Spirits - Vietnam

Euromonitor International : Country Sector Briefing

March 2011

List of Contents and Tables

SPIRITS IN VIETNAM

HEADLINES

- Spirits records volume growth of 12% in 2010 to reach 30 million litres
- Hanoi Liquor JSC increases total volume share to 72%, driving growth with its Vodka Hanoi
- Vodka is the strongest growing category with a 13% increase in volume sales
- Price increases due to rising transportation and manufacturing costs
- Vodka Hanoi continues to dominate, despite competition from imported spirits
- Spirits is predicted to grow at a CAGR of 8% in total volume terms over the forecast period

TRENDS

- The spirits environment experienced strong growth in 2010, which reflected the potential of this market even in the face of unfavourable economic conditions. This was due to the fact that various spirits categories, especially vodka, still had much room to grow in both urban and rural areas, where spirits were easily accessible and consumed widely. Spirits were also traditionally purchased as gifts on special occasions such as Tet, the Lunar New Year festival in Vietnam. Growth was also driven by the expansion of on-trade establishments like bars and restaurants, which catered to an increasing number of consumers who considered spirits a trendy drink.
- Vodka remained the main category in spirits, being the biggest in total volume sales terms and also seeing the fastest growth. Vodka has long been a traditional drink in the country and can easily be found from rural to urban areas. Traditionally made of glutinous rice, vodka has many variants depending on the type of grain used. Most vodka products are homemade, with only about 10% being industrially produced, with Vodka Hanoi leading the shares. Hanoi Liquor JSC, the company that owns Vodka Hanoi and many other famous spirits brands, had great control over the spirits category with a volume share of 72%. Thus, the performance of vodka, and that of spirits in general, was pushed mainly by the strong performance of this company.
- In 2009 and 2010, consumers seemed to be shifting to spirits with lower alcohol content. This trend was especially observed in vodka, where new product Vodka Hanoi 29.5% abv was well received in both on-trade and off-trade channels. This could be explained by the fact that busy urban consumers were shifting to these lower alcohol products so that they would not get drunk easily. Low alcohol products were also believed to have a less negative impact on health.
- Whiskey and cognac continued to gain popularity and were consumed increasingly in on-trade establishments like bars and discos. These categories were dominated by premium imported brands like Johnnie Walker whiskey and Hennessy cognac, which are popular amongst the affluent community.
- Unit price saw a slight increase of about 3% in 2010. This was because the market was controlled mostly by local companies, which was not so affected by the devaluation of the Vietnam Dong versus the US dollar, like the importers were. Moreover, efforts to control of the leading company, Hanoi Liquor JSC, also helped to maintain stable price levels.
- In general, spirits are consumed in on-trade establishments more than purchased through the off-trade channel, with on-trade sales accounting for over 73% of total volume sales. Hennessy, Johnnie Walker and Rémy Martin were some of the imported brands that were preferred by most high income Vietnamese consumers, and were predominantly consumed in on-trade establishments.
- Local spirits have the strongest presence in vodka, with most products made from rice. Vietnam Beer Alcohol Beverage Association expects the capacity of 72 local producers to be 100 million litres per year. While there is also homemade vodka which Vietnamese households in rural areas will produce without any quality control from the government. Homemade vodka has given grave cause for concern from authorities as it is dangerous for drinkers' health due to the informal and unmonitored production process. Both major

players and government authorities have taken steps to control the quality of the spirits on the market, but with limited success.

- Both premium products and standard products experienced growth across categories like whiskey and white spirits, but the growth is stronger for standard and economy products. This was a result of a shift of price-sensitive customers from premium to more affordable products, especially those produced locally.
- Orange and lemon flavoured vodka products are available in Vietnam. Flavoured vodka sales were stronger in on-trade establishments because it was used in cocktails, while plain vodka was still more popular in off-trade channels.

PRODUCTION, IMPORTS AND EXPORTS

- To protect consumers' safety and health, the government continues to focus on developing industrially produced spirits and reducing the availability of low quality, homemade alcohol. Foreign investment projects are also encouraged to increase the volume of high quality spirits in the country and shift the balance between homemade and industrially produced alcohol in the country.
- The difference between apparent consumption and Euromonitor International's market was mainly attributed to the huge difference between homemade, local industrial alcohol, parallel and imported alcohol.
- Domestic manufacturers, such as Hanoi Liquor, tended to focus on vodka, while imported brands were available across different categories. Most local companies did not pay much attention to export markets, with the exception for some big manufacturers like Hanoi Liquor, which exported to nearby countries such as Laos and Cambodia. In addition, the company also hopes to expand its global presence to South Korea, Japan, Taiwan and the US in the future.

