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Vietnam

Grain and Feed Annual

2011

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Report Highlights:
Vietnam's wheat imports for MY 2009/2010 reached a record high due to a remarkable increase in imported wheat for the animal feed industry. Post estimates wheat imports in MY 2010/2011 rise to a new record of around 2.3 million tons. In CY 2010, total corn import volume reached 1.8 million tons, compared to 1.49 million tons in CY 2009. Imports of U.S. corn nearly doubled in CY 2010 to 100 thousand tons due to surging demand and competitive prices. Post estimates that U.S. corn exports to Vietnam will continue to rise in CY 2011. In MY 2009, Vietnam set a new rice production record, surpassing the previous record set in MY 2008 by more than one million tons of paddy. Post estimates that rice production for MY 2010 will reach another new record of 40.40 million tons of paddy. Vietnam exported 6.73 million tons ($3.23 billion) of rice in MY 2009, its highest ever rice export volume. Post estimates Vietnam's MY 2010 rice exports at 6.2 million tons, based on likely demand from typical buyers and on estimated large available supplies.

Executive Summary:
SITUATION AND OUTLOOK

Vietnam's wheat imports for MY 2009/2010 reached the highest level ever at 2.0 million tons. The record volume was due to the remarkable increase in imported wheat for the animal feed industry. The growth has continued as wheat import volume in the first six months of MY 2010/2011 was 29 percent higher than the same period in MY 2009/2010. Post estimates the total wheat import volume in MY 2010/2011 will top the MY 2009/2010 level and rise to a new record around 2.3 million tons. Import growth in feed quality wheat will drive this record import level, while milling wheat imports will increase only slightly from previous levels.

Local corn production is not sufficient to satisfy the demands of the domestic feed industry. Vietnamese feed millers use many ingredients besides corn, including cassava, imported feed wheat, broken rice, and imported DDGS. In CY 2010, the substantial export demand for both rice and cassava caused both the local prices and demand for domestic corn to surge.

In CY 2010, total corn import volume reached 1.8 million tons, compared to 1.49 million tons in CY 2009. The CY 2010 corn import volume would have been higher had it not been for the price competition from imported feed wheat. Feed grade wheat was available at much lower prices than imported corn in early 2010 resulting in a spike in wheat imports in the first half of 2010.

Imports of U.S. corn nearly doubled in CY 2010 to 100 thousand tons due to surging demand and competitive prices. Post estimates that U.S. corn will continue to build on this momentum in CY 2011 on the back of the growing livestock industry and questions about the reliability and quality of Indian corn cargos. In late 2010, a pest issue developed with a load of Indian corn that might restrict the volumes Vietnam imports in 2011 and beyond. The U.S. will likely benefit as customers look for alternative sources and develop relationships with U.S. corn suppliers.

Post estimates that rice production for MY 2010 will reach a new record of 40.40 million tons of paddy, mainly due to expanded Autumn crop planted area in the Mekong River Delta (MRD). The total production for MY 2011 is forecast to top MY 2010, at 40.70 million tons of paddy, due to expected higher yields in both the Spring and Autumn crops. The last three years have produced a surge in productively from Vietnam's rice fields as production records have been set and surpassed each year (production in MY 2009 = 39.99 million tons, MY 2008=38.90 million tons).

Vietnam exported 6.73 million tons ($3.23 billion) of rice in MY 2009, its highest ever rice export volume. Post estimates Vietnam's MY 2010 rice exports at 6.2 million tons, based on likely demand from typical buyers and on estimated large available supplies. Post forecasts Vietnam's MY 2011 rice exports at 6.4 million tons, mainly based on large carryover stocks from MY 2010.

Commodities:

Wheat

Production:

Vietnam does not produce wheat.

Consumption:

Consumption of wheat-based foods is increasing in Vietnam mainly due to growth in per capita incomes and more people embracing Western lifestyles and diets. The Western lifestyle includes consuming fast, convenient foods, and gradually eating more wheat-based foods in place of the rice-based diet that dominates Vietnamese cuisine. The use of wheat flour in food is also driven by the influence of culinary cultures from other countries. As Vietnamese lifestyles shift increasingly to the Western style, fast food chains and Western style restaurants and bars will introduce more wheat-based foods into Vietnamese diets.

There is no official figure for the per capita consumption of wheat. According to a trade source, the best estimate for Vietnamese wheat consumption is based on the annual capacity (75 percent of the designed capacity) of the domestic wheat mills. The total possible capacity was approximately 1.4 million tons in CY 2009 and was slightly increased to 1.45 million tons in CY 2010 thanks to the expansion of a local wheat miller.

With the annual actual capacity above, Vietnam was able to import approximately 1.5 million tons of wheat in CY 2010. The milling capacity will be almost unchanged in CY 2011. However, it will most likely increase from 1.5 million tons to about 1.6 million ton in CY 2012, due to a new mill project using 500 tons of wheat per day that is scheduled to begin operation in the first quarter of CY 2012.

Locally milled wheat flour serves several food and feed industries. Chinese noodles and instant noodles account for the largest share of wheat flour consumption in Vietnam, at 40-45 percent. Bread/baguette production consumes about 30 percent, and about 10 percent is used for cookies, biscuits, and other bakery products. The other 15-20 percent is used for the feed industry, mainly aqua-feed, as both an ingredient and binding agent for the feed.

However, there was an abnormal increase in the total amount of imported wheat into Vietnam when it reached 2.1 million tons in CY 2010. This number included both milling wheat and feed wheat. Of 2.1 million tons, about 1.5 million was used for milling wheat and the other 0.6 million was used for feed.

Imports of flour (HS code: 1101) into Vietnam are almost unchanged over the years. About 10,000 tons (wheat equivalent) of high quality flour, which cannot be manufactured locally, is imported into Vietnam each calendar year, mostly from Japan. Consistently, 2,000 tons (wheat equivalent) of wheat based products are imported (HS codes: 190219, 190230, 190240) including uncooked pasta, couscous, and instant noodles (ramen).

Rising average household incomes along with higher living standards have resulted in greater demand and higher expectations for baked goods. Vietnamese people have less free time than before, and tend to purchase more baked products because of their convenience and time-saving qualities. Supermarkets and bakery stores supply most of the baked goods to consumers. Modern coffee shops, which normally sell premium artisanal pastries and cakes, have also become an important new distribution channel for baked goods.

Sales of Baked Goods by Category: Volume 2005-2010 (1,000 tons)

	2005	2006	2007	2008	2009	2010
Bread	235.7	252.3	273.1	294.6	315.0	339.1
Cakes	14.2	15.1	16.2	17.4	18.7	20.2
Pastries	1.3	1.5	1.7	1.9	2.1	2.4
Baked Goods	251.2	268.9	291.0	314.0	335.9	361.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Forecast Sales of Baked Goods by Category: Volume 2010-2015 (1,000 tons)

	2010	2011	2012	2013	2014	2015
Bread	339.1	364.2	391.5	418.7	446.3	475.0
Cakes	20.2	21.6	23.0	24.5	26.0	27.5
Pastries	2.4	2.7	3.0	3.3	3.6	3.9
Baked Goods	361.7	388.5	417.5	446.5	475.8	506.3

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Noodle consumption is very high in Vietnam. However, it also continues to grow very quickly in terms of value. Currently, the market is still focused in urban areas and is using low quality/low price products. This market has great potential in the rural areas and in higher value markets in urban areas.

Sales of Noodles by Category: Volume 2005-2010 (1,000 tons)

	2005	2006	2007	2008	2009	2010
Instant Noodles	287.7	317.6	345.1	368.9	404.6	431.0
Plain Noodles	1.6	1.7	1.8	1.9	2.0	2.2
Noodles	289.3	319.3	346.9	370.8	406.6	433.1

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Forecast Sales of Noodles by Category: Volume 2010-2015 (1,000 tons)

	2010	2011	2012	2013	2014	2015
Instant Noodles	431.0	455.3	478.8	501.1	519.6	531.3
Plain Noodles	2.2	2.3	2.4	2.4	2.5	2.6
Noodles	433.1	457.6	481.2	503.6	522.1	533.9

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Because of the continuous change in local consumers' eating and drinking habits, influenced by Western and modern cuisines, as well as much improved personal incomes and company development, the fast food category in Vietnam is expected to continue to grow. This growth will boost the use of wheat based products, such as those used in fast food chains (burger buns and sandwich breads).

