



*What does 2018 experiences
bring to the table, for the
Vietnam cashew industry on
their competitiveness ?*

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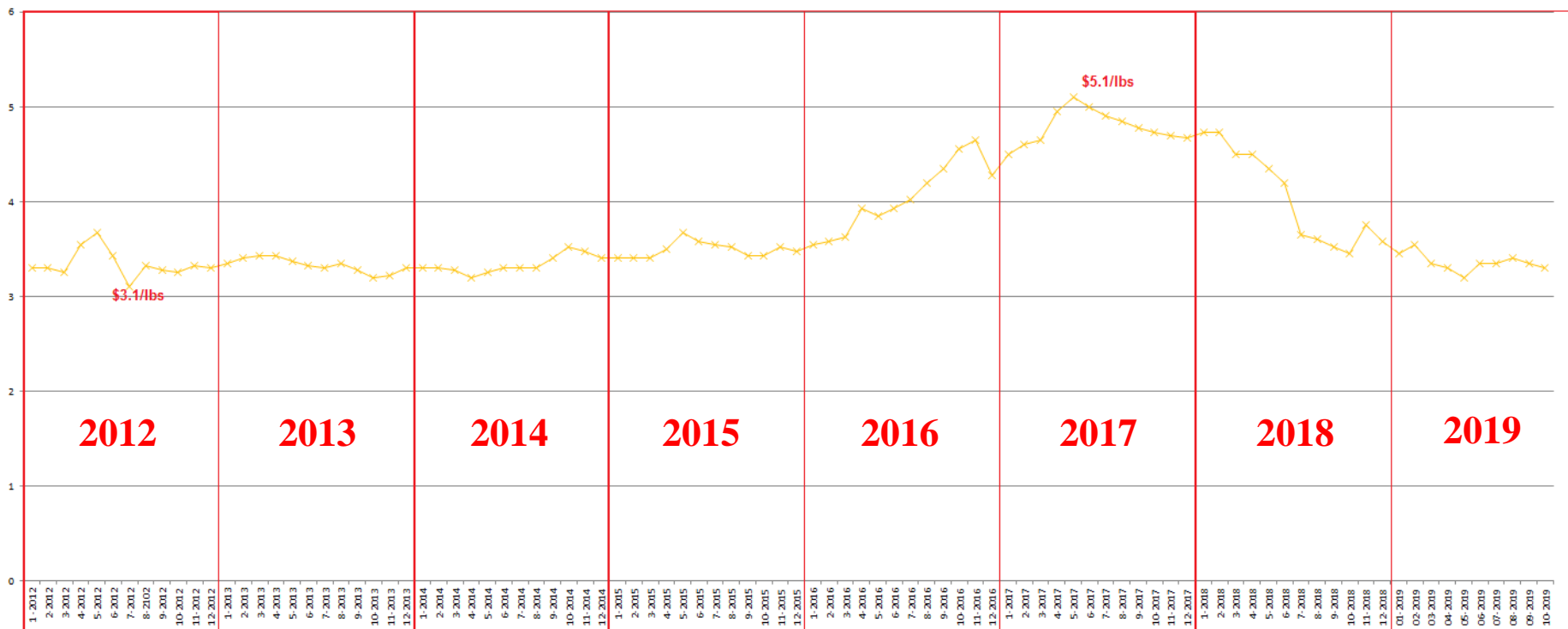
Top 4 reasons caused 2018 as the saddest year for Vietnam cashew industry

- 1. Big money earned so people were too subjective**
- 2. Too much rumor by raw cashew traders**
- 3. Supply was more than demand**
- 4. Kernel price dropped dramatically**



USD/LBS

Price lbs



Cashew Kernel Price 2012 – 2019 (FOB Vietnam)

