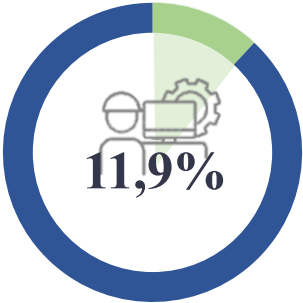


Ukrainian grain market: opportunities and realities

**Middle East Grain Congress
February 25, in Dubai, UAE**

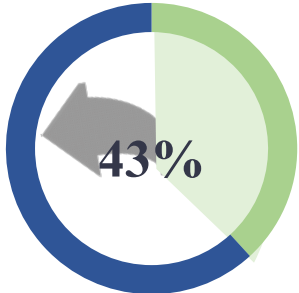
KPI's of Ukrainian Agrisector- 2016*

GDP



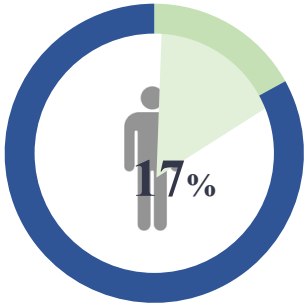
\$ 86,95 BN

Export



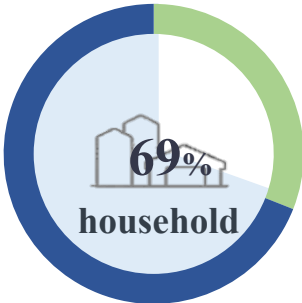
\$ 14,56 BN

population employed in agriculture

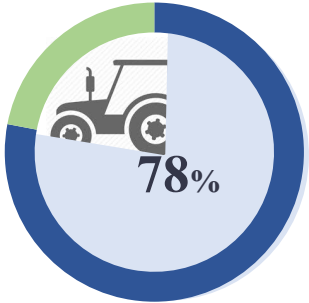


3,5 MIL

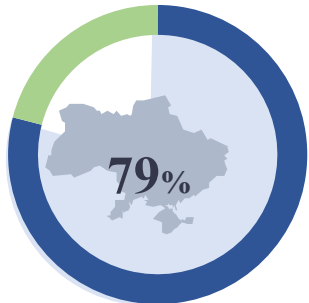
types of agricultural enterprises



fixed assets depreciation



total agricultural land area



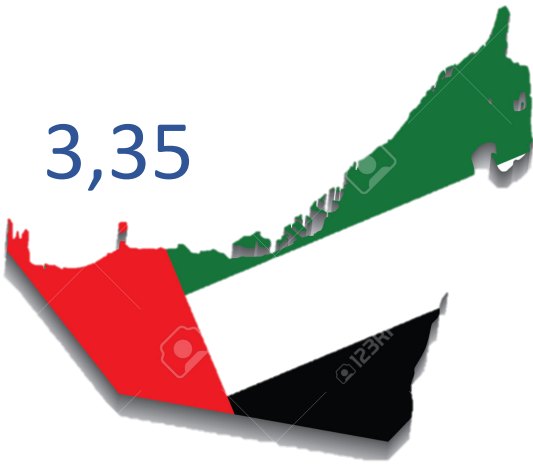
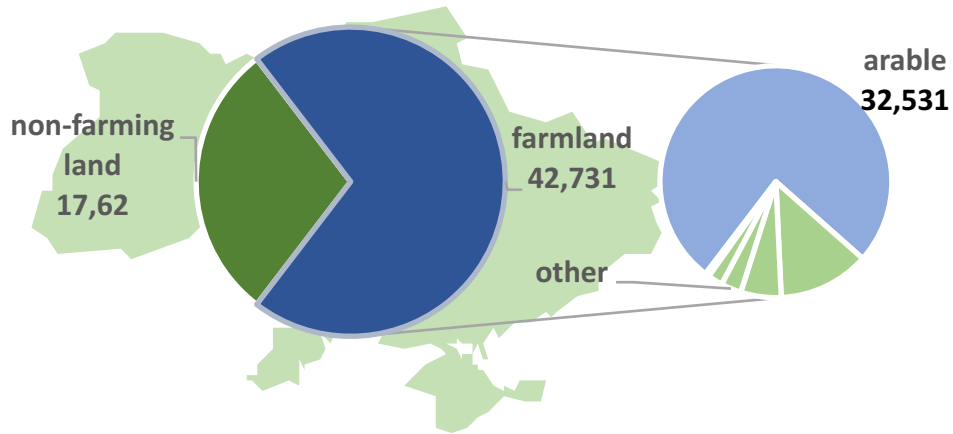
42 MIL hectares

