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Report Highlights:

In 2020, Vietnam had to confront dual COVID-19 and African Swine Fever outbreaks, which affected both animal feed demand and domestic oil consumption. Closures of restaurants, hotels, schools, and industrial canteens led to lower soybean consumption for food use and changed oil consumption habits. Recovery in industrial-scale swine facilities and poultry and aquaculture production growth are expected to increase soybean meal feed consumption in MY2020/21.

Executive Summary

African Swine Fever (ASF) continues to have a major impact on animal feed demand in Vietnam, although there are signs of recovery in the sector. According to the Ministry of Agriculture and Rural Development (MARD), as of July 2020, the total swine population reached 25.18 million heads, up 7.7 percent from January 1.

Post increases its total feed demand estimate in MY2019/20 to 27.1 million metric tons (MMT) and to 28.1 MMT in MY2020/21 because of swine repopulation, along with growth in the poultry and aquaculture sectors. This report reflects a slight increase in post's estimate for soybean meal feed consumption to 5.9 MMT in MY2019/20 and 6.1 MMT in MY2020/21.

Post lowers its estimate for soybean imports to 1.85 MMT in MY2019/20 and to 2 MMT in MY2020/21 due to lower forecasted soybean consumption for food use. Vietnam's soybean consumption for food use is lowered in MY2019/20 and MY2020/21 to 480 TMT and 500 TMT respectively. Additionally, post revises down total crushing capacity in Vietnam to 1.4 MMT in MY2020/21.

Soy oil demand is increasing due to more home cooking, while palm oil demand is decreasing due to closures of restaurants and canteens caused by the COVID-19 pandemic. Vietnam's total vegetable oil consumption is estimated to remain flat in MY2019/20 and forecast to increase by three percent in MY2020/21.

OILSEEDS SITUATION AND OUTLOOK

Soybean

Production

According to official data from Vietnam's General Statistics Office (GSO), Vietnam's soybean planted area as of August 15, 2020, was 37.1 thousand hectares (THa), a decrease of 7.2 percent compared to the same period of 2019. The continuing decline in soybean planted area in MY2019/20 is a part of an overall trend of Vietnamese farmers switching to more profitable crops such as various fruits and vegetables that are grown for both export and domestic consumption. Vietnam's planted fruit area reached approximately 1.1 million Ha in 2019, an increase of 33.5 percent compared to 2014.

With a low average yield of 1.53 MT per hectare, local soybeans are not competitive economically with fruit and vegetable crops in the northern provinces nor cash crops including coffee in the central highland provinces. Local soybean production is used for food processing including tofu, soymilk, soymilk powder, and soy sauces.

Post revises down its soybean production estimate for MY2019/20 to 70 TMT on a projected 46 THa due to severe drought in the first half of MY2019/20 in the Mekong Delta and central highlands, in addition to farmers switching to other more profitable crops, such as fruits and vegetables.

Post forecasts local soybean production in MY2020/21 will increase with recovery from the drought. The higher cost of domestic soybeans is not competitive with the lower price of imported soybeans for the feed and food processing industry.

Table 1: Soybean production

	2017	2018	2019	2020*	2021*
Crop area (thousand ha)	68.4	53.3	49.5	46	47
Crop yield (MT/ha)	1.49	1.52	1.53	1.53	1.5
Total production (TMT)	**101.7**	**80.8**	**75.9**	**70**	**72**

Source: General Statistics Office (GSO), Ministry of Agriculture and Rural Development (MARD),
The data included inventory of winter crop in the North starting from October annually
**Post estimates*

Consumption

Industrial crush

Vietnam currently has two industrial soybean crushing facilities, one located in the south and a newer facility that went on-line in June 2019, in the north. Post maintains its estimate of MY2019/20 soybean crush at 1.3 MMT. The demand for soybean crush is driven both by the need for meal for animal feed but also by a continued steady annual soy oil growth rate. Being able to supply local feed millers and traders with timely deliveries of high protein SBM is an advantage for the local crushing industry. Industry sources also anticipate better soy oil margin with their strong and proactive existing distribution channel.

Post lowers its soybean crush forecast to 1.4 MMT in MY2020/21 based on lower crushing capacity at the northern facility, according to sources.

Food Use Consumption

Due to widespread restaurant, hotel, and school closures during the COVID-19 outbreak, post revises down its estimated consumption of soybeans for food use, including soymilk and tofu in MY2019/20, to 480 TMT. In MY2020/21, post forecasts a growth rate of five percent to 500 TMT with the reopening of hotels, restaurants, and industrial canteens. U.S. soybeans have a strong advantage in food use categories compared to other sources as U.S. soybeans are preferred for their flavor and color.

Vietnam has several large soymilk producers including Vinasoy, VinaMilk, and NutiFood. According to one soymilk industry source, they expect packed soymilk production to remain flat in 2020 but plan for an expected growth rate of 10 to 12 percent in 2021, based on soymilk exports to China and East Asia markets.

An industry source also projects a steady increase in production of bulk soymilk distributed to traditional markets in MY2020/21 due to its competitive price. A soybean trader for food use plans to establish a processing factory in a northern province in 2021, to produce soy-based products focusing on tofu and soymilk.

