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Report Name: Grain and Feed Update

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Report Highlights:

Post maintains its estimate for marketing year 2020/2021 (MY20/21) corn consumption at 14.5 million metric tons (MMT), but revised MY21/22 corn consumption down to 14.35MMT on a lower estimate for feed and residual with anticipation of declining feed demand in the second half of CY2021. Post also raised its estimate for MY20/21 corn imports to 13MMT, but revised MY21/22 imports estimate down to 11.2MMT on high stock and potential lower imports in the coming months. Post revised its estimate for MY20/21 wheat consumption up to 3.65MMT, mainly on higher consumption of feed wheat, and revised its estimate for MY20/21 imports up to 3.86MMT based on Vietnam Customs data. Post revised MY20/21 rice paddy area and production estimates down to 7,330THA and 43.75MMT on contractions of the main and late autumn crops in the Mekong Delta. While maintaining its estimate for MY20/21 rice exports at 6.10MMT, Post revised rice imports up to 1.2MMT on higher imports from Cambodia and India.

Vietnam Feed Industry Summary

Largescale COVID-19 outbreaks have compelled the Government of Vietnam (GVN) to escalate the level and scale of social distancing [1], leading to disruptions in the agricultural food supply chain over the past few months. Trade contacts reported difficulties in inter-provincial movement and delayed transportation of all agricultural products from farms to markets, making it hard for farmers to sell products. Widespread closures and downscaled operations throughout the hotel and foodservice sector, factories, and wholesale and wet markets in all 19 southern provinces resulted in lower demand for domestic pork and poultry products.

COVID-19 worsened market dynamics that had already been challenging swine farmers over the past 6 months, including:

- Farm-gate hog prices, already on a downward trend, dropped to their lowest levels since October 2019 (Figure 1).
- Feed prices for fattening pigs rose by approximately 27 percent in the past year.
- African Swine Fever (ASF) is still active in many provinces, mostly in backyard farming operations, leading to the death or culling of 62,188 pigs in the first half of 2021, according to local media.

Poultry farmers have faced even more constraints since last year when oversupply led to low prices (sometimes below cost) of broilers (Figure 1), and feed prices rose by 23-24 percent, which discouraged producers from restocking. Like the swine industry, poultry producers reported low sales due to market disruptions in southern Vietnam, leading to high stocks in the past three months. Consequently, many poultry farms liquidated their herds early to reduce losses, scaled down operations, or chose not to restock their herds. According to the Vietnam Poultry Association (VIPA), 45-50 percent of poultry farms either left their barns empty or suspended restocking. Avian influenza outbreaks occurred in 25 provinces, leading to the death or culling of 318,726 heads, according to the Ministry of Agriculture and Rural Development (MARD).

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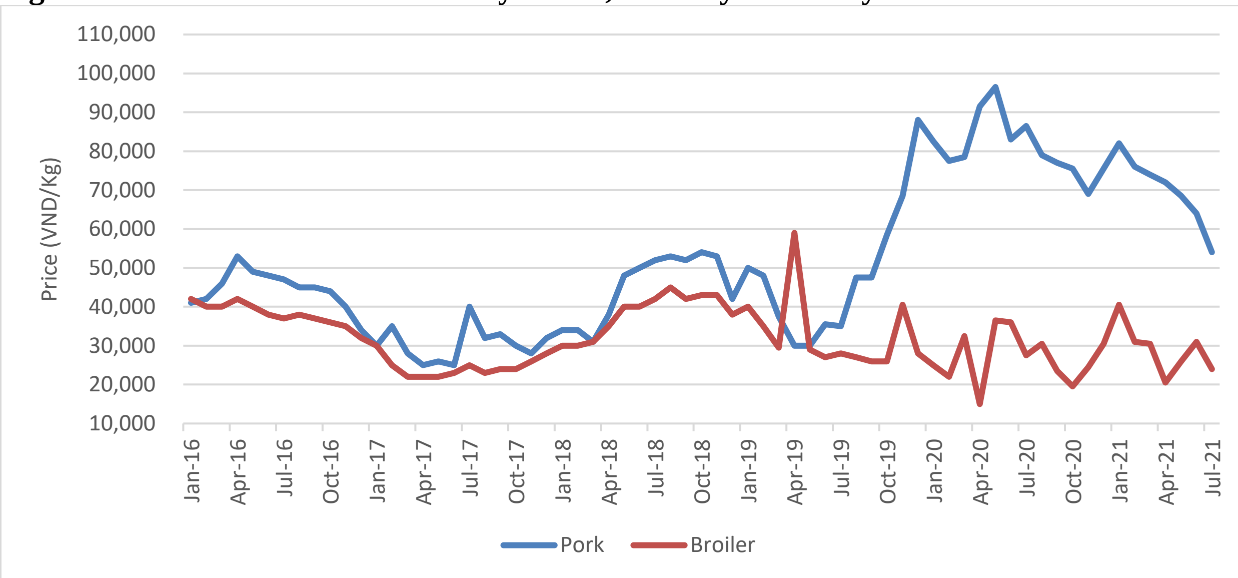
[1] In order to control Vietnam's most serious outbreak of COVID-19, on July 19, the GVN implemented its strictest rules to maximize social distancing in all 19 southern provinces. These included a "3-on-site" requirement which mandated factories to house employees on-premises, as a condition to allow continued operations. Other COVID preventative measures included restrictions on movement for those without travel permits and frequent COVID testing on all truck and barge drivers.

Figure 1: Domestic Pork and Poultry Prices, January 2016-July 2021



Source: U.S. Grains Council

According to the General Statistics Office (GSO), in the first half of calendar year (CY) 2021, production of beef, pork, and poultry increased by 4, 8, and 6 percent respectively, compared to the previous year. However, VIPA estimated that, in May 2021, both the poultry population and egg production had declined by 30-36 and 20 percent respectively, since the end of 2020. The above challenges will likely hamper growth of the livestock industry, especially the poultry sector, in the second half of CY2021.

The aquaculture and seafood processing sectors also experienced similar constraints from GVN social distancing regulations over the past several months. Due to the difficulty of these requirements, MARD noted that only 70 percent of seafood processing factories were able to continue operations, with many operating at only 30-50 percent of their usual capacity.

Although exports of pangasius and shrimp products increased in the first seven months of CY2021, industry contacts anticipate that exports may slow in October as COVID social distancing requirements dampened restocking efforts of seafood processing factories. Provided that COVID-19 is controlled to allow the resumption of trade and manufacturing activities in the southern provinces, aquaculture product exports should see stable growth in the final months of CY2021 when demand is usually high.

According to GSO, production of fish and shrimp in the first half of CY2021 increased by 1.7 and 20.7 percent year over year to 1.46 million tons and 393,000 tons respectively. Although live pangasius prices are higher than the same period last year, farmers were unable to profit due to higher input costs. Domestic shrimp prices saw a downtrend that may discourage farmers from restocking and could result in a short supply of raw materials for processing factories. Contacts reported that, as pangasius farmers were unable to sell fish during the social distancing period, feed use declined to 30-50 percent of its average.

With the recent COVID-19 outbreaks and social distancing phases in all 19 southern provinces, industry contacts noted some factories briefly closing due to worker infections or reduced operations due to the

“3-on-site” regulations. With lower demand for feed from the livestock industry, along with the downscale in feed mill operations, Post revised its feed demand estimates for CY2021 and CY2022 down to 26.2 million metric tons (MMT) and 27.56MMT respectively.