Source: State Statistics Service of Ukraine. 01/2016-11/2016

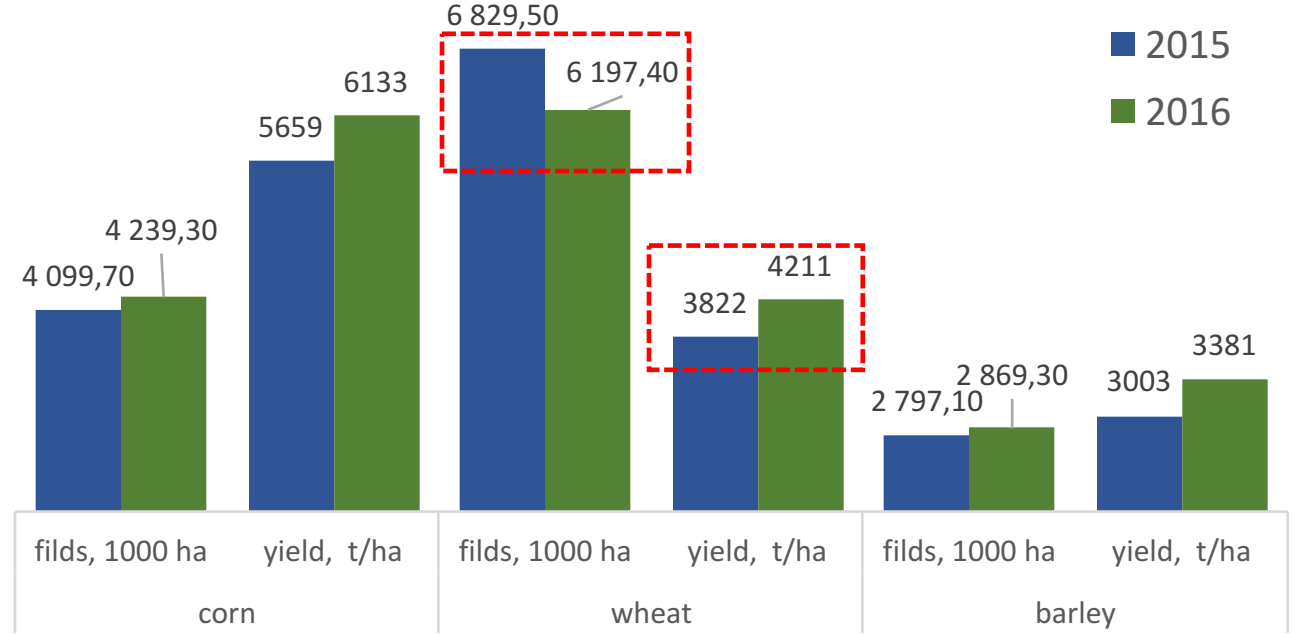
Land Fund and Yield

Land Fund of Ukraine, 1000 ha

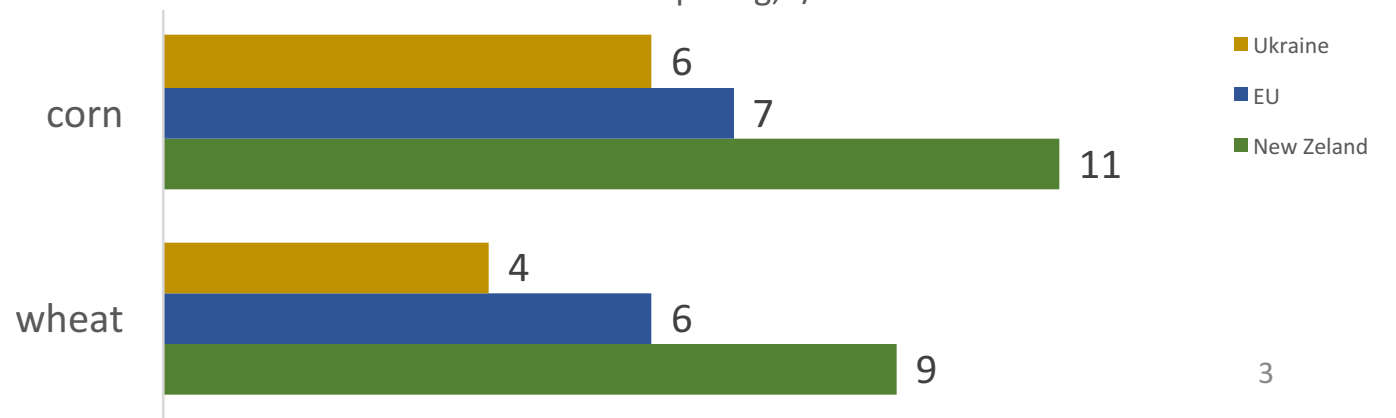
Arable land of total land bank comprises 76% and could be additionally extended for up to 3 m ha