COMPETITIVE LANDSCAPE

- Hanoi Liquor JSC continued to lead shares in 2010 with an outstanding 72% share of total volume sales. The company was one of the few local players that started to focus on branding and maintaining good quality for its products from the 1990s, which resulted in its strong position today. In 2010, it continued to gain shares thanks to its positive brand image and affordable price, which helped it to capture the group of consumers who were shifting from low-quality, home-brew vodka to better quality products.
- With over 7% market share, Diageo was the biggest foreign player, and also the second leading player after Hanoi Liquor JSC. The company has many brands that have become Vietnamese favourites over the years, such as Smirnoff and Johnnie Walker. In 2010, the company was also the fastest growing as it continued to benefit from word-of-mouth recommendation that helped to spread its prestige around the country. Johnnie Walker continued to be one of the spirit brands of choice to give as gifts during special occasions such as New Year and Tet, the Lunar New Year festival of Vietnam.
- At the beginning of 2011, Diageo announced that it would officially enter spirits through a collaboration with Hanoi Liquor JSC. According to the announcement, Diageo would buy over 24% of Hanoi Liquor JSC's stocks. Diageo's long-established expertise and experience in the global market, together with the deep local understanding of Hanoi Liquor, is expected to result in dynamic market developments during the forecast period.
- Except for the dominance of the local Hanoi Liquor JSC, the rest of the market is fragmented with a mixture of local and international players. Some big domestic companies include Dong Xuan Liquor and Binh Tay Liquor, and some big domestic multinational players are Diageo, Pernod Ricard and LVMH Moët Hennessy Louis Vuitton. As this market is highly fragmented, there is no special advantage that either the local or multinational players have, but they usually compete on price.
- Economy, standard and premium brands in the market had different target segments and usually competed on price and brand image. Economy and standard brands, most of which are local, are usually bought to be consumed at home or during small social gatherings. On the other hand, premium brands are usually consumed in bars and pubs, at formal gatherings, or bought as gifts, as they look expensive.

PROSPECTS

- Spirits’ future development will come from two sources. Firstly, the low- to middle-income consumers, usually residing in the suburban and rural areas, will continue to push growth of local spirits, especially vodka. Secondly, the young modern urban consumers will go for imported brands for their quality and premium image. These two trends are expected to carry on throughout the forecast period, making spirits an attractive potential market for local and international players alike.
- The trend of shifting to lower alcohol spirits, spiked by Vodka Hanoi 29.5% abv in 2009-2010, is expected to carry on throughout the forecast period. The main reason is that the urban consumers do not want to get drunk easily. Thus, more products with low abv level are expected to be launched over the forecast period.
- Other blended Scotch whisky will be the fastest growing category in total volume terms, growing at a CAGR of 10% over the forecast period. This is attributed to the fact that consumers are already acquired to the taste of this product, and many brands within this category are already well-known amongst Vietnamese such as Johnnie Walker and Chivas Regal. Besides, vodka is another fast growing category, thanks to high levels of consumption in rural and suburban areas. However, despite its strong forecast, vodka might not be very lucrative for foreign players due to the dominance of local manufacturers in this category.
- On-trade growth is expected to be stronger than off-trade growth for most categories, thanks to the rising trend of eating out and increasing income levels of most Vietnamese. Besides, with its high alcohol content, spirits products are usually now allowed to be advertised on public media channels. Hence, most players would have to rely on bars, pubs and other on-trade channels to advertise their brands. This would further contribute to the gap between on-trade and off-trade’s development.
- The collaboration between Diageo and Hanoi Liquor is expected to bring more dynamism to the category, which means more and more brands would enter Vietnam in the near future. The market might become more consolidated by these two leading players. However, from the example of many unsuccessful collaborations in the Vietnamese alcoholic drinks industry, it would take some time to see whether Diageo and Hanoi Liquor would make a success of things.
- The strongest threat to future growth will remain counterfeit and contraband spirits. Although this is a long-standing issue, it still persists due to inefficient control from the government. Some industry players estimate that as much as 90% of spirits volume is either counterfeit or contraband. Not only does this affect players’ sales, it would also destroy their brand image in cases when consumers mistakenly buy counterfeit products and think that the brand has low quality. Cooperation between industry players and the government should be carried out to find ways to eliminate this issue.

SECTOR BACKGROUND

Vodka, Gin and Other Blended Scotch Whisky Price Band Methodology

Classification for these spirits products is based purely on pricing, taking a typical brand, usually the leading brand by volume as the benchmark price which is indexed as 100%. The benchmark brand will usually be a standard priced brand. There will be exceptions, however, whereby an economy brand (likely for vodka in some countries in Eastern Europe) or a premium brand (typically the case for Scotch whisky in the US) is used as the benchmark brand. Refer to the guidelines below for further detail.

