be crucial**.

C) THE LATEST LOCAL MARKET PRICES & IMPORT-COSTS:

- In **Thracian Bourses, 5820 – 6060 TL/mt** range as **Milling Wheat.**
- **BSea Milling Wheat as 12.5% P** (**CIF Marmara, 325 $/mt, theo.**) **import-cost** is around **6115 TL/mt.**
- **In Anatolian Bourses, 7150 – 7350 TL/mt** range as **Durum Wheat**.
- **French Durum Wheat** (**CIF Mersin, 505 $/mt**) **import-cost** is around **9400 TL/mt.**

D) THE LEGISLATION/TMO-TURKISH GRAIN BOARD/FOREIGN TRADE:

- The import-duty of both **Milling and Durum Wheat** was **revised** to **45%** again by **01 May 2021**. **By 8 Sep 2021, the import-duties were zeroized and still zero till 31 Dec 2022.**

- **In 2021/22 season, to regulate local prices and secure enough supplies for local millers, TMO/Turkish Grain Board** has purchased total **3845 kmt** of **Milling Wheat** by **30 Jun/13 Jul/04 Aug/02 Sep/21 Oct/25 Nov/21 Dec 2021/18 Jan, 02 Mar, 17 Mar, 18 Mar, 23 Mar 2022. CANCELLED THE LATEST TENDER OF 29 APR!!!**

- **Turkey consumes around 24.5 Mln T of Wheat (local consumption + seed + around 2.75 Mln T Wheat Flour and 1.25 Mln T Macaroni** etc **exports), so the shortage of around 9 Mln T by 2021/22 season.**

- By **Jun/Jul22,** officially, total around **799 kmt (Jun21/May22, 9.15 Mln T & Jun20/May21, 8.16 Mln T & Jun19/May20, 10.69 Mln T)** of **Wheat imports** being mainly **Russian** origin (**76% around**).

E) PRICE PROJECTION/GLOBAL TENDERS:
- Locally **TMO sales prices** (**4500 TL/mt of Milling of Sep22**) and globaly **TMO, Egyptian GASC etc tenders** and **Russian export/price policies** (**31Aug/06Sep,4053,80 RUB/mt export tax**) should be watched closely.
- **Current solid prices are somehow likely soon.** Moreover, **local and global weather conditions** should not be ruled out. **Russian/Ukrainian tension/war ??? LOCAL/GLOBAL NEW-CROP ???**
- **Egypt** has recently bought around **120 kmt (RU origin)** of **Milling Wheat.**

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TURKISH/GLOBAL WHEAT BRAN MARKETS

A) THE ROLE OF WHEAT BRAN IN TURKEY/WORLD:

- It's one of **the most important feedstuffs** including **12 – 15% Protein** and **11 – 13% Cellulose**. Moreover, **the usage as human food** has been also getting popular in recent years since it's **digestive system regulator** and **creates the feeling of fullness**.

- Whereas there aren't so much data for **Wheat Bran locally** and **globally**, we have settled our database as per **75% of Wheat Flour** and **20% Wheat Bran** obtainment from **Wheat milling process**.

- **In 2021/22 season**, we forecast around **100 Mln T** of **Wheat Bran output** globally.

- **In 2021/22 season**, we forecast around **5.0 Mln T** of **Wheat Bran output** locally.

- Globally, around **6.5 Mln T** of **Wheat Bran exports** and **Russia** is the **global leader exporter** with **850 Kmt** and **13%** share. **Ukraine** is **the second** with **550 Kmt**.

- The biggest global **Wheat Bran importer** will be **Turkey** with **1.5 Mln T** and **25%** share.

B) OUR TURKISH & GLOBAL 2022/23 SEASON CROP SIZE FORECASTS:

- For global **Wheat Bran output**, we should rather focus on **Russia** and **Ukraine.**

- While **Russia** will have around **95 Mln T** of **Wheat output**, approx. **45 Mln T** of **exports** and then the balance of **50 Mln T** for **20 Mln T** of **food**, **30 Mln T** of **feed, industrial, seed** etc., thus around **4 Mln T** of **Wheat Bran output** as well. **???**

- While **Ukraine** has around **20 Mln T** of **Wheat output**, approx. **10Mln T** of **exports** and then the balance of **10 Mln T** for **6 Mln T** of **food**, **4 Mln T** of **feed, industrial, seed** etc., thus around **1.25 Mln T** of **Wheat Bran output** as well. **???**

- In **Turkey**; with **25 Mln T** of **total** millings, around **5 Mln T** of **Wheat Bran output**.

