Wine Australia

Market Insights

Export Report

12 months to 30 June 2026

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Executive summary

- Australian wine exports declined in the year ended June 2026, with export value falling 7 per cent to $2.30 billion and volume down 6 per cent to 598 million litres, marking the first time export volume has fallen below 600 million litres since 2004.
- Weak global wine consumption remains the key challenge, with influences including the increasing focus on health and wellness, cost-of-living pressures and competition from other beverages affecting wine demand across most major export markets.
- Mainland China remained Australia's largest export market by value, despite exports declining 15 per cent to $756 million as the initial post-tariff restocking phase ended and underlying consumer demand remained subdued.
- The United Kingdom remained Australia's largest market by volume, although exports fell to their lowest level in 25 years, driven mainly by declining demand for commercial and mid-priced wines.
- The United States continued its long-term decline, with export volume down 15 per cent and value down 27 per cent, reflecting structural market challenges including declining wine consumption and changing consumer preferences.
- Canada was a major growth market, with export value increasing 20 per cent to $188 million and volume rising 13 per cent, supported by market-share gains following reduced availability of US wines during the Canada–US trade dispute.
- Asia outside mainland China recorded strong growth, led by Singapore, Thailand, Japan, South Korea and Taiwan. Thailand reached record export values, while Singapore became Australia's largest Asian market outside mainland China.
- Export growth is becoming increasingly concentrated in a smaller number of markets, particularly Canada and emerging Asian destinations, while mature markets in Europe and North America continue to experience structural declines in wine consumption and increased competition.

Overview

In the year ended June 2026, exports decreased by 7 per cent in value to $2.30 billion[1] and decreased by 6 per cent in volume to 598 million litres. Average value decreased by 1 per cent to $3.84 per litre (FOB)[2]. This is the first time since 2004 that total export volume has dipped below 600 million litres.

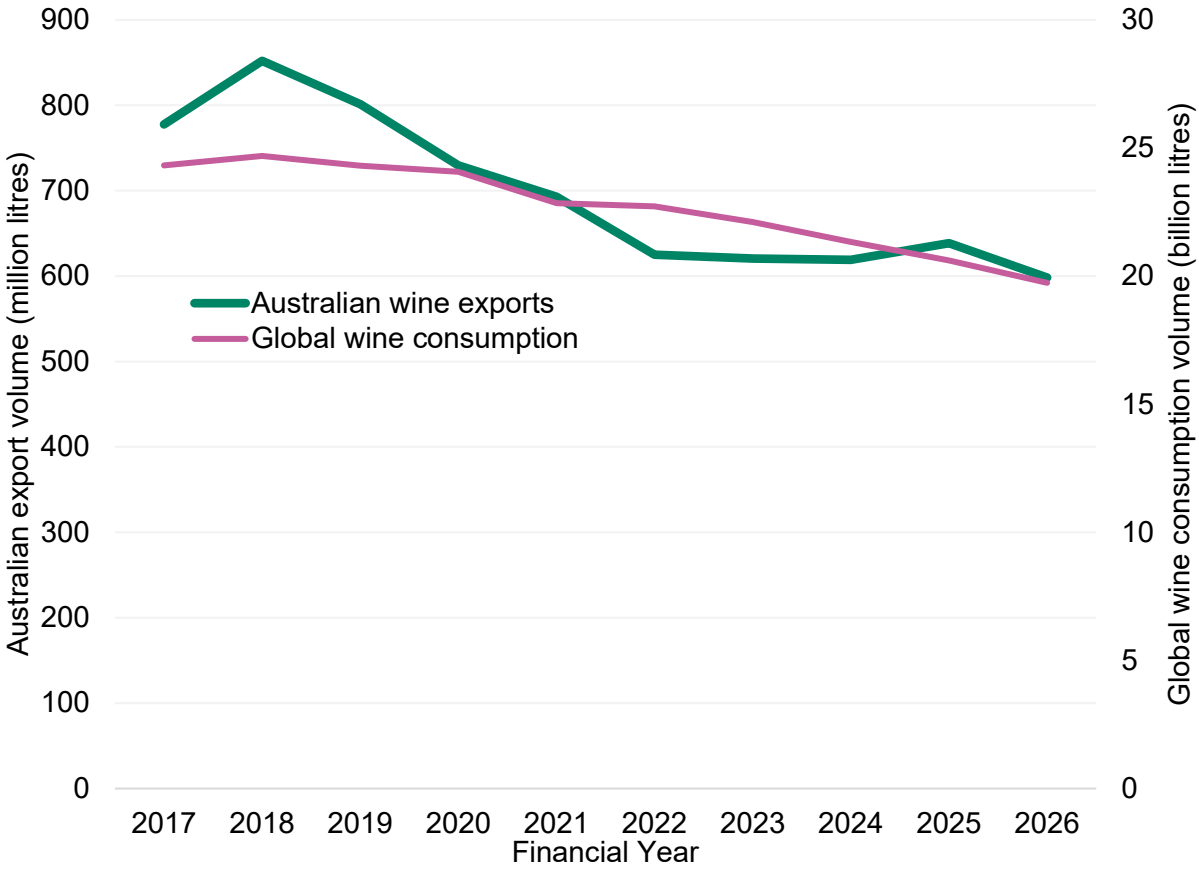
Australian wine exports have declined in line with the broader fall in global wine consumption over the past decade (Figure 1). This trend reflects changing consumer preferences, including increased competition from other alcoholic beverages, cost-of-living pressures, and the rise in mindful drinking. Fewer consumers are drinking wine, drinking occasions are less frequent, and those who do consume wine are increasingly moderating their intake or abstaining completely. As a result, global wine consumption has fallen to its lowest level since 1961. The sharpest declines have occurred in mature markets such as the United Kingdom (UK) and the United States (US), which are also Australia's largest wine export destinations. Ongoing geopolitical tensions have further intensified an already challenging trading environment.

