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Report Highlights:

Vietnam's economy has continued to rebound after the COVID-19 pandemic, while also being affected by global inflation and local price hikes for ingredients. Total animal feed demand is forecast to increase to meet growing animal production demands. Soybean imports are forecast to increase in both MY2022/23 and MY2023/24, driven by both demand for crush and food consumption. Soybean meal consumption is forecast to increase due to projected higher total demand feed.

Executive Summary

According to the Ministry of Agriculture and Rural Development (MARD) reports, by December 2022 the total animal populations inVietnam rose, poultry by 4.8 percent, swine by 11.4 percent, and cattle by 3.1 percent, compared to 2021. Total live-weight meat production totaled 7.05 million tons, and MARD plans to increase this to 7.27 million tons in 2023. Total egg production is targeted at 19.1 billion eggs, up from 18.3 billion in 2022. Total aquaculture production reached 5.16 million tons in 2022, up 6 percent compared to 2021.

The primary challenges facing animal and aqua producers in 2023, particularly small holders, are projected high feed prices, disease threats, and low purchasing power due to inflation. While feed prices remain high due to rising prices for imported ingredients, profits for swine and poultry farmers have remained very low. Feed mill profitability has also suffered as mills have not been able to raise feed prices in line with rising ingredient costs. High compound feed prices and the decline in live-weight hog prices are expected to continue to discourage small-scale swine producers from restocking in first half of 2023. Catfish prices remained high in 2022, but exports trended downward beginning in September 2022, and sharply decreased in the first months of 2023. The decline in exports reflects low demand and high inflation in major export markets including the U.S. and EU. China's reopening policy for food trade in early 2023 is projected to offset this trend.

Post forecasts total feed demand to increase to 27 million metric tons (tons) in MY2022/23 from 26.6 million tons in MY2021/22 and continue to increase to 27.7 million tons in MY2023/24 to reflect the forecast increase in swine, poultry, and aquaculture production.

Vietnam's soybean imports are forecast to increase to 2.55 million tons in MY2023/24 due to projected increases in soybean crushing capacity and continued growth in food use. Soybeans for food consumption are forecast to grow in MY2023/24 following an expected rebound of the tourism and food service sectors. Driven by a projected increase in soybean crushing capacity to 1.9 million metric tons, total soybean meal (SBM) imports for feed use are forecast to decrease to 4.8 million tons while total meal consumption increases to 6.15 million tons in MY2023/24. Soybean meal accounts for the largest share of oilseed meal used for aqua and animal feed in Vietnam.

A projected increase in vegetable oil use by the food processing sector, food service sector, and canteens in schools will lead to growth in total oil consumption in MY2022/23 and MY2023/24. Vegetable oil exports are forecast to increase in MY2023/24 due to increased local production resulting from higher domestic crush.

Peanut and soybean production in Vietnam are forecast to continue to decline based on shrinking planted area as farmers continue to switch to more profitable fruits and vegetables.

OILSEEDS SITUATION AND OUTLOOK

Soybean

Production

Post forecasts local soybean production to decrease to 48,000 tons in MY2022/23[1] and continue decreasing to 45,000 tons in MY 2023/2024 on the planting area of 30,000 and 28,000 hectares respectively. A low average yield of 1.6 tons per hectare and fragmented production in the northern mountainous and central highland provinces make local soybeans uncompetitive with lower priced imported soybeans.

According to MARD, Vietnam's soybean planted area as of December 31, 2022 was 32,500 hectares, a reduction of 11 percent compared to the previous year. The decline in soybean planted area in MY2020/21 is a part of an overall trend of Vietnamese farmers switching to more profitable crops such as fruits and vegetables that are grown for both export and domestic consumption.

Table 1: Soybean Production

	2020	**2021**	**2022**	**2023***	**2024***
Crop area (thousand ha)	41.7	36	32.5	30	28
Crop yield (MT/ha)	1.58	1.6	1.6	1.6	1.6
Total production (TMT)	**65.7**	**58**	**52**	**48**	**45**

Source: General Statistics Office (GSO), Ministry of Agriculture and Rural Development (MARD), The data included inventory of winter crop in the North starting from October annually.
**Post estimates*

Consumption

Industrial crush

Vietnam currently has two soy crushing facilities, one in the north of the country and the other in the south. The southern plant plans to increase capacity by adding a new crushing line in 2024. In addition, a new crushing facility, also located in the south, is in the final stage of construction and expected to enter operation in 2024, according to an industry source. Increased soybean crush is being driven by rising demand for both soybean meal for animal feed, and by consumer demand for soybean oil.

Post estimates the MY2022/23 soybean crush at 1.35 million metric tons (MMT) reflecting the crush capacity of the two existing facilities.

[1] Marketing Year (MY) of soybean is from January 1 to December 31

Post forecasts the MY2023/24 soybean crush increase to 1.9 MMT with expected additional crush volume from both the new facility and expanded capacity for the existing facility in the south. This also is in line with forecasted higher demand for meal and oil.

Food Use Consumption

Post forecasts soybean consumption for food use will increase in MY2022/23 to 530,000 tons and continue to increase to 550,000 tons in MY2023/24 due to the expected reopening and strong recovery of the service and tourism sectors. According to GSO, in 2022, total Vietnam retail and food service revenue increased 20 percent compared to 2021. Revenues from food and beverage, lodging, and travel services also increased sharply in 2022. The World Bank's Taking Stock report, released in March 2023 under the title "Harnessing the Potential of the Services Sector for the Growth," forecasts that Vietnam's services sector will play a crucial role in supporting and maintaining sustainable economic growth in the coming years.

Post also forecasts higher soymilk demand for both local consumption and export in 2024, due to its competitive price. According to local media, Vinasoy-QNS, one of largest local soymilk producers, reported an increase of 13 percent in total annual revenue for CY2022.

