

Plants

Non-rated

A somber picture

Shinning rubber and dimming rice

- In Jul, the export of agricultural products was sluggish when most of the items decreased in both value and volume.
- Cashew export value downed 15% mom and 20% yoy. Coffee/rice/cassava export value slid 15%/11%/41 mom but climbed 37%/14%/39 yoy.
- Rice and cassava export volume were 670,000/200,000 tonnes in Jul, -11% mom/-43% mom.
- One disappointing thing was that Vietnam's rice export tended to ease after peaking at 800,000 tonnes in May-22.
- However, rubber export gained the spotlight again with a 10% mom/4% yoy rise in value export and a 17% mom/5% yoy increase in volume export. In Jul, rubber had the highest export value among agricultural products with USD344mn.
- Total agricultural plant export was USD1,671mn (-10% mom and +5% yoy). Surprisingly, rubber export value topped in total export turnover with 21% share, followed by rice (20%), coffee (17%), cashew (16%), vegetables (16%), and cassava (5%).

The corn import price had no sign of cooling down yet

- On the import side, corn import value was USD192mn (-52% mom and -41% yoy), while cashew import value reached USD299mn (+9% mom and -25% yoy). In detail, Jul imports of corn were 500,000 tonnes (-55% mom and -50% yoy), and cashew import volume was 220,000 tonnes (+5% mom and -27% yoy).
- However, the corn import price had no sign of cooling down yet. In Jul, corn import price was USD384/tonne, +6% mom.
- The decrease in corn import showed that feed producers have begun to look for a cheaper domestic source of raw materials such as banana or rice bran. This could help feed producers expand their gross margin in the next quarters.

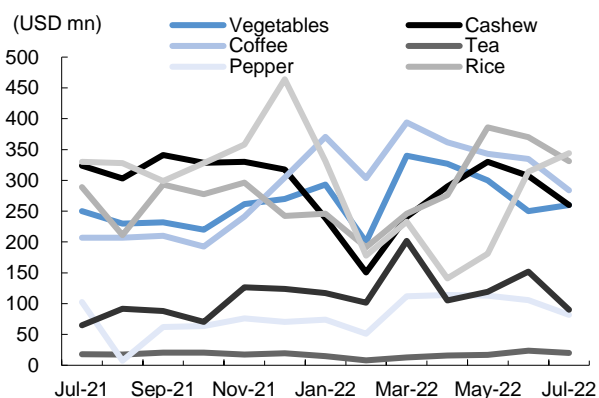
Rice export in 7M22 completed 66% of the target

- Both Vietnam and Thailand's 5% White Rice FOB price in Jul traded at USD420/tonne.
- In 2022, Vietnam's rice industry aims to export about 6.4mn tonnes while Thailand sets a target of 7-8mn tonnes. Vietnam exported about 4.2mn tonnes in 7M22, so Vietnam has more confidence in achieving this target. However, rice export in the remaining 5 months is forecasted to face stiff competition from Thailand.

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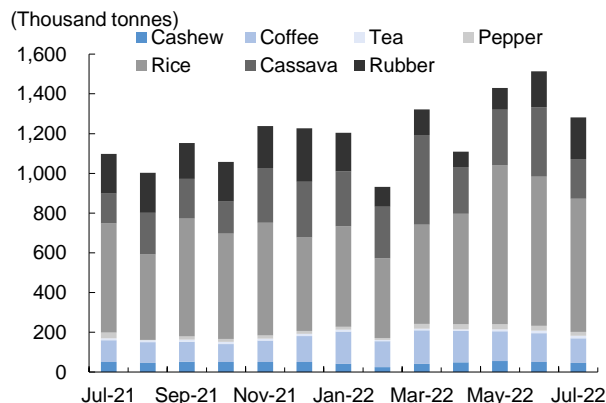
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Figure 1. Agricultural export value in Jul



