CSI DAILY NEWS

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Turkey Set to Increase Wheat and Barley Imports as Drought Hits Harvests

Turkey is expected to more than double its wheat imports in 2026, reaching about 7.3 million tonnes, as drought conditions sharply reduce domestic production, the Ministry of Industry and Trade said.

Barley output, largely dependent on rain-fed cultivation, is forecast to fall by nearly 2 million tonnes to 5.1 million tonnes. As a result, barley imports are projected to rise to around 1.7 million tonnes to cover feed demand from the livestock sector.

In contrast, corn production — mostly supported by irrigation — is expected to increase by 12% to 7.9 million tonnes, allowing corn imports to decline to an estimated 3.3 million tonnes.

Lower stocks of key grains, combined with reduced harvests, are likely to push food prices higher. Inflation, which stood at nearly 35% in October 2025, continues to weigh on the development of Turkey's agricultural sector.

Russia Introduces Annual Quota for Rice Exports in 2026

The Russian government has approved a new quota for rice exports for the 2026 calendar year, aiming to support domestic rice producers and expand access to foreign markets.

According to the official decision, from January 1 to December 31, 2026, the export of raw rice outside the Eurasian Economic Union (EAEU) will be subject to a 200,000-ton quota. Exports within this quota will be exempt from duties, while shipments exceeding the limit will be subject to a 50% export duty based on the customs value of the goods.

Authorities note that this measure is intended to stimulate the further development of the rice industry in Russia and strengthen its position in international markets.

Russian Wheat Retains Strong Presence in the Middle East

Russia maintained stable wheat shipments to the Middle East during the first 5.5 months of the 2025/26 marketing year, supplying around 8 million tonnes, according to estimates from Agroexport. This volume is broadly in line with the same period last season, showing a marginal increase of 0.4%.

Turkey remains the largest destination for Russian wheat in the region. Since the start of the season, Turkish imports reached 3.3 million tonnes, up 76% year on year. By comparison, Turkey imported only 3.4 million tonnes of Russian wheat over the entire previous season, against a five-year average of 7.6 million tonnes.

Israel also increased purchases, importing approximately 1.1 million tonnes, which represents a 26% rise compared to the same period last year.

A notable development this season has been the effective entry of Russian wheat into the Iraqi market. While access had existed in previous years, shipments had been limited and irregular. In the first 5.5 months of the current season, exports to Iraq reached a record 300,000 tonnes, Agroexport analysts said.

According to the USDA, Iraq’s annual wheat import requirements typically range between 2.6 million and 4 million tonnes, suggesting further potential for Russian wheat exports to the country.

Ukraine Farmers Race To Finish Corn Harvest As Logistics Remain Strained

Ukraine’s corn harvest continues to advance slowly as farmers contend with adverse weather and ongoing disruptions caused by Russian attacks on energy, transport and port infrastructure.

Ukrainian producers harvested 1.08mn t of corn from 124,000ha in the week ending 18 December, down sharply from 1.86mn t harvested from 213,400ha a week earlier, economy ministry data show. Total output has reached 26.45mn t from 3.78mn ha, or about 86pc of the officially projected harvested area of 4.4mn ha.

Despite the slower pace, yields improved, with the average corn yield rising to 7 t/ha from 6.94 t/ha a week earlier. This remains well above last year’s 6.43 t/ha and the five-year average of roughly 6.56 t/ha for a comparable harvested area.

The US Department of Agriculture lowered its forecast for Ukraine’s 2025-26 (October-September) corn output to 29mn t in its December Wasde report. The revision reflected a cut in harvested area to 4.2mn ha from 4.4mn ha previously, as well as a reduction in the yield estimate to 6.91 t/ha from 7.27 t/ha.

Argus, however, left its production outlook unchanged at 31.3mn t, forecasting a harvested area of 4.5mn ha and an average yield of 6.96 t/ha.

