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Report Category: Grain and Feed

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Report Highlights:

Growth in the agricultural sector slowed in the first nine months of 2024 due to extreme weather, particularly Typhoon Yagi, which severely affected crop cultivation and livestock farming. However, the livestock and aquaculture sectors continue to grow due to economic recovery and high export demand which has led to higher demand for feed. With global corn and wheat prices remaining low, Vietnam has increased imports of feed ingredients. Vietnam importers are looking for lower cost supplies and diversifying sources of feed ingredients. Rice production area is declining due to shifts to other farm activities, urbanization, and climate change impacts. Changes in import-export policies in various nations, along with the Government's new policy on rice land, are expected to affect rice production, trade, and consumption.

Vietnam Feed Industry Summary

The General Statistics Office (GSO) reported that Vietnam's Gross Domestic Product (GDP) grew 6.8 percent in the first 9 months of 2024. Growth in the agriculture sector (crops, forestry, and fishery), however, dropped to 3.2 percent due to the serious damage from Typhoon Yagi in September 2024.

According to the Ministry of Agriculture and Rural Development's (MARD) monthly report in October, total meat production reached 6.1 million tons, up 4.8 percent from the previous year. The buffalo population decreased by 3.6 percent and cattle decreased by 0.4 percent, while the larger pig and poultry populations increased by 2.5 percent and 2.2 percent respectively.

However, animal disease remains a high risk, particularly for swine producers. As of September, there have been no outbreaks of blue ear disease nationwide. However, there was one outbreak of avian influenza in Binh Phuoc. Additionally, there were 156 outbreaks of African swine fever in 24 provinces and cities, 4 outbreaks of foot-and-mouth disease in Quang Tri, and 7 outbreaks of lumpy skin disease in 4 provinces that had not passed 21 days. As a result, 148,469 livestock and poultry were reported dead and destroyed.

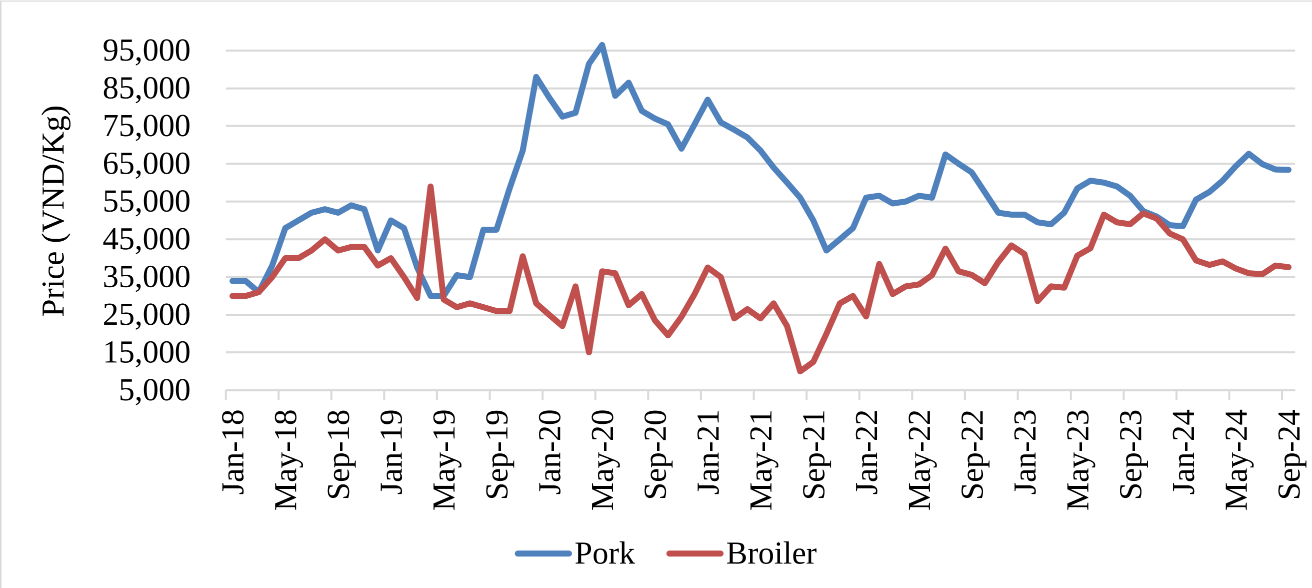
Furthermore, Typhoon Yagi caused extensive damage to twenty-six provinces in the North of Vietnam. Prolonged heavy rains in the week following the typhoon triggered floods and landslides, exacerbating the destruction. According to local media, more than 44,000 cattle and 5.8 million poultry are estimated to have perished due to the Typhoon.

Hog prices trended upward between January and September 2024 (Figure 1). The average price in September 2024 was VND 64,000 per kg, up 30 percent from January. The estimated hog production cost is between VND 46,000-51,000 per kg ($1.85-$2.06 per kg) according to an industry contact. Large feed millers announced reductions in completed animal feed prices in March and May 2024. Local media has speculated about a third possible reduction in 2024. These reductions are due to lower prices for imported animal feed ingredients since late 2023, including corn, wheat, soybean meal, and other meals (Figure 4). Large animal operations and local farmers are investing in repopulating swine herds in anticipation of higher margins due to higher meat prices and lower feed costs.

Farm-feed and farm-feed-food integration with livestock large-scale farms has become more common. Large-scale farms have expanded, accounting for 60-65 percent of production by the end of 2023, while small-scale farming declined by 5-7 percent.

The volume of imported pork was ten times higher than exports in the first 8 months of 2024 according to the Ministry of Industry and Trade. Vietnam imported 64,240 tons of pork valued at $144 million during this period, including fresh, chilled, and frozen pork, as well as edible by-products. In contrast, Vietnam only exported 6,370 tons of pork during this period, down 7 percent compared to the same period last year. The main products that Vietnam exports are whole frozen suckling pigs and whole frozen pigs.

Figure 1. Domestic Pork and Broiler Prices



Source: U.S. Soybean Export Council, U.S. Grains Council

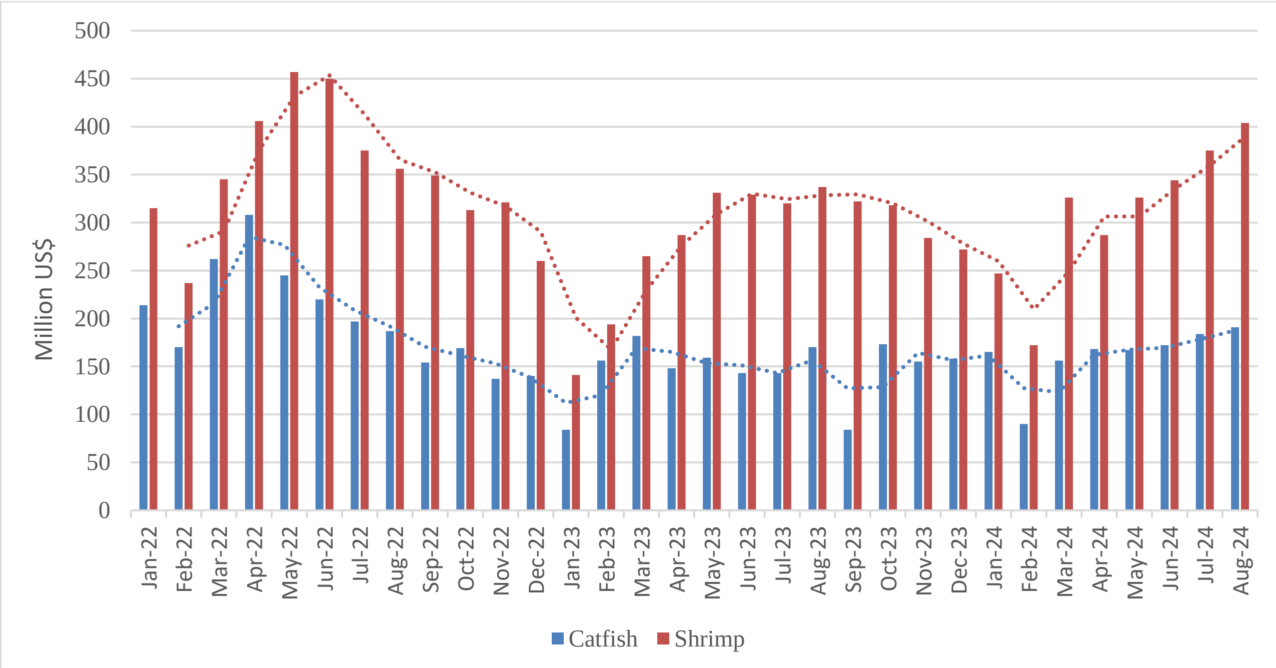
In contrast to higher pork prices, broiler prices have declined 16 percent since January 2024. Broiler prices in September 2024 were around VND 38,000 per kg, still higher than the cost of production. Chicken farming has progressed well in the first 9 months of 2024, with disease outbreak under control. The total poultry population rose 2.2 percent from the same period in 2023, with live-weight poultry production reaching 1.82 million tons, a 4.9 percent increase.

Total catfish exports in the first eight months of 2024 reached USD 1.3 billion according to the Vietnamese Association of Seafood Exporters Producers (VASEP), an increase of 9 percent compared to the same period last year but lower than 2022. This increase is due to higher exports to major markets, including the United States (up 23 percent), Brazil (up 28 percent), and CPTPP countries (up 13 percent). The Department of Fishery estimated that catfish production reached 333,000 tons in the first six months of 2024, an increase of 6 percent compared to the same period last year.

Total shrimp export value increased by 11 percent compared to the first eight months of 2023, reaching USD $2.45 billion. However, these exports are far lower than the USD $3 billion in shrimp exports during the same period in 2022. According to a contact in the aquaculture sector, Vietnam's shrimp face strong competition from India and Ecuador. Shrimp farmers are also dealing with environmental issues and diseases. The Department of Fishery estimates that in the first six months of 2024, production of white-leg shrimp is 332,700 tons and black tiger shrimp reached 122,100 tons, up 5.6 percent and 2.3 percent compared to the same period last year, respectively.

Vietnam's aquaculture industry has potential for expansion in the coming years, even though it is challenged by high production costs and environmentally driven disease issues, particularly for shrimp.

Figure 2. Monthly Catfish and Shrimp Export Revenues



Source: VASEP, Vietnam Customs

Post estimates total feed demand at 26.83 million tons in MY 2023/24 due to a gradual rebound in demand for animal and aquafeed. Post revises its MY 2024/25 forecast up to 27.85 million tons as Vietnam's economy rebounds and the husbandry and fishery sectors expand.