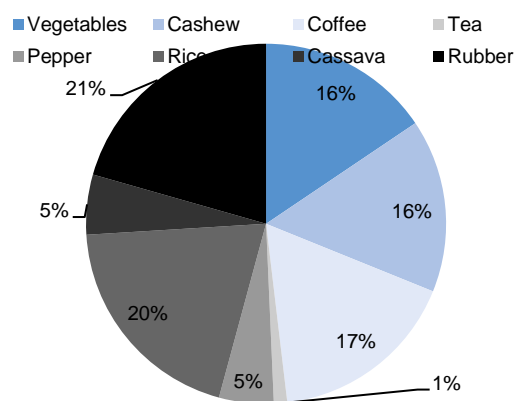
Source: MoIT, KIS

Figure 2. Agricultural export volume



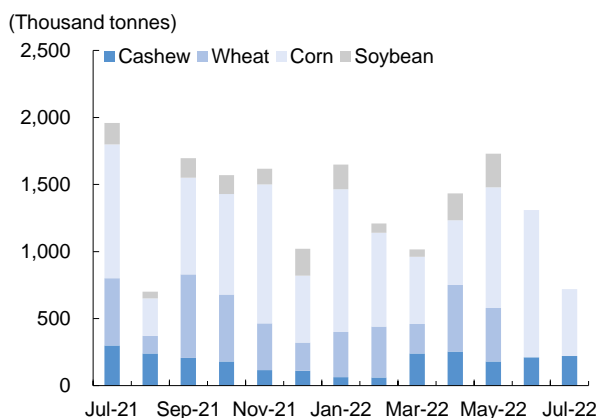
Source: MoIT, KIS

Figure 3. The proportion of export value by commodities



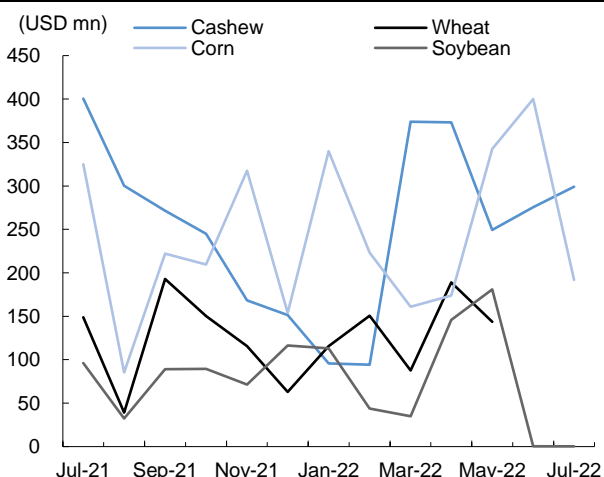
Source: MoIT, KIS

Figure 4. Agricultural import volume in Jul



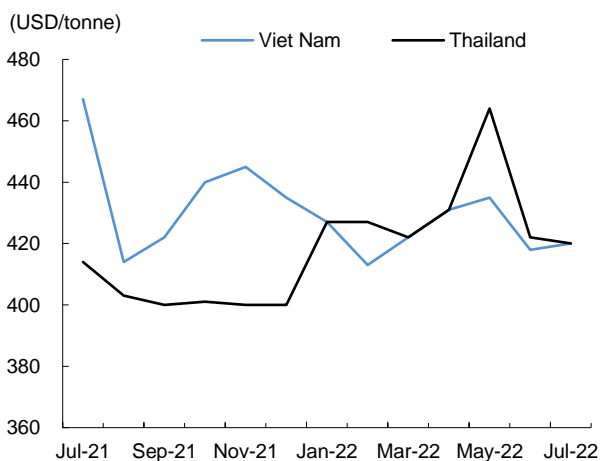
Source: GSO, KIS
Note: The GSO has not yet published the import data of wheat and soybean

Figure 5. Agricultural import value in Jul



Source: GSO, KIS
Note: The GSO has not yet published the import data of wheat and soybean

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



Source: Bloomberg, KIS

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