Based on benchmark brand being standard:

Super-Premium 30% or higher than price of the benchmark brand

Premium 10-29.99% higher price than benchmark brand

Standard Between 9.99% lower or 9.99% higher than benchmark brand

Economy At least 10% lower than the price of benchmark brand

Based on benchmark brand being economy

Super-Premium 50% or higher than price of the benchmark brand

Premium 30-49.99% higher than price of benchmark brand

Standard Between 10% and 29.99% higher than price of benchmark brand

Economy anything lower or up to 9.99% higher than the price of the benchmark brand

Based on benchmark brand being premium:

Super-premium: 10% or higher than benchmark brand

Premium: Any brand that is up to 9.99% higher or 9.99% lower than benchmark brand

Standard: Between 10% and 29.99% cheaper than the benchmark brand

Economy: Anything 30%+ cheaper than the benchmark brand.

Based on benchmark brand being super-premium:

Super-premium Anything higher or up to 9.99% lower than the benchmark brand

Premium: 10% to 29.99% lower than benchmark brand

Standard: 30% to 49.99% lower than benchmark brand

Economy: 50%+ lower than benchmark brand.

CATEGORY DATA

Summary 1 Benchmark Brands 2010

Sector	Brand Name	Positioning
Other blended Scotch	Johnnie Walker Red Label	Standard
Vodka	Vodka Hanoi	Standard
Gin	Gordon's	Standard

Source: Storechecks, Trade interviews

Table 1 Sales of Spirits by Category: Total Volume 2005-2010

'000 litres

	2005	2006	2007	2008	2009	2010
Brandy and Cognac	411.6	424.0	440.6	460.3	480.7	502.9
- Brandy	109.6	113.3	116.9	121.7	127.8	134.7
- Cognac	301.9	310.7	323.8	338.6	352.9	368.2
Liqueurs	337.1	346.9	358.8	372.2	386.3	407.0
- Bitters	-	-	-	-	-	-
- Cream-Based Liqueurs	190.2	195.9	203.3	211.5	221.0	236.5
- Other Liqueurs	146.9	150.9	155.5	160.7	165.3	170.5
Rum	133.9	137.1	141.7	146.9	152.7	159.1
- Dark Rum	-	-	-	-	-	-
- White Rum	133.9	137.1	141.7	146.9	152.7	159.1
Tequila (and Mezcal)	-	-	-	-	-	-
Whisk(e)y	538.1	565.6	596.4	634.2	679.9	732.2
- Bourbon/Other US Whiskey	32.3	33.2	34.4	35.7	37.2	38.7
- Canadian Whisky	-	-	-	-	-	-
- Irish Whiskey	-	-	-	-	-	-

- Japanese Whisky	-	-	-	-	-	-
- Blended Scotch Whisky	497.6	524.0	553.4	589.5	633.4	683.8
- Single Malt Scotch Whisky	-	-	-	-	-	-
- Other Whisk(e)y	8.2	8.4	8.7	9.0	9.3	9.7
White Spirits	12,968.1	13,712.1	17,999.8	19,245.4	24,901.6	28,066.1
- Gin	49.0	50.8	52.5	55.1	57.9	61.0
- Vodka	12,919.1	13,661.3	17,947.3	19,190.3	24,843.7	28,005.1
Other Spirits	-	-	-	-	-	-
Spirits	14,388.8	15,185.7	19,537.3	20,859.0	26,601.2	29,867.2

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 2 Sales of Spirits by Category: Total Value 2005-2010

VND billion

	2005	2006	2007	2008	2009	2010
Brandy and Cognac	579.0	626.6	677.0	737.4	806.8	884.8
- Brandy	61.8	67.6	73.8	81.4	90.2	100.5
- Cognac	517.2	559.0	603.2	655.9	716.6	784.3
Liqueurs	189.0	202.8	217.9	235.8	256.2	282.1
- Bitters	-	-	-	-	-	-
- Cream-Based Liqueurs	120.0	129.6	139.8	151.8	166.3	185.7
- Other Liqueurs	69.0	73.2	78.1	84.0	90.0	96.4
Rum	81.0	85.9	91.6	98.6	106.7	115.9
- Dark Rum	-	-	-	-	-	-
- White Rum	81.0	85.9	91.6	98.6	106.7	115.9
Tequila (and Mezcal)	-	-	-	-	-	-
Whisk(e)y	295.8	332.4	372.3	420.9	478.0	544.9
- Bourbon/Other US Whiskey	19.7	21.4	23.2	25.5	28.1	30.8
- Canadian Whisky	-	-	-	-	-	-
- Irish Whiskey	-	-	-	-	-	-
- Japanese Whisky	-	-	-	-	-	-
- Blended Scotch Whisky	274.5	309.3	347.2	393.3	447.6	511.5
- Single Malt Scotch Whisky	-	-	-	-	-	-
- Other Whisk(e)y	1.6	1.7	1.9	2.1	2.3	2.6
White Spirits	988.4	1,106.6	1,532.0	1,729.6	2,349.1	2,784.2
- Gin	19.7	20.9	22.4	24.3	26.7	29.5
- Vodka	968.7	1,085.6	1,509.7	1,705.2	2,322.4	2,754.7
Other Spirits	-	-	-	-	-	-
Spirits	2,133.2	2,354.2	2,890.9	3,222.2	3,996.9	4,611.9

