

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

Post revises its estimate for Vietnam's MY 2009 rice production from 38.90 million tons to 39.01 million tons (paddy basis), due to the bumper Spring crops in both northern and southern Vietnam.

Post:

Hanoi

Commodities:

Rice, Milled

Author Defined:

STATISTICAL TABLES

Table 1 Vietnam's Production, Supply and Demand for Rice

Rice, Milled Vietnam	2008/2009			2009/2010			2010/2011		
	Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			Market Year Begin: Jan 2011		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Harvested	7,334	7,334	7,334	7,370	7,365	1,345	7,350	7,350	7,350
Beginning Stocks	2,018	2,018	2,018	1,961	1,961	1,961	1,873	1,869	1,941
Milled Production	24,393	24,393	24,393	24,312	24,308	24,380	24,750	24,750	24,750
Rough Production	38,904	38,904	38,904	38,899	38,893	39,008	39,600	39,600	39,600
Milling Rate (.9999)	6,270	6,270	6,270	6,250	6,250	6,250	6,250	6,250	6,250
MY Imports	500	500	500	500	500	500	500	500	500
TY Imports	500	500	500	500	500	500	500	500	500
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0
Total Supply	26,911	26,911	26,911	26,773	26,769	26,841	27,123	27,119	27,191
MY Exports	5,950	5,950	5,950	5,750	5,750	5,750	5,800	5,800	5,800
TY Exports	5,950	5,950	5,950	5,750	5,750	5,750	5,800	5,800	5,800
Consumption & Residual	19,000	19,000	19,000	19,150	19,150	19,150	19,500	19,500	19,500
Ending Stocks	1,961	1,961	1,961	1,873	1,869	1,941	1,823	1,819	1,891
Total Distribution	26,911	26,911	26,911	26,773	26,769	26,841	27,123	27,119	27,191
Yield (Rough)	5.	5.	5.3046	5.	5.	29.0022	5.	5.	5.3878

In this report, Post uses a new milling rate for the conversion factor from rough production to milled production. The old milling rate was 66 percent, but using this milling rate consistently caused differences between USDA's rough production numbers and those of the Ministry of Agriculture and Rural Development. Post suggests a new milling rate of 62.5-62.7 percent; this will more appropriately represent the rice milling conditions and technologies used in Vietnam. Post anticipates that the milling rate will vary between 62.5 and 62.7 percent based on the quality of the crop in a particular year.

PRODUCTION

Table 2 Vietnam's Area, Yield, and Production for Rough Rice (as of end June 2010)

Marketing Year	2008 Revised		2009 Estimate		2010 Forecast	
	Old	New	Old	New	Old	New
Harvested Area (tha)						
Winter ¹	1,800	1,800	1,800	1,800	1,800	1,800
Spring ²	3,024	3,024	3,035	3,035	3,000	3,000
Autumn ³	2,510	2,510	2,530	2,510	2,550	2,550
TOTAL	7,334	7,334	7,365	7,345	7,350	7,350
Yield (mt/ha)						
Winter	4.46	4.46	4.35	4.35	4.35	4.35
Spring	6.15	6.15	6.15	6.22	6.20	6.20
Autumn	4.89	4.89	4.90	4.90	5.16	5.16
AVERAGE	5.30	5.30	5.28	5.31	5.39	5.39
Production (tmt)						
Winter	8,028	8,028	7,831	7,831	7,831	7,831
Spring	18,598	18,598	18,665	18,878	18,600	18,600
Autumn	12,278	12,278	12,397	12,299	13,169	13,169
TOTAL	38,904	38,904	38,893	39,008	39,600	39,600

¹ Lua Mua (10th Month), ² Winter-Spring, ³ Summer-Autumn
Source: MARD, Post estimates

Estimate for MY 2009 (began January 2010)

Post revises its estimate for Vietnam's MY 2009 rice production from 38.90 million tons to 39.01 million tons (paddy basis), due to the bumper Spring crops in both northern and southern Vietnam.

Spring Crop

According to the Ministry of Agriculture and Rural Development (MARD), the total planting area of the MY 2009 spring crop was 3.07 million hectares as of June 15, 2010, unchanged from the May 2010 MARD data.

About 96 percent of total planted area in the northern provinces has been harvested. Harvesting is nearly complete in the Red River Delta area and northern central area, which together account for more than 80 percent of the total planted area in the North Vietnam. Harvesting is still ongoing in the northern mountainous area, with an 89 percent completion rate.

The average yield of the Spring crop increased from 6.15 tons per hectare to 6.22 tons per hectares. The total production for the Spring crop is up 104,000 tons to 39.01 million tons over the MY 2008 Spring crop. According to MARD June report, the Spring crop rice yield improved in both parts of the country, with the Mekong River Delta seeing a higher increase. According to Post estimate, yield is up from 6.4 tons per hectare in MY 2008 to 6.56 tons per hectare this year.

Autumn Crop

As of June 15, 2010, according to MARD, the southern provinces have planted 1.71 million hectares of the Autumn crop, which is approximately 91 percent of the planting progress at the

same time in MY 2008. This is due to the delay in planting caused by the late rainy season. The planting is still ongoing in some provinces while harvesting has already started in some other provinces.

Post estimates that the planted area of the main Autumn crop will shrink from 1.57 million hectares to 1.55 million hectares, due to a lack of water caused by drought and heat in some areas.

The Autumn crop is usually planted in a small area, averaging 160,000 to 180,000 hectares; in northern Vietnam, the planted area for the Autumn crop was 121,000 hectares as of June 15, 2010.

MRD Rice Production

The planting of the Autumn crop in the Mekong River Delta is expected to be completed by the end of June. As of June 15, the planted area for Autumn crop reached 1.4 million hectares, equal to 90 percent of expected total planted area for the Autumn crop in the Mekong River Delta.

Table 3. Rice Production in the Mekong Delta by Marketing Year

(000 ha; mt/ha; 000 mt)

	2008 (Revised)			2009 (Estimate) (old)			2009 (Estimate) (new)		
	Area	Yield	Prod.	Area	Yield	Prod.	Area	Yield	Prod.
Winter	320	3.95	1,264	310	3.95	1,225	310	3.95	1,225
Spring	1,544	6.32	9,758	1,559	6.40	9,978	1,559	6.56	10,227
Autumn	1,553	4.72	7,330	1,570	4.80	7,536	1,550	4.80	7,440
Late Autumn	470	3.80	1,786	450	4.00	1,800	450	4.00	1,800
Total	3,907		20,138	3,909		20,539	3,869		20,692

Source: MARD, Post estimate

Table 3 shows that total rice production in the Mekong River Delta (MRD) is up 150,000 tons on a paddy basis, due to higher production of the Spring crop. This also offsets the loss of the production due to the smaller production area of the main Autumn and the late Autumn crops.