C) THE LATEST LOCAL MARKET PRICES & IMPORT-COSTS:

- In **Thrace/Anatolia, 3500 +/- 250 TL/mt.**
- **205 $/mt** CIF Marmara of **import cost** is around **3925 TL/mt** theoretically.

D) THE LEGISLATION/FOREIGN TRADE:

- Since **22 November 2017**, **no import-duty** for **Wheat Bran**.

- By **Jan/Jul22**, being mainly from **Russia** (**726.5**) and **Ukraine** (**88.5**) as well as Congo Dem. Rep. (**12.5**) and Angola (**36.5**) **foremost**, so **totally 882.5 kmt** of **Wheat Bran imports officially**.

- Being mainly to **Syria** (**23.5**) and **Iraq** (**88.0**), totally **111.5 Kmt** of **Wheat Bran exports officially.**

E) PRICE PROJECTION:

- **Local prices of alternative feedstuffs, Wheat Flour and Macaroni exports, USD/TL parity, CIF prices** as well as **export policies of Russia and Ukraine and logistics** should be followed closely.

- **Current solid prices are somehow likely soon.** **Russian/Ukrainian tension/war ???**

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TURKISH/GLOBAL BARLEY MARKETS

A) THE ROLE OF BARLEY IN TURKEY/WORLD:

- **Barley** has been used as **human food**, **feedstuff** and **malting**.
- In **2021/22 season**, amids **2.75 Mlrd T** of **global grains output**, with **145 Mln T**, **the 4th rank** after **Corn**, **Wheat** and **Rice.**
- Globally, **5%** as **human food**, **70%** as **feedstuff** and approx **25%** as **malting etc.**
- In global **Barley imports**, **China is the first and Saudi Arabia** is **the second leader** (**5.5 Mln T, 17.5% share**). In the country, **Barley Soup** during **Ramadan month** is so famous. Additionally, significant **Barley demand** for the animals (**Racehorses, Hajj Sacrifications etc**). **European Union** is the global leader **exporter** (**7.5 Mln T**).
- **In 2021/22 season**, amids **30.0 Mln T** of **Turkish grains output**, with **4.0 Mln T, the 3rd rank** after **Wheat and Corn.**
- Locally, **5%** as **human food**, **80%** as **feedstuff** and approx. **15%** as **malting etc.**

B) OUR TURKISH & GLOBAL 2022/23 SEASON THE FIRST NEW-CROP SIZE FORECASTS:

- **In 2022/23 season**, **global output** will be remained **somehow higher** with around **146 Mln T (21/22, 145 & 20/21, 160 & 19/20, 157).**

TOP 3 will be as belows;
- **EU-27, 50.0 Mln T (21/22, 52 & 0/21, 55 & 19/20, 55),**
- **Russia, 20.0 Mln T (21/22, 17.5 & 20/21, 21 & 19/20, 20),**
- **Australia, 10.0 Mln T (21/22, 13.5 & 20/21, 13 & 19/20, 10).**

- **In 2022/23 season,** albeit higher forecasts of **7.5 – 8.5 Mln T even higher,** our **local new-crop size forecast** is **7.0 Mln T (22/22, 4.0 & 20/21, 7.5 & 19/20, 7.25 & 18/19, 6.5). Anyway, let's also follow global weather conditions till harvestings and during harvestings.**

C) THE LATEST LOCAL MARKET PRICES & IMPORT-COSTS:

- In **Anatolian Bourses (In Thrace, only 125 Kmt output), 5600 – 5850 TL/mt** range.
- **BSea** origin **Feed Barley** (**CIF Marmara, 290 $/mt**) **import cost** is around **5475 TL/mt** theoretically.