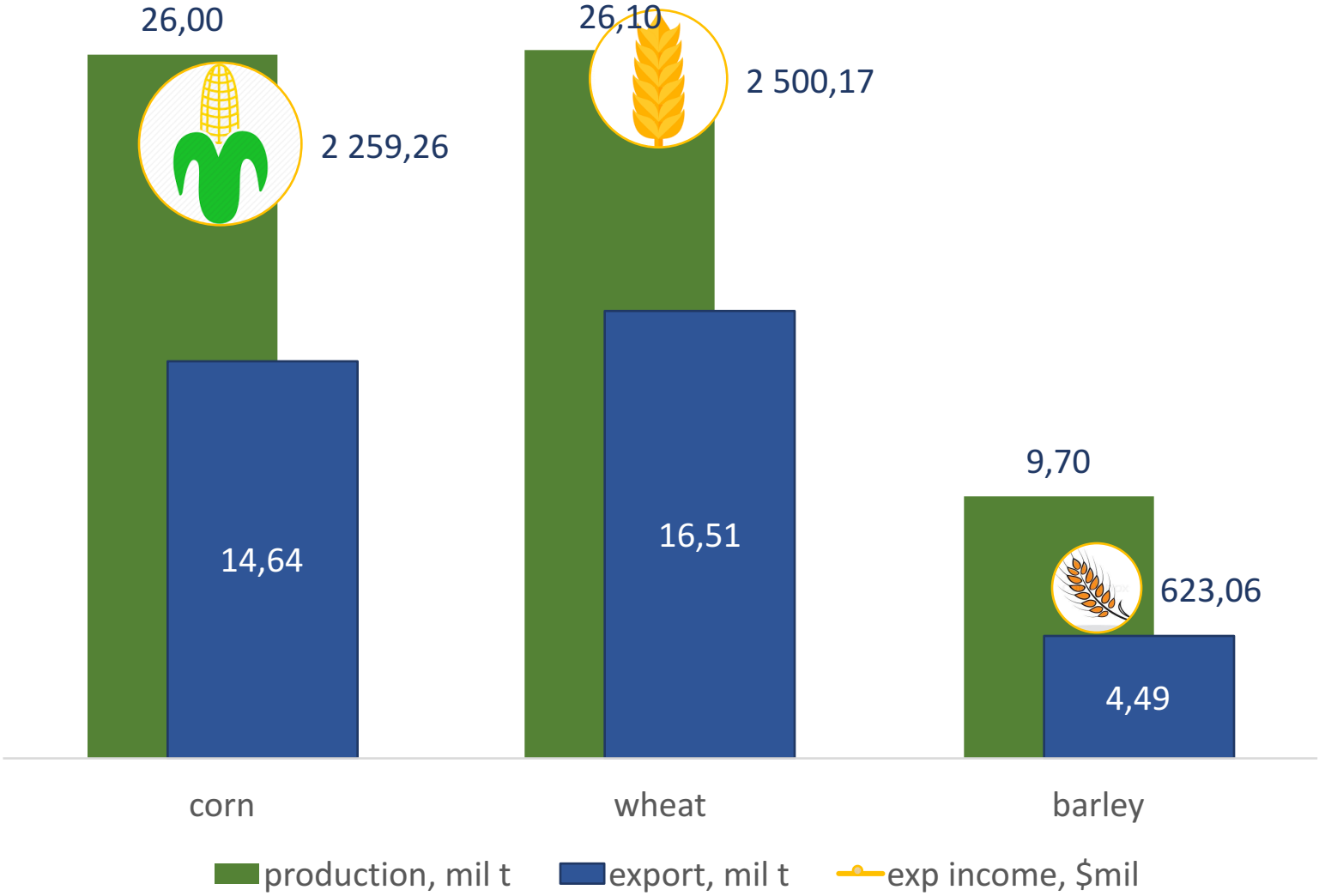
Productivity of crop



Yield comparing, t/ha



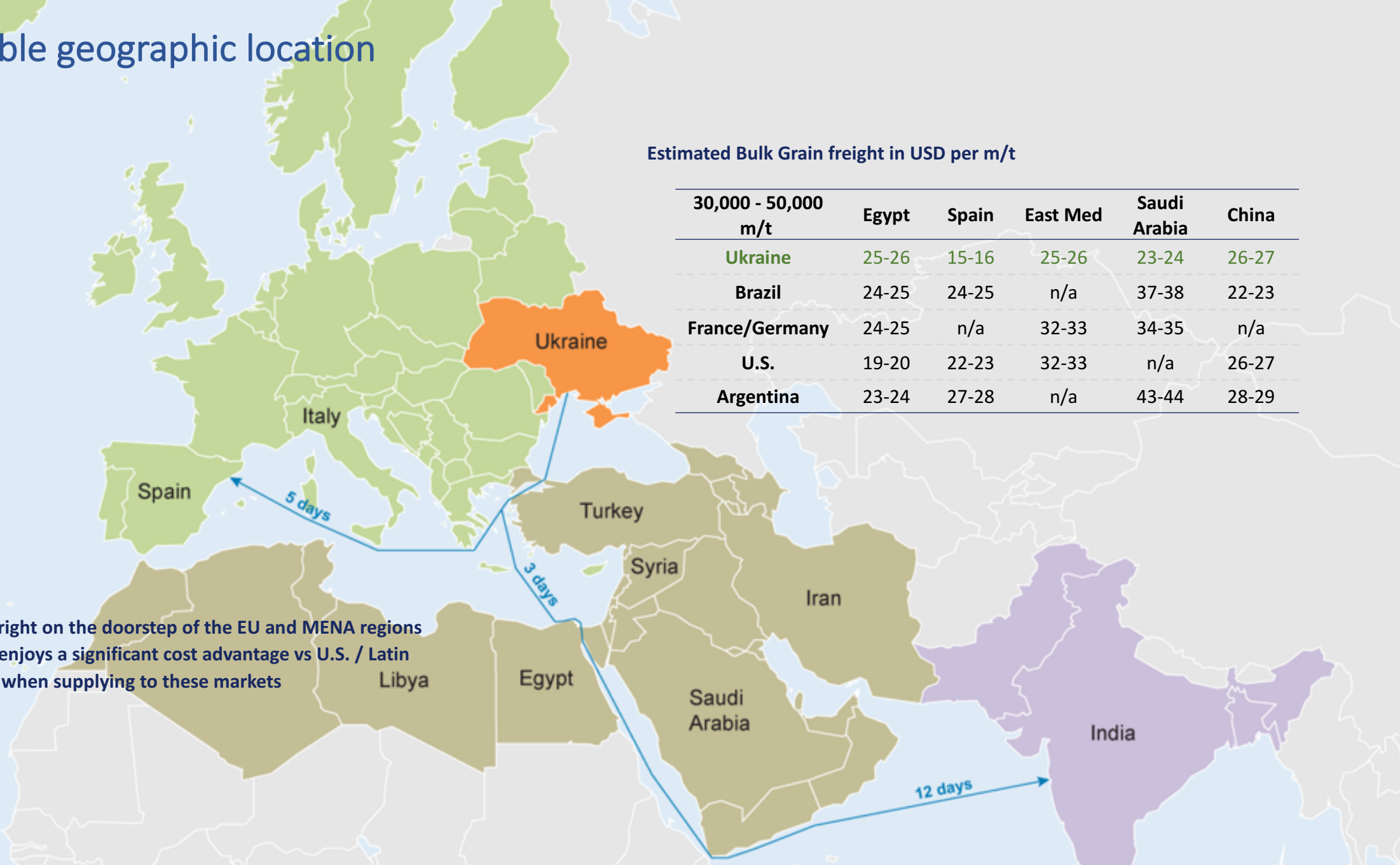
Ukrainian Grain Production, Export and Income 2016



Key facts

- Ukraine is one of the world’s largest producers and exporters of a range of agricultural commodities
- Ukrainian yields are slightly lower than those of USA and EU, mainly due to low capital investments and insufficient funding ability
- Still, according to OECD-FAO, Ukraine will increase its share of wheat exports to 7.7% of global trade over the 2015 – 2025 years period
- Asia and EU are considered as a key markets
- Total production 2016 more than 2015 to 6%
 About 40% of the total harvest falls on the wheat crop, up only 2% below the record 2015. The slight decrease in wheat production more than offset by increased production of corn (10%), and barley (15%)