[1] Unless otherwise stated all values are given in Australian dollars.

[2] All export wine values are the ‘Free on board' (FOB) value of the wine, where the point of valuation is where goods are placed on board the international carrier, at the border of the exporting country. The FOB value includes production and other costs up until placement on the international carrier but excludes international insurance and transport costs.

The downturn is not unique to Australia. Other key wine-exporting nations, including France, Italy, Spain, Chile, South Africa, Germany, the United States and Argentina, also recorded declining export performance, reflecting broader challenges facing the global wine industry.

Figure 1: Australia wine exports compared to global wine consumption



Source: Wine Australia and IWSR[3]

While exports to Australia's three largest wine markets – the United Kingdom, United States and mainland China – declined, export value recorded double-digit growth in Canada and several key Asian markets, including Thailand, Malaysia, Singapore, Japan and South Korea.

Export declines in the United Kingdom, United States and mainland China were driven by weakening wine demand in these key markets. In the UK and US, long-term declines in wine consumption continue to be driven by changing consumer preferences, health-conscious behaviours, cost-of-living pressures and competition from other alcoholic beverages. In mainland China, exports declined following the post-tariff restocking phase after market access was restored in 2024, with softer consumer demand and ongoing economic headwinds weighing on sales.

Growth in Canada was initially driven by the disruption caused by the Canada–US trade dispute, which created opportunities for Australian wine to gain market share. However, growth has recently begun to moderate as these opportunities mature and broader declines in wine consumption continue to weigh on demand.

[3] IWSR data is for calendar years. For example, the export data for financial year 2025-26 is compared with IWSR data for calendar year 2025.

Growth in Asian markets was driven by a combination of successful market diversification efforts and stronger demand in several emerging wine markets. Southeast Asian countries such as Thailand, Malaysia and Singapore have experienced rising incomes, expanding middle-class populations and growing interest in premium wine, while Australia continues to benefit from strong brand recognition and geographic proximity. Singapore's role as a regional trading hub has also supported export growth. These gains helped to partially offset weaker demand in Australia's more mature export markets.

Wine Australia's General Manager, Market Development, Paul Turale said, "the ongoing challenges impacting global demand for wine have not abated. The global wine sector is being reshaped by lower consumption, tighter regulation, climate volatility, trade uncertainty and changing consumer occasions.

The impact is felt through the entire supply chain, and the effects cannot be underestimated.

Despite these obstacles, market share data from IWSR shows Australia has actually held or grown its share of imported wine in key export markets including North America, UK and Ireland, Nordics (excluding Norway), Southeast Asia (excluding Thailand where Australia enjoys a very healthy 27 per cent volume share), China and Japan over the past year.

Notwithstanding, we need to continue to focus on our established market diversification agenda, based on risk mitigation and market opportunity and led by actionable, data led consumer and market insights.

The data suggests that the global wine market is not facing a short downturn; it is facing a new demand environment. Growth will not come from waiting for old volume patterns to return. It will come from aligning supply with realistic demand, recruiting consumers through modern occasions, proving sustainability and provenance, and competing on value (at all price points) rather than volume."

Container type

More than two-thirds of Australia's wine exports by volume were shipped unpackaged for bottling in destination markets. Unpackaged wine exports declined by 6 per cent in value to $460 million and 4 per cent in volume to 407 million litres, while the average value fell 2 per cent to $1.13 per litre. The decline was primarily driven by lower shipments to the United Kingdom, United States, Germany and South Africa, with the latter reflecting a correction following unusually strong exports in the previous year.

Exports of wine in glass bottles also weakened, with value declining by 8 per cent to $1.82 billion and volume falling 11 per cent to 183 million litres. Despite the lower volume, the average value increased by 4 per cent to $9.92 per litre. Reduced shipments to mainland China, the United States and the United Kingdom were the main contributors to the decline.

Price point

Export declines were concentrated in the lower- and mid-priced segments, reflecting weaker global demand and ongoing inventory adjustments in key markets (Figure 2). The largest fall occurred in the $2.50–$4.99 per litre segment, down 20 per cent ($101 million), followed by declines in the $30.00–$49.99 per litre and $200 or more over segments. The decline at the higher priced segments largely reflects lower shipments to mainland China following the post-tariff restocking period.

In contrast, the $50.00–$99.99 per litre segment was a notable bright spot, increasing by 25 per cent ($111 million) and partially offsetting declines elsewhere. Modest growth was also recorded in the $10.00–$14.99 per litre and $15.00–$19.99 per litre segments. These results indicate that while overall export demand softened, premium-priced Australian wines remained relatively resilient.

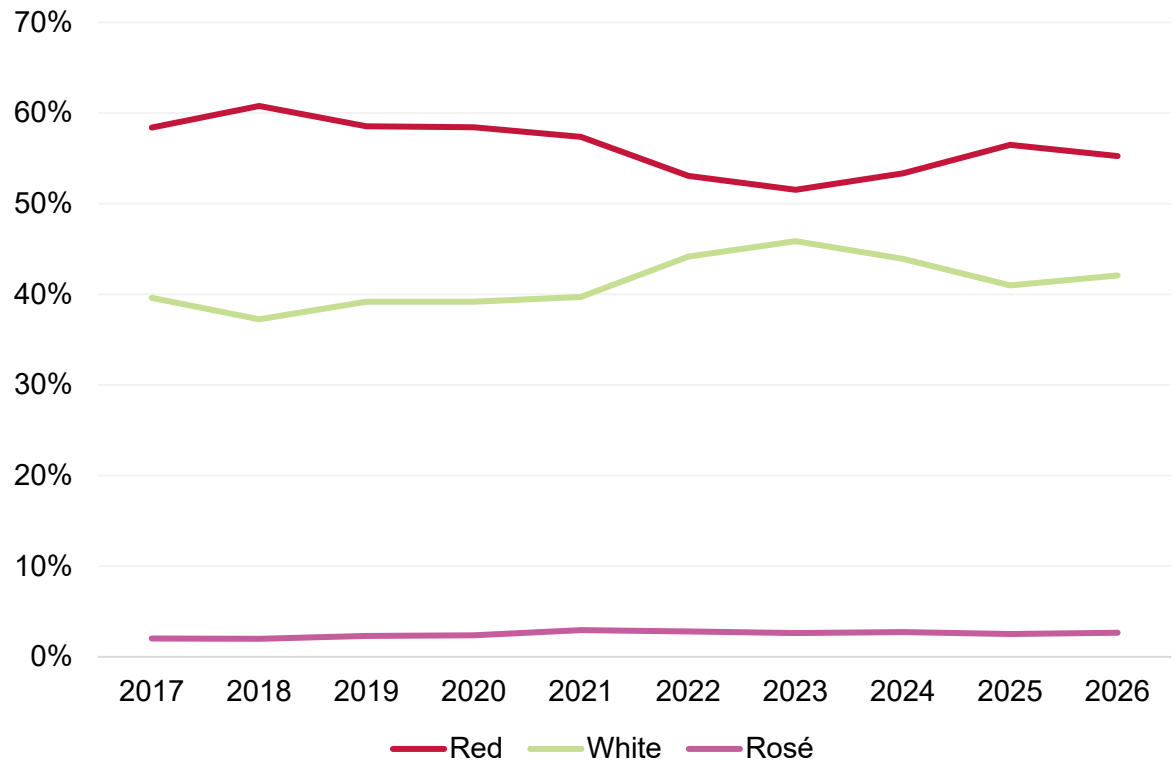
Figure 2: Export volume by price segment ($/litre FOB)

Price segment (A$/litre)	MAT June 2026	Value change	Growth rate
$2.49 and under	$434,114,672	($16,959,449)	-4%
$2.50 to $4.99	$407,696,261	($100,938,092)	-20%
$5.00 to $7.49	$213,108,233	($18,907,857)	-8%
$7.50 to $9.99	$106,220,021	($16,610,383)	-14%
$10.00 to $14.99	$162,980,363	$4,764,964	3%
$15.00 to $19.99	$61,999,104	$2,393,305	4%
$20.00 to $29.99	$108,682,490	($9,562,748)	-8%
$30.00 to $49.99	$118,298,173	($34,131,402)	-22%
$50.00 to $99.99	$552,763,990	$111,257,874	25%
$100.00 to $199.99	$73,102,585	($29,190,082)	-29%
$200.00 and over	$58,755,385	($75,041,145)	-56%
Total value	$2,297,721,279	($182,925,013)	-7%

Wine style

Red wine remained the largest category in 2026, accounting for 55 per cent of exports, followed by white wine at 42 per cent and rosé at 3 per cent (Figure 3). While red wine continues to dominate the export mix, its share has declined slightly over the past decade, with white wine gaining share. The most significant shift occurred between 2021 and 2023, when white wine reached a record 46 per cent of exports before moderating in subsequent years. Rosé remains a small but steadily growing category, increasing from 2 per cent to 3 per cent of exports over the last decade.

Figure 3: Share of export volume by colour



Australian wine exports experienced declines across red, white and rosé categories in the year ended June 2026, reflecting weaker demand in several key markets.

Red wine exports declined 7 per cent in value to $1.7 billion and 8 per cent in volume to 331 million litres. The decrease was primarily driven by lower shipments to mainland China, the UK, the US and South Africa, although growth in Canada, Thailand, Singapore and Japan helped partially offset these losses.

The leading exported red wine varieties were:

- Shiraz, down 10 per cent to 144 million litres,
- Cabernet Sauvignon, down 3 per cent to 92 million litres,
- Merlot, down 13 per cent to 35 million litres,
- Pinot Noir, up 7 per cent to 5.4 million litres, and
- Petit Verdot, up 6 per cent to 4.1 million litres.

While Shiraz and Cabernet Sauvignon remained the dominant export red varieties, both recorded declines. Pinot Noir and Petit Verdot were notable exceptions, posting modest growth.

White wine exports fell 7 per cent in value to $550 million and 4 per cent in volume to 252 million litres. Lower exports to the United States, Germany and the United Kingdom were only partly offset by increased shipments to mainland China, Canada, Spain and Japan.

The top exported white wine varieties were:

- Chardonnay, down 12 per cent to 121 million litres,
- Pinot Gris/Grigio, up 16 per cent to 50 million litres,
- Sauvignon Blanc, unchanged at 25.3 million litres,
- Colombard, up 1 per cent to 8.4 million litres, and
- Muscat Gordo Blanco, up 7 per cent to 6.1 million litres.

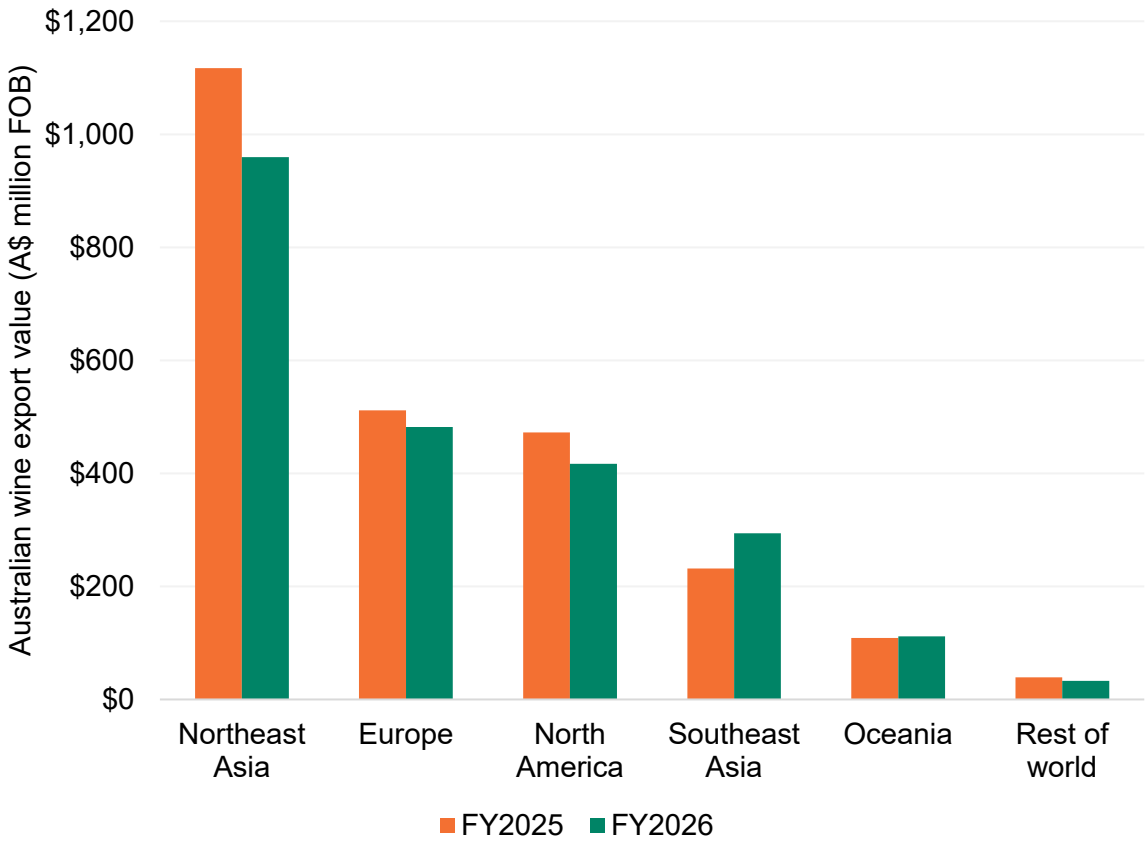
Chardonnay remained Australia's largest white wine export, despite a significant decline, while Pinot Gris/Grigio recorded the strongest growth among the major white varieties.

Rosé exports declined 3 per cent in value to $44 million and 1 per cent in volume to 16 million litres. Increased shipments to Canada and Denmark were more than offset by declines to the UK and a range of other markets.

Destinations

In the year ended June 2026, Australian exporters shipped wine to 111 different markets, down from 116 in the previous financial year.

Figure 4: Value of exports by region



Northeast Asia remained Australia's largest wine export region by value and third by volume (Figure 4). Exports to the region decreased by 14 per cent in value to $960 million and by 5 per cent in volume to 104 million litres, with lower shipments to mainland China and Hong Kong partially offset by growth in Japan, South Korea and Taiwan.

Europe remained Australia's largest wine export region by volume but second by value. The value of exports to the region declined by 6 per cent to $482 million and by 7 per cent in volume to 267 million litres over the year. The decline was driven primarily by lower exports to the United Kingdom, Germany and Denmark.

North America was the third-largest export region by value and second-largest by volume. The value of exports to the region dropped by 12 per cent to $417 million and volumes fell by 5 per cent to 164 million litres, as a significant decline in shipments to the United States more than offset continued growth in Canada.

In contrast, Southeast Asia recorded the strongest growth, with export value rising by 27 per cent to $294 million and volume increasing by 6 per cent to 24 million litres. Stronger shipments to Thailand and Singapore were the primary drivers of the increase.

The top five markets by value were:

- Mainland China, down 15 per cent to $756 million,
- United Kingdom, down 3 per cent to $340 million,
- United States, down 27 per cent to $229 million,
- Canada, up 20 per cent to $188 million, and
- Singapore, up 11 per cent to $125 million.

Mainland China remained Australia's largest export market by value despite the decline in shipments following the initial post-tariff recovery period. Canada and Singapore were notable sources of growth, both recording double-digit increases in export value and increasing their importance within Australia's export portfolio.

The top five markets by volume were:

- United Kingdom, down 6 per cent to 192 million litres,
- United States, down 15 per cent to 95 million litres,
- Mainland China, down 8 per cent to 77 million litres,
- Canada, up 13 per cent to 69 million litres, and
- New Zealand, up 1 per cent to 26 million litres.

The United Kingdom remained Australia's largest export market by volume, despite shipments falling to their lowest level in 25 years. The United States and mainland China also recorded declines, reflecting ongoing challenges in two of Australia's most important export destinations. In contrast, Canada continued to gain importance, recording growth in both volume and value, while New Zealand maintained modest but steady growth.

Overall, the regional results highlight the increasingly uneven nature of Australia's export performance. Declines in established mature markets across Europe, North America and parts of Northeast Asia were partially offset by growth in Canada and several Asian markets, particularly in Southeast Asia. These results suggest that future export growth opportunities are becoming increasingly concentrated in a smaller number of markets, while many traditional wine-export destinations continue to face structural challenges, including declining consumption and heightened competition.

Asia

Mainland China

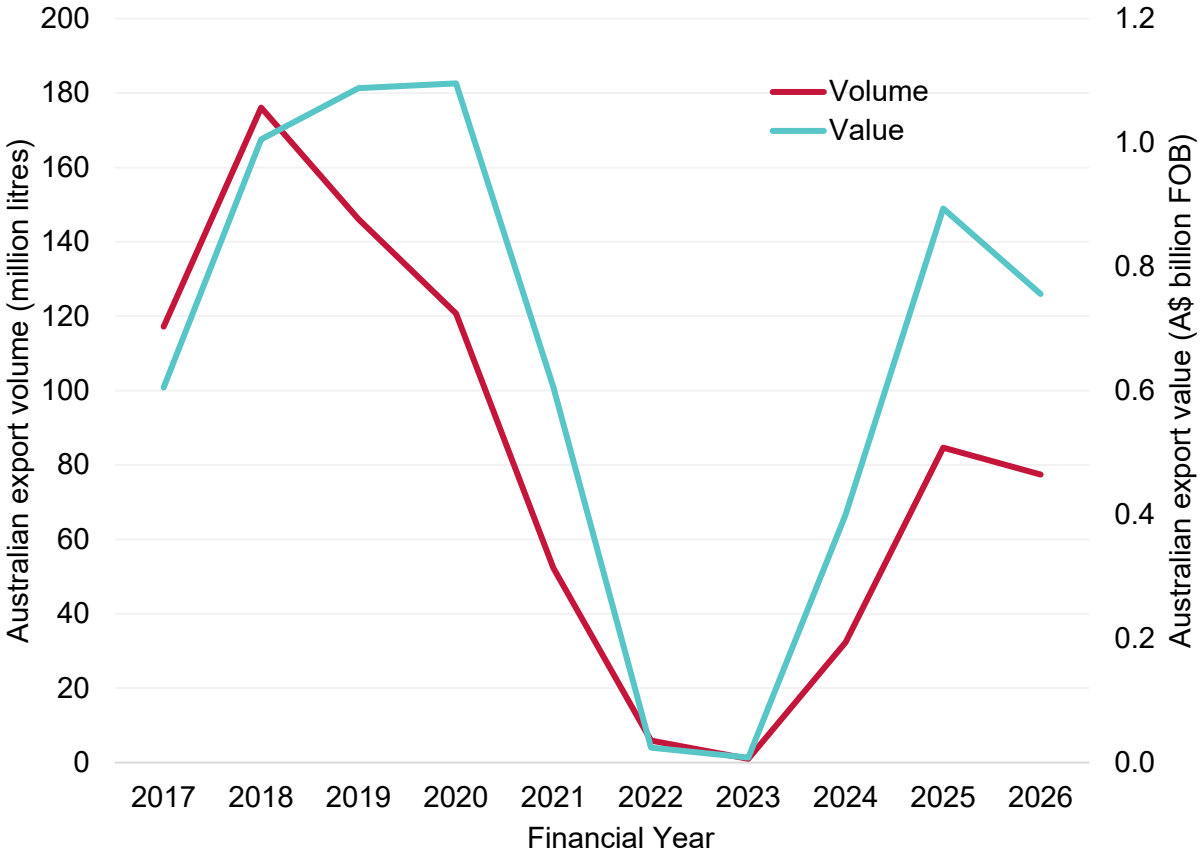
Following the resurgence in exports after the removal of tariffs on Australian wine in March 2024, exports to mainland China eased in the year ended June 2026. Export volume declined by 8 per cent to 77 million litres, while export value fell by 15 per cent to $756 million. Despite the recovery following the removal of tariffs, exports remain well below their pre-tariff peak, with volume less than half the record 176 million litres shipped in 2018 and value around 30 per cent below the peak of $1.1 billion (Figure 5).

Following the removal of tariffs, Australian exporters moved quickly to rebuild their presence in mainland China, replenishing inventories and re-establishing distribution networks. This generated a substantial increase in exports during 2024 as importers restocked and consumer demand for Australian wine rebounded. However, once the initial restocking phase had passed and distribution channels had normalised, export growth became increasingly dependent on underlying consumer demand. Consequently, shipments moderated in 2026, resulting in lower export volumes and values compared with the immediate post-tariff recovery period.

The decline in the last year also reflects continued weakness in the Chinese wine market. Wine consumption in mainland China has been in long-term decline, driven by changing consumer preferences, softer economic conditions and reduced demand for imported wine. Consumption has fallen significantly from its previous peak as consumers increasingly favour alternative alcoholic beverages, while slower economic growth and subdued consumer confidence have constrained discretionary spending. As a result, overall wine imports into China have contracted substantially over recent years.

Despite these challenging market conditions, Australia maintained its position as the leading source of imported wine in mainland China. Australia remained well ahead of France, Chile and Italy, all of which continued to record declines in exports to the market. This suggests that while overall demand for imported wine remains weak, Australian wine has been relatively successful in retaining market share following the removal of tariffs in 2024.

Figure 5: Australian exports to mainland China



The decline in Australian wine exports during the year was driven primarily by weaker still red wine shipments, which more than offset growth in both still white and sparkling wine. Still red wine export volume fell by 15 per cent to 63 million litres, while value declined by 17 per cent to $715 million. In contrast, still white wine exports increased by 45 per cent in volume to 13 million litres, although value growth was more modest at 8 per cent, reaching $34 million. Sparkling wine also performed strongly, with export volume increasing by 21 per cent to 700,000 litres and value rising by 48 per cent to $5.4 million.

As a result, the composition of Australian wine exports to mainland China shifted noticeably. Still red wine accounted for 82 per cent of export volume in 2026, down from 96 per cent in 2024, while still white wine increased its share from 4 per cent to 17 per cent. Although red wine remains overwhelmingly dominant, the data indicates that export growth is becoming more broadly based across wine styles. The strong growth in still white and sparkling wine suggests emerging opportunities outside Australia's traditional red wine focus in the Chinese market.

Premium wines continued to dominate export value. Wines exported at $10.00 per litre and above generated $648 million in export earnings in 2026, accounting for approximately 85 per cent of total export value. Although volume in this segment declined by 13 per cent to 13 million litres, it remained the largest contributor to export revenue. The decline in premium wine exports was also the primary driver of the overall fall in export value during the year.

In contrast, growth was concentrated in lower-priced wines. Exports priced at $2.49 per litre and under increased by 13 per cent in volume to 49 million litres, making this the largest category by volume and accounting for more than half of all exports to mainland China in 2026. Despite its scale, the segment generated only $31 million in export value, highlighting its relatively low unit value and limited contribution to overall export earnings.

The mid-priced segments weakened during the year. Exports in the $2.50–4.99, $5.00–7.49 and $7.50–9.99 per litre categories all declined in both volume and value. The largest fall occurred in the $5.00–7.49 per litre segment, where volume decreased by 43 per cent to 6 million litres and value declined by 44 per cent to $34 million.

Overall, the results indicate that the recent decline in exports to mainland China has been driven primarily by softer demand for premium wines following the initial post-tariff restocking phase. While lower-priced wines recorded growth in volume, this was insufficient to offset declines in higher-value segments. As a result, the export mix shifted towards lower-priced wines, reducing overall export value despite continued strength in shipment volumes. The market now appears to be transitioning from a recovery-driven phase, characterised by distributor restocking, to a more mature and demand-led phase, reflecting the underlying challenges of a smaller and slower-growing Chinese wine market than existed prior to the imposition of tariffs.

Rest of Asia (excluding mainland China)

The value of Australian wine exports increased across a number of Asian destinations during the year, including Singapore, Thailand, Malaysia, Japan, South Korea, Taiwan and Indonesia (Figure 6).

With export volume increasing by 13 per cent to 7 million litres and value rising by 11 per cent to $125 million, Singapore overtook Hong Kong as the largest destination for Australian wine exports in Asia outside mainland China (Figure 6). Given Singapore's role as a regional trading and logistics hub, part of this value likely reflects wine that is subsequently distributed to other Asian markets rather than consumed domestically. As a result, Singapore's importance to Australian exporters extends beyond its relatively small consumer base and reflects its growing role in regional wine trade and distribution.

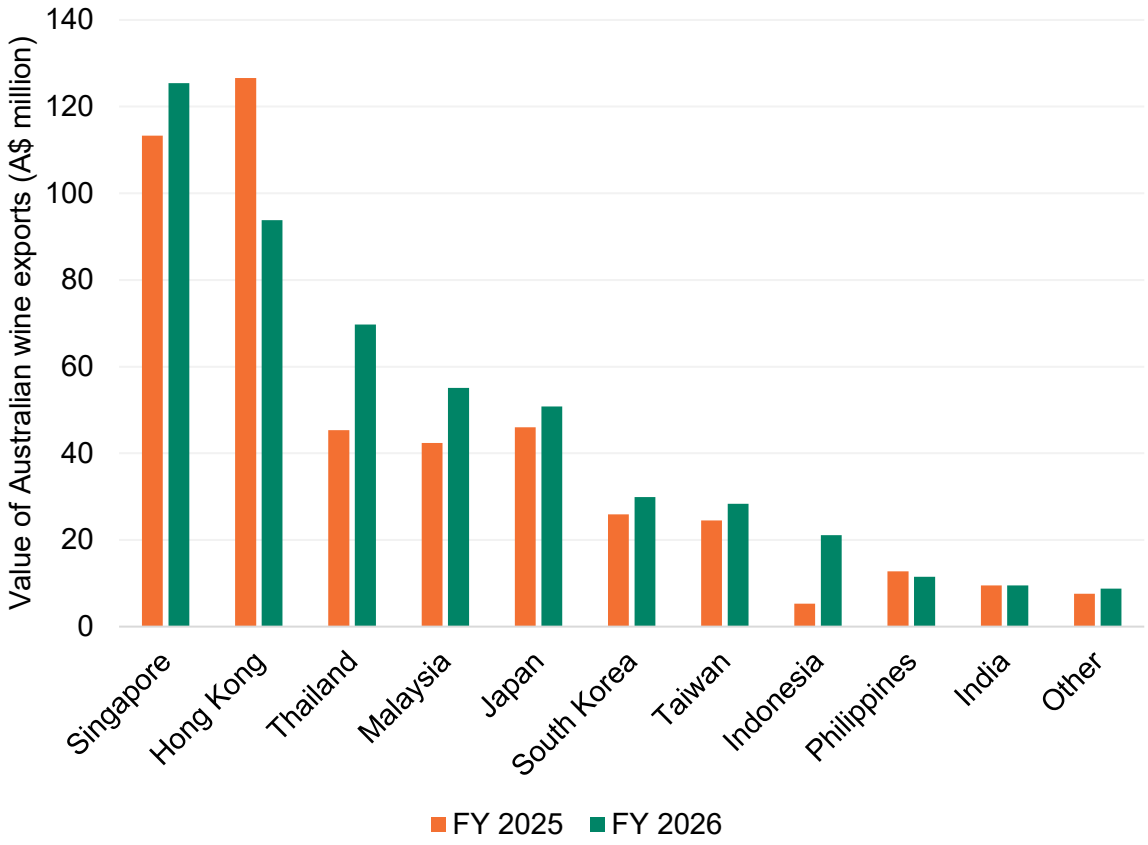
Hong Kong was one of the few Asian destinations to record a decline during financial year 2026, with export volume falling 5 per cent to 7 million litres and value declining 26 per cent to $94 million. Several factors contributed to this result. First, following the removal of Chinese tariffs on Australian wine in 2024, exporters regained direct access to mainland Chinese buyers, reducing the need for wine to be routed through Hong Kong as an intermediary market. As direct exports to mainland China recovered, some shipments that would previously have been recorded as exports to Hong Kong likely bypassed the market altogether.

In addition, Hong Kong has experienced subdued consumer spending, weaker retail activity and softer demand for luxury goods in recent years. Demand for premium wine is closely linked to tourism, corporate entertaining and discretionary consumer spending, all of which have remained below pre-pandemic levels. Consequently, Hong Kong's role within Australia's Asian export portfolio has diminished, despite remaining an important premium wine market.

The contrasting performance of Singapore and Hong Kong also reflects a broader shift in Australia's export focus towards faster-growing Southeast Asian markets. Strong growth in destinations such as Singapore, Thailand, Malaysia and Indonesia suggests Australian exporters are increasingly targeting markets with stronger economic growth, rising middle-class populations and expanding wine consumption. At the same time, Singapore's emergence as Australia's largest export destination in Asia outside mainland China highlights its growing importance as a regional trading and distribution hub, with an increasing share of wine trade and re-export activity concentrated there.

Thailand delivered one of the strongest performances during the year, reaching record export levels. Export volume increased by 8 per cent to 8 million litres, while value surged by 54 per cent to $70 million. The substantially stronger growth in value than volume indicates a shift towards higher-priced wines. Most of the increase in export value occurred in wines exported at $10.00 per litre and above, reflecting strengthening demand for premium Australian wine among Thai consumers. Rising disposable incomes, expansion of the tourism and hospitality sectors, and growing consumer interest in wine have supported demand for higher-value products. As a result, Thailand has become one of Australia's fastest-growing export destinations in Asia and is now the region's third-largest market by value outside mainland China.

Figure 6: Value of exports to key Asian destinations (excluding mainland China)



While Southeast Asia was the primary engine of growth for Australian wine exports during the year, positive results were also recorded across Northeast Asia, albeit at generally more modest rates.

Exports to Japan increased by 13 per cent in volume to 12 million litres and 10 per cent in value to $51 million, making Japan Australia's largest export destination in Northeast Asia (excluding mainland China) by volume. The growth reflects continued demand for Australian wine in one of the region's most mature and stable wine markets.

South Korea also recorded solid growth, with export volume increasing by 5 per cent to 5 million litres and value rising by 15 per cent to $30 million. Growth in higher-value wines, particularly those exported at $10.00 per litre and above, more than offset declines in lower-priced segments, highlighting ongoing premiumisation within the market.

Taiwan exhibited a similar pattern, with export volume increasing by 3 per cent to 3 million litres and value rising by 16 per cent to $28 million. The stronger growth in value than volume suggests increasing demand for premium Australian wines and reflects the continued strengthening of Australia's position within Taiwan's imported wine market.

Overall, Asia outside mainland China was one of the few regions to record widespread growth in 2026. While export performance varied considerably between markets, the strongest results were concentrated in Southeast Asia, where rising incomes, expanding hospitality sectors and growing interest in wine supported increased demand for Australian products. Combined with steady growth in markets such as Japan, South Korea and Taiwan, these results highlight the increasing importance of Asia as a source of diversification and growth for Australian wine exporters.

Wine Australia’s Regional General Manager APAC, Sarah Roberts said, “The Asia Pacific region continues to present a dynamic and evolving export environment for Australian wine producers. The data demonstrates how the wine consumption patterns, consumer motivations and purchasing habits are changing rapidly, and with this change come new opportunities for Australian wine to build affinity with an increasingly knowledgeable and discerning consumer base. As a regional neighbour, Australia is naturally well placed to capitalise on this shift, particularly in Southeast Asia, where our close connection provides a platform to grow awareness, market presence and build deeper relationships with trade and consumers.

Despite the uncertainty in the world right now, a sense of optimism can still be felt across the region. The export data highlights the growth potential that exists across Asia Pacific, with Australian wine continuing to resonate in a number of key markets, and while each market is different, this reinforces the value of a flexible approach, strong market commitment, and responsiveness to changing consumer preferences.”

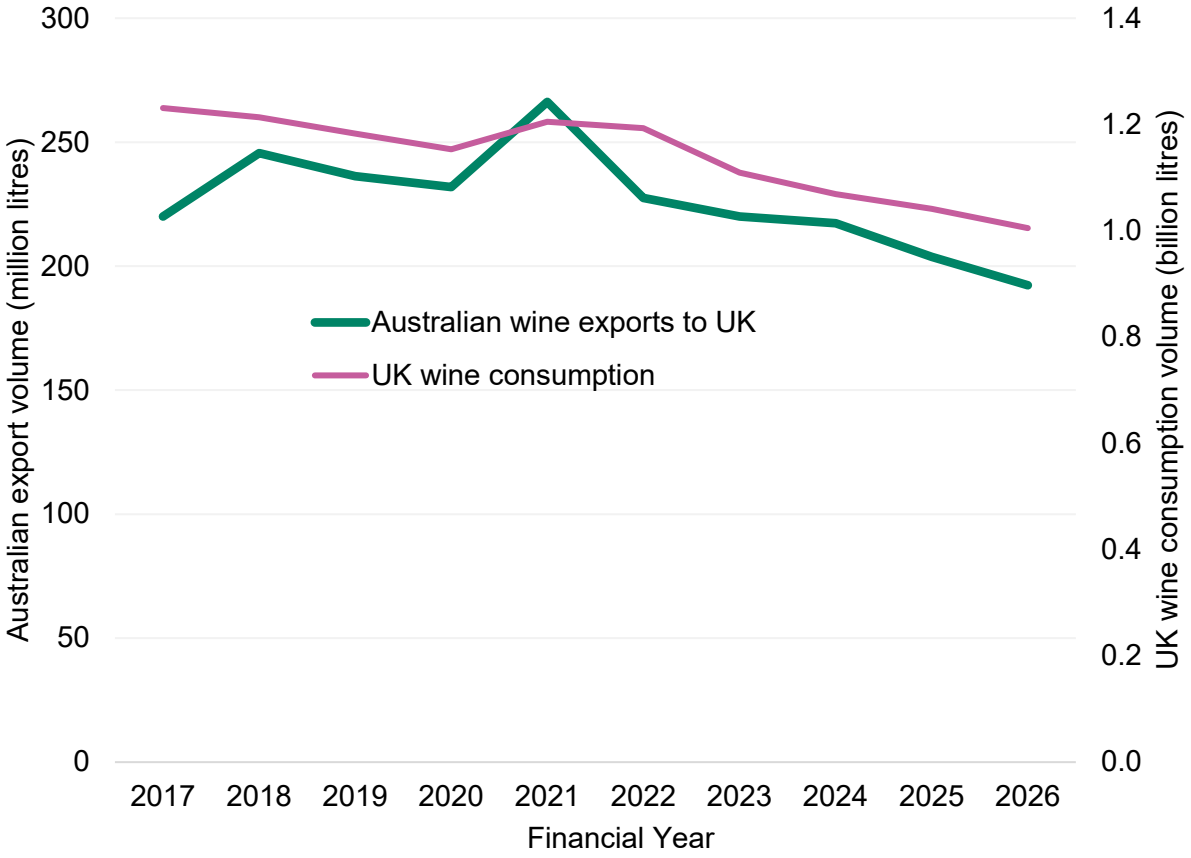
Europe

United Kingdom

The United Kingdom remains one of the most important markets for Australian wine, despite declining in recent years. It is Australia's largest export market by volume and second largest by value, reflecting the long-standing popularity of Australian wine among British consumers. Australia continues to be the leading supplier to the UK off-trade market, a position it has held for more than two decades.

In the year ended June 2026, Australian wine exports to the UK declined by 6 per cent in volume to 192 million litres and by 3 per cent in value to $340 million. Export volume is now at its lowest level in 25 years. The decline is less a reflection of Australian wine's performance and more indicative of broader structural changes within the UK wine market. Like many mature wine markets, the UK is experiencing declining wine consumption, cost-of-living pressures, higher alcohol duties, and increasing competition from alternative alcoholic beverages and a wider range of wine origins. While Australian wine remains the leading country of origin in the off-trade channel, the market itself has become increasingly challenging. The decline in Australian exports to the UK mirrors the overall decline in wine consumption in the market (Figure 7).

Figure 7: Australian wine exports to UK compared to UK wine consumption



Source: Wine Australia and IWSR

Australian wine exports to the UK remain heavily concentrated in the lowest price segment, with wines priced at $2.49 per litre and under accounting for almost 90 per cent of export volume in the year ended June 2026. However, exports in this segment have declined significantly from their 2021 peak of 226 million litres to 170 million litres in 2026, highlighting the broader contraction in demand for commercial Australian wines in the market.

The greatest weakness has occurred in the $2.50–4.99 per litre segment, which has experienced a substantial decline over the past decade. Export volume has fallen from 37 million litres in 2018 to 14 million litres in 2026, while export value has declined from $119 million to $49 million. In the last 12 months alone, exports in this segment fell by 18 per cent in volume and 21 per cent in value. This is consistent with broader UK market trends, where the sharpest declines in wine consumption have occurred in the large-volume commercial segments.

In contrast, higher-priced wines have proven more resilient. Exports priced at $10.00 per litre and above increased by 14 per cent in volume and 13 per cent in value in 2026, reaching 2 million litres and $34 million respectively. While these wines remain a relatively small share of total export volume, their continued growth indicates that consumers who continue to purchase Australian wine are increasingly choosing higher-value products.

Overall, growth in premium wine exports has been insufficient to offset substantial declines in commercial price segments, resulting in lower overall export volumes. The UK market is therefore not simply buying less Australian wine; rather, it is purchasing less of the commercial and mid-priced products that have historically underpinned Australia's success in the market, while demand for premium Australian wines remains comparatively resilient.

Rest of Europe

Tough market conditions continued across Europe, with Australian wine exports to the region (excluding the UK) declining by 12 per cent in both volume and value in the year ended June 2026.

Many European destinations are mature and highly developed wine markets and consequently are facing long-term declines in wine consumption. It is also important to note that not all wine imported into a European market is consumed there. Packaging and distribution hubs in markets such as Belgium, Denmark and the Netherlands facilitate significant re-export activity across the region, which can influence year-on-year export results at an individual market level.