Farmers are racing to complete harvesting as uncollected corn faces higher risks of quality deterioration and mycotoxin contamination. The effort is complicated by limited drying capacity due to unstable power supply, as well as logistical constraints and weak demand at ports, many of which have also been damaged by Russian attacks.

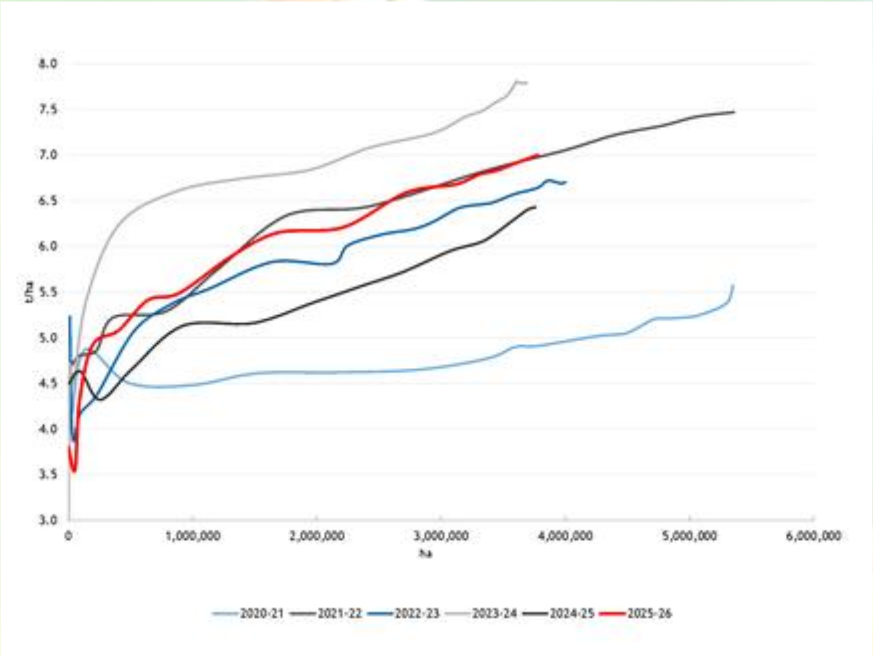
More than 11,000 grain wagons — equivalent to about 800,000t — are currently en route to the ports of Odesa, according to rail operator Ukrzaliznytsia. However, delivery and unloading schedules remain highly uncertain amid ongoing attacks and power outages. Some market participants have halted new contracting, citing difficulties in ensuring timely delivery and loading of cargoes.

Oilseed harvests completed

Ukraine’s oilseed harvest is largely complete. Farmers had harvested 9.15mn t of sunflower seeds from 4.84mn ha as of 18 December, accounting for 93pc of the projected harvested area of 5.19mn ha. Average yields edged up slightly to 1.89 t/ha, though this remains the lowest level for a comparable harvested area in at least five years.

Soybean harvesting has also concluded, with 4.79mn t collected from 2.02mn ha and an average yield of 2.37 t/ha. This marks a significant improvement from 2.2 t/ha recorded a year earlier.

Ukraine corn yields for same harvested area t/ha, ha



French Grain Exports Shift As Barley Gains And Wheat Outlook Weakens

France’s outlook for wheat exports to destinations outside the European Union has weakened, while expectations for barley exports have improved, according to the latest monthly report from FranceAgriMer (FAM).

FAM now forecasts French barley exports at 6.1mn t in the 2025-26 (July-June) marketing year, up by 2pc from its previous estimate. Despite the upward revision, the figure would still represent the second-lowest barley export volume since 2020-21. Exports to non-EU markets are projected at 3.4mn t, an increase of 150,000t from last month’s forecast.

By contrast, France’s soft wheat exports are expected to total 15.1mn t in 2025-26, broadly unchanged from the previous estimate. However, the composition has shifted, with FAM revising 250,000t of wheat away from non-EU destinations towards intra-EU trade. As a result, wheat exports to non-EU countries are now seen at 7.6mn t — more than double the previous season’s level but still well below the volumes of just over 10mn t recorded in 2022-23 and 2023-24.