CORN

Production, Supply, and Distribution

Corn	**2019/2020**		**2020/2021**		**2021/2022**	
Market Begin Year	**May 2019**		**May 2020**		**May 2021**	
	USDA Official	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Harvested	991	935	950	880	900	830
Beginning Stocks	1155	1155	1462	1385	2252	3285
Production	4757	4480	4590	4200	4400	3960
MY Imports	10600	10500	13500	13000	11900	11200
TY Imports	12000	11900	12300	11700	12500	11500
TY Imp. from U.S.	224	220	0	450	0	350
Total Supply	16512	16135	19552	18585	18552	18445
MY Exports	500	500	800	800	800	800
TY Exports	500	500	800	700	800	800
Feed and Residual	13100	12800	15000	13000	15000	12800
FSI Consumption	1450	1450	1500	1500	1550	1550
Total Consumption	14550	14250	16500	14500	16550	14350
Ending Stocks	1462	1385	2252	3285	1202	3295
Total Distribution	16512	16135	19552	18585	18552	18445
Yield	4.8002	4.7914	4.8316	4.7727	4.8889	4.7711

(1000 HA), (1000 MT), (MT/HA)

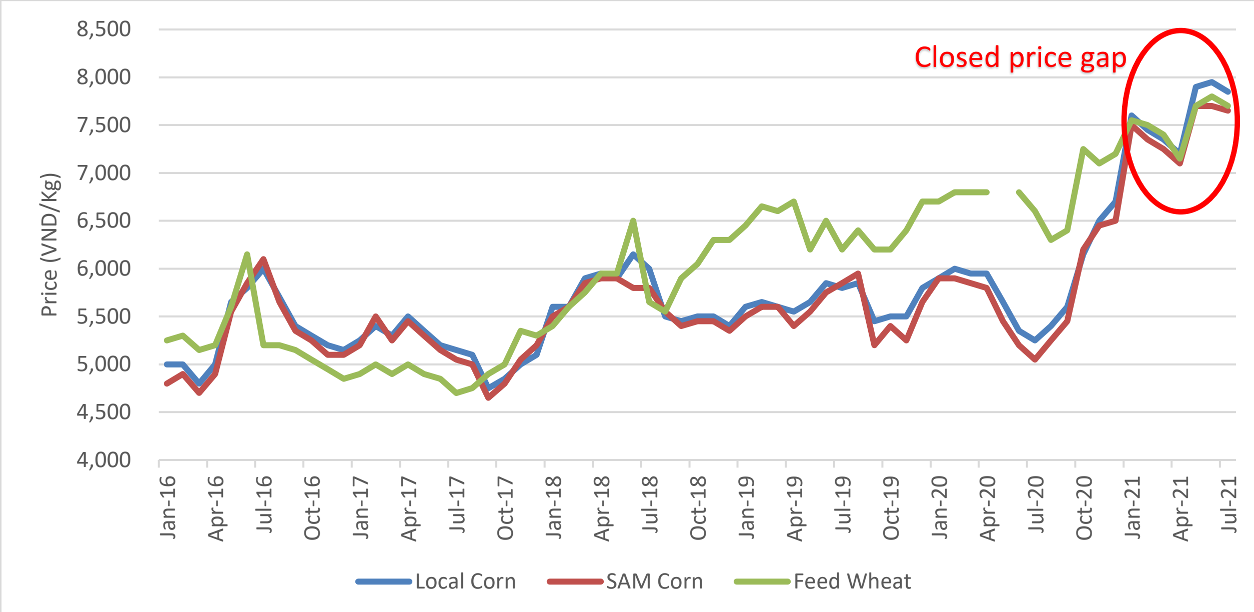
PRODUCTION

Post maintains its estimates for corn area and production in MY20/21 at 880 thousand hectares (THA) and 4,200 thousand metric tons (TMT), lower than the USDA official numbers. Local contacts reported that Fall Armyworm pressure on the corn crop eased this year, and prices have improved in line with imports, encouraging farmers to invest more into seeds and husbandry of their corn fields.

CONSUMPTION

Corn prices have increased constantly since mid-2020, closing the gap with feed wheat this year (Figure 2). As corn and feed wheat are interchangeable energy sources in some feed formulations, Post notes lower corn imports versus higher feed wheat imports in the first eight months of CY2021 (Table 1).

Figure 2: Prices of Corn versus Feed Wheat, January 2016-July 2021



Note: Feed wheat price in May was not available.
Source: U.S. Grains Council

Table 1: Corn versus Feed Wheat Imports 2020-2021

Corn versus Feed Wheat Imports (tons)			
	Jan-Aug 2020	**Jan-Aug 2021**	**Change**
Corn	**7,193,759**	**6,792,141**	**-401,618**
Feed Wheat	**541,174**	**1,058,887**	**517,714**

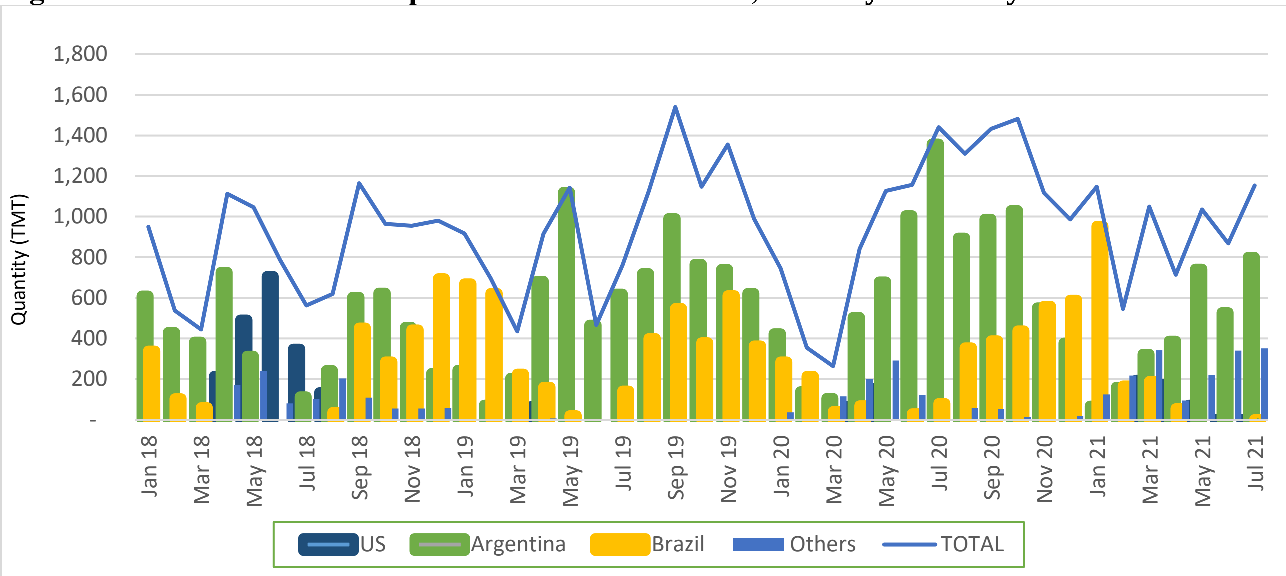
Source: Trade contacts, Vietnam Customs, Post's Calculation

Post maintains its MY20/21 feed and residual estimate for corn at 13MMT as feed demand was strong during May 2020-April 2021. However, Post revised the MY21/22 feed and residual estimate down to 12.80MT with anticipation of declining feed demand in the second half of 2021, both of which are lower than USDA official numbers.

TRADE/COMPETITION

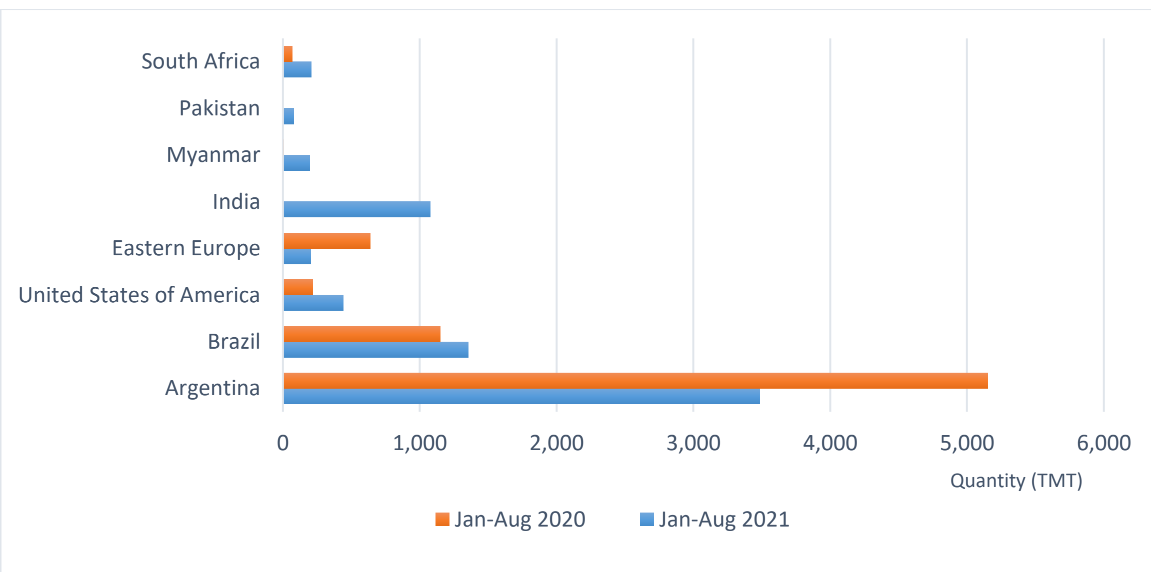
High corn prices, combined with volatile global demand and high freight and logistical costs etc., compelled Vietnam to shift from traditional to other supply markets (Figure 3 and 4). While Vietnam's corn imports from Argentina and Eastern Europe decreased by 32 and 68 percent in the first eight months of 2021 in comparison with the previous year, imports from India, Myanmar, and Pakistan rose from less than 10TMT last year to 1MMT, 197TMT and 80TMT respectively. Imports from the United States and South Africa also increased 2-3 times higher than the same period last year, reaching 440TMT and 206TMT.