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 3 Sales of Spirits by Category: % Total Volume Growth 2005-2010

% total volume growth

	2009/10	2005-10 CAGR	2005/10 TOTAL
Brandy and Cognac	4.6	4.1	22.2
- Brandy	5.4	4.2	22.9
- Cognac	4.3	4.0	21.9
Liqueurs	5.3	3.8	20.7
- Bitters	-	-	-
- Cream-Based Liqueurs	7.0	4.4	24.3
- Other Liqueurs	3.1	3.0	16.0
Rum	4.2	3.5	18.8
- Dark Rum	-	-	-
- White Rum	4.2	3.5	18.8

Tequila (and Mezcal)	-	-	-
Whisk(e)y	7.7	6.4	36.1
- Bourbon/Other US Whiskey	4.0	3.7	19.7
- Canadian Whisky	-	-	-
- Irish Whiskey	-	-	-
- Japanese Whisky	-	-	-
- Blended Scotch Whisky	8.0	6.6	37.4
- Single Malt Scotch Whisky	-	-	-
- Other Whisk(e)y	4.1	3.4	18.3
White Spirits	12.7	16.7	116.4
- Gin	5.4	4.5	24.6
- Vodka	12.7	16.7	116.8
Other Spirits	-	-	-
Spirits	12.3	15.7	107.6

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 4 Sales of Spirits by Category: % Total Value Growth 2005-2010

% local currency, current value growth

	2009/10	2005-10 CAGR	2005/10 TOTAL
Brandy and Cognac	9.7	8.9	52.8
- Brandy	11.3	10.2	62.6
- Cognac	9.4	8.7	51.6
Liqueurs	10.1	8.3	49.3
- Bitters	-	-	-
- Cream-Based Liqueurs	11.7	9.1	54.7
- Other Liqueurs	7.2	6.9	39.8
Rum	8.7	7.4	43.1
- Dark Rum	-	-	-
- White Rum	8.7	7.4	43.1
Tequila (and Mezcal)	-	-	-
Whisk(e)y	14.0	13.0	84.2
- Bourbon/Other US Whiskey	9.7	9.4	56.6
- Canadian Whisky	-	-	-
- Irish Whiskey	-	-	-
- Japanese Whisky	-	-	-
- Blended Scotch Whisky	14.3	13.3	86.3
- Single Malt Scotch Whisky	-	-	-
- Other Whisk(e)y	9.9	9.8	59.4
White Spirits	18.5	23.0	181.7
- Gin	10.4	8.4	49.9
- Vodka	18.6	23.2	184.4
Other Spirits	-	-	-
Spirits	15.4	16.7	116.2

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 5 Sales of Spirits by On-trade vs Off-trade Split: Volume 2005-2010

'000 litres

	2005	2006	2007	2008	2009	2010
Off-trade	4,085.9	4,242.5	5,424.1	5,714.0	7,209.0	8,044.4
On-trade	10,302.9	10,943.2	14,113.2	15,145.0	19,392.2	21,822.8
Total	14,388.8	15,185.7	19,537.3	20,859.0	26,601.2	29,867.2

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 6 Sales of Spirits by On-trade vs Off-trade Split: Value 2005-2010

VND billion

	2005	2006	2007	2008	2009	2010
Off-trade	308.3	332.6	406.3	443.2	546.3	621.8
On-trade	1,824.9	2,021.6	2,484.6	2,779.1	3,450.5	3,990.0
Total	2,133.2	2,354.2	2,890.9	3,222.2	3,996.9	4,611.9

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 7 Sales of Spirits by On-trade vs Off-trade Split: % Volume Growth 2005-2010

% volume growth

	2009/10	2005-10 CAGR	2005/10 TOTAL
Off-trade	11.6	14.5	96.9
On-trade	12.5	16.2	111.8
Total	12.3	15.7	107.6

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 8 Sales of Spirits by On-trade vs Off-trade Split: % Value Growth 2005-2010

% current value growth

	2009/10	2005-10 CAGR	2005/10 TOTAL
Off-trade	13.8	15.1	101.7
On-trade	15.6	16.9	118.6
Total	15.4	16.7	116.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 9 Sales of Gin by Price Platform 2005-2010

% total volume

	2005	2006	2007	2008	2009	2010
Super Premium	-	12.5	12.5	12.5	12.6	12.7
Premium	-	-	-	-	-	-
Standard	-	87.5	87.5	87.5	87.4	87.3
Economy	-	-	-	-	-	-
Total	-	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources
Note: '-' indicates data not available

Table 10 Sales of Other Blended Scotch Whisky by Price Platform 2005-2010

% total volume

	2005	2006	2007	2008	2009	2010
Super Premium	-	64.2	64.5	64.9	66.8	68.0
Premium	-	4.3	3.7	3.0	3.0	3.0
Standard	-	31.5	31.8	32.1	30.2	29.0
Economy	-	-	-	-	-	-
Total	-	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources
Note: '-' indicates data not available

