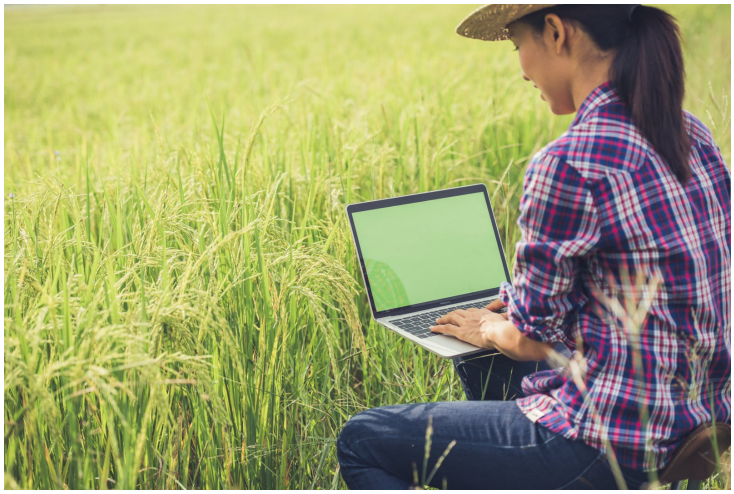
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Vietnam reports trade surplus $12.26 B in 2023 with significant contribution from agricultural sector

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Rising demand for rice and higher prices are benefiting the countryâ??s export as well as export enterprises in the industry. This makes stocks of rice exporters appealing investments.

In the first half of 2023, Viá»?t Nam posted a trade surplus of more than $12.26 billion, with a significant contribution from the agricultural sector, especially rice, according to the General Department of Vietnam Customs.

It is estimated that the countryâ??s rice export turnover reached $2.3 billion, an increase of 34.7 per cent year-on-year. Rice ranks third in export value in the group of agricultural products. Rice exports are estimated to climb 22.2 per cent over last year to 4.27 million tonnes. The positive performance was thanks to high demand in the global markets, especially from traditional importers such as the Philippines, China, and Indonesia.

Moreover, rice production in India and Thailand is low as the effects of El Nino caused a reduction in yield.
As a result, the abundant supply from the winter-spring season and high yield has met the marketâ??s demand. Notably, Vietnamese rice prices are higher than that of Thailand and India.

In June, the countryâ??s 5 per cent broken rice was quoted at about $498 per tonne, while that of Thailand and India were $492 and $453 a tonne, respectively. Viá»?t Namâ??s 25% broken rice prices were $478, about $10 higher than Thailandâ??s rice and about $50 higher than Indiaâ??s rice. The bullish trend continued in early July. Last week, Vietnamese 5 per cent broken rice was offered at $500 - $510 per tonne, according to statistics from Reuters.

While many rice exporters have continuously received large orders, inventories of the winter-spring crop have depleted and traders are currently waiting for supplies from the summer-autumn crop.
The recent report from the US Department of Agriculture (USDA) expects that Viá»?t Nam will continue to be the worldâ??s largest rice exporter this year, with a volume of 7.2 million tonnes, up from 7.05 million tonnes in 2022.