



Week 46 - Vietnam's Pepper Market: A Dynamic Landscape of Change

Vietnam's pepper market has undergone significant transformations in recent years, reshaping the industry's landscape and influencing global trade dynamics. From dramatic price fluctuations to evolving farmer strategies, the sector is experiencing a period of unprecedented change. This shift is not only affecting local farmers and businesses but also reverberating through international markets, highlighting Vietnam's crucial role in the global pepper trade.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM



Price Volatility in Vietnam's Pepper Market

1

2023: Market Stability

Pepper prices maintained a steady range of 65,000 - 70,000 VND/kg, reflecting a period of relative market stability and predictable supply-demand dynamics.

2

Early 2024: Dramatic Surge

The market experienced a significant upturn, with prices more than doubling to 140,000 - 150,000 VND/kg, signaling a major shift in market conditions.

3

Mid-2024: Peak Prices

Prices reached unprecedented highs, occasionally touching 160,000 VND/kg, demonstrating the intensity of market volatility and potential supply constraints.

4

Late 2024: Stabilization

The market showed signs of leveling off, with prices settling around 140,000 - 142,000 VND/kg, indicating a possible new equilibrium in the pepper trade.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM

Shifting Dynamics: Farmer Empowerment in Pepper Trade

Traditional Approach

Previously, farmers would dry their harvested pepper and either store it with agents or sell it all at once, often at the mercy of market prices dictated by intermediaries.

Current Strategy

Farmers now build their own storage facilities, closely monitor market trends, and strategically sell pepper when cash is needed or prices are favorable. This shift has given them more control over pricing and supply.

Market Impact

The new approach has led to less predictable supply volumes, challenging businesses to adapt their purchasing strategies and potentially contributing to price volatility in the market.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM

Global Pepper Market Trends

Country	Price Trend	Notable Changes
Indonesia (Lampung)	Slight increase	0.3% rise to \$6,706/ton
India	Upward	Both domestic and international prices rising
Vietnam	Fluctuating	Strong variations, stabilizing around 140,000 VND/kg
Brazil	Mixed	Export volume down, value up significantly



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM

Brazil's Pepper Export Performance

1

October 2024 Exports

Brazil's pepper exports reached 6,462 tons, marking a 7.1% increase from the previous month and the highest monthly export volume for the year.

2

Year-to-Date Performance

By October's end, total exports stood at 52,988 tons, valued at \$229.8 million. While volume decreased by 19.3% from 2023, export value surged by 40.7%.

3

Key Export Markets

The UAE emerged as the primary destination, importing 7,174 tons (13.5% of total exports). Vietnam's imports decreased by 49.2%, totaling 6,979 tons.

4

Market Diversification

Other significant markets included Pakistan (5,923 tons), India (5,562 tons), and Senegal (4,901 tons), indicating Brazil's efforts to diversify its pepper export destinations.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM

Vietnam's Supply Challenges and Market Position

1 Limited Supply

Vietnam's pepper supply has been constrained, primarily due to reduced production and increased farmer retention. This scarcity is a key factor driving high prices in both domestic and international markets.

3 Business Adaptation

Companies are finding it increasingly difficult to purchase pepper, necessitating new strategies for inventory management and supply chain optimization to maintain market share.

2 Export Priority

The available supply is largely directed towards exports, further tightening the domestic market and creating challenges for local businesses in securing adequate stock.

4 Global Market Impact

Vietnam's supply situation is influencing global pepper trade patterns, potentially opening opportunities for other producing countries to fill the gap in international markets.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM



Future Outlook for Vietnam's Pepper Market



Price Stabilization

Experts predict that without new upward drivers, pepper prices are likely to stabilize around current levels, providing a degree of predictability for market participants.



Inventory Management

Improved storage facilities and farmer strategies will continue to influence supply dynamics, requiring businesses to adapt their inventory and purchasing practices.



Global Competition

Vietnam may face increased competition in the global pepper market as other producing countries seek to capitalize on high prices and potential supply gaps.



Sustainable Practices

The industry may see a shift towards more sustainable and efficient pepper cultivation methods to address production challenges and meet evolving market demands.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM

Strategies for Stakeholders in Vietnam's Pepper Market

For Farmers

Continue to invest in storage facilities and market intelligence. Consider forming cooperatives to strengthen negotiating power and share market insights. Explore sustainable farming practices to improve yield and quality.

