

Plants

Non-rated

Exports grow well amid food shortage concerns

Exports reiterate

- According to the GSO estimate, in Oct, the total agriculture export value is USD1,789mn (+17% mom, +19% yoy). In detail, rubber and vegetables have the highest export value of USD477mn (+56% mom, +45% yoy) and USD350mn (+40% mom, +59% yoy).
- Rice also has a positive export result with USD334mn, +8% mom/+20% yoy.
- In terms of volume, cassava exports jump by 82% mom/150% yoy to reach 400,000 tonnes.
- Rice export recovers with 700,000 tonnes (+8% mom, +32% yoy), while rubber export volume shrinks to 200,000 tonnes (-5% mom).
- In Oct, Vietnam Rice White FOB price (5% broken) is about USD438/tonne (+5% mom), while Thai's is USD428/tonne (+2% mom).
- However, based on the data we collected, in Aug 2022, nine of the ten largest rice exporters were non-listed. The top ten rice exporters achieved a growth rate of around 4%-300% yoy for rice export value in Aug 2022. In 8M22, LTG (UPCoM)'s revenue from rice export was about VND992bn (+14% yoy).

Corn exports price is ebbing continuously

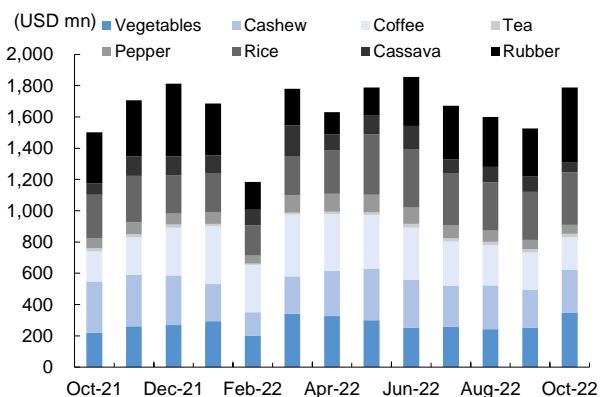
- Cashew and corn import value in Oct down to USD155mn/228mn (-28% mom/-43% mom). Vietnam reduces import of these two products to 120,000/700,000 tonnes in Oct (-25% mom/-39% mom).
- Corn import price falls by 6% mom in Oct, and declines by 14% since the peak of USD381/tonne in May 2022.
- In 8M22, DBC imported more than VND4,000bn (+50% yoy) of feed ingredients (corn, wheat bran, rice bran, phosphate..).

Growth opportunities for Vietnam rice export still exist

- In 10M22, Vietnam exports almost 6.2mn tonnes (+22% yoy) of rice.
- According to a report of the Research and Markets agency, Vietnam rice export could be stable in the period from 2022F-31F thanks to 1) Government policy on agricultural restructuring that focuses on "quality" rather than "quantity", 2) the production rate of high-quality rice gradually increased over the year, and 3) participation in many FTAs such as CPTPP and EVFTA supports Vietnam to join strict markets such as EU and Japan.
- In Aug, we estimate the largest rice exporter Intimex Group recorded a 32.4% yoy export turnover (with an export value of USD37mn), followed by Vinafood 1 with 154% yoy (USD30mn), Phuong Dong with 298% yoy (USD26mn). LTG export turnover grew 188% yoy in the Aug, with only USD9mn, far below the biggest players.

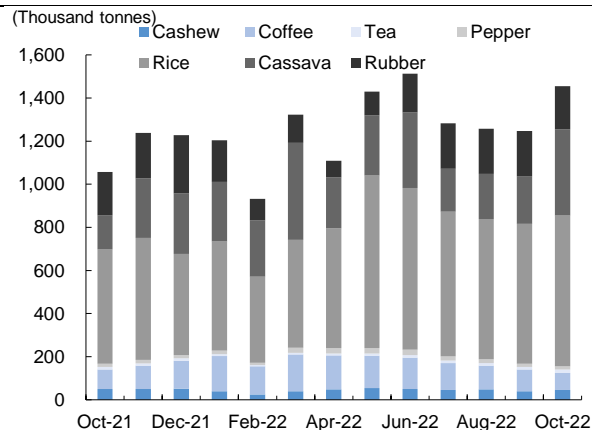
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Figure 1. Agricultural export value in Oct