Table 11 Sales of Vodka by Price Platform 2005-2010

% total volume

	2005	2006	2007	2008	2009	2010
Super Premium	-	14.5	12.0	12.3	10.5	11.0
Premium	-	-	-	-	-	-
Standard	-	55.5	65.5	67.0	72.5	73.0
Economy	-	30.0	22.5	20.7	17.0	16.0
Total	-	100.0	100.0	100.0	100.0	100.0

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*
Note: *'-' indicates data not available*

Table 12 Sales of Flavoured vs Non-flavoured Vodka 2005-2010

% total volume

	2005	2006	2007	2008	2009	2010
Flavoured Vodka	5.5	5.5	6.0	6.0	6.2	6.3
Non-Flavoured Vodka	94.5	94.5	94.0	94.0	93.8	93.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 13 Spirits Production, Imports and Exports: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Spirits – Exp	2,070.8	1,791.1	1,390.3	931.4	43.6	-
Spirits – Imp	860.2	717.1	435.8	306.8	11.7	-

Source: *GTIS, Euromonitor International*
Note: *'-' indicates data not available*

Table 14 Spirits Exports by Country of Destination: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Spirits – TOTAL	2,070.8	1,791.1	1,390.3	931.4	43.6	-
Spirits – Japan	1,890.3	1,568.5	1,320.3	857.4	36.9	-
Spirits – China	-	90.2	-	-	2.1	-
Spirits – Thailand	43.1	-	13.0	23.6	2.0	-
Spirits – Hong Kong	2.1	5.5	8.0	3.0	1.4	-
Spirits – Ghana	-	-	-	-	1.1	-
Spirits – Others	3.1	8.4	0.1	0.1	0.1	-
Spirits – Guinea	1.0	-	-	-	-	-
Spirits – United States	0.0	-	-	1.2	-	-
Spirits – East Timor	0.3	-	-	-	-	-

Source: *GTIS, Euromonitor International*
Note: *'-' indicates data not available*

Table 15 Spirits Exports by Country of Destination: Total Value 2004-2009

VND million

	2004	2005	2006	2007	2008	2009
Spirits – TOTAL	98,656.3	85,940.3	67,280.5	122,085.2	6,867.1	-
Spirits – Japan	90,055.5	75,258.4	63,889.7	112,393.5	5,811.9	-
Spirits – China	-	4,329.8	-	-	326.0	-
Spirits – Thailand	2,054.0	-	627.7	3,092.4	312.2	-
Spirits – Hong Kong	102.2	263.5	386.9	389.6	216.9	-
Spirits – Ghana	-	-	-	-	178.5	-
Spirits – Spain	-	-	-	-	21.5	-
Spirits – Guinea	48.3	-	-	-	-	-
Spirits – United States	0.3	-	-	158.4	-	-
Spirits – Others	146.4	404.3	18.7	7.9	-	-

Source: GTIS, Euromonitor International
Note: '-' indicates data not available

Table 16 Spirits Imports by Country of Origin: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Spirits – TOTAL	860.2	717.1	435.8	306.8	11.7	-
Spirits – Korea, South	12.0	26.2	48.3	21.2	2.8	-
Spirits – Thailand	-	6.8	-	9.8	2.0	-
Spirits – China	0.2	0.1	1.3	0.5	1.9	-
Spirits – United Kingdom	4.7	63.3	-	-	1.3	-
Spirits – France	95.5	81.8	36.5	18.1	1.3	-
Spirits – New Zealand	5.4	-	-	-	1.0	-
Spirits – Japan	17.7	6.0	4.7	8.6	0.7	-
Spirits – Singapore	412.8	473.4	330.3	213.6	0.4	-
Spirits – Philippines	244.5	-	7.1	5.0	0.2	-

Source: GTIS, Euromonitor International
Note: '-' indicates data not available

Table 17 Spirits Imports by Country of Origin: Total Value 2004-2009

VND million

	2004	2005	2006	2007	2008	2009
Spirits – TOTAL	47,905.2	40,225.9	24,655.5	50,321.1	2,022.4	-
Spirits – Korea, South	667.4	1,472.3	2,731.0	3,482.5	480.9	-
Spirits – Thailand	-	384.2	-	1,600.3	341.3	-
Spirits – China	13.0	7.5	76.2	80.9	331.8	-
Spirits – United Kingdom	261.9	3,551.2	-	-	225.9	-
Spirits – France	5,316.8	4,589.0	2,067.4	2,961.1	222.8	-
Spirits – New Zealand	299.7	-	-	-	165.3	-
Spirits – Japan	983.4	336.9	268.6	1,416.3	124.9	-
Spirits – Singapore	22,990.5	26,552.5	18,686.3	35,029.4	66.9	-
Spirits – Philippines	13,618.4	-	402.3	817.7	32.5	-

