

SENIOR ANALYST

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SUSTAINED GROWTH IN EXPORTS AND IMPORTS

- Export & import activities in February slowed down due to the Lunar New Year. However, in the first two months of 2024, import & export still recorded the outstanding growth compared to the same period of last year.
- The US and EU markets continue to be the main export markets for Vietnam, especially as the US economy continues to demonstrate impressive growth.
- Agricultural, forestry, iron and steel products continue to be the driving force supporting the strong growth of domestic exports. Meanwhile, export of the FDI sector continue to benefit from the booming cycle of electronics.

Vietnam's exports and imports slow down in February due to 8-day Lunar New Year holiday. However, the accumulated growth of export and import turnover in the first two months of 2024 still recorded an increase of 19.3% and 17.35% respectively compared to the same period last year. The trade balance continued to record a surplus of 1.37 billion USD in February. The accumulated trade surplus from the beginning of the year was 5 billion USD, continuing to be the record surplus in the same period ever.

By sector, the export growth of the domestic sector continued to show a better breakthrough than the FDI sector in the first two months of the year. In which, exports of the domestic sector increased by 31.6%, the FDI sector increased by 15.3% compared to the same period last year.

In terms of export partners: Exports in February slowed down in all partners due to cyclical factors. However, the decline for the US and China was the lowest, decreasing by only 1.5% YoY and 2.9% YoY, followed by the EU (-7.7% YoY). The remaining markets recorded a decrease of double digits. Accumulated in the first two months of the year, exports to the US and EU markets still contributed the most to the total export growth, with an increase of 29.1% YoY and 15.5% YoY respectively.

Regarding key products group: Most of Vietnam's key export commodities recorded positive growth of double digits in the first two months of 2024. However, exports of the Electronics, Iron and Steel and Agriculture and Forestry groups are still the main growth drivers.

Table 1: Trade activities in January 2024.

	Proportion	Dec-23	Jan-24	Feb-24	YTD
Export Turnover (Million USD)		32,063	34,531	24,684	59,215
<i>FDI sector</i>	72%	22,500	24,870	18,173	43,044
<i>Domestic sector</i>	28%	9,563	9,661	6,510	16,171
Import Turnover (Million USD)		29,881	29,624	30,898	23,314
<i>FDI sector</i>	64%	18,502	19,651	15,382	35,033
<i>Domestic sector</i>	36%	11,121	11,248	7,932	19,179
Trade balance (Million USD)		2,439	3,632	1,370	5,002
Export Growth (YoY)		10.10%	46.20%	-5.20%	19.30%
Import Growth (YoY)		8.20%	34.60%	0.30%	17.30%
Export to key markets					
<i>US</i>	29%	11.70%	63.40%	-1.54%	29.12%
<i>China</i>	13%	9.50%	17.70%	-2.92%	7.85%
<i>EU</i>	13%	6.20%	39.70%	-7.70%	15.53%
Import from key markets					
<i>China</i>	38%	22.90%	64.40%	11.49%	38.93%
<i>South Korea</i>	14%	5.50%	7.20%	-0.93%	3.16%
<i>ASEAN</i>	12%	-10.50%	19.90%	-6.26%	6.07%

Sources: Custom, PHS compiled