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Report Highlights:

Post revises its coffee production forecast for Marketing Year (MY) 2014/15 to 29.3 million 60-kg bags (bags), or 1.76 Million Metric Tons (MMT) of green coffee beans, a slight drop from the previous crop due to lower yield and production loss in some Arabica growing areas. Post's total coffee export forecast for MY 2014/15 is 26.6 million bags (1.59 MMT) Green Bean Equivalent (GBE).

Post also revises its coffee production estimate in MY 2013/14 at about 29.8 million bags, or 1.79 MMT of green coffee, a slight increase from Post's previous estimate, due to a larger than anticipated area expansion from 2013 to 2014. Total coffee exports for MY 2013/14 is estimated at 26.8 million bags, or 1.6 MMT GBE, an all-time record, due to record exportable supply.

Executive Summary:

Vietnam will begin this Marketing Year (MY2014/15) with very high beginning stocks, following record production and slow export pace during the first four months of the previous MY (MY2013/14). Although export pace picked up the last eight months of the last MY, stocks are forecast at a record high at just about 3.6 million bags (approximately 218 thousand metric tons (TMT)).

Vietnam's coffee cultivated area continues to expand in major coffee growing areas, despite the Government of Vietnam (GOV)'s recommendation to maintain area at 500,000 hectares (ha). Post's estimate (taking into account information from the Ministry of Agriculture and Rural Development, Provincial Departments of Agriculture and Rural Development, and the local coffee industry) puts total coffee area at 670,000 ha in 2014, a 5 percent rise from 2013. Actual coffee area likely exceeds the GOV's official estimate and trader estimates.

Based on very good weather this growing year, Post revises its forecast of MY2014/15 production up slightly to 29.3 million bags, or 1.76 MMT, a slight drop from the record production of the previous MY due to slightly lower Robusta yield and weather-induced yield loss in some Arabica growing areas. Post forecasts MY 2014/15 total exports at 26.6 million bags, or 1.59 MMT GBE, slightly below the previous MY due to anticipated increased export competition from India and Indonesia.

Post also revises its estimate of coffee production in MY 2013/14 up to 29.8 million bags or 1.79 MMT, a record level. Given record production and record exportable supply, green bean and total exports for MY 2013/14 are also revised upwards to 25.8 million bags or 1.55 MMT, and 26.8 million bags (1.6 MMT) GBE, respectively.

Post maintains its estimate of MY 2014/15 domestic consumption at 2.08 million bags, or 125 TMT GBE, a growth rate of about 4 percent year-on-year.

Commodities:

Coffee, Green

Production:

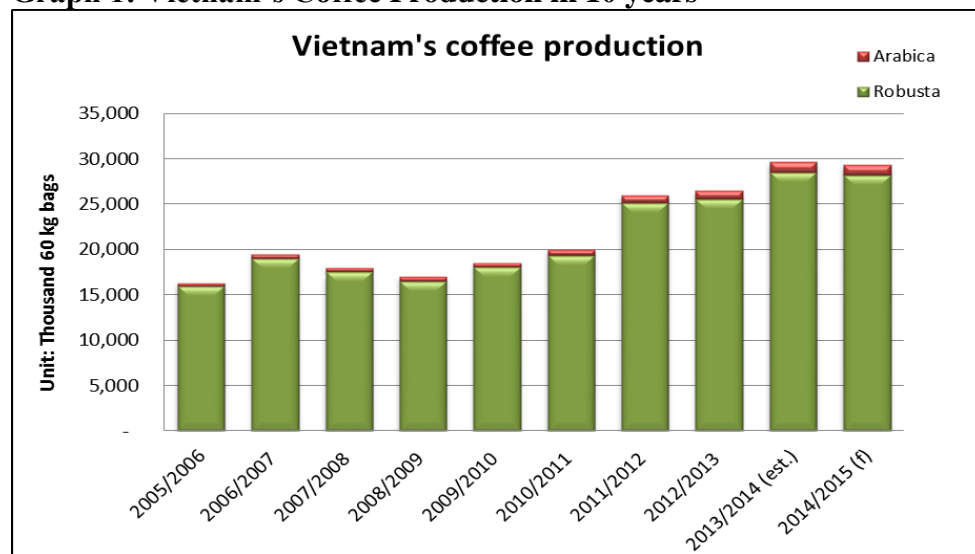
Coffee cultivated area continues to expand in the major coffee growing areas in Vietnam, especially in Dak Nong, Gia Lai and Lam Dong (mainly Robusta coffee areas), according to local exporters and traders. Post updates the coffee growing areas based on estimates from MARD, Provincial Departments of Agriculture and Rural Development, and local coffee industry in Table 2 and Graph 2. In MY 2014/15, Vietnam's total coffee area is estimated at 670,000 ha, a 5.4 percent increase from 636,000 ha in 2013. In 2014, Arabica cultivation, mainly in Lam Dong, Son La, and Quang Tri provinces, is estimated at about 45,000 ha, accounting for about 6.7 percent of total coffee area. Vietnamese farmers continue to expand coffee area in response to high world prices.