Favourable geographic location

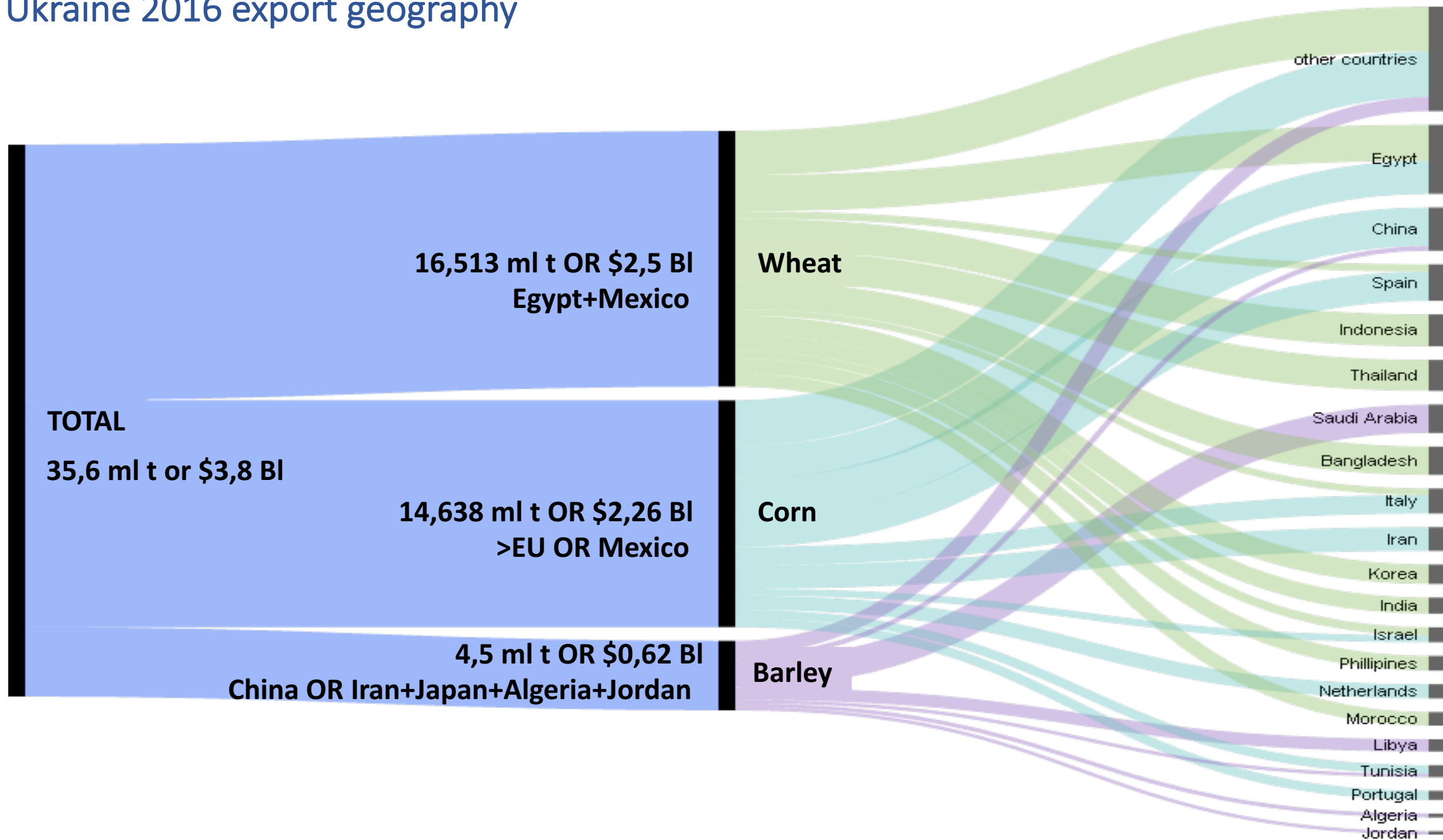


Estimated Bulk Grain freight in USD per m/t

30,000 - 50,000 m/t	Egypt	Spain	East Med	Saudi Arabia	China
Ukraine	25-26	15-16	25-26	23-24	26-27
Brazil	24-25	24-25	n/a	37-38	22-23
France/Germany	24-25	n/a	32-33	34-35	n/a
U.S.	19-20	22-23	32-33	n/a	26-27
Argentina	23-24	27-28	n/a	43-44	28-29