Fast Food by Subsector: Units/Outlets 2004-2009 (outlets)

	2006	2007	2008	2009	2010 Estimate	2011 forecast
Chained Fast Food	96	150	203	253	307	365
Independent Fast Food	5,488	5,893	6,264	6,572	6,865	7,139
Asian Fast Food	4,245	4,531	4,794	5,017	5,231	5,437
Bakery Products Fast Food	200	220	239	249	261	275
Burger Fast Food	41	65	91	110	129	149
Chicken Fast Food	40	65	100	131	163	195
Ice Cream Fast Food	1,058	1,162	1,243	1,318	1,388	1,448
Fast Food	5,584	6,043	6,467	6,825	7,172	7,504

Source: Official statistics, trade associations, trade press, company research, store checks, trade interviews, Euromonitor International estimates

Forecast Sales in Fast Food by Subsector: Units/Outlets 2009-2014 (outlets)

	2009	2010	2011	2012	2013	2014
Chained Fast Food	253	307	365	429	499	576
Independent Fast Food	6,572	6,865	7,139	7,383	7,596	7,769
Asian Fast Food	5,017	5,231	5,437	5,626	5,798	5,944
Bakery Products Fast Food	249	261	275	290	306	323
Burger Fast Food	110	129	149	171	194	219
Chicken Fast Food	131	163	195	227	259	291
Ice Cream Fast Food	1,318	1,388	1,448	1,498	1,538	1,568
Fast Food	6,825	7,172	7,504	7,812	8,095	8,345

Source: Official statistics, trade associations, trade press, company research, trade interviews, Euromonitor International estimates

Wheat flour is a primary ingredient in the aquaculture feed industry, specifically in shrimp feed, as a binding agent and protein source. Based on the rate used in typical feed rations (the Feed Conversion Ratio or "FCR") and total shrimp production, Post estimates the wheat volume used in aquaculture feed to range from 150,000 to 200,000 tons.

For livestock feed, feed wheat is an alternative to corn, cassava, broken rice, and other sundry edible materials. The sharp increase in wheat import volume in CY 2010 erupted when the price of feed wheat became competitive with the prices of corn, cassava, and broken rice. In the case of cassava and broken rice, strong export demand buoyed local prices and jarred loose supplies that had been in held in storage around the country. Post forecasts the import of feed will be higher in CY/MY 2011 since Vietnam will likely export about the same level of both rice and cassava as it did in CY 2010.

Trade:

Vietnam is a net importer of wheat and wheat flour.

TARIFF FOR WHEAT and WHEAT BASED PRODUCTS IN CALENDAR YEAR 2011							
H.S. Code	**Description**	**MFN**	CEPT		ACFTA	AANZFTA	VAT
			2010	2011			
1001	**Wheat and meslin**						
1001.10.00	-Durum wheat	5	0	0	5	5	*,5
1001.90	-Other						
	--fit for human consumption						
1001.90.11	---Meslin	0	0	0	0	0	*,5
1001.90.19	---Other	5	0	0	5	5	*,5
	--Other						
1001.90.91	---Meslin	0	0	0	0	0	*,5

1001.90.99	---Other	5	0	0	5	5	*,5
1101	**Wheat or meslin Flour**						
1101.00.10	-Wheat flour	10	5	5	10	15	10
1101.00.20	-Meslin flour	10	0	0	10	15	10
1902	**Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagna, gnocchi, ravioli, cannelloni; couscous, whether or not prepared.**						
1902.19.90	-Uncooked pasta, not stuffed or otherwise prepared	24	5	5	15	30	10
1902.30	-Other Pasta						
	--Instant noodle (Ramen)	32	5	5	15	30	10
	--Others	34	5	5	15	30	10
1902.40	-Couscous	38	5	5	15	30	10

Note: - CEPT: Common Effective Preferential Tariff; ACFTA: Asean China Free Trade Agreement; AANZFTA: Australia and New Zealand Free Trade Agreement.

- *(*) means VAT is free from the first importer but 5 percent will be applied if trading through an intermediate seller.*

Vietnam's wheat imports for MY 2009/2010 reached a record 2.0 million tons. The volume doubled from the MY 2008/2009 level of 967,000 tons due to a remarkable increase in imports of wheat for animal feed. Wheat import volume in the first six months of MY 2010/2011 was 29 percent higher than in the same period of MY 2009/2010. Post estimates the total wheat import volume in MY 2010/2011 will continue to top MY 2009/2010 and will rise to a new record of 2.3 million tons. Feed wheat will continue to drive this import demand.

The Vietnamese market for wheat based products is still not diversified, with only two dominant lines of products: instant noodles and breads/baguettes. Additionally, consumers do not yet demand as high a quality of wheat as consumers in more developed markets. As a result, high quality wheat is usually bought in small quantities to be blended in order to cost-effectively improve the quality of specific batches of flour or to make a certain kind of flour designed to meet tight manufacturer defined quality specs.

Australia is still the traditional wheat supplier for Vietnam, with its advantages of a shorter distance and price competitive product compared to the United States. Australian wheat is also higher quality compared to other potential sources, such as Black Sea wheat. Wheat imported from those other sources is mostly feed grade quality.

Since a historically high proportion of Australia's wheat crop has been damaged by poor weather at harvest, much of the crop has been downgraded to feed quality. Consequently, Vietnamese wheat buyers are looking for alternative sources for high quality wheat. Post expects some of these buyers to purchase U.S. wheat for milling.

Wheat imports from the United States are projected to nearly double from 54,000 tons to 100,000 tons in MY 2010/2011. This expansion is due to its quality advantage, in line with anticipated improvements in trade-related infrastructure which should help U.S. wheat be more price competitive, and also because of growing demand for high-quality flour made from premium-quality U.S. wheat. Commonly, DNS is used for improving the gluten content in blended flour and soft white is used for making breads and cookies.

The U.S. Wheat Associates regional office based in Singapore covers Vietnam.

Table 1: Vietnam's Wheat Import Matrix

Import Trade Matrix			
Country	Vietnam		
Commodity	Wheat		
	Units: Metric Tons		
Time Period	Jul-Jun		July – Dec*
Imports for:	2009/2010		**2010**
U.S.	53,806	U.S.	38,800
Others		Others	
Australia	1,180,214	Australia	579,302
Brazil	236,836	Bulgaria	48,330
Canada	4,000	Canada	1,042
Russian Federation	64,923	Moldova	4,619
Turkey	86,249	Romania	70,720
Ukraine	267,074	Russian Federation	9,078
Uruguay	13,906	Turkey	10,676
		Ukraine	116,310
Total for Others			
Others not Listed	21,338		46,925
Grand Total	1,928,346		925,802

***** 2010 totals are for six months only

Production, Supply and Demand Data Statistics:

Wheat / Vietnam	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jul 2009		Market Year Begin: Jul 2010		Market Year Begin: Jul 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0		0
Beginning Stocks	57	57	282	150		150
Production	0	0	0	0		0
MY Imports	1,925	1,928	1,800	2,300		2,200
TY Imports	1,925	1,928	1,800	2,300		2,200
TY Imp. from U.S.	54	48	0	100		200
Total Supply	1,982	1,985	2,082	2,450		2,350
MY Exports	0	0	0	0		0
TY Exports	0	0	0	0		0
Feed and Residual	500	635	600	1.050		900
FSI Consumption	1,200	1,200	1,200	1,250		1,300
Total Consumption	1,700	1,835	1,800	2,300		2,200
Ending Stocks	282	150	282	150		150
Total Distribution	1,982	1,985	2,082	2,450		2,350
Yield	0.	0.	0.	0.		0.