Local growers and exporters observed that the weather, overall, was quite favorable for the development of coffee trees during the 2014/15 crop. The Central Highlands (Dak Lak, Gia Lai and Kontum Provinces) received good rains from the middle of April until August. After persistent rains, better sunshine in late August and early September provided for fairly good cherry development.

According to some local exporters, coffee yield is forecasted to be slightly lower, but that loss is almost fully made up by continued area expansion. Some growers reported yield loss due to the coffee trees

being stressed by the record production the previous MY. Additionally, some Arabica areas were damaged by cold weather and / or partial dryness. Although Post is forecasting Arabica production to drop 7 percent to almost 1.1 million bags (about 66 TMT), overall coffee production will remain very high. Post revises its forecast for MY2014/15 production up slightly to 1.76 MMT or 29.3 million bags.

Graph 1: Vietnam's Coffee Production in 10 years



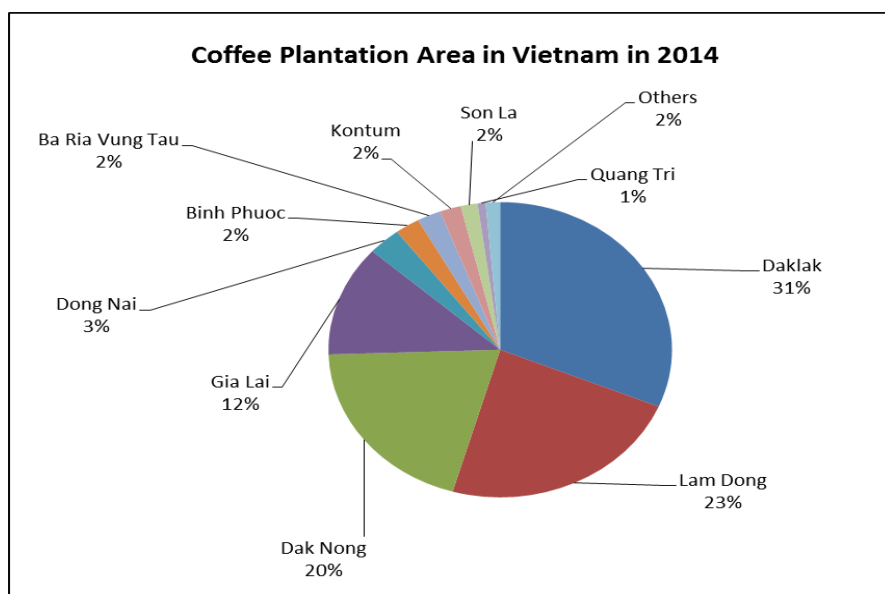
Source: USDA, Local exporters, Post Estimates

Table 1: Coffee Production by Marketing Year (Oct.-Sept.)

	MY2012/13	MY2013/14 estimate		MY2014/15 forecast	
		Old	New	Old	New
Marketing year begins	Oct. 2012	Oct. 2013		Oct. 2014	
Production (green bean, thousand metric tons)	1,590	1,740	1,790	1,750	1,760
Average coffee yield (tons/ha)	2.47	2.68	2.67	2.61	2.62

Source: Post estimates

Graph 2: Vietnam's Coffee Plantation Provinces in 2014



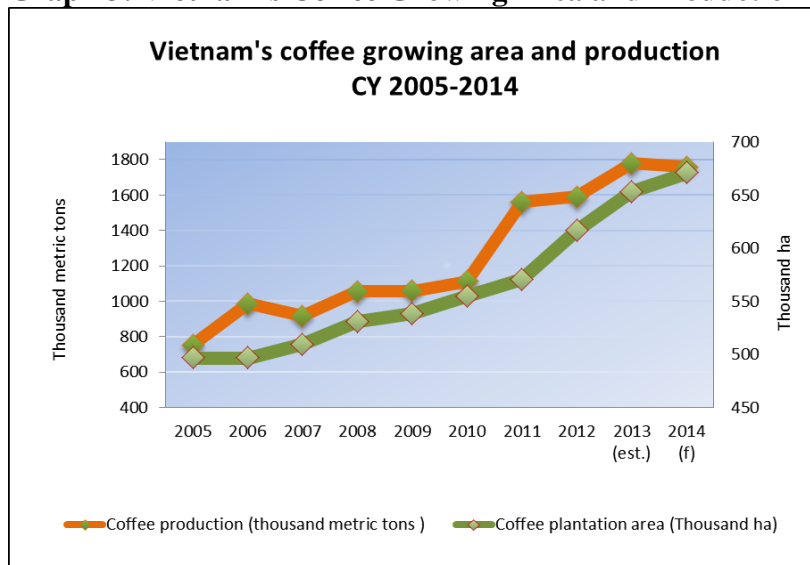
Sources: MARD, Provincial Departments of Agriculture and Rural Development (DARD), Local exporters

Table 2: Vietnam's Approximate Coffee Areas by Provinces

Province	Approximate Coffee Area in 2013	Approximate Coffee Area in 2014	Target Coffee Area by 2020
		New update	
Daklak	207,152	209,760	170,000
Lam Dong	151,565	155,365	135,000
Dak Nong	122,278	134,240	69,000
Gia Lai	77,627	81,374	73,000
Dong Nai	20,000	20,800	13,000
Binh Phuoc	14,938	15,646	8,000
Ba Ria Vung Tau	7,071	15,000	5,000
Kontum	12,158	13,381	12,500
Son La	9,000	10,650	5,000
Quang Tri	5,050	5,050	5,000
Dien Bien	3,385	3,385	4,500
Others	5,700	5,700	n/a
Total	635,924	670,351	500,000

Sources: Provincial DARDs, MARD, Local exporters, Local traders.