D) THE LEGISLATION/TMO-TURKISH GRAIN BOARD/FOREIGN TRADE:

- The import-duty of **Barley** was **revised** to **35**% by **01 May 2021**. **By 8 Sep 2021, the import-duties were zeroized and to be valid till 31 Dec 2022.**

- **By 2021/22 season, to regulate local prices and secure enough supplies for local feeders, TMO/Turkish Grain Board** has purchased total **3025 kmt** of **Feed Barley** by **24 June/12 July/20 August/07 Sep/22 Sep/08 Oct/26 Oct, 23 Nov 2021, 20 Jan and lastly 14 Feb 2022** via **international tenders,** but **last tender ones were mostly undelivered due to UKR/RUS war**.

- **Turkey consumed** around **6.75 Mln T of Barley.** Therefore, by **2021/22 season,** thus **2.75 Mln T** of **shortage**.

- **By Jun/Jul22 officially**, only total **31 kmt (Jun21/May22, 2.73 Mln T & Jun20/May21, 709 Kmt** and **Jun19/May20, 888 Kmt)** of **Barley imports** being mainly from **Russia and Ukraine.**

E) PRICE PROJECTION:
- Locally **TMO sales prices (No prices)** and globaly **TMO, Saudi SAGO etc tenders** and especially **Russian export tax/price policies** (**by 31 Aug/06 Sep, 2729,30 RUB/mt export tax**) should be watched closely.
- **Current somehow solid outlook seems likely in near-term. Russian/Ukrainian tension ???**

- Moreover, **local and global weather conditions** should not be ruled out. **NEW-CROP ???**

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TURKISH/GLOBAL CORN MARKETS

A) THE ROLE OF CORN IN TURKEY/WORLD:

- **Corn** is so versatile crop and nowadays there are common usages for **people** such **popcorn** at cinema etc, **confectionary** (both sweet corn and cracks), **cornflakes** at the breakfast, **Flour**, **Starch, Sugar, Oil** obtainment etc, as **feedstuff** for **animals**, **bioethanol raw material** for **energy** and also **ornament material** for **others**.
- **In 2021/22 season**, amids **2.75 Mlrd T** of **global grains output**, with **1.22 Mlrd T**, **the first rank.**
- Globally, **10%** as **human food**, **60%** as **feedstuff** and approx **30%** as **others.**
- **China** is the biggest global **Corn** importer (**23 Mln T , 12 % share**). **USA** is the biggest global **Corn** exporter (**63.5 Mln T, 33% share**).
- **In 2021/22 season**, amids **30.0 Mln T** of **Turkish grains output**, with **6.5 Mln T, the second rank** after **Wheat.**
- Locally, **15%** as **human food**, **75%** as **feedstuff** and approx. **10%** as **others.**

B) OUR TURKISH & GLOBAL 2022/23 SEASON THE FIRST NEW-CROP SIZE FORECASTS:

- **In 2022/23 season**, global **Corn new-crop size** may ease to **1.18 Mlrd T** (**21/22, 1.22**) with Lower crops in **USA and Ukraine** foremost. **TOP-4** countries will be as belows;
  USA, 365 Mln T (21/22, record 384 & 20/21, 360 & 19/20, 345),
  China, 270 Mln T (21/22, record 273 & 20/21, 261 & 19/20, 261),
  Brazil, record 125 Mln T (21/22, 115 & 20/21, 87 & 19/20, 103),
  Argentina, record 55 Mln T (21/22, 53 & 20/21, 51 & 19/20, 52),

- **In 2022/23 season, Turkish output** may be around **6.0 – 6.25 Mln T (21/22, 6.5 & 20/21, 6.75 & 19/20, 6.65)**. In **Turkey**, the harvestings in earlier regions (**75-80% of total output**) have been initiated by **late Jul/early Aug** and kept in the late regions (**20 – 25% of total output**) till even **Jan/Feb**. **Already trial harvestings.**

C) THE LATEST LOCAL MARKET PRICES & IMPORT-COSTS:

- In **Anatolian Bourses (In Thrace, 50 Kmt max owing to irrigation troubles), 5500 – 5750 TL/mt** range.
- **BSea** origin **Corn** (**CIF Marmara, 290 $/mt**) import cost is around **5475 TL/mt** theoretically.