Table 1. Feed Demand (Unit: MT)

	CY 2023	CY 2024	CY 2025
Animal Feed	20,600,000	21,170,000	21,900,000
Aquaculture Feed	5,300,000	5,650,000	5,950,000
Total	**25,900,000**	**26,820,000**	**27,850,000**

Source: Post's estimate

CY=Calendar Year

Table 2. Feed Ingredients Demand (Unit: MT)

Year	**CY 2023**	**CY 2024**	**CY 2025**
Imports (*)	**19,177,000**	**20,057,700**	**20,996,000**
Soybean Meal	5,644,000	5,870,500	6,113,000
Corn	7,443,000	7,878,800	8,488,500
Distillers dried grains solubles (DDGS)	1,030,000	1,058,500	1,095,000
Feed wheat	2,353,000	2,453,900	2,359,500
Rice bran, broken rice	737,000	737,000	737,000
Plant-based meal/bran	1,259,000	1,303,100	1,349,500
Other protein meals	711,000	755,900	853,500
Local Supply	**6,723,000**	**6,762,300**	**6,854,000**
Corn	2,100,000	2,000,000	1,900,000
Rice bran, broken rice	4,117,000	4,237,300	4,412,000
Cassava	506,000	525,000	542,000
Total	**25,900,000**	**26,820,000**	**27,850,000**

(*) Including local crush from imported beans.

Source: Post’s estimate

CORN

Production, Supply, and Distribution

Corn	**2022/2023**		**2023/2024**		**2024/2025**	
Market Year Begins	**May 2022**		**May 2023**		**May 2024**	
Vietnam	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Harvested (1000 HA)	887	770	870	820	850	800
Beginning Stocks (1000 MT)	940	940	813	736	813	886
Production (1000 MT)	4423	3770	4350	4000	4300	3900
MY Imports (1000 MT)	9800	10000	10400	10000	10800	11000
TY Imports (1000 MT)	9500	9200	11400	11400	11700	11800
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	15163	14710	15563	14736	15913	15786
MY Exports (1000 MT)	500	124	500	400	500	500
TY Exports (1000 MT)	500	226	500	350	500	400
Feed and Residual (1000 MT)	12400	12400	12800	12000	13100	13000
FSI Consumption (1000 MT)	1450	1450	1450	1450	1450	1450
Total Consumption (1000 MT)	13850	13850	14250	13450	14550	14450
Ending Stocks (1000 MT)	813	736	813	886	863	836
Total Distribution (1000 MT)	15163	14710	15563	14736	15913	15786
Yield (MT/HA)	4.9865	4.8961	5	4.878	5.0588	4.875

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Corn begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

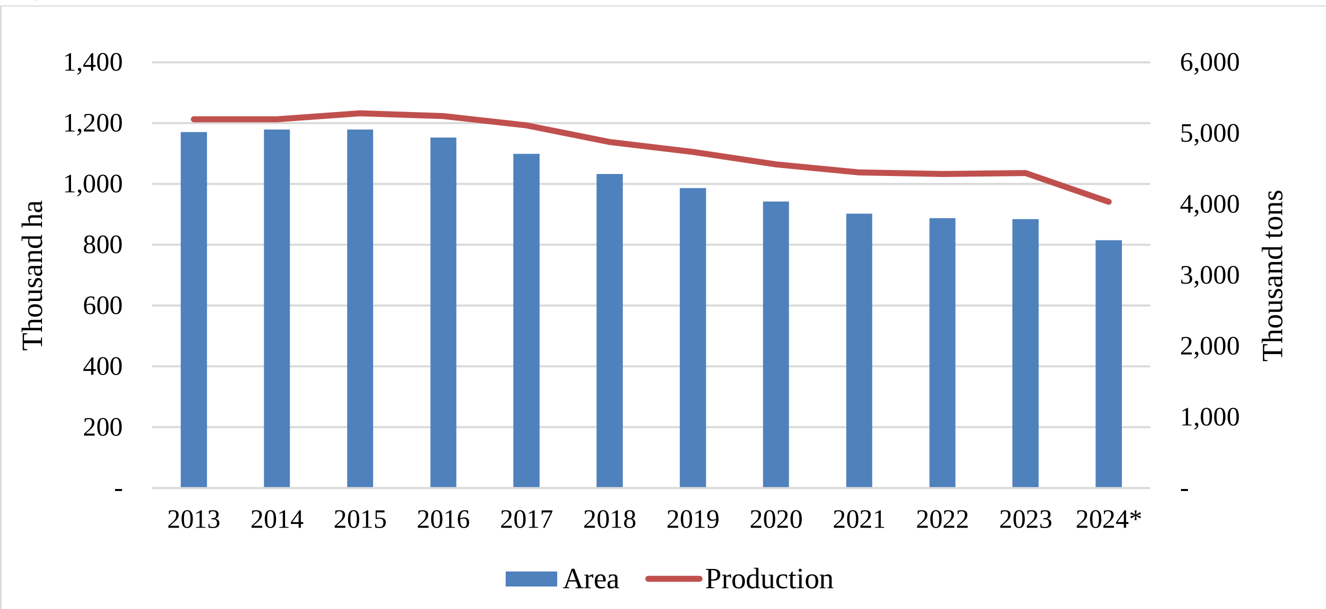
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

PRODUCTION

Local corn area and production have been declining annually according to GSO. In the first nine months of 2024, the corn cultivation area was estimated at 815,000 hectares. However, according to Post's industry contact, actual production and area is lower than GSO's statistic. Local corn is less competitive than imported corn due to low yields and high production costs. Corn is less economically viable than other crops in Vietnam, but it can be grown as a substitute rotational crop in rice fields. In addition to harvesting the corn kernels, the stalks can be added to cattle feed, providing an additional source of income for corn farmers.

Post lowered estimated MY 2023/24 corn area to 820,000 hectares with production estimated at 4 million tons. Post forecasts corn area will decline further in MY 2024/2025 to 800,000 hectares with 3.9 million tons of production.

Figure 3. Corn Production, Area, 2013-2024

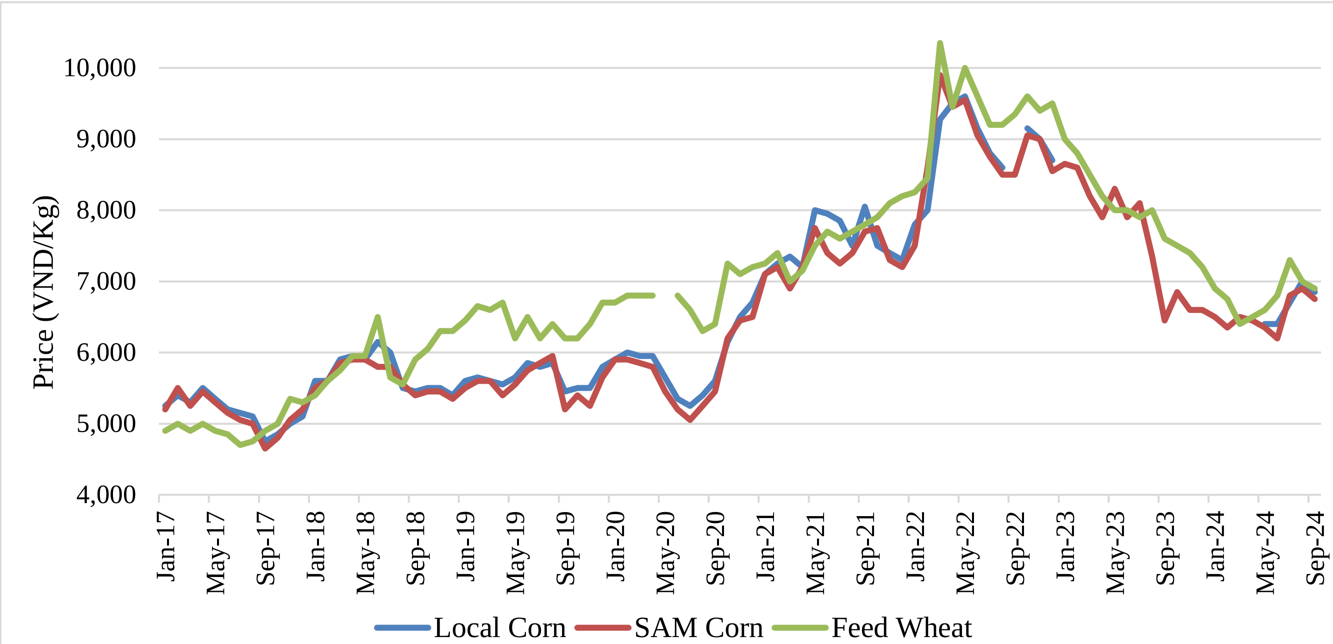


Source: GSO, Contacts
Note: * Post estimates

CONSUMPTION

Post estimates MY 2023/24 corn consumption at 13.45 million metric tons (MT). Food, Seed, and Industrial (FSI) consumption remains unchanged, but Feed and Residual consumption is lowered to 12 million MT. The price of corn and feed wheat are converging around 6,900 VND per kilogram (Figure 4). Although corn and feed wheat are good substitutes in feed formulations, wheat is favored for aquafeed. As aquaculture production has recovered faster than the livestock sector, corn consumption for Feed and Residual is expected to be lower than previously forecast.

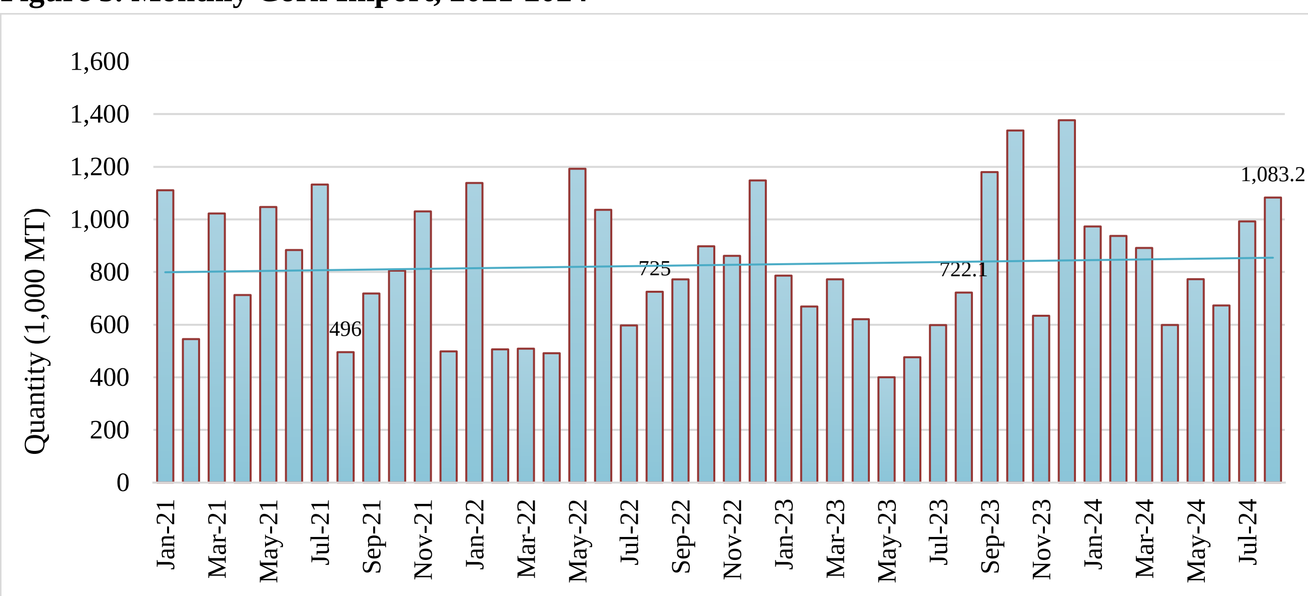
Figure 4. Corn versus Feed Wheat Prices



Note: SAM corn means South America corn. Breaks in lines means the data is unavailable.
Source: U.S. Soybean Export Council in Vietnam

