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Russian Oat Exports to Asia Jump 37% on Strong Chinese Demand

Russian oat exports to Asia have increased by 37% in the 2025/26 season, reaching more than 260,000 tonnes between July and the end of April, compared with about 190,000 tonnes a year earlier, according to analysts at Agroexport.

China remained the key destination, importing over 230,000 tonnes—up 28% year-on-year—amid growing demand for imported oats. The United States Department of Agriculture forecasts that China's oat imports could reach a record 700,000 tonnes in 2025/26, exceeding both last season's level and the five-year average.

Despite rising demand, China continues to rely on a limited number of suppliers. Australia accounts for around 72% of imports so far this season, while Russia holds a 28% share. Canada—a major global exporter—remains largely absent from the Chinese market due to restricted access.

Mongolia is the second-largest Asian buyer of Russian oats, with imports tripling year-on-year to about 30,000 tonnes. The increase is linked to a sharp drop in domestic production, which fell by 62% in 2025 to just 13,600 tonnes, according to official data.

Looking ahead, export volumes will largely depend on China's import demand and its policy stance on Canadian oats, as well as production and consumption trends in Mongolia.⁵

Russian Wheat Returns to Mexican Market via Baltic Ports

Ports in Russia's Leningrad region have resumed wheat shipments to Mexico, dispatching a 33,000-ton cargo—the first delivery on this route since 2024. The shipment was inspected by specialists from the St. Petersburg branch of the Central Research Laboratory of Agriculture, which operates under Rosselkhozadzor.

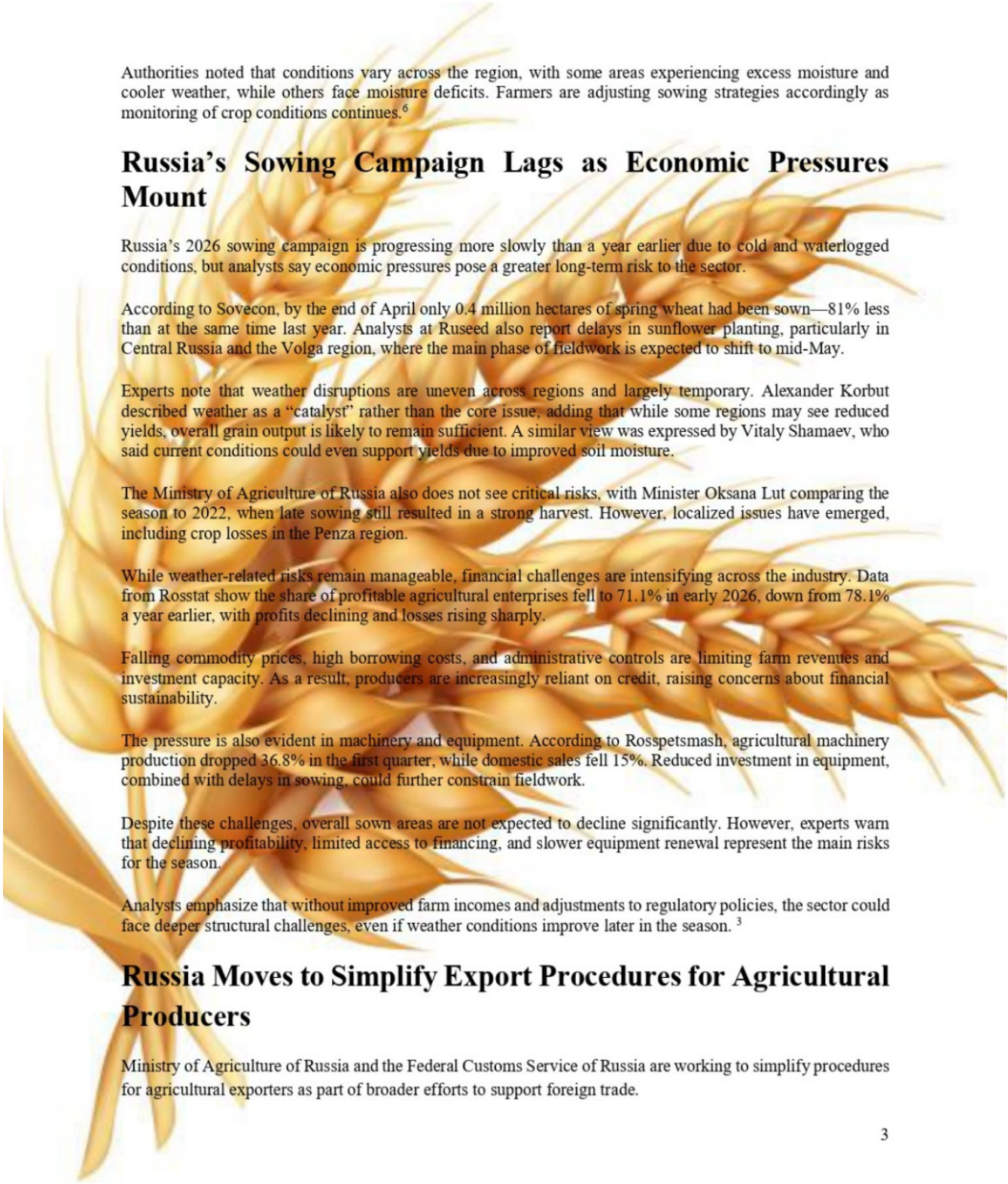
According to branch director Anita Milekhina, this marks the first shipment to Mexico in 2026 following a pause in deliveries. Previously, the market received 145,000 tons of wheat from the region in 2024.

Since the start of 2026, the branch has inspected more than 762,000 tons of exported grain and processed products, an increase of 18% compared to the same period last year. Wheat accounts for the majority of shipments through the Leningrad region's ports, totaling 551,000 tons, followed by barley, sunflower meal, and beet pulp.⁵

Frost Spares Crops in Russia's Rostov Region Despite Cold Snap

A recent cold snap in the Rostov Region has not caused significant damage to crops, regional officials said, despite temperatures falling below freezing in parts of the area.

According to Anna Kasyanenko, temperatures in some districts dropped to as low as -6°C in the second half of April. While the frost affected sown areas, winter crops have largely avoided serious damage so far.



Authorities noted that conditions vary across the region, with some areas experiencing excess moisture and cooler weather, while others face moisture deficits. Farmers are adjusting sowing strategies accordingly as monitoring of crop conditions continues.⁶

Russia's Sowing Campaign Lags as Economic Pressures Mount

Russia's 2026 sowing campaign is progressing more slowly than a year earlier due to cold and waterlogged conditions, but analysts say economic pressures pose a greater long-term risk to the sector.

According to Sovecon, by the end of April only 0.4 million hectares of spring wheat had been sown—81% less than at the same time last year. Analysts at Ruseed also report delays in sunflower planting, particularly in Central Russia and the Volga region, where the main phase of fieldwork is expected to shift to mid-May.

Experts note that weather disruptions are uneven across regions and largely temporary. Alexander Korbut described weather as a “catalyst” rather than the core issue, adding that while some regions may see reduced yields, overall grain output is likely to remain sufficient. A similar view was expressed by Vitaly Shamaev, who said current conditions could even support yields due to improved soil moisture.

The Ministry of Agriculture of Russia also does not see critical risks, with Minister Oksana Lut comparing the season to 2022, when late sowing still resulted in a strong harvest. However, localized issues have emerged, including crop losses in the Penza region.

While weather-related risks remain manageable, financial challenges are intensifying across the industry. Data from Rosstat show the share of profitable agricultural enterprises fell to 71.1% in early 2026, down from 78.1% a year earlier, with profits declining and losses rising sharply.

Falling commodity prices, high borrowing costs, and administrative controls are limiting farm revenues and investment capacity. As a result, producers are increasingly reliant on credit, raising concerns about financial sustainability.

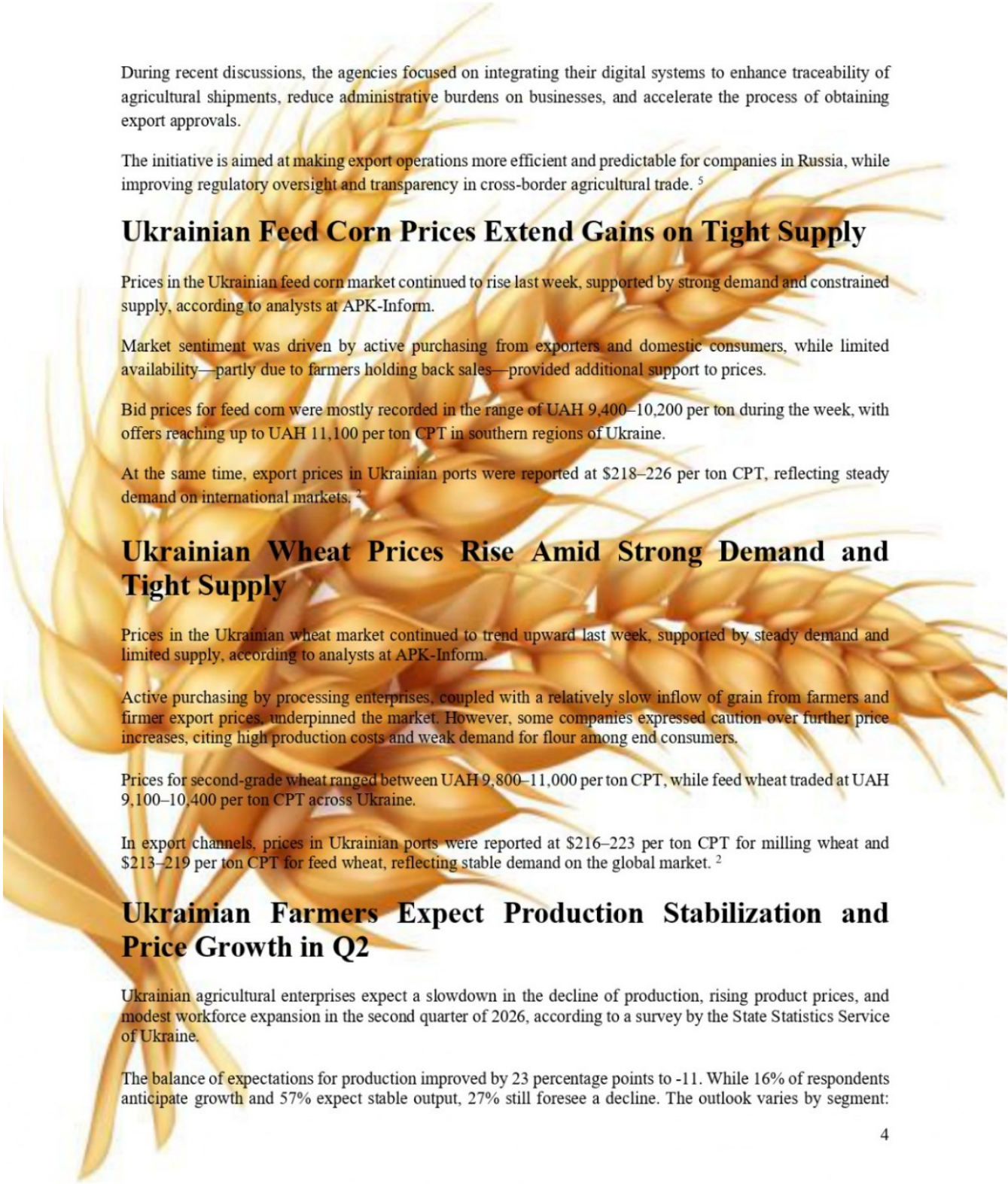
The pressure is also evident in machinery and equipment. According to Rosspetsmash, agricultural machinery production dropped 36.8% in the first quarter, while domestic sales fell 15%. Reduced investment in equipment, combined with delays in sowing, could further constrain fieldwork.

Despite these challenges, overall sown areas are not expected to decline significantly. However, experts warn that declining profitability, limited access to financing, and slower equipment renewal represent the main risks for the season.

Analysts emphasize that without improved farm incomes and adjustments to regulatory policies, the sector could face deeper structural challenges, even if weather conditions improve later in the season.³

Russia Moves to Simplify Export Procedures for Agricultural Producers

Ministry of Agriculture of Russia and the Federal Customs Service of Russia are working to simplify procedures for agricultural exporters as part of broader efforts to support foreign trade.



During recent discussions, the agencies focused on integrating their digital systems to enhance traceability of agricultural shipments, reduce administrative burdens on businesses, and accelerate the process of obtaining export approvals.

The initiative is aimed at making export operations more efficient and predictable for companies in Russia, while improving regulatory oversight and transparency in cross-border agricultural trade. ⁵

Ukrainian Feed Corn Prices Extend Gains on Tight Supply

Prices in the Ukrainian feed corn market continued to rise last week, supported by strong demand and constrained supply, according to analysts at APK-Inform.

Market sentiment was driven by active purchasing from exporters and domestic consumers, while limited availability—partly due to farmers holding back sales—provided additional support to prices.

Bid prices for feed corn were mostly recorded in the range of UAH 9,400–10,200 per ton during the week, with offers reaching up to UAH 11,100 per ton CPT in southern regions of Ukraine.

At the same time, export prices in Ukrainian ports were reported at \$218–226 per ton CPT, reflecting steady demand on international markets. ²

Ukrainian Wheat Prices Rise Amid Strong Demand and Tight Supply

Prices in the Ukrainian wheat market continued to trend upward last week, supported by steady demand and limited supply, according to analysts at APK-Inform.

Active purchasing by processing enterprises, coupled with a relatively slow inflow of grain from farmers and firmer export prices, underpinned the market. However, some companies expressed caution over further price increases, citing high production costs and weak demand for flour among end consumers.

Prices for second-grade wheat ranged between UAH 9,800–11,000 per ton CPT, while feed wheat traded at UAH 9,100–10,400 per ton CPT across Ukraine.

In export channels, prices in Ukrainian ports were reported at \$216–223 per ton CPT for milling wheat and \$213–219 per ton CPT for feed wheat, reflecting stable demand on the global market. ²

Ukrainian Farmers Expect Production Stabilization and Price Growth in Q2

Ukrainian agricultural enterprises expect a slowdown in the decline of production, rising product prices, and modest workforce expansion in the second quarter of 2026, according to a survey by the State Statistics Service of Ukraine.

The balance of expectations for production improved by 23 percentage points to -11. While 16% of respondents anticipate growth and 57% expect stable output, 27% still foresee a decline. The outlook varies by segment:

livestock production moved into positive territory with a balance of +4, while crop production remains negative at -18.

Price expectations strengthened significantly, with the balance rising to 26 from 12 in the previous quarter. Around 37% of enterprises expect prices to increase, while only 11% anticipate a decline. The strongest price growth is projected in crop production.

Employment expectations also showed improvement, with the balance increasing to 7. About 17% of farms plan to hire additional workers, 73% intend to maintain current staffing levels, and 10% expect to reduce their workforce.

Despite the more optimistic outlook, recent performance remained weak. In the first quarter, only 12% of enterprises reported increased production, while 38% recorded declines, resulting in a balance of -26.

Export activity remained subdued, with marginally positive balances for sales to both the EU and non-EU markets. Respondents identified weather conditions, financial constraints, and labor shortages as key challenges facing the sector.

At the same time, 74% of agricultural enterprises in Ukraine reported having sufficient inventories available for sale, indicating adequate supply levels despite ongoing difficulties.¹

Kazakhstan Expands Oilseed Processing to Boost Global Market Role

Kazakhstan is stepping up efforts to become a major player in the global vegetable oil market, supported by new investment projects and expanding oilseed production.

Singapore-based XiYu Agricultural Pte. Ltd plans to build three oil extraction plants in the Almaty, Kostanay, and North Kazakhstan regions. The facilities will have a combined processing capacity exceeding 3,000 tons of oilseeds per day and are expected to produce significant volumes of vegetable oil and meal.

The Almaty plant is projected to produce 54,600 tons of oil annually, while the Kostanay and North Kazakhstan facilities will have capacities of 228,000 tons and 216,000 tons respectively. Total investment in the projects is estimated at over \$310 million, with annual exports of finished products potentially reaching around 950,000 tons.

The expansion reflects a broader trend of increasing oilseed production in Kazakhstan, including sunflower, rapeseed, and flax, which is driving growth in domestic processing capacity.

Kazakhstan has already strengthened its position in key export markets, including the European Union, where it has replaced some Russian flax supplies following trade restrictions on Russia. Competition between the two countries is expected to intensify, particularly in Central Asia.

At the same time, Russia remains an important trading partner. Russian buyers account for about 35% of Kazakhstan's rapeseed exports, which have increased sharply this season. Over the first seven months of 2025/26, exports reached 173,000 tons—nearly 40% higher than the total for the previous season—with shipments to Russia more than doubling year-on-year.⁷



Hungary Prepares Emergency Support for Farmers Amid Severe Drought

Hungary is preparing emergency measures to support farmers as a prolonged dry spell threatens crop production, according to a report by Bloomberg.

The country experienced almost no rainfall in April, with the national meteorological service describing the situation as critical for agriculture in one of Eastern Europe's key grain-producing regions.

Incoming Prime Minister Péter Magyar, who is set to take office on May 9, said he has instructed environment minister-designate László Gajdos to prepare an urgent action plan to support the sector.

Magyar stressed the need for immediate steps to mitigate the expected impact of drought on water resources, ecosystems, and farming, noting that longer-term water management programs proposed by his Tisza party will take time to implement.

Recent droughts have already weighed on the economy and complicated efforts by the outgoing government of Viktor Orbán to sustain growth, underscoring the importance of rapid intervention.¹

UK Grain Output Set to Rebound in 2026/27 Season

Grain production in the United Kingdom is expected to recover in the 2026/27 marketing year, supported primarily by increased wheat output, according to the Foreign Agricultural Service of the United States Department of Agriculture.

Wheat production is forecast at 13.5 million tonnes, up from an estimated 12.3 million tonnes in the previous season. The increase reflects both a larger harvested area—projected at around 1.7 million hectares—and improved yields, which are expected to recover to 7.94 tonnes per hectare after last year's weaker results.

While total cereal planting area is likely to remain broadly stable, the crop mix continues to shift. Farmers are gradually reducing barley, oats, and pulses in favor of wheat and other more profitable crops. At the same time, most producers secured fertilizer supplies in late 2025, helping to mitigate recent price increases and logistical disruptions.

Despite the improved production outlook, profitability remains under pressure. Large carry-in stocks, elevated input costs, and ample supplies across European and global markets are expected to limit price growth, constraining margins.

Feed use of grains is projected to edge higher, with wheat regaining some share in feed rations, while overall consumption is expected to remain stable at around 8.1 million tonnes. Demand from the milling sector is also seen holding steady, with potential for greater use of domestic wheat if quality and pricing conditions are favorable.

Meanwhile, barley production is forecast to decline to 6.2 million tonnes, reflecting reduced planted area and weaker demand from brewing and distilling industries, prompting farmers to continue shifting toward higher-margin crops. [web](#)



Europe Boosts Domestic Processing as Imports Decline

The global vegetable oil market is undergoing a significant transformation in early May 2026, led by shifting import patterns in India, the world's largest buyer.

Palm oil imports into India dropped sharply to 505,000 tonnes, down 27% from March, amid a gas crisis affecting industrial consumption. The shortfall has been offset by a surge in sunflower oil purchases, which more than doubled to 435,000 tonnes—the highest level in nearly two years. Strong crushing margins and active stockpiling by traders are further supporting demand.

At the same time, Argentina is expanding production. Sunflower planting in the 2025/26 season exceeded 3 million hectares, with output forecast at 7.2 million tonnes, up nearly 29% year-on-year. Increased acreage, particularly in Santa Fe province, and favorable agronomic conditions are strengthening the country's export position, with competitive pricing already influencing global markets.

In the European Union, imports of key oilseeds and oils have declined, including soybeans, rapeseed, and sunflower oil. At the same time, the region is increasing domestic processing capacity. Cargill is investing in upgrading its facility in Saint-Nazaire, France, focusing on high-protein sunflower meal and reducing reliance on imports.

Meanwhile, sowing progress in Russia has been delayed by adverse weather, with only a small share of planned areas planted by early May. The lag has already contributed to rising prices for sunflower seeds and oil.

In Ukraine, tight supply and strong demand are pushing sunflower seed prices higher, while export markets are becoming more diversified as reliance on Europe declines and demand from Asia and North America grows.

Overall, the sunflower market is entering a critical phase, with robust demand—led by India—meeting expanding supply from Argentina, while Europe increases self-sufficiency and Black Sea producers navigate weather and supply constraints.¹

India's Palm Oil Imports Hit One-Year Low Amid Weak Demand

Palm oil imports into India fell sharply in April to their lowest level in a year, as weak demand and higher prices reduced its competitiveness against alternative oils, market participants said.

Imports declined by 27% month-on-month to an estimated 505,000 tonnes, down from 689,462 tonnes in March. The drop reflects slower demand from institutional buyers and a narrowing price discount compared with rival vegetable oils.

At the same time, purchases of competing oils surged. Soybean oil imports rose by 24% to 355,000 tonnes, while sunflower oil shipments more than doubled to 435,000 tonnes, marking the highest level in nearly two years. As a result, total edible oil imports increased by 10.4% to around 1.3 million tonnes, the highest since January.

The shift in demand could lead to rising inventories in major producing countries such as Indonesia and Malaysia, potentially putting pressure on palm oil prices.

Market participants also linked weaker palm oil demand to a shortage of liquefied petroleum gas (LPG), which has affected food service operations that rely on deep-frying. According to Sandeep Bajoria, reduced LPG availability has lowered consumption in restaurants.

Meanwhile, stronger margins and concerns about supply disruptions tied to tensions involving Iran encouraged buyers to increase purchases of sunflower oil, noted Rajesh Patel.¹

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