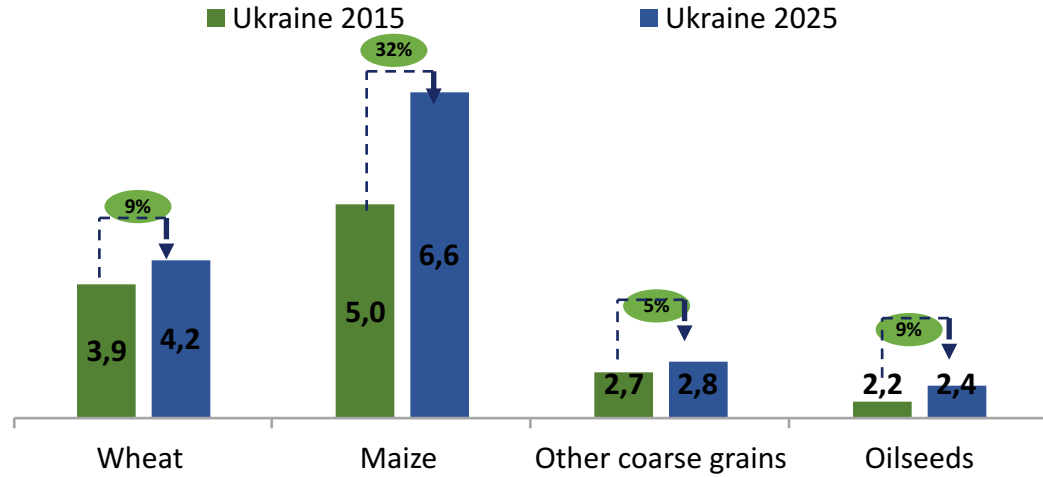
Located right on the doorstep of the EU and MENA regions
 Ukraine enjoys a significant cost advantage vs U.S. / Latin America when supplying to these markets

Ukraine 2016 export geography

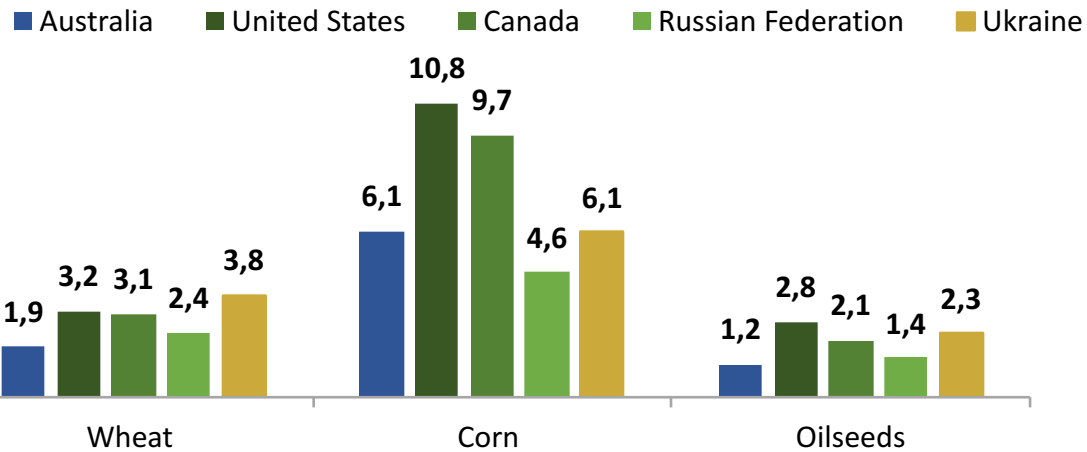


Agriculture sector potential

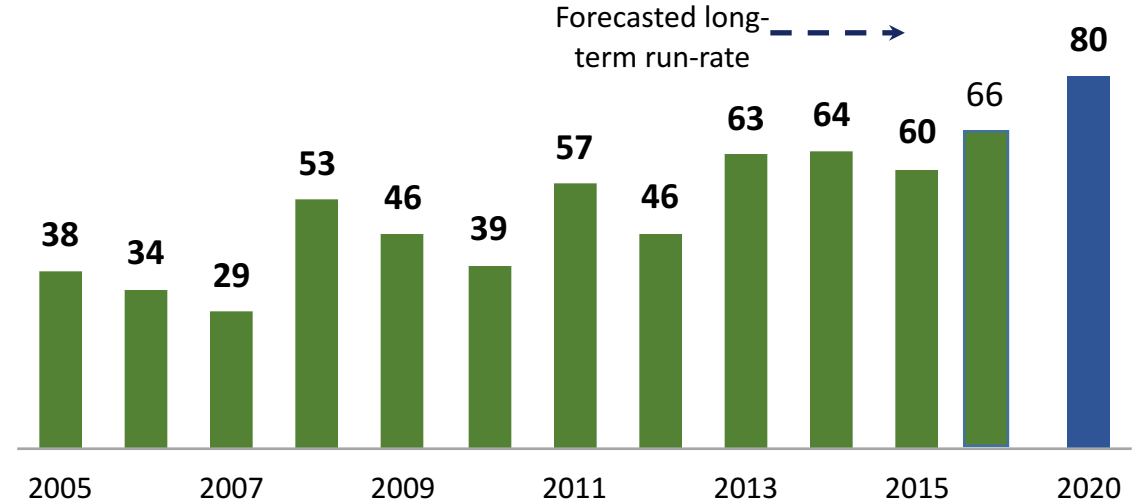
According to 10 years projection plan, Ukraine is expected to increase yields further among all the key agriculture products