TRADE/COMPETITION

Figure 5. Monthly Corn Import, 2021-2024

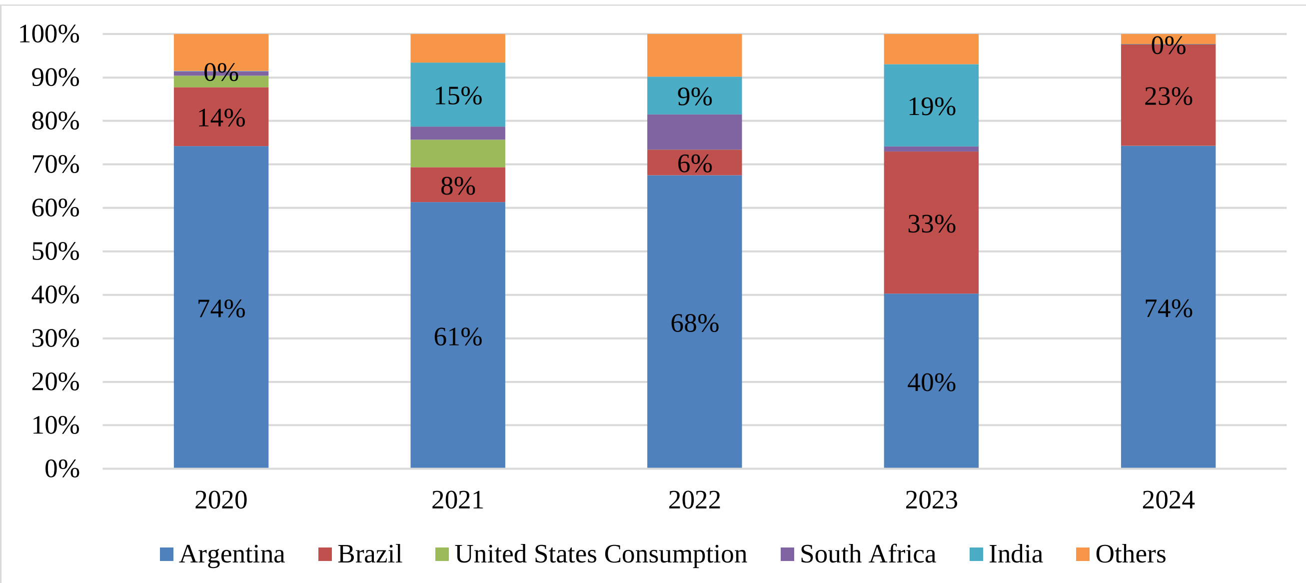


Source: Vietnam Customs

Vietnam imported 6.9 million MT of corn in the first 8 months of 2024, up 40 percent from the same period last year. The low price of corn (Figure 4) encouraged higher import volumes. Argentina and Brazil are the largest and second largest corn suppliers to Vietnam, accounting for 74 percent and 23 percent of total import volume respectively. India was the third largest supplier of corn in Vietnam in 2023, but they have not exported to Vietnam in 2024.

Post lowered estimated MY 2023/2024 corn imports slightly to 10 million MT. Post forecasts MY 2024/25 corn imports at 11 million MT due to the downward trend in price and the increase demand of livestock and aquaculture feed.

Figure 6. Market Share of Vietnam Corn Import in 8 months, CY 2020-2024



Source: Vietnam Custom

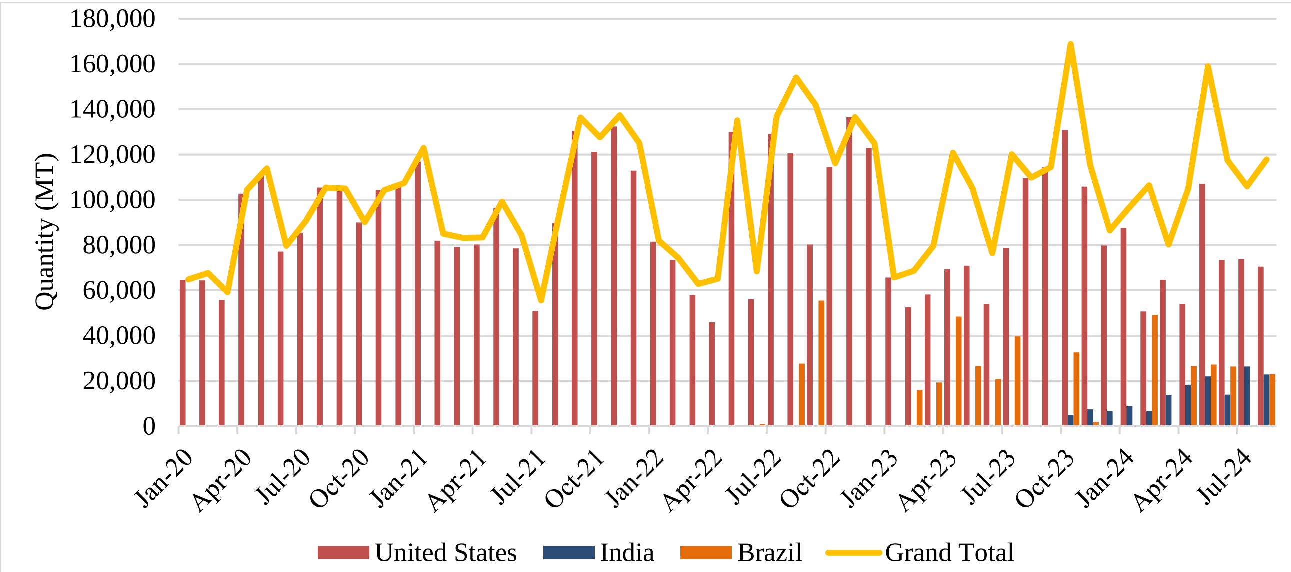
STOCKS

Post estimates MY 2023/24 stock at 886,000 MT and forecasts MY 2024/25 stocks at 836,000 MT. The higher growth of husbandry and aquaculture populations requires a higher feed ingredient consumption, then reducing stocks.

Imports of Distillers Grains with Soluble (DDGS)

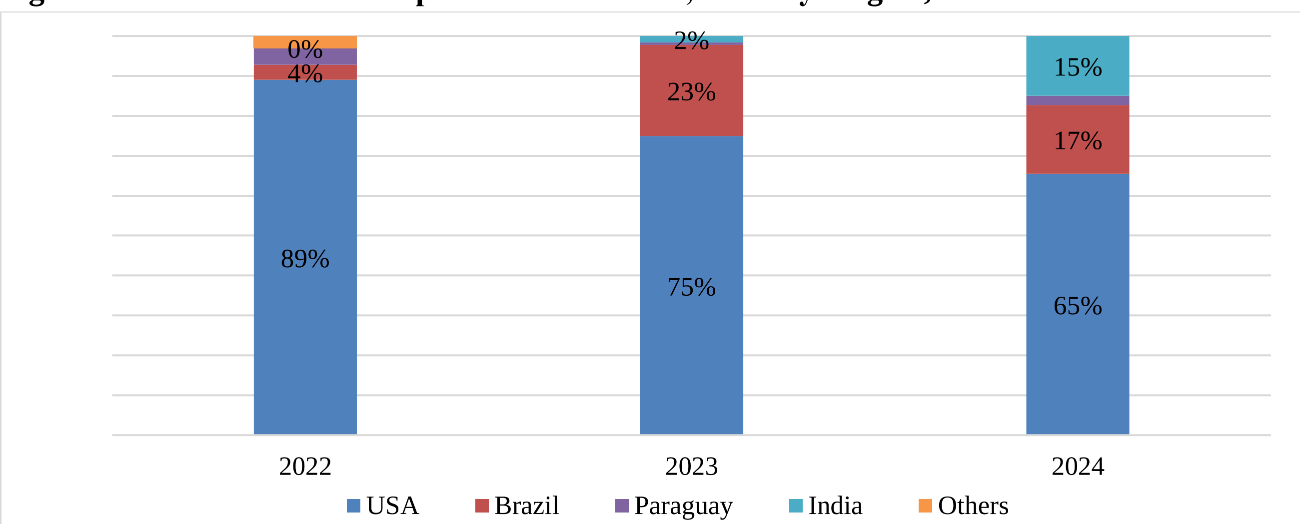
Vietnam imported 1.3 million metric tons of DDGS in MY 2023/24, flat from MY 2022/2023. While U.S DDGS still dominate in the Vietnam market, the U.S. market share declined to 65 percent in the first 8 months of 2024 down from 75 percent in the same period in 2023. Brazil is the second-largest supplier, holding 17 percent of the market. India is the third largest supplier, and its market share has increased from 2 percent in 2023 to 15 percent in 2024. Trade data indicates Vietnam is increasing the imports of India DDGS instead of India corn.