Commodities:

Corn

Production:

In Calendar Year (CY) 2010, the Ministry of Agriculture and Rural Development's (MARD's) goal for corn production was 5.28 million tons. The actual production, 4.60 million tons, was up 235,000 tons from CY 2009, but was still far lower than planned production. The production drop was due to both smaller harvested area and the actual crop yield impacted by unfavorable weather and localized severe pest damage.

The official planned production for CY 2011 keeps the production area at 1.2 million hectares and raises the yield to 4.7 tons per hectare. Raising the yield for the entire country to that level is between highly unlikely and unfathomable.

Table 2: Vietnam Corn Production in Calendar year 2007-2009

	Unit	2009	2010		2011
			estimate	revised	Forecast
Planting area	1,000 hectares	1,089	1,200	1,127	1,200
Yield	mt/ha	4.01	4.40	4.09	4.70
Production	1,000 mt	4,371.70	5,280.00	4,606.80	5,640.00

Source: MARD / Post Estimate

In the corn production plan for 2011-2015, MARD maintains the production area at 1.2 million hectares, and the main focus is increasing the crop yield gradually. The target production area, however, is higher than any corn production area in the historical series. Increasing the production area is dependent upon the profit margin for corn compared to other cash crops. If MARD wants to increase corn area, it needs to improve the margins for farmers.

The table below does not show the actual numbers for corn and cassava production; instead it represents the trends in the changing production factors: yield and production area. MARD expects the production area for most crops will drop, due to urbanization and industrialization taking more and more land from agriculture.

Table 3: Planning For Corn and Cassava Production 2011-2015

		Unit	2010 est.	2011	2012	2013	2014	2015
Corn	-Area	1,000 ha	1,200	1,200	1,200	1,200	1,200	1,200
	-Yield	Ton/ha	4.40	4.70	5.00	5.20	5.30	5.40
	-Production	1,000 ton	5,280	5,640	6,000	6,240	6,360	6,480
Cassava	-Area	1,000 ha	500	490	470	450	420	400
	-Yield	Ton/ha	18.00	19.00	20.00	20.90	22.40	23.50
	-Production	1,000 ton	9,000	9,310	9,400	9,400	9,400	9,400

Source: MARD

Corn is Vietnam's second largest annual crop, after rice, in terms of production area. However, total corn production area is only one third that of rice. Because it has a lower market price and yield compared to rice, legumes, soybeans, and tobacco, corn is often not seen as an attractive cash crop for farmers.

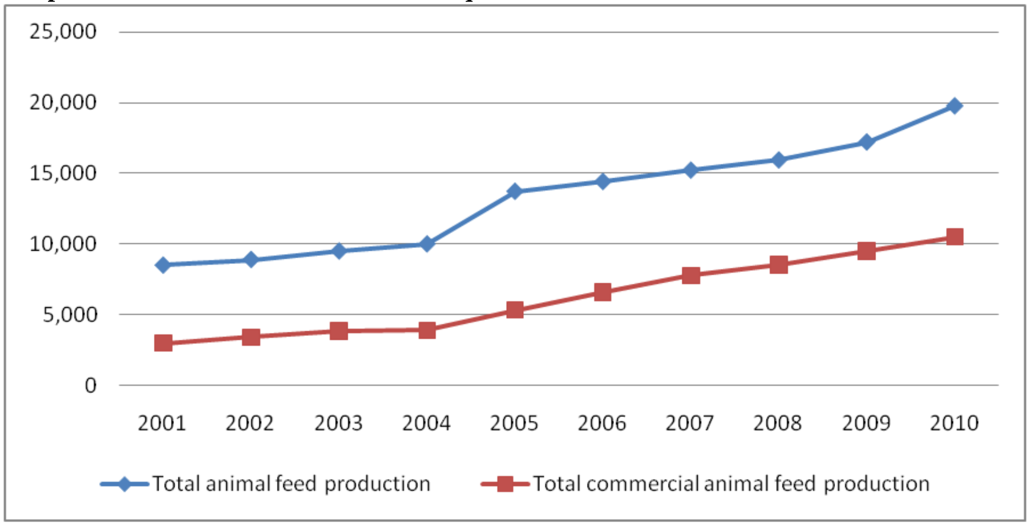
Yield is the main factor that MARD is looking at to increase total corn production. And MARD recognizes that improving the corn yield is the best way to help farmers increase their income, and motivate them to plant more area in corn.

Corn is the main crop used to supply the quickly growing feed industry. As such, corn producers are under pressure to quickly increase their productivity, in order to satisfy the animal feed industry, which is enjoying an 8-10 percent annual growth rate. Significantly improving average yields by using high-yielding varieties seems the most likely way to achieve the government's objectives of increasing corn production to supply the feed sector. Farmers are now planting mostly hybrid seeds, and the GVN is on the (long) path to approving biotech seeds. Post does not know when biotech corn will be approved for commercial production in Vietnam.

Consumption:

In Vietnam, corn is used as the main source of protein and energy for the animal feed industry, in both the commercial and home-made sectors. Within this industry, corn is used mainly in hog and poultry feeds. In the CY 2010, the Vietnamese commercial feed industry experienced a growth rate of 14.8 percent over the CY 2009.

Graph 1: Vietnam's Animal Feed and Aquaculture Feed Production



Source: DLP/MARD, Vietnam Feed Association (VNFA)

Trade:

While the domestic agricultural industry is trying to increase corn production to satisfy the quickly expanding feed industry, there is strong competition from imported corn. Imported corn is often less expensive for the same quality and price is one of the most important factors influencing feed manufacturers to switch from using locally produced to imported corn.

Moreover, local corn production is simply not sufficient to satisfy the demand from the feed industry. Within the industry, there is also the competition between the homemade feed and manufactured feed sectors. Corn growers, on the other hand, do not have the ability to store corn. Farmers have to sell their products quickly after the harvest, which will continue to make the local corn price prone to seasonal fluctuations. Insufficient storage and grain handling facilities are also constraining the future growth of corn imports into Vietnam.

Corn has competition from other feed ingredient sources. Feed millers use many ingredients in Vietnam besides corn, including cassava, imported feed wheat, broken rice, and imported DDGS. In CY 2010, the substantial export demand for rice and cassava caused both the local prices and demand for domestic corn to surge.

In CY 2010, total corn import volume reached 1.8 million tons, compared to 1.49 million tons in CY 2009, which represents more than a 20 percent increase over the CY 2009 import volume. The CY 2010 corn import volume was held in check by price competition from imported feed grade wheat. Feed grade wheat was available with a much lower price than corn in early 2010 and caused a surge in imports of feed grade wheat volume in the first half of 2010.

U.S. corn import volume was twice as large in CY 2010 when compared with CY 2009 due to higher demand and price competition. Post estimates that U.S. corn imports will continue going up in CY 2011 because of larger overall import levels and concerns about the quality of Indian corn. Traditionally, India is one of the major corn suppliers for Vietnam. However, recent pest issue with Indian corn will likely restrict the large volume of Indian corn coming into Vietnam.

Improvements in Vietnam's trade–related infrastructure, such as port facilities, have helped increase not only U.S. corn exports to Vietnam but also other commodities like wheat, soybean meal, DDGS, and soybeans. Further improvements in infrastructure and other port facilities are likely to come online in the next year or two.