Data source: Nkalo, Cashewinfo, Long Son



**GENERAL PICTURE ABOUT
VIETNAM MARKET
IN 9 MONTHS - 2019**



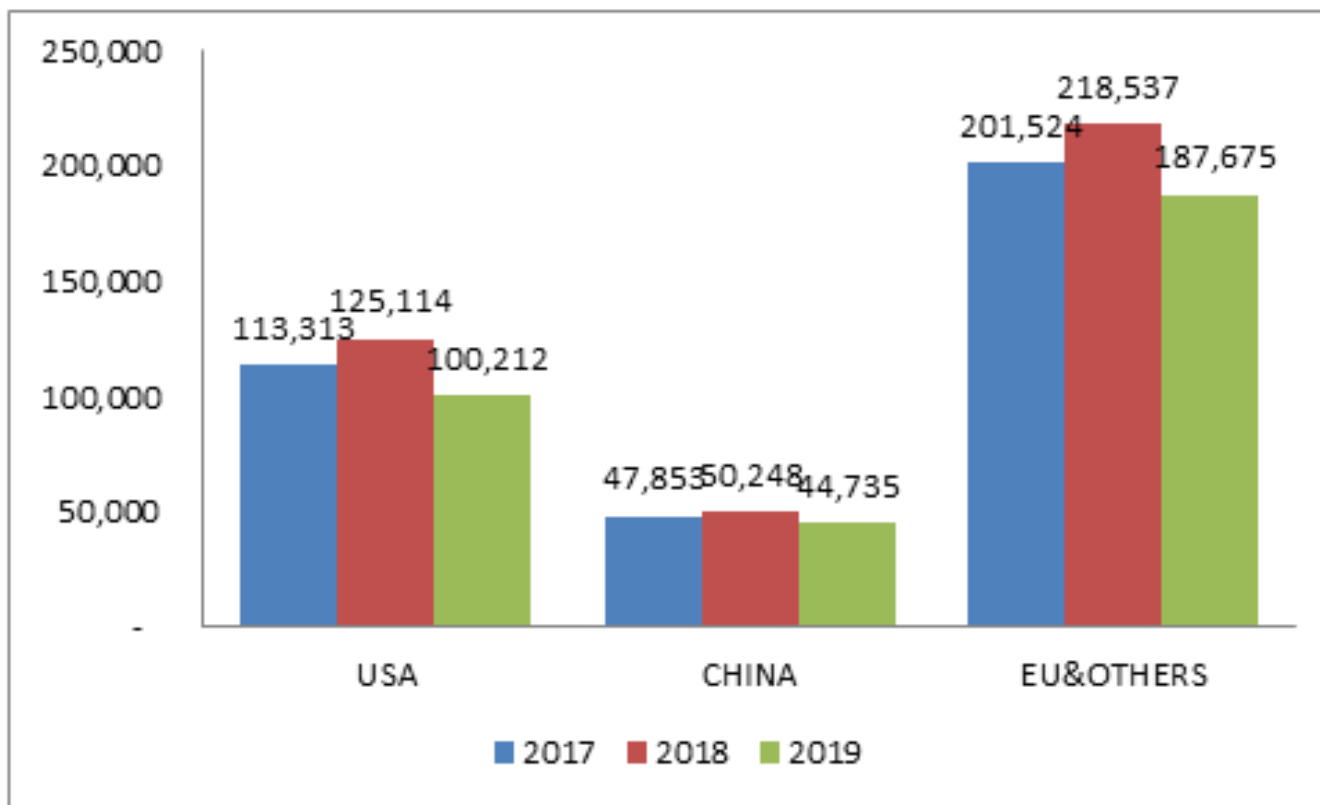
KERNEL EXPORT (TONS)					RAW IMPORT (TONS)				
MONTH	2018	2019	DIFFERENCE	PERCENTAGE	MONTH	2018	2019	DIFFERENCE	PERCENTAGE
1	31,744	33,170	1,426.00	4.49	1	95,000	72,000	(23,000.00)	(24.21)
2	16,335	14,595	(1,740.00)	(10.65)	2	46,000	67,000	21,000.00	45.65
3	30,977	33,013	2,036.00	6.57	3	65,000	93,000	28,000.00	43.08
4	34,166	36,877	2,711.00	7.93	4	53,000	68,000	15,000.00	28.30
5	39,277	41,719	2,442.00	6.22	5	24,000	185,000	161,000.00	670.83
6	33,765	40,605	6,840.00	20.26	6	140,000	237,000	97,000.00	69.29
7	34,609	44,883	10,274.00	29.69	7	241,000	218,000	(23,000.00)	(9.54)
8	36,538	45,850	9,312.00	25.49	8	191,000	193,000	2,000.00	1.05
9	31,513	41,910	10,397.00	32.99	9	118,000	155,000	37,000.00	31.36
10					10				
11					11				
12					12				
TOTAL	288,924.00	332,622.00	43,698.00	15.12	TOTAL	973,000	1,288,000	315,000	32.37