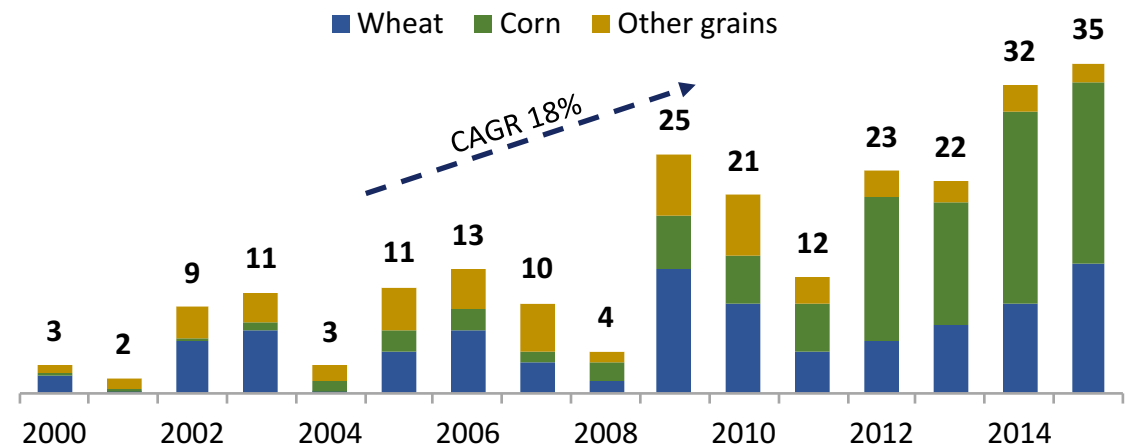
Average yield projections (2015-2025), t/ha



Ukrainian grain production, m t



Ukrainian grain export volumes, m t



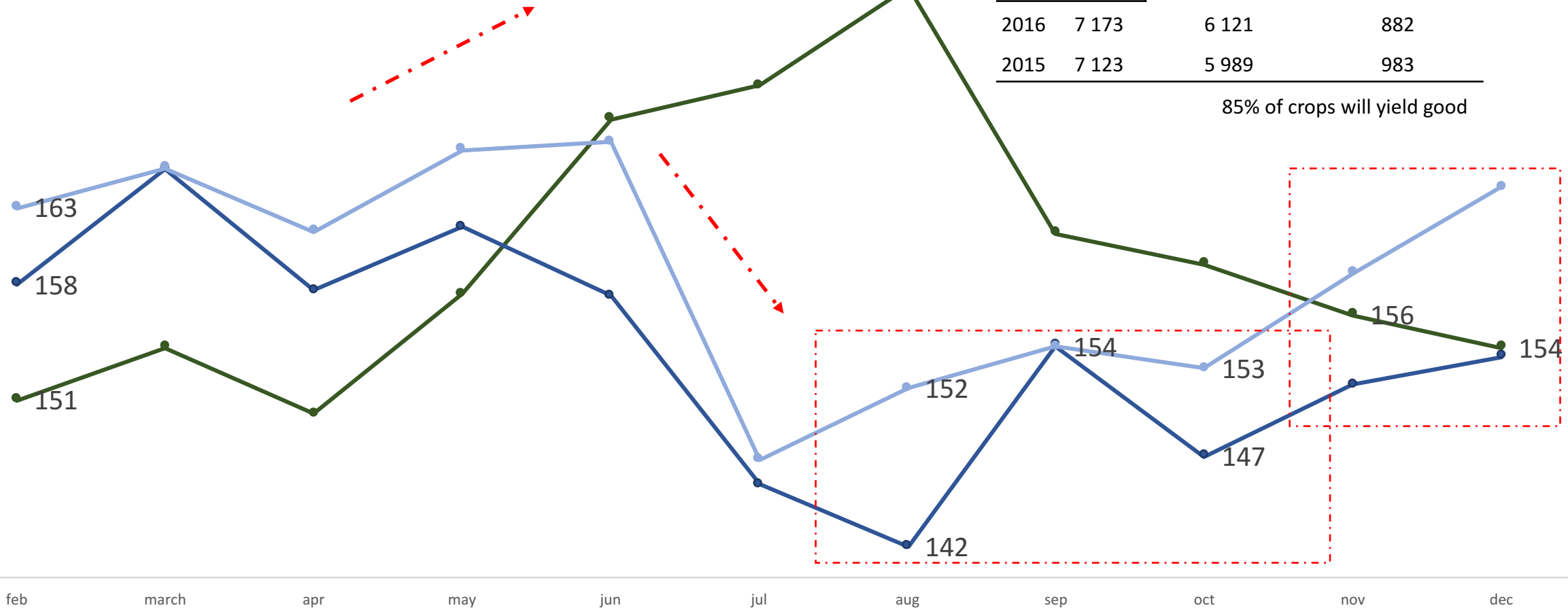
Seasonal price fluctuation

CPT Ukr Forecast 2017

Areas of winter grain crops

Year	1000 ha	including	
		Wheat, 1000 ha	Barley, 1000 ha
2016	7 173	6 121	882
2015	7 123	5 989	983