Winter planting rebounds ahead of 2026 harvest

French farmers benefited from generally favourable planting conditions for winter crops, supporting an expansion in planted areas for the 2026 harvest, the agriculture ministry said in its December update.

Soft wheat (excluding durum) area is projected at 4.56mn ha, up by 2pc on the year and close to the 2021-25 average. Durum wheat plantings are estimated at 199,000ha, up 1pc year on year but still 15pc below the five-year average. Barley area is expected to rise by 3pc to 1.23mn ha, while rapeseed plantings are forecast to increase by more than 6pc to 1.33mn ha, exceeding the five-year average by over 9pc.

Wheat planting was almost complete by 1 December and running ahead of schedule, with crop development and conditions better than at the same time last year. Barley sowing lagged slightly but was carried out under improved conditions compared with the previous season.

Corn yields support outlook

France's 2025 corn harvest is now estimated at 13.6mn t, down 8pc from the previous year but broadly in line with the 2020-24 average. The revised figure improves the outlook for the crop after earlier downward revisions linked to hot and dry summer weather that weighed on yields.

Sunflower Slowdown Cuts EU Oilseed Crushing As Rapeseed Offsets Losses

Oilseed crushing in the EU and UK declined in November from the previous month, as lower sunflower seed (SFS) and soybean processing outweighed a rise in rapeseed crushing, according to the latest data from industry group Fediol.

Total oilseed crush across the bloc and the UK fell to 3.09mn t in November, down from 3.16mn t in October and 3.18mn t a year earlier.

SFS processing dropped sharply, falling by 20pc month on month, or 108,000t, to 431,000t. Volumes were also 15pc lower than a year earlier, reflecting delayed sunflower harvests in key producers France and Hungary. Soybean crushing eased slightly, declining by 34,000t from October to 1.03mn t.

Rapeseed crushing moved in the opposite direction, rising by 74,000t to 1.63mn t, partly offsetting the weakness in other oilseeds. The rapeseed crush pace was also faster than in November last year.

Oil refining activity in the EU and UK also slowed. Total refining volumes fell by 42,000t on the month to 910,000t in November, with a steeper decline in semi-refined products than in fully refined oils.

Outlook

Looking ahead, implementation of the EU's Renewable Energy Directive (RED III) in Germany next year is expected to support rapeseed oil demand and could encourage higher rapeseed crushing across the bloc.

At the same time, rapeseed and soybean exports from Ukraine to the EU are likely to slow in the second half of December following Russian attacks on energy infrastructure in the Odesa region, which disrupted operations at deepwater ports. Although shipments in the first half of December were broadly on track with November levels, exporters have warned of a slowdown as disruptions persist.

Global supply dynamics may also favour the EU. China is unlikely to ease anti-dumping measures on Canadian canola in the near term, while Australian canola shipments to China remain constrained by licensing requirements. This could leave more Canadian and Australian canola available for European buyers amid bumper crops in both countries.

In addition, the EU's decision to delay implementation of its deforestation regulation by another year has eased concerns over soybean imports in 2026. Uncertainty around new US biofuel quotas for 2026-27 may also cap domestic demand for soybeans and canola in the US, potentially increasing export availability. However, renewed Chinese buying of US soybeans could limit supplies for the EU market.

European Rapeseed Oil Prices Extend Slide On Weaker Futures And Vegetable Oil Markets

European rapeseed oil (RSO) fob Dutch mill prices extended losses for a fourth consecutive session on Friday, pressured by continued weakness in Euronext rapeseed futures and declining prices for competing vegetable oils, with active trade reported across delivery periods.

Paris-listed rapeseed futures fell further as competitively priced Canadian canola weighed on the market. Crushers in Europe able to process genetically modified (GMO) seed are expected to increase purchases of Canadian canola at current price levels, according to market participants. This could leave more rapeseed available for non-GMO crushers, adding downward pressure to rapeseed prices. The Euronext February rapeseed contract dropped by €7.25/t on the day to €454.25/t. Canadian canola futures on ICE also moved lower during the session.

