## УДК 339.1 : 633.85 DEMAND AND OFFER IN THE SUNFLOWER MARKET IN UKRAINE Sharkovskaya S., post-graduate student of the Department of Economic Theory National university of life and environmental sciences of Ukraine

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Abstract. Ukraine is one of the world's largest producers and exporters of sunflower seeds and products for its processing. The current harvest of this oil crop will not be the same as last year, and therefore Ukraine can strengthen its position on the world market. At the same time, the dependence of domestic producers and processors on world market conditions will increase.

Sunflower is considered to be one of the few crops that is in high demand both on the domestic and foreign markets, and allows agricultural enterprises to receive high profits. Sunflower seeds are used as valuable food products and are widely used by various industries in the processing industry. Sunflower seeds have a steady demand in different periods of the year, indicating its high liquidity and export attractiveness. In order to ensure the growth of sunflower seed production, the concentration of crops in the regions with the most favorable conditions is of great importance, therefore, the production of sunflower has been one of the most profitable agricultural enterprises in the last few years.

Sunflower has become a traditional culture for modern agrarian business in Ukraine. This was facilitated by the stable demand of foreign markets for sunflower oil. As a result, attractive domestic market prices for sunflower seeds contributed to the expansion of sown areas and the introduction of modern technologies for its cultivation.

Keywords. Market, production, demand, supply, price, profitability, oil crops.

**Introduction**. One of the most important segments of the food market of the country is the sunflower market, the functioning of which is conditioned by both general market laws and laws, and its specific features. Today, sunflower seeds are the only profitable crop in the agrarian production of Ukraine, which has a steady

demand for the world agro-market. Our state is the world's largest seller of sunflower seeds, having mastered the markets of the EU, the Middle East and North Africa. In Ukraine, this production is increasing annually, which, above all, contributes to its high liquidity.

Analysis of Recent Researches and Publications. Research on the formation and development of the market for sunflower is covered in the writings of scientistseconomists: A. Altukhova, D. Wermel, V. Goncharova, N. Dvoradkina, V. Loginova and others. The questions of the economic efficiency of sunflower cultivation technology are devoted to the work of N. Bondarenko, L. Manko, O. Posternak, V. Lisogor, O. Maslak. Considerable theoretical and practical interest are the works of V. Bartnev, D. Vasiliev, V. Loshakov, V. Pustovoit and others.

**Purpose**. To investigate the impact of demand and supply on the sunflower market in Ukraine.

**Methods**. By writing the article, the following basic methods of research were used: the method of comparison, economic-statistical, analytical and logical methods, the method of analysis and synthesis, the calculation and constructive method.

**Results**. Sunflower is a basic agricultural crop, whose profitability is unquestionable, it takes the lead in terms of profitability. Due to the low cost of working capital and the high price of products, the production of sunflower even at a yield of 15 c / ha provides profit to the economy. Commodity sunflower seeds can be defined as one of the most attractive types of products on the agrarian and food market, the demand for which is very high and often outstrips supply [3].

Sunflower belongs to the main crops of Ukraine. Due to the high content of fat and protein, its processing products are used in the food and confectionery industry, in animal feeding, for technical applications.

The main advantages of oilseed crops among other agricultural products is a stable demand for them, which is supported by high purchasing prices from local processors and from the world market. In Ukraine, about 90% of the oil fields are occupied by sunflower, resulting in land degradation, there is a threat of soil contamination and the spread of sunflower diseases. Ukraine has chosen the direction of integration into the world economy, therefore, the development strategy of the industry should be in line with the principles of its effective functioning, ensuring the priority of national agriculture.

In the vast majority of agricultural enterprises that grow sunflower, they do not comply with the technological requirements for their placement. During the last decade, the area of crops has grown more than 1.5 times. Its distribution on the organized market is not enough. Due to the high demand for sunflower seeds and the level of profitability of this crop, there was a significant expansion of the sown areas of sunflower. Therefore, the expansion of sown areas, unfortunately, is accompanied by a decrease in its yield [2].

The main reason for this is the violation of crop rotation and reduction of the period of return of sunflower to the place of the previous cultivation. This leads to a massive impression of plants by illnesses, pests and significant clogging of crops by weeds. Consequently, agrarian enterprises need to increase the gross tax not due to the increase of sown areas, but due to increased yields, crop rotation, qualitative selection seeds.