Figure 7. Vietnam's Imports of DDGS from Main Sources, January 2020-August 2024



Source: Vietnam Customs

Figure 8. Vietnam's DDGS Imports Market Share, January-August, 2022-2024



Source: Vietnam Customs

WHEAT

Production, Supply, and Distribution

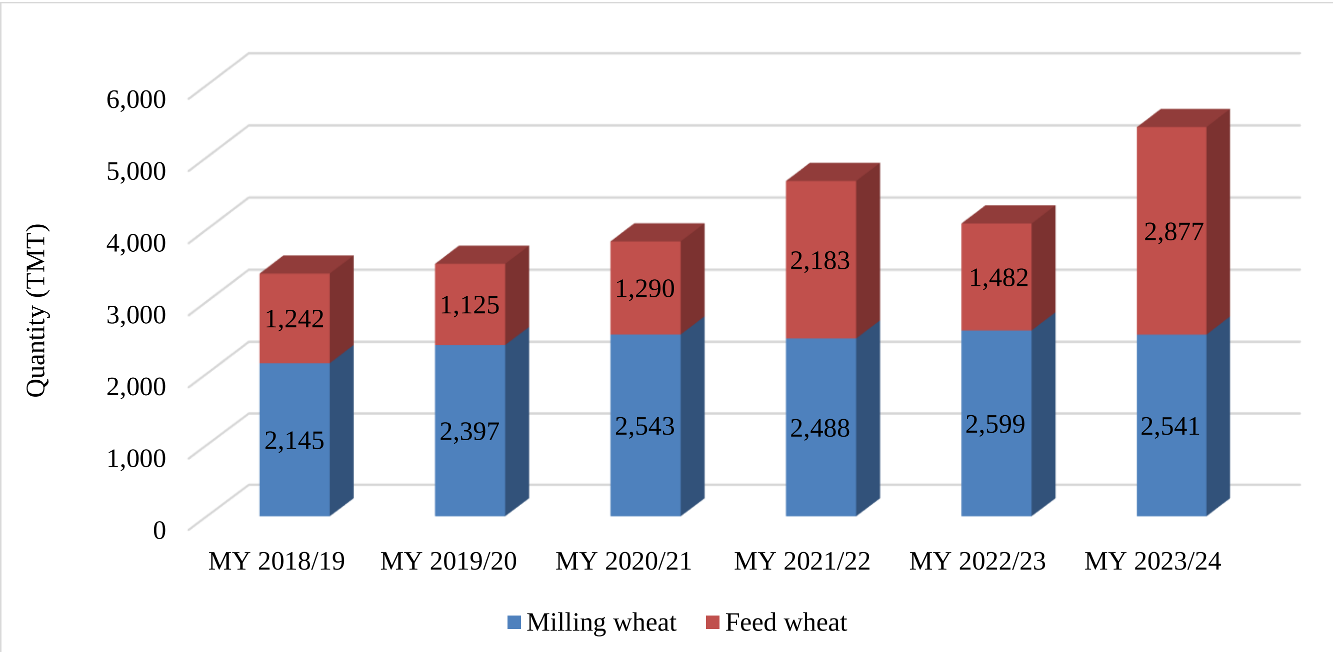
Wheat	**2022/2023**		**2023/2024**		**2024/2025**	
Market Year Begins	**Jul 2022**		**Jul 2023**		**Jul 2024**	
Vietnam	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	740	740	311	288	554	448
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	4317	4128	5441	5400	5300	5200
TY Imports (1000 MT)	4317	4128	5441	5400	5300	5200
TY Imp. from U.S. (1000 MT)	336	316	445	400	0	300
Total Supply (1000 MT)	5057	4868	5752	5688	5854	5648
MY Exports (1000 MT)	446	280	398	340	400	350
TY Exports (1000 MT)	446	280	398	340	400	350
Feed and Residual (1000 MT)	2200	2200	2500	2500	2500	2400
FSI Consumption (1000 MT)	2100	2100	2300	2400	2350	2300
Total Consumption (1000 MT)	4300	4300	4800	4900	4850	4700
Ending Stocks (1000 MT)	311	288	554	448	604	598
Total Distribution (1000 MT)	5057	4868	5752	5688	5854	5648
Yield (MT/HA)	0	0	0	0	0	0

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Wheat begins in July for all countries. TY 2024/2025 = July 2024 - June 2025

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

CONSUMPTION

Figure 9. Wheat Imports by Industry, MY 2018/19 – MY 2023/24



Source: Vietnam Customs, Trade Contacts

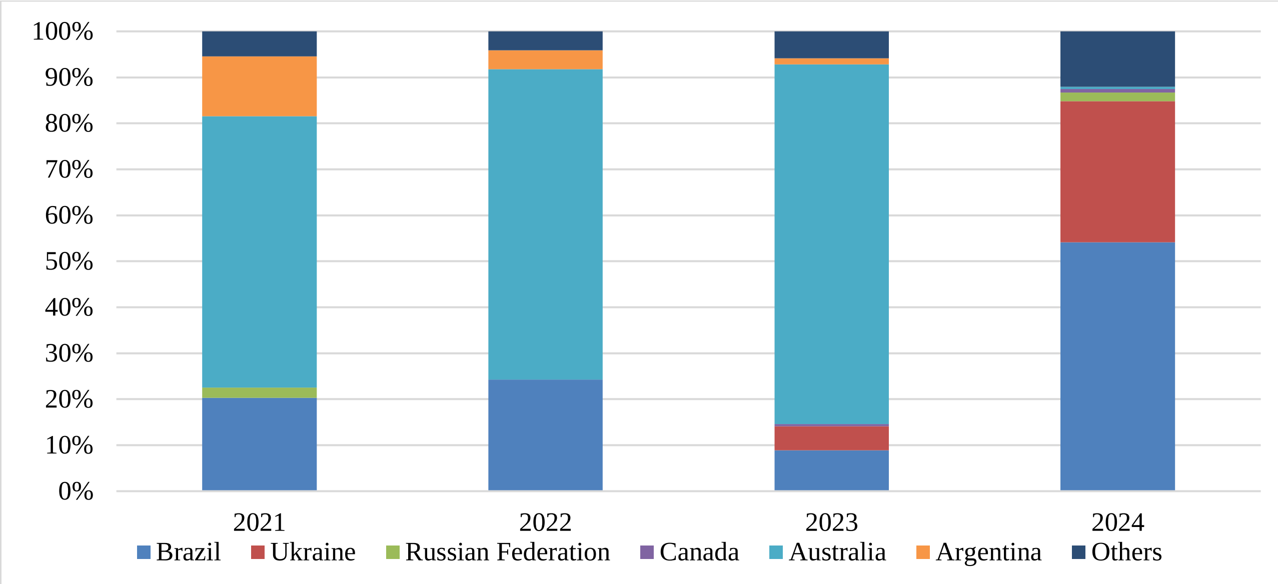
TRADE/COMPETITION

Imports

Wheat imports in MY 2023/2024 reached 5.4 million metric tons (MMT), 32 percent higher than MY 2022/23. Australia, Brazil and Ukraine are the main suppliers to Vietnam, accounting for 32 percent, 21 percent and 20 percent respectively. However, imports of Australian wheat declined 43 percent in quantity, while imports of Brazilian, Ukrainian, and Russian wheat increased by 4 times, 6 times and 3.5 times, respectively, in comparison to MY 2022/23.

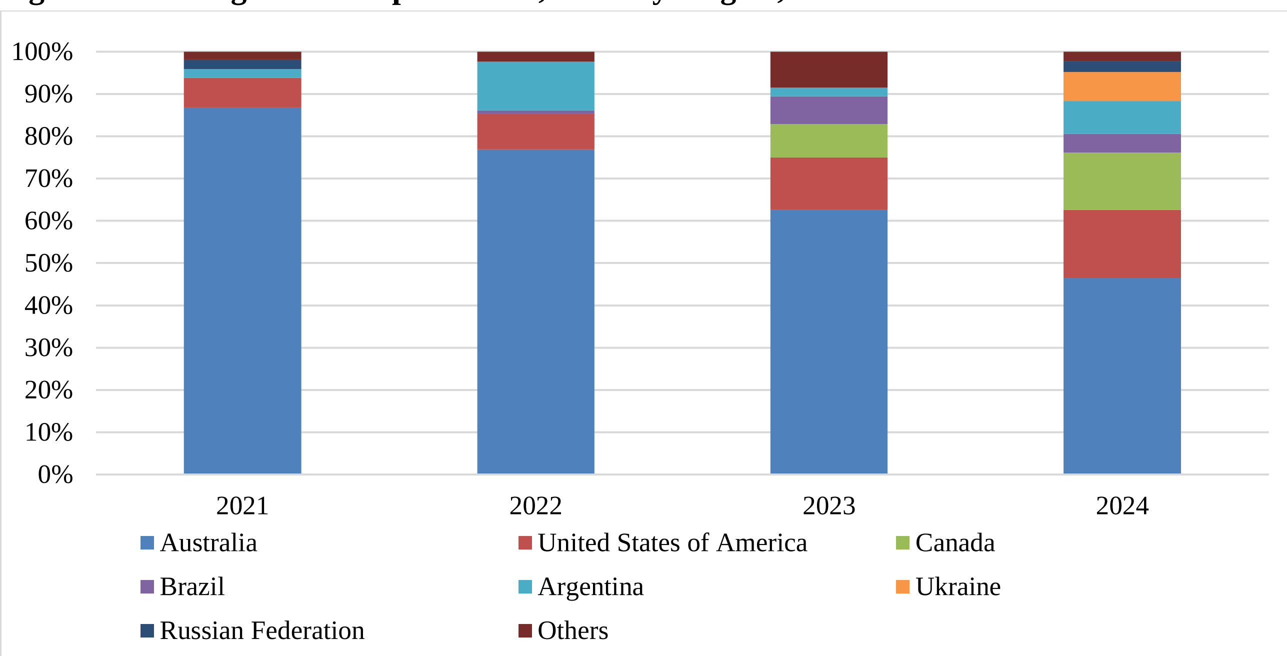
The feed wheat import volume increased 94 percent as wheat prices converged with corn prices (Figure 5). This is the first time since MY 2018/19 that feed wheat imports exceeded imports of milling wheat. Feed wheat is primarily sourced from Brazil, Ukraine, and Russia. Milling wheat imports totaled 2.5 MMT in MY 2023/24, down slightly from MY 2022/23. Australia, the United States, and Canada are the main suppliers of milling wheat, accounting for 46 percent, 16 percent and 14 percent of imports, respectively.