Source: GTIS, Euromonitor International
Note: '-' indicates data not available

Table 18 Brandy & Cognac Production, Imports and Exports: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Brandy and Cognac – Imp	443.4	483.1	827.0	500.6	903.7	-
Brandy and Cognac – Exp	0.1	4.1	-	-	-	-

Source: GTIS, Euromonitor International
Note: '-' indicates data not available

Table 19 Gin Production, Imports and Exports: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Gin – Exp	-	1.8	1.1	3.0	16.4	-
Gin – Imp	8.8	12.7	48.1	17.1	15.1	-

Source: *GTIS, Euromonitor International*
Note: *'-' indicates data not available*

Table 20 Rum Production, Imports and Exports: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Rum – Exp	0.6	0.5	-	-	24.4	-
Rum – Imp	5.5	17.5	20.6	13.5	15.0	-

Source: *GTIS, Euromonitor International*
Note: *'-' indicates data not available*

Table 21 Vodka Production, Imports and Exports: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Vodka – Imp	139.2	222.3	248.2	169.7	285.0	-
Vodka – Exp	4.9	24.6	21.7	-	75.5	-

Source: *GTIS, Euromonitor International*
Note: *'-' indicates data not available*

Table 22 Whisk(e)y Production, Imports and Exports: Total Volume 2004-2009

'000 litres

	2004	2005	2006	2007	2008	2009
Whisk(e)y – Imp	573.3	617.9	1,093.5	443.9	1,147.9	-
Whisk(e)y – Exp	6.2	3.8	2.5	5.3	15.8	-

Source: *GTIS, Euromonitor International*
Note: *'-' indicates data not available*

Table 23 Company Shares of Spirits by National Brand Owner 2006-2010

% total volume

Company	2006	2007	2008	2009	2010
Hanoi Liquor JSC	56.6	64.5	65.2	71.0	71.7
Diageo Plc	8.5	7.2	7.5	6.6	7.1
Dong Xuan Liquor Co Ltd	7.0	5.7	5.7	4.6	4.5
Pernod Ricard Groupe	1.3	1.1	1.1	0.9	0.9
Binh Tay Liquor Co JV	2.6	1.9	1.1	0.8	0.8
LVMH Moët Hennessy Louis Vuitton	0.8	0.7	0.7	0.6	0.5
Brown-Forman Corp	1.0	0.7	0.7	0.5	0.5
Rémy Cointreau Group	0.6	0.5	0.4	0.4	0.3
Soyuzplodimport ZAO	0.8	0.7	0.6	0.4	0.3
V&S Vin & Sprit AB	0.2	0.2	0.2	0.2	0.2
Bacardi & Co Ltd	0.3	0.3	0.3	0.2	0.2

Raynal & Cie Negociants A	0.3	0.2	0.2	0.2	0.2
William Grant & Sons Ltd	0.3	0.2	0.2	0.2	0.1
Campari Milano SpA, Davide	0.4	0.2	0.1	0.1	0.1
La Martiniquaise SVS	0.2	0.2	0.2	0.1	0.1
Grandes Distilleries de Charleroi SA/NV	0.2	0.2	0.2	0.1	0.1
Kristall Moskovsky Zavod OAO	0.3	0.2	0.1	0.1	0.1
Fortune Brands Inc	0.2	0.1	0.1	0.1	0.1
Camus la Grande Marque SA	0.1	0.1	0.1	0.1	0.1
Distell Group Ltd	0.1	0.1	0.1	0.0	0.1
Chatelle & Co	0.1	0.1	0.1	0.1	0.1
Highland Distillers Ltd	0.1	0.1	0.1	0.1	0.0
Château de Laubade	0.1	0.1	0.1	0.0	0.0
Allied Domecq Vietnam Co Ltd	0.0	0.0	0.0	0.0	0.0
Altia Group Oy	-	-	-	-	-
Hanoi Liquor Co Ltd	-	-	-	-	-
Skyy Spirits LLC	-	-	-	-	-
Others	17.9	14.9	15.1	12.5	11.8
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 24 Company Shares of Spirits by Global Brand Owner 2006-2010