Lower rapeseed prices, combined with uncertainty surrounding the proposed EU-Mercosur trade agreement, discouraged farmer selling in western Europe, traders said.

Further pressure came from the biofuels sector, as European rapeseed oil methyl ester (RME) prices fell sharply on Friday, down by $59/t on the day.

The prompt fob Dutch mill RSO price declined by €15.5/t to €1,048/t, reflecting December interest at €1,045-1,063/t and January interest at €1,045-1,048/t by the close.

The February-March-April strip fell by €15/t to €1,039.50/t, with bids at €1,037/t and offers at €1,042/t. Trades were reported between €1,041/t and €1,045/t later in the session. May-June-July prices dropped by €9.50/t to €1,028.50/t, while August-September-October declined by €7.50/t to €994.50/t, with multiple trades executed near €1,000/t. Market participants also reported trades for November-December-January 2027 at €1,005/t.

US Sorghum Returns To China Market Amid Feed Demand And Quota Exemption

The first shipment of US sorghum to China in several months is expected to arrive by the end of January, following a prolonged disruption in bilateral trade, while southern hemisphere suppliers continued to dominate Chinese imports in November and arrivals remained limited in December.

The vessel Bungo Queen, carrying 69,600t of US sorghum, departed a US Gulf terminal on 30 November and is scheduled to arrive in China on 29 January, according to vessel-tracking data from Kpler. The cargo will mark the resumption of US sorghum deliveries after a near seven-month pause caused by trade frictions and sharply higher tariffs imposed in May.

China received just 2,690t of US sorghum in June, with imports falling to below 1,000t in both July and September. In the absence of US supplies, southern hemisphere origins — notably Argentina, Australia and Uruguay — accounted for the bulk of arrivals in recent months, customs data show. Argentina shipped 320,750t to China in November, representing about 66pc of total sorghum imports. Most of the remaining volumes came from Australia, while Uruguay supplied only marginal quantities.

Import activity slowed further in December. Kpler line-up data show no bulk sorghum vessels currently scheduled to arrive in China this month, and overall receipts are expected to remain subdued even when containerised cargoes are included.

Arrivals are likely to recover from January as previously booked US cargoes begin to land. Chinese buyers purchased 123,000t of US sorghum in the week to 27 November, according to US Department of Agriculture data. Exporters also sold an additional 10–14 vessels to China in early December, encouraged by lower landed costs for US sorghum compared with domestic corn prices, despite the application of an additional tax. Demand from China’s feed sector has been supported by sorghum’s exemption from import quota restrictions.

Lower Freight Rates Could Intensify US–Brazil Corn Export Competition

US corn has remained competitively priced in destination markets on a delivered basis, supported by a bumper domestic harvest and subdued buying from China despite recent agreements between Washington and Beijing.

The US Department of Agriculture (USDA) forecasts US corn exports at 81mn t in the 2025–26 marketing year (September–August). Argus expects US corn production to reach 411mn t in 2025–26, well above the 2020–25 average of 371mn t, according to USDA data.

US corn for January shipment has consistently undercut Brazilian origin for deliveries to east Asian destinations, based on forward fob prices and prevailing spot dry bulk freight rates. Limited purchasing by Chinese buyers this season has weighed on US fob prices, while Brazil's later corn harvest has delayed direct competition from Brazilian supplies.

Despite higher freight costs from the US Gulf to east Asia compared with Brazilian ports, US corn has remained competitive. On 18 December, Brazilian fob corn prices could be around $11.9/t higher than US Gulf prices to achieve parity, broadly in line with the 30-day average freight differential of $11.73/t, according to Argus freight assessments.

However, spot freight rates from both North and South American ports have eased in the first half of December. Lower freight costs could place further pressure on US fob prices and intensify competition between US and Brazilian corn in export markets.

