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MARKET OF GRAINS IN UKRAINE: ANALYSIS OF THE MODERN STATE

Vashchenko I. post-graduate student of the Department of
Economic Theory

National university of life and environmental sciences of Ukraine

E-mail: masterservice6@gmail.com

Abstract. In a market economy, there is a need for Ukraine's integration into the world economic space, the search for stable niches in the sale of manufactured products. Taking into account the fact that one of the leading branches of international specialization of the country is agricultural production, strengthening of the positions on the world market of agricultural products is one of the state's top priorities.

Today in the world there are three main resources that determine the prospects for the development of countries for the future: drinking water, grain and oil. The cereal sector has a significant impact on the welfare of the rural population and the development of rural areas and is the basis for most sectors of the agro-industrial complex of Ukraine.

In the agrarian market, grain crops retain leading positions in exports, processing and domestic consumption, proving their strategic importance in ensuring food and economic security of the country.

The strategic nature and scale of the development of the domestic grain industry are complemented by its significant inter-sectoral links with other sectors of the national economy, which has a significant impact on the overall state of the entire economy of the country.

Keywords. Cereals, market, agriculture, yield, gross tax.

Introduction. Ukraine's natural and climatic conditions and fertile lands contribute to the cultivation of grain crops and allow them to receive high-quality food crops in quantities sufficient to meet domestic needs and to form export potential. Grain farming is a special branch of the agro-industrial complex, which determines in the modern conditions the level of development of the whole agrarian

sector of the Ukrainian economy. It is these and other circumstances that determine the relevance of the submitted research.

Analysis of Recent Researches and Publications. Fundamental issues related to this problem were considered in the writings of many scholars, in particular OI Altukhov, Yu.D. Bilyk, VI Boyko, VI Vlasova V.I. Gubenko, B. Gubsky, S. Kvasha, V.O. Klyukach, MG Lobas, Z.P. Nikolayenko, P.Sabluk, V. Superson, AA Fesini, L.M. Hudoliy, O. Shpichak and others. At the same time, it should be noted that the theoretical and applied problems related to the functioning and development of the grain market in a context of a sharpening financial and economic crisis, need further research.

Purpose. Investigation of the state and current trends of grain market development in Ukraine.

Methods. In the course of the research, the following methods were used: monographic - during the processing of professional literary sources and work with a textual presentation of the mentioned problem; systemic - to specify categorical apparatus; economic, mathematical and statistical - when working with statistical information and outputting analytical expressions; logical - to determine the positive social and economic effects, in order to summarize the results and form conclusions.

Results. Grain, especially wheat, occupies a central place in agrarian policy of Ukraine. Grain is a strategic product and a barometer of agriculture.

The grain market is a system of commodity-money relations that arise between its subjects in the process of production, storage, trade and use of grain on the basis of free competition, free choice of grain sales and price determination, as well as state control over its quality and storage . The subjects of the grain market are commodity producers of grain, grain storage companies, mortgage grain purchasers and conducting of interventional operations, accredited exchanges and others (Table 1).

Table 1

Subjects of the grain market in Ukraine

GRAIN PRODUCTION SUBJECTS					
Agricultural enterprises		Farms		Personal households of the population	
STORAGE GRAINS					
Elevators	Bread bases	Flour mills	Fodder Enterprises	Bread acceptance bases	
PUBLIC GOVERNMENT MARKET REGULATORS					
Agrarian Fund		Agrarian Exchange		Other entities of state mortgage purchases of grain	
TRADE ORGANIZATION SUBJECTS					
Exchanges	Wholesale markets	Urban and rural markets	Retail Stores	Fairs	Exhibitions
SUBJECTS OF FINANCIAL AND SURVEILLANCE MAINTENANCE					
Banks	Credit unions	Insurance organizations	Settlement clearing houses	Agricultural insurance subsidy fund	
TRANSPORT-LOGISTIC SYSTEM SUBJECTS					
Railway transport		Water transport	Automobile transport		Air transport

In general, the grain complex is the basis for the development of the internal market of grain, bakery, flour and cereal industry, alcohol, confectionery, mixed fodder, production of bioethanol and other industries. In some cases, from the economic current to the final realization the grain movement process accumulates in itself from 3 to 22 adjacent or by-products productions that are reflected in the value of the final product [2].

The production of grain crops is the main trend in the agroindustrial complex of Ukraine. Corn, wheat and barley are the three main crops that form the basis of crop production in Ukraine. This is evidenced by the structure of production of cereals and legumes, as shown in Fig. 1.

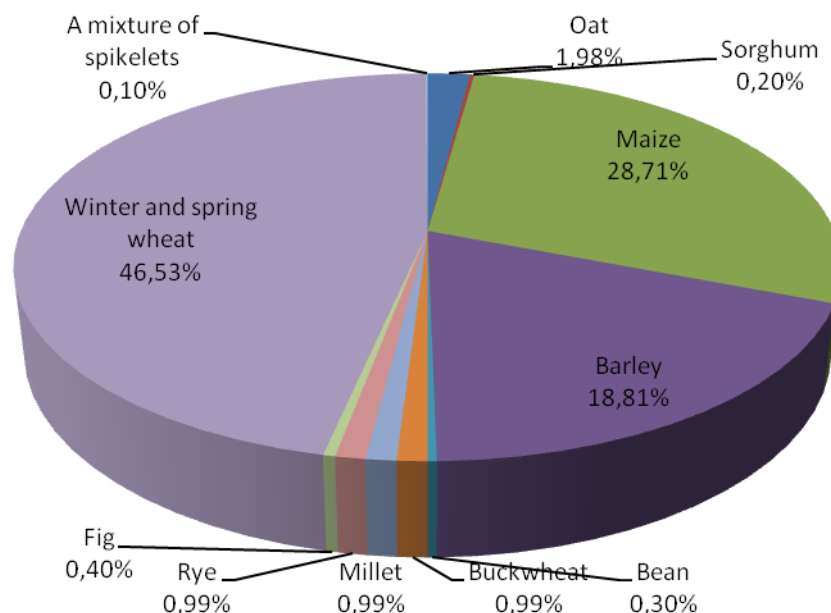


Fig. 1 Structure of the sown area under grain crops of Ukraine

Price volatility in the grain market remains one of the most unpredictable factors in the market environment, which adversely affects the development of the industry.

Since the beginning of 2017, as in previous periods, the state of the world agro-food market was characterized by significant fluctuations in prices on the basis of agricultural raw materials. However, for domestic agricultural exports in general, in January-July 2017, there was a relatively better price situation than in the previous year (Fig. 2).

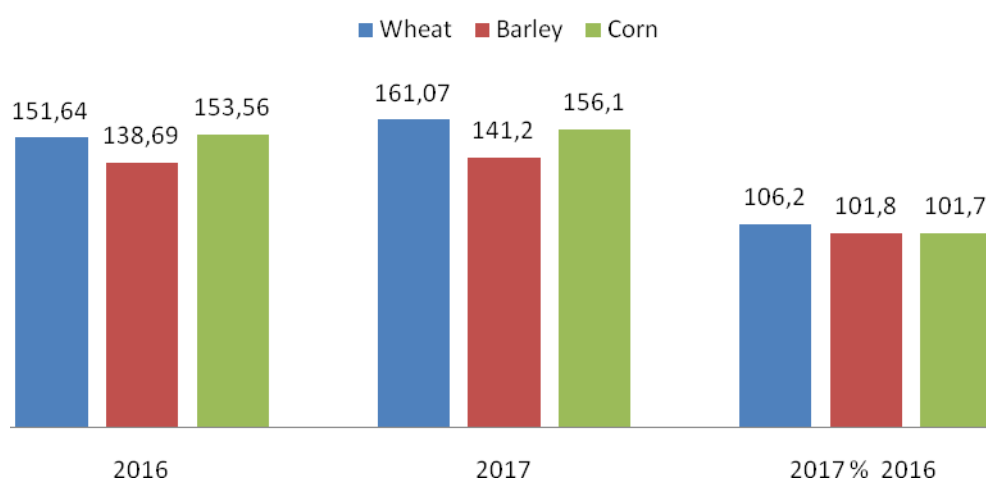


Fig. 2 Average weighted export prices of main grain crops from Ukraine in January-July 2017. compared to the same period in 2016

Thus, the weighted average export price of wheat in January-July 2017 compared to the corresponding period in 2016 increased by 106.2% to reach \$ 161.07. for 1 tonne, barley - respectively, 101.8% and 141.2 USD. and corn - 101.7% and 156.1 dollars. [8]

An important role of grain crops in ensuring food and economic security of the country encourages experts and market agrarian analysts to analyze trends that decisively affect the overall state and prospects of the industry [6].

The trends that are currently observed in the production of cereals are directly related to two important trends. First of all, for the period 2013-2017, there was a decrease in the sown area and the share of grain crops. At the same time, as a whole, they increased by 101.4% for harvest in 2017 (Fig. 3).

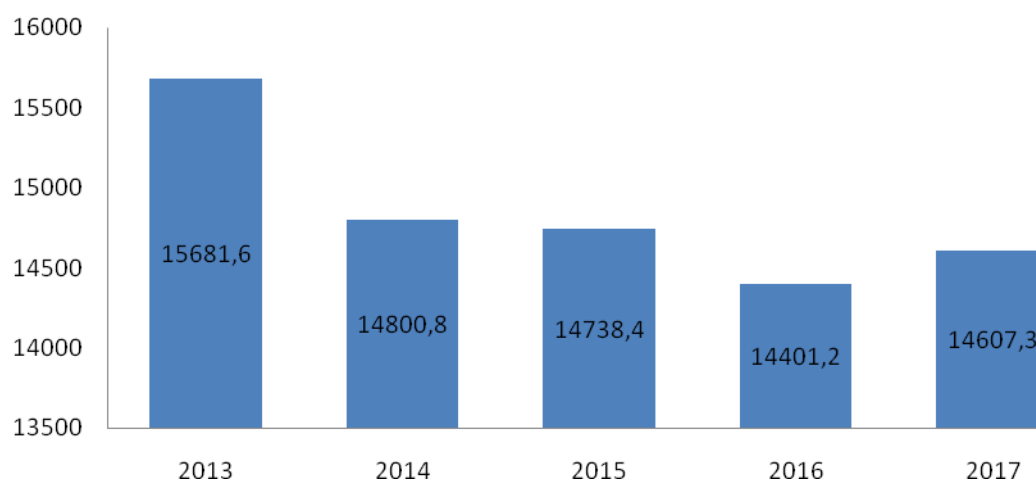


Fig. 3 Dynamics of sown areas of cereals and legumes cultures in all categories of farms of Ukraine

Another trend is associated with a significant increase in the average of their yields, which in general compensated for a possible decline in production due to reduced sown area. During 2013-2016, the average yield of all grain crops including corn increased from 40.6 c / ha to 46.1 c / ha or by 13.5% [8].

Along with this, in addition to economic factors of internal and external nature, related to the state of the agrarian market and prices for material and technical resources, the grain industry is subject to certain natural and climatic influences.

Ukraine, under the appropriate economic conditions, is able to provide itself with the necessary amount of grain and ensure the export of its significant quantity to the world market [5].

The Ukrainian economy has significant potential in the production of grain, grain products, feed, and in general in the agrarian sector. But in order to reveal this potential, it is necessary to create: a legislative and normative base that is in accordance with international acts and norms; institutions that would ensure competitiveness in the market environment; mechanism of introduction of the latest technologies and investments [3].

The main areas of export of Ukrainian grain should be North Africa, the Middle East, the EU and the CIS. In carrying out those measures that were recommended above, Ukraine will be able to hold these markets. Ukraine will also be able to compete successfully on the domestic market of grain, grain products and feed.

Discussion. Thus, despite the difficult weather conditions this year, the grain industry has ensured sustainable production, which guarantees food and economic security of the country. Grain crops are the basis for the formation and maintenance of a strategic food, feed and export balance of the state at an appropriate level.

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Ващенко І.В.

Ринок зернових в Україні: аналіз сучасного стану

Анотація. В умовах ринкової економіки виникає необхідність інтеграції України у світовий економічний простір, пошуку стійких ніш у реалізації виробленої продукції. Враховуючи ту обставину, що однією з провідних галузей міжнародної спеціалізації країни є сільськогосподарське виробництво, зміцнення позицій на світовому ринку сільськогосподарської продукції є одним із першочергових завдань держави.

Сьогодні у світі є три головні ресурси, які визначають перспективи розвитку країн на майбутнє: питна вода, зерно та нафта. Зерновий сектор істотно впливає на добробут сільського населення і розвиток сільських територій та є фундаментом для більшості галузей агропромислового комплексу України.

На аграрному ринку зернові культури зберігають провідні позиції в експорті, переробці і внутрішньому споживанні, що доводить їх стратегічно важливу роль у забезпеченні продовольчої і економічної безпеки країни.

Стратегічний характер і масштаби розвитку вітчизняної зернової галузі доповнюються досить вагомими її міжгалузевими зв'язками з іншими секторами національного господарства, що справляє істотний вплив на загальний стан усієї економіки країни.

Ключові слова. Зернові, ринок, сільське господарство, урожайність, валовий збір

Ващенко И.В.

Рынок зерновых в Украине: анализ современного состояния

Аннотация. В условиях рыночной экономики возникает необходимость интеграции Украины в мировое экономическое пространство, поиска устойчивых ниш в реализации продукции. Учитывая то обстоятельство, что одной из ведущих отраслей международной специализации страны является сельскохозяйственное производство, укрепление позиций на мировом рынке сельскохозяйственной продукции является одной из первоочередных задач государства.

Сегодня в мире есть три главные ресурсы, которые определяют перспективы развития стран на будущее: питьевая вода, зерно и нефть. Зерновой сектор существенно влияет на благосостояние сельского населения и развитие сельских территорий и является фундаментом для большинства отраслей агропромышленного комплекса Украины.

На аграрном рынке зерновые культуры сохраняют ведущие позиции в экспорте, переработке и внутреннем потреблении, что доказывает их стратегически важную роль в обеспечении продовольственной и экономической безопасности страны.

Стратегический характер и масштабы развития отечественной зерновой отрасли дополняются достаточно весомыми ее межотраслевыми связями с другими секторами национального хозяйства, оказывает существенное влияние на общее состояние всей экономики страны.

Ключевые слова. Зерновые, рынок, сельское хозяйство, урожайность, валовой сбор.