Feed, Seed, Waste Consumption

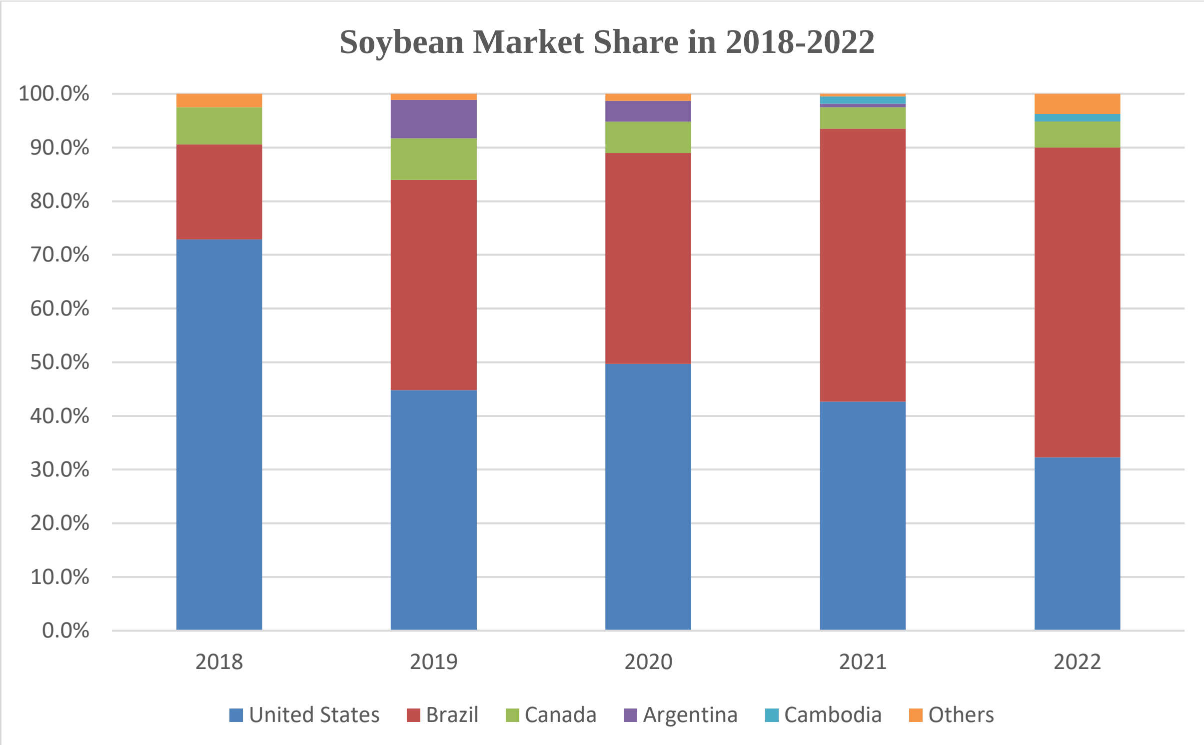
Post reaffirmed its forecast for soybean feed consumption in MY2022/23 and MY2023/24 at 180,000 tons in line with the projected repopulation of poultry breeding facilities, and increased poultry and swine production.

Trade

Imports

According to Vietnam Customs, Vietnam's soybean imports in MY2021/22 reached 1.84 million tons, a decrease of 8.6 percent compared to the previous year. Soybean imports declined by 13 percent in the second half of MY2021/22 compared to the same period of the previous year due to lower exports of soy oil and lower meal demand for animal feed in the second half of MY 2021/22, according to an industry contact. Brazil was the largest soybean exporter with 57.7 percent of the market share, with the United States holding a market share of 32.3 percent. Cambodia continued as a soybean supplier to Vietnam with a 1.4 percent market share, due to its proximity advantage. According to an industry source, soybeans imported from Cambodia soybeans are primarily for food use due to good quality.

Table 2: Soybean Supplier Market Share (percentage)



Source: Vietnam Customs published at https://www.customs.gov.vn

Post kept soybean import estimates for MY2022/23 at 2 million tons due to an expectation for consistent crushing volumes at two existing facilities.

Post forecasts soybean imports in MY2023/24 to increase to 2.55 million tons. This reflects projected additional crushing volume of the new crush facility and increased crush capacity at the existing crusher in the south. Imports of both food grade soybeans and soybeans for the crushing industry are forecast to grow in MY2023/24, with growth in food use driven by an anticipated rebound in the services and tourism sectors.

Policy

On March 31, 2019, MARD's Plant Protection Department (PPD) announced a zero-tolerance policy for soybean and wheat shipments containing the weed seed *Cirsium arvense*. This policy has created uncertainty for exporters, importers, and the Vietnamese feed and flour milling industries. On December 25, 2020, Vietnam issued the Circular 15 promulgating the National Technical Regulations (NTR) 192 on the phytosanitary requirements for imported regulated articles. NTR 192 sets a zero tolerance on all quarantine pests regulated under Circular 35/2014/TT-BNNPTNT, issued in 2014, including *Cirsium arvense*. Please refer to the GAIN report VM-2020-0128 for further information. Circular 15 entered into force on June 25, 2021.

Peanuts

Production

Peanut production is forecast to decrease to 400,000 tons in MY 2022/23[2] and continue decreasing to 390,000 tons in MY2022/23 based on projected decreases in planted area as farmers switch from peanuts to more profitable crops such as fruits and vegetables. Post has revised its peanut production for MY2020/21 to 430,000 tons in line with MARD reports. Peanut production is not prioritized in the Vietnam Sustainable Agriculture and Rural Development Strategy 2021-2030, Vision to 2050.

According to MARD, peanut planted area for MY2021/22 was 159,000 hectares, a drop of 3.6 percent in area compared to the previous year. Peanut growing area is declining in the major peanut planting areas in the northern and central provinces of Vietnam due to low yields and less competitive prices relative to imported peanuts.

