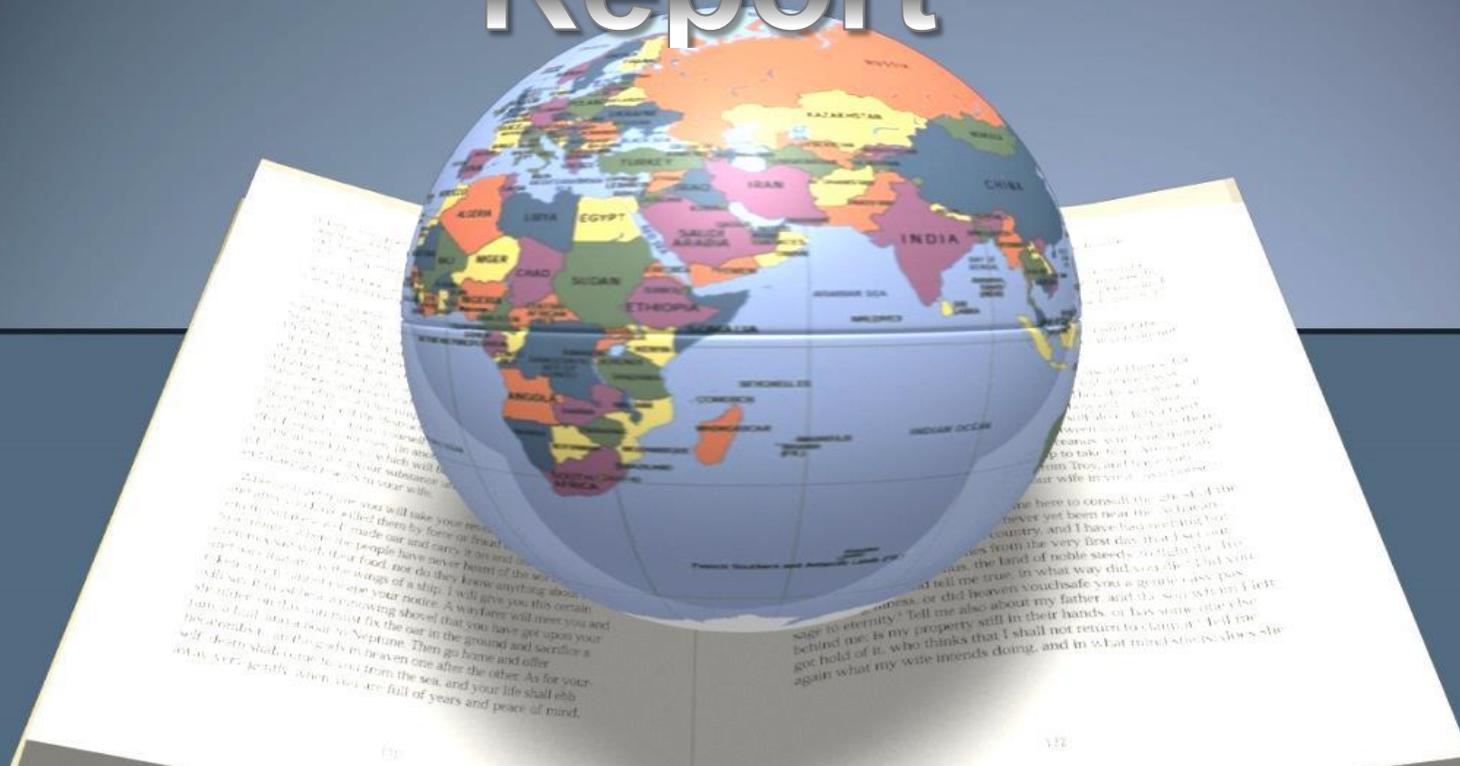




TURKISH
FLOUR INDUSTRIALISTS
FEDERATION

World Wheat Flour Trade Report



It is expected that total wheat export in the world in 2012/13 harvest year will be 12.2 m/t (IGC, 2013). The most important reason for the decrease of 6% in the February estimation (12.9 m/t) is the 20% tax imposed on flour in Indonesia for 200 days starting on December 5. It is expected that Indonesia will import 900,000 tons of wheat and 500,000 tons of it will be in May. This situation is illustrated in Chart 1.

