

# Electronic Warehouse Receipt Market 2023 Bulletin



## TURKISH MERCANTILE EXCHANGE ELECTRONIC WAREHOUSE RECEIPT MARKET 2023 BULLETIN

### **TMEX EWR Market recorded a trading value of 182 billion Turkish Liras since the commencement of its operations.**

Turkish Mercantile Exchange (TMEX) has launched its Electronic Warehouse Receipt (EWR) Market on July 26, 2019. In 2023, EWR Market reached a trading volume of 12 tons and a total trading value of 82 million Turkish liras in more than 331 thousand EWR transactions. Since TMEX commenced operations, it has recorded more than 1 million EWR transactions, with over 216 thousand registered investors a trading volume of 40 million tons and trading value of 182 billion Turkish Liras.

EWR is an electronic receipt that represents agricultural products stored in licensed warehouses and can only be traded in TMEX EWR Market. The market primarily trades grain such as barley, wheat, and corn. 17 distinct products including grain, legumes, oilseeds, pistachios, hazelnuts, dried apricots, cotton, and olives are tradable in the TMEX EWR Market.

A licensed warehouse, where the actual products represented by EWRs are stored, is one of the pillars of commodity trading systems. In Türkiye, 186 licensed warehouses provide service in 45 provinces, 136 districts and 261 different locations with a storage capacity of 10 million tons as of the year-end 2023. The total licensed warehouse storage capacity, which used to be 4 million tons when TMEX commenced operations, increased greater than 2.5-fold in 4 years, reaching to a capacity potentially storing one-fourth of Türkiye's total grain harvest.

### **TMEX Agricultural Commodity Indices: The pulse of agriculture, the compass for farmers and investors.**

TMEX Agricultural Commodity Indices keep the pulse of the agricultural sector. With the introduction of barley, wheat, corn and grain price indices, which were first published on 14 July 2021, the main direction of the agricultural commodity market in Türkiye can be tracked.

TMEX Agricultural Commodity Indices serve as benchmarks in financial instrument issuances. In this context, the issuance of Asset-Backed Securities (ABS), which is the first financial product in which TMEX Wheat Bread price index was used as a benchmark for calculating the periodical returns, was carried out on 23.06.2023. With the issuance carried out by Tarfin Tarım A.Ş. through Pasha Investment Bank and with the consultancy of OMG Capital, an important step was taken in the agricultural sector and the first financial product based on the bread wheat price index was introduced to the market.

TMEX plays a crucial role in shaping the agricultural ecosystem by providing an effective trading platform for healthy and realistic price formation, contributing to the development of financial instruments based on agricultural commodities, enhancing farmers' access to finance, and supporting the sector's sustainable growth.



## **TMEX Research & Development Center: Inclusive and innovative solutions for the financialization of agricultural sector and accessing to finance.**

The TMEX R&D Center is at the forefront of the TMEX Technological Transformation Project, introducing the TMEX Transaction System (TURIS), a domestic exchange solution for the agricultural market. The transition to TURIS, facilitated by Commodity Market Intermediary Institutions (CMII), is expected to be completed in the first half of 2024. This transition is supported by legislative groundwork laid out at the end of 2023, with detailed regulations to be finalized in 2024. Efforts to launch futures contract trading on this platform will accelerate in 2024, aiming to operationalize the futures market by 2025.

Ensuring trust, free competition, and stability in the TMEX EWR Market transactions is paramount. To safeguard against economically or financially unjustifiable actions that may undermine market operation in terms of trust, transparency, and stability, TMEX conducts various market monitoring and surveillance activities. An R&D project, supported by the TÜBİTAK 1005 National New Ideas and Products Research Support Program and aimed at implementing these activities with an AI-supported system, is scheduled for completion in 2024.



# STATISTICAL INFORMATION

**Table 1.** 2023 EWR Market Statistics



Source: TMEX

**Graph 1.** Number of Investors with EWR Holdings



Source: TMEX

**Graph 2.** Licensed Warehouse Capacity (December 29, 2023, Thousand Tons)



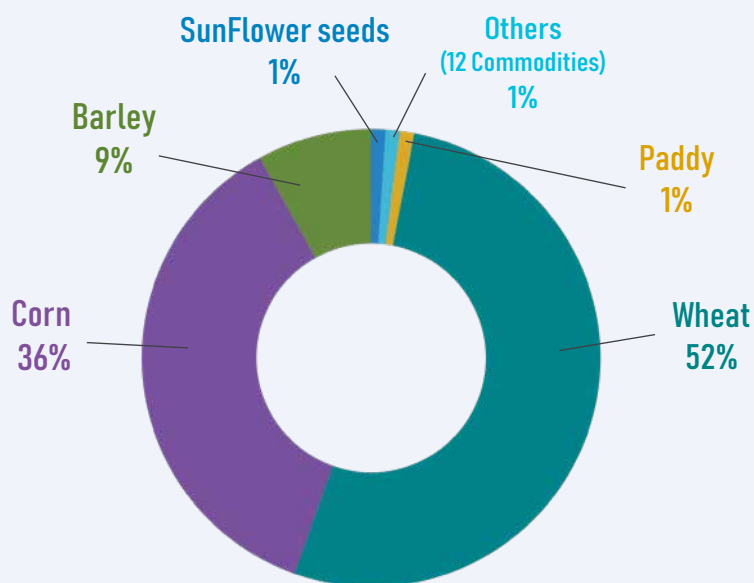
**Source:** Turkish Grain Board (TMO), T.R. Ministry of Trade

**Graph 3.** Number of Investors Registered in TMEX



**Source:** TMEX

**Graph 4. EWR Market Total Traded Value by Commodity (2023)**



Source: TMEX

**Table 2. EWR Market Trading Figures by Commodity (2023)**

Commodity	Traded Volume (Kg)	Traded Value (TRY)	Number of Transactions
Wheat	5,856,078,366	42,439,619,990	176,971
Corn	5,255,530,259	29,740,937,422	100,173
Barley	1,038,299,823	6,951,653,464	49,110
Paddy	58,603,002	1,085,609,253	299
Sunflower Seeds	50,066,135	647,905,227	2,988
Others (12 Commodities)	50,209,960	1,167,212,073	1,727
<b>Total</b>	<b>12,308,787,545</b>	<b>82,032,937,428</b>	<b>331,268</b>

Source: TMEX

**Table 3. The Traded Value (TRY) in EWR Market (2019-2023)**

	2019	2020	2021	2022	2023
January	249,631,758	409,625,952	684,547,076	1,884,912,340	4,510,117,326
February	373,078,585	483,659,563	838,929,331	1,534,117,917	3,331,325,180
March	609,349,568	423,966,557	1,038,175,988	4,421,326,841	4,114,822,197
April	619,005,568	1,136,249,076	1,041,200,101	3,683,564,659	4,643,406,664
May	316,028,167	829,363,899	1,018,704,589	2,594,301,695	4,693,389,067
June	279,310,076	742,479,935	1,143,053,351	3,930,673,485	2,304,325,502
July	1,021,044,476*	1,864,101,488	1,219,884,241	8,440,988,500	9,618,003,292
August	385,930,707	839,643,925	1,463,252,267	13,395,738,190	18,584,266,350
September	476,820,372	996,687,321	1,940,527,519	9,690,696,002	8,802,358,026
October	813,129,130	1,791,924,552	1,748,312,430	4,228,717,765	6,056,447,143
November	998,481,557	1,171,262,165	3,284,508,557	6,367,829,726	8,492,051,263
December	312,482,451	734,410,487	3,081,885,836	6,758,126,426	6,882,425,419
<b>Total</b>	<b>6,454,282,641</b>	<b>11,423,374,893</b> (%77 increase)	<b>18,502,981,286</b> (%62 increase)	<b>66,930,993,545</b> (%262 increase)	<b>82,032,937,428</b> (%23 increase)

Source: TMEX

(\*) TMEX EWR Market commenced operation on 26/07/2019. Data for the period before 26/07/2019 had been collected from Istanbul Settlement and Custody Bank Inc. (Takasbank).

**Table 4. EWR Market – Wheat EWR Monthly Trading Figures**

	Traded Volume (Kg)	Traded Value (TRY)
January 2023	260,181,772	1,475,781,805
February 2023	309,760,898	1,806,542,199
March 2023	378,487,140	2,101,874,076
April 2023	540,374,887	2,865,137,170
May 2023	565,185,477	3,082,562,074
June 2023	127,693,785	758,810,391
July 2023	729,813,289	6,058,231,774
August 2023	1,300,789,136	10,611,939,376
September 2023	846,483,903	6,836,054,205
October 2023	372,838,018	3,054,623,036
November 2023	256,251,475	2,217,321,096
December 2023	168,218,586	1,570,742,788
<b>Total</b>	<b>5,856,078,366</b>	<b>42,439,619,990</b>

Source: TMEX

**Table 5. EWR Market – Corn EWR Monthly Trading Figures**

	Traded Volume (Kg)	Traded Value (TRY)
January 2023	417,151,862	2,337,169,964
February 2023	166,541,134	933,689,099
March 2023	301,673,121	1,684,010,004
April 2023	265,926,461	1,473,572,949
May 2023	258,248,342	1,427,460,508
June 2023	252,541,403	1,387,349,649
July 2023	415,732,028	2,210,737,255
August 2023	879,962,468	4,750,261,472
September 2023	117,502,256	666,496,406
October 2023	366,746,405	2,175,605,576
November 2023	1,014,738,236	5,896,462,731
December 2023	798,766,543	4,798,121,807
<b>Total</b>	<b>5,255,530,259</b>	<b>29,740,937,422</b>

Source: TMEX

**Table 6. EWR Market – Barley EWR Monthly Trading Figures**

	Traded Volume (Kg)	Traded Value (TRY)
January 2023	8,180,776	47,206,592
February 2023	28,487,348	153,094,275
March 2023	33,723,629	181,697,480
April 2023	48,183,508	259,035,034
May 2023	19,058,124	112,168,447
June 2023	12,432,723	71,282,653
July 2023	187,294,443	1,273,885,041
August 2023	418,146,601	2,913,022,578
September 2023	148,066,669	1,026,500,124
October 2023	81,248,466	548,897,708
November 2023	34,106,129	228,161,840
December 2023	19,371,407	136,701,692
<b>Total</b>	<b>1,038,299,823</b>	<b>6,951,653,464</b>

Source: TMEX



**Table 7. TMEX Agricultural Commodity Indices**

Index Name	Index Closing Value December 29, 2023	Annual Change (%)*
TMEX Barley Index	3,806.99	24%
TMEX Bread Wheat Index	4,219.82	35%
TMEX Wheat Index	4,098.54	28%
TMEX Durum Wheat Index	4,266.31	23%
TMEX Grain Index	3,882.07	23%
TMEX Corn Class 1 Index	3,431.79	14%
TMEX Corn Class 2 Index	3,249.82	10%
TMEX Corn Index	3,389.67	14%

(\*)Percentage changes from 30/12/2022 to 29/12/2023

## About TMEX

Established in June 2018, TMEX is engaged in exchange operations for trading of electronic warehouse receipts and of futures contracts with an underlying of electronic warehouse receipts issued by licensed warehouse operators.

TMEX works in collaboration with the Union of Chambers and Commodity Exchanges of Türkiye (UCCE/TOBB), T.R. Ministry of Trade, T.R. Ministry of Agriculture and Forestry, T.R. Ministry of Treasury and Finance and other stakeholders for the digitalization of food supply chain from field to fork, expansion of the usage of EWRs development of contract farming and licensed warehouse operations.



TÜRKİYE ÜRÜN İHTİSAS BORSASI



TOBB İkiz Kuleleri C Blok Kat:19  
Dumlupınar Bulvarı No:252  
06530 ANKARA



T: +90 312 939 35 90  
F: +90 312 939 35 56

