

# *CSI DAILY NEWS*

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02.04.2026



## **Russia's Agricultural Output Edges Up 0.7% in Early 2026**

Russia's agricultural output recorded modest growth in early 2026, according to data from the Federal State Statistics Service (Rosstat). Production across all farm categories—including agricultural organizations, private farms, and household plots—rose by 0.4% year-on-year in February.

For the first two months of the year, total agricultural production increased by 0.7%, maintaining the same pace seen in the corresponding period of 2025. January alone posted a stronger growth rate of 1.1%.

In value terms, agricultural output reached 347.8 billion rubles in February, bringing the cumulative total for January–February to 640.8 billion rubles, based on preliminary estimates.

Rosstat noted that the figures do not include data from newly incorporated regions.<sup>4</sup>

## **Russia Expands Export Access to 22 Countries in 2025**

Russia expanded its agricultural export reach in 2025, gaining access to 22 new international markets, Deputy Prime Minister Dmitry Patrushev said during a meeting of the Rosselkhoznadzor board.

He highlighted strong growth potential in the Chinese market, noting a significant increase in the number of Russian companies exporting to China over the past year.

In addition, Russia secured approval to export meat products to the Philippines and Malaysia in 2025, further diversifying its export destinations.

In the grain sector, Russia continues to rank among the global leaders in supply. Authorities also reported a decline in complaints from importing countries regarding grain quality, indicating improved standards and control.<sup>4</sup>

## **Krasnodar Krai Boosts Grain Pea Area by 23%**

Krasnodar Krai has expanded its grain pea cultivation area this season, completing sowing ahead of schedule. The total area under grain peas reached 158.2 thousand hectares, marking a 23% increase compared to last year.

Sowing of key spring crops, including barley, wheat, and oats, is nearing completion, while planting of lentils and chickpeas is still ongoing. The region's total sowing area is expected to reach 1.8 million hectares.<sup>5</sup>

# Putin Orders Government to Expand Grain Supplies to Egypt

Russian President Vladimir Putin has instructed the government to work with Egyptian authorities on expanding food supplies, with a primary focus on grain exports.

The announcement followed a recent phone call with Egypt's president, after which Putin directed officials to coordinate supply arrangements with their Egyptian counterparts. He emphasized that Egypt remains a key partner for Russia in the agricultural sector.

Putin also noted that Russia achieved a strong harvest last year and assured that there are no expected issues with supply availability.

The statement was made during a meeting at the Kremlin with Egypt's Foreign Minister, Badr Abdel Aty.<sup>7</sup>

## Commodity Auctions: Results for 01.04.2026

### Purchase

OOO Zakazchik No. 1

Wheat, grade 4, 12.5%, excluding VAT | 17,425 P/t | 600 t

OOO Trading House Sodruzhestvo

Soybean 39, Far East, incl. VAT | 26,000 P/t | 2,000 t

OOO Trading House Sodruzhestvo

Soybean 40, incl. VAT | 34,250 P/t | 1,500 t

OOO Trading House Sodruzhestvo

Soybean 37, incl. VAT | 31,250 P/t | 100 tons

Zakazchik No. 1 LLC

Wheat, grade 4, 12.5%, excluding VAT | 16,785 P/t | 620 tons

OZK Trading LLC

Wheat, grade 4, 12.5%, excluding VAT | 17,400 P/t | 75 tons

OZK Trading LLC

Wheat, grade 4, 12.5%, excluding VAT | 16,333 P/t | 90 tons <sup>6</sup>

## **COSCO Restarts Multimodal Services Across Middle East**

COSCO SHIPPING Lines has resumed accepting new orders for multimodal container transportation to several Middle Eastern countries, including the UAE, Saudi Arabia, Bahrain, Qatar, Kuwait, Iraq, and Oman.

Under the current logistics setup, shipments to Abu Dhabi and Jebel Ali are handled via a land bridge through the ports of Khor Fakkan or Fujairah. Deliveries to countries in the Upper Persian Gulf follow a similar route, with cargo first moved to Abu Dhabi (CSP) and then transferred to COSCO's feeder network for onward distribution.

For Oman-bound shipments, cargo is transshipped through the port of Nava Sheva in India before being delivered to Sohar.

The company noted that logistics arrangements may be subject to change due to ongoing instability in the Middle East region. <sup>3</sup>

## **Ukrainian Sunseed Prices Climb as Processors Build Stocks**

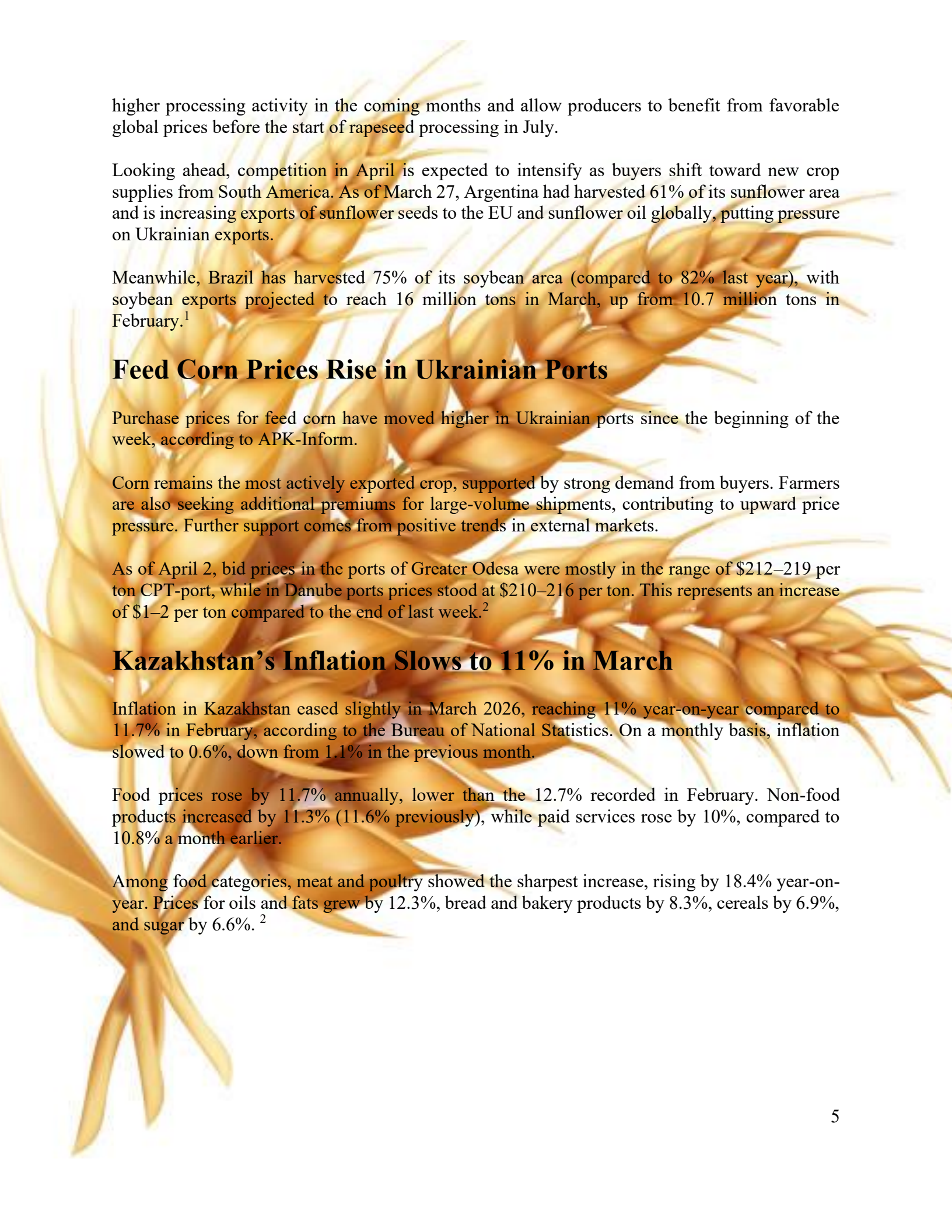
Ongoing tensions in the Middle East continue to support high oil prices, which in turn are driving a gradual increase in vegetable oil markets due to stronger demand from the biofuel sector.

Market expectations were not met following Donald Trump's recent televised address, where he pledged to end the conflict with Iran within two to three weeks but did not announce any steps toward de-escalation or negotiations. As a result, oil prices rose again above \$100 per barrel.

In Ukraine, sunflower seed prices increased by 500 UAH/t over the past week, reaching 31,000–32,000 UAH/t (or \$620–640/t excluding VAT, based on 50% oil content, delivered to processing plants). At the same time, demand prices for Ukrainian sunflower oil rose by \$5/t to \$1,295–1,305/t with delivery to Black Sea ports.

Processors are actively building stocks of sunflower seeds amid increased farmer sales, anticipating further gains in vegetable oil prices. However, demand for sunflower meal remains weak, as feed grain prices stay low and South America continues to expand soybean meal supply.

Despite relatively low processing rates earlier in the season, Ukraine's sunflower seed stocks reached 3.5 million tons as of March 1, slightly above last year's level. This is expected to support



higher processing activity in the coming months and allow producers to benefit from favorable global prices before the start of rapeseed processing in July.

Looking ahead, competition in April is expected to intensify as buyers shift toward new crop supplies from South America. As of March 27, Argentina had harvested 61% of its sunflower area and is increasing exports of sunflower seeds to the EU and sunflower oil globally, putting pressure on Ukrainian exports.

Meanwhile, Brazil has harvested 75% of its soybean area (compared to 82% last year), with soybean exports projected to reach 16 million tons in March, up from 10.7 million tons in February.<sup>1</sup>

## **Feed Corn Prices Rise in Ukrainian Ports**

Purchase prices for feed corn have moved higher in Ukrainian ports since the beginning of the week, according to APK-Inform.

Corn remains the most actively exported crop, supported by strong demand from buyers. Farmers are also seeking additional premiums for large-volume shipments, contributing to upward price pressure. Further support comes from positive trends in external markets.

As of April 2, bid prices in the ports of Greater Odesa were mostly in the range of \$212–219 per ton CPT-port, while in Danube ports prices stood at \$210–216 per ton. This represents an increase of \$1–2 per ton compared to the end of last week.<sup>2</sup>

## **Kazakhstan's Inflation Slows to 11% in March**

Inflation in Kazakhstan eased slightly in March 2026, reaching 11% year-on-year compared to 11.7% in February, according to the Bureau of National Statistics. On a monthly basis, inflation slowed to 0.6%, down from 1.1% in the previous month.

Food prices rose by 11.7% annually, lower than the 12.7% recorded in February. Non-food products increased by 11.3% (11.6% previously), while paid services rose by 10%, compared to 10.8% a month earlier.

Among food categories, meat and poultry showed the sharpest increase, rising by 18.4% year-on-year. Prices for oils and fats grew by 12.3%, bread and bakery products by 8.3%, cereals by 6.9%, and sugar by 6.6%.<sup>2</sup>

## **Egypt Raises Wheat Procurement Price to Boost Domestic Supply**

Egypt has raised the procurement price for locally produced wheat to 2,500 pounds (\$46.76) per ardeb (150 kg) for the 2026 harvest, aiming to boost domestic supply amid geopolitical tensions and concerns over global market disruptions.

Finance Minister Ahmed Kouchouk said the decision is intended to encourage farmers to sell more wheat to the state, as the government seeks to strengthen its strategic reserves. Previously, procurement prices ranged between 2,250 and 2,350 pounds depending on quality. It remains unclear whether a quality-based pricing system will continue under the new policy.

The procurement campaign is expected to begin within the next two weeks, with the government targeting purchases of up to 5 million tons of locally produced wheat—significantly higher than last year’s 3.9 million tons.

The move is part of broader efforts to reduce reliance on imports and enhance food security. Prime Minister Mostafa Madbouly stated that current reserves of key commodities—including wheat, vegetable oils, corn, crude oil, and gas—are sufficient to cover approximately six months of demand, with plans to extend this to eight or nine months.

Egypt remains one of the world’s largest wheat importers, typically purchasing around 10 million tons annually. A substantial portion is allocated to the country’s bread subsidy program, which supports about 70 million people.<sup>1</sup>


## **Volatility Rises in South Asia’s Edible Oil Markets**

Edible oil markets in South Asia are facing increased volatility as geopolitical tensions, rising logistics costs, and climate risks reshape global trade dynamics. Analysts say these factors are making risk management and reliable pricing benchmarks more critical for traders and importers.

The conflict in the Middle East has emerged as a key driver, pushing up freight and fertilizer costs and contributing to higher global food prices. In response, market participants are placing greater emphasis on accurate analytics and transparent pricing mechanisms.

India, the world’s largest edible oil importer, remains heavily reliant on foreign supplies. With annual demand estimated at 25–26 million tons and domestic production covering only around 12 million tons, palm oil imports are expected to reach 9.5–10 million tons this marketing year, supporting a bullish market outlook.

At the same time, the fragmented sourcing of edible oils—from Southeast Asia to the Black Sea—complicates price formation. This has increased the importance of Price Reporting Agencies (PRAs), which provide independent benchmarks for market participants.



New financial instruments are also gaining traction. CME Group has introduced futures contracts for South Asian edible oils based on Fastmarkets assessments, enabling importers to hedge price and currency risks without the need for physical delivery.

Despite rising production in countries such as Brazil and Indonesia, global supply growth remains insufficient to meet demand from major consumers, keeping markets tight. Competition between oil types, including palm and soybean oil, is also intensifying as price dynamics and government policies shift.

Analysts note that South Asia is playing an increasingly central role in global edible oil trade, with the region gradually becoming a key hub for price discovery and financial innovation.<sup>1</sup>

## **China's Policy Shift Raises Pressure on Kazakh Exporters**

Kazakhstan's feed flour exporters are facing major disruptions after China introduced new import requirements that have halted shipments, including those tied to previously signed contracts.

Large volumes of finished products are now stranded, with some already loaded into railcars but unable to be dispatched. The delays are creating growing financial pressure due to storage costs, contractual penalties, and operational disruptions.

Over the past two years, Kazakhstan's feed flour sector has expanded rapidly, helping stabilize domestic grain prices. This growth was largely supported by duty-free access to the Chinese market, where feed flour faced fewer trade barriers than food-grade flour. The policy allowed processors to utilize surplus low-grade wheat following the 2024 harvest.

However, in late March 2026, China introduced a new unified certification system specifically for feed flour. As a result, only 27 out of 66 Kazakh exporters have received the required approval, effectively suspending shipments for the majority of suppliers.

Additional requirements include a ban on the use of Russian-origin grain in production, a restriction on non-grain additives, and a rule allowing only direct producers—rather than intermediaries—to export.

Exporters without certification now face uncertainty over when shipments may resume, while unsold products continue to accumulate. Market participants warn that the tighter rules could lead to higher prices for Chinese buyers and force Kazakh producers to revise their business models.

There are also concerns that China could increase its influence over the sector through joint ventures, potentially shifting Kazakhstan's role toward supplying raw grain rather than higher-value processed products.<sup>1</sup>

# Indonesia to Boost Wheat Imports on Rising Demand

Indonesia is set to increase wheat imports in the 2025/26 and 2026/27 seasons, supported by expanding domestic demand and growth in the flour milling sector, according to the U.S. Department of Agriculture's Foreign Agricultural Service (FAS USDA).

The country's flour milling industry now includes 31 mills with a combined capacity of 14.8 million tons annually. Continued population growth, urbanization, and rising demand for flour-based products are expected to drive further expansion.

While flour mills are allowed to import milling wheat freely, feed wheat imports remain restricted and can only be carried out by state-owned enterprises in emergency situations. Following a decline in corn production and rising prices since mid-2025, authorities approved imports of 1.0 million tons of feed wheat for ID Food in August 2025. For the 2026/27 season, the government has increased the quota to 1.5 million tons.

Strong demand from bakeries, food manufacturers, small businesses, and households is expected to sustain wheat consumption. Although the rupiah has weakened against the U.S. dollar, increased global wheat supply is projected to ease prices and support higher import volumes.

Indonesia's wheat imports are forecast to rise by 17.7% year-on-year in the 2025/26 season to 12.3 million tons, with a further 1.6% increase to 12.5 million tons in 2026/27.

Trade data also reflects rising demand. Between July 2025 and January 2026, wheat imports reached 7.8 million tons, up 30.4% compared to the same period a year earlier. Australia remains the leading supplier with a 37.8% share, followed by Ukraine (18.3%) and Canada (16.1%).

The share of U.S. wheat has also grown, reaching 12.5% following a Memorandum of Understanding signed with the U.S. Wheat Growers Association, which includes a commitment to purchase at least 1.0 million tons between 2026 and 2030.

Domestically produced flour continues to dominate Indonesia's market with a 99.9% share. However, imports of wheat flour rose by 53.7% over the same period, totaling 87,533 tons (wheat equivalent), with Turkey accounting for 96.2% of imports and Vietnam holding a 2.3% share.<sup>1</sup>

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