Table 3: Vietnam's Peanut Production

	2020	**2021**	**2022**	**2023***	**2024***
Crop area (thousand ha)	170	165	159	155	150
Crop yield (MT/ha)	2.5	2.61	2.57	2.6	2.6
Total peanut production** (TMT)	425.5	430	410	400	390

Source: GSO, MARD
**Post estimate*
***in-shell basis*

Crush

Post forecasts peanut crush volume at 34,000 tons in MY2022/23 and MY2023/24. This reflects the low oil extraction rate of 0.26 due to the small scale of production and limited crushing technology. Peanut crushing occurs at the household level based on family consumption in the central provinces.

Food Use Consumption

Most locally produced and imported peanuts are consumed in retail sales channels, food service, and the food processing industry (especially in the snack industry) for both domestic consumption and exports.

The recovery of the tourism sector, restaurants, foodservice providers, street vendors, wholesale and wet markets, and small retail stores is projected to drive an increase in domestic consumption of in-shell and shelled peanuts.

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[2] Marketing Year (MY) of peanuts is from January 1 to December 31.

In-shell peanuts are available from street vendors in boiled and roasted forms, at “bia hoi” (fresh draft beer) restaurants, and in wet markets during harvest season. Small retail stores usually sell raw shelled peanuts in loose format, while modern retailers, including supermarkets and hypermarkets, sell packaged raw shelled peanuts. Foodservice providers and food processors purchase peanuts in bulk.

Post forecasts total peanut consumption to increase to 535,000 tons in MY2022/23 and continue increasing to 540,000 tons in MY2023/24, due to the expected rebound of the tourism and service sectors.

Trade

Imports

According to Vietnam Customs, in MY2021/22 Vietnam imported 218,000 tons of peanuts (in-shell basis), up 1.5 percent compared to the previous year. India and Madagascar are the largest shelled peanut suppliers to Vietnam with 66 percent and 20 percent of total market share respectively. China was the major in-shell peanut supplier to Vietnam in MY2021/22 with about 2,000 tons.

The increase in imported in-shell peanuts in MY2021/22 reflects the rebound of foodservice providers, restaurants, wet markets and “bia hoi” outlets. The increase in imported shelled peanuts reflects the rebound of food and nut processors for local consumption and export in the second half of MY2021/22. According to Trade Data Monitor (TDM), global exports of prepared and preserved peanuts (HS code 200811) to Vietnam, including peanut butter, are about 1,000 tons.

Post forecasts Vietnam’s peanut (in-shell basis) imports to increase to 240,000 tons in MY2022/23 and 280,000 in MY2023/24 due to the rebound of the services and tourism sectors, nut processors, and the reopening of China market.

Table 4: Vietnam’s Peanut Imports, by HS code

Year	**2020**	**2021**	**2022**
Total in-shell peanut (MT) *(HS code 120241)*	16,304	1,222	2,319
Total shelled peanut (MT) (in-shell basis) (*HS code 120242)*	228,305	212,821	215,127
Total peanut imports (in-shell basis) (MT)	**244,609**	**214,043**	**217,446**

Source: Vietnam Customs and Post’s calculation

**Note: Conversion rate from shelled peanut into in-shell peanuts: 1.33.*

Exports

Vietnam exported 87,000 tons of peanuts (in-shell basis) in MY2021/22 according to Vietnam Customs, down 21 percent compared to the previous year. China's zero COVID policy affected border trade with Vietnam during the first half of the year. Vietnam's main export market is China, accounting for 79 percent of total exports, due to China's high consumption demand and proximity.

According to TDM, Vietnam exported 3,000 tons of prepared and preserved shelled peanuts (HS code 200811) in MY2021/22, down 25 percent compared to the previous year. This import trade data does not include Russia. Taiwan is the main importer.

Vietnam imports peanuts for border trade with China. Post forecasts peanut exports in MY2022/23 and MY2023/24 increase to 90,000 tons and 100,000 tons respectively, due to China's reopening.

Table 5: Vietnam Peanut Exports, by HS Code 200811

Year	**2018**	**2019**	**2020**	**2021**	**2022**
Shelled peanut exports (MT) (*HS code 200811)*	3,924	4,774	5,552	4,024	3,065
Peanut exports (in-shell basis) (MT)	**5,219**	**6,349**	**7,384**	**5,003**	**4,076**

Source: TDM [3]

Note: Peanuts are on an in-shell basis, including shelled peanuts HS code 200811 including peanut butter, but volume of peanut butter is negligible.

Conversion rate from shelled peanut into in-shell peanuts: 1.33.

Table 6: Vietnam's Peanuts Exports, by HS code

Year	**2020**	**2021**	**2022**
Total in-shell peanut (MT) *(HS code 120241)*	15,666	14,284	2,779
Total shelled peanut (MT) (in-shell basis) (*HS code 120242)*	94,890	90,888	80,043
Peanut exports (in-shell basis) (MT)	**110,556**	**105,172**	**82,822**

Source: Vietnam Customs and Post's calculation

**Note: Conversion rate from shelled peanut into in-shell peanuts: 1.33.*

[3] Vietnam is not a reported country in TDM. Throughout this report, every time TDM is noted, Vietnam exports refers to global imports from Vietnam and Vietnam imports refers to global exports reported to Vietnam.

Copra

Production

Vietnam's coconut planting area was about 194,000 hectares in 2022, according to MARD. Ben Tre province in the Mekong Delta is the largest coconut planting province, accounting for about 40 percent of the total coconut planted area. Coconut planted area is projected to increase as it is more profitable than other crops, according to the Ben Tre Coconut Association (BTCA). Vietnam only produces a limited amount of copra from coconut oil crushing due to low domestic demand. The main processed products are coconut milk, desiccated coconuts, canned coconut juices, and charcoal for export and domestic consumption.

The coconut black headed caterpillar (Opisina arenosella) was discovered in Ben Tre province in July 2020. According to a weekly pest report of the MARD/PPD, as of March 9, 2023, about 719 hectares in five major coconut planting provinces have been infested. The pest damages coconut leaves and nuts and can kill the trees. Treatment and technical assistance are ongoing with the engagement of research institutes and universities.