Table 4: US Exports of Corn and Corn By-products into Vietnam 2006-2010

Product	UOM	Calendar year 2006	2007	2008	2009	2010
DDGS						
2303300000 - BRWR,DTLR,GRN	MT	17,979.00	58,260.00	117,248.00	250,638.00	431,133.00
Corn	MT	20,688.00	29,081.00	22,958.00	54,430.00	30,924.00
1005902030 - #2 CORN, EX SD	MT	19,523.00	19,471.00	17,019.00	54,368.00	21,358.00
1005902035 - #3 CORN, EX SD	MT	222	0	0	0	8,232.00
1005902070 - CORN,YELLOW,NES	MT	0	705	0	0	1,313.00
1005902045 - #4 CORN,X SD	MT	0	0	0	0	21
1005902020 - #1 CORN, EX SD	MT	0	0	0	62	0
1005904065 - CORN, NES	MT	943	8,905.00	5,939.00	0	0

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

DDGS have also been used by the Vietnamese feed industry to minimize input costs, and are therefore a strong competitor to locally grown corn. Vietnam's feed industry uses DDGS mainly imported from the United States. In CY 2010, Vietnam became the top importer of U.S. DDGS in Southeast Asia, replacing Thailand at the top spot after several years in the premier position.

TARIFF FOR CORN and DDGS IN CALENDAR YEAR 2011

H.S. Code	Description	MFN	CEPT 2010	CEPT 2011	ACFTA	AANZFTA	VAT
1005	**Maize (Corn)**						
1005.10.00	-Seed	0	0	0	0	0	*
1001.90	-Other						
1001.90.10	….						
1001.90.90	--Other	5	0	0	5	5	*,5
2303	**Residues of starch manufacture and similar residues, beet-bulp, bagasse and other waste of sugar manufacture, brewing or distilling gregs and waste, whether or not in the form of pellets.**						
2303.30.00	-Brewing or distilling dregs and waste	0	0	0	5	10	5

Note: - CEPT: Common Effective Preferential Tariff; ACFTA: ASEAN China Free Trade Agreement; AANZFTA: Australia and New Zealand Free Trade Agreement.

- *(*) means VAT is free for the first importer but 5 percent will be applied if trading through an intermediate seller.*

Table 5: Vietnam's Corn Import Matrix

Import Trade Matrix			
Country	Vietnam		
Commodity	Corn		
Time Period	Jan – Dec	Units:	Metric Tons
Imports for:	2009		**2010**
U.S.	57,000	U.S.	100,000
Others		Others	
India	530,500	India	476,000
Brazil	195,500	Brazil	180,000
Thailand	413,000	Thailand	273,000
Argentina	158,000	Argentina	635,000
Laos	18,000	Laos	15,000
China	2,000	Cambodia	27,000
Total for Others	1,317,000		1,606,000
Others not Listed	173,000		44,000
Grand Total	1,490,000		1,750,000

Policy:

In mid-September of 2010, the Ministry of Agriculture and Rural Development organized a field trial seminar on the evaluation of genetically modified corn. The Vietnamese Prime Minister, in 2006, approved the process for introducing genetically modified crops into mass production (including: cotton, corn, and soybeans). Corn is the first crop undergoing small scale field trials in 2010. According to MARD, large scale trials will be conducted during CY 2011 and commercial production will begin in CY 2012-2013. The other crops, cotton and soybeans, are expected to follow the corn crop by 2013-2014. Post does not know if commercial biotech production with begin in line with MARD's plan. Many other government departments need to agree with commercial GM production before it is allowed to proceed.

Production, Supply and Demand Data Statistics:

Corn Vietnam	2009/2010 Market Year Begin: May 2009		2010/2011 Market Year Begin: May 2010		2011/2012 Market Year Begin: May 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1.200	1.126	1.200	1.200		1.200
Beginning Stocks	419	419	899	612		712
Production	5.280	4.607	5.500	5.000		5.400
MY Imports	1.500	1.686	1.300	1.700		1.750
TY Imports	1.600	1.800	1.300	1.800		1.850
TY Imp. from U.S.	25	45	0	100		150
Total Supply	7.199	6.712	7.699	7.312		7.862
MY Exports	0	0	0	0		0
TY Exports	0	0	0	0		0
Feed and Residual	5.100	5.100	5.300	5.500		6.000
FSI Consumption	1.200	1.000	1.300	1.100		1.200
Total Consumption	6.300	6.100	6.600	6.600		7.200
Ending Stocks	899	612	1.099	712		662
Total Distribution	7.199	6.712	7.699	7.312		7.862
Yield	4,	4,0915	5,	4,1667		4,5
TS=TD		0		0		0

Commodities:

Rice, Milled

Production:

Table 6: Vietnam's Area, Yield, and Production for Rough Rice (as of March 2011)

Marketing Year	2009 Revised		2010 Estimate		2011 Forecast	
Harvested Area (tha)	**Old**	**New**	**Old**	**New**	**Old**	**New**
Winter[1]	1,770	1,768	1,750	1,750		1,745
Spring[2]	3,035	3,035	3,030	3,030		3,035
Autumn[3]	2,610	2,612	2,610	2,660		2,660
TOTAL	**7,415**	**7,415**	**7,390**	**7,440**		**7,440**
Yield (mt/ha)						
Winter	4.60	4.61	4.50	4.60		4.60
Spring	6.22	6.22	6.20	6.20		6.25
Autumn	4.96	4.96	5.10	5.10		5.15
AVERAGE	**5.39**	**5.39**	**5.41**	**5.43**		**5.47**
Production (tmt)						
Winter	8,142	8,155	7,875	8,050		8,027
Spring	18,878	18,878	18,786	18,786		18,969
Autumn	12,946	12,956	13,311	13,566		13,699
TOTAL	**39,966**	**39,989**	**39,972**	**40,402**		**40,695**

[1] Lua Mua (10th Month), [2] Winter-Spring, [3] Summer-Autumn

Source: MARD, Post estimates

Estimate for MY 2010 (began January 2011)

Post estimates production for MY 2010 will reach a new record of 40.40 million tons of paddy, mainly due to more Autumn crop area in the Mekong River Delta. Post forecasts MY 2011 production at 40.70 million tons of paddy, because of expected higher yields of the two biggest crops, Spring and Autumn.

According to the MARD, a minimum of 7.34 million hectares of land will be used for rice production in MY 2010, and the yield is estimated at 5.4 tons per hectare, these estimates create an estimate of total paddy production of more than 39 million tons, and the GVN is targeting rice exports of 6.0 million tons.

MARD has asked producers in the Mekong River Delta (MRD) region to focus on improving yields by using new varieties, including hybrids, to produce both higher yields and better quality rice for both domestic consumption and export. Another focus in the MRD is applying the "Three Reductions, Three Gains" program to reduce production costs. The Three Reductions are known as: reductions of seed use, fertilizer, and pesticides per unit of land for the results of obtaining the Three Gains: higher yield, better cost effectiveness, and higher income to the growers.

However, according the actual rice production in the provinces, especially those from the MRD region, the late Autumn crop area is expected to be a larger area by 60,000 hectares. Although the other three crops will have slightly smaller production areas, the MY 2010 total production area will be slightly larger than the MY 2009 total production area.

Spring Crop

According to MARD, the total planting area of the MY 2010 spring crop was 3.07 million hectares as of March 15, 2010. The Northern provinces have recently finished planting with the total planted area of around 1.1 million hectares which is almost unchanged from MY 2009. The Southern provinces have been harvesting and expect to be finished by the middle of April 2010.

Post estimates the harvested area of the spring crop at 3.03 million hectares due to the severe drought that impacted the planting area in the coastal provinces of the MRD.

Autumn Crop

The autumn crop is mainly located in the southern provinces. The planting progress of the early autumn crop is swift in the MRD provinces this year. The total planting area for the early autumn crop was 198,000 hectares as of March 15, 2011, as compared to 145,000 hectares at the same time in 2010. The planting enthusiasm is most likely due to the current high rice prices and favorable weather. Post has raised its harvested area estimate for the Autumn crop from 2.61 to 2.66 million hectares, due to an expected larger planting area in the Late Autumn rice crop.

Review for MY 2009 (began January 2010)

Vietnam set a new rice production record in MY 2009, surpassing by more than one million tons of paddy the previous record set in MY 2008. The MY 2009 total paddy rice production reached 39.99 million tons, compared to 38.90 million tons in MY 2008. The increase in MY 2009 production was due to higher rice overall yields across the three rice crops together, and larger production areas of the Autumn crop, especially the Late Autumn crop in the MRD, more than compensating for the slightly smaller area of the Winter crop.