For Traders and Exporters

Develop more flexible purchasing strategies to adapt to changing farmer behaviors. Strengthen relationships with international buyers and diversify market presence to mitigate risks associated with supply fluctuations.

For Investors

Monitor both domestic and international pepper markets closely. Consider investments in technology and infrastructure that support the evolving needs of the pepper industry, such as advanced storage and processing facilities.

For Policymakers

Implement policies that support sustainable growth of the pepper industry. Encourage research and development in pepper cultivation and processing technologies. Facilitate market transparency and fair trade practices.



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM

Week 46 Pepper's Market Report

Contact us today to learn more about our premium pepper products and tailored sourcing solutions for your business.

Please do not hesitate to send us if you have any further request.



SSC
SUSTAINABLE SOLUTION



Ngo Hon Dinh (Richard)

Director

[\(+84\) 903 879 815](tel:+84903879815)

rick.ngo@ssc-solution.com

SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY

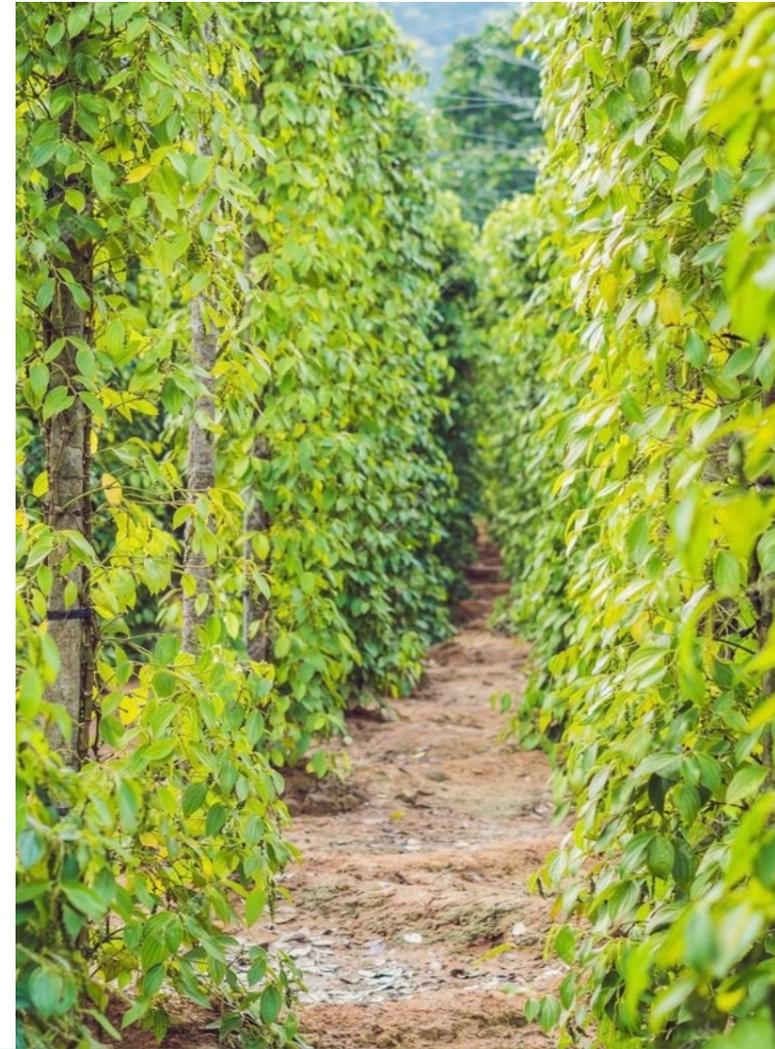
[179/39/15 Hoa Binh St., Hiep Tan Ward, Tan Phu Dist., HCMC](https://www.ssc-solution.com)

[\(+84\) 8 73 093 915](tel:+84873093915)

www.ssc-solution.com

[\(+84\) 8 73 093 915](tel:+84873093915)

info@ssc-solution.com



SUSTAINABLE SUPPLY CHAIN JOINT STOCK COMPANY
ADDRESS: 179/39/15 HOA BINH STR., HIEP TAN WARD., TAN PHU DIST., HCMC, VIETNAM