In parallel, near-term feed demand risks are emerging in some major importing countries. Spain confirmed another case of African swine fever in wild boar on Friday, bringing the total to 27. While no farm infections have been detected so far, the outbreak has slowed Spanish feed grain imports as buyers assess potential impacts on livestock and feed demand.

The US shipped 1.9mn t of Spain's total corn imports of 6.4mn t in January–September this year, according to Global Trade Tracker data, making it Spain's largest supplier over the period, followed by Brazil at 1.1mn t.

Argentinian Milling Wheat Finds Buyers Despite Lower Protein Levels

Demand for Argentinian milling wheat remains firm among some importers, with buyers opting to relax minimum protein requirements rather than switch to alternative origins.

Several flour millers in Indonesia have continued to book Argentinian wheat despite lower guaranteed protein levels. Buyers have recently bid for 10.5pc protein wheat at discounts of around $10-15/t to 11.5pc material, market participants said. This reflects prevailing grade spreads in Argentina's fob market, where each additional 0.5 percentage point of protein between 10.5pc and 12pc typically commands a premium of about $5/t.

However, not all buyers are prepared to adjust specifications. At least one major Indonesian milling wheat importer is expected to continue avoiding South American wheat below the previously standard 11.5pc protein threshold, which could continue to underpin price differentials between protein grades.

Buyers' greater tolerance for lower protein content in Argentinian wheat is unlikely to extend to Black Sea or European origins. Market participants noted that average test weights in parts of northern Argentina have reached around 79kg/hl, significantly higher than those commonly associated with low-protein wheat from the Black Sea.

On the supply side, exporters in Argentina have been able to source 11.5pc protein wheat for loading at upriver ports, but have struggled to secure similar-quality volumes for topping up vessels at the southern ports of Necochea and Bahia Blanca. Cargoes bound for southeast Asia are typically loaded on Panamax vessels, which cannot fully load at upriver terminals because of draught limitations and therefore require additional volumes at Atlantic ports, traders said.

Argentinian Low-Protein Wheat Reshapes Global Markets As Harvest Continues

Argentinian wheat continued to influence global destination markets on Thursday, as sellers increasingly promoted lower-protein grades while awaiting clearer quality results from the ongoing harvest.

Offers for Argentinian 10.5pc protein wheat for January loading were quoted at around $195/t fob upriver, about $5/t lower on the day, while prices for 11pc protein and above remained broadly stable. Buying interest was limited, with traders reporting a cautious market.

Some importers, particularly in Indonesia, showed growing interest in testing Argentinian 10.5pc wheat, attracted by its steep discount to Australian Standard White (ASW) 9pc. However, other destinations appeared less receptive. South Korea, which last imported Argentinian wheat in 2016, has increasingly relied on Australian and US origins in recent years, customs data show.

US wheat continued to secure sales into Asia, with the US Department of Agriculture reporting fresh purchases by South Korea, the Philippines and Bangladesh in the week to 27 November. Both US and Argentinian wheat are expected to compete into Bangladesh during the current marketing year, potentially displacing Black Sea origins. Bangladesh's imports of Russian and Ukrainian wheat fell by 32pc and 48pc respectively in July–October compared with a year earlier, according to customs data.