Post forecasts the average coconut yield to remain at 9,000 nuts per hectare in MY2022/23 and MY2023/24, while coconut planted area increases to 198,000 and 200,000 hectares in MY 2022/23 and MY2023/24 respectively, due to higher expected profit compared to other crops. Post forecasts the harvested area at 186,000 and 188,000 hectares in MY2022/23 and MY2023/24 respectively, because it takes four to five years from planting coconut trees to the first harvest, according to BTCA.

Vietnam's copra production is a by-product of its coconut oil production. The estimated extraction rate from milling copra to coconut oil is 64 percent.

Table 7: Coconut and Copra Production

	2020	2021	2022	2023*	2024*
Coconut planting area (thousand ha)	182.4	186	194	198	198
Coconut harvstd. area (thousand ha)	172	176	184	186	188
Average coconut yield (nuts/ha)	9,000	9,000	9,000	9,000	9,000
Coconut production (million nuts)	1,512	1,584	1,620	1,674	1,692
Coconut Oil production (MT)	9,000	10,000	10,000	10,000	10,000
Milling Copra Consumption for coconut oil crushing (MT) ***	14,000	15,000	15,000	15,000	15,000
Total Estimated Copra Production (MT)***	14,000	15,000	15,000	15,000	15,000

Source: MARD, GSO, TDM, Ben Tre Coconut Association and Coconut Processing Companies
**Post estimates*
**** based on an extraction rate of 64%*

Consumption

According to a source from Ben Tre Provincial Department of Science and Technology, there are 208 different coconut products for both food and industrial uses for both the export and domestic markets.

Industrial Use

Copra crushing plants in Ben Tre province have a total estimated annual production capacity of 10,000 tons of crude and refined oil and 3,000 tons of virgin coconut oil for the domestic and export markets. Luong Quoi Company, the largest coconut processing facility in the province, produces different coconut products with the local brand name Vietcoco along with coconut oils for cooking and cosmetic uses.

Post forecasts copra crush volume at 15,000 tons in both MY2022/23 and MY2023/24. This reflects the estimated coconut oil production.

Food Use

There is no official production data for copra, desiccated coconut, and other coconut products and their consumption in Vietnam. However, the major coconut products for food use include fresh and mature coconuts for immediate consumption and cooking, coconut milk, desiccated coconut, coconut milk powder, refined coconut oil, and coconut juice.

According to the Ben Tre Coconut Association, about 16 percent of total coconut planted area is planted to the "Dua xiem" variety, for direct consumption as fresh coconut juice for the domestic market and export. The rest are varieties that produce mature coconuts and coconuts in the inner shell for further processing into products including desiccated coconuts, coconut milk, coconut jelly, coconut candy, packaged coconut juices, butter, and selling in traditional wet markets across the country or for export.

Trade

Vietnam continues to import and export a negligible volume of copra, instead focusing on other coconut products. According to TDM, in MY2021/22, Vietnam's imports of coconuts in the inner shell and coconuts, other than desiccated, declined sharply compared to the previous year due to high local production and lower local coconut prices.

Table 8: Vietnam's Coconut Product Imports *Unit: MT*

Product group	2018	2019	2020	2021	2022
Desiccated coconuts (HS code 080111)	463	203	5,195	43,316	24,521
Coconuts in the inner shell (Endocarp) (HS code 080112)	214	2,391	34,928	24,614	605
Coconuts, other than desiccated (HS code 080119)	539	2,882	87,329	39,185	4,181
Copra (HS code 120300)	49	271	71	-	82
Coconut fibers (HS code 530500; 530511; 530519; 530810)	2,393	1,926	3,977	3,366	3,605

Source: TDM

Coconut products that are exported include desiccated coconuts, coconuts in the inner shell, coconut milk, coconut fibers, and activated charcoal. According to TDM, in MY2021/22, Vietnam's desiccated coconut exports were up 7 percent compared to the previous year, with the main export markets being Thailand and Egypt. Vietnam's exports of coconuts in the inner shell reached 230,000 tons. China is the largest importer.

In MY2021/22, Vietnam's exports of coconut products other than desiccated coconut, were down 44 percent compared to the previous year. Vietnam's exports of coconut fibers and coconut milk also declined. These declines were due to lower purchase orders from importers, according to Vietnam's Coconuts Association.

Table 9: Vietnam's Coconut Product Exports *Unit: MT*

Product group	2018	2019	2020	2021	2022
Desiccated coconuts (HS code 080111)	18,678	21,129	15,674	56,820	60,553
Coconuts in the inner shell (Endocarp) (HS code 080112)	98,133	229,750	104,980	141,057	229,718
Coconuts, other than desiccated (HS code 080119)	62,851	119,867	199,020	98,776	54,951
Copra (HS code 120300)	0	0	2	0	0
Coconut fibers (HS code 530500; 530511; 530519; 530810)	117,726	110,017	88,884	75,301	66,509
Coconut milk (HS code 21069099002/3) *	36,822	38,593	51,920	44,741	42,033

Source: TDM

**Coconut milk exports to Thailand*

According to local media, total exports of Vietnam coconut products reached $900 million in 2022. The Vietnam Coconuts Association forecasts that total coconut products exports will reach a $1 billion in the coming years.

Post forecasts an increase in exports of coconut products in MY2022/23 and MY2023/24 due to the ongoing economic rebound in the country and across the region.

Rapeseed

Production

There is no official data for rapeseed production in Vietnam. Rapeseed cultivation occurs mainly in the northern mountainous provinces as part of the tourism industry or for household consumption. Post continues to estimate the rapeseed cultivation area at 1 thousand hectares for MY2022/23 and MY2023/24[4].

Consumption

Aside from the tourism industry, rapeseed is also used for oil extraction at the household level. Post estimates very low rapeseed consumption to continue in MY2022/23 and MY2023/24.

[4] Marketing Year (MY) of rapeseed, rapeseed meal and rapeseed oil are from October to September.