Figure 10. Feed Wheat Import Share, January-August, 2021-2024



Source: Vietnam Customs

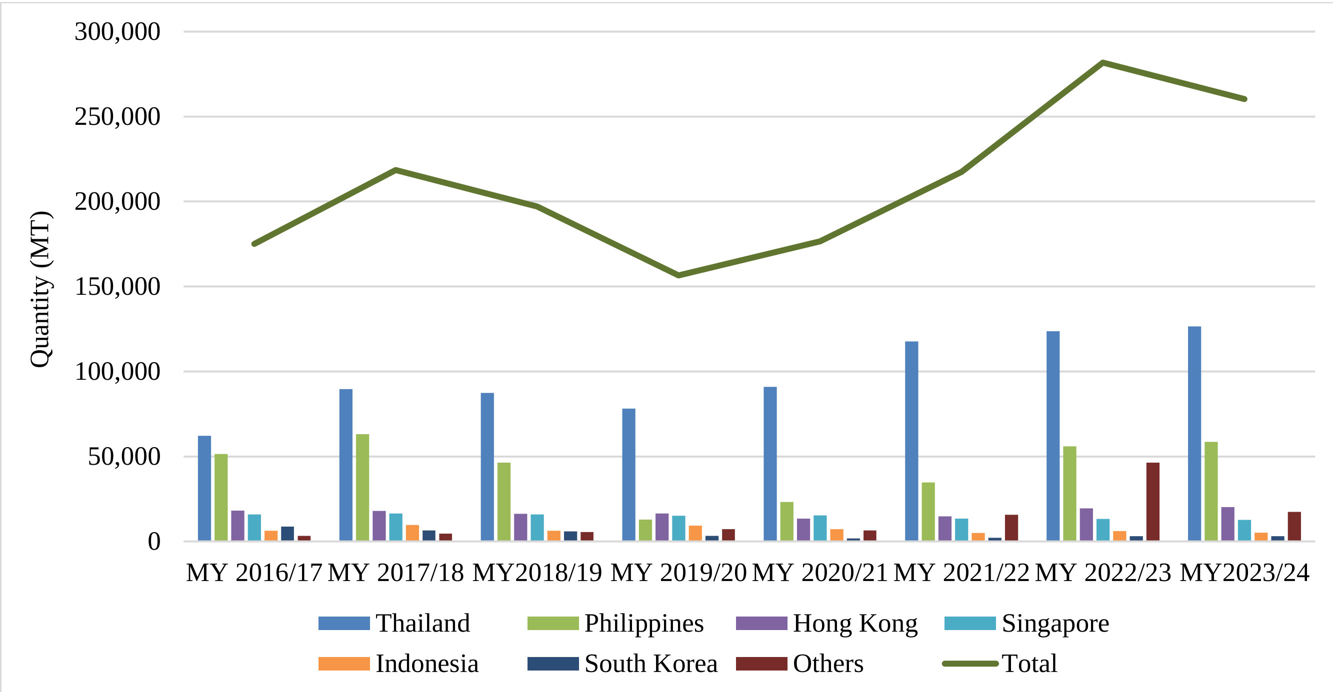
Figure 11. Milling Wheat Import Share, January-August, 2021-2024



Source: Vietnam Customs

Exports

Figure 12. Vietnam Wheat Flour Exports by Destination (wheat equivalent)



Source: Trade Data Monitor, LLC.

Vietnam exported around 260 metric tons of wheat flour in MY2023/24, down 8 percent from MY2022/23. The main markets for Vietnam wheat flour are Southeast Asia Countries such as Thailand, Cambodia, and the Philippines.

STOCKS

Post revised MY2023/24 stocks to 448,000 MT. MY 2024/25 stocks are forecast at 598,000 MT. The increased growth of the livestock population, and particularly the aquaculture sector requires a higher demand of feed wheat, therefore reducing stocks.

RICE

Production, Supply, and Distribution

Rice, Milled	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jan 2023		Jan 2024		Jan 2025	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	7120	7120	7000	6820	6950	6800
Beginning Stocks (1000 MT)	2855	2855	2620	2645	1545	1445
Milled Production (1000 MT)	27140	27140	26625	26100	26500	26000
Rough Production (1000 MT)	43424	43424	42600	41760	42400	41600
Milling Rate (.9999) (1000 MT)	6250	6250	6250	6250	6250	6250
MY Imports (1000 MT)	2750	2500	2900	3000	2950	3200
TY Imports (1000 MT)	2750	2500	2900	3000	2950	3200
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	32745	32495	32145	31745	30995	30645
MY Exports (1000 MT)	8225	8150	8600	8500	7200	7500
TY Exports (1000 MT)	8225	8150	8600	8500	7200	7500
Consumption and Residual (1000 MT)	21900	21700	22000	21800	22100	21650
Ending Stocks (1000 MT)	2620	2645	1545	1445	1695	1495
Total Distribution (1000 MT)	32745	32495	32145	31745	30995	30645
Yield (Rough) (MT/HA)	6.0989	6.0989	6.0857	6.1232	6.1007	6.1176

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2024/2025 = January 2025 - December 2025

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

PRODUCTION

Table 1. Vietnam's Rice Area, Yield, and Production

Marketing Year	Jan 2023	Jan 2024		Jan 2025	
	Estimate	Estimate		Forecast	
	Old	Old	New	Old	New
Harvested Area (THA)					
Spring[1]	2,950	2,950	2,950	2,950	3,000
Autumn[2]	2,620	2,520	2,420	2,500	2,400
Winter[3]	1,550	1,530	1,450	1,500	1,400
TOTAL	**7,120**	**7,000**	**6,820**	**6,950**	**6,800**
Yield (MT/HA)					
Spring	6.92	6.88	6.88	6.88	7.00
Autumn	5.69	5.87	5.79	5.96	5.50
Winter	5.24	5.29	5.14	5.33	5.29
AVERAGE	**6.10**	**6.17**	**6.12**	**6.22**	**6.12**
Production (TMT)					
Spring	20,400	20,300	20,300	20,300	21,000
Autumn	14,900	14,800	14,000	14,900	13,200
Winter	8,124	8,100	7,460	8,000	7,400
TOTAL	**43,424**	**43,200**	**41,760**	**43,200**	**41,600**
Milled (MT)	**27,140**	**27,000**	**26,100**	**27,000**	**26,000**

[1] Winter-Spring, [2] Summer-Autumn, [3] Lua Mua (10th Month)
Source: Ministry of Agriculture and Rural Development (MARD); Vietnam General Statistics Office (GSO)
Post updates the Autumn season and forecast for Winter season in MY 2023/2024 and MY 2024/2025.

Total rice harvested area for the MY 2023/2024 Autumn Season crop is approximately 1.8 million hectares as of September 20th, 2024, up slightly compared to the previous Autumn season. The sown area of late-Autumn season rice in the Mekong Delta is approximately 700,000 hectares. Total harvested area for the Autumn season is estimated at 2.42 million hectares. GSO estimates that the sown area for the Winter season is 1.465 million hectares.

The crop season in the northern provinces took place under unfavorable weather conditions. Heavy rains persisted from the beginning of the season, followed by consecutive storms, including the destructive Typhoon Yagi which caused serious flooding. Local authorities accelerated the rice harvest in response to this situation, particularly in flooded areas. According to preliminary reports from localities, about 200,000 hectares of rice were lost due to the impact of Typhoon Yagi, including 16,900 hectares in Bắc Giang, 10,100 hectares in Hai Phong, 7,800 hectares in Nam Đinh, 7,200 hectares in Thai Binh, 5,200 hectares in Hung Yen, 5,500 hectares in Thai Nguyen, 4,100 hectares in Lang Son, 2,400 hectares in Yen Bai, 1,700 hectares in Vinh Phuc, and 800 hectares in Ha Nam.

Post reduced the estimated MY 2023/2024 paddy harvested area and paddy production to 6.82 million hectares and 41.76 million metric tons respectively. Post lowered forecasted harvested area for MY2024/2025 to 6,800 thousand hectares and lowered forecast paddy production to 41.6 million metric tons due to expectation that the climate trends seen in 2023/2024 will continue as well as the ongoing trend of switching rice land to other economic activities. This trend is also supported by the Decree No. 112/2024/ND-CP, which discussed in the Policy Section.

Mekong River Delta

Table 2. Rice Production in the Mekong Delta, MY 2022/23-2024/25

Crop	**MY 2022/23**			**MY 2023/24 (Estimate)**			**MY 2024/25 (Forecast)**		
	Area	**Yield**	**Prod.**	**Area**	**Yield**	**Prod.**	**Area**	**Yield**	**Prod.**
Spring[1]	**1,480**	**7.23**	**10,700**	**1,490**	**7.23**	**10,773**	**1,500**	**7.27**	**10,900**
Autumn[2] *(in which)*	**2,190**	**5.87**	**12,850**	**2,165**	**5.73**	**12,500**	**2,160**	**5.65**	**12,200**
Main Autumn	*1,490*	*6.07*	*9,050*	*1,465*	*5.87*	*8,600*	*1,460*	*5.68*	*8,300*
Late Autumn	*700*	*5.43*	*3,800*	*700*	*5.57*	*3,900*	*700*	*5.57*	*3,900*
Winter[3]	**178**	**5.13**	**914**	**170**	**5.21**	**885**	**170**	**5.29**	**900**
Total	**3,848**	**6.36**	**24,464**	**3,825**	**6.29**	**24,158**	**3,830**	**6.27**	**24,000**

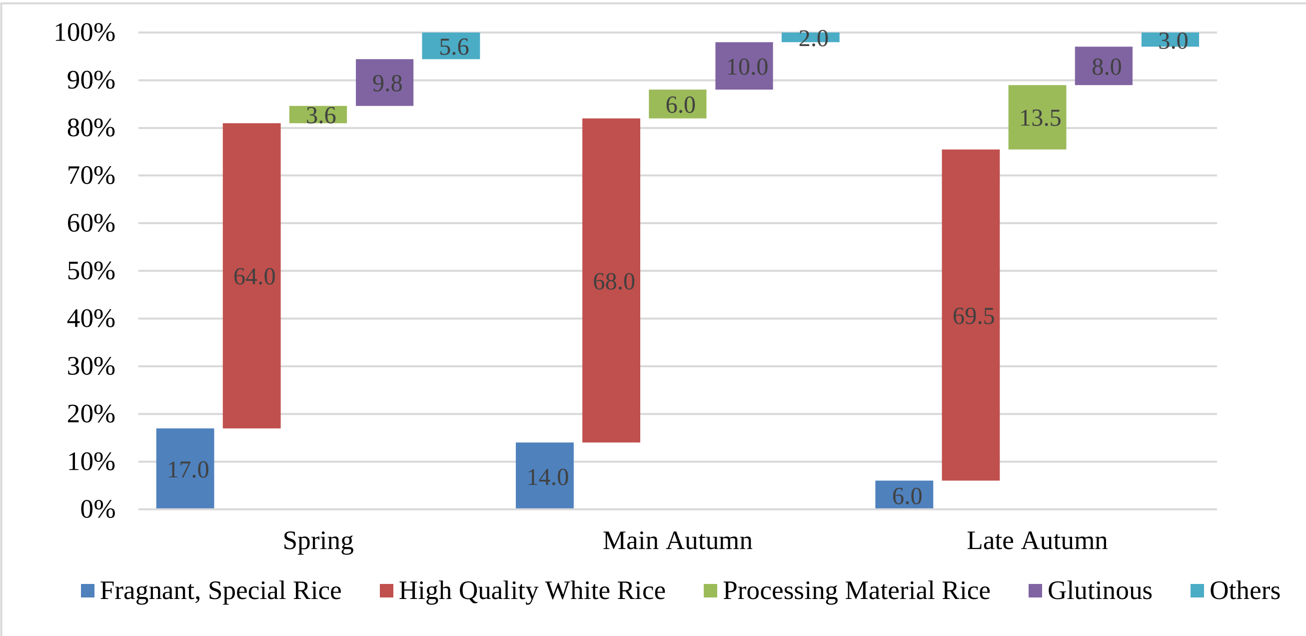
[1] Winter-Spring, [2] Summer-Autumn, [3] Lua Mua (10th Month)
Area (1000 HA), Yield (MT/HA), Production (1000 MT)
Source: MARD, GSO, Trade Contact
Post updates the date of Autumn season and forecast for Winter season in MY 2023/2024 and for MY 2024/2025

According to an updated report from the MARD Department of Crop Production, the total harvested of Autumn season in MY 2023/2024 was approximately 2.165 million hectares in the Mekong River Delta (MRD), including 1.465 million hectares in the Main Autumn season and 700,000 hectares in the Late Autumn season. Total rice output this season is 12.5 million metric tons. This is lower than the output in Autumn season MY 2022/2023 due to a reduction in harvested area. Based on the report, about 8,000 hectares, mainly in Tien Giang, Vinh Long, Kien Giang and Can Tho provinces, have been switched to other crops, fruit trees, or aquaculture. In addition, 12,000 hectares were affected by flooding and heavy rain. The damage is estimated to have reduced yields by 5 to 20 percent. About 6,000 hectares were lost and 3,000 hectares were replanted.