Graph 3: Vietnam's Coffee Growing Area and Production



Sources: General Statistics Office (GSO), MARD, Local exporters, Post Estimates

Consumption:

Post forecasts domestic consumption to continue to grow, reflecting the expanding retail coffee shop industry. According to Euromonitor, the number of dedicated coffee shops in Vietnam increased from 7,100 locations to 10,100 locations from 2007 to 2012, this robust growth is mirrored in other retail food service subsectors which serve coffee. In Vietnam, the majority of cafés serve Robusta coffee, produced in the conventional “drip” format. However, western coffee shops are continuing to expand, offering many Arabica based coffee drinks. Take-away coffee is becoming more popular, as a convenient way for working adults to have their coffee. According to local industry, roughly two-thirds of domestic coffee consumption are roast and ground coffee products and one-third is instant coffee products.

Given the above factors, Post maintains its estimate for domestic consumption at 2 million bags, or 120 TMT GBE in MY 2013/14. The expanding coffee retail sector will contribute to stronger consumption growth next MY, and into the foreseeable future. Post also maintains its forecast for domestic consumption in MY2014/15 at 2.1 million bags, or 125 TMT GBE, an increase of 4 percent over the previous MY.

Trade:

Exports:

According to data from MARD, Global Trade Atlas (GTA), and local traders, Vietnam exported a record, 25.8 million bags, or 1.55 MMT of green coffee beans in MY 2013/14, an increase of about 8.3 percent from the previous MY (See Table 6 and Graph 4). Export volume increased significantly from February 2014 to the end of the MY as export prices increased and farmers began to sell their stocks. Although the government imposed stricter enforcement of truck weight limits in different areas, which reportedly focused on the Central Highlands and affected the movement of coffee to ports in Southern Vietnam, monthly exports still exceeded monthly exports during the previous MY for each month after January.

Post estimates MY 2013/14 total coffee exports, including green beans, roasted and ground, and instant coffee, at 26.8 million bags GBE, or 1.6 MMT GBE, due to record green bean exports and increasing processed coffee product exports. Soluble, instant coffee exports grew about 20 percent in MY 2013/14 to 900,000 bags or about 54 TMT GBE.

Vietnam's processed coffee products, roasted and ground, and instant coffee exports have grown significantly in recent years. China, Philippines, Russia, South Korea, Japan, Taiwan, Israel, and the U.S. have become important export markets for Vietnam's instant and roasted and ground coffee. Post estimates that MY 2013/14 processed coffee product exports (including roast and ground, and instant coffee) will increase to 1,020 thousand bags, or 61 TMT of GBE, about a 19 percent increase over the previous year due to growing instant coffee exports. Note that the figures in Table 5 reflect the total volume of coffee product exports which includes other ingredients, including creamer and sugar.

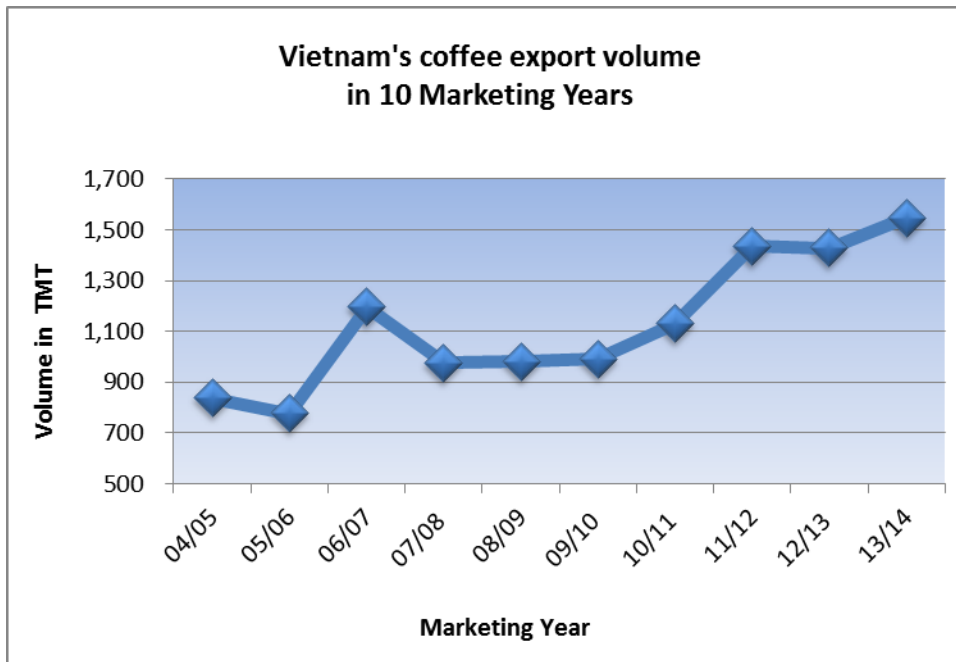
Post estimates MY 2014/15 total coffee exports at 26.6 million bags, or 1.59 MMT GBE. Although exportable supplies are forecast at a record level in MY 2014/15, total exports are forecast slightly below the previous MY due to anticipated increased export competition from India and Indonesia (See PSD Table 8).