RCN Import and CK Export of Viet Nam in 9 months 2018 & 2019

Data source: VINACAS



**WHAT MAY COME IN NEXT
3 MONTHS FOR VIETNAM ?**



Vietnam Cashew Kernel Export 2017, 2018 & 2019

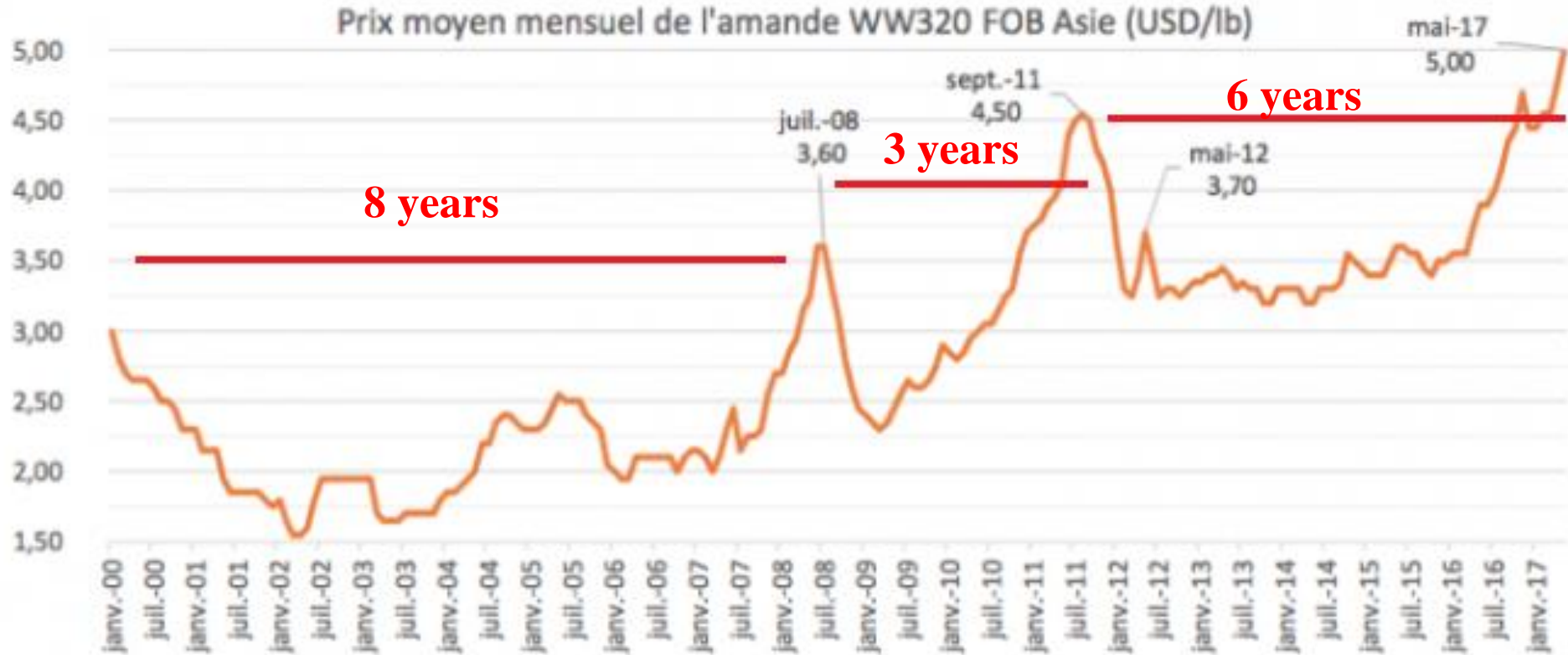
YEAR	2017	2018	1 ->9/2019
EXP (TONS)	362,690	393,899	332,622

445,000 tons expected in 2019

Data source: Vinacas, Long Son



- **Whole year 2019 Vietnam is expecting to export around 445,000 tons of kernel (13% increase compare with 2018)**
- **From Oct to Dec 2019, Vietnam may export 35,000 – 40,000 tons of kernel per month (total quantity of last 3 months can come to 110,000 tons)**
- **Calculating until end of Sept 2019, Vietnam still has in hand about 400,000 tons of raw cashew, which should be enough to process till end of Nov**
- **Vietnam needs 300,000 tons more to process till the coming local crop (Feb/2020). Stock will be has been continuously supplied by the rest of Ivory Coast, Bissau, Senegal, Gambia, Guinea, Indonesia, Madagascar, Mozambique and part of Tanzania last crop.**



Source : N'Kalô

Cashew Kernel Price 2012 – 2017 (FOB Vietnam)



CASHEW KERNEL WITH HUSK AND NEAR FUTURE OF CASHEW INDUSTRY IN AFRICA



EXPORT COUNTRIES	1	2	3	4	5	6	7	8	9	TOTAL
IVCOAST	738.88	927.37	1,025.13	601.33	663.68	238.16	1,351.47	1,387.40	1,033.79	7,967.20
NIGERIA	410.07	501.13	1,112.11	154.32	158.76	521.18	362.88	566.98	823.60	4,611.03
MOZAMBQ	191.38	87.75	278.30	168.00	235.24	140.00	612.21	192.00	431.42	2,336.30
INDNSIA	770.04	1,348.35	-	-	-	15.88	27.22	27.22	-	2,188.70
GHANA	31.75	-	45.72	95.26	90.65	190.51	979.37	31.75	64.73	1,529.74
INDIA	78.67	-	-	84.96	-	-	142.88	31.75	15.88	354.15
GUINEA	-	-	-	15.96	-	31.44	32.64	31.12	63.87	175.02
CAMBOD	-	-	-	-	-	-	-	100.00	-	100.00
GINEA B	-	15.88	47.63	-	31.75	-	-	-	-	95.26
BURKINA	-	-	-	-	-	-	-	-	78.11	78.11
TOGO	-	-	-	-	-	-	-	71.24	-	71.24
BENIN	-	-	-	-	3.33	-	-	15.88	-	19.21
TANZNIA	-	-	-	15.88	-	-	-	-	-	15.88
TOTAL	2,220.79	2,880.48	2,508.90	1,135.70	1,183.42	1,137.17	3,508.66	2,455.34	2,511.38	19,541.84

Cashew Kernel Import To Vietnam 2019

Data source: Long Son



1. PROCESSING IN AFRICA - ADVANTAGES

- **Available material**
- **Government policy (tax, facility...)**
- **Distance to USA and EU market**