Post estimates total harvested area and production for MY 2023/2024 at 3.825 million hectares and 24.158 million metric tons respectively. For MY 2024/2025, these figures are forecast at 3.83 million hectares and 24 million MT.

+Production technology applications in Mekong River Delta

Figure 1. Rice Variety Use in MY2023/2024



Note:

- *Fragrant, Special Rice: Jasmine 85, ST24, ST25, RVT, Tai Nguyen and Nang Hoa 9, DS1, etc.*
- *High Quality White Rice: OM5451, Dai Thom 8, Huong Chau 6, OM18, OM9577, OM9582, OM4900, OM7347, OM6976, etc.*
- *Rice varieties used for processing material: IR50404, OM576, OC10, etc.*
- *Others*

Source: MARD

There are at least a hundred rice varieties used in the Mekong River Delta (MRD). These can be classified in five categories (Figure 1). The Fragrant/Special rice category accounts for 12 percent of total production area in the MRD. These varieties require suitable production conditions and are mainly grown in the Spring season (17 percent). High-quality white rice category accounts for 67 percent of total cultivated area of all three main rice seasons. This category is adaptable to many production conditions, has high yields and is suitable for export markets. The third category is rice varieties used for food processing, which account for about 8 percent of cultivated area, and they are predominantly grown in the Late-Autumn season. Finally, glutinous rice varieties account for more than 9 percent of total production and other varieties account for about 3.5 percent of total production area in the MRD. In addition, according to the Crop Production Department, about 90 percent of the total production area used certified seed this year, slightly higher than previous year. This high area of production with certified seed ensured high quality production and resulted in a high yield.

Table 3. Rice Seed Use Rate

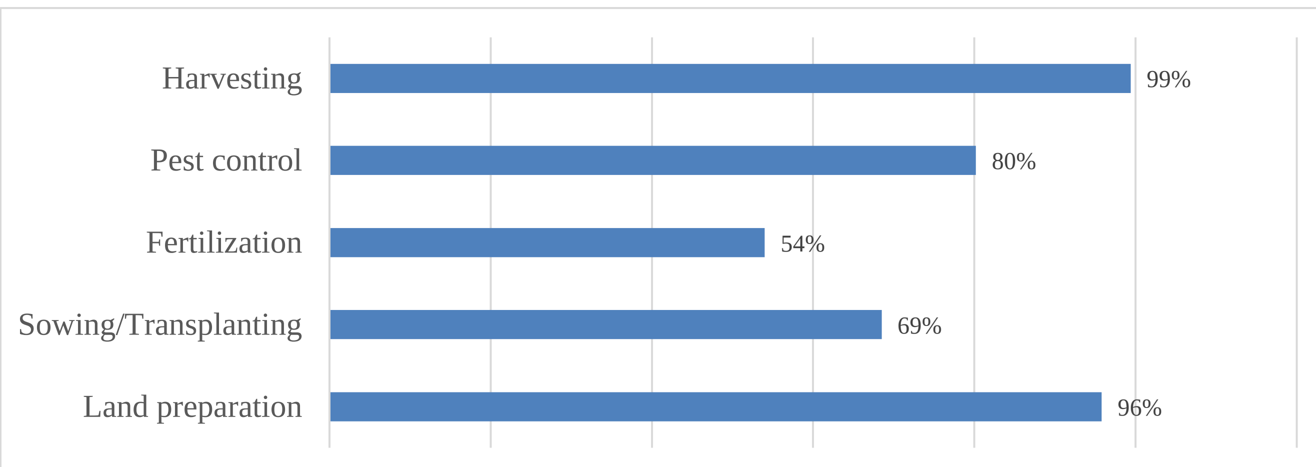
	Under 100 kg/ha	100 - 150 kg/ha	Over 150 kg/ha
Spring	16.2	71.9	12.0
Main Autumn	20.0	72.0	8.0
Late Autumn	20.0	72.0	8.0
Average	**18.7**	**72.0**	**9.3**

Note: Calculated as percentage of total cultivated areas

Source: MARD, Contacts

In the MRD, over 90 percent of total rice production area used less than 150 kg seed rice per hectare (kg/ha), in which about 19 percent of these areas used less than 100 kg/ha (Table 3). According to production contacts, this rate fluctuates by location and season. Mechanization during planting, such as leveling fields, using row-seeding machines, and transplanting machines, has reduced the amount of rice seeds sown, improved water management, and reduced fertilizer use and pests. The rate of mechanization in rice production is increasing and is especially high in the stages of land preparation and harvesting (Figure 2).

Figure 2. Mechanization in Production



Note: Calculated as percentage of total cultivated areas

Source: MARD

In addition, MARD is continuing to implement phase one of its project, *"Sustainable development of 01 million hectares of specialized rice farming with high quality and low emission associated with green growth of the Mekong Delta by 2030."* This phase consists of 7 illustration models with 333.5 hectares in five provinces, including Can Tho (95 hectares), Soc Trang (50 hectares), Tra Vinh (98.4 hectares), Dong Thap (43 hectares), and Kien Giang (50 hectares).

CONSUMPTION

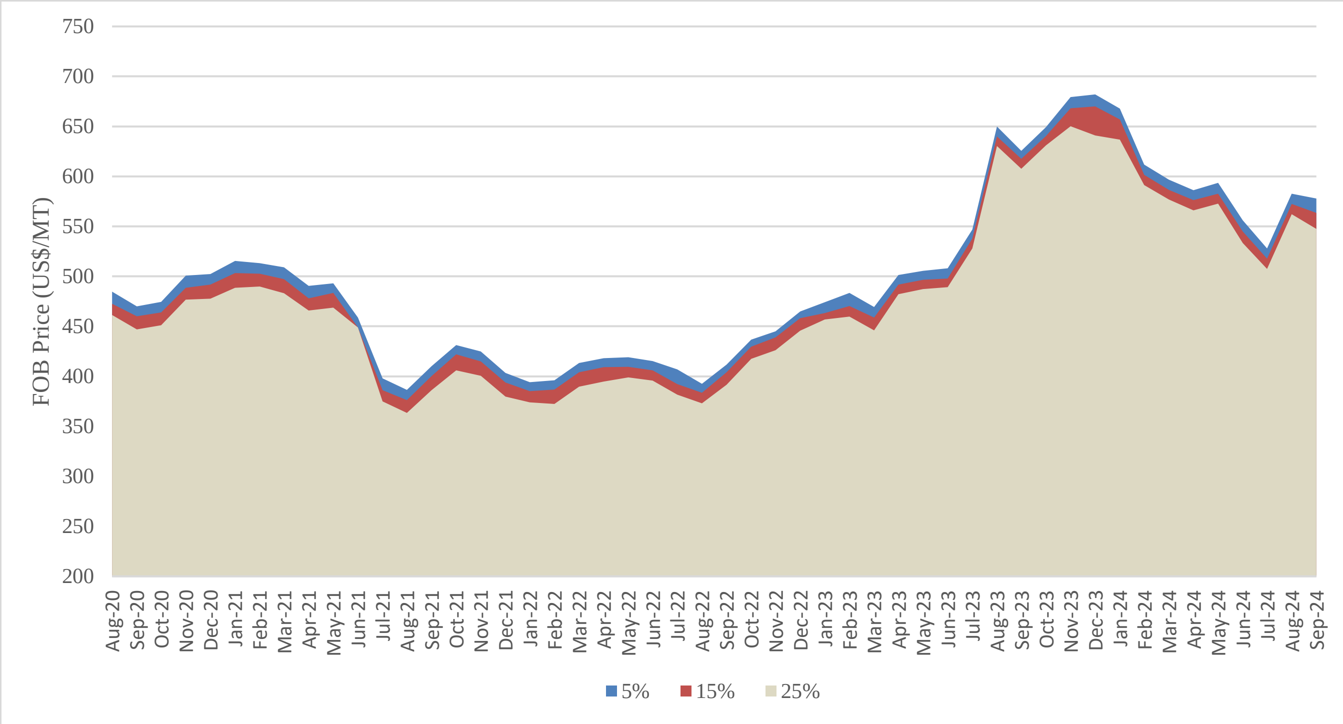
In MY 2023/2024, consumption increased as farmers used additional seeds to replant the area affected by Typhoon Yagi in the North and by flooding in the MRD. Vietnamese producers of rice products such as rice noodles and paper have increased rice consumption due to increased demand in export markets and for domestic consumption. Post revises the MY 2023/2024 consumption estimates to 21.800 MMT and its MY 2024/2025 forecast is revised to 21.650 MMT.

TRADE

Export Prices

Vietnam export prices have continued to decline since December 2023. In September 2024, the export prices were approximately 15 percent lower than the peak prices in December 2023, the highest recorded since August 2020. In addition, compared to MY 2022/2023, the current prices are about 9 percent lower than those in September of MY 2022/2023. On September 28, 2024, India lifted its rice export ban on non-basmati rice exports, although a minimum export price of $490 is in place now for these exports. This policy change will continue to bring down rice export prices in the final months of MY 2023/2024.

