

Wheat price has never been lower! That is the fact that both producers and buyers agreed on at the end of harvest.

There are numerous reasons which led to the fact that the price of bread wheat even night before harvest dropped below 15 dinars for kilogram. It would not be so terrible if the trend of low purchasing price had not continued in July. Some producers in Banat point finger at trading lobby, which has, as they claim, reduced already low price of wheat so that peasants are now forced to sell the wheat under price in order to get fresh money.

- Price of 14 and 15 dinars for kilogram of wheat is a disaster, especially for us who cultivate marsh soil. When you have the lower soil quality, it is unrealistic to expect high yields. This year the average yield of around 110 hectares here in Mužlja and on my lot to be precise, was around 5 tons per hectare. Additional problem is that there were no subsidies so the investments into production were more expensive, and due to the loan we now have to sell the wheat under price. In addition to that, machinery has to be repaired, all other costs settled, family insurance paid... If this continues, small farmers shall be forced to shut the production down, and middle ones are already facing severe issues- explains Ervin Palatinuš, producer from Mužlja.

According to his words, producers that cultivate up to 10 hectares of land are literary surviving and are forced to give up agriculture, whereas larger producers deal with increased costs for now. Palatinuš has right when asking: until when and how will all of them handle it?

- The year was, like the price of wheat, good for nothing. Crop was not so good like people were talking and it is 20 percent lower than in the previous year. The weather was not favorable, and subsidies left out. If we talk about the price of wheat everything under 18 dinars is pure loss. My message for producers is not to sell wheat. I have produced 4 000 tons of wheat this year, and yields are around five tons per hectare, which is less than last year when it was seven tons per hectare. I believe that the market is bad, closed and monopolized - Dragan Cvetkov, producer from Zrenjanin evaluated situation on the field. Producers claim that the thesis that different offers lower prices is only partially true. They are wondering why is at world exchanges wheat sold perfectly and prices grow, while they drop in our country, and claim that closed market in Serbia enabled traders to dictate conditions.

- Production year was good but the crop is of a bit lower quality than the last year. Too much rain at the end had an impact on that, since it eroded hectoliter. If that did not happen, the wheat quality would have been excellent. Compared to last year, sowing area was larger. Currently world exchange records wheat price increase, while in our country millers do not have money to purchase in long run and that affects price heavily, as well as the fact that large companies that purchase wheat offered their conditions. That is how it happened that the wheat was more expensive last month than now- explains Krsto Medan,

purchaser.

By the end of last week (July 21), wheat price on the exchange in Paris amounted from around EUR 160.50 to 170 per ton. According to the data of Product Exchange in Novi Sad, wheat was traded at the price of 15.92 dinars for kilogram.

Discouraging calculation

In order to illustrate the situation in the agriculture in the best manner, Ervin Palatinuš, agricultural producer from Mužlja, which in addition to tillage also deals with animal husbandry (owns cow farm), compared costs and prices from 2008 and 2016. "Liter of milk in 2008 was purchased for 36 dinars, oil cost 63 dinars and euro was worth 73 dinars. In 2016, milk is bought for 30 dinars, oil costs 134 dinars and euro is worth 123 dinars", claims Palatinuš.