MEALS SITUATION AND OUTLOOK

Soybean Meal

Production

Post forecasts SBM production in MY2022/23[5] at 1.09 million tons and MY2023/24 at 1.48 million tons. This reflects the forecasted soybean crushing volume.

Table 10: Vietnam's Soybean Meal Production

	2020	2021	2022	2023*	2024*
Total Local SBM Production (TMT)	976	1,015	1,092	1,092	1,482

*Source: Local Producers, *Post estimate.*

Feed Consumption

Table 11: Aggregates of Protein Meals on a Soybean Meal Equivalent (SME) Basis

Unit: thousand tons

	Soybean Meal Equivalent		
	MY2021/22	MY2022/23*	MY2023/24*
Soybean Meal	5,950	6,050	6,200
Rapeseed Meal	132	142	157
Copra Meal	32	43	50
Fish Meal	535	564	592

*Post estimates

Post forecasts feed consumption up in MY2022/23 and MY2023/24 due to expected increasing aqua and animal production and projected economic recovery. However, price volatility and disease threats are potential harm for animal production and aquaculture.

The livestock sector continued to grow, despite high feed prices and lingering disease problems. The General Statistics Office (GSO) reported that the total swine population in 2022 increased by 11.4 percent and its live-weight production increased by 6 percent compared to the previous year.

[5] Marketing Year (MY) of SBM is from January 1 to December 31

Hog prices declined 20 percent compared to September 2022, ranging from VND 48,000-51,000 per kg. From conversations with trade contacts, the strong pace of swine repopulation in 2022 led to high supply, in turn leading to a decline in hog prices. Hog and pork prices were low during Tet holiday which normally is the highest demand time of the year. At the same time, feed prices kept rising due to high prices for imported feed ingredients, leading to very low profits for swine farmers. Feed mills also could not raise feed prices in line with the rapid rise in feed ingredient prices, and therefore feed mills also suffered. According to traders and feed millers, the year 2023 was a period of adjustment for both the swine and feed industries, at both the large and small scale.

The input costs of swine production, including feed prices, are estimated to range from an average of VND 48,000 to 53,000 depending on whether farmers use sows or buy piglets to repopulate their herd. Due to disease challenges and low profit for family scale operations, industry contacts forecast declining swine populations for the back-yard production model, with other industry contacts estimating that commercial scale farms now account for 60 percent of the total swine population. High compound feed prices and the decline in live-weight hog prices continue to constrain small-scale swine producers from restocking.

According to MARD, total aquaculture production reached 5.16 million tons in 2022, up 6 percent compared to 2021. Catfish exports rose 8 percent in 2022 while production increased 43.7 percent compared to the previous year. Catfish prices remained high during most of 2022, but exports trended down beginning in September 2022, and sharply decreased in the first months of 2023, according to local media and Vietnam Association of Sea Exporters and Producers (VASEP). According to an industry contact, in January and February 2023, a southern catfish processor operated only three days per week due to high stocks in cold stores and limited purchase orders. The downward trend for exports is attributed to weak demand and high inflation in major export markets including U.S. and EU. China's reopening enabled increased catfish exports to that market in the first months of 2023, however. One industry contact has indicated that catfish exports are expected to increase in the third quarter of 2023.

MARD has noted that by December 2022, the total population of poultry, swine, and cattle rose to 531 million birds, 28.6 million hogs and 6.53 million cattle, respectively. MARD's plan for the year 2023 is to increase animal live-weight meat production to 7.27 million tons from 7.05 million tons and total egg production to 19.1 billion from 18.3 billion in 2022. The key challenges facing animal producers, particularly small holders, in 2023 are high projected feed prices and disease threats. According to MARD, avian influenza outbreaks occurred in 22 provinces, leading to the death or culling of 100,000 birds in 2022. ASF cases occurred in 52 provinces, leading to the death or culling of 55,000 heads of swine. According to local media, in February 2023, Ministry of Agriculture and Rural Development (MARD) announced its review of the first African Swine Fewer (ASF) commercial vaccine application in 2022 and introduced test results for the second ASF vaccine. Post forecasts that the total animal population will slightly increase in 2023 with a higher repopulation pace in the second half.

Post forecasts that feed demand in MY2022/23 will increase to 27 million tons from 26.7 million tons in 2021/22. In MY2023/24, feed demand is forecast to increase to 27.7 MMT as Vietnam's economy rebounds, particularly in the tourism and services sectors.

In Vietnam, protein meals use in feed production is very price sensitive. Feed millers are quick to substitute alternate protein sources in their feed rations based on price. Soybean meal is the major protein source in all aqua and animal feed formulations in Vietnam, ranging from a share of 15 to 35 percent of the total ingredients. Aqua feed typically contains a higher soymeal ratio in its formula compared to animal feed.

Post forecasts feed use of SBM to increase to 6.05 million tons in MY2022/23 and continue to increase to 6.15 million tons in MY2023/24, reflecting forecasts for feed production.

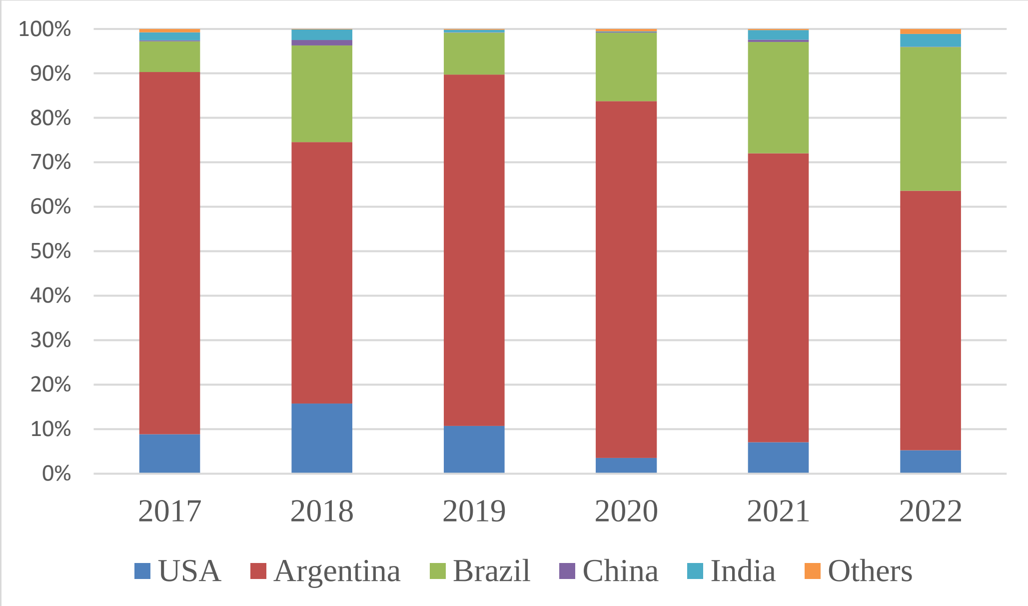
Trade

Imports

In MY2021/22, Vietnam imported 5.16 million tons of SBM, remaining flat compared to MY2020/21. Argentina is the largest supplier, accounting for almost 58.4 percent of SBM imports due to lower prices. The second largest SBM supplier to Vietnam is Brazil, accounting for 32.3 percent of the total market share. The United States is the third largest exporter, with a total of 270,000 tons in MY2021/22.

Post forecasts SBM imports in MY2022/23 will increase slightly to 5.2 million tons due to projected higher consumption. SBM imports are estimated to decrease to 4.8 million tons in MY2023/24 due to the projected increase in local SBM production as new crush capacity comes online.

Table 12: Total Soybean Meal* Suppliers Market Share 2017-2022



Source: TDM data and Vietnam Customs

**Note: Soybean meal (HS code: 2304), and other residues from soybeans (HS Code: 230250), and soy flour (HS code 120810)*

Exports

According to AgroMonitor, Vietnam exported 115,000 tons of SBM in MY2021/22. Cambodia continued to be the main Vietnam export market as Cambodia lacks a port, making it costly to directly import SBM from other international sources.

Post forecasts SBM exports in MY2022/23 at 120,000 tons on consistent demand from Cambodia, increasing to 200,000 tons in MY2023/24 due to higher availability on increased crush.

Other Meals

Production

Post forecasts copra meal production at 5,000 tons for both MY2022/23 and MY2023/24, based on the estimated volume of coconut oil exports.

Catfish processors use up to 40 percent of the total fish weight for fillet products. The by-products including fish head, tails, offal, and skin, are manufactured into fishmeal. Inputs for fishmeal production also include marine captured anchovies. Vietnam needs more investment in research and development in order to be able to produce high quality products from those by-products, according to the Vietnam Association of Seafood Exporters and Producers (VASEP).

Most fishmeal producers in Vietnam are located in the south, in close proximity to input suppliers at the fishing ports and the fish processors, including catfish processors. Post has revised local fishmeal production up to a total of 530,000 tons in MY2021/22 due to increased catfish production. Fishmeal production is estimated to increase further to 530,000 tons in MY2022/23 and to continue to increase to 540,000 tons in MY2023/24 following further increases in catfish production.

Trade

Imports

Fishmeal is used as a high-protein ingredient for shrimp feed and animal feed (sows and piglets), according to an industry source. According to TDM, Vietnam fishmeal imports in MY2021/22 were 128,000 tons, up 20 percent compared to MY2020/21 due to increased catfish and shrimp production. South Korea, Peru, and India are the top three fishmeal suppliers to Vietnam.

Post forecasts fishmeal imports will increase to 130,000 tons in MY2022/23 and continue to increase to 135,000 tons in MY2023/24[6] due to the increased feed demand for shrimp, fish, sows, and piglets.

According to TDM, Vietnam's rapeseed meal imports were 178,000 tons in MY2021/22, an increase of 14 percent compared to MY2020/21. India is the largest supplier of rapeseed meal to Vietnam with 83 percent of total market share, followed by Pakistan with 13 percent. Post forecasts rapeseed meal imports to increase to 200,000 tons and 220,000 tons in MY2022/23 and MY2023/24 in line with forecasts for total feed demand and due to its lower price compared to other ingredients.

Copra meal imports were 70,000 tons in MY2021/22, an increase of 24 percent compared to the previous year. Indonesia and the Philippines were the two major suppliers of copra meal to Vietnam. Post forecasts copra meal imports in MY2022/23 at 90,000 tons and up to 110,000 tons in MY2023/24 following the estimated total feed demand and due to its lower price.

Exports

Fishmeal exports reached 283,000 tons in MY2021/22, up 21 percent compared to the previous year. China remains the largest market.

Post forecasts fishmeal exports in MY2022/23 and MY2023/24 at 260,000 tons, with China being the largest export destination. Vietnam exports low-protein fishmeal, while importing high-protein fishmeal.

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[6] Marketing Year (MY) of fishmeal is from January 1 to December 31.

OILS SITUATION AND OUTLOOK

Production

Post forecasts total Vietnam refined vegetable oil production at 1.58 million tons in MY2022/23 and 1.7 million tons in MY2023/24 due to increasing crushing capacity, domestic consumption, and exports.

Post forecasts local soy oil production to increase to 257,000 tons in MY2022/23, and to continue increase to 362,000 tons MY2023/24 due to increasing soybean crush. Rice bran oil production is forecast to increase in MY2022/23. According to sources in the oil industry, rice bran oil production is in high demand for home cooking due to its high quality and economical price.

Table 13: **Refined Vegetable Oil Production in Vietnam**

Year	**2020**	**2021**	**2022**	**2023***	**2024***
Refined vegetable oil (TMT)	1,347	1,420	1,500	1,580	1,700

*Source: GSO, *Post estimates and local producers*

The domestic price of peanut oil is not competitive with other vegetable oils for household cooking, industrial canteen cooking, or the food services. Currently, domestic peanut oil is about $5-6 USD per liter while other vegetable oils range from $1.50 to 2.50 USD a liter.

Table 14: Peanut Oil Production

	2020	**2021**	**2022**	**2023***	**2024***
Peanut oil production (MT)	7,900	8,200	8,500	8,700	8,700

*Source: GSO, *Post estimate*

Food Consumption

Palm oil is used widely in the food service and food processing sector because of its low price. Post projects a higher use of palm oil in the food processing and food service sectors in MY2022/23 and MY2023/24 as the tourism and services sectors rebound.

Post forecasts refined vegetable oil consumption at 1.35 million tons in MY2022/23 and 1.4 million tons in MY2023/24 as the food service and tourism sectors rebound. There is room for continued growth in oil consumption, since vegetable oil consumption per capita in Vietnam is about 13 kg, lower than the recommended international level of 13.7 kg. The OECD projects Vietnam's vegetable oil consumption per capita could increase to 18 kg.

Trade

Imports

Table 15: **Imported Vegetable Oils to Vietnam (thousand metric tons - TMT)**

Year	**2020**	**2021**	**2022**	**2023***	**2024***
Palm oil	1,005	915	995	1,000	1,050
Soy oil	45	75	55	80	10
Rapeseed oil	4	3	4	4	4
Coconut oil	4	4	4	4	4

Source: TDM
** Post estimates*

According to TDM, in MY2021/22, Vietnam imported 995,000 tons of palm oil, up 8.7 percent compared to the previous year due to the economic rebound from COVID-19. Palm oil accounted for about 94 percent of the total vegetable oil imports in MY2021/22 due to its low price. The two main palm oil suppliers are Indonesia and Malaysia.

Post forecasts palm oil imports in MY2022/23 to increase to 1 million tons due to projected higher use of palm oil in the food processing and food service sectors along with exports. Post forecasts that palm oil imports will increase in MY2023/24 due to projected higher consumption and exports.

Post forecasts soy oil imports increase to 80,000 tons in MY2022/23 due to increasing soy oil consumption and exports. By contrast, Post forecasts soy oil imports will decrease in MY2023/24 as new crush facilities come online, increasing local production of soybean oil.

Exports

According to TDM, in MY2021/22, Vietnam exported about 59,000 metric tons of soybean oil, with South Korea accounting for 77 percent of total exports. Vietnam exported 10,000 tons of coconut oil, with the United States, Canada, and China as the top three importers. Cambodia is continuing to increase their imports of soy and palm oil from Vietnam.

Table 16: **Vietnam Exported Vegetable Oils to Cambodia (thousand metric tons - TMT)**

Year	**2018**	**2019**	**2020**	**2021**	**2022***
Palm oil	39	42	52	76	86
Soy oil	0.5	1	1.5	3	5

Source: TDM – Annual Series and Vietnam as reporter.
** Post forecast*

Post forecasts soy oil exports to increase to 75,000 tons in MY2022/23 and continue to increase to 100,000 tons in MY2023/24 following the projected increase in domestic soy oil production.

Post forecasts palm oil exports to increase to 90,000 tons in MY2022/23 and 100,000 tons in MY2023/24, with Cambodia as the main export market.

Post forecasts coconut oil exports at 10,000 tons in both MY2022/23 and MY2023/24.

Oilseed, Soybean	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	30	0	30	30	0	28
Area Harvested (1000 HA)	33	33	30	30	0	0
Beginning Stocks (1000 MT)	471	471	333	312	0	300
Production (1000 MT)	53	52	48	48	0	45
MY Imports (1000 MT)	1839	1839	2050	2000	0	2550
Total Supply (1000 MT)	2363	2362	2431	2360	0	2895
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	1350	1350	1400	1350	0	1900
Food Use Dom. Cons. (1000 MT)	500	520	520	530	0	550
Feed Waste Dom. Cons. (1000 MT)	180	180	180	180	0	180
Total Dom. Cons. (1000 MT)	2030	2050	2100	2060	0	2630
Ending Stocks (1000 MT)	333	312	331	300	0	265
Total Distribution (1000 MT)	2363	2362	2431	2360	0	2895
Yield (MT/HA)	1.6061	1.5758	1.6	1.6	0	0
(1000 HA) ,(1000 MT) ,(MT/HA)						

Oilseed, Peanut	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	160	159	155	155	0	150
Beginning Stocks (1000 MT)	61	61	27	44	0	25
Production (1000 MT)	400	410	388	400	0	390
MY Imports (1000 MT)	166	218	280	240	0	280
Total Supply (1000 MT)	627	685	695	684	0	695
MY Exports (1000 MT)	15	87	15	90	0	100
Crush (1000 MT)	60	33	60	34	0	34
Food Use Dom. Cons. (1000 MT)	525	525	580	535	0	540
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	585	558	640	569	0	574
Ending Stocks (1000 MT)	27	44	40	25	0	21
Total Distribution (1000 MT)	627	685	695	684	0	695
Yield (MT/HA)	2.5	2.5786	2.5032	2.5806	0	2.6
(1000 HA) ,(1000 MT) ,(MT/HA)						

Oilseed, Copra	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	194	0	198	0	200
Area Harvested (1000 HA)	180	184	184	186	0	188
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	8	8	20	8	0	8
Production (1000 MT)	288	15	288	15	0	15
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	296	23	308	23	0	23
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	276	15	288	15	0	15
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	276	15	288	15	0	15
Ending Stocks (1000 MT)	20	8	20	8	0	8
Total Distribution (1000 MT)	296	23	308	23	0	23
Yield (MT/HA)	1.6	0.0815	1.5652	0.0806	0	0.0798
(1000 HA) ,(1000 TREES) ,(1000 MT) ,(MT/HA)						

Oilseed, Rapeseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	1	0	1	0	1
Area Harvested (1000 HA)	1	1	1	1	0	1
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	2	2	2	2	0	2
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	2	2	2	2	0	2
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	2	2	2	2	0	2
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	2	2	2	2	0	2
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	2	2	2	2	0	2
Yield (MT/HA)	2	2	2	2	0	2
(1000 HA) ,(1000 MT) ,(MT/HA)						

Meal, Soybean	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1350	1350	1400	1350	0	1900
Extr. Rate, 999.9999 (PERCENT)	0.78	0.78	0.78	0.78	0	0.78
Beginning Stocks (1000 MT)	401	401	237	462	0	460
Production (1000 MT)	1053	1053	1092	1053	0	1482
MY Imports (1000 MT)	5163	5163	5300	5200	0	4800
Total Supply (1000 MT)	6617	6617	6629	6715	0	6742
MY Exports (1000 MT)	120	120	120	120	0	200
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	80	85	85	85	0	85
Feed Waste Dom. Cons. (1000 MT)	6180	5950	6175	6050	0	6150
Total Dom. Cons. (1000 MT)	6260	6035	6260	6135	0	6235
Ending Stocks (1000 MT)	237	462	249	460	0	307
Total Distribution (1000 MT)	6617	6617	6629	6715	0	6742
(1000 MT) ,(PERCENT)						

Meal, Copra	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	276	15	288	15	0	15
Extr. Rate, 999.9999 (PERCENT)	0.3514	0.3333	0.3507	0.3333	0	0.3333
Beginning Stocks (1000 MT)	9	9	10	13	0	12
Production (1000 MT)	97	5	101	5	0	5
MY Imports (1000 MT)	50	70	50	90	0	110
Total Supply (1000 MT)	156	84	161	108	0	127
MY Exports (1000 MT)	1	1	1	1	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	145	70	150	95	0	110
Total Dom. Cons. (1000 MT)	145	70	150	95	0	110
Ending Stocks (1000 MT)	10	13	10	12	0	17
Total Distribution (1000 MT)	156	84	161	108	0	127
(1000 MT) ,(PERCENT)						

Meal, Rapeseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	2	2	2	2	0	2
Extr. Rate, 999.9999 (PERCENT)	0.5	0.5	0.5	0.5	0	0.5
Beginning Stocks (1000 MT)	24	24	15	18	0	19
Production (1000 MT)	1	1	1	1	0	1
MY Imports (1000 MT)	165	178	155	200	0	220
Total Supply (1000 MT)	190	203	171	219	0	240
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	175	185	150	200	0	220
Total Dom. Cons. (1000 MT)	175	185	150	200	0	220
Ending Stocks (1000 MT)	15	18	21	19	0	20
Total Distribution (1000 MT)	190	203	171	219	0	240
(1000 MT) ,(PERCENT)						

Meal, Fish	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Catch For Reduction (1000 MT)	0	0	0	0	0	0
Extr. Rate, 999.9999 (PERCENT)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	18	18	23	23	0	33
Production (1000 MT)	530	530	440	530	0	540
MY Imports (1000 MT)	128	128	150	130	0	135
Total Supply (1000 MT)	676	676	613	683	0	708
MY Exports (1000 MT)	283	283	190	260	0	260
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	370	370	390	390	0	410
Total Dom. Cons. (1000 MT)	370	370	390	390	0	410
Ending Stocks (1000 MT)	23	23	33	33	0	38
Total Distribution (1000 MT)	676	676	613	683	0	708
(1000 MT) ,(PERCENT)						

Oil, Soybean	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1350	1350	1400	1350	0	1900
Extr. Rate, 999.9999 (PERCENT)	0.1904	0.1904	0.19	0.1904	0	0.1905
Beginning Stocks (1000 MT)	68	68	56	51	0	33
Production (1000 MT)	257	257	266	257	0	362
MY Imports (1000 MT)	60	55	80	80	0	10
Total Supply (1000 MT)	385	380	402	388	0	405
MY Exports (1000 MT)	59	59	75	75	0	100
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	270	270	275	280	0	285
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	270	270	275	280	0	285
Ending Stocks (1000 MT)	56	51	52	33	0	20
Total Distribution (1000 MT)	385	380	402	388	0	405
(1000 MT) ,(PERCENT)						

Oil, Coconut	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	276	15	288	15	0	15
Extr. Rate, 999.9999 (PERCENT)	0.6449	0.6667	0.6424	0.6667	0	0.6667
Beginning Stocks (1000 MT)	15	15	10	15	0	15
Production (1000 MT)	178	10	185	10	0	10
MY Imports (1000 MT)	4	4	4	4	0	4
Total Supply (1000 MT)	197	29	199	29	0	29
MY Exports (1000 MT)	10	10	10	10	0	10
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	177	4	178	4	0	4
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	177	4	178	4	0	4
Ending Stocks (1000 MT)	10	15	11	15	0	15
Total Distribution (1000 MT)	197	29	199	29	0	29
(1000 MT) ,(PERCENT)						

Oil, Palm	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0	0
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	82	82	93	80	0	63
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	968	995	1000	1000	0	1050
Total Supply (1000 MT)	1050	1077	1093	1080	0	1113
MY Exports (1000 MT)	0	80	0	90	0	100
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	950	910	960	920	0	950
Feed Waste Dom. Cons. (1000 MT)	7	7	7	7	0	7
Total Dom. Cons. (1000 MT)	957	917	967	927	0	957
Ending Stocks (1000 MT)	93	80	126	63	0	56
Total Distribution (1000 MT)	1050	1077	1093	1080	0	1113
Yield (MT/HA)	0	0	0	0	0	0
(1000 HA) ,(1000 TREES) ,(1000 MT) ,(MT/HA)						

Oil, Rapeseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	2	2	2	2	0	2
Extr. Rate, 999.9999 (PERCENT)	0.5	0.5	0.5	0.5	0	0.5
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	1	1	1	1	0	1
MY Imports (1000 MT)	3	4	3	5	0	5
Total Supply (1000 MT)	4	5	4	6	0	6
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	4	5	4	6	0	6
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	4	5	4	6	0	6
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	4	5	4	6	0	6
(1000 MT) ,(PERCENT)						

Attachments:

No Attachments