

Seafood

May seafood export updates

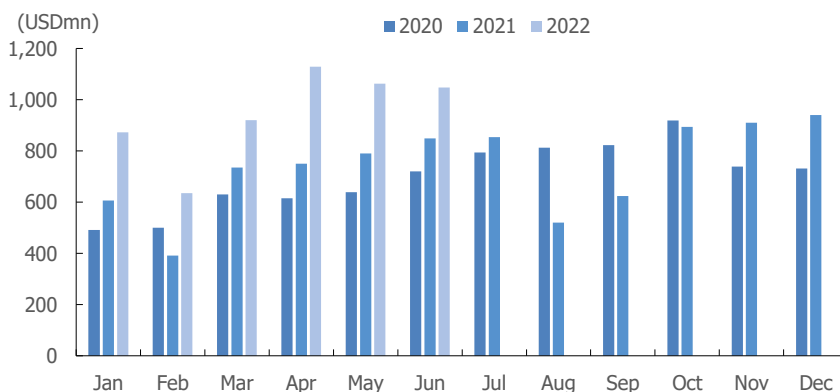
May seafood cool down after all time high export in April

- In May 2022, seafood export recorded climbed 34% yoy and -6% mom to USD1,062mn, based on the high demand on main markets as US, EU, CPTPP by increasing 31% yoy, 34% yoy and 33% yoy respectively and strongly revived import of China market by +71% yoy.
- Shrimp and pangasius export increased 31% and 67% yoy in May.
- Shrimp export flatted as April, assisted by slightly exported increase in EU, China and Japan and US market. The ASP in EU export recorded a slightly decrease by -7% mom in May.
- Pangasius export maintain rally increase yoy and dropped 20% mom compared to high based April export (recording 3-year all time high export), backed of export in US market (-15% mom, +114% yoy), China (-39% mom and +47% yoy) and EU (+25% mom and +104% yoy). The high demand in markets kept the ASP lofty with USD3.07/kg (+51% yoy and +3% mom)

Promising export to China in 3Q22

- Prelim seafood export in June 2022 reached USD1,047bn (+23% yoy and -2% mom), perking up 2Q22 export 36% yoy and 33% qoq to USD3,237bn.
- Shrimp export +7% yoy and -1% mom in Jun, we expect that the shrimp export begun to slower growth rate in 3Q22 as 1) US market would occur glut inventory, driving the ASP retreat lower in 3Q22, 2) the material supply could be shortened as unfavorable weather for shrimp farming currently, and 3) inflation increase could negatively impact on shrimp demand.
- Pangasius export +54% yoy and -11% mom in Jun, we believe that the high demand to maintain in 3Q22 as Vietnam could fill the gap arising from the bans imposed on Russia's seafood.
- Currently, China's strict Covid-19 disease prevention policy has begun to ease, losing the import process at clearance borders. We expect that it could bolster Vietnam seafood export, especially as shrimp and pangasius products.

Figure 1. January seafood export decline by -7% mom

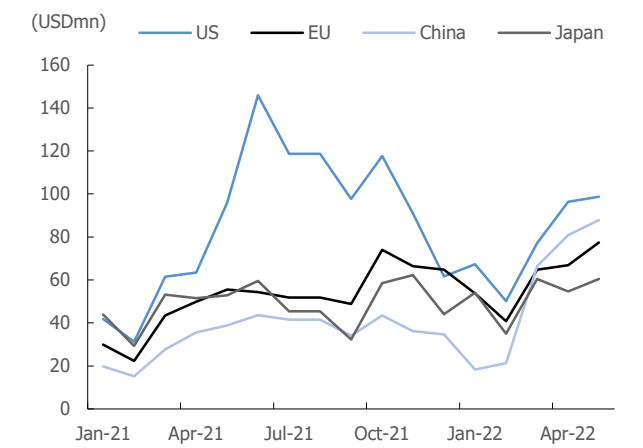


Source: VASEP, FiiPro, KISVN

**Overweight
(Maintain)**

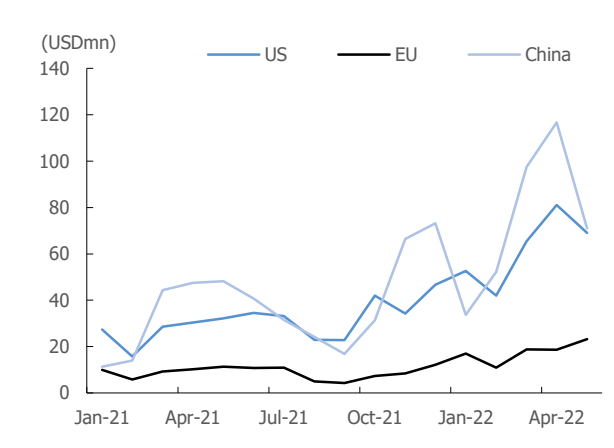
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Figure 2. May shrimp export increase in main markets



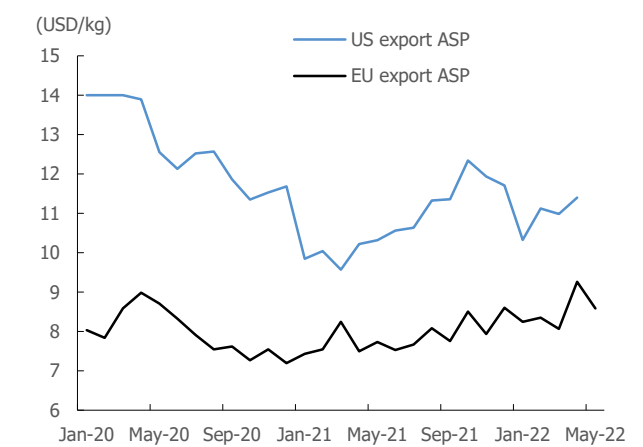
Source: FiinPro, VASEP, KISVN

Figure 3. May pangasius export dropped in biggest markets



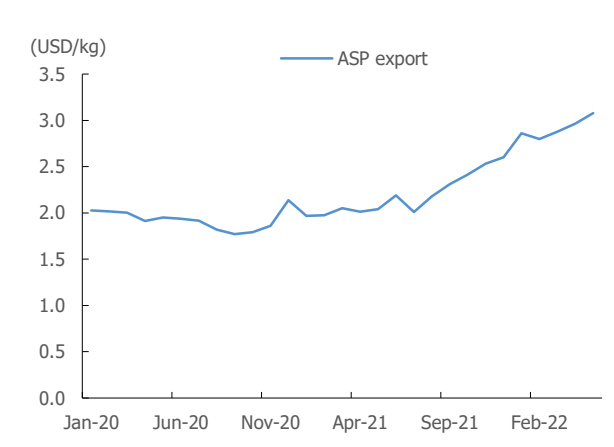
Source: FiinPro, VASEP, KISVN

Figure 4. Mixed shrimp ASP movement in main markets in Apr and May



Source: Undercurrent Data, KISVN

Figure 5. Pangasius ASP increase in May



Source: Agromonitor, KISVN

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