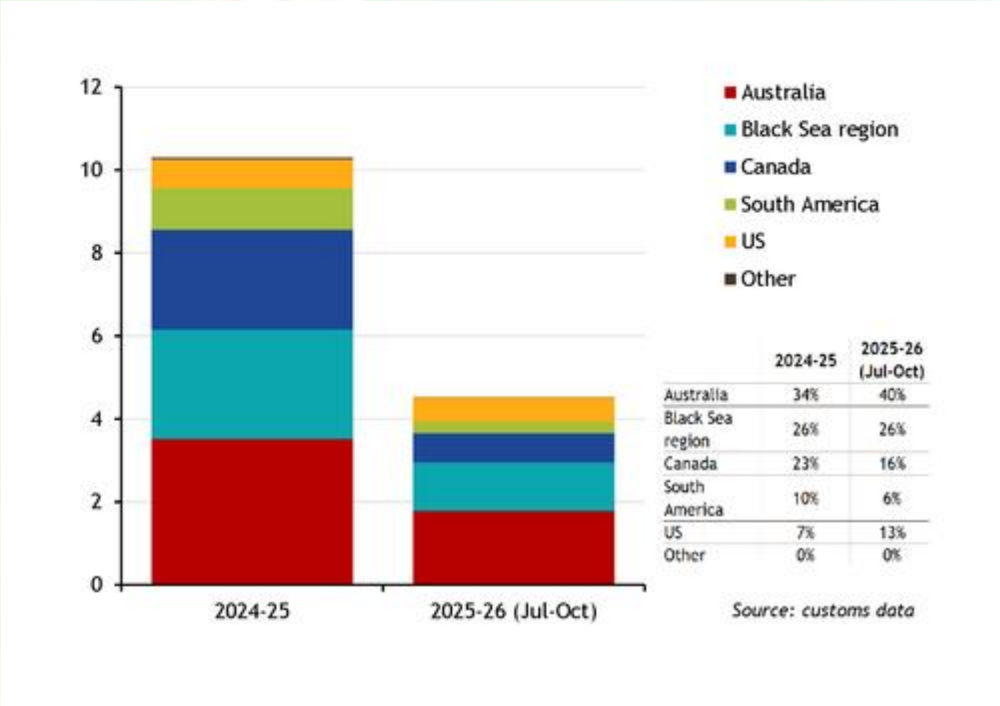
In Morocco, spot buying slowed as several cargoes are scheduled to arrive in the coming weeks, mainly from France and Argentina. In France's domestic market, exporters slightly raised bids for wheat delivered to Rouen for January–March shipment, quoting around €5/t over Euronext March futures.

The focus on discounted Argentinian low-protein wheat helped keep prices for higher-protein exporters relatively firm. Wheat from the EU Baltic states traded at a steady basis to Euronext March futures in recent fob deals, market participants said.

In southeast Asia, some Indonesian millers continued to pay a premium for ASW 9pc wheat over Argentinian 11.5pc, with Australian wheat setting the top end of the price range. Market participants indicated tradeable levels for Argentinian 10.5pc wheat in the low-$240s/t cfr Indonesia, while 11.5pc was discussed in the low- to mid-$250s/t cfr.

The Argus 12.5pc CVB spot fob wheat price increased on Thursday to $232/t for standard specification cargoes loading between 2 January and 1 February, as sellers firmed offers and buyers raised bids by $1/t on the day.

Indonesia wheat imports by origin mn t



	2024-25	2025-26 (Jul-Oct)
Australia	34%	40%
Black Sea region	26%	26%
Canada	23%	16%
South America	10%	6%
US	7%	13%
Other	0%	0%

Russian Wheat Gains Attention In Brazil Amid Argentine Quality Concerns

Lower average protein levels in Argentina’s 2025-26 (December-November) wheat crop could prompt Brazilian buyers to diversify their sourcing away from their traditional supplier and turn to alternative exporters, including Russia, market participants said.

Russian wheat is already scheduled to load for Brazil in December, according to preliminary line-up data, and buyers have shown additional interest in Russian origin on a fob basis. In past seasons, Russian 12.5pc protein milling wheat has successfully competed with US hard red winter (HRW) wheat in Brazil when Argentine supplies were insufficient in quality terms.

Brazil last imported Russian wheat in 2024, when arrivals reached 711,600t between June and December. Argentina typically dominates Brazil’s wheat import programme, covering gaps in domestic production, but this season Argentine output may struggle to supply sufficient volumes of milling wheat with protein levels above 11.5pc.

Demand in the Russian fob wheat market softened on Friday, with the top bid edging lower from the previous session. Nevertheless, some buyers targeting North African destinations may shift interest from Ukrainian wheat to Russian supplies, as recent attacks on infrastructure have increased logistics risks for Ukrainian exports.

