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## Vietnam

### Oilseeds and Products

### Peanut Update

## 2002

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**Report Highlights:** Vietnam is trying to boost peanut exports, already 57 thousand mt in first half of 2002, but bad weather has boosted domestic prices and could constrain additional exports.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Hanoi [VM1], VM

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## PRODUCTION

Vietnam's 2001 peanut production was estimated at 352 thousand metric ton (tmt), a slight reduction from 2000's level due to shrinking planted area. The average peanut yield was at 1.5 metric ton (mt) per hectare (see table 1). Nghe An, Thanh Hoa, Ha Tinh provinces (in the North Central Coast); Tay Ninh (in the South East) and Dac Lac (in the Tay Nguyen or Central Highlands region) have the biggest peanut planted areas with the average area ranging from 14,000 ha to 27,000 ha in each region.

In 2002, Ministry of Agricultural and Rural Development (MARD) set a target to increase the peanut area to 255 thousand hectare (Tha) with expected production at 395 tmt. However, recent storms, and continued bad weather in the north central regional, could reduce the size of the 2002 crop.

**Table 1: Vietnam Peanut Production by Regions**

	1999			2000			2001		
	Area (tha)	Yield (mt/ha)	Prod. (tmt)	Area (tha)	Yield (mt/ha)	Prod. (tmt)	Area (tha)	Yield (mt/ha)	Prod. (tmt)
<b>North Vietnam</b>	<b>142</b>	<b>1.2</b>	<b>168</b>	<b>139</b>	<b>1.4</b>	<b>194</b>	<b>145</b>	<b>1.4</b>	<b>208</b>
Red River Delta	25	1.5	38	30	1.8	53	31	1.8	56
North East	38	0.9	36	32	1.1	35	32	1.2	40
North West	6	0.8	5	7	1.0	6	7	1.0	7
North Central Coast	72	1.2	89	70	1.4	98	75	1.4	105
<b>South Vietnam</b>	<b>106</b>	<b>1.4</b>	<b>151</b>	<b>106</b>	<b>1.5</b>	<b>162</b>	<b>96</b>	<b>1.5</b>	<b>145</b>
South Central Coast	27	1.3	35	26	1.3	35	26	1.3	35
Central Highland	18	1.0	19	22	1.2	26	20	1.0	21
South East	50	1.6	81	49	1.7	82	42	1.7	72
Mekong River Delta	10	1.5	16	9	2.2	20	8	2.0	17

<b>TOTAL VIETNAM</b>	<b>248</b>	<b>1.3</b>	<b>319</b>	<b>245</b>	<b>1.5</b>	<b>355</b>	<b>241</b>	<b>1.5</b>	<b>352</b>
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Source: Vietnam Statistical Department

## CONSUMPTION

About 55-60% of total peanut production is for domestic use, with about 30% of total domestic consumption is for oil crushing, 10% for confectionaries and the remaining (60%) consumed under other forms like roasted peanut.

**DOMESTIC PRICE.** Exchange rate VND 15,340 equal to \$1 as of Sept. 23, 2002

According to MARD reports, in July 2002 domestic peanut prices were about VND 9,000-10,000/kg, an increase by VND 1,000-2,000/kg compared with the same period of 2001. The price increase is due to lower crop yields than expected and increasing demand for export.

Prices quoted for Grade 1 peanut as of Sept. 4, 2002 in some provinces were as follows:

Hanoi:	VND 10,000/kg
Nghe An:	VND 7,500/kg
Da Nang:	VND 8,800/kg
Nha Trang:	VND 9,000/kg
HCMC:	VND 11,000/kg.

## PEANUT EXPORTS

In 2001, Vietnam exported about 78 tmt of peanut, an increase of 3% compared with the volume exported in 2000. The ASEAN's countries including Indonesia, Philippines and Malaysia are reported as the major importers of Vietnam's peanuts.

In 2002, MARD issued a 'target' export level of 120 tmt of peanuts with export value of \$60 million. Vietnam's peanut export in the first 6 months of 2002 were estimated at 56 tmt worth about \$26 million (or average export price of \$469 /mt).

Similar to the dismal situation confronting other agricultural products, peanut exports are facing depressed export prices (from the Vietnamese point of view). In 2001, the average export price of Vietnam peanut was reduced to \$488/mt from \$538/mt in 2000. The peanut export price continued to drop in 2002. The average peanut export price in the first 6 months of 2002 was declined further by 4% compared with 2001's level (see table 2).

**Table 2: Vietnam Peanut (shelled) Export**

Year	Export volume (mt)	Export value (\$)	Average price (\$/mt)
1998	86,784	42,048,462	485
1999	55,543	32,747,620	590

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2000	76,245	41,013,064	538
2001	78,163	38,154,000	488
2002 (Jan-June)	56,655	26,585,000	469

*Source: Vietnam Customs Department*

**POLICY**

Vietnam does not practice any special policy on peanut production and export.