



Vietnam pepper monthly round-up

May 2026

Market

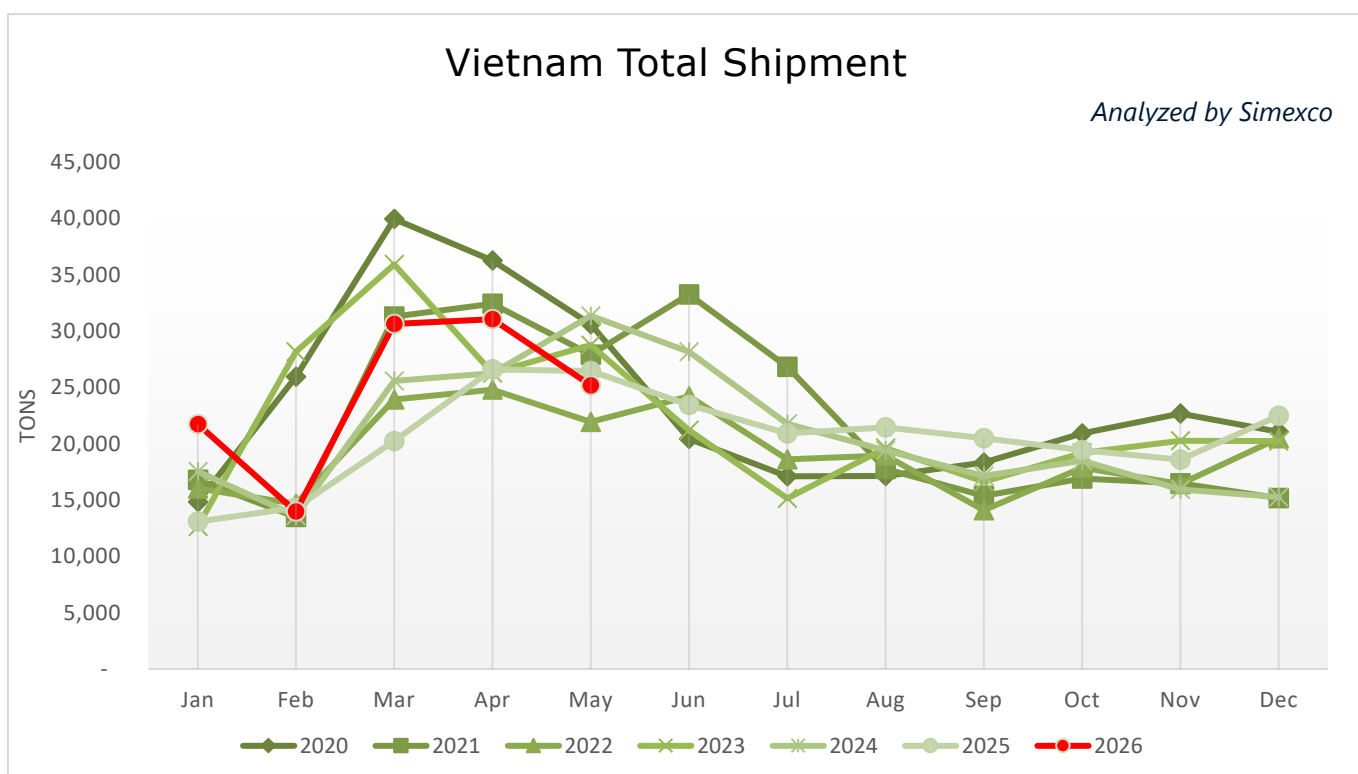
Late-month trading revealed deep market tension. While local farmers are confidently holding onto their inventories in anticipation of higher returns, international buyers are pushing back. A combination of global shipping bottlenecks in West Asia, fluctuating exchange rates, and cautious purchasing power triggers a minor correction, pulling prices down by 2,000 to 3,000 VND/kg in secondary regions like Dong Nai and Gia Lai.

Export

According to VPSA statistics, In May 2026, Vietnam exported 25,180 tons of pepper, earning \$166.2 million, a decrease of 18.9% in volume and 13.9% in value compared to April 2026, and a decrease of 4.8% in volume compared to the same period in 2025.

In the first five months of 2026, Vietnam exported 122,583 tons of pepper, generating revenue of US\$789.2 million, representing a 21.7% increase in volume and a 13.9% increase in value compared to the same period in 2025. This growth was mainly due to a strong increase in exports during the first and early second quarters, as import demand in many major markets improved amidst limited global pepper supply. Although exports in May showed a downward trend compared to the previous month, the cumulative results for the first five months still indicate that Vietnam's pepper exports maintained a fairly positive growth momentum.

The global pepper market in May 2026 became a high-stakes waiting game. Domestically, overall lower crop yields caused by erratic rain cycles in Vietnam and India have kept baseline prices historically strong, with Dak Lak and Dak Nong firmly leading the nation at a premium of 140,000 VND/kg.



The United States continued to be Vietnam's largest pepper export market in May with 5,858 tons, accounting for 23.3% of total exports, despite a 19.4% decrease compared to the previous month. The UAE ranked second with 2,073 tons and continued to maintain stable import demand. Meanwhile, China imported only 1,512 tons, a significant decrease of 66.8% compared to April, becoming the main reason for the decline in Vietnam's pepper exports that month. Other major markets such as India, Germany, the Netherlands, Türkiye, and Thailand maintained significant import volumes, with Europe continuing to be the region with the most positive performance.

Logistics

During May 2026, the global ocean freight market transitioned from post-Lunar New Year stabilization into a highly volatile pre-peak season cycle. For Simexco DakLak, the primary operational challenge shifted from sourcing raw pepper to securing vessel space and managing skyrocketing maritime logistics costs. A sharp escalation in the U.S.–Iran conflict since late February 2026 has deeply impacted our shipping lanes. Reroutings away from the Red Sea and Suez Canal around the Cape of Good Hope have extended transit times to Europe and the US East Coast by 7 to 14 days, severely trapping empty container equipment and driving up fuel surcharges.

Inventory and crop



According to the Vietnam Pepper and Spice Association (VPSA), pepper prices remain high, but replanting is limited due to competition from higher-value crops and no new land availability, making production area growth difficult in 2026.

Global pepper production in 2026 is forecast at ~530,000 tons, up slightly from 2025 but still below 2024 levels, with consumer demand remaining high. In Vietnam, the 2026 harvest is estimated at 170,000-180,000 tons, down 15-20% from 2025 due to adverse weather, reduced acreage, and competition from other crops. Carryover stocks are depleted, with only ~40,000 tons in Vietnam, heightening vulnerability to disruptions. In January 2026, Central Highlands regions face potential impacts from weather variability, potentially tightening supplies further.

Trade promotion

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From the early days of laying the foundation for the aspiration to bring Vietnamese agricultural products to the world, after 33 years of persistent development, Simexco Daklak has risen to become one of the top 3 leading exporters of coffee and pepper in Vietnam. Not only has it expanded in scale, Simexco Daklak has also gradually affirmed its position by strongly spreading the flavor of its heritage coffee, present in more than 125 countries and territories worldwide.

This journey is marked by clear and transparent growth figures. Cumulatively over the years, Simexco Daklak has achieved impressive consolidated revenue, with pre-tax profit reaching VND 1,125.75 billion. Alongside this is its responsibility to the Vietnamese economy, having contributed over VND 425 billion to the State budget. Entering a new phase of development, Simexco Daklak continues to steadfastly pursue a sustainable direction, increasing value for the entire partner chain, while contributing to elevating Vietnamese agricultural products in the international market.



Simexco DakLak's 33-Year Anniversary

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