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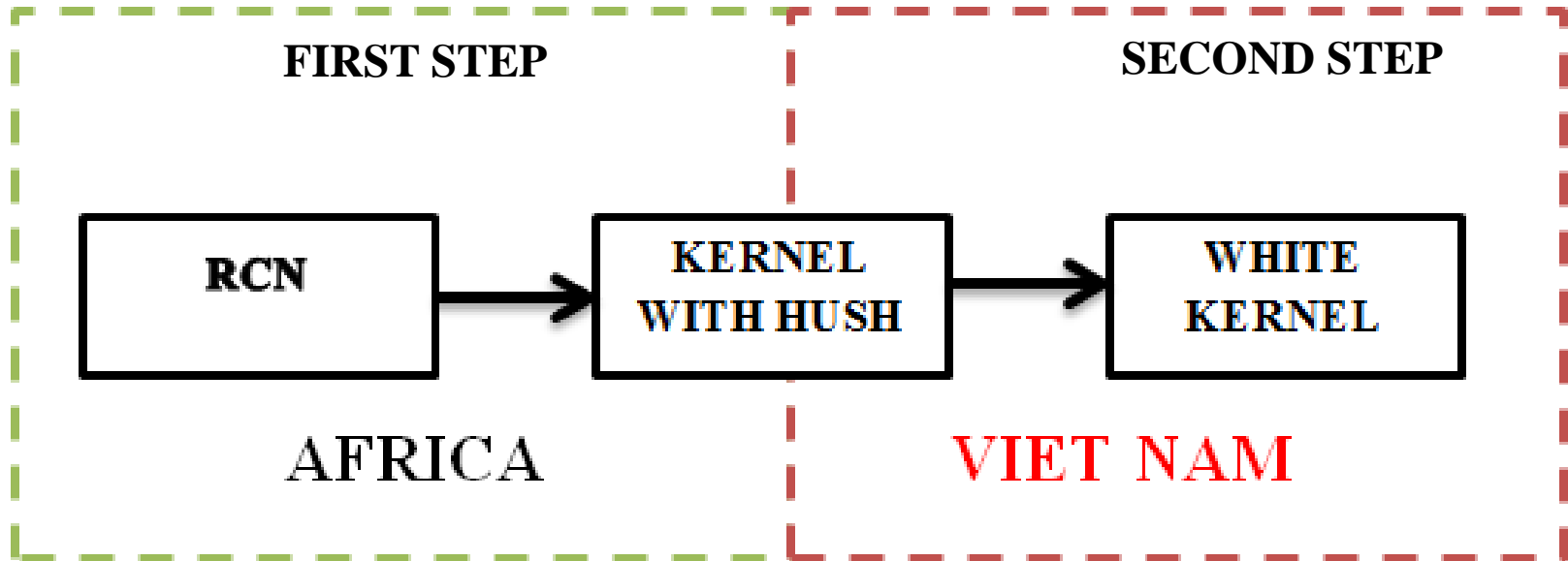
2. PROCESSING IN AFRICA- DISADVANTAGE

- **Undeveloped in the entire Africa cashew countries**
- **Not favoring foreign investment**
- **Processing technology has not been developed (especially from Peeling section til end)**
- **Skilled and trained workforce (in manual peeling and grading section)**
- **Finished products (kernel) storage and protection**
- **Global market standard request about standand for quality, food safely ...**



3. WHAT SHOULD AFRICA DO TO DEVELOP THE CASHEW INDUSTRY ?





**IT IS THE BEST SOLUTION FOR AFRICA TO
DEVELOP THE CASHEW INDUSTRY**



WHAT IS BENEFIT FOR AFRICA IF FOCUS TO THIS FIRST STEP ONLY ?

- **Low investment capital**
- **Low processing cost**
- **Simple technology**
- **Unnecessary high-skilled workers**
- **Easy getting market**
- **Process all country production very fast**
- **One by one step learn the technology from Vietnam and avoid the mistake**
- **After mastering, Africa can run whole processing operation like Vietnam**



WHAT IS THE TREND OF VIETNAM CASHEW INDUSTRY IN FUTURE?



- 1. Increase the local production and Cambodia production**
- 2. Moving part of processing to Africa (process to stage “kernel with husk or mixing peeled kernel) and bring the rest to Vietnam to continue with the next processing step**
- 3. Focus to the deep processing with better product quality (Third Step)**



THANK YOU