Table 3: Vietnam's Green Coffee Bean Exports, MY 2011/12 – MY 2013/14

Month	2011/12	2012/13	2013/14	% Change MY 2013/14 over MY2012/13
Volume	(TMT)	(TMT)	(TMT)	%
Oct.	58	118	89	-25%
Nov.	79	112	76	-32%
Dec.	124	125	118	-0.6%
Jan.	121	163	117	-28%
Feb.	168	131	135	3%
Mar.	161	141	205	45%
April	132	135	188	39%
May	160	121	136	12%
June	121	103	113	10%
July	115	110	129	17%
Aug.	106	93	125	34%
Sept.	91	75	115	53%
Grand Total	1,436	1,427	1,546	8.3%

Sources: MARD, GTA, Local traders

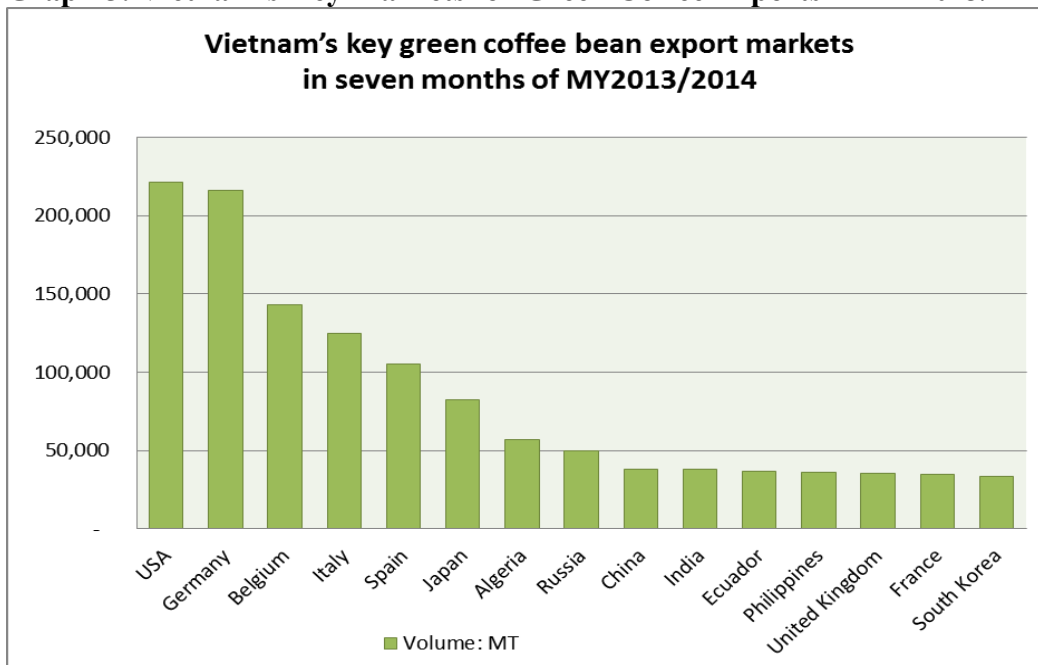
Graph 4: Vietnam's Green Coffee Bean Export Volume (10 Marketing Years)



Sources: MARD, Vicofa, GTA, Local traders

In MY 2013/14, Vietnam exported coffee beans to 73 countries worldwide. The top fifteen markets accounted for 71 percent of total green coffee bean exports, down from 83 percent of total green bean exports the previous year. The United States remained the largest importer of Vietnamese green coffee beans; Germany remained the second largest importer (see Graph 5 and Table 5).

Graph 5: Vietnam's Key Markets for Green Coffee Exports in MY2013/14



Sources: MARD, GTA, Local exporters

According to official data from Vietnam's General Customs Office (GCO), General Statistics Office (GSO), and MARD, in MY 2013/14, Vietnam exported 1.65 MMT (all types of coffee products, including green bean, roast and ground, and instant coffee) valued at about \$3.35 billion. This is an increase of 14.7 percent in volume and 10 percent in value over the previous MY (see Table 4).