% total volume

Company	2006	2007	2008	2009	2010
Hanoi Alcohol Beer & Beverages Corp (Habeco)	56.6	64.5	65.2	71.0	71.7
Diageo Plc	8.5	7.2	7.5	6.6	7.1
Saigon Alcohol Beer & Beverages Corp (Sabeco)	2.6	7.6	6.8	5.4	5.3
Pernod Ricard Groupe	1.4	1.1	1.3	1.1	1.0
LVMH Moët Hennessy Louis Vuitton	0.8	0.7	0.7	0.6	0.5
Brown-Forman Corp	1.0	0.7	0.7	0.5	0.5
Rémy Cointreau Group	0.6	0.5	0.4	0.4	0.3
Soyuzplodimport ZAO	0.8	0.7	0.6	0.4	0.3
William Grant & Sons Ltd	0.5	0.4	0.4	0.3	0.3
Bacardi & Co Ltd	0.3	0.3	0.3	0.2	0.2
Campari Milano SpA, Davide	0.4	0.2	0.1	0.1	0.1
La Martiniquaise SVS	0.2	0.2	0.2	0.1	0.1
Grandes Distilleries de Charleroi SA/NV	0.2	0.2	0.2	0.1	0.1
Kristall Moskovsky Zavod OAO	0.3	0.2	0.1	0.1	0.1
Fortune Brands Inc	0.2	0.1	0.1	0.1	0.1
Camus la Grande Marque SA	0.1	0.1	0.1	0.1	0.1
Distell Group Ltd	0.1	0.1	0.1	0.0	0.1
Chatelle & Co	0.1	0.1	0.1	0.1	0.1
Edrington Group	0.1	0.1	0.1	0.1	0.0
Château de Laubade	0.1	0.1	0.1	0.0	0.0
Dong Xuan Liquor Co Ltd	7.0	-	-	-	-
V&S Vin & Sprit AB	0.2	0.2	-	-	-
Allied Domecq Plc	-	-	-	-	-
Altia Group Oy	-	-	-	-	-
Raynal & Cie Negociants A	-	-	-	-	-
Skyy Spirits LLC	-	-	-	-	-
Vietnam Alcohol Beer & Beverages Corp	-	-	-	-	-

Others	17.9	14.9	15.1	12.6	11.8
Total	100.0	100.0	100.0	100.0	100.0

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 25 Brand Shares of Spirits 2007-2010

% total volume

Brand (Global Brand Owner)	Company	2007	2008	2009	2010
Vodka Hanoi (Hanoi Alcohol Beer & Beverages Corp (Habeco))	Hanoi Liquor JSC	33.0	35.4	34.7	36.1
Hanoi Lua Moi (Hanoi Alcohol Beer & Beverages Corp (Habeco))	Hanoi Liquor JSC	19.2	18.2	15.7	15.0
Hanoi Nep Moi (Hanoi Alcohol Beer & Beverages Corp (Habeco))	Hanoi Liquor JSC	12.3	11.6	10.0	9.4
Smirnoff Red	Diageo Plc	3.2	3.4	3.0	3.2
Dong Xuan Ruou Nep (Saigon Alcohol Beer & Beverages Corp (Sabeco))	Dong Xuan Liquor Co Ltd	3.9	3.9	3.2	3.1
Dong Xuan Nep Hoa Vang (Saigon Alcohol Beer & Beverages Corp (Sabeco))	Dong Xuan Liquor Co Ltd	1.8	1.8	1.4	1.4
Smirnoff Blue	Diageo Plc	1.0	1.0	0.9	1.0
Baileys Irish Cream	Diageo Plc	0.9	0.9	0.8	0.7
Nang Huong (Saigon Alcohol Beer & Beverages Corp (Sabeco))	Binh Tay Liquor Co JV	1.3	0.7	0.6	0.5
Hennessy VSOP Privilège	LVMH Moët Hennessy Louis Vuitton	0.6	0.6	0.5	0.5
Others		22.8	22.4	29.2	29.1
Total		100.0	100.0	100.0	100.0

Source: *Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources*

Table 26 Forecast Sales of Spirits by Category: Total Volume 2010-2015

'000 litres

	2010	2011	2012	2013	2014	2015
Brandy and Cognac	502.9	527.1	553.7	583.1	615.4	650.8
- Brandy	134.7	142.6	151.7	162.0	174.0	187.6
- Cognac	368.2	384.5	402.0	421.0	441.4	463.2
Liqueurs	407.0	429.4	454.4	482.3	512.9	545.6
- Bitters	-	-	-	-	-	-
- Cream-Based Liqueurs	236.5	253.3	271.9	292.5	315.2	339.2
- Other Liqueurs	170.5	176.1	182.5	189.8	197.7	206.4
Rum	159.1	165.9	173.3	181.7	190.9	200.9
- Dark Rum	-	-	-	-	-	-
- White Rum	159.1	165.9	173.3	181.7	190.9	200.9
Tequila (and Mezcal)	-	-	-	-	-	-

Whisk(e)y	732.2	791.9	861.0	940.9	1,032.1	1,136.4
- Bourbon/Other US Whiskey	38.7	40.2	41.5	42.7	43.8	44.6
- Canadian Whisky	-	-	-	-	-	-
- Irish Whiskey	-	-	-	-	-	-
- Japanese Whisky	-	-	-	-	-	-
- Blended Scotch Whisky	683.8	741.7	808.9	887.0	976.6	1,079.5
- Single Malt Scotch Whisky	-	-	-	-	-	-
- Other Whisk(e)y	9.7	10.1	10.6	11.1	11.7	12.3
White Spirits	28,066.1	31,353.6	34,401.2	37,151.9	39,751.8	42,137.1
- Gin	61.0	64.4	68.0	72.0	76.3	81.0
- Vodka	28,005.1	31,289.2	34,333.2	37,079.9	39,675.5	42,056.0
Other Spirits	-	-	-	-	-	-
Spirits	29,867.2	33,268.0	36,443.7	39,339.8	42,103.0	44,670.8

