

## Ukrainian sunflower seed market: 2015/16 season results

The 2015/16 marketing year was quite successful for Ukraine in markets of sunflower seed and its processed products. All-time high sunseed production at 11760 KMT was the key to such a success. Favorable agro-meteorological conditions allowed to obtain the best result on close to record planted area (5650 Th ha), owing to minimal losses (50 Th ha) and high productivity (2.1 MT/ha).



The bulk of sunflower seed harvest becomes raw materials for crushing enterprises, which total crushing capacity has already reached 16.5 MMT in Ukraine. Last season fat and oil industry processed 11.8 MMT of sunflower seed and produced 4.9 MMT of sunflower oil, which was 14% more than during the previous marketing year.

### Ukraine. Sunflower oil production, KMT

	2016/17	2015/16	2014/15	2013/14
Sunflower oil production, KMT	5650	4913	4305	4700

Such a high sunflower oil production ensured Ukraine's export capacity, which made the country the world's leader in this segment.

In general, in the 2015/16 season Ukraine supplied 4.5 MMT of sunflower oil to foreign markets. And here we also see all-time high exports. European countries were traditionally the largest Ukrainian sunflower oil importers (about 32% of total exports), slightly surpassing India (31.6%). The share of exports to China reached nearly 14%, to Turkey – about 4%.

It should be noted that Chinese market, opened for Ukrainian sunflower oil in the 2008/09 season, when the first 0.08 KMT were supplied, continues to increase imports. When in the 2014/15 marketing year export shipments to this country equaled 446 KMT, then in season 2015/16 they reached 620 KMT. We would like to note that trade relations between Russia and China have also improved. Russia opened Chinese market only in the 2014/15 marketing year, and in the 2015/16 marketing year Russian Federation supplied 133 KMT of sunflower oil to China, compared to 23 KMT a year before.

### Sunflower oil exports

	Ukraine		Russia	
	2015/16	2014/15	2015/16	2014/15
Total sunflower oil exports, KMT	4478	3870	1303	1250
Exports to China, KMT	620	446	133	23
China's share in total exports, %	13.8	11.5	10.6	1.8

Sunflower meal exports from Ukraine are also high. In the 2015/16 season Ukraine shipped 3655.4 KMT of this product to foreign markets. And in this market segment a new record was set as well. Sixteen new countries from different regions joined the list of importers last season. Moreover, the main consumers strengthened their positions by increasing their shares in total Ukrainian exports: European countries – to 55%, Belarus – to 16%, Turkey – to 11%.

Apart from oilseeds processed products, Ukraine also supplies insignificant volume of raw materials to foreign markets. In the 2015/16 marketing year Ukraine exported almost 100% more sunflower seed than in season 2014/15 – about 83 KMT. Furthermore, UkrAgroConsult believes that in the 2016/17 marketing year Ukraine may increase exports to 500 KMT.

In general, the 2015/16 season was rich in records. Production estimates at 14 MMT in the 2016/17 season open new prospects for all market participants.

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