D) THE LEGISLATION/TMO-TURKISH GRAIN BOARD/FOREIGN TRADE:

- The import-duty of **Corn** was **revised** to **25**% by **01 May 2021**. **By 8 Sep 2021, the import-duties were zeroized and to be valid till 31 Dec 2022.**

- During **2021/22 season, to regulate local prices and secure enough supplies for local feeders, TMO/Turkish Grain Board** has purchased the first part of **325 kmt** of **Feed Corn** by **14 Oct 2021 international tender. Also 325 kmt by 15 Nov 2021, 325 kmt by 08 Feb 2022, 175 kmt by 25 Mar 2022, 100 kmt by 28 Mar 2022 and lastly 325 kmt by 26 May, thus total 1575 kmt.**

- **Turkey** consumes around **9.5 Mln T** of **Corn**. Accordingly, by **Aug21/Jul22** officially **2.98 Mln T** of **Corn imports (Aug20/Jul21, 1.54 Mln T** & **Aug19/Jul20, 2.71 Mln T)** being mainly from **Russia**, **Ukraine** ve **Romania**.

E) PRICE PROJECTION:

- Locally **TMO sales prices (No prices)** and globaly **TMO etc tenders** and especially **Russian export/price policies** (**by 31 Aug/06 Sep, 3569,90 RUB/mt export tax**) should be watched closely.
- **Current somehow solid outlook seems likely in near-term. Russian/Ukrainian tension ???**
- Moreover, **local and global weather conditions** should not be ruled out.
- For **Corn** markets, **Chicago Bourse** is so important and **the speculative playings of fund holders** should be also followed as well.

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TURKISH/GLOBAL PADDY-RICE MARKETS

A) THE ROLE OF PADDY-RICE IN TURKEY/WORLD:

- **Paddy Rice** is the form **Rice** in the fields and around **60 – 70 Kgs** of **Rice** has been obtained from **100 Kgs** of **Paddy Rice** as per the species.
- **Rice** has been locally and globally used as **pilaff/rice dish**, **farci/stuffing**, **soup** and **puding**. It's also converted to **flour** and **starch**. Since **Rice Flour** is not suitable for bread-making, it's mostly used in **cake/pastry** and **ice-cream** industry.
- **In 2021/22 season**, amids **2.75 Mlrd T** of **global grains output**, with **513 Mln T**, **the 3rd rank** after **Corn** and **Wheat.**
- Whereas the statistical trend globally is **Rice** instead of **Paddy Rice**, indeed by taking **65-70%** rate of **Rice/Paddy Rice**, global **Paddy Rice output** is almost the same of **Wheat**.
- **China** is the biggest global **Rice importer**. **India** is the biggest global **Rice exporter.**
- **In 2021/22 season**, amids **30.0 Mln T** of **Turkish grains output**, with **900 kmt,** **the 4th rank** after **Wheat, Barley and Corn.**

B) OUR TURKISH & GLOBAL 2022/23 SEASON THE FIRST NEW-CROP FORECASTS:

- **In 2022/23 season,** global Rice output may be slightly higher with around **record 515 Mln T**.
- The motherland of **Rice** is **South Asia** and current **TOP-3 countries** will be as belows;

  China, record 149.5 Mln T (21/22, 149 & 20/21, 148 & 19/20, 147),
  India, 129 Mln T (21/22, 129 & 20/21, 122 & 19/20, 118),
  Bangladesh, 36Mln T (21/22, 36 & 20/21, 35 & 19/20, 36),

- **In 2022/23 season Turkish output** may be at **800 - 850 kmt (21/22, 900 & 20/21, 925 & 19/20, 1.000)** range owing less acreage in **Thrace** (**half of national output**).

C) THE LATEST LOCAL MARKET PRICES & IMPORT-COSTS:

- **In local markets, there are 3 types of Paddy Rice as Type 1 such Luna etc, Type 2** such **Osmancik** etc and **Type 3** such **Cammeo** and **Baldo** etc.
- Lastly, the local prices are as **Luna 10500 +/- 500 TL/mt**, **Osmancik 11000 +/- 500 TL/mt, Cammeo 12000 +/- 500 TL/mt** ve **Baldo 12500 +/- 500 TL/mt**.
- **BSea** origin **Paddy Rice** (**CIF Marmara, 450 $/mt**) **import cost** is around **11280 TL/mt**, **duty-paid.**

D) THE LEGISLATION/TMO-TURKISH GRAIN BOARD/FOREIGN TRADE:

- By **01 May 2021**, the **Paddy Rice import-duty** was **revised** to **34**%, the **Brown Rice import-duty** was **revised** to **36**% and the **White Rice import-duty** was **revised** to **45**%.
- During **2020/21 season, to regulate local prices and secure enough supplies for local consumers, TMO/Turkish Grain Board** has purchased **30 kmt** of **Rice** and **20 kmt** of **Paddy Rice** by **23 Nov 2020** via **1 international tender.**
- **Turkey consumes** around **800 kmt** of **Rice,** ie **200 kmt** of **Rice** or eqv. **Paddy Rice** shortage by **2021/22 season.** Accordingly, by **Sep20/Aug21, 117.0 Kmt Paddy Rice imports** (**Russian, Ukrainian, Greek and Bulgarian origins**), but by **Sep19/Aug20**, officially **179 Kmt Paddy Rice** imports being mainly from **Russia, Bulgaria, Romania, USA, Brazil, İtalia and Grece**. There are also **Rice imports**, but we do not follow them. **ONLY 22.5 KMT (MAINLY RUS ORIGIN) OF PADDY IMPORTS by SEP21/JUL22.**

E) PRICE PROJECTION:

- Locally, **TMO tenders/sales, Farmer/Trader purchasing-sales policies and import prices** should be followed closed. **Current somehow solid outlook seems likely in near-term. Russian/Ukrainian tension ???**
- Moreover, **local and global weather conditions** should not be ruled out.
- **New-crop plantings are totally over.**

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LOCAL/GLOBAL DDGS MARKETS

A) THE ROLE OF DDGS IN TURKEY/WORLD:

- **DDGS** (**Dried distillers grains with solubles**) is the **by-product** of alternative energy sources (**such bioethanol**) and really so versatile and preferred **feedstuffy** in recent years.
- It's a **JOKER** being mainly for **livestocks** (**both meat and milk cows**) and partly for poultries (**esp. egg production**) with the content of **25 – 30%** (even) **Protein**, **8 – 10 %** **Oil** and also abundant **vitamins** and **minerals**.
- Albeit also Wheat, Barley and Rice raw materials, **Corn-based DDGS** is so widespread.
- Whereas there's unfo no definite **output** data for **DDGS**, in our own opinion, **global output** is around **45 Mln T**.
- Locally, almost nil **DDGS output**.
- **USA** is the biggest global **DDGS exporter** (**around 11 Mln T**).
- **Mexico** is the biggest global **DDGS importer** (**around 2 Mln T**).

B) OUR TURKISH & GLOBAL 2022/23 THE FIRST NEW-SEASON OUTPUT FORECASTS:

- **In 2022/23 season,** global **DDGS output** may be around **46 - 47 Mln T** being mainly in **USA** (**around 41 - 42 Mln T**). **Brazil, EU, China, Canada, Russia** are other major producer countries.

- However, some variations may ocur in **DDGS outputs** owing to volatile Petrol prices and uncertainties on bioethanol policies and supports.

C) THE LATEST LOCAL MARKET PRICES & IMPORT-COSTS:

- Locally, the prices are EX-Truck from the port being officially imported and lastly around **390 – 400 $/mt**.
- **US** origin **DDGS** (**CIF Turkey, 390 $/mt**) import cost is around **7390 TL/mt**.

D) LEGISLATION/FOREIGN TRADE:

- Since **10 August 2018**, the import-duty of **DDGS** is **0** %.

- By **Jan/Jul22**, officially total **373.0 kmt** of **DDGS imports** being mainly from **USA (237.5)**, **Russia (53.0)**, **Bulgaria (27.0)**, **Paraguay (28.5)**, **Hungary (7.0)**, **Holland (6.0)** **and Moldova (14.0) foremost.**

- **0.5 kmt** of **DDGS exports** to **Iraq** foremost.

- Since **DDGS** is mainly **GMO-Corn-based**, there are so many **GMO procedures/troubles** during the **importation**. Accordingly, the market players are also seeking alternative **out-Corn-based DDGS** ones.

E) PRICE PROJECTION:

- Locally **alternative feedstuffies, meat/milk etc prices, USD/TL parity ve GMO Legislation** and internationally **Petrol prices, alternative feedstuffies, US Bioethanol policies/supports and USA/China disputes** should be followed closely.

- **Current somehow solid outlook seems likely in near-term. Russian/Ukrainian tension ???**

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