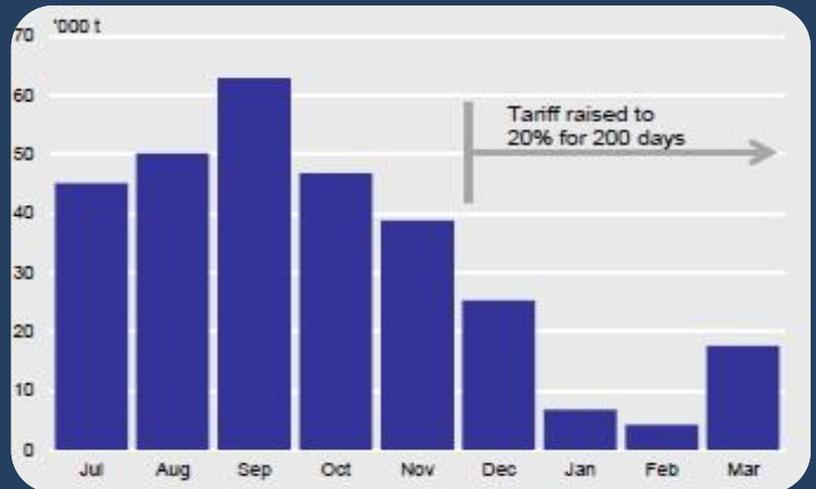


Chart 1: Indonesian Wheat Flour Import (July,2012- March,2013)

Indonesian government has adhered to the 200-day process and at the end of this period it has changed its tax policy, and it is expected that global flour export during 2013/14 harvest term will increase 7% and reach around 13.000.000 tons.



Based on the February import expectations (1.500.000 tons) in Uzbekistan, the first among flour importing countries, it is expected that it will decrease 15% and reach 1.300.000 tons, and it is indicated that the reason for this is the decrease in export potential of Kazakhstan. However, it is estimated that this number will increase in 2013/14 harvest period and reach to 1.500.000 tons again, and based on May estimations of Kazakhstan, its export, which is shown as 2.300.000 tons, will pick up during 2013/14 period and will reach 3.000.000 tons.

Based on May estimations, it is estimated that Iraq, which is expected to import 1.200.000 tons of flour and being in the second rank in imports, will hold on to this number during 2013/14 harvest season. Based on May data, it is expected that Afghanistan, another country importing flour in high numbers, will import 1.000.000 tons of flour, similar to February estimations.



These numbers are 20% lower than last year's numbers and the reason for this is a decent domestic wheat harvest and the decrease in export estimations expected in Kazakhstan. However, it is estimated that this number will pick up during 2013/14 period and reach to approximately 1.300.000 tons and the export situation will be better in Kazakhstan. During this term, it is predicted that Pakistan will meet Afghanistan's needs. Kazakhstan's wheat production and flour export data and estimations are shown in Chart 2 below.