In the Black Sea Romanian-Bulgarian ports of Constanta, Varna and Burgas (CVB), bids for milling wheat were unchanged on the day. Buyers showed some interest in cargoes meeting Saudi Arabia's General Food Security Authority (GFSA) specifications, but bids remained more than $5/t below prevailing offers.

The Argus-assessed 12.5pc CVB spot wheat price closed flat at $232/t fob for standard-specification cargoes loading between 3 January and 2 February, with both buyers and sellers holding their positions.

Global Wheat Market Remains Largely Unchanged

The global wheat market continues to show little movement, with the latest December report from the U.S. Department of Agriculture (USDA) reinforcing a bearish outlook. The USDA raised its forecast for global wheat production by 8.9 million tonnes to 837.8 million tonnes, citing higher output estimates for Canada, Argentina, the European Union, Australia and Russia. Analysts also note that Brazil is entering the export market with competitively priced wheat, adding further pressure on prices, which continue to be influenced by international tenders.

While rising consumption in some importing countries offers limited opportunities for exporters, it is not sufficient to alter the prevailing long-term trend. In Saudi Arabia, wheat consumption in the 2025/26 season is projected at 4.6 million tonnes, reflecting annual growth of 3–4%. The increase is driven by population growth, a rising number of labor migrants and the rapid expansion of the tourism sector. As the hospitality industry develops, demand from the food service sector—particularly for bakery products—is expected to grow.

Saudi Arabia's domestic wheat production is forecast at 1.1 million tonnes in 2025/26, with imports estimated at around 3.1 million tonnes. Even so, total wheat imports will remain below the 3.4 million tonnes recorded in the 2024/25 season. The nearly 10% decline in purchases is linked to government measures aimed at supporting local farmers, including a fixed procurement price of 1,750 Saudi riyals ($467) per tonne.

According to the Institute for Agrarian Market Studies (IKAR), wheat prices in Turkey are also unlikely to rise in early 2026. A drought is expected to significantly reduce the domestic wheat harvest, while barley production—largely non-irrigated—is forecast to fall by almost 2 million tonnes to 5.1 million tonnes. As a result, barley imports are projected to increase to 1.7 million tonnes to meet feed demand.

IKAR also expects wheat prices in Russia to remain flat at the beginning of 2026 due to oversupply on the global market. Russia's official forecast for the 2025 harvest stands at 135 million tonnes of grain, including 90 million tonnes of wheat. Wheat exports in the 2025/26 season are estimated at 43–44 million tonnes, with total grain exports projected at 53–55 million tonnes.

From February 15, 2026, Russia will introduce an export quota on grain, although its volume has yet to be determined. For comparison, the quota in effect from February 15 to June 30, 2025, was set at 10.6 million tonnes for wheat, with zero quotas for barley, rye and corn.

Price and Data

Description	*Unit*	*Price*	*Date*
CORN UKRAİNE CPT POC SPOT	USD/t	205,50-	19.12.2025
WHEAT 11.5PC UKRAİNE FOB POC SPOT	USD/t	226-	19.12.2025
WHEAT 12.5PC RUSSİA FOB NOVOROSSİYSK SPOT	USD/t	226,50↓	19.12.2025
SOYBEAN OİL ARGENTİNA WATERBORNE FOB UPRİVER USD/T MONTH 1 – HOUSTON CLOSE	USD/t	1.064,61↓	19.12.2025
Rapeseed oil fob Dutch Mill RSO quarter 1	Euro/t	1.039,50↓	19.12.2025
SUNFLOWER OİL FOB NORTHWEST EUROPE 6 PORTS SPOT - LONDON CLOSE	USD/t	1.335-	19.12.2025

↓ Price dropped in comparison to last report.

↑Price raised in comparison to last report.

-Price has not changed.

References:

www.direct.argusmedia.com

Agroexport Telegram Channel

Centr VED Telegram Channel

World Trading Telegram Channel

Rus Grain Union Telegram Channel