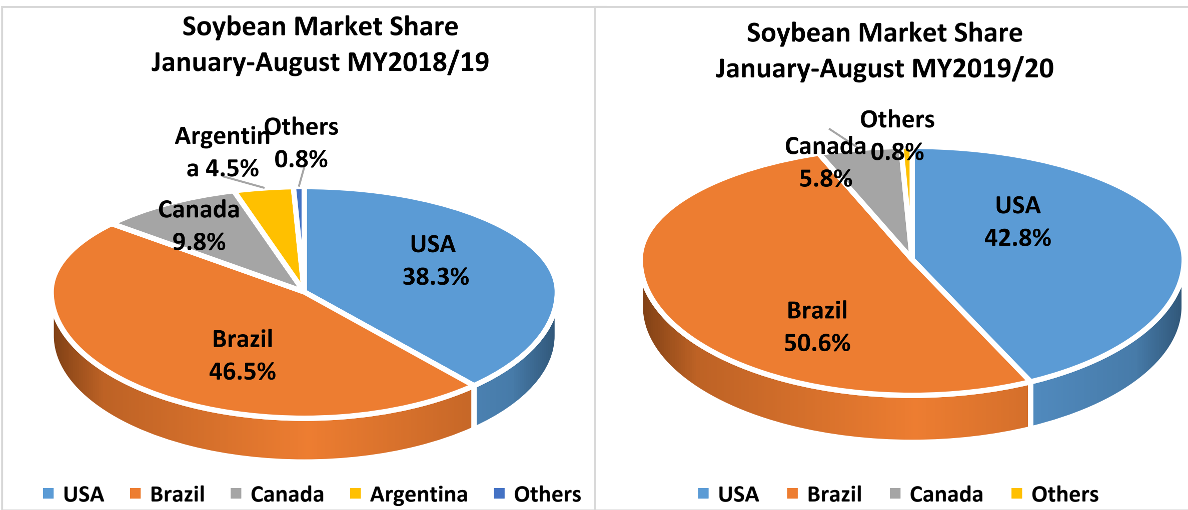
Trade

Imports

According to Vietnam Customs, MY2019/20 soybean imports as of August 31, 2020, reached 1.33 MMT, an increase of 19.7 percent compared to the same period of MY2018/19. Brazil is currently the leading soybean exporter to Vietnam in MY2019/20 over taking the United States with a market share of 50.6 percent. The United States is the second largest exporter with 42.8 percent of the market share. U.S. soybean exports to Vietnam increased 31.7 percent in the first eight months of MY2019/20 compared to the same period of MY2018/19. The United States was the leading soybean supplier to Vietnam from January to June in MY2019/20.

Table 2: Soybean Supplier Market Share (percentage)

Country	2016	2017	2018	2019	2019 (Jan-Aug)	2020 (Jan-Aug)
United States	63.8	46.7	72.9	44.3	38.3	42.8
Brazil	21.3	37.4	17.7	38.7	46.5	50.6
Canada	5.7	11.8	6.9	8.7	9.8	5.8
Argentina	0.6	0.1		7.1	4.5	



Data Source: Vietnam Customs published at https://www.customs.gov.vn

Post revises down soybean imports to 1.85 MMT in MY2019/20 and to 2 MMT in MY2020/21 based on lower estimated soybean consumption for food use in MY2019/20 and the forecasted crushing capacity at northern crushing facility in MY2020/21. The southern crushing plant is operating at full capacity with a demand of 1.15 MMT, while the northern crushing plant has a demand of 150 TMT. According to contacts, the northern facility is expected to increase crushing capacity to 250 TMT in MY2020/21 based on demand for soy oil.

Policy

On March 31, 2019, the Ministry of Agricultural and Rural Development (MARD) Plant Protection Department (PPD) announced a zero-tolerance policy for soybean and wheat shipments containing the weed seed *Cirsium arvense*. This policy has created uncertainty for exporters, importers, and the Vietnamese feed and flour milling industries. On March 16, 2020, Vietnam notified a Draft Circular for National Technical Regulations on phytosanitary requirements for imported regulated articles to the World Trade Organization (WTO) as SPS Notification VNM112. This includes a zero tolerance for

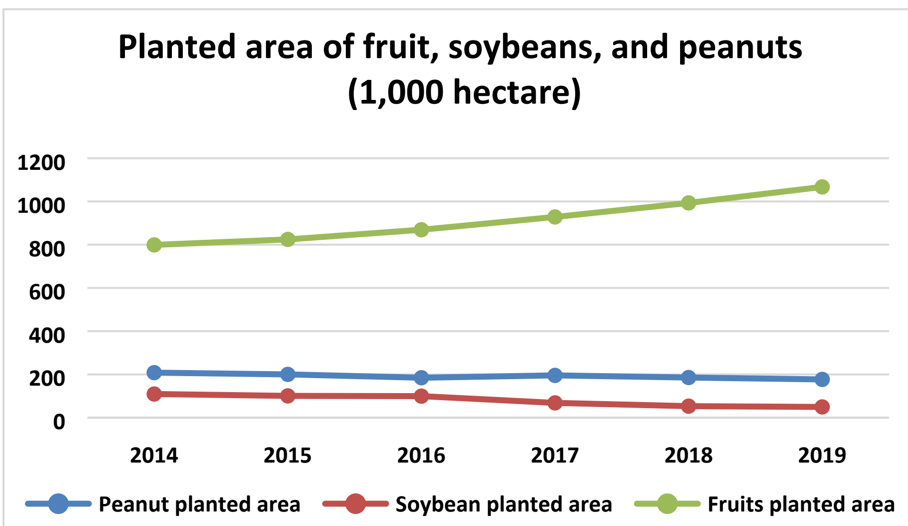
Cirsium arvense, among other plant quarantine pests. Please refer to GAIN report VM-2020-20 for further information.

Vietnam postponed implementation of maximum levels for salmonella and heavy metals in feed ingredients of plant origin until July 1, 2021, please refer to GAIN report VN-2020-0067 for further information. Vietnam also suspended the implementation of the Certificate of Free Sale requirement for feed and feed ingredients, please refer to GAIN report VM-2020-0062 for further information.

Peanuts

Production

According to GSO, peanut planted area was 153.4 THa as of August 15, 2020, a drop of 3.2 percent in area compared to the same period last year. Peanut growing area is declining in most parts of Vietnam for the same reason that soybean planted area is declining, Vietnamese farmers are switching to fruits and vegetables that are more profitable for both the domestic and export markets. Although, in the central provinces, farmers are converting unprofitable paddy fields into crop area for a variety of crops including fruits, vegetables, corn, peanuts, soybeans, and sweet potatoes.



The south central and central highlands of Vietnam, where most peanut production occurs, faced severe drought and irrigated water shortages during the summer planting season leading to lower estimated peanut harvested area and production in MY2019/20. Post revises down its estimated harvested planted area in MY2019/2020 to 172 THa with an estimated production of 426.5 TMT.

Post maintains the MY2020/21 forecast for peanut production at 447 TMT with recovery from drought and farmers switching unprofitable paddy land to peanuts in the central provinces.

Table 3: Vietnam's Peanut Production

	2017	2018	2019	2020*	2021*
Crop area (Tha)	195.6	185.7	176.8	172	180
Crop yield (MT/ha)	2.35	2.47	2.48	2.48	2.48
Total peanut production**(TMT)	459.6	458.7	438.8	426.5	447

Source: GSO, MARD
**Post estimate*
***in-shell basis*

Crush

Post maintains its estimate of peanut crush volume at 25 TMT in MY2019/20 and 26 TMT in MY2020/21. This reflects the estimated peanut oil production.

Table 4: Peanut oil production

	2017	2018	2019	2020*	2021*
Peanut oil production (MT)	7,316	7,423	7,605	7,900	8,200

*Source: GSO, *Post estimate*

Food Use Consumption

Most locally produced and imported peanuts are consumed in the retail sales channels, food service, and food processing industry (especially in the snack industry) for both domestic consumption and export.

In-shell peanuts are available from street vendors in boiled and roasted forms, at "bia hoi" (fresh draft beer) restaurants, and in wet markets during harvest season. Small retail stores usually sell raw shelled peanuts in loose formats, while modern retailers, including supermarkets and hypermarkets, sell packaged raw shelled peanuts. Foodservice providers and food processors purchase peanuts in bulk.

On January 1, 2020, Vietnam implemented a strict zero tolerance policy for drinking and driving, leading to a decrease "bia hoi" restaurant's sales. Impacts of the COVID-19 outbreaks on the tourism and foodservice sectors led to lower peanut consumption due to closures and/or moderated operation of restaurants, hotels, and canteens.

Post revises down peanut consumption in MY2019/20 to 530 TMT and to 540 TMT MY2020/21.

Trade

Imports

In the first seven months of MY2019/20, India was the largest peanut supplier to Vietnam with 75 percent of the market share. U.S. exports of in-shell peanuts to Vietnam reached 4.8 TMT, equivalent to 7 percent of the market share.

Post maintains its estimate of MY2019/20 peanut imports at 160 TMT (in-shell basis) due to low local food consumption.

Post lowers its forecast of MY2020/21 peanut imports to 170 TMT with expected modest rebounds in the foodservice and food processing sectors.

Table 5: Vietnam's peanut imports, by HS Code

Year	**2016**	**2017**	**2018**	**2019**	**2019 (Jan-July)**	**2020 (Jan-July)**
Total in-shell peanut imports (MT) (HS code 120210 and 120241)	**38,725**	**3,025**	**1,953**	**16,320**	**7,658**	**2,083**
Total shelled peanut imports (MT) (in-shell basis) (*HS code 120220; 120242 and 200811)*	302,200	194,139	108,459	215,746	75,813	79,020
Total peanut seed import (MT in-shell Basis) (HS code 120230)	384	12,505	372	820		
Total peanut imports (in-shell basis) (MT)	**339,441**	**209,669**	**110,784**	**232,886**	**83,381**	**81,104**

Source: Trade Data Monitor (TDM)
**Note: Peanuts are in in-shell basis, including in-shell peanut (HS code 120210; 120241) and shelled peanuts (HS code 120220; 120242 and 200811 – including peanut butter, but amount of peanut butter negligible), and peanut seeds with HS code 120230. Conversion rate from shelled peanut into in-shell peanuts: 1.33.*

Exports

Vietnam exported 18.1 TMT of peanuts (in-shell basis) in the first seven months of MY2019/20 according to TDM. Vietnam's main export market is China accounting for 81 percent of total exports. This is due to China's high consumption demand, proximity advantage, and competitive global prices. Vietnam imports peanuts for border trade with China and Post forecasts in MY2020/21 that this trade will increase during the recovery from COVID-19.

Post revises its estimate up for peanut exports to 50 MT in MY2019/20 and 60 MT in MY 2020/21 due to projected higher demand from China.

Table 6: Vietnam peanut exports, by HS Code

Year	**2016**	**2017**	**2018**	**2019**	**2019 (Jan-July)**	**2020 (Jan-July)**
In-shell peanut exports (MT) (HS code 120210 and 120241)	230	478	949	2,324	409	9,644
Shelled Peanut exports (MT) (*HS code 120220; 120242 and 200811)*	6,968	5,035	6,215	7,747	4,216	8,492
Peanut seed export (MT) (HS code 120230)	0	0	10	2		
Total converted into in-shell peanut exports (MT)	**9,497**	**5,513**	**7,152**	**10,073**	**4,625**	**18,136**

Source: TDM

Note: Peanuts are on in-shell basis, including in-shell peanut (HS code 120210; 120241) and shelled peanuts (HS code 120220; 120242 and 200811 including peanut butter, but volume of peanut butter negligible), and peanut seeds with HS code 120230; Conversion rate from shelled peanut into in-shell peanuts: 1.33.

Copra

Production

In July 2020, a new pest, the Coconut black headed caterpillar (Opisina arenosella) was discovered in Ben Tre Province, where 42 percent of Vietnam's coconut production occurs. The pest damages coconut leaves and nuts. So far about 20 hectares have reportedly been infected. Treatment and technical assistance are ongoing. Additionally, according to the Ben Tre Coconut Association, the coconut planting in MY2019/20 faced challenges due to the salt-water intrusion in the Mekong Delta in early 2020. Post revises down coconut harvested area to 168 TMT in both MY2019/20 and MY2020/21.

Post estimates copra production at 12 TMT in both MY2019/20 and MY2020/21. Production is dependent on export markets' demand for coconut oil, especially the processing industries in the United States and Canada.

Table 7: Coconut and copra production

	2017	**2018**	**2019**	**2020***	**2021***
Coconut plantation area (thousand ha)	169.7	175	178	180	182
Coconut harvested area (thousand ha)		165	168	168	168
Average coconut yield (nuts/ha)	8,835	8,982	9,149	9,200	9,200
Coconut production (million nuts)	1,499	1,571	1,677	1,700	1,720
Coconut Oil production (MT)	8,264	9,000	9,000	8,000	8,000
Milling Copra Consumption for coconut oil crushing (MT) ***	13,100	14,000	13,000	12,000	12,000
Total Estimated Copra Production (MT)***	14,000	14,000	13,000	12,000	12,000

Source: MARD, GSO, Ben Tre Coconut Association and Coconut Processing Companies
**Post estimates*
**** Estimated extraction rate is 64 percent.*

Consumption

Crush
Copra crush volume fluctuates depending on the coconut oil export market and the profit margin of other products. The main export markets for coconut products are the United States, Canada, and the European Union.

Food Use Consumption
Coconut products for food use include, fresh coconuts for immediate consumption and cooking, desiccated coconut, coconut milk, coconut milk powder, refined copra/coconut oil, and fresh coconut juice.

Trade

Vietnam continues to import and export a negligible volume of copra while instead focusing on other coconut products. Coconut products that are exported include, desiccated coconut, coconuts in the inner shell, coconut milk, coconut fibers, and activated charcoal. In 2020, total exports of coconut products (coconut milk, desiccated coconuts, coconut juice, activated charcoal, and coconut oil) are expected to reach $260 million according to the Ben Tre Coconut Association.

The EU-Vietnam Free Trade Agreement (EVFTA), which entered into force on August 1, 2020, will lower import duties of coconut products into the EU. Therefore, according to an industry source, coconut product exports to the EU are expected to increase in MY2020/21.

Post forecasts a ten percent increase in MY2020/21 exports of coconut products.

Rapeseed

Production

There is no official data for rapeseed production in Vietnam. Rapeseed cultivation occurs mainly in the north mountainous provinces as part of the tourism industry. Post estimates the rapeseed cultivation area to remain constant at 1 thousand hectares for MY2020/21.

Consumption

Aside from the tourism industry, rapeseed is also used for oil extraction at the household scale. Therefore, Post estimates continued very low rapeseed consumption in MY2020/21.

MEALS SITUATION AND OUTLOOK

Soybean Meal

Production

Post raises its estimate of SBM production to 1.02 MMT in MY2019/20 and revises down the forecast to 1.09 MMT in MY2020/21. This reflects the forecasted soybean crushing volume at the two crushing facilities.

Table 8: Vietnam's soybean meal production

	2017	2018	2019	2020*	2021*
Total local SBM production (TMT)	**855**	**960**	**937**	**1,015**	**1,092**

*Source: Local Producers, *Post estimate.*

Feed Consumption

Feed consumption is revised upward in MY2019/20 and MY2020/21 due to swine repopulation.

The ASF outbreak began in February 2019, leading to the culling of over six million pigs to date. The swine production sector is starting to see a gradual recovery from the ASF epidemic, according to MARD. As of July 2020, the total swine population reached 25.18 million heads, up 7.7 percent from January 1. However, Vietnam's efforts to repopulate the national pig herd have been hindered by the risk of ASF recurrences. Please refer to GAIN report VM2020-0093 for further information.

According to MARD reports and industry sources, swine repopulation at industrial-scale facilities is occurring faster than at backyard farms due to the advantages in infrastructure, technology, human resource, hygiene, credit access, and economy of scale, particularly in industries with an integrated feed-farm- food business model. Additionally, the current live-weight hog price is attractive for producers in comparison to the investment costs, according to industry sources. The GVN has been encouraging the local industry to rebuild the sow and hog population at farms that meet biosecurity requirements. According to an industry source, favorable credit access and land grants for hog farm establishments have been directing more investments to swine farms.

Higher prices of sows and piglets make it difficult for backyard farmers to rebuild their swine herds, which currently still account for a large proportion of the total swine population. Currently, the 16 largest livestock companies in Vietnam own about 4.9 million pigs, equivalent to 35 percent of national pig herd, according to MARD. Soybean meal averages about 18 to 20 percent of swine feed rations.

Post estimates that the total poultry flock will increase to 505 million birds in 2020, about five percent higher than the previous year. The GVN called on consumers to increase the proportion of poultry meat protein in their diets in comparison to pork meat protein to combat the decreased pork supply and increased pork prices. These factors continued to drive increases in the poultry sector in MY2019/20.

However, the GVN noticed that the poultry sector may have expanded too quickly and warned producers to be cautious when planning expansion going forward. Post estimates poultry growth in MY2020/21 will be about two percent higher than MY2019/20.

Vietnam's shrimp sector is expected to take advantage of the EU's reduced import tariffs as part of the EVFTA. Vietnam's shrimp production increased by 6.5 percent in the first seven months of 2020 compared to 2019. According to industry sources, Vietnam's exports of catfish "ca tra" faced lower prices starting in early 2020, because of COVID-19, and catfish farmers have reduced feeding to minimize production costs. This led to a 5 percent decrease in catfish production and 24.5 percent decrease in exports in the first half of 2020, according to GSO. Overall, feed demand for catfish is down while feed for shrimp is up. Post maintains its estimate of MY2019/20 aquafeed demand at 6.8 MMT and raises its forecast to 6.9 MMT in MY2020/21, with the expectation of increased catfish production.

Post revises upward its total feed demand estimate in MY2019/2020 to 27.1 MMT and to 28.1 MMT in MY2020/21 due to strong swine repopulation.

Post also revises its SBM feed consumption estimate to 5.9 MMT in MY2019/20 and forecast to 6.1 MMT in MY2020/21 following the increase in overall feed demand.

Trade

Imports

In the first seven months of MY2019/20, Vietnam's imports of SBM decreased by about 3 percent compared to the same period of MY2018/19. Argentina remained the largest supplier accounting for almost 81 percent of the SBM imports due to lower prices. The second largest SBM supplier to Vietnam is Brazil accounting for 14.4 percent of the total market share. U.S. SBM exports to Vietnam decreased by almost 70 percent compared to the same period of MY2018/19.

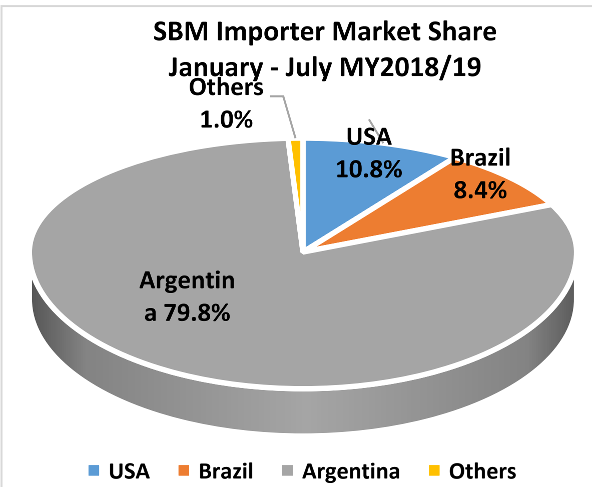
Post revises its estimate of SBM imports in MY2019/20 to 5.2 MMT due to recovering feed demand. Vietnamese importers have also taken advantage of lower prices this summer. According to AgriCencus, the average SBM FOB prices in Argentina ranged from $319 to $336 per MT in June through August and increased to $400 per MT by early September 2020.

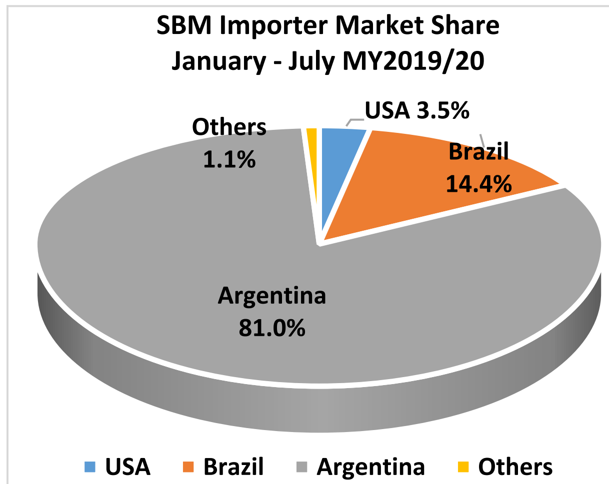
Post also revises its forecast of SBM imports in MY2020/21 to 5.3 MMT due to the forecasted increase in total feed demand. Increasing domestic SBM production will offset some of the SBM demand.

Table 10: Total soybean meal* imports by source 2016-2020 (Unit: TMT)

	2016	2017	2018	2019	2019 (Jan-Jul)	2020 (Jan-Jul)
Total	**5,110**	**4,945**	**4,846**	**5,000**	**3,304**	**3,185**
Argentina	4,292.6	4,026.7	2,850	3,948	2,636	2,581
Brazil	264.5	339.8	1,055	471	278	460
USA	211.4	440.4	763	537	356	110
India	17.2	89.4	115	26		
China	248.8	11.6	57	5		
Other countries	**75.5**	**37.2**	**6**	**10**		

Source: TDM data, local importers
**Note: Soybean meal (HS code: 2304), and other residues from soybeans (HS Code: 230250), and soy flour (HS code 120810)*





<u>Exports</u>

Vietnam exports a small amount of SBM to neighboring countries, including Cambodia, Japan, the Philippines, Singapore, Laos, South Korea, Myanmar, and Taiwan. Cambodia is the major export market as Cambodia lacks a port, making it costly to directly import SMB from other international sources.

Post maintains its estimate for SBM exports in MY2019/20 and MY2020/21 at 110 TMT due to the consistent demand from Cambodia.

Other Meals

Production

Post maintains its estimate of copra meal production at 4 TMT for both MY2019/20 and MY2020/21 because of the limited volume of coconut oil exports.

There is an increasing trend of using by-products from fish and shrimp processors to produce fishmeal and other added value products such as collagen and gelatin. Catfish processors use up to 40 percent of total fish weight for fillet products, according to a local source. Inputs for fishmeal production also include marine captured anchovies. Two local producers have seen an opportunity to maximize use of by-products from catfish and shrimp processors. Vietnam needs more investments in research and development to produce high quality products from those by products, according to Vietnam Association of Seafood Exporters and Producers (VASEP).

Most fishmeal producers in Vietnam are located in the south, in close proximity to input suppliers at fishing ports and fish processors, including catfish processors. Fishmeal production in Vietnam is estimated to increase to 450 TMT in MY2019/20 and 460 TMT in MY2020/21.

Trade

Imports

According to TDM, Vietnam fishmeal imports in the first seven months of MY2019/20 were 91 TMT, a decrease of 5.5 percent compared to the same period of MY2018/19, due to the lower prices for catfish exports leading producers to use less feed. Post maintains fishmeal imports at 156 TMT in both MY2019/20 and MY2020/21 due to aquafeed demand for both fish and shrimp.

According to TDM, Vietnam rapeseed meal imports were 100 TMT from October 2019 to June 2020, a decrease of 42 percent compared to the same period of MY2018/19. India remains the largest supplier of rapeseed meal to Vietnam. Copra meal imports were 20 TMT in the first six months of MY2019/20, a decrease of 26 percent over the previous year. Soybean meal or other meals can be used as a substitute for protein content in animal feed.

Exports

Fishmeal exports reached 94 TMT in in first seven months of MY2019/20 and post estimates exports to remain flat in MY2019/20 and MY2020/21, with China being the largest market. Vietnam exports low-protein fishmeal, while importing high-protein fishmeal.

OILS SITUATION AND OUTLOOK

Production

Vietnam produces vegetable oil from coconut, peanut, rice bran, and soybean crush. Post forecasts vegetable oil production to increase to 304 TMT in MY2020/21 due to the increased production of soy oil (comprising 266 TMT soy oil, 8 TMT coconut oil, 8 TMT peanut oil, and 22 TMT rice bran oil).

Table 11: **Refined vegetable oil production in Vietnam**

Year	**2017**	**2018**	**2019**	**2020***	**2021***
Refined vegetable oil (TMT)	1,077	1,160	1,275	1,275	1,310

*Source: GSO, *Post estimates and local producers*

Food Consumption

Palm oil is used widely in the food service and food processing sector due to its low price, according to sources in the oil industry. Widespread closures due to COVID-19 in restaurants, hotels, and canteens in industrial zones along with school closures reduced palm oil consumption in MY2019/20. At the same time, soy oil and rice bran oil consumption are increasing due to a switch to more home cooking.

Post estimates that the consumption growth rate of vegetable oil will remain flat in MY2019/20 but will grow at rate of two to three percent in MY2020/21 with the expected rebound of the tourism and food service sectors.

Post lowers its estimated refined vegetable oil consumption to 1.28 MMT in MY2019/20 and to 1.31 MMT in MY2020/21. There is room for oil consumption growth since vegetable oil consumption per capita in Vietnam is about 12.5 kg lower than the recommended international level of 13.7 kg. The OECD projects Vietnam's vegetable oil consumption could increase to 18 kg.

Trade

Imports of palm oil decreased in MY2019/20 due to impacts of COVID-19 but will increase in MY2020/21 with the expected rebound of tourism and foodservice sectors

Table 12: **Imported vegetable oils to Vietnam (TMT)**

Year	2017	2018	2019	2019 (Jan-June)	2020 (Jan-June)	2020*	2021*
Palm oil	787.5	861.5	870	389	426.2	860	880
Soy oil	28.5	47	45	22	22	45	30
Rapeseed oil	2	3	2	1.4	2	2	2
Coconut oil	2.8	3	3	2	2	3	3

Source: TDM
** Post estimates*

Palm oil accounted for about 94 percent of total vegetable oil imports in the first half of MY2019/20 due to its low price. Post increases its estimate of soy oil imports because of increasing soy oil consumption.

Exports

Total vegetable oil exports in the first half of MY2019/20 were 8 TMT comprising mostly soy and coconut oils.

Post lowers its vegetable oil export estimate to 17 TMT in MY2019/20 due to increasing local soy oil consumption. Post keeps its forecast of 32 TMT in MY2020/21 due to an increase in local soy oil production. Vietnam soy oil exports normally happen at times of low consumption and high production, for instance after the Lunar New Year holiday, with imports occurring before the holiday.

PSD Tables

Soybean

Oilseed, Soybean	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	50	0	50	0	50	0
Area Harvested (1000 HA)	50	50	47	46	47	47
Beginning Stocks (1000 MT)	311	311	123	118	160	73
Production (1000 MT)	81	76	72	70	72	72
MY Imports (1000 MT)	1596	1596	1850	1850	1890	2000
Total Supply (1000 MT)	1988	1983	2045	2040	2122	2147
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	1200	1200	1200	1300	1250	1400
Food Use Dom. Cons. (1000 MT)	480	480	500	480	520	500
Feed Waste Dom. Cons. (1000 MT)	185	185	185	185	185	185
Total Dom. Cons. (1000 MT)	1865	1865	1885	1965	1955	2085
Ending Stocks (1000 MT)	123	118	160	73	167	60
Total Distribution (1000 MT)	1988	1983	2045	2038	2122	2147
CY Imports (1000 MT)	1596	1596	1850	1850	1890	2000
CY Exports (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	1.62	1.52	1.5319	1.5319	1.5319	1.5319
(1000 HA), (1000 MT), (MT/HA)						

Peanuts

Oilseed, Peanut	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	180
Area Harvested (1000 HA)	177	177	175	172	180	180
Beginning Stocks (1000 MT)	31	31	25	93	22	75
Production (1000 MT)	439	439	434	427	447	447
MY Imports (1000 MT)	150	232	165	160	175	170
Total Supply (1000 MT)	620	702	624	680	644	692
MY Exports (1000 MT)	4	10	4	50	4	60
Crush (1000 MT)	60	24	60	25	60	26
Food Use Dom. Cons. (1000 MT)	531	575	538	530	558	540
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	591	599	598	555	618	566
Ending Stocks (1000 MT)	25	93	22	75	22	66
Total Distribution (1000 MT)	620	702	624	680	644	692
CY Imports (1000 MT)	150	0	165	160	175	170
CY Exports (1000 MT)	4	0	4	0	4	0
Yield (MT/HA)	2.4802	2.4802	2.48	2.4826	2.4833	2.4833
(1000 HA), (1000 MT), (MT/HA)						

Copra

Oilseed, Copra	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Planted (1000 HA)	0	178	0	180	0	182
Area Harvested (1000 HA)	175	168	178	168	180	168
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	9	9	9	9	9	9
Production (1000 MT)	285	13	291	12	304	12
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	294	22	300	21	313	21
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	285	13	291	12	304	12
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	285	13	291	12	304	12
Ending Stocks (1000 MT)	9	9	9	9	9	9
Total Distribution (1000 MT)	294	22	300	21	313	21
CY Imports (1000 MT)	0	0	0	0	0	0
CY Exports (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	1.6286	0.0774	1.6348	0.0714	1.6889	0.0714
(1000 HA), (1000 TREES), (1000 MT), (MT/HA)						

Rapeseed

Oilseed, Rapeseed	2018/2019		2019/2020		2020/2021	
Market Year Begins	Oct 2016		Oct 2019		Oct 2020	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	1	0	1	0	1
Area Harvested (1000 HA)	1	1	1	1	1	1
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	2	2	2	2	2	2
MY Imports (1000 MT)	1	1	1	1	1	1
Total Supply (1000 MT)	3	3	3	3	3	3
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	3	3	3	3	3	3
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	3	3	3	3	3	3
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	3	3	3	3	3	3
CY Imports (1000 MT)	1	0	1	0	1	0
CY Exports (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	2	2	2	2	2	2
(1000 HA), (1000 MT), (MT/HA)						

Soybean Meal

Meal, Soybean	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1200	1200	1200	1300	1250	1400
Extr. Rate, 999.9999 (PERCENT)	0.7808	0.7808	0.7808	0.7808	0.78	0.78
Beginning Stocks (1000 MT)	363	363	329	207	286	302
Production (1000 MT)	937	937	937	1015	975	1092
MY Imports (1000 MT)	5149	5000	5250	5200	5350	5300
Total Supply (1000 MT)	6449	6300	6516	6422	6611	6694
MY Exports (1000 MT)	100	100	110	100	110	110
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	120	120	120	120	120	120
Feed Waste Dom. Cons. (1000 MT)	5900	5873	6000	5900	6050	6100
Total Dom. Cons. (1000 MT)	6020	5993	6120	6020	6170	6220
Ending Stocks (1000 MT)	329	207	286	302	331	364
Total Distribution (1000 MT)	6449	6300	6516	6422	6611	6694
(1000 MT), (PERCENT)						

Copra Meal

Meal, Copra	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	285	13	291	12	304	12
Extr. Rate, 999.9999 (PERCENT)	0.3544	0.3846	0.3436	0.3333	0.3257	0.3333
Beginning Stocks (1000 MT)	17	17	17	12	16	11
Production (1000 MT)	101	5	100	4	99	4
MY Imports (1000 MT)	60	70	65	70	65	70
Total Supply (1000 MT)	178	92	182	86	180	85
MY Exports (1000 MT)	2	0	2	0	2	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	159	80	164	75	163	75
Total Dom. Cons. (1000 MT)	159	80	164	75	163	75
Ending Stocks (1000 MT)	17	12	16	11	15	10
Total Distribution (1000 MT)	178	92	182	86	180	85
(1000 MT), (PERCENT)						

Rapeseed Meal

Market Year Begins	Oct 2018		Oct 2019		Oct 2020	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	3	3	3	3	3	3
Extr. Rate, 999.9999 (PERCENT)	0.6667	0.6667	0.6667	0.6667	0.6667	0.6667
Beginning Stocks (1000 MT)	40	40	41	41	22	27
Production (1000 MT)	2	2	2	2	2	2
MY Imports (1000 MT)	225	225	165	170	200	200
Total Supply (1000 MT)	267	267	208	213	224	229
MY Exports (1000 MT)	0	0	0	0	0	0
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	226	226	186	186	200	200
Total Dom. Cons. (1000 MT)	226	226	186	186	200	200
Ending Stocks (1000 MT)	41	41	22	27	24	29
Total Distribution (1000 MT)	267	267	208	213	224	229

Fishmeal

Meal, Fish	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Catch For Reduction (1000 MT)	0	0	0	0	0	0
Extr. Rate, 999.9999 (PERCENT)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	39	39	39	37	34	35
Production (1000 MT)	470	420	460	450	460	460
MY Imports (1000 MT)	163	156	150	156	155	156
Total Supply (1000 MT)	672	615	649	643	649	651
MY Exports (1000 MT)	170	168	160	168	165	168
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	463	410	455	440	454	450
Total Dom. Cons. (1000 MT)	463	410	455	440	454	450
Ending Stocks (1000 MT)	39	37	34	35	30	33
Total Distribution (1000 MT)	672	615	649	643	649	651
(1000 MT), (PERCENT)						

Soybean Oil

Oil, Soybean	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1200	1200	1200	1300	1250	1400
Extr. Rate, 999.9999 (PERCENT)	0.19	0.19	0.19	0.19	0.1904	0.19
Beginning Stocks (1000 MT)	37	37	41	41	39	53
Production (1000 MT)	228	228	228	247	238	266
MY Imports (1000 MT)	45	45	45	45	45	30
Total Supply (1000 MT)	310	310	314	333	322	349
MY Exports (1000 MT)	9	9	10	10	10	25
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	260	260	265	270	270	280
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	260	260	265	270	270	280
Ending Stocks (1000 MT)	41	41	39	53	42	44
Total Distribution (1000 MT)	310	310	314	333	322	349
(1000 MT), (PERCENT)						

Coconut (Copra) Oil

Oil, Coconut	2018/2019		2019/2020		2020/2021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	285	13	291	12	304	12
Extr. Rate, 999.9999 (PERCENT)	0.6316	0.6154	0.6323	0.6667	0.6316	0.6667
Beginning Stocks (1000 MT)	13	13	15	13	16	14
Production (1000 MT)	180	8	184	8	192	8
MY Imports (1000 MT)	3	3	3	3	3	3
Total Supply (1000 MT)	196	24	202	24	211	25
MY Exports (1000 MT)	3	8	3	7	3	7
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	178	3	183	3	193	3
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	178	3	183	3	193	3
Ending Stocks (1000 MT)	15	13	16	14	15	15
Total Distribution (1000 MT)	196	24	202	24	211	25
(1000 MT), (PERCENT)						

Rapeseed Oil

Oil, Rapeseed	2018/2019		2019/2020		2020/2021	
Market Year Begins	Oct 2018		Oct 2019		Oct 2020	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	3	3	3	3	3	3
Extr. Rate, 999.9999 (PERCENT)	0.3333	0.3333	0.3333	0.3333	0.3333	0.3333
Beginning Stocks (1000 MT)	0	0	0	0	0	1
Production (1000 MT)	1	1	1	1	1	1
MY Imports (1000 MT)	2	2	2	2	2	2
Total Supply (1000 MT)	3	3	3	3	3	4
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	3	3	3	2	3	3
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	3	3	3	2	3	3
Ending Stocks (1000 MT)	0	0	0	1	0	1
Total Distribution (1000 MT)	3	3	3	3	3	4
(1000 MT), (PERCENT)						

Palm Oil

Oil, Palm	2018/2019		2019/2020		20202021	
Market Year Begins	Jan 2019		Jan 2020		Jan 2021	
Vietnam	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0	0
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	134	134	117	127	0	120
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	880	870	900	860	0	880
Total Supply (1000 MT)	1014	1004	1017	987	0	1000
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	890	870	903	860	0	880
Feed Waste Dom. Cons. (1000 MT)	7	7	7	7	0	0
Total Dom. Cons. (1000 MT)	897	877	910	867	0	880
Ending Stocks (1000 MT)	117	127	107	120	0	120
Total Distribution (1000 MT)	1014	1004	1017	987	0	1000
CY Imports (1000 MT)	880	870	0	860	0	880
CY Exports (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	0	0	0	0	0	0
(1000 HA), (1000 TREES), (1000 MT), (MT/HA)						

Attachments:

No Attachments