Therefore, to increase the efficiency of sunflower seed production, the increase in yield is due to the quality of landing material. In Ukraine sunflower is a traditional crop, and its profitability should encourage farmers to grow this crop [5].

Sunflower is considered to be a relatively thermophilic culture demanding to moisture, although it is considered to be a drought-tolerant plant. This culture is very tricky for intense sunlight, grows well on chernozems of different types and chestnut soils, worse on heavy clay, prone to waterlogging and sandy and sandy. In Ukraine sunflower is grown in all regions, but most of all in the southern and central regions. So, in 2017, sunflower seeding in areas of over 500 thousand hectares was conducted in Dnipropetrovsk, Zaporozhye, Kirovograd and Mykolaiv regions, in the areas of more than 400 thousand hectares - in Kharkiv and Odesa.

Table 1

# Balance of demand and supply of vegetable oils (thousand tons)

	2017/2018 marketing year	September-January 2017/2018 marketing year (fact)
Product offer	6320	2503
The domestic market is all	6100	2390
including:		
own production	6100	2400
sunflower oil from it	5800	2310
change of stocks	0	10
Foreign Market (Import)	220	113
sunflower oil from it	0	0
Demand for products	6320	2503
The domestic market is all	583	258
including:		
consumption fund	553	245
sunflower oil from it	420	175
other consumption	30	13
Foreign market (export)	35737	2245
sunflower oil from it	5380	2132
Consumption per person, kg per period	13	×

### (updated as of 01.02.2018)

This table shows balances of demand and supply of sunflower during the period under investigation [7].

The demand for sunflower in Ukraine declined slightly against the backdrop of an increase in offers from producers and a reduction in the export demand for sunflower oil, due to significant reserves of crude oil in ports and over-saturation of the market. Prices for sunflower oil fell by \$ 10 / tonne to \$ 755-765 / tonne for FOB, which reduces the margin of processors who are forced to keep high purchasing prices for sunflower seeds in order to attract the necessary volumes.

Since the beginning of the week, prices for sunflower have dropped by 50-100 UAH / t to 12600-13000 UAH / ton at the plant or 12500-12600 UAH / tonne for FCA-economy.

Analysts of APK-Inform reduced the estimate of export of sunflower oil from Ukraine in 2017/18 MR by 3% to 5.15 million tonnes compared to the previous report, which will amount to a record export of 2016/17 MR of 5.85 mn tons by 12%.

During September-April 2017/18 MY exports of sunflower oil amounted to 3.7 million tons, which is 8% less than the same period last year. Taking into account the updated forecast, the export potential of the current MR is realized at 70%, and in the next 4 months, it is planned to export 1.5 mn tons of oil [7].

In Russia, prices for sunflower, on the contrary, increase due to the seasonal reduction of stocks from producers. Following prices for sunflower, prices for unrefined sunflower oil rose this week.

During September-March 2017/18 MD produced almost 3 million tons of sunflower oil, which is 0.8% less than the same period last season. Oil exports increased by 3% to a record 1.3 million tons in comparison with the corresponding period of the past year. In general, experts estimate oil exports in 2017/18 MPs in the range of 2 million tonnes.

Active exports of sunflower oil Kazakhstan, which in the 7 months of the current MR sold 39.7 thousand tons on world markets, which is 7% higher than total exports of 2016/17 MY.

World sunflower oil consumption will decrease. The current season, the demand for this oilseed crop is estimated at 46.6 million tons, which is less than the last year's figure of almost 1%. At the same time, unlike the previous season, the volume of consumption will exceed its production. This will affect the significant decline in world end-of-life stocks. At the end of this season, they are expected to amount to almost 2.2 million tons, which is 14.9% less than the previous level [7].

The volumes of world sunflower trade will decrease. The world's leading exporters of seeds will be EU-27 countries, which are projected to export about 17.6%, Argentina - 13.5%, and Ukraine - 7.5% of the total volume. external sales. The main importers of sunflower will remain Turkey and the EU-27 countries, which intend to buy more than half of the world export fund.

