Vietnam pepper monthly round-up

June 2026

Market

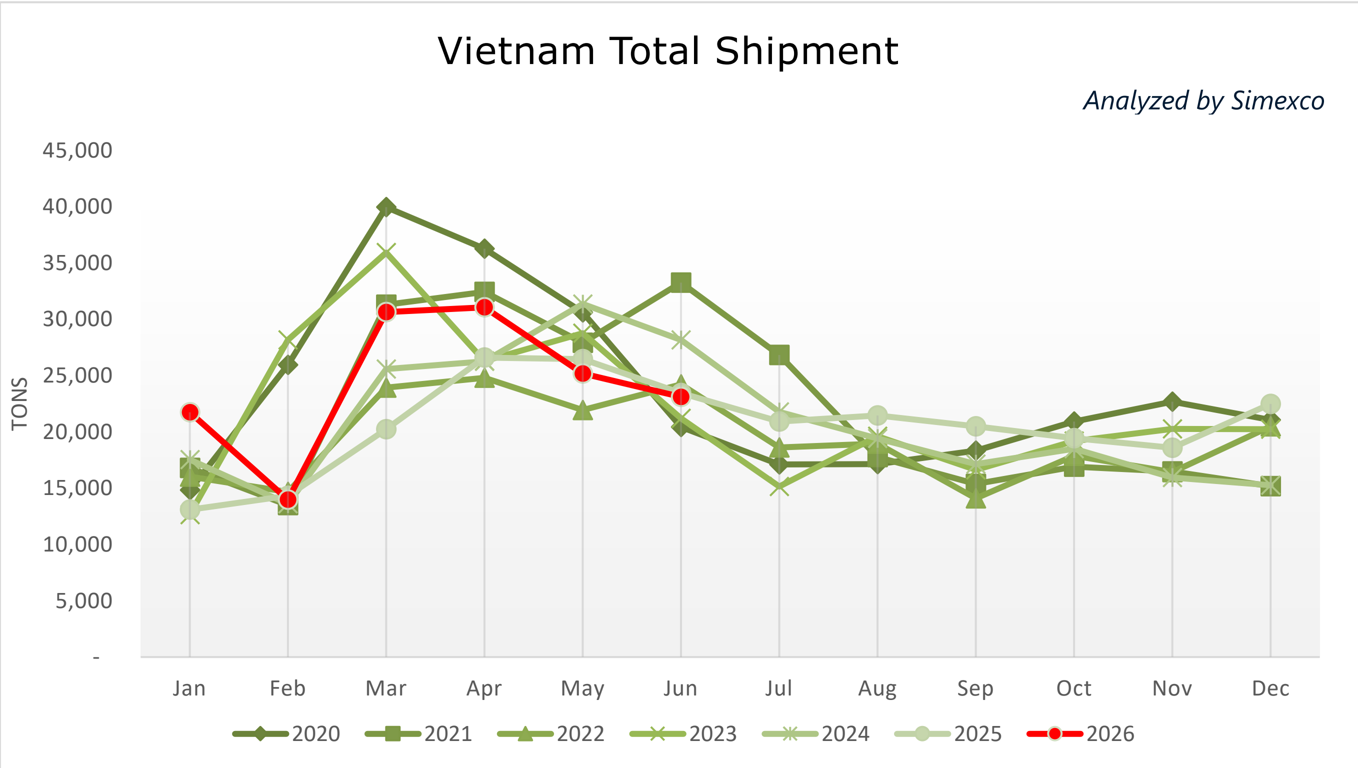
Late-month trading revealed deep market tension. While local farmers are confidently holding onto their inventories in anticipation of higher returns, international buyers are pushing back. A combination of global shipping bottlenecks in West Asia, fluctuating exchange rates, and cautious purchasing 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.

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.

Export

In June 2026, Vietnam exported 23,103 tons of black pepper, generating revenue of US$151.3 million, a decrease of 8.2% in volume and 8.9% in value compared to May 2026, and a slight decrease of 1.4% in volume compared to June 2025. The decline was mainly due to lower exports to Asian, African, and American markets compared to the previous month, while demand from Europe remained relatively stable.

In the first six months of 2026, Vietnam exported 145,686 tons of pepper, including 125,258 tons of black pepper and 20,428 tons of white pepper, for a total export value of US$940.5 million, an increase of 17.4% in volume and 10.6% in value compared to the same period in 2025. Despite continued decline in domestic production, export growth was maintained thanks to supplementary raw materials from imports and stable demand in many key markets. However, the export pace has tended to slow down in recent months due to increasingly limited domestic supply.



Asia continued to be the largest consumer region with 9,886 tons, accounting for 43.7% of total exports, although this was down 10.2% compared to May and 18.3% compared to the same period last year. Conversely, exports to the Americas reached 6,174 tons, down 8.2% from the previous month but still up 30.0% year-on-year, with the United States alone accounting for 5,373 tons, up 21.0% compared to June 2025. Europe reached 5,753 tons, down 4.5% from the previous month but up 16.7% year-on-year, driven by strong demand from Germany and the Netherlands. Meanwhile, exports to Africa reached 1,290 tons, down 8.9% from the previous month and down 22.4% year-on-year.

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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