Figure 3. Vietnam White Rice Export Prices, August 2020-September 2024

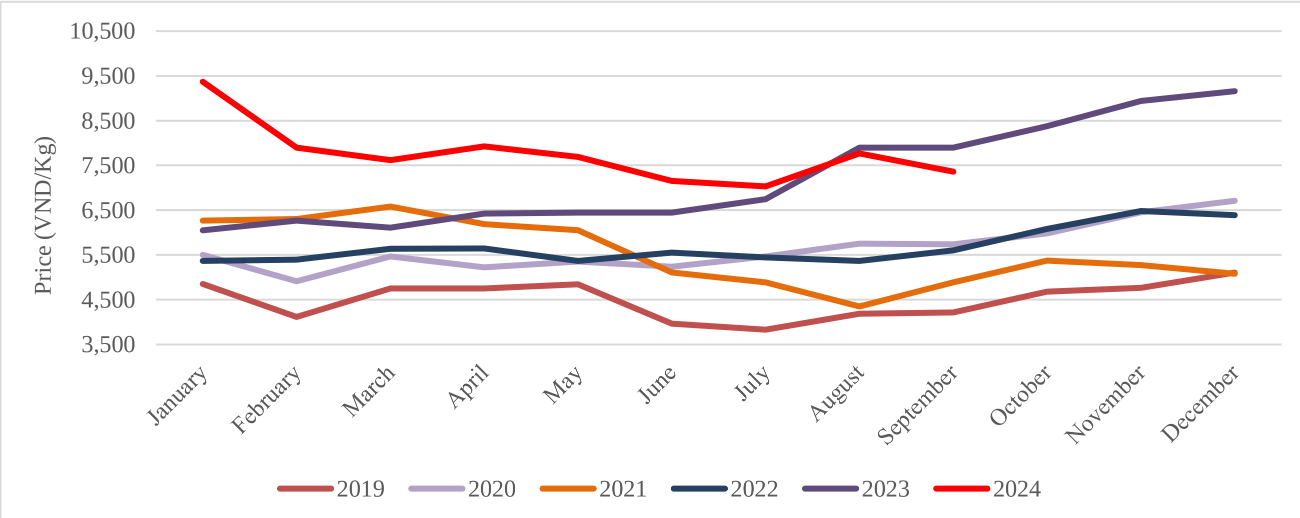


Source: Trade contacts, AgroMonitor, Post calculations

Domestic Prices

From January to September 2024, local paddy prices declined about 21 percent, following the trend of declining export prices. In September 2024, the average paddy price was about 7,400 VND/kg, approximately 7 percent lower than those in September 2023. However, it is still 30 percent higher than prices in MY 2022/23, but trend of declining prices is expected to continue in the coming months following the same downward trend of export prices.

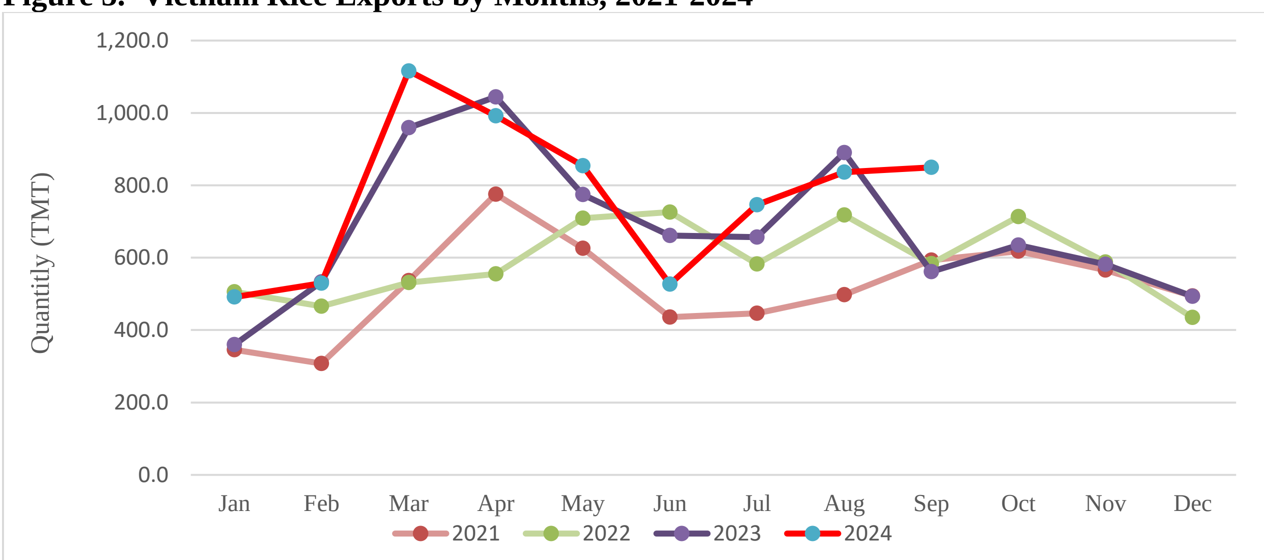
Figure 4. Vietnam White Paddy Prices, January 2019-September 2024



Source: Trade contacts, Agromonitor

Exports

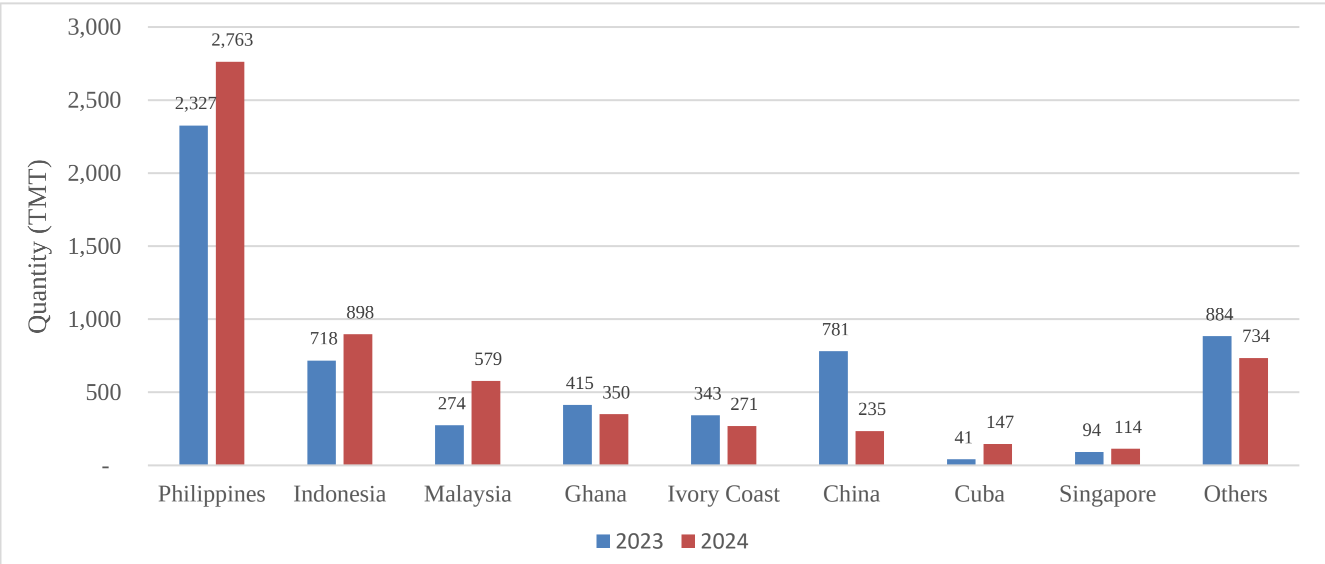
Figure 5. Vietnam Rice Exports by Months, 2021-2024



Source: Vietnam Customs.
Note: TMT: thousand metric tons

In the first nine months of 2024, Vietnam exported 6.9 MMT (million metric tons), an increase of about 9 percent over the same period last year (Figure 5). Asian markets make up 80% of the export destinations of Vietnamese rice, with African destinations making up approximately 13%.

Figure 6. Vietnam Rice Export to Major Markets in 8 months, 2023-2024



Source: Vietnam Customs.

Note: TMT: thousand metric tons

In terms of export-grade rice, white rice still dominated by accounting for 75 percent of the total export volume. Philippines is also the main importer of white rice with 2.6 MMT, accounting for 50% of total white rice export volume. (Figure 7)

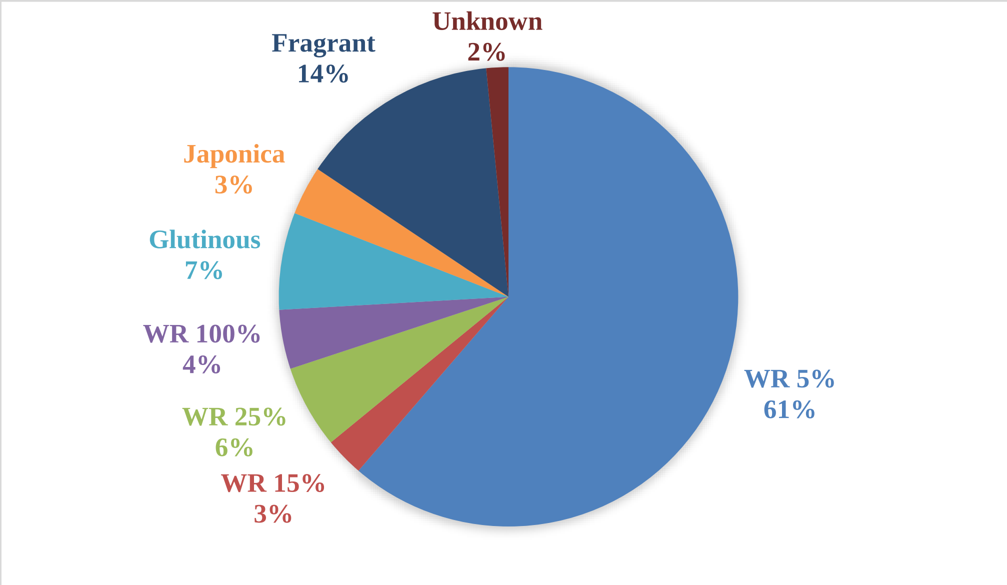
Rice with 5 percent of brokens (WR 5%), the highest quality of white rice categories, accounted for about 61 percent and rice with 25% brokens (WR 25%) accounts for 6% of total rice export. Meanwhile, the total export of Fragrant rice is about 857 thousand MT, accounting for 14 percent in the first 8 months of 2024. Vietnam continues to focus on exporting high quality rice -mainly Fragrant rice and WR 5%.

The export volume of glutinous rice is about 417 thousand MT in the first 9 months of 2024 with 50 percent of glutinous rice exports destined for the China market.

Besides rice, according to industry contacts, Vietnam also exports rice processed products, such as noodles and rice paper to EU, Korea and Japan markets.

Based on the export in the first 8 months of 2024, Post revised the export volume of MY 2023/2024 to be 8.5 MMT. For MY 2024/2025, Post forecasts the export volume to be 7.5 MMT.