In order to improve the efficiency of sunflower cultivation, it is necessary to consider commodity producers the following factors: improving the regional placement of crops of this crop, based on its botanical and biological peculiarities, requirements for conditions (first of all, hydrothermal regime), cultivation technologies, selection of varieties, application of appropriate means of protection; strict adherence to the requirements of alternating sunflower crops in fields of crop rotation; application of intensive cultivation and harvesting technologies in order to reduce costs per unit of production, introduction of high-yield hybrids with high oil content; attract necessary resources for the development of the industry (equipment, fertilizers, seeds, herbicides, desiccants) by searching for potential investors and creditors, weighed selection of proposals taking into account the diversity of participants in investment agreements; integration into agro-industrial and cooperative formations in order to solve problems of production and rational use of crop [6].

**Discussion.** Acceptable price stability and an attractive level of profitability of styvulimus-mutually beneficial agricul- tures To be a sunflower. In this case, it is expedient to subsidize crop rotation and agrotechnology, which, in its turn, will attract attention niozoo-vlynykh harvesters and the proper quality of production. At the moment, the market requires qualitative and non-marketable goods. Therefore, the increase in revenues - in the careful supply of agro-technical equipment

Thus, sunflower seed production in Ukraine in recent years has become more and more developed and more profitable, but certain features need to be taken into account. One of the ways to increase the efficiency of sunflower production is the introduction of modern technologies for its production, and in particular, the use of resource-saving technologies and, on this basis, the growth of productivity is of great importance.

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#### Шарковская С.О.

#### Спрос и предложение на рынке подсолнечника в Украине

Аннотация. Украина является одним из крупнейших мировых производителей и экспортеров семян подсолнечника и продуктов его переработки. Нынешний урожай этой масличной культуры не будет уступать прошлогоднему, а потому Украина может укрепить свои позиции на мировом рынке. Вместе с этим будет расти зависимость отечественных производителей и переработчиков от конъюнктуры мирового рынка.

Подсолнечник считается одной из немногих сельскохозяйственных культур, которая пользуется высоким спросом как на внутреннем, так и на внешнем рынке, позволяет аграрным предприятиям получать высокие прибыли. Семена подсолнечника используется как ценный продукт питания и широко применяется различными отраслями перерабатывающей промышленности. Семена подсолнечника имеет устойчивый спрос в разные периоды года, что свидетельствует о его высокой ликвидностью и экспортную привлекательность. Для обеспечения роста производства подсолнечника большое значение имеет концентрация посевов в регионах с наиболее благоприятными условиями, поэтому производство подсолнечника за последние несколько лет является одним из самых высокорентабельных производств в сельском хозяйстве.

Подсолнечник стал традиционной культурой для современного аграрного бизнеса в Украине. Этому способствовал стабильный спрос внешних рынков на подсолнечное масло. Как следствие, привлекательные закупочные цены внутреннего рынка на семена подсолнечника способствовали расширению посевных площадей и внедрению современных технологий его выращивания.

**Ключевые слова.** Рынок, производство, спрос, предложение, цена, рентабельность, масличные культуры.

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# Шарковська С.О. Попит і пропозиція на ринку соняшнику в Україні

Анотація. Україна є одним із найбільших світових виробників та експортерів насіння соняшнику і продуктів його переробки. Нинішній урожай цієї олійної культури не поступатиметься минулорічному, а тому Україна може зміцнити свої позиції на світовому ринку. Разом з цим зростатиме залежність вітчизняних виробників та переробників від кон'юнктури світового ринку.

Соняшник вважається однією з небагатьох сільськогосподарських культур, яка користується високим попитом як на внутрішньому, так і на зовнішньому ринку, дає змогу аграрним підприємствам отримувати високі прибутки. Насіння соняшнику використовується як цінний продукт харчування і широко застосовується різноманітними галузями переробної промисловості. Насіння соняшнику має сталий попит у різні періоди року, що свідчить про його високу ліквідність та експортну привабливість. Для забезпечення зростання виробництва соняшнику велике значення має концентрація посівів в регіонах із найбільш сприятливими умовами, тому виробництво соняшнику за останні декілька років є одним із найбільш високорентабельних виробництв у сільському господарстві.

Соняшник став традиційною культурою для сучасного аграрного бізнесу в Україні. Цьому сприяв стабільний попит зовнішніх ринків на соняшникову олію. Як наслідок, привабливі закупівельні ціни внутрішнього ринку на насіння соняшнику сприяли розширенню посівних площ та запровадженню сучасних технологій його вирощування.

Ключові слова. Ринок, виробництво, попит, пропозиція, ціна, рентабельність, олійні культури.