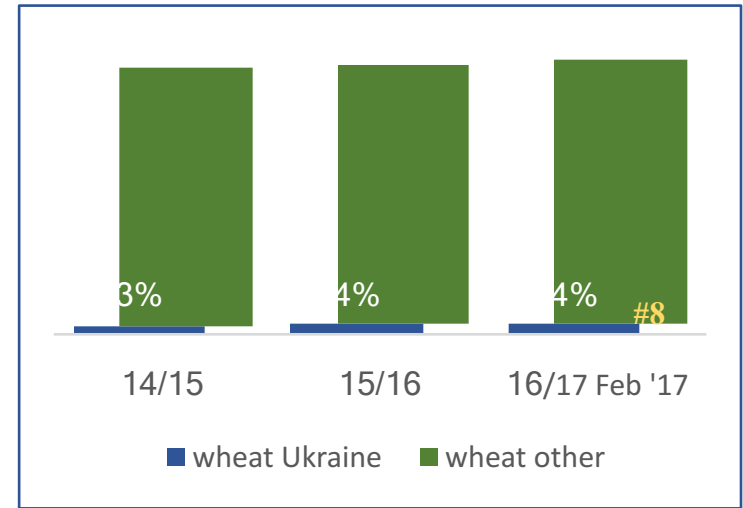
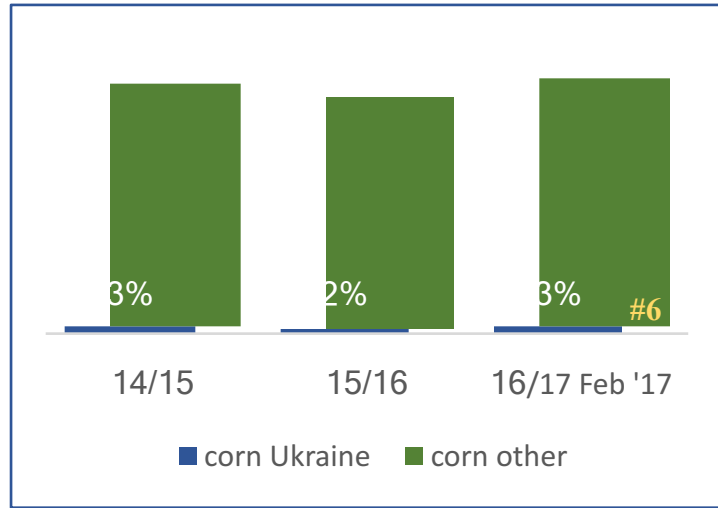
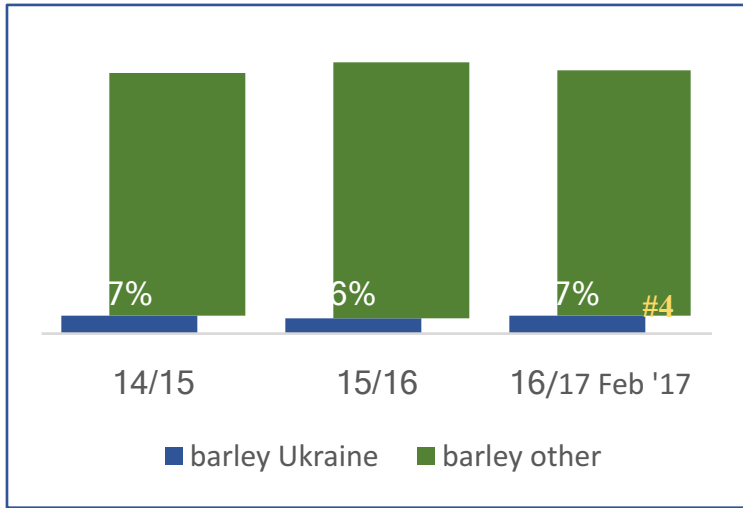
85% of crops will yield good



● corn ● FW ● MW

Global positioning of Ukrainian agricultural market

Production



Export