Table 4: Vietnam's Coffee Product Exports (all coffee), MY 2011/12-MY 2013/14

Month	2011/12 (Begin: Oct. 2011)		2012/13 (Begin: Oct. 2012)		2013/14 (Begin: Oct. 2013)		% Change MY 2013/14 over MY 2012/13	
	Volume (TMT)	Value (\$ million)	Volume (TMT)	Value (\$ million)	Volume (TMT)	Value (\$ million)	Volume (%)	Value (%)
Oct.	32	73	103	230	61	123	-41%	-47%
Nov.	71	149	128	262	79	141	-38%	-46%
Dec.	157	325	163	330	135	253	-17%	-23%
Jan.	118	241	219	455	143	265	-35%	-42%
Feb.	206	428	100	219	184	350	84%	60%
Mar.	210	440	158	354	278	568	76%	60%
Apr.	169	356	111	243	223	471	101%	94%
May	205	435	117	253	137	299	17%	18%
Jun.	141	304	88	186	108	238	23%	28%
Jul.	117	256	91	194	89	196	-2.2%	1%
Aug.	103	230	84	179	98	217	17%	21%
Sep.	71	160	64	136	100	226	56%	66%
Grand Total	1,600	3,397	1,426	3,041	1,635	3,347	14.7%	10%

Sources: General Customs Office (GCO), General Statistics Office (GSO), MARD

Table 5: U.S. Coffee Product Imports from Vietnam (All Types)

	MY 2011/2012 (Oct.11 – Sept. 12)		MY 2012/2013 (Oct.12 – Sept. 13)		MY 2013/2014 (Oct. 13- Sept. 14)	
Product	Value ('000 \$)	Qty. (MT)	Value ('000 \$)	Qty. (MT)	Value ('000 \$)	Qty. (MT)
Coffee, Not Roasted (HS code 090111)	\$570,151	244,966	\$457,973	215,728	\$424,076	205,790
Coffee Not roasted Def. (HS code 090112)	\$33,595	9,860	\$39,141	12,983	\$48,228	15,675
Coffee, Roasted (HS code-090121)	\$4,703	1,403	\$ 4,841	1,349	5,715	1,341
Coffee, Roasted, Def. (HS code 090122)	\$5,249	1,772	\$1,578	478	\$139	26
Coffee Husks and skins (HS code 090190)	\$74	23	\$5.4	1	\$13	2.6
Coffee Extracts, Instant coffee (HS code 210111)	\$2,943	442	\$6,389	927	\$7,907	1,220
Coffee Extracts and Preparations (HS code 210112)	\$ 4,162	1,376	\$ 5,025	1,561	\$6,224	2,019
Total	\$620,877	259,842	\$514,952	233,027	\$492,302	226,074

Sources: GTA, Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

Imports:

Vietnam continues to import small quantities of green coffee, as well as roasted and instant coffee, from countries such as Laos, Indonesia, China and the United States. Vietnam's import of green coffee from

the United States has increased in the past couple of years due to the expanding coffee retail sector; both Starbucks and McCafé have established operations in Vietnam in the last two years. According to data from traders, GCO, and GTA, total green coffee imports in MY 2013/14 are estimated at 476,000 bags, or about 28.6 TMT GBE (See Tables 8, 10). Post's revises MY 2013/14 total coffee imports to 648,000 bags, or about 38.9 TMT GBE, down 21 percent from the MY 2012/13 level.

Post's MY 2014/15 forecast for total coffee imports are 622,000 bags, or about 37.3 TMT GBE. A decrease in green bean imports will drive total imports down 4 percent in MY 2014/15.

PRICES

Export prices:

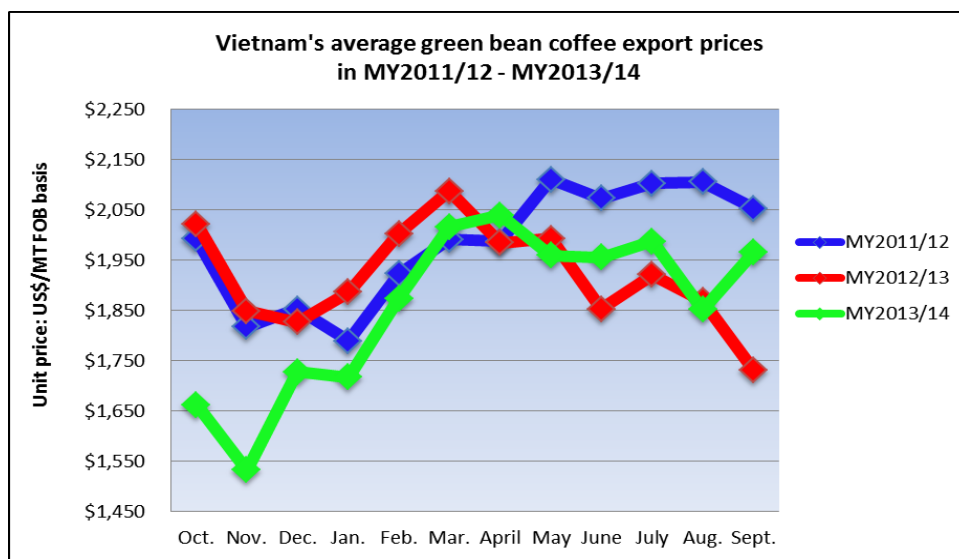
The average export price of Vietnam's Robusta coffee in MY 2013/14 was \$1,858/MT (FOB HCMC), a drop of 3 percent from the previous MY (\$1,919/MT), and 6 percent from MY 2011/12 (see Table 6, Graph 6). The decline can be attributed to a significant drop in world prices in the first five months of this MY. World and Vietnamese coffee prices started increasing in February and have been fairly stable until the end of the MY.

