

VIETNAM
ASIA'S HOME OF *Seafood*

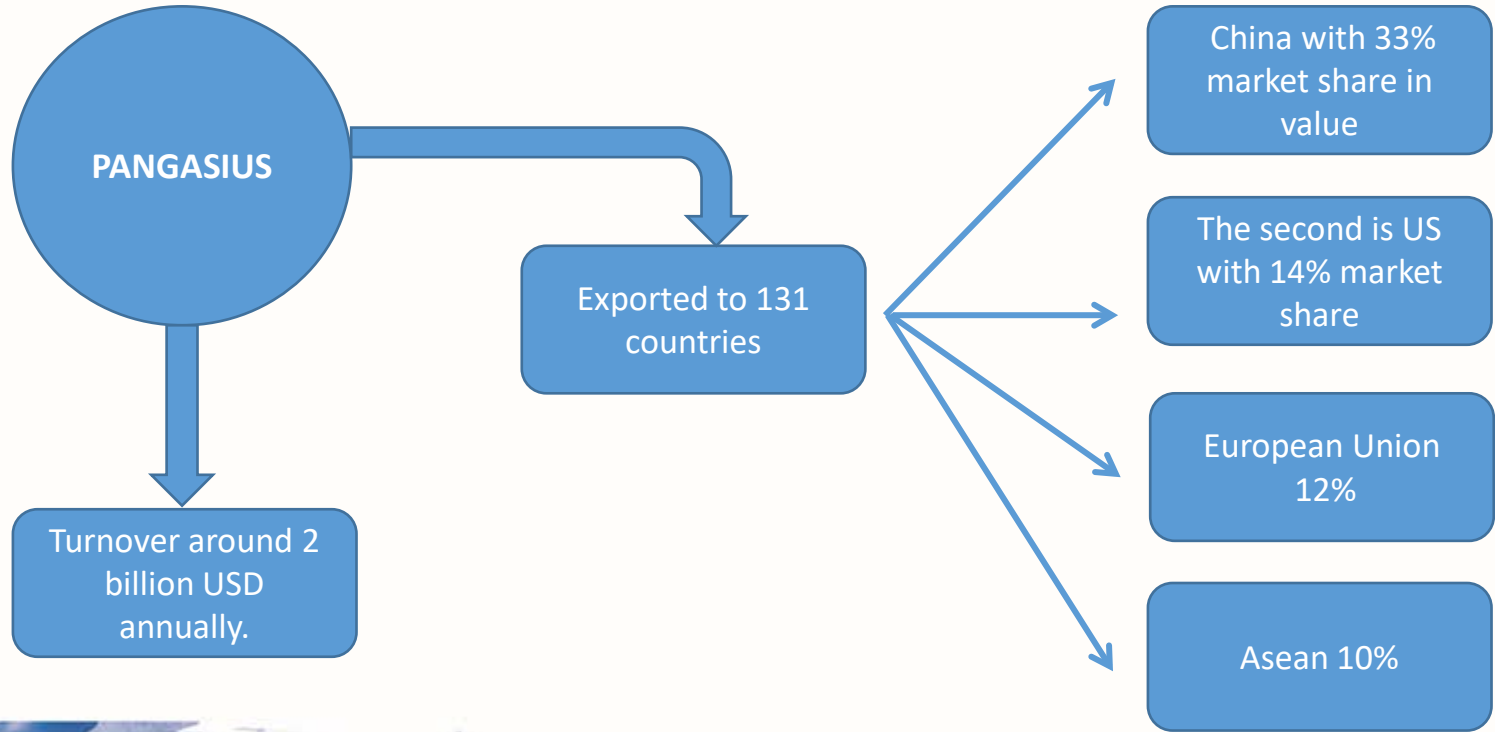
THE IMPACT OF COVID – 19 ON PANGASIUUS SECTOR IN VIETNAM

HCMC 03/7/2020

Presented by TO TUONG LAN – Deputy Secretary of VASEP



The Pangasius export to the world in 2019

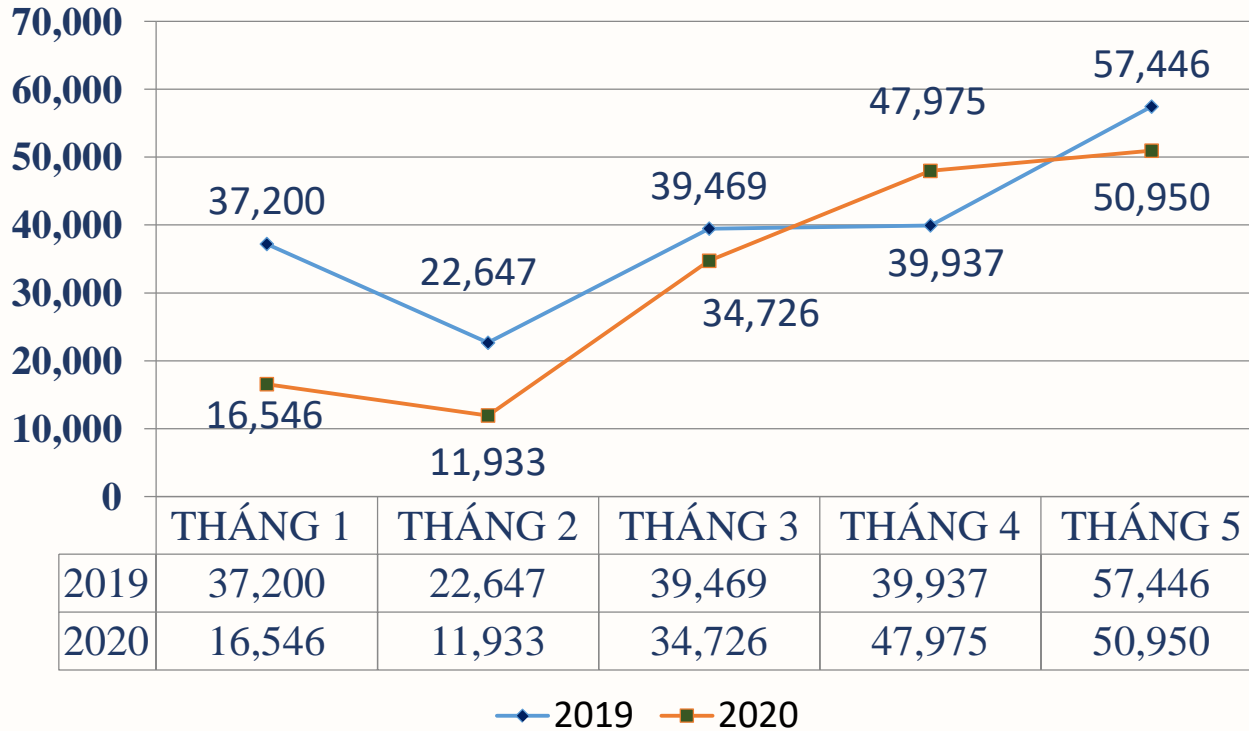


The Pangasius export 5 months of 2020

MARKET	5/2020	Rating (%)	Compare 2019 (%)	From 1/1 – 31/5/2020	Rating (%)	Compare 2019 (%)
China & Hongkong	50,950	47,8	-11,3	162,130	29,2	-17,6
USA	11,788	11,1	-52,1	86,430	15,5	-22,8
ASEAN	7,257	6,8	-57,6	60,309	10,8	-30,9
EU	11,846	11,1	-36,2	60,155	10,8	-36,1
England	6,232	5,8	+23,7	25,984	4,7	+5,7
Mexico	2,408	2,3	-59,8	18,750	3,4	-60,0
Brazil	0,378	0,4	-85,0	16,469	3,0	-35,8
Colombia	0,578	0,5	-81,7	10,815	1,9	-39,8
Other Market	15,153	14,2	-62,4	115,063	20,7	-37,7
Total	106,591	100	-39,0	556,105	100	-29,6



Exporting Pangasius to China

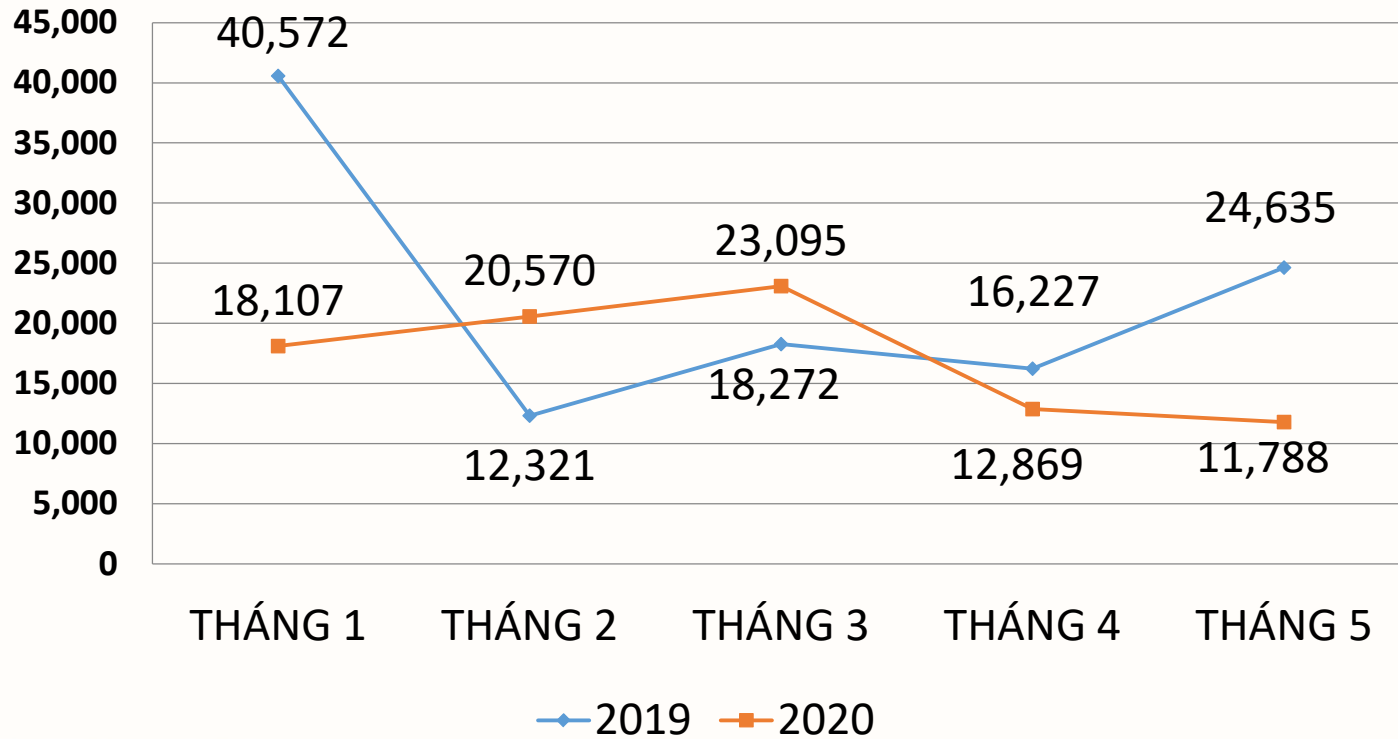


Exporting Pangasius to China

- The lockdown in China between February and March caused a lot of disruption in exporting such as the transportation, logistics, the shortage of workers. A big drop of consumption in foodservice sector like hotels, restaurants, caterings, schools... where is the key consumption segment of Pangasius products.
- The business via the border was also locked by the two countries.
- The retail sales was still opened with small quantity in this period and still keep stable and quickly develop until now.
- This fall can be reflected clearly by the export statistics in the first quarter when the drop in China was 36%. And in 5 months decreased nearly 18%.
- As the biggest market so what has happened in China will strongly affect Vietnam Pangasius industry.



US Market



US Market

- On 5 November, 2019, USDA did determine Vietnam's Siluriformes fish inspection system is equivalent to the system that the United States is established under the Federal Meat inspection Act and its implementing regulations. Accordingly, Siluriformes fish, almost Pangasius, from the certified establishments eligible to export to the US. Together with Vietnam is having Thailand and China.
- The pandemic in the US is still unpredictable.
- In reality, the exporting to the US in February and March still stable but since April and May, we could see a decrease very clearly by the impact of pandemic in this country.
- As the second biggest market but unlike China, only a few companies are allowed to the US but the turnover is always high by the stable and good price of the US market compared to the others, so this fall will directly affect to the total decline of the whole industry.



Exporting Pangasius to EU

MARKET	5/2020 (GT)	Rating (%)	Compare with 2019 (%)	1/1 – 31/5/2020 (GT)	Rating (%)	Compare with 2019 (%)
EU	11,846	11,1	-36,2	60,155	10,8	-36,1
Holand	3,504	3,3	-41,8	18,922	3,4	-31,9
Germani	1,656	1,6	-52,5	9,429	1,7	-36,0
Spain	2,464	2,3	+15,0	7,782	1,4	-16,2
Belgium	1,470	1,4	+16,7	7,264	1,3	-32,3
England	6,232	5,8	+23,7	25,984	4,7	+5,7



Exporting Pangasius to EU

- The tendency of decreased consumption could be seen in the fourth quarter of 2019 (dropped 31% compared the same period of 2018). So when Europe was not hit by the pandemic, the Pangasius demand at EU still low.
- The Pandemic and the lockdown in Europe made the situation worse.
- The key countries import Panga and do trade within Europe like the Netherlands, Germany, Belgium... dropped significantly more than 30% in 5 months of 2020.
- Currently, the situation has been better when the lockdown has been lifted from country to country in Europe but the Pangasius trade in Europe still very dumpy



Asean Pangasius consumption

MARKET	5/2020 (GT)	Rating (%)	Compare with 2019 (%)	1/1 – 31/5/2020 (GT)	Rating (%)	Compare with 2019 (%)
ASEAN	7,257	6,8	-57,6	60,309	10,8	-30,9
Thailand	2,016	1,9	-69,4	21,616	3,9	-33,5
Singapore	3,452	3,2	-6,0	17,584	3,2	+8,5
Malaysia	1,345	1,3	-58,5	13,165	2,4	-30,1



Asean Pangasius consumption

- Asean countries is the 4 biggest importing market of Pangasius in the last few years. The statistics in the above board reflect the continuing decrease from the beginning of the year till now. The tourism in Thailand, Malaysia has been heavily impacted by Covid 19 is one of the main reason for this down trend in Pangasius consumption.
- Meanwhile, Singapore has increased importing food for its nation demand in the pandemic so you can see the importing fish slight increase in April and May from Singapore.



Market Prediction

- Hopefully, higher demand in the end of third & fourth quarter of the year when the recovery in some countries in Europe and some states in the US has reopened and as usual, the increasing demand for the seasonal holidays.
- The foodservices are opening more in the coming time depending on the country status.
- The export price keep remaining low at all markets. The drop in by – products relating the very weak demand from China market for this type of products also the reason for the margin of Pangasius exporters smaller than ever before.



Market Prediction

- The SMEs are struggling to the cash-flows issues for the new expenses to maintain the health services for the safety of their workers, maintain facilities...and because of the depending on China market could lead to the risks
- The capability to recover of Pangasius industry depend much on the recovery of China.
- No disruption in production chain of Vietnam Pangasius. Fortunately, Vietnam was not spending the long time for lockdown in the last few months. The social distancing applied in the end of March to the middle of April and currently we are able to be back the normal life.



THANK YOU