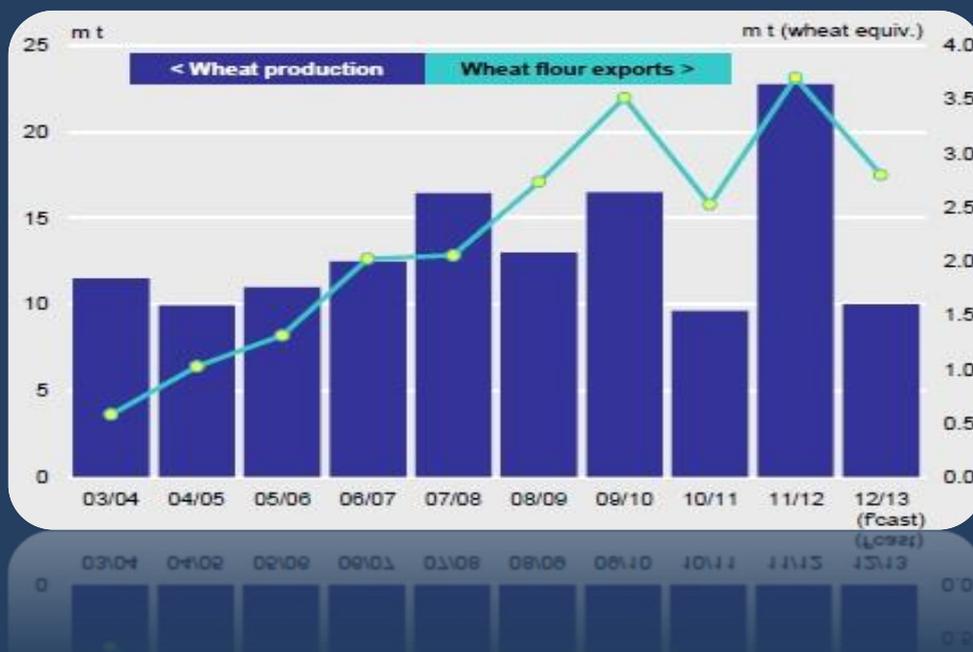


Chart 2: Kazakhstan Wheat Production and Wheat Flour Export

Based on May estimations, in 2013/14 harvest term, Kazakhstan's flour export will decrease 500.000 tons and Turkey's flour export can be 300.000 tons and will reach to 2.500.000 tons. This number is under 17% of last year's. However it is expected that for 2013/14 period, with 100.000 tons of increase, flour export will be 2.600.000 tons.



Indonesia's import numbers during 2010/2011 period were 1.000.000 tons and it is expected that Indonesia's import this year will show a large decrease like 50% and will regress to 500.000 tons. However, it is estimated that Philippine's imports will increase 50% and recess to 500.000 tons as a result of a large decrease, and it made the Philippine a new popular



Export numbers of Argentina estimated in May is the same as February's and it is 1.100.000 tons. It is expected that this number will be 1.200.000 tons with a small increase during 2013/14 harvest season. Flour export number of the European Union countries this year is estimated to be 1.200.000 tons and that it will not change next year either.



China, USA and Russia export flour every year generally within 300.000 – 500.000 tons range, and their flour export values are respectively 400.000, 380.000 and 235.000 tons.

.It is suggested that China, whose export progressed around 400.000 tons during the previous years, will keep this value during 2013/14 as well. USA's export values displayed 15% increase in comparison to the previous year and it is estimated that it will be 420.000.000 tons during 2013/14 with 10% increase.

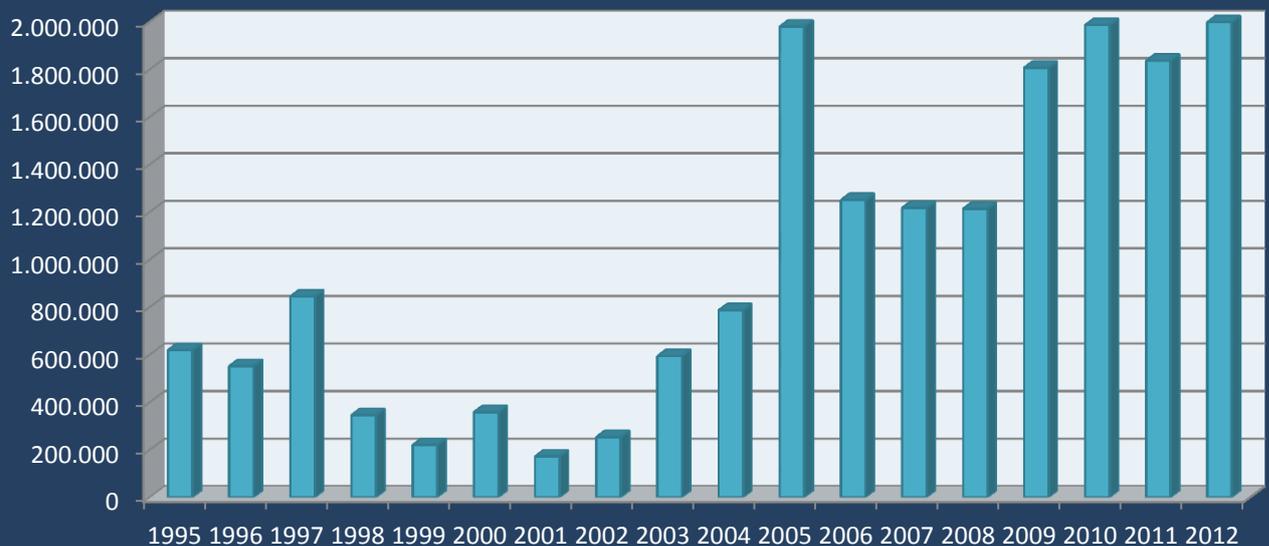


Flour exports of Russia reached 570.000 tons during 2010/2011 harvest term and retreated to 235.000 tons. Export, which was 300.000 tons during the last harvest period, decreased 22% during 2012/13 term. However, it is estimated that there will be 70% increase in 2013/14 term and increase to 400.000 tons again.