Table 6: Average Export Prices for Green Coffee in five MY (2009/10-2013/14)

FOB HCMC City price for common ungraded coffee beans (US\$/MT)	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Avg. export price for MY (Oct. - Sept.)
MY 2011/12	\$1,993	\$1,818	\$1,853	\$1,790	\$1,923	\$1,992	\$1,988	\$2,111	\$2,073	\$2,103	\$2,106	\$2,053	\$1,984
MY 2012/13	\$2,022	\$1,849	\$1,827	\$1,887	\$2,003	\$2,088	\$1,985	\$1,994	\$1,853	\$1,921	\$1,870	\$1,731	\$1,919
MY 2013/14	\$1,663	\$1,533	\$1,728	\$1,718	\$1,874	\$2,017	\$2,040	\$1,960	\$1,956	\$1,988	\$1,852	\$1,967	\$1,858
% change MY2013/14 over MY2012/13	-17.8%	-17%	-5.4%	8.9%	6.4%	3.4%	2.8%	1.7%	5.6%	3.5%	0.9%	13.6%	-3.2%

Source: Dak Lak Trade, Investment & Tourism Promotion Center (Daktip); Vicofa; BCEC and Exporters

Graph 6: Average Export Prices for Green Coffee, MY11/12 - MY13/14



Sources: Daktip, Vicofa, BCEC, and Local Exporters

Graph 7: Average Export Prices for Vietnamese Green Coffee, MY90/91 – MY13/14



Source: Daktip, Vicofa, BCEC, and local exporters

Vietnam coffee growers and local exporters remain profitable despite the large crops in MY 2012/13 and 2013/14, due to rising world prices, attributed to the drought problems in Brazil. This trend will continue into MY2014/15. The average export price in October 2014 was \$2,072/MT, a rise of 5.3 percent over the previous month, and up 24.6 percent over the same month a year ago (\$1,663/MT). On November 4, 2014, the export price was \$2,011/MT (FOB Ho Chi Minh City basis) for ungraded Robusta green beans, according to the local coffee industry. The high prices will spur larger early season exports compared to the past two MYs.

Domestic prices:

Vietnam's average domestic coffee price for Robusta common ungraded coffee beans in MY2013/14 was VND37,472/kg (\$1.77) in Dak Lak province, VND 36,970/kg (\$1.74) in Lam Dong province, VND37,506/kg (\$1.77) in Gia Lai province, and VND 37,379/kg (\$1.76) in Dak Nong province, the largest coffee growing areas in Vietnam (See Table 10). Prices dipped in November 2013 as the main

harvest began but then steadily increased in December stabilizing by March 2014 between VND39,000 and 40,800/kg.

Table 7: MY2013/14 Prices for Robusta Beans in Major Coffee Growing Provinces

Common coffee beans (VND/kg)	Oct. 2013	Nov. 2013	Dec. 2013	Jan. 2014	Feb. 2014	Mar. 2014	Apr. 2014	May 2014	June 2014	July 2014	Aug. 2014	Sept. 2014	Average price for MY 2013/14
Dak Lak	34,636	30,933	34,594	33,994	36,495	40,210	40,835	39,356	39,465	40,088	39,295	39,760	37,472
Lam Dong	34,220	30,695	34,239	33,683	36,190	39,767	40,020	39,056	38,815	39,542	38,537	38,875	36,970
Gia Lai	34,812	31,067	34,617	34,089	36,665	40,176	40,850	39,322	39,295	40,054	39,247	39,880	37,506
Dak Nong	34,664	29,800	34,656	34,111	36,690	40,186	40,840	39,367	39,210	40,142	39,216	39,660	37,379

Source: Vicofa, Buon Ma Thuot Coffee Exchange Center (BCEC), Daktip and local exporter.

Exchange rate: US\$1 = VND 21,200 as of Oct. 31, 2014 (Source: The State Bank of Vietnam)

Average farm gate prices in Dak Lak and Lam Dong provinces in October 2014 were quoted between VND40,700/kg (\$1.92) – 40,900/kg (\$1.93), an increase over the previous month. Accordingly, prices above VND40,000/kg will motivate farmers to continue to sell their coffee beans into the export pipeline. At current prices, coffee growers will likely harvest and sell their crops quickly during the beginning of MY2014/15.

Stocks

According to local estimates, Vietnam will bring forward about 218 TMT of coffee beans (about 3.6 million bags), a record high stocks level, to start the MY 2014/15. As of the end of September 2014, beginning stocks for MY 2014/15 are estimated at about 12 percent of total coffee production in MY 2013/14. The carryover stocks include stocks in Ho Chi Minh City-based warehouses, stocks held outside the city by middleman and traders, and a small volume still held by growers. The beans carried over are often used for loading in October and early November before harvesting of the next crop peaks in the second half of November. Although there is no official data for coffee stocks available, Post's initial forecast of MY 2014/15 ending stocks is about 4.9 million bags, or about 292 TMT, which is higher than previous years as green bean exports are forecast to fall slightly, due to strong competition, causing stocks to increase.

POLICY:

Vietnam scraps 5 percent value added tax (VAT) on coffee, other agro products

Vietnam has abolished a controversial 5 percent VAT on agricultural products, including coffee. As of January 1, 2014, raw and semi-processed agricultural, animal husbandry, and aquatic products are exempt from the VAT payment. Delays in processing tax refund claims on exports of coffee, rubber, and cocoa in the past years have held up shipments and caused much consternation among exporters. Despite the government pledging to streamline VAT rebate procedures, confusion over the process had deterred buyers and is one of the reasons why the VAT was abolished for these products. This move streamlines the transactional process that coffee beans in Vietnam must undergo to move from farmers'

plantations to port warehouses and will further incentivize exports.

MARD launches restructuring action plan for crop production including coffee

In order to implement GOV's instruction from "the Master Plan for restructuring agricultural sector in Vietnam," MARD recently launched the Restructuring Action Plan for Crop Production towards greater added value and sustainable development for 2014-2015 and the period of 2016-2020 with the Decision 1006/QD-BNN-TT dated May 13, 2014. According to this decision, coffee growing area should be maintained at 500,000 ha; a policy for replanting about 150,000 ha of aging and low yield coffee areas should be developed and implemented; and an appropriate policy for economic water irrigation should be developed and applied for coffee growing area. MARD's Decision prescribes that Arabica coffee growing area should increase to up to 8 percent of total coffee area by 2020. The Decision encourages Public-Private Partnerships in the coffee industry. The Decision sets the goal for domestic coffee consumption to be 10-15 percent of total coffee production. Total processed coffee production including instant coffee, and ground and roasted coffee products, should reach 10,000-15,000 MT/year, of which 50 percent are for export by 2015.

Vietnam Coffee Coordinating Board plans to promote local coffee processing sector

The Vietnam Coffee Coordinating Board recently completed and submitted a proposal titled "Vietnam Sustainable Coffee Production up to 2020" to the Minister of Agriculture and Rural Development. One of the important components in the proposal is to promote development of the coffee processing sector in order to improve Vietnamese coffee quality. The Plan's target is to use about 160 TMT of green coffee beans for the local coffee processing sector by 2015; increasing the amount to about 200 TMT by 2020.

INDUSTRY ACTIVITIES

Nestlé Vietnam provides more breeding coffee trees to farmers for replanting program

Nestlé Vietnam and the Western Highlands Agriculture and Forestry Science Institute (WASI) have provided about 6.9 million coffee trees, as well as about 16 metric tons of coffee seeds to farmers in Lam Dong, Dak Lak, Dak Nong, and Gia Lai over the past three years to assist with replanting efforts. WASI & Nestlé also have conducted trainings for over 21,000 farmers in these provinces on 4C sustainable coffee production. Experts and specialists from WASI have trained farmers in the five major coffee growing provinces on sustainable water utilization techniques, teaching how to reduce water usage from the current level of 700 liters per tree down to a level of 400 liters per tree.



Photo: Nestlé Vietnam

Nestlé Vietnam receives ministerial award for environmental achievements

Nestle Vietnam received the 2014 National Green Environment Certificate awarded by the Vietnam Environment Administration under the Ministry of Natural Resources and Environment and the country's Association for Conservation of Nature and Environment. The award recognizes Nestle Vietnam's achievements in reducing waste and energy use in its operations, as well as its contributions to raising public awareness of environmental protection. In recent years, the company has reduced the amount of water used in production by 35 percent, saving 65 million liters of water per year.

Buon Ma Thuot coffee registers geographical indication in foreign markets

Dak Lak has registered for European Union recognition of the geographical indication (GI) for its Buon Ma Thuot coffee to protect the brand in the EU market. The Buon Ma Thuot Coffee Association has worked on the documentation under the auspices of the European Trade Policy and Investment Support Project (EU-Mutrap), and is currently putting the final touches on the dossier to submit to the EU. The Buon Ma Thuot coffee brand has been illegally used in China by a Chinese company in Guangzhou, and the Chinese Ministry of Commerce revoked this company's patent for this brand earlier this year. After the China case, the Buon Ma Thuot Coffee Association has applied for trademark protection in 17 countries and territories around the world. The price of these branded coffee products is about 15 percent higher than its noncertified counterpart. According to the Thailand Intellectual Property Department, Thailand will also soon register this GI.