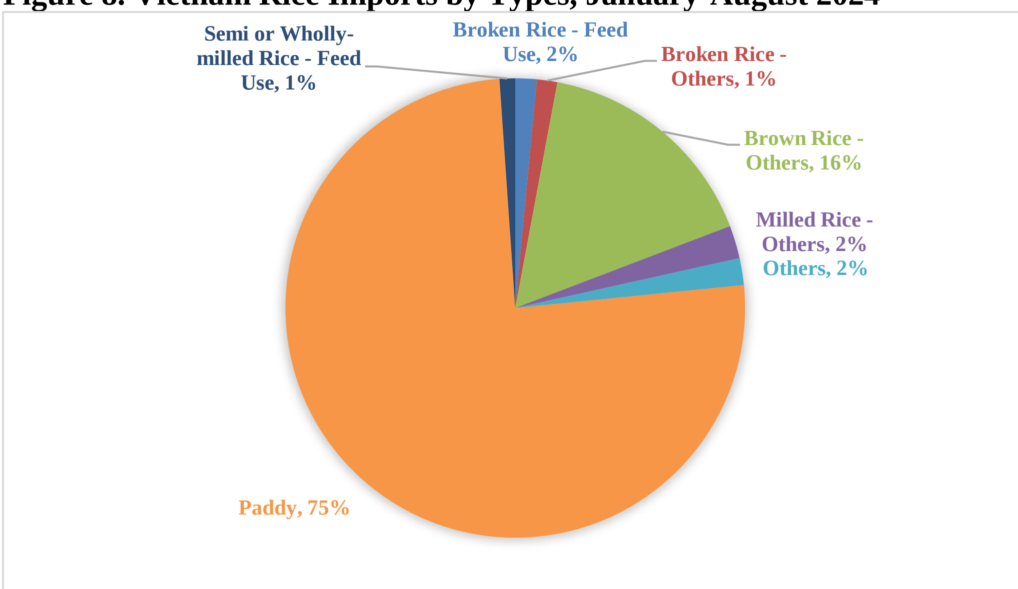
Figure 7. Vietnam Rice Exports by Grade, January-August 2024



Source: Vietnam Customs
Note: WR – White rice

Imports

Figure 8. Vietnam Rice Imports by Types, January-August 2024



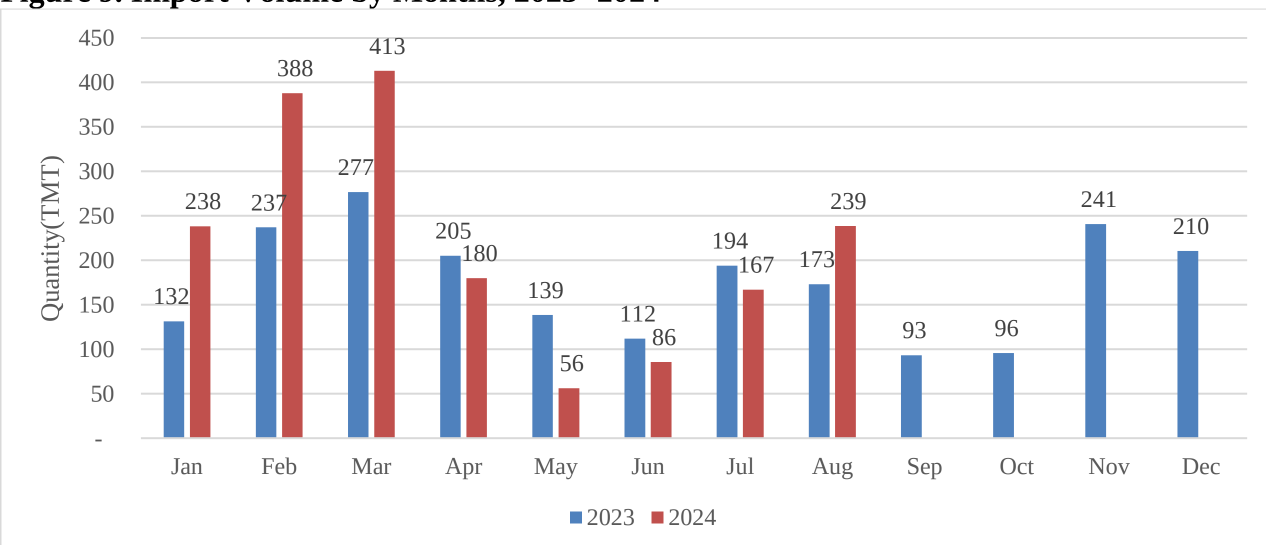
Source: Vietnam Customs, Trade contacts

According to Vietnam Customs Data, Vietnam imported approximately 1.77 million MT of milled rice equivalent 8 months of 2024. This volume is 20 percent higher than imports during the same period in 2023.

Paddy rice accounted for 75 percent of imports and is overwhelmingly supplied by Cambodia. These paddy imports are processed by Vietnamese rice mills for both domestic consumption and to meet export demands. The second largest import category is brown rice, which accounted for about 16 percent of imports, mainly provided by Indian suppliers. This category is used for processing or feed use.

According to the Contacts in Cambodia, the total paddy volume imports from Cambodia is much higher than the Vietnam custom data. Post estimates the total import volume to be 3.0 MMT for MY 2023/2024, and forecasts 3.2 MMT for MY 2024/2025 to satisfy the export and consumption demand.

Figure 9. Import Volume by Months, 2023- 2024



Source: Vietnam Customs

POLICY

The Government of Vietnam promulgated Decree No. [112/2024/ND-CP](112/2024/ND-CP) on paddy land on September 11, 2024. According to Article 8, any paddy land user wishing to convert to cultivating perennial crops or rice cultivation alongside aquaculture must implement these procedures: (i) Submit a written registration for crops and livestock conversion on paddy land to the People's Committee of the commune; (ii) The People's Committee will assess the registration compliance within 5 working days of receiving a valid application. Land converted under this decree will still be classified as paddy land and allows greater conversion to other crops.

Additionally, Article 14 8 states that from January 1, 2025, local public budget will be increased for supporting rice production, specifically, (i) 1,500,000 VND/ha/year for specialized rice-growing land; (ii) 750,000 VND/ha/year for other rice-growing land, excluding spontaneously expanded shifting rice land not in accordance with the rice land use planning; (iii) an additional 1,500,000 VND/ha/year for specialized rice-growing land in areas designated for high-yield, high-quality rice cultivation.

Under this decree, farmers are officially permitted to transition from rice to other crops to achieve better economic benefits through aquaculture or alternative crops. Additionally, local authorities may receive increased funding to support the remaining rice. This could potentially reduce the cultivated areas of rice and rice production.

As noted above under the “Export Prices” section, India’s lifting of the prohibition on non-basmati rice exports has impacted reduced rice prices.

STOCKS

Post reduces stocks of MY 2023/2024 to 1.445 MMT and revises the stock of MY 2024/2025 to 1.495 MMT due to losses sustained during Typhoon Yagi.

Table 3. Vietnam Rice Exports by Grade and Destination January-August 2024

Destination	WR5%	WR 15%	WR 25%	WR 100%	Glutinous	Japonica	Fragrant	Unknown	Grand Total
Asia	**3,319,335**	**152,726**	**306,640**	**189,141**	**414,563**	**85,671**	**337,984**	**39,222**	**4,845,283**
Philippines	1,946,912	145,750	305,850	160,414	73,236	1,796	128,955	26	2,762,939
Indonesia	832,197			4,020	21,849	8,433	14,229	17,400	898,128
Malaysia	458,308	5,114		242	59,063	10,003	44,032	2,148	578,910
China	9,132			4,789	206,776	436	13,912	7	235,052
Singapore	23,966	633		2,650	23,111	9,028	53,529	1,452	114,370
Cambodia	1,372	80			22,161	13,132	60	4,746	41,551
UAE	4,913	100	94		349	7,385	23,588	799	37,228
Hongkong	5,734	30		150	178	3,156	21,017	3,535	33,800
Saudi Arabia	4,941		78		185	7,171	15,125	738	28,238
South Korea	1,028		144	15,000	21	43	442	900	17,577
Others	30,831	1,019	474	1,876	7,633	25,088	23,095	7,471	97,488
Africa	**230,271**	**2,662**	**17,948**	**55,699**	**56**	**22,578**	**441,518**	**18,643**	**789,376**
Ghana	144,295	50		3,492			184,102	18,356	350,294
Ivory coast	50,687		15,070	50,249			154,907		270,913
Mozambique	19,268	2,430	182			31	51,374		73,285
Libya	275					20,278			20,553
Togo	4,558		400	56			9,595	104	14,713
Cameroon	2,486			1,510		25	4,242		8,263
South Africa	190				19	1,474	3,884		5,567
Tanzania	540						4,863		5,403
Benin	141	182	1,080				895		2,298
Congo	710		1,216	52			102	78	2,158
Others	7,122			340	38	770	27,555	105	35,929
Americas	**152,450**	**1,661**	**162**	**94**	**378**	**9,996**	**21,515**	**889**	**187,146**
Cuba	146,512	75	162						146,749
Brazil	165				55	2,715		302	3,237
Chile	232	1,040				62		25	1,359
Mexico	26					127	47	54	254
Haiti	27						19		46
Others	5,489	546		94	323	7,092	21,449	507	35,501
Oceania	**16,928**	**7,906**	**31,839**	**8,744**	**220**	**57,002**	**29,525**	**29,762**	**181,928**
Solomon Islands			31,839			21,927	42	12,656	66,466
Papua New Guinea	7,696	54		3,366		6,066	1,160	13,415	31,757
Australia	1,940	2,468		325	181	8,181	12,425	449	25,968
Fiji	3,304	5,000				5,364	7,923	525	22,115
New Zealand	802	323			32	2,739	3,299	246	7,442
New Caledonia	53						324	1,627	2,002

Others	3,133	61		5,053	8	12,725	4,352	844	26,176
Europe	**17,042**	**2,200**		**257**	**1,309**	**35,075**	**26,036**	**6,111**	**88,029**
Ukraine	78				7	10,509	51	34	10,679
Russia	4,141				100	433	2,449	922	8,045
Poland	378				70	4,193	2,866	494	8,002
Netherlands	1,140				116	2,738	3,409	582	7,986
France	1,352				56	743	700	60	2,910
Spain	392				28	640	364	97	1,521
Others	9,560	2,200		257	933	15,817	16,197	3,922	48,886
Grand Total	**3,736,027**	**167,155**	**356,590**	**253,936**	**416,526**	**210,321**	**856,579**	**94,626**	**6,091,760**

Destination	**WR5%**	**WR 15%**	**WR 25%**	**WR 100%**	**Glutinous**	**Japonica**	**Fragrant**	**Unknown**	**Grand Total**
Asia	3,319,335	152,726	306,640	189,141	414,563	85,671	337,984	39,222	4,845,283
Africa	230,271	2,662	17,948	55,699	56	22,578	441,518	18,643	789,376
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Oceania	16,928	7,906	31,839	8,744	220	57,002	29,525	29,762	181,928
Europe	17,042	2,200		257	1,309	35,075	26,036	6,111	88,029
Grand Total	**3,736,027**	**167,155**	**356,590**	**253,936**	**416,526**	**210,321**	**856,579**	**94,626**	**6,091,760**

* 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

Attachments:

No Attachments