Source: *Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources*

Table 27 Forecast Sales of Spirits by Category: Total Value 2010-2015

VND billion

	2010	2011	2012	2013	2014	2015
Brandy and Cognac	884.8	896.5	930.0	969.7	1,015.7	1,068.5
- Brandy	100.5	103.3	108.8	115.8	123.8	133.0
- Cognac	784.3	793.2	821.2	854.0	891.9	935.5
Liqueurs	282.1	288.9	303.2	320.3	339.8	361.3
- Bitters	-	-	-	-	-	-
- Cream-Based Liqueurs	185.7	192.0	203.4	216.7	232.0	249.1
- Other Liqueurs	96.4	96.9	99.7	103.6	107.8	112.2
Rum	115.9	116.5	120.0	124.8	131.0	138.5
- Dark Rum	-	-	-	-	-	-
- White Rum	115.9	116.5	120.0	124.8	131.0	138.5
Tequila (and Mezcal)	-	-	-	-	-	-
Whisk(e)y	544.9	575.7	621.7	677.7	741.3	814.2
- Bourbon/Other US Whiskey	30.8	32.0	33.2	34.4	35.4	36.5
- Canadian Whisky	-	-	-	-	-	-
- Irish Whiskey	-	-	-	-	-	-
- Japanese Whisky	-	-	-	-	-	-
- Blended Scotch Whisky	511.5	541.1	585.9	640.8	703.4	775.2
- Single Malt Scotch Whisky	-	-	-	-	-	-
- Other Whisk(e)y	2.6	2.6	2.6	2.6	2.6	2.6
White Spirits	2,784.2	3,079.5	3,350.8	3,584.8	3,769.6	3,894.8
- Gin	29.5	30.1	31.4	33.1	35.1	37.2
- Vodka	2,754.7	3,049.4	3,319.4	3,551.7	3,734.5	3,857.6
Other Spirits	-	-	-	-	-	-
Spirits	4,611.9	4,957.1	5,325.6	5,677.4	5,997.3	6,277.4

Source: *Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources*

Table 28 Forecast Sales of Spirits by Category: % Total Volume Growth 2010-2015

% total volume growth

	2014/15	2010-15 CAGR	2010/15 TOTAL
Brandy and Cognac	5.8	5.3	29.4
- Brandy	7.9	6.8	39.3
- Cognac	4.9	4.7	25.8
Liqueurs	6.4	6.0	34.1
- Bitters	-	-	-

- Cream-Based Liqueurs	7.6	7.5	43.4
- Other Liqueurs	4.4	3.9	21.1
Rum	5.2	4.8	26.3
- Dark Rum	-	-	-
- White Rum	5.2	4.8	26.3
Tequila (and Mezcal)	-	-	-
Whisk(e)y	10.1	9.2	55.2
- Bourbon/Other US Whiskey	1.9	2.9	15.2
- Canadian Whisky	-	-	-
- Irish Whiskey	-	-	-
- Japanese Whisky	-	-	-
- Blended Scotch Whisky	10.5	9.6	57.9
- Single Malt Scotch Whisky	-	-	-
- Other Whisk(e)y	5.4	4.9	27.2
White Spirits	6.0	8.5	50.1
- Gin	6.2	5.8	32.8
- Vodka	6.0	8.5	50.2
Other Spirits	-	-	-
Spirits	6.1	8.4	49.6

Source: *Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources*

Table 29 Forecast Sales of Spirits by Category: % Total Value Growth 2010-2015

% local currency, constant value growth

	2010-15 CAGR	2010/15 TOTAL
Brandy and Cognac	3.8	20.8
- Brandy	5.8	32.4
- Cognac	3.6	19.3
Liqueurs	5.1	28.1
- Bitters	-	-
- Cream-Based Liqueurs	6.1	34.2
- Other Liqueurs	3.1	16.3
Rum	3.6	19.5
- Dark Rum	-	-
- White Rum	3.6	19.5
Tequila (and Mezcal)	-	-
Whisk(e)y	8.4	49.4
- Bourbon/Other US Whiskey	3.4	18.5
- Canadian Whisky	-	-
- Irish Whiskey	-	-
- Japanese Whisky	-	-
- Blended Scotch Whisky	8.7	51.5
- Single Malt Scotch Whisky	-	-
- Other Whisk(e)y	0.0	0.0
White Spirits	6.9	39.9
- Gin	4.7	25.9
- Vodka	7.0	40.0
Other Spirits	-	-
Spirits	6.4	36.1

Source: *Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources*