

## Australian wine exports rise 13% in value, driven by China's rebound

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In the 12 months ended June 2025, Australian wine exports increased by 13 per cent in value to \$2.48 billion and 3 per cent in volume to 639 million litres, according to Wine Australia's Export Report. The average value of exports increased by 10 per cent to \$3.88 per litre Free on Board (FOB).

Peter Bailey, Manager, Market Insights, Wine Australia, said the latest data shows the impact of the China market reopening in March 2024 is beginning to stabilise.

“The year-on-year increase in exports was almost entirely driven by mainland China after tariffs on Australian bottled wine were removed at the end of March 2024. Over 12 months have passed since tariffs in mainland China were removed and the initial surge in exports has eased, resulting in 85 million litres of wine exports to the market in the 12 months ended June 2025, worth \$893 million.

“The quarter ended June 2025 was 35 per cent smaller in value than the same quarter in the previous year. This indicates that the level of exports to mainland China may be normalising after the initial re-stocking phase.”

“The return of mainland China offers a valuable market, with global wine consumption at its lowest level since 1961. However, it has only had a small impact on total export volume, as the volume shipped to mainland China is half of what it was at its peak in 2018.

“This reflects the decline in wine consumption in the Chinese market over the last five years; the market is now only a third of the size it was in 2019. In the past 12 months, imports from France, Italy, Spain, and Chile have all declined.

Exports to the rest of the world declined by 11 per cent in value to \$1.59 billion and 6 per cent in volume to 554 million litres. While the decline in value was mainly driven by Hong Kong as sales transitioned to mainland China, the drop in volume reflects a reduced supply of Australian wine available for export after three smaller vintages, as well as declining demand from key export markets.

Australian wine exports to the United States (US) declined by 10 per cent in volume to 111 million litres and 12 per cent in value to \$314 million, the lowest value in over two decades.

The US wine market continues to face headwinds that developed after the COVID-19 pandemic, leading to reduced overall wine consumption in the last five years. Health and wellness concerns, particularly among older wine consumers, lack of recruitment to the category from younger generations, increased competition from other alcoholic beverages, high wholesaler inventories, and ongoing economic and political uncertainty, including import tariffs, have all contributed to a suppressed outlook for wine exports to the market in the near term.

Exports to the United Kingdom (UK) declined by 1 per cent in value to \$350 million and 6 per cent in volume to 204 million litres. The last 12 months have been relatively stable by export value, despite significant economic and administrative headwinds in the market, including cost-of-living pressures and duty reforms.

Driving the decline were unpackaged exports (to be packaged in market), while packaged exports with an average value between \$2.50 and \$4.99 and above \$7.50 per litre grew by 4 and 20 per cent in volume, respectively. Australian wine maintains its market leadership in the UK with a 23 per cent share of off-premise wine sales.

In the 12 months ended June 2025, Australian wine exports to Canada increased by 7 per cent in value to \$157 million and declined by 10 per cent in volume to 61 million litres. The decline in volume is driven by a decline in unpackaged exports after a surge in this type of export during 2023. The rise in overall export value to the market can be attributed to a growth in packaged exports in the last 12 months.