Figure 3: Vietnam's Corn Imports from Main Sources, January 2018-July 2021



Source: Trade Data Monitor, LLC., Vietnam Customs, Trade contacts, Post's calculation

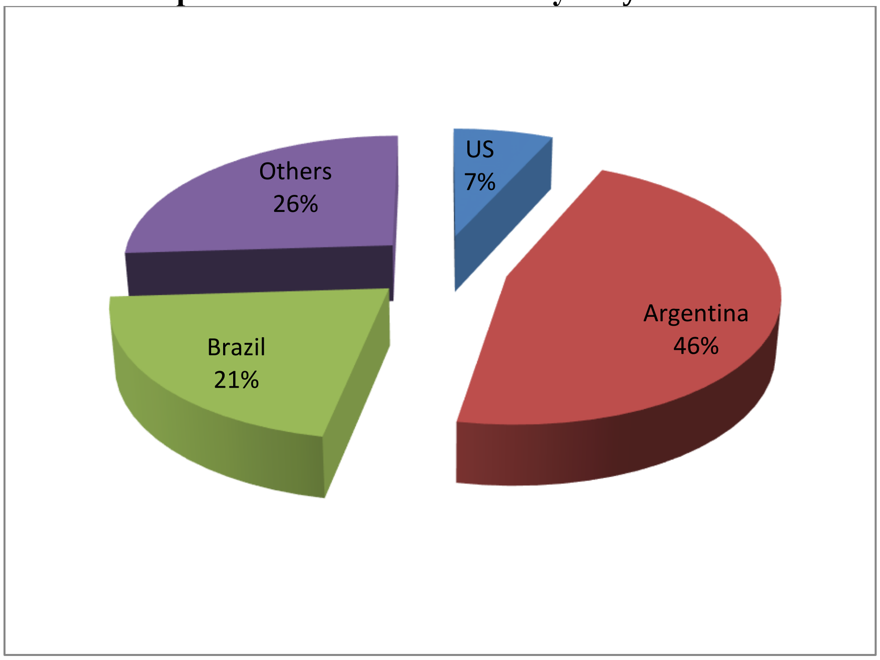
Figure 4: Comparison of Corn Imports by Sources, CY2020-2021



Source: Trade Data Monitor, LLC., Vietnam Customs, Trade contacts, Post's calculation

In the first seven months of 2021, Argentina remained the largest corn supplier to Vietnam, accounting for 46 percent of total corn imports. Brazil followed with a 21 percent market share, the United States with 7 percent, and other suppliers comprising the remaining 26 percent.

Figure 5: Vietnam's Corn Imports Market Share January-July 2021



Source: Trade Data Monitor, LLC., Vietnam Customs, Trade contacts, Post's calculation

According to trade contacts, corn imports will likely go down in the final months of CY2021 on lower feed demand. Post raised its estimate for MY20/21 corn imports to 13MMT based on Vietnam Customs data, but revised its MY21/22 imports estimate down to 11.2MMT on high stocks and anticipation of lower imports in the coming months.

STOCKS

Post revised its estimate for MY20/21 stocks up to 3.28MMT, higher than the USDA official number.

POLICY

On July 13, the Ministry of Finance (MOF) published a draft Decree revising and amending several articles of Decree 57/2020 in addition to a justification report with comments from the public, line Ministries, industry, and related stakeholders. The draft proposed a reduction of the Most Favored Nation (MFN) duties for corn and feed wheat from 5 to 3 percent and 3 to zero respectively as a solution to reduce costs of feed inputs. In mid-September, local media reported that MOF further revised its proposal to include a further reduction of MFN duties for corn from 5 to 2 percent, and all wheat classes from 3 to zero. Post will continue to monitor and report on these developments.

WHEAT

Production, Supply, and Distribution

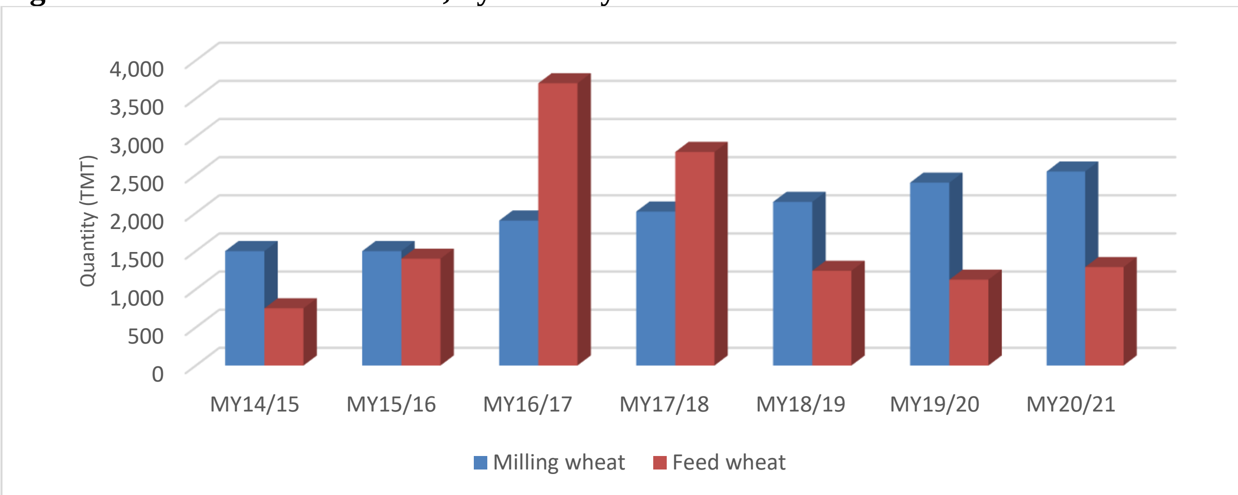
Wheat	2019/2020		2020/2021		2021/2022	
Market Begin Year	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0	0	0
Beginning Stocks	879	879	849	799	867	789
Production	0	0	0	0	0	0
MY Imports	3570	3570	3900	3860	3650	3600
TY Imports	3570	3570	3900	3860	3650	3600
TY Imp. from U.S.	318	390	0	420	0	350
Total Supply	4449	4449	4749	4659	4517	4389
MY Exports	250	200	282	220	250	220
TY Exports	250	200	282	220	250	220
Feed and Residual	1250	1250	1400	1500	1250	1400
FSI Consumption	2100	2200	2200	2150	2250	2100
Total Consumption	3350	3450	3600	3650	3500	3500
Ending Stocks	849	799	867	789	767	669
Total Distribution	4449	4449	4749	4659	4517	4389

(1000 MT)

CONSUMPTION

Post revised its estimates for MY20/21 wheat consumption up to 3.65MMT, slightly higher than the USDA official number, largely due to the increased use of feed wheat. Feed wheat imports increased 518TMT in the first eight months of CY2021, compared to the same period last year (Table 1). This increase, due to feed wheat's price competitiveness with corn, also resulted in higher imports of feed wheat in MY20/21 (Figure 6). Demand for wheat-based products in Vietnam hotel/restaurant/catering sectors remained low due to COVID-19 restrictions on international tourism and travel. Continuing COVID-19 outbreaks and social distancing requirements continued to affect incomes and consumer demand for confectionary products. Many mooncake producers either dramatically scaled down or completely shuttered production this year. Post revised its estimate for MY20/21 milling consumption slightly up to 2.15MMT, still lower than the previous year and the USDA official number.