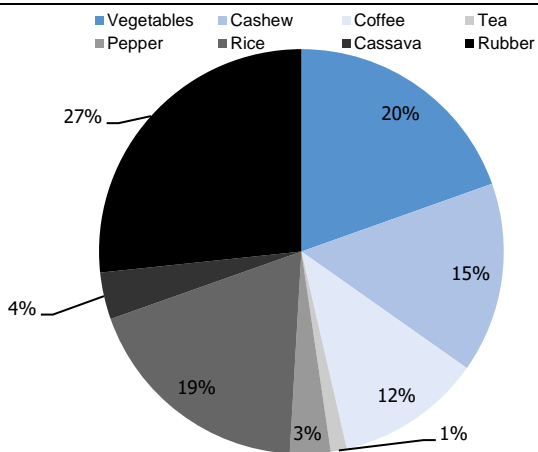
Source: MoIT, KIS

Figure 2. Agricultural export volume in Oct



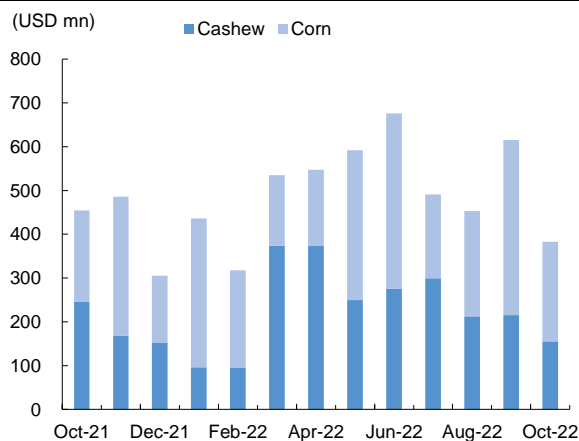
Source: MoIT, KIS

Figure 3. The proportion of export value by commodities



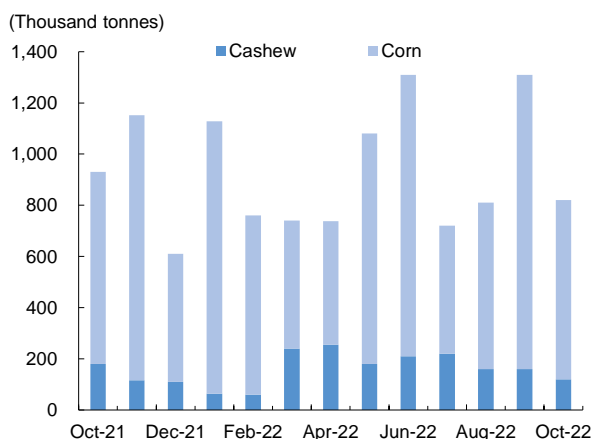
Source: MoIT, KIS

Figure 4. Agricultural import value in Oct



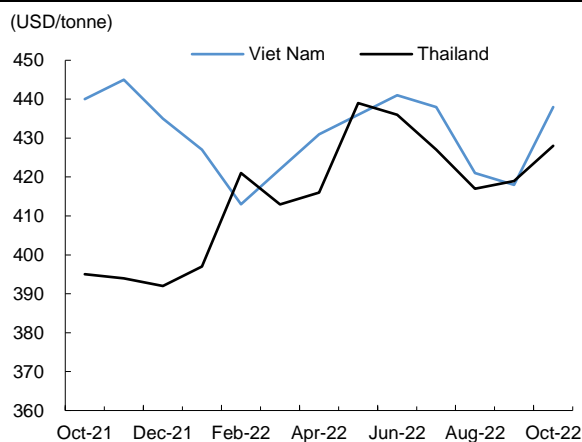
Source: GSO, KIS

Figure 5. Agricultural import volume in Oct

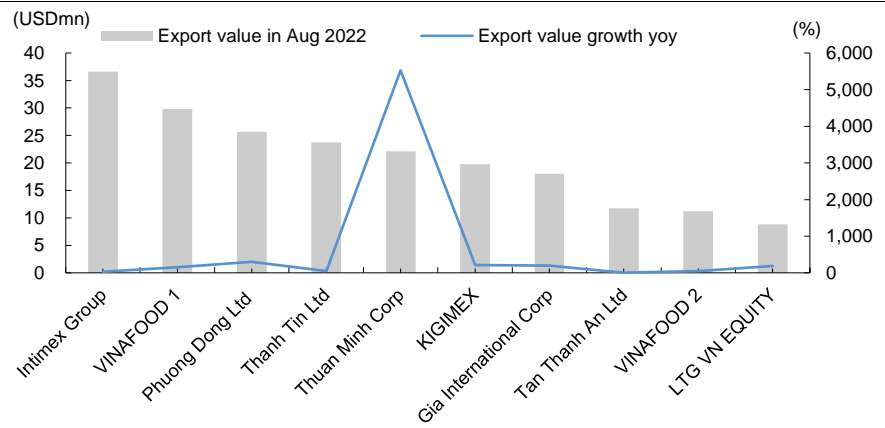


Source: GSO, KIS

Figure 6. Viet Nam & Thailand Rice White FOB price (5% broken)



Source: Bloomberg, KIS

Figure 7. Rice export value of top ten companies in Aug

Source: Tenda, KIS

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