Geographical indication benefits Dak Lak coffee producers

A geographical indication (GI) for the Buon Ma Thuot coffee trademark in the Central Highlands province of Dak Lak has helped increase the value of coffee beans shipped abroad, according to the Buon Ma Thuot Coffee Association. As many as 10 coffee producers in the province are entitled to use the GI managing a combined growing area of 15,067 ha, yielding around 46,620 MT of coffee beans annually. Protected geographical indication (PGI) for Buon Ma Thuot coffee was registered in Vietnam in 2005. The local authorities have also encouraged coffee processors, which are allowed to use the GI, to label their products with the Buon Ma Thuot coffee trademark and educate customers about the distinctive characteristics of these branded products.

Lam Dong province gets geographical indication protection for Arabica coffee

The National Office of Intellectual Property of Vietnam has granted a geographic indication for Arabica coffee produced in Lac Duong District of Lam Dong Province. Products are labeled "Lang Biang

Arabica Coffee.” Other places in the province like Da Lat, Lam Ha, Don Duong, and Duc Trong Districts can also register for the “Lang Biang Arabica Coffee” brand if they have similar farming conditions as Lac Duong.

Starbucks Expands Coffeehouse to Hanoi, Vietnam

In July 2014, Starbucks celebrated the opening of three stores in Hanoi after entering the market in Ho Chi Minh City in February of last year. The Starbucks stores in Hanoi will offer a variety of local, unique beverage options, most notably the Asian Dolce Latte - created specifically for the distinct taste preferences of coffee-lovers across the Asia region. So far, Starbucks has opened eight stores in Ho Chi Minh City and three stores in Hanoi, totaling eleven stores across Vietnam.

Statistical Tables:

Production, Supply and Demand Data Statistics:

Table 8: Vietnam’s Coffee Production, Supply and Demand (PSD)

Coffee, Green Vietnam	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	644	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Tree Population	0	0	0	0	0	0
Beginning Stocks	1,090	1,090	1,800	1,946	3,150	3,631
Arabica Production	900	900	1,175	1,175	1,250	1,093
Robusta Production	25,600	25,600	27,800	28,658	28,000	28,240
Other Production	0	0	0	0	0	0
Total Production	26,500	26,500	28,975	29,833	29,250	29,333
Bean Imports	237	642	150	476	150	450
Roast & Ground Imports	0	22	0	12	0	12
Soluble Imports	160	160	160	160	160	160
Total Imports	397	824	310	648	310	622
Total Supply	27,987	28,414	31,085	32,427	32,710	33,586
Bean Exports	23,600	23,783	25,000	25,768	27,000	25,500
Rst-Grnd Exp.	110	110	120	120	130	130
Soluble Exports	650	750	800	900	900	1,000
Total Exports	24,360	24,643	25,920	26,788	28,030	26,630
Rst,Ground Dom. Consum	1,627	1,625	1,790	1,788	1,830	1,833
Soluble Dom. Cons.	200	200	225	220	250	250
Domestic Use	1,827	1,825	2,015	2,008	2,080	2,083
Ending Stocks	1,800	1,946	3,150	3,631	2,600	4,873
Total Distribution	27,987	28,414	31,085	32,427	32,710	33,586
1000 HA, MILLION TREES, 1000 60 KG BAGS						

Sources: GCO, MARD, GTA, USDA/FAS, Local exporters

Table 9: Vietnam's Coffee Export Trade Matrix for MY2012/13-MY2013/14

Country	Vietnam		
Commodity	Coffee, Green		
Time Period	Oct.- Sept.	Units: MT	Oct.- Sept.
Exports for:	2013		2014
U.S.	228,711	U.S.	221,465
Others		Others	
Germany	230,000	Germany	215,701
Spain	133,000	Belgium	143,269
Italy	113,000	Italy	124,745
Belgium	83,687	Spain	105,033
Japan	73,599	Japan	82,450
Algeria	53,000	Algeria	56,815
Russia	46,209	Russia	50,081
Ecuador	45,237	India	38,045
France	45,000	Ecuador	36,597
		Philippines	36,186
		United Kingdom	35,539
		France	35,044
		South Korea	33,625
		China	38,296
Total for Others	822,732		1,031,426
Others not Listed	375,557		293,218
Grand Total	1,427,000		1,546,109

Sources: MARD, GTA, Local traders

Table 10: Green Coffee Import Trade Matrix for MY2012/13-MY2013/14 (Oct.-Sept.)

Country	Vietnam		
Commodity	Coffee, Green		
Time Period	Oct.- Sept.	Units:	MT
Imports for:	2013		2014
U.S.	279	U.S.	1,400
Others		Others	
Laos	16,066	Laos	15,371
Indonesia	12,093	Indonesia	5,160
China	3,057	Ivory Coast	1,904
Uganda	2,741	Peru	1,508
Ivory Coast	2,339	China	979
Brazil	522	Uganda	551

Cameroon	393	Brazil	502
Malaysia	309	Ethiopia	383
Thailand	200	Tanzania	272
Total for Others	37,720		26,630
Others not Listed	502		512
Grand Total	38,501		28,542

Sources: GTA, Vicofa, GCO, Local traders