Figure 6: Wheat Use in Vietnam, by industry



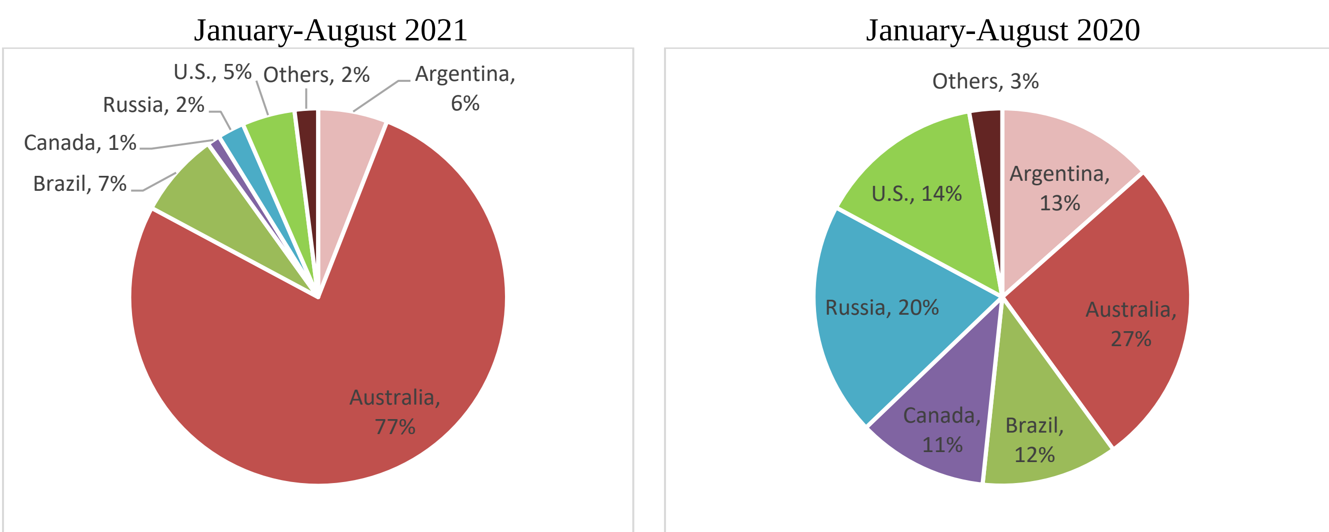
Source: Vietnam Customs, Trade contacts, Post's calculation

TRADE/COMPETITION

Imports

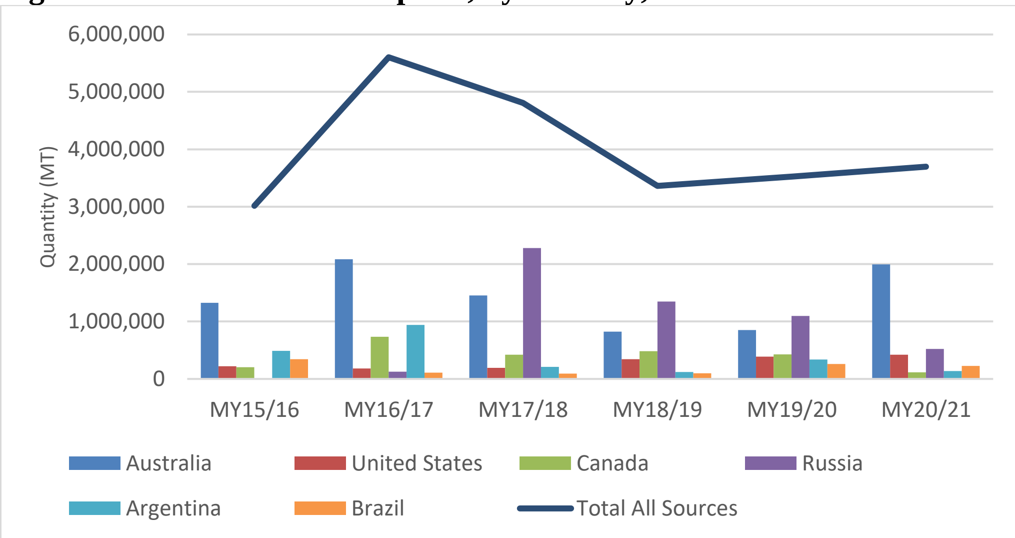
The first eight months of CY2021 saw a strong recovery in the share of Australia wheat with exports to Vietnam jumping over 300 percent to 2.4MMT. In contrast, exports from all other suppliers including the United States, Russia, Canada, Argentina, and Brazil declined (Figure 7). Based on Vietnam Customs data, Post revised its estimate for Vietnam's MY20/21 imports up to 3.86MMT, slightly lower than USDA official number, with Australia's return as the largest supplier (Figure 8).

Figure 7: Vietnam's Wheat Imports Market Share



Source: Trade Data Monitor, LLC., Trade contacts, Vietnam Customs, Post's calculation

Figure 8: Vietnam Wheat Imports, by Country, MY2015/16-20/21

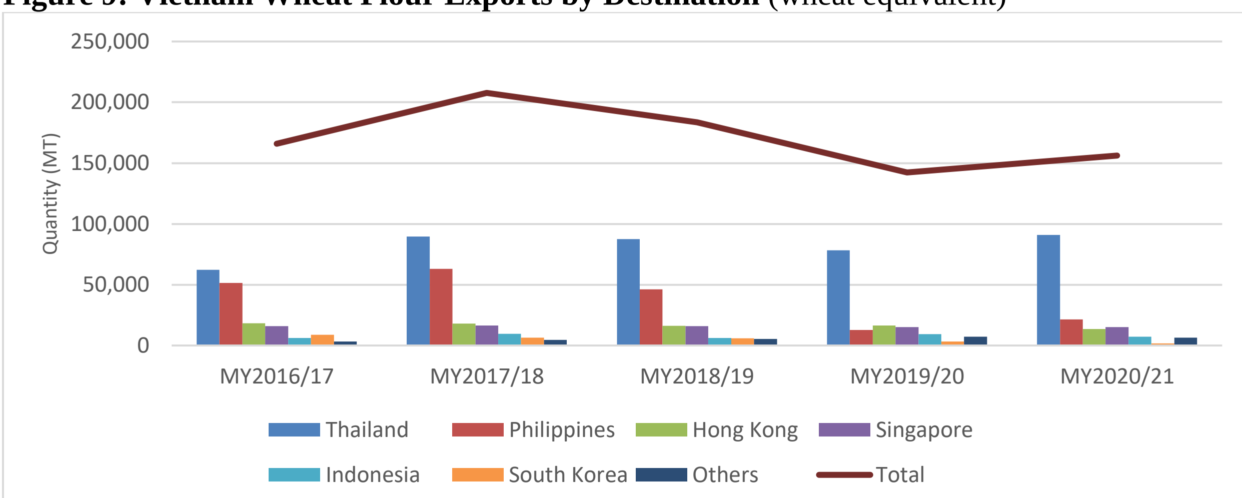


Source: Trade Data Monitor, LLC., Trade contacts, Vietnam Customs, Post's calculation

Exports

Based on Trade Data Monitor, LLC., Vietnam's exports of wheat flour in MY20/21 increased by 10 percent from the previous year (Figure 9). Post maintained its estimate for MY20/21 exports of wheat flour at 220TMT, lower than the USDA official number.

Figure 9: Vietnam Wheat Flour Exports by Destination (wheat equivalent)



Source: Trade Data Monitor, LLC., Post's estimate

POLICY

Please refer to the "Corn Policy" section above.

RICE

Production, Supply, and Distribution

Rice, Milled	**2019/2020**		**2020/2021**		**2021/2022**	
Market Begin Year	**Jan-20**		**Jan-21**		**Jan-22**	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	7380	7380	7360	7330	7350	7350
Beginning Stocks	1097	1097	1180	1097	2318	2141
Milled Production	27100	27100	27438	27344	27100	27100
Rough Production	43360	43360	43901	43750	43360	43360
Milling Rate (.9999)	6250	6250	6250	6250	6250	6250
MY Imports	400	400	1200	1200	500	500
TY Imports	400	400	1200	1200	500	500
TY Imp. from U.S.	1	0	0	0	0	0
Total Supply	28597	28597	29818	29641	29918	29741
MY Exports	6167	6300	6300	6100	6400	6400
TY Exports	6167	6300	6300	6100	6400	6400
Consumption and Residual	21250	21200	21200	21400	21300	21250
Ending Stocks	1180	1097	2318	2141	2218	2091
Total Distribution	28597	28597	29818	29641	29918	29741
Yield (Rough)	5.8753	5.8753	5.9648	5.9686	5.8993	5.8993

(1000 HA), (1000 MT), (MT/HA)

PRODUCTION

Table 2: Vietnam's Area, Yield, and Production for Rough Rice

Marketing Year	2019/2020 Jan 2020 Estimate		2020/2021 Jan 2021 Estimate		2021/2022 Jan 2022 Forecast	
Harvested Area (THA)	**Old**	**New**	**Old**	**New**	**Old**	**New**
Spring[1]	3,040	3,040	3,020	3,020	3,000	3,000
Autumn[2]	2,780	2,740	2,740	2,710	2,750	2,750
Winter[3]	1,600	1,600	1,600	1,600	1,600	1,600
TOTAL	**7,420**	**7,380**	**7,360**	**7,330**	**7,350**	**7,350**
Yield (MT/HA)						
Spring	6.64	6.64	6.82	6.82	6.72	6.72
Autumn	5.43	5.50	5.55	5.55	5.49	5.49
Winter	5.13	5.06	5.06	5.06	5.06	5.06
AVERAGE	**5.86**	**5.88**	**5.96**	**5.97**	**5.90**	**5.90**
Production (TMT)						
Spring	20,200	20,200	20,600	20,600	20,150	20,150
Autumn	15,100	15,060	15,200	15,050	15,110	15,110
Winter	8,200	8,100	8,100	8,100	8,100	8,100
TOTAL	**43,500**	**43,360**	**43,900**	**43,750**	**43,360**	**43,360**

[1] Winter-Spring, [2] Summer-Autumn, [3] Lua Mua (10th Month)
Source: MARD; GSO; Post estimates

Vietnam sowed a total of 1,956THA for the MY20/21 autumn crop, slightly higher than the previous year according to GSO. The planted area reportedly expanded in the central region thanks to more favorable weather conditions and water supplies compared to last year, while it slightly contracted in the Mekong Delta. Harvest of the autumn crop lagged the previous year's pace with 1,000THA having been completed by mid-August, mainly in the Mekong Delta. This was the equivalent to 98 percent of the last year's harvests. Post revised paddy area and production of the MY20/21 autumn crop, including the late autumn crop in the Mekong Delta, down to 2,710THA and 15.05MMT (Table 2). In total, Post revised MY20/21 paddy area and production down to 7,330THA and 43.75MMT, lower than USDA official numbers.

By mid-August, Vietnam planted 1,409THA for the MY20/21 winter crop. The winter crop is on track in the north with 1.037THA being sown, and Post believes a contraction in the Mekong Delta reported by GSO is too small to affect production as a whole. As weather forecasts support harvest of the winter crop in the northern region, Post upholds estimates of the MY20/21 winter crop's area and production at 1,600THA and 8.10MMT (Table 2).

Mekong River Delta

Table 3: Rice Production in the Mekong Delta, MY19/20-21/22

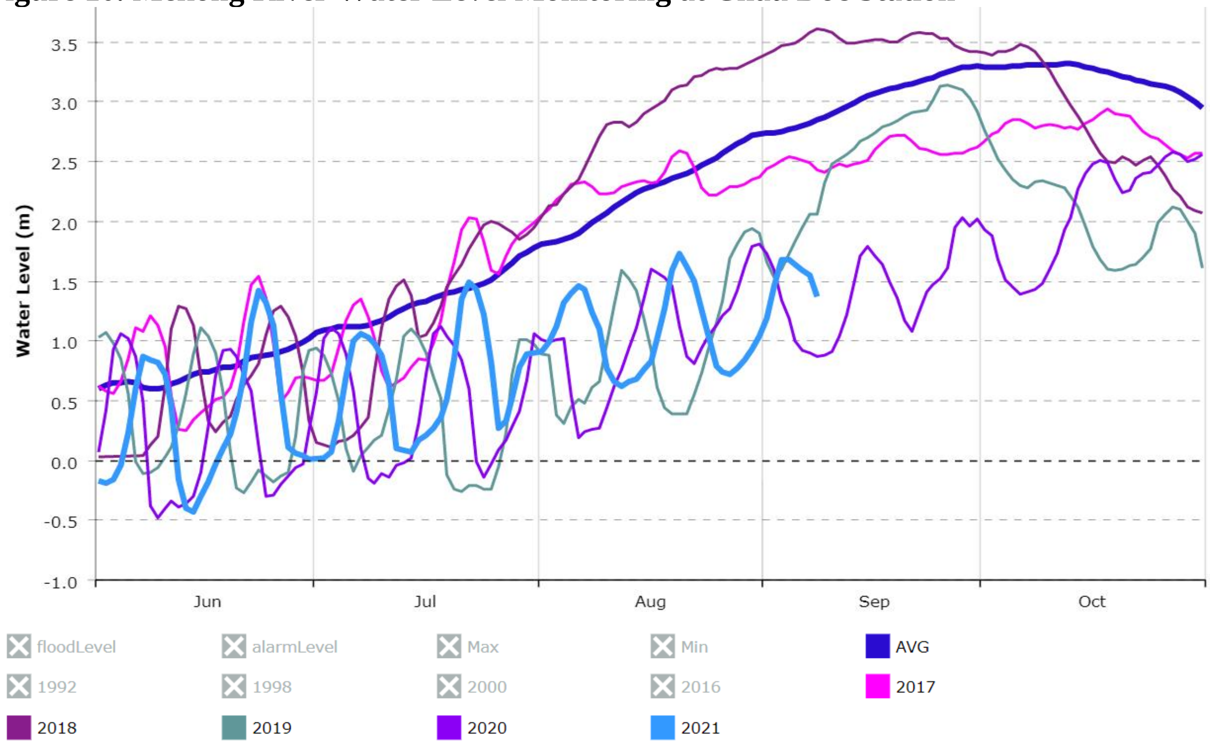
Crop	MY19/20			MY20/21 (Estimate)			MY21/22 (Forecast)		
	Area	**Yield**	**Prod.**	**Area**	**Yield**	**Prod.**	**Area**	**Yield**	**Prod.**
Spring	**1,540**	**6.88**	**10,600**	**1,520**	**7.17**	**10,900**	**1,520**	**6.94**	**10,550**
Autumn *(in which)*	**2,310**	**5.78**	**13,360**	**2,240**	**5.83**	**13,050**	**2,310**	**5.78**	**13,350**
Main Autumn	*1,530*	*5.90*	*9,030*	*1,520*	*5.95*	*9,050*	*1,540*	*5.88*	*9,050*
Late Autumn	*780*	*5.55*	*4,330*	*720*	*5.56*	*4,000*	*770*	*5.58*	*4,300*
Winter	**170**	**4.65**	**790**	**165**	**4.67**	**770**	**170**	**4.65**	**790**
Total	**4,020**	**6.16**	**24,750**	**3,925**	**6.30**	**24,720**	**4,000**	**6.17**	**24,690**

Area (THA), Yield (MT/HA), Production (TMT)
Source: MARD; GSO; Post's estimate

According to GSO and MARD, although the area of the main autumn crop in the Mekong Delta slightly decreased from the previous year as farmers switched from rice to either vegetables or fruit plantations or to aquaculture, paddy output still increased on higher yields. The Department of Crop Production (CPD) stated that fragrant and specialty rice varieties accounted for 29.8 percent (3.8 percent points higher than last year), high quality varieties were at 48 percent (2 percent points higher), medium quality varieties were at 11.5 percent (4.7 percent points lower), and glutinous rice was at 10.7 percent (1.1 percent points lower) in the main autumn crop's variety structure. According to industry sources, nearly 90 percent of the main autumn crop was harvested by the end of August in the Mekong Delta, lagging behind last year as COVID-19 social distancing regulations affected manpower, transportation, and trade.

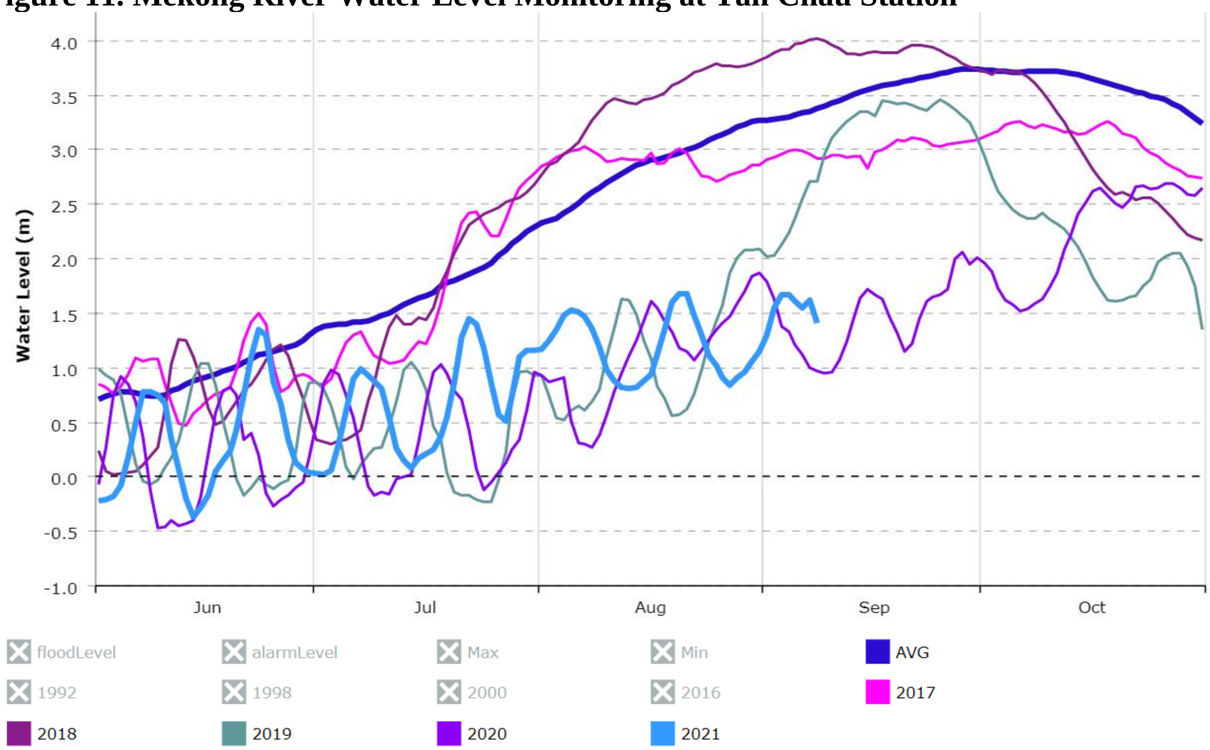
As for the late autumn crop, CPD suggested a slightly lower planted area at 700THA with planting scheduled to start at the end of June and complete by early August. CPD also recommended a variety structure that is export-oriented with 30 percent of fragrant and specialty rice varieties, and 50-60 percent high quality rice respectively. Hydrometeorology forecasts support the late autumn crop with moderate flooding observed in the Mekong River (Figure 10 and 11). Post revised the MY20/21 autumn crop area and production in the Mekong Delta down to 2,240THA and 13.05MMT. Post also revised the MY20/21 winter crop area and production slightly down to 165THA and 770TMT (Table 3).

Figure 10. Mekong River Water Level Monitoring at Chau Doc Station



Source: Mekong River Commission

Figure 11. Mekong River Water Level Monitoring at Tan Chau Station



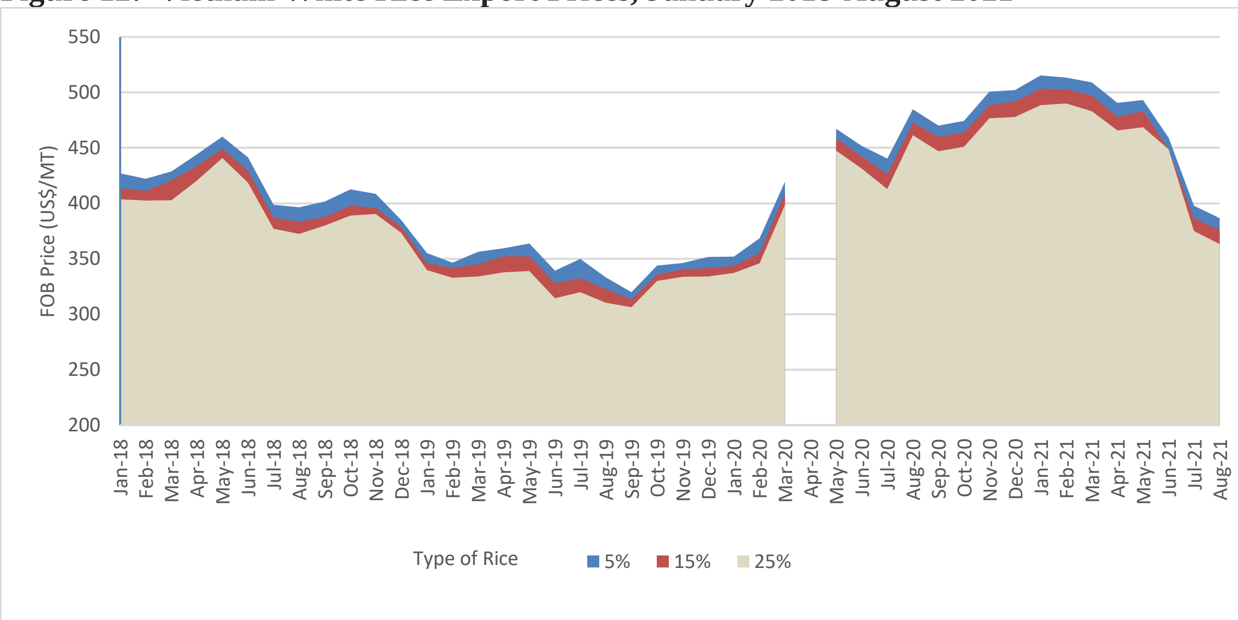
Source: Mekong River Commission

TRADE

Export Prices

Vietnam white rice export prices continued to weaken to their lowest levels in the past year and a half on low demand and strong competition (Figure 12). As Vietnam gradually switched to production of high-quality white rice and fragrant rice, trade sources believed that a lower supply contributed to higher-than-average prices of regular white rice varieties. Although prices declined, they remained higher than India and Thailand prices, making Vietnam rice less competitive.

Figure 12: Vietnam White Rice Export Prices, January 2018-August 2021

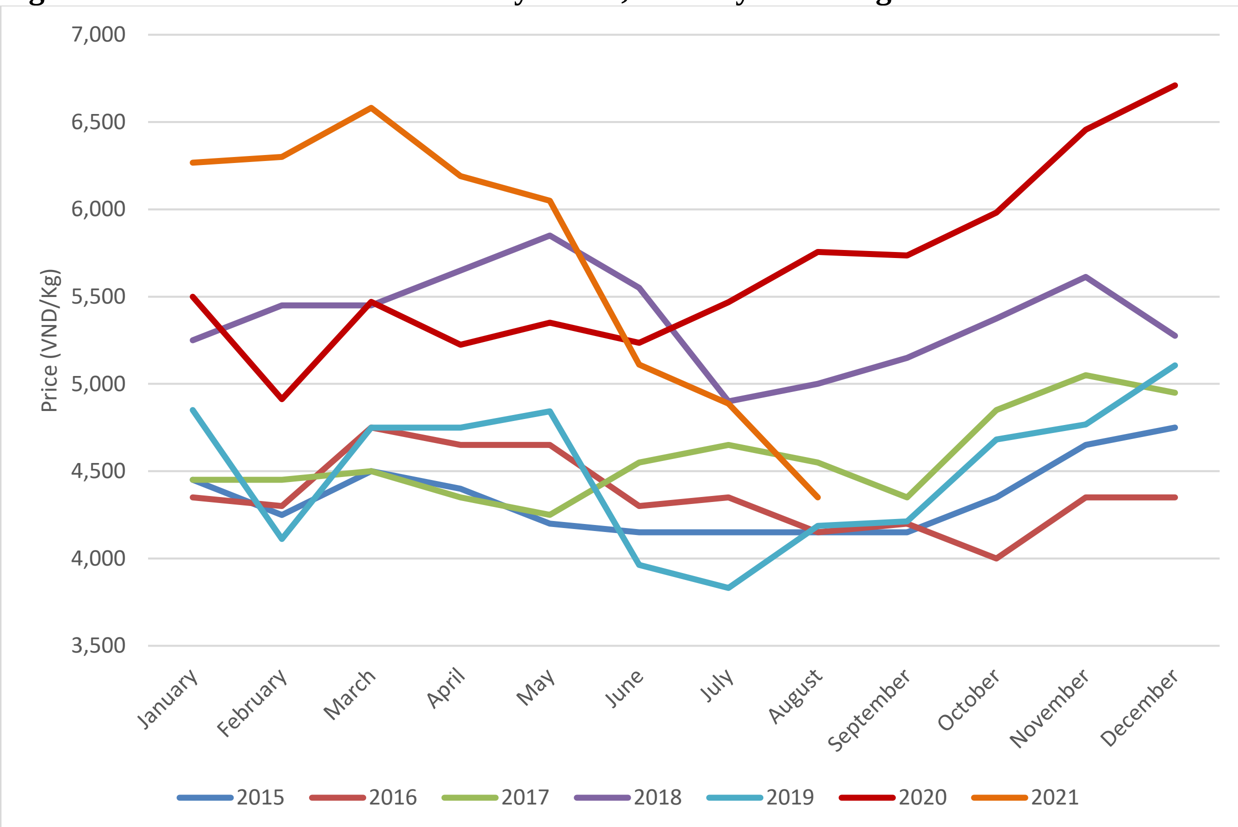


Source: Trade contacts
Note: Prices in April 2020 were not available due to the Government of Vietnam's rice export ban.

Domestic Prices

Mirroring export prices, white rice paddy prices dropped significantly in the past four months (Figure 13). The lower quality of the autumn crop (compared to the Spring crop) combined with low export demand and higher imports have reduced paddy prices. To cope with COVID-19, beginning July 19, the GVN implemented social distancing rules at their strictest levels in all 19 southern provinces, including the Mekong Delta. As mentioned earlier, all factories and warehouses were required to house their employees on-premises under the "3-on-site" requirement. As a result, many establishments, including rice warehouses, drying facilities, and milling facilities, closed as they were unable to meet these requirements, while others reduced their operations by 50 percent. Strict COVID preventative measures, such as restriction of movement, COVID testing for truck and barge drivers, and required travel permits, hampered the transportation and trade of rice during bulk harvests of the main autumn crop, causing Mekong Delta paddy prices to decline. In addition to difficulties in selling paddy during the social distancing period, rice farmers in the Mekong Delta had to spend more on inputs due to increased prices of fertilizers and plant protection products.

Figure 13: Vietnam White Rice Paddy Prices, January 2015-August 2021

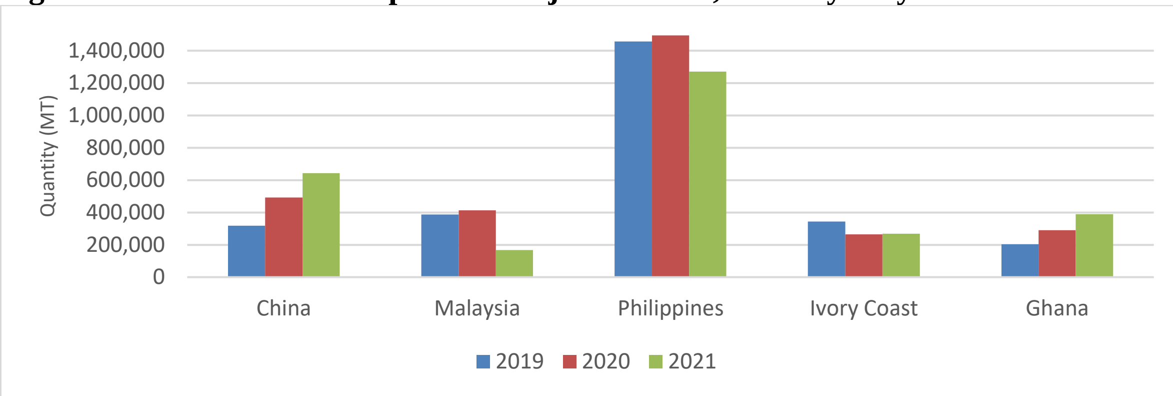


Source: Trade contacts

Exports

The market share for Vietnam white rice shrank due to uncompetitive prices. A trade contact noted that Thailand white rice was preferred in the recent months due to its better prices and quality. According to Vietnam Customs, rice exports declined by 12.7 percent in the first seven months of CY2021 to 3.49MMT. The Philippines remained the largest importer, accounting for 36 percent of total exports, but quantity dropped by 15 percent from the previous year to 1.27MMT. Lower exports to the Philippines and Malaysia (down by 60 percent) were partially offset by gains in China (31 percent, mainly glutinous rice), and Ghana (34 percent, mainly jasmine rice) (Figure 14).

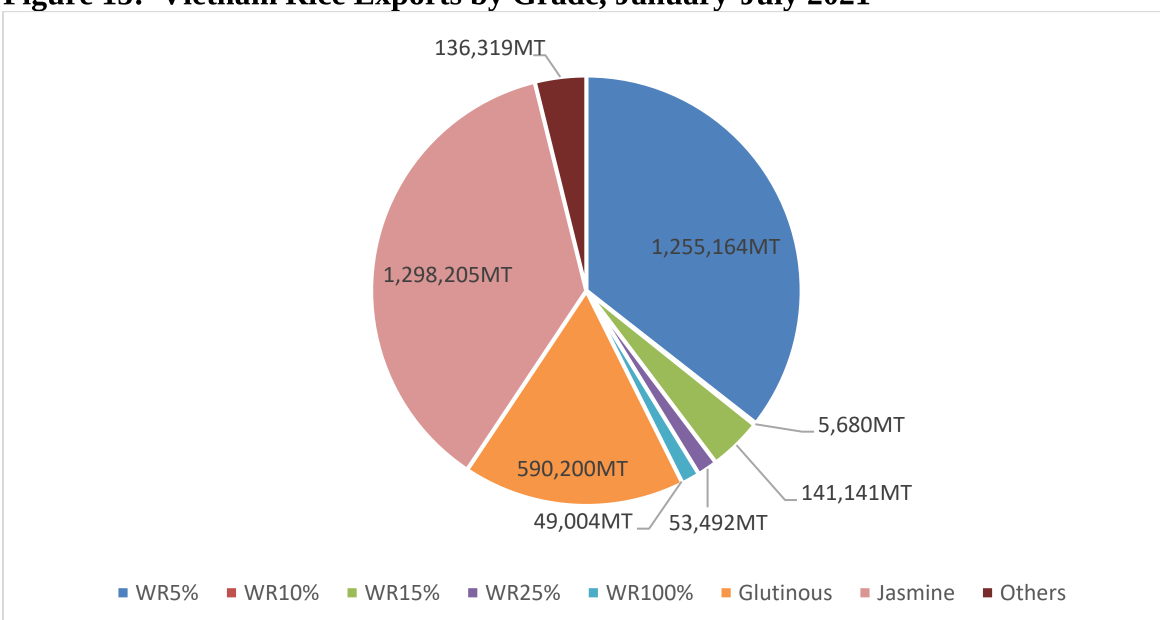
Figure 14: Vietnam Rice Exports to Major Markets, January-July



Source: Vietnam Customs

Post observed an uptrend in the share of fragrant rice exports alongside the downtrend of white rice exports over the past three years. Exports of all types of white rice in the first seven months of CY2021 accounted for 43 percent (5 percent points lower than last year), exports for jasmine at 37 percent (7 percent points higher than last year) and glutinous rice 17 percent (same as last year) respectively (Figure 15).

Figure 15: Vietnam Rice Exports by Grade, January-July 2021



Source: Vietnam Customs, Trade contacts, Post's calculation
Note: WR – White rice

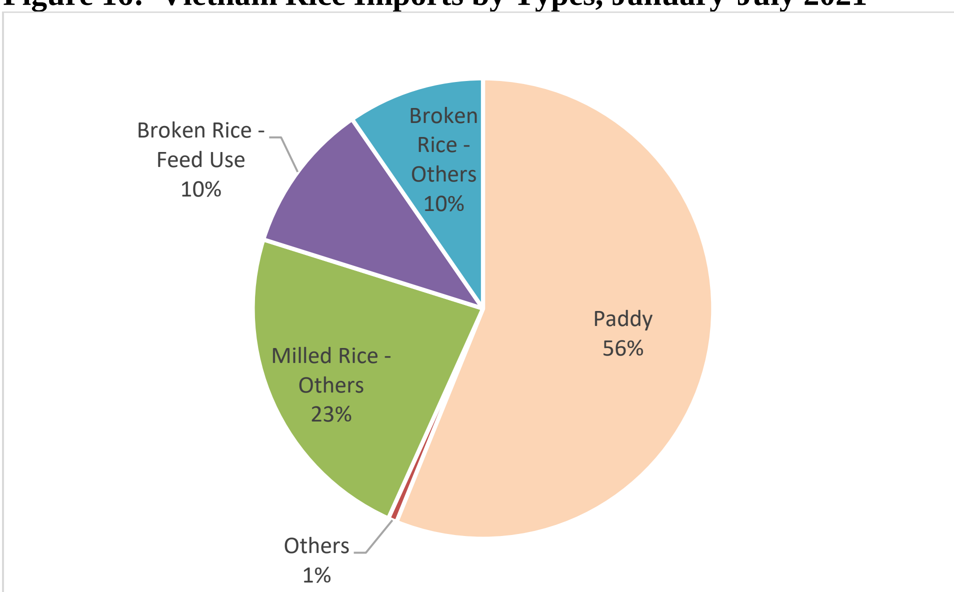
Ongoing challenges, such as high sea freight and container shortages, were compounded by increased operational and domestic transportation costs and the scarcity of means of transportation during the GVN social distancing period. In addition, the high prevalence of COVID infections and lockdown measures affected operations in ports across southern Vietnam, resulting in reduced capacity and staffing, and low loading/unloading rates at some container ports. In August, an alarming congestion at the largest container port of Cat Lai outside HCMC compelled authorities to relocate or divert imported containers to nearby ports and inland container depots. Authorities also forced shipping lines to adjust their arrival and departure schedules and closed some facilities, including one berth that had been dedicated to rice exports for a few weeks. Although the berth reopened on August 16, a contact said it was only able to slowly accommodate some of the export volume. Some Vietnam exporters have struggled to execute signed contracts, while others hesitated to sign new contracts considering COVID related uncertainties.

International traders reported a recent increase in Pakistan rice purchases at very competitive prices, while at the same time, noted an overall downtrend in rice imports by the Philippines in the first seven months of CY2021. Abnormal high shipping costs to Africa will likely affect Vietnam exports to this continent. China saw an overall uptrend in rice imports in the first seven months of CY2021 and sourced more from other countries in the region. Post upholds estimates for Vietnam MY20/21 exports at 6.10MMT, lower than last year and USDA official numbers.

Imports

Vietnam Customs data reported that imports of rice in the first seven months of CY2021 increased significantly from the previous year, with Cambodia and India accounting for 98 percent. Vietnam mainly imported paddy from Cambodia; milled rice, broken rice for feed use, food processing, and beer brewing from India (Figure 16). Paddy imports from Cambodia were significantly high in March and July, aligning with bulk harvests in Cambodia. Rice imports from India increased rapidly in May and June but declined in July. Post revised its estimate for MY20/21 rice imports up to 1.2MMT.

Figure 16: Vietnam Rice Imports by Types, January-July 2021



Source: Vietnam Customs, Trade contacts, Post's calculation

CONSUMPTION

As many provinces in Vietnam imposed social distancing policies at different levels from the end of June, with the strictest restrictions in 19 southern provinces beginning July 19, all foodservice, eateries, and most noodle and bread workshops were shut down. At-home dining drove demand for rice consumption. Local media reported that the GVN approved the allocation of over 130,000 tons of rice from the state reserve to disadvantaged people in 24 COVID affected provinces. Post revised MY20/21 consumption and residual up to 21.4MMT, higher than the USDA official number, driven by increased household consumption of rice.

POLICY

Considering disruptions throughout the agricultural supply chain, the Ministry of Industry and Trade (MOIT) petitioned the GVN Prime Minister to accommodate companies' access to bank loans to procure and store rice. MOIT also consulted with enterprises to determine solutions for facilitating the circulation of goods. Local media reported that MOIT requested the State Bank of Vietnam to call upon commercial banks to create more favorable conditions for the rice sector to access loans during this difficult time. MARD also called for the vaccination of all workers in the agricultural supply chain as soon as possible, especially in the livestock, seafood, and food processing sectors. On August 20, the GVN decided to disburse over 130,000 tons of rice from the state reserve to 24 COVID affected provinces. Local media reported that the Vietnam National Assembly approved an additional budget of VND2,199 billion (US$96.15 million) on September 7 to purchase 172,889 metric tons of rice to supplement national reserves.

Table 4: Vietnam's Rice Exports, by Grade and Destination, January-July 2021

Destination	5%	10%	15%	25%	100%	Glutinous	Jasmine	Unknown	Total
ASIA	**958,711**	**4,889**	**132,517**	**51,678**	**43,364**	**587,242**	**620,067**	**82,692**	**2,481,161**
Indonesia	2,279	-	1,750	-	700	13,151	4,830	3,384	**26,093**
Philippines	741,356	-	127,829	48,121	10,543	35,314	307,568	2,680	**1,273,412**
Malaysia	73,790	1,679	1,527	276	281	30,797	46,106	7,260	**161,717**
Singapore	9,297	238	475	5	1,362	4,150	55,536	4,754	**75,816**
East Timor	-	-	-	-	-	-	5,003	-	**5,003**
Iraq	-	-	-	-	-	-	-	19	**19**
Iran	-	-	-	-	-	-	11	3	**14**
Syria	44,854	-	-	-	-	-	-	-	**44,854**
Yemen	-	-	-	-	-	-	-	-	**-**
South Korea	138	-	-	-	11,500	4	286	31,888	**43,816**
Japan	25	-	-	-	-	1	21	508	**555**
Cambodia	861	170	-	23	670	5,499	-	4,900	**12,123**
Hongkong	4,104	24	-	141	22	700	42,798	1,711	**49,501**
UAE	2,860	-	-	-	-	234	17,613	4,224	**24,932**
Taiwan	25	-	-	-	-	8,290	3,613	48	**11,976**
Bahrain	-	-	-	-	-	-	857	42	**899**
Bangladesh	52,500	-	-	-	-	5	13	344	**52,862**
Saudi Arabia	3,585	-	-	-	-	43	6,668	4,523	**14,819**
China	18,460	123	-	-	15,563	480,903	121,196	8,534	**644,780**
Brunei	-	-	-	-	-	-	-	-	**-**
Others	4,576	2,655	936	3,112	2,723	8,153	7,946	7,869	**37,970**
AFRICA	**109,959**	**-**	**-**	**27**	**4,552**	**42**	**601,050**	**24,241**	**739,871**
Tanzania	-	-	-	-	-	-	6,259	-	**6,259**
Senegal	-	-	-	-	-	-	281	-	**281**
Angola	642	-	-	-	-	4	339	100	**1,085**
Rwanda	-	-	-	-	-	-	-	-	**-**
Ghana	80,013	-	-	-	500	2	312,230	18	**392,762**
Uganda	-	-	-	-	-	-	-	-	**-**
Ivory coast	19,726	-	-	-	4,026	-	233,189	22,983	**279,924**
Reunion	375	-	-	-	-	-	2,517	-	**2,891**
West Africa	-	-	-	-	-	-	-	-	**-**
Mozambique	1,820	-	-	-	-	-	23,613	-	**25,433**
Kenya	-	-	-	-	-	-	54	27	**81**
Congo	-	-	-	-	-	-	444	49	**493**
Libya	-	-	-	-	-	-	-	-	**-**
Algeria	-	-	-	-	-	-	-	-	**-**
Benin	78	-	-	-	-	-	2,225	-	**2,303**
Burkina Faso	-	-	-	-	-	-	-	-	**-**

Cameroon	1,026	-	-	-	-	-	4,565	-	**5,591**
Gambia	-	-	-	-	-	-	-	-	**-**
Guinea	-	-	-	-	-	-	431	-	**431**
Guinea Bissau	-	-	-	-	-	-	-	-	**-**
Madagascar	-	-	-	-	-	3	41	3	**46**
Mali	-	-	-	-	-	-	-	-	**-**
Mauritania	-	-	-	-	-	-	-	-	**-**
Nigeria	-	-	-	27	-	-	428	-	**455**
Sierra Leone	104	-	-	-	-	-	52	-	**156**
Somali	-	-	-	-	-	-	-	-	**-**
South Africa	79	-	-	-	-	31	2,154	1,024	**3,286**
Togo	-	-	-	-	26	-	1,841	-	**1,867**
Zambia	-	-	-	-	-	-	-	-	**-**
Others*	6,097	-	-	-	-	3	10,390	38	**16,527**
EUROPE	**23,116**	**-**	**-**	**78**	**-**	**1,402**	**24,853**	**5,271**	**54,720**
Russia	104	-	-	46	-	14	640	267	**1,071**
France	718	-	-	-	-	70	643	4	**1,435**
Ukraine	-	-	-	-	-	35	108	638	**782**
Poland	216	-	-	-	-	10	2,675	878	**3,779**
Others*	22,078	-	-	32	-	1,272	20,787	3,484	**47,654**
AMERICAS	**154,163**	**80**	**-**	**-**	**-**	**530**	**12,880**	**2,579**	**170,232**
Cuba	152,250	-	-	-	-	-	-	-	**152,250**
Brazil	45	-	-	-	-	38	212	102	**397**
Haiti	-	-	-	-	-	-	23	-	**23**
Mexico	-	-	-	-	-	-	-	-	**-**
Chile	-	-	-	-	-	13	13	857	**883**
Puerto Rico	-	-	-	-	-	-	-	-	**-**
Others*	1,868	80	-	-	-	479	12,632	1,619	**16,678**
OCEANIA	**8,865**	**712**	**8,343**	**477**	**1,085**	**740**	**37,850**	**20,979**	**79,052**
Australia	2,443	321	100	94	243	79	12,463	4,289	**20,032**
New Caledonia	29	-	-	-	-	2	96	1,803	**1,930**
New Zealand	744	-	-	166	92	8	2,453	3,365	**6,828**
Others*	5,650	391	8,243	217	750	650	22,839	11,521	**50,261**
UNKNOWN	**350**	**-**	**280**	**1,231**	**2**	**245**	**1,506**	**557**	**4,171**
TOTAL	**1,255,164**	**5,681**	**141,141**	**53,492**	**49,004**	**590,200**	**1,298,206**	**136,319**	**3,529,206**

* Others indicates that no clear destination is declared. It may/may not include the countries in the list of the same region.
Source: Vietnam Customs, Trade, Post's calculation

Attachments:

No Attachments