AgroSpectrum ASIA
Envisaging Future | Updating Present

Global supply crunch drives Vietnam's Fertilizer Exports to Near $1 Billion in H1 2026

15 July 2026 | News

Cambodia remained the largest export destination while producers expanded overseas shipments amid reduced global fertilizer output and sustained international price strength

Vietnam's fertilizer industry has emerged as one of the biggest beneficiaries of tightening global supplies, with exports rising sharply during the first half of 2026 as geopolitical tensions and export restrictions disrupted international trade flows. The country exported approximately 1.7 million tonnes of fertilizers between January and June, generating $933 million in export revenue and reinforcing its position as an increasingly important supplier to regional agricultural markets.

According to the Department of Vietnam Customs, fertilizer export volumes increased 52 percent year-on-year, while export earnings more than doubled, recording a 107 percent increase over the corresponding period in 2025. The robust performance reflects both higher shipment volumes and stronger international fertilizer prices amid persistent supply shortages.

Cambodia remained Vietnam's largest overseas market, importing more than 330,000 tonnes of fertilizers valued at approximately US$146 million. Other major destinations included South Korea, the Philippines and Malaysia, highlighting the country's expanding footprint across Asia's agricultural input markets.

Industry participants attribute the export boom largely to disruptions in global fertilizer production and logistics. Escalating geopolitical tensions in the Middle East have affected shipping routes through the Strait of Hormuz, a critical corridor for fertilizer raw materials and energy supplies, forcing several producers in the Gulf region to scale back operations. At the same time, continued export controls imposed by Russia and China have further tightened global fertilizer availability, creating favourable market conditions for alternative suppliers such as Vietnam.

The changing market dynamics have encouraged Vietnamese fertilizer manufacturers to increase export allocations while adjusting production strategies to optimise plant utilisation and improve cash flows during the domestic off-season.

Among the beneficiaries is PetroVietnam Ca Mau Fertilizer Joint Stock Company (PVCFC), which significantly expanded overseas shipments of urea and NPK fertilizers as domestic demand softened. Preliminary financial results indicate the company generated revenue exceeding VND 11.8 trillion during the first six months of the year while exporting more than 900,000 tonnes of fertilizer products, achieving over 59 percent of its annual export target.

The strong export momentum has coincided with rising fertilizer prices in Vietnam's domestic market, particularly for urea, DAP and NPK products in the southern region, while prices in northern markets have remained relatively stable.

International pricing trends continue to support exporter confidence. Although retail fertilizer prices in the United States softened modestly during June compared with the previous month, they remained between 4 percent and 41 percent higher than a year earlier across major product categories, indicating that global fertilizer markets continue to operate at elevated price levels despite recent corrections.

With international supply constraints expected to persist in the near term, Vietnam's fertilizer producers appear well positioned to expand their presence in export markets while strengthening earnings through improved capacity utilisation and favourable global pricing conditions.