MRD Rice Production

The main target for rice production in the MRD is to maintain about the same area as those of the Spring crop, Main Autumn crop, and Winter crop; and to increase the area for the Late Autumn crop.

MRD farmers are currently harvesting their spring crop. The total planted area is 1.57 million hectares. Post estimates the harvested area in the region to be 1.565 million hectares. The MRD spring crop was planted strictly in November / December to avoid the lack of water from the dry season in the early months of calendar year 2011, and to be harvested by March/April. The estimated yield is about 6.6 tons per hectare. The MRD total paddy production is likely to reach 10.33 million tons, 100,000 tons higher than last year.

Table 7: Rice Production in the Mekong Delta by Marketing Year

(1,000s ha; mt/ha; 1,000s mt)

	2009 (Revised)			2010 (old)			2010 (Estimate) (new)		
	Area	Yield	Prod.	Area	Yield	Prod.	Area	Yield	Prod.
Winter	222	3.95	877				240	3.90	936
Spring	1,559	6.56	10,227				1,565	6.60	10,329
Autumn	1,644	4.92	8,088				1,616	4.95	7,999
Late Autumn	512	4.63	2,371				570	4.70	2,679
Total	3,937		21,563				3,991		21,943

Source: MARD, Post estimate

DOMESTIC PRICES

In February 2011, the Vietnam Food Association (VFA) ordered its members to buy one million tons of rice from farmers to ensure three months of stock to keep the rice price from dropping after the harvest of the spring crop and to prevent rice export buyers from trying to bargain for too low of prices during the harvest season. The purchasing period was expected to be from March 1 to April 15 when harvest of the spring crop is at its height in the MRD, the country's rice bowl.

According to VFA, VFA's members were going to purchase one million tons of rice from the spring crop and one million tons of rice from the autumn crop. This temporary stock would have helped to stabilize the rice price. Its members would have purchased paddy rice at a market price which is guaranteed at no less than VND 5,000 per kilogram. The guaranteed price set in MY 2009 spring crop was VND 4,000 per kilogram, and MY 2008 was VND 3,500 per kilogram.

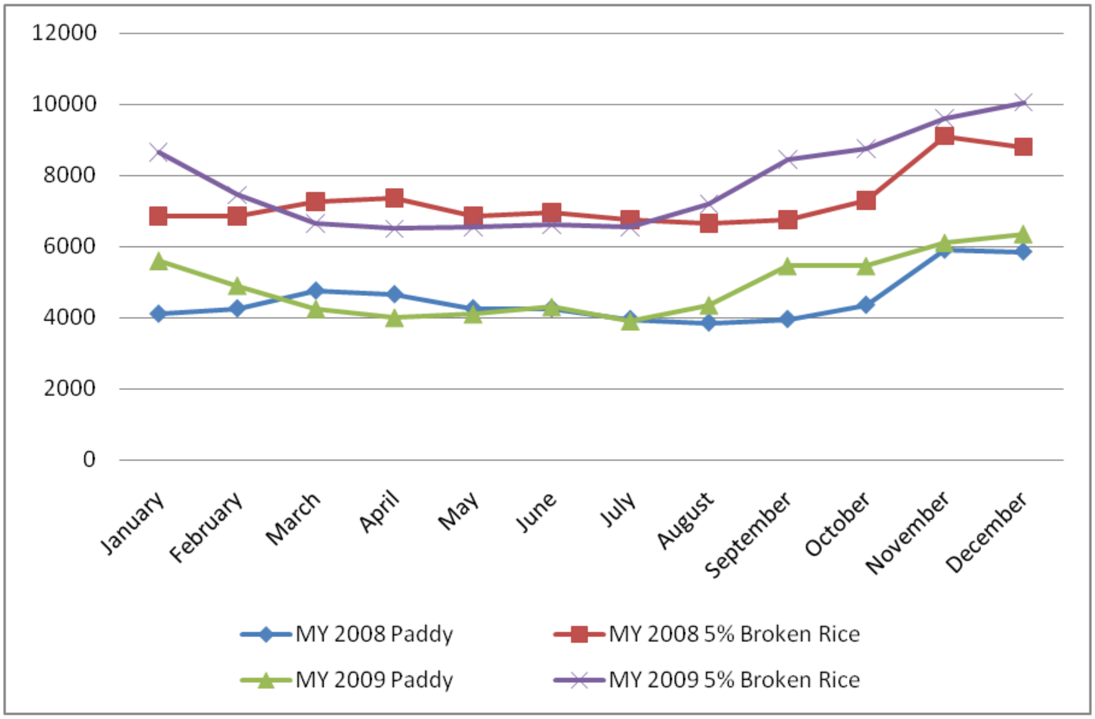
However, VFA's plan did not happen, because the paddy price went up strongly even at peak harvest of MY 2010 Spring crop. One key reason was because Vietnam exported its largest ever volume of rice during the beginning of the year.

Table 8: Local Paddy and Export Rice Prices in the Mekong River Delta
MY 2008 - MY 2009 (VND/kg)

	MY 2008		MY 2009	
	Paddy	5% Broken Rice for export*	Paddy	5% Broken Rice for export*
January	4,200-4,300	6,800-6,900	5,550-5,650	8,600-8,700
February	4,200-4,300	6,800-6,900	4,800-5,000	7,400-7,500
March	4,700-4,800	7,200-7,300	4,200-4,300	6,600-6,700
April	4,600-4,700	7,300-7,400	3,950-4,050	6,500-6,550
May	4,200-4,300	6,800-6,900	4,000-4,200	6,500-6,600
June	4,200-4,300	6,900-7,000	4,250-4,300	6,400-6,750
July	3,900-4,000	6,700-6,800	3,700-4,100	6,500-6,600
August	3,800-3,900	6,600-6,700	4,300-4,400	7,150-7,250
September	3,900-4,000	6,700-6,800	5,000-5,300	8,400-8,500
October	4,300-4,400	7,250-7,350	5,300-5,600	8,600-8,900
November	5,800-6,000	9,000-9,200	5,900-6,300	9,500-9,700
December	5,800-5,900	8,750-8,850	6,200-6,500	9,800-10,300

***Price quoted alongside vessel, without bag**
Source: combined data/ Vietnam Food Association

Graph 2: Price Trend of paddy and milled rice in MY 2008 and MY 2009
(Unit: Vietnam Dong/kg)

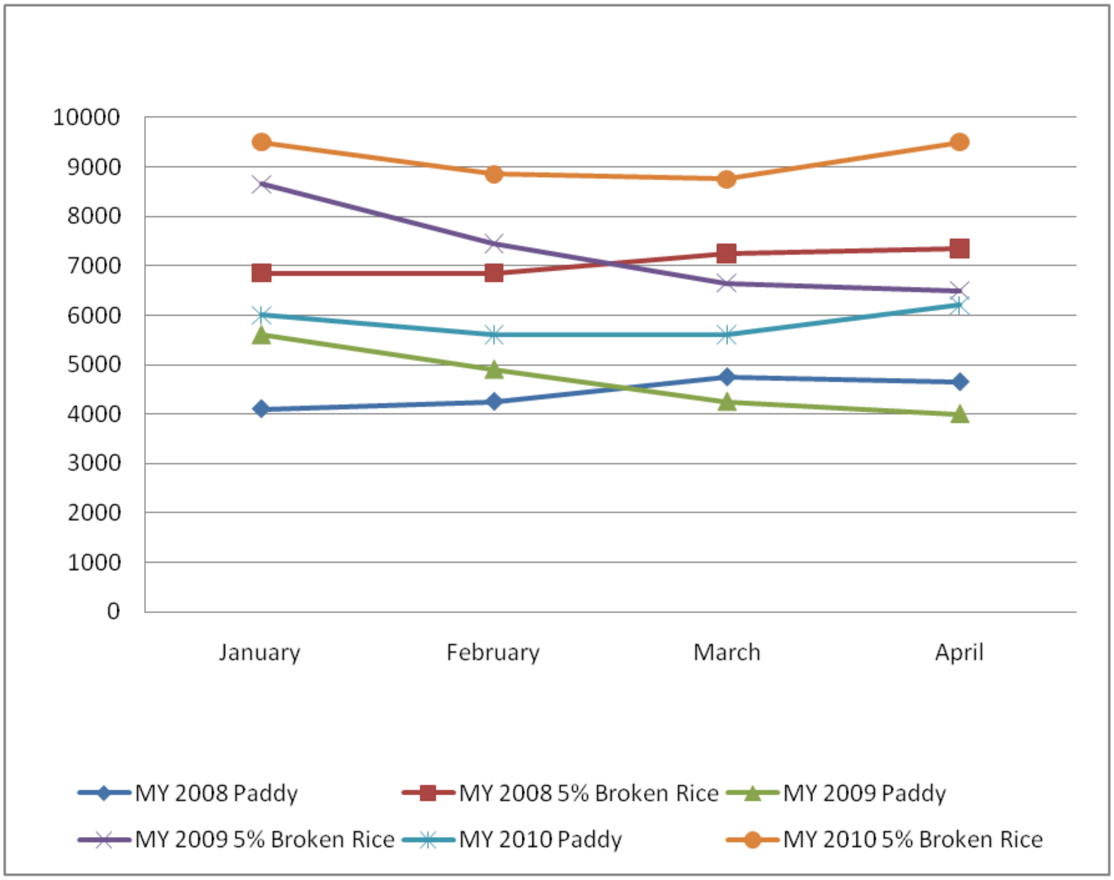


Source: combined data/ Vietnam Food Association

There are big gaps between MY 2009 paddy and 5 percent broken rice prices compared with those of MY 2008. The differences begin in August and reach the greatest differences in September. That was during the wheat price crisis and global rice prices followed the upward trend. This event demonstrates how the local rice price is connected to world commodity prices.

The first 4 months MY 2010 paddy and 5 percent broken rice prices (see the Graph 3.2) are very high compared to those of MY 2008 and MY 2009. The trend is also different, instead of steeply declining or remaining flat at a low base (due to the harvest of the Spring crop), the MY 2010 prices went down only slightly and then rocketed up to very high levels due to the tight supply of local paddy.

Graph 3: Price Trend of paddy and milled rice in the first 4 months of MY 2008, MY 2009, and MY 2010 *(Unit: Vietnam Dong/kg)*



Source: combined data/ Vietnam Food Association

Consumption:

Vietnam's decline in per-capita rice consumption is consistent with other countries in Asia. As the economy develops, consumers have greater means and access to other foods, with per-capita consumption of rice tending to decline as income increases.

Even though per-capita consumption is declining, total consumption continues to grow. The yearly population growth of about one million people is the main driver of the increase in total consumption; other factors in Vietnam's increased rice consumption are higher use of rice in home-made animal- and aquaculture-feeds, and growth in industrial scale food processing, especially in the beer industry.

In the animal feed industry, commercial feed only satisfies around 50 percent of the total demand; the remaining 50 percent is drawn from local sources of home-made feed. Especially in the MRD, rice is one of the main sources of home-made feed for swine, fish, and poultry.

Post estimates that an additional 100,000-150,000 tons of rice, per year, are required to keep pace with Vietnam's growth in total rice consumption. In some years, however, rice consumption may increase much more, since rice can be used as an alternative source for feeds, and it does not need to be imported like the other main ingredients in animal feeds. Likewise, when more rice is exported, people use more corn, wheat, cassava, etc in feed rations.

Trade:

Vietnam exported 6.73 million tons of rice, out of a total production of 24.99 million tons in MY 2009. Vietnam continues to maintain its position as the world's second largest rice exporter after Thailand.

In MY 2010, the VFA maintains rice export registration requirements and the Minimum Export Price (MEP), based on the new Government regulations for rice exports, Ordinance 109/2010/ND-CP (see the Policy Section for more details), in order to regulate the flow and prices for rice exports.

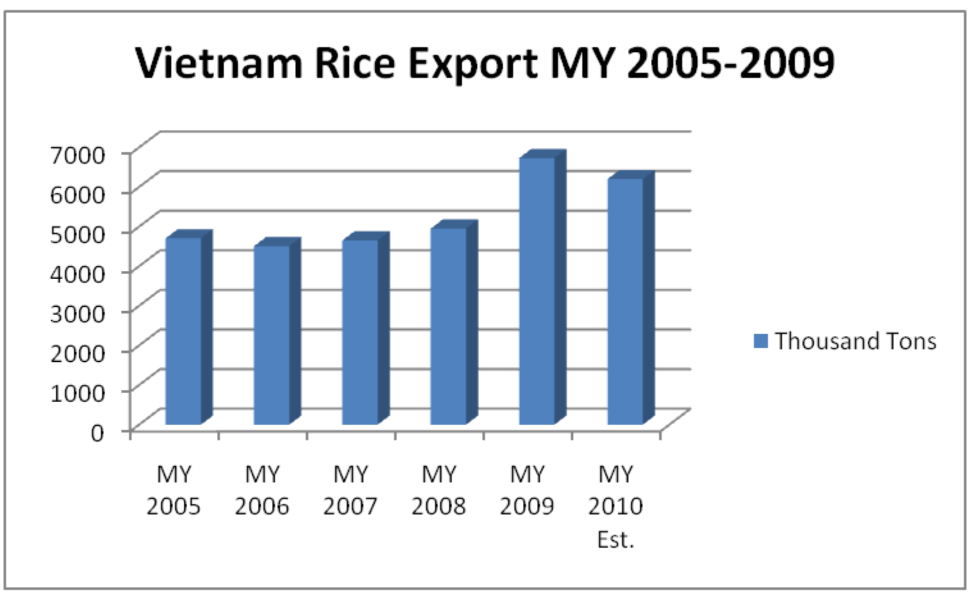
Exports

Vietnam exported 6.73 million tons of rice in MY 2009, the highest ever rice export volume in its history, bringing an export value of $3.23 billion into the country. The average export price for Vietnamese rice in CY 2009 was $479, per ton, compared with $406, per ton, in MY 2008. The Philippines imported over 1.57 million tons of rice from Vietnam in MY 2009, thereby remaining Vietnam's single largest buyer.

Since early in MY 2010, the Vietnam Food Association (VFA) estimated that rice exports may fall to 5.5 million tons this year, down from 6.73 million tons in MY 2009. The decrease in rice exports would probably result from the low carryover of 800,000 tons from MY 2009. This volume was much lower than the 1.4 million tons carried over from MY 2008. However, the Ministry of Agriculture and Rural Development set the export target of 6.0 million tons after calculating the food security requirements for the population. The VFA also lowered the rice export target for MY 2010 to six million tons though the country exported a record high of 6.73 million tons of rice in 2009.

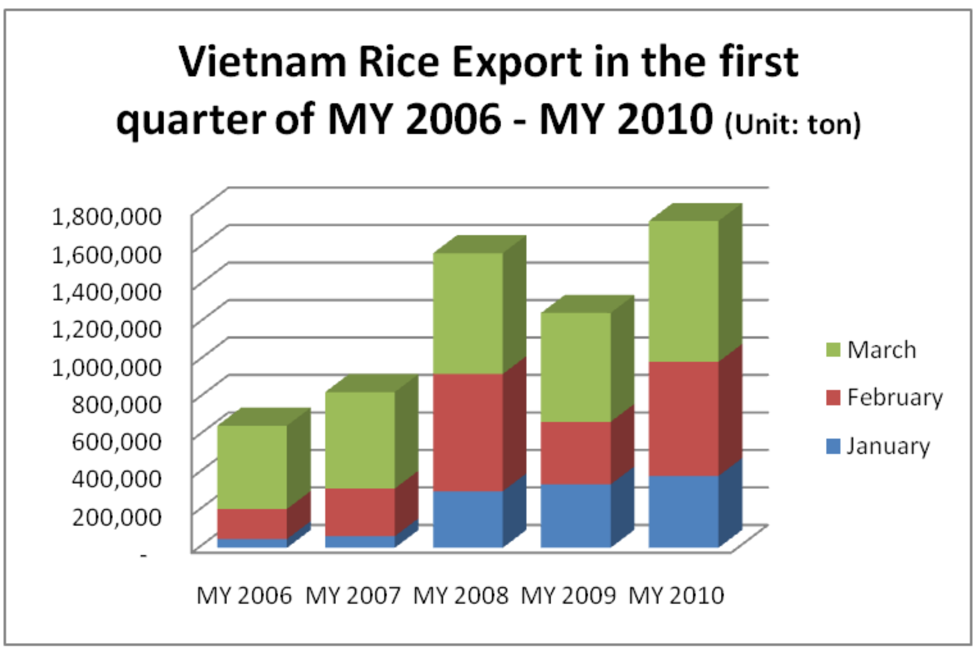
Indonesia had imported only small quantities of rice during MY 2007 and MY 2008 but bought approximately 1.5 million tons of rice due to low stocks caused by natural disasters and crop failure in MY 2009. Bangladesh imported about 400,000 tons of rice from Vietnam in MY 2009. The VFA expected those two markets to import around 700,000 tons of rice in the first quarter of MY 2010.

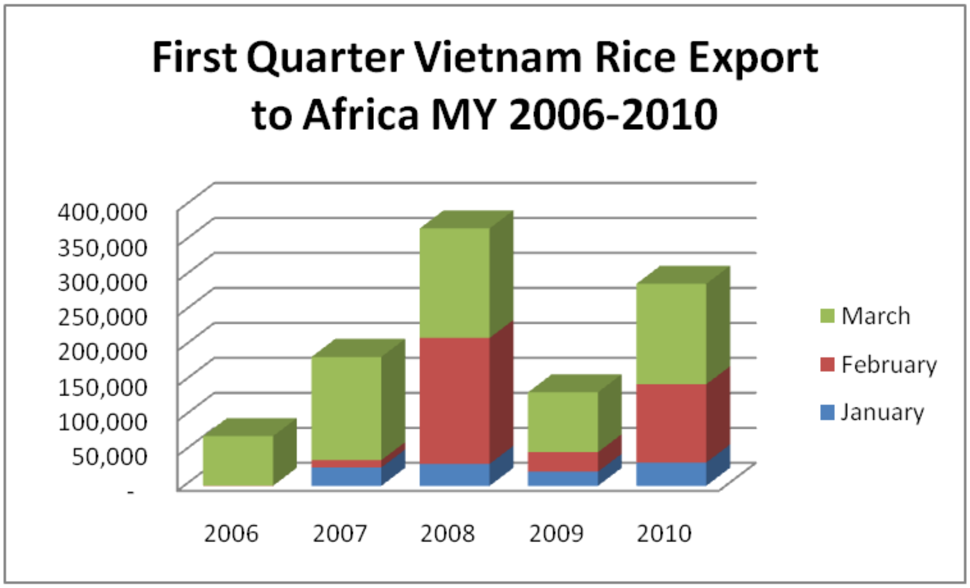
In the first quarter of MY 2010, Vietnam exported over 483,000 tons of rice in January, 609,000 tons in February and estimated 750,000 tons in March. In total, exports will reach about 1.8 million tons for the quarter. The volume shipped to Indonesia and Bangladesh was 1.14 million tons. Local rice exporters have registered to export 1.515 million tons of rice to these two destinations, meaning that the majority of that rice has already been shipped.



Exports in the last nine months of MY 2010 look promising. Vietnam has advantages in the African market with its 5 percent broken rice. Vietnam's primary competitors in the African market, Pakistan and Burma, export lower-grade rice to Africa, in the 25-50 percent broken category. Africa accounts for over 30 percent of Vietnam's rice shipments, and it is likely to continue buying equivalent amounts this year.

Vietnam ships about 1.2 – 1.5 million tons to Africa each year. The following graphs show that Vietnam shipped more in the first quarter of MY 2010 than in the first quarter of any other year. However, those shipments were mainly going to Asian countries, especially Indonesia and Bangladesh. Typically, the African market does not begin to buy until the second quarter and onwards. Rice is normally shipped to African countries by international traders on a Free On Board (FOB) basis, and the cargoes are delivered by large vessels that stop at several ports in different African countries. The exact volume of Vietnamese rice that each African country imports is not clearly recorded by Vietnam's statistical authority.





The Philippines market, a regular market that usually takes up to one third of Vietnam's annual rice exports, has changed its buying pattern this year. Now, the Philippines' private sector can be involved in a large share of the rice import volume. Post expects the private sector rice deals will not be huge quantities and that the selling prices will be flexible in order to compete with other export markets.

Vietnam's export price competitiveness depends largely on production costs. The recent high input costs have motivated farmers to keep on farm stocks of paddy for longer periods of time, in anticipation of better selling prices. This, in addition to the sky high export sales volume in the first quarter of MY 2010, has driven the rice supply held by exporters to very tight levels and the corresponding export prices have become uncompetitive. Vietnamese exporters, however, estimate that Vietnam can still supply 1.0-1.2 million tons in MY 2010 to the Philippines.

Post estimates Vietnam's MY 2010 rice exports at 6.2 million tons, based on the possible demands from buyers and from our estimated levels of total production and available supplies. Vietnam's MY 2011 rice exports are forecasted at 6.4 million tons, mainly based on the great carry over stock from MY 2010.

Table 9: Vietnam Rice Export by Grade and Destination in Marketing Year 2009

	5%	10%	15%	25%	100%	Glutinous	Jasmine	Unknown	Total
ASIA	**1,362,413**	**14,747**	**716,208**	**2,019,600**	**30,615**	**118,058**	**114,566**	**14,382**	**4,390,589**
Country: Indonesia	72,728	750	500,566	-	1,625	79,976	-	35	655,680
Philippines	1,418	-	1,600	1,554,202	-	2,800	6,075	7,200	1,573,295
Malaysia	477,869	-	17,930	-	50	250	6,897	-	502,996
Singapore	276,678	7,025	33,424	78,965	5,240	14,163	14,889	192	430,576
East Timor	8,340	-	43,422	22,460	-	-	418	-	74,640
Iraq	310,320	-	-	-	-	-	-	-	310,320
Iran	250	-	-	-	-	-	23	-	273
Syria	1,825	500	-	-	-	-	-	-	2,325
Yemen	750	-	-	-	-	-	-	-	750
North Korea	1,500	23	-	500	-	-	-	-	2,023
Japan	-	-	-	-	-	-	-	-	-
Cambodia	-	-	-	-	-	-	-	-	-
Hong Kong	33,566	-	10,584	1,028	4,938	43	29,128	-	79,287
others*	177,169	6,449	108,682	362,445	18,762	20,826	57,136	6,955	758,424
AFRICA	**786,636**	**23,285**	**185,357**	**188,233**	**223,281**	**-**	**85,247**	**37,640**	**1,529,679**
Country: Tanzania	51,750	-	-	3,875	-	-	502	-	56,127
Senegal	46,400	-	-	-	89,180	-	-	-	135,580

Angola	111,276	1,000	-	125	4,525	-	3,050	-	119,976
Rwanda	-	-	-	-	-	-	-	-	
Ghana	75,813	-	-	10,750	-	-	5,826	-	92,389
Uganda	-	-	-	-	1,000	-	-	-	1,000
Ivory coast	64,822	-	1,900	16,425	2,940	-	16,052	-	102,139
Reunion	784	-	-	-	-	-	50	300	1,134
West Africa	-	-	-	-	-	-	-	-	-
Mozambique	30,931	5,050	23,575	-	2,050	-	-	-	61,606
Yemen	1,775	-	-	-	-	-	-	-	1,775
Kenya	15,418	-	4,500	-	-	-	-	-	19,918
Congo	24,393	-	-	-	-	-	6,056	-	30,449
Libya	-	-	-	-	-	-	-	-	-
Algeria	34,025	-	325	344	2,000	-	-	-	36,694
others*	329,249	17,235	155,057	156,714	121,586	-	53,711	37,340	870,892
EUROPE and CIS	**91,270**	**26,065**	**37,681**	**8,609**		**-**	**7,655**	**20,290**	**191,570**
Country: Russia	26,542	25,150	24,122	4,085	-	-	-	17,300	97,199
Ukraine	10,582	500	10,799	-	-	-	860	2,000	24,741
Poland	4,795	-	-	-	-	-	25	-	4,820
others*	49,351	415	2,760	4,524	3,565	-	6,770	990	68,375
AMERICAS	**43,777**	**400**	**482,729**	**26,503**	**3,260**	**231**	**4,647**	**-**	**561,547**
Country: Cuba	5,375	-	482,687	-	-	-	-	-	488,062
Brazil	250	-	-	-	-	-	-	-	250
others*	38,152	400	42	26,503	3,260	231	4,647	-	73,235
AUSTRALIA	33,964	1,550	4,933	147	-	21	16,016	24	**56,655**
UNKNOWN									**-**
TOTAL	**2,318,060**	**66,047**	**1,426,908**	**2,243,092**	**257,156**	**118,310**	**228,131**	**72,336**	**6,730,040**

** "Others" indicates that no clear destination is declared. It may/may not include the countries in the list of the same region*

Source: Trade

Table 10: Vietnam Rice Export By Grade and Destination January - December 2010

	5%	10%	15%	25%	100%	Glutinous	Jasmine	Unknown	Total
ASIA	1,362,413	14,747	716,208	2,019,600	30,615	118,058	114,566	14,382	**4,390,589**
AFRICA	786,636	23,285	185,357	188,233	223,281	-	85,247	37,640	**1,529,679**
EUROPE and CIS	91,270	26,065	37,681	8,609		-	7,655	20,290	**191,570**
AMERICAS	43,777	400	482,729	26,503	3,260	231	4,647	**-**	**561,547**
AUSTRALIA	33,964	1,550	4,933	147	-	21	16,016	24	**56,655**
UNKNOWN									
TOTAL	**2,318,060**	**66,047**	**1,426,908**	**2,243,092**	**257,156**	**118,310**	**228,131**	**72,336**	**6,730,040**

Imports

Vietnam imports rice mostly from Cambodia, with a small volume of sticky rice coming from Laos. Most of Cambodia's shipments occur around the beginning of the calendar year, immediately after its main crop is harvested. In Vietnam, imported paddy is used for local consumption after processing, since most of the rice grown in Vietnam is purely for export. No official data exists regarding the exact imported quantity, since paddy from Cambodia is transferred into Vietnam unofficially via small boats, thereby making quantities very difficult to track. Vietnamese farmers also have paddy rice investments in Cambodia for additional rice production, which is used mostly for local consumption in Vietnam.

Given the good result from the Cambodian rice harvest in MY 2009, Post's estimate for imports from Cambodia are 600,000 tons in MY 2010, up from 400,000 tons in MY 2009.

Policy:

Table 11: Planning for Food Crop Production in the Period of 2011-2015

		Unit	2010 est.	2011	2012	2013	2014	2015
Rice	-Area	1,000 ha	7,270	7,210	7,160	7,110	7,070	7,030
	-Yield	Ton/ha	5.37	5.42	5.52	5.58	5.62	5.67
	-Production	1,000 ton	39,185	39,097	39,517	39,634	39,733	39,869
Corn	-Area	1,000 ha	1,200	1,200	1,200	1,200	1,200	1,200
	-Yield	Ton/ha	4.40	4.70	5.00	5.20	5.30	5.40
	-Production	1,000 ton	5,280	5,640	6,000	6,240	6,360	6,480
Cassava	-Area	1,000 ha	500	490	470	450	420	400
	-Yield	Ton/ha	18.00	19.00	20.00	20.90	22.40	23.50
	-Production	1,000 ton	9,000	9,310	9,400	9,400	9,400	9,400

MARD set the plan for a five-year term on production of the main food crops from 2011 to 2015. The figures only show the orientation of those crops in the years to come. The production area for those crops will decrease over the years due to urbanization. In order for total production to catch up with the Vietnam's increasing demand of food, MARD is focusing on how to improve crop yields. The main supporting factor for improving the yield is using the new, high-yielding seed varieties, including those using biotechnology.

Decree 109/2010/ND-CP on Trading Rice for Export, a Mechanism for Regulating Paddy Prices

The Decree has an effective date of January 1, 2011, which aims to stabilize the rice market, and to refine the reliable rice exporters. The Decree requires the business entities who want to be involved in the rice export business to have at least one appropriate rice storage warehouse with a minimum holding capacity of at least 5,000 tons of paddy and at least one rice processing facility with a minimum of 10 tons per hour of processing capacity.

However, the Vietnamese Government did not hold the business entities to the January 1, 2011 implementation date and instead gave them until October 2011 to implement the Decree. Beginning on October 1, 2011 and lasting until September 2012, rice exporters should obtain a certificate of eligibility to participate in the rice export business. To meet the requirements, they are allowed to lease storage and milling facilities. After September 2012, rice exporters who do not have a certificate will be stopped from conducting business.

Foreign firms that want to take a part in the rice export business should have a storage warehouse and processing facility just like the ones required for local exporters, there are no differences in the standards.

The Decree still needs implementing guidelines from the related ministries and agencies. Below are some guidelines that have either already passed or have been drafted and are now available for public comment:

- Circular 44/2010/TT-BCT by the Ministry of Industry and Trade, dated December 31, 2010, on the regulations of rice export registration, focal point rice export contracts and related issues, effective on February 14, 2011

- Official Letter 3088/BCT-XNK by the Ministry of Industry and Trade, dated April 8, 2011, asking the provincial authorities' to inspect and certify the rice exporters' rice storage warehouse and rice processing facility in order to help rice exporters obtain the certificate of eligibility for the rice export business.

- The circular by the Ministry of Industry and Trade on the guidelines for the methodology of determining the floor price for export rice. This circular is under draft and MOIT has called for public comments.

- Decision 560/QD-BNN-CB by the Ministry of Agriculture and Rural Development, dated March 24, 2011, on the promulgation of temporary regulations on technical requirements for appropriate rice storage warehouses and rice processing facilities for rice exports.

- Official Letter 25/CV/HHLTVN by the Vietnam Food Association, dated February 22, 2011, on the procedure for rice export contract registration.

- Official Letter 211/CV/HHLTVN the Vietnam Food Association, April 25, 2011 notifying the rice exporters of the Official Letter 3088/BCT-XNK by the Ministry of Industry and Trade and Decision 560/QD-BNN-CB by the Ministry of Agriculture and Rural Development for reference and preparing for the dossier for applying for the certificate of eligibility for the rice export business.

Production, Supply and Demand Data Statistics:

Rice, Milled Vietnam	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	7,415	7,415	7,390	7,440		7,440
Beginning Stocks	1,961	1,961	1,456	1,470		1,821
Milled Production	24,979	24,993	24,983	25,251		25,434
Rough Production	39,966	39,989	39,973	40,402		40,694
Milling Rate (.9999)	6,250	6,250	6,250	6,250		6,250
MY Imports	400	400	600	600		500
TY Imports	400	400	600	600		500
TY Imp. from U.S.	0	0	0	0		0
Total Supply	27,340	27,354	27,039	27,321		27,755
MY Exports	6,734	6,734	6,000	6,200		6,400
TY Exports	6,734	6,734	6,000	6,200		6,400
Consumption and Residual	19,150	19,150	19,300	19,300		19,450
Ending Stocks	1,456	1,470	1,739	1,821		1,905
Total Distribution	27,340	27,354	27,039	27,321		27,755
Yield (Rough)	5.	5.393	5.	5.4304		5.4696