

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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Date:

GAIN Report Number:

Turkey

Post: Ankara

Turkish Grain Board (TMO) policy change

Report Categories:

Grain and Feed

Approved By:

Clay Hamilton, Agricultural Counselor

Prepared By:

Samet Serttas, Agricultural Specialist

Report Highlights:

Due to the Russian wheat import ban, domestic wheat prices increased 11-15% in August, 2010. The Turkish grain board (TMO) allocated 330,000 MT zero tariff EU import quota for EU wheat to the private sector on August 26, 2010. TMO announced in September 2, 2010 that they will sell 334,000 MT of wheat to processors starting from September 6, 2010.

General Information:

As a result of the Russian wheat import ban, domestic wheat prices increased 11-15% in August, 2010. Wheat flour and pasta exporters had difficulty to securing cheap high quality imported wheat in August, 2010 to fulfill their contracts.

The Turkish Grain Board announced in August 20 that they are watching market very closely and that they are ready to take the decisions necessary to control the wheat market.

In August 26, 2010, the TMO announced that they allocated an import quota for 330,000 MT of EU wheat to wheat processors. After this allocation the domestic wheat price settled, but did not remain stable.

In September 2, 2010, the TMO announced that they will sell 334,000 MT of wheat from their stock to processors at the prices provided in the table below.

Table 1:TMO stocks that are open to sale in September 6, 2010

Turkey: TMO stocks that are open to sale in September 6, 2010						
DURUM WHEAT			MILLING WHEAT		BISCUIT WHEAT	GRAND TOTAL
<i>Domestic</i>	<i>Imported</i>	<i>Total</i>	<i>Domestic</i>	<i>Imported</i>	<i>Imported</i>	
53,809	24,925	78,734	212,661	18,483	24,221	334,099

Table 2:TMO wheat sale price in September 6, 2010

Turkey: TMO wheat sale price	
TYPE OF WHEAT	SALE PRICE USD/MT
DURUM WHEAT	
No 1 Anatolian Durum Wheat	440.4
No 2 Anatolian Durum Wheat	433.8
Low Quality Durum Wheat	364.2
MILLING WHEAT	
ANATOLIAN HARD WHITE MILLING WHEAT	
NUMBER 1	420.5
NUMBER 2	413.9
NUMBER 3	407.3
ANATOLIAN HARD RED MILLING WHEAT	
NUMBER 1	420.5
NUMBER 2	413.9
NUMBER 3	407.3
SEMI-HARD WHITE MILLING WHEAT	
NUMBER 1	397.4
NUMBER 2	390.7
NUMBER 3	384.1
SEMI-HARD RED MILLING WHEAT	
NUMBER 1	397.4
NUMBER 2	390.7
NUMBER 3	384.1
OTHER RED AND WHITE WHEAT	
NUMBER 1	377.5
NUMBER 2	370.9
NUMBER 3	364.2
FEED TYPE WHEAT	
NUMBER 1	341.1
IMPORTED WHEAT	
Kazakhstan and EU origin wheat	420.5
Imported biscuit type wheat	397.4
Imported durum wheat	440.4

Durum wheat price was 413 USD/MT in Konya CME and Milling wheat price was 431 USD/MT on September 02,2010. US CIF wheat price is 320 USD/MT and German CIF wheat price is 325 USD/MT.

TMO stock sale and EU zero custom tax quota allocation is expected to decrease wheat price 10% in October, 2010.