*Kazakhstan exports to only 5 countries and Turkey exports to more than 100 countries.
During the last financial year, in 2012, Kazakhstan gained 605*

*million dollars with 2.240.000 tons of export, and Turkey earned an income of 843
million dollars for 2.000.000 tons.*

Turkey's Wheat Flour Exports Amounts in tons



*Based on International Grain Association statistics, on the other hand, Turkey and
Kazakhstan tied with 2.800.000 tons of wheat equivalent during 2012/13 harvest period.
Exhaustion of Kazakhstan wheat during the last harvest era has made Turkey
advantageous.*

Wheat Flour World Trade

DESTINATION	'000 tons (wheat equivalent)				
	10/11	11/12 (est.)	12/13 (Forecast)		13/14 (proj.)
			21.02.13	31.05.13	
EUROPE	90	70	90	90	90
EU-27	43	25	45	45	45
Others	47	45	45	45	45
CIS	2,450	2,960	2,370	2,180	< 2,430
Russia	9	10	20	25	< 20
Tajikistan	520	539	500	450	< 500
Uzbekistan	1,415	1,939	1,500	1,300	< 1,500
Others	506	472	350	405	< 410
N & C AMERICA	610	600	620	600	< 600
Canada	114	143	120	120	120
Cuba	33	0	10	0	< 0
Mexico	103	78	110	110	110
United States	228	222	230	230	230
Others	133	157	150	140	< 140
SOUTH AMERICA	1,290	1,220	1,310	1,300	< 1,300
Bolivia	293	269	300	300	300
Brazil	944	903	950	950	950
Others	53	48	60	50	< 50
NEAR EAST ASIA	1,370	1,640	1,570	1,670	< 1,670
Iraq	989	1,359	1,200	1,200	1,200
Yemen	79	50	75	75	75
Others	302	231	295	395	< 395
FAR EAST ASIA	3,840	3,610	3,420	2,920	< 3,710
Afghanistan	1,327	1,264	1,000	1,000	1,300
Hong Kong	357	356	360	320	< 320
Indonesia	1,062	829	900	500	< 900
Korea (N)	177	213	180	180	180
Korea (S)	53	54	60	30	< 60
Mongolia	69	91	80	30	< 80
Philippines	125	228	180	250	< 250
Thailand	250	222	230	200	< 200
Vietnam	42	40	40	40	40
Others	377	313	390	370	< 380
AFRICA	1,700	2,410	1,970	1,940	< 1,940
<i>North Africa</i>	<i>210</i>	<i>470</i>	<i>370</i>	<i>370</i>	<i>370</i>
Libya	95	366	250	250	250
Others	115	104	120	120	120
<i>Sub-Sahara</i>	<i>1,490</i>	<i>1,930</i>	<i>1,600</i>	<i>1,570</i>	<i>< 1,570</i>
Angola	530	735	550	550	550
Chad	55	70	60	60	60
Gambia	89	83	90	90	90
Guinea	149	163	130	130	130
Somalia	102	113	100	100	100
Sudan	27	43	50	50	50
Others	538	723	620	590	< 590
OCEANIA	70	80	80	80	80
UNSPECIFIED	1,210	1,970	1,440	1,440	1,240
WORLD TOTAL	12,630	14,560	12,870	12,220	< 13,060
Origin:					
Argentina	1,286	1,240	1,100	1,100	1,200
Australia	100	74	100	83	< 100
Canada	225	199	220	220	220
EU (excl. TPA)	1,157	1,277	1,200	1,200	1,200
Kazakhstan	2,526	3,652	2,800	2,300	< 3,000
Russia	570	435	300	235	< 400
Ukraine	122	161	200	200	200
USA	406	329	420	380	< 420
China	417	391	400	400	400
Japan	267	273	270	270	270
Pakistan	900	300	320	520	< 300
Turkey	2,356	3,013	2,800	2,500	< 2,600
UAE	500	1,200	1,000	1,000	1,000
Others	1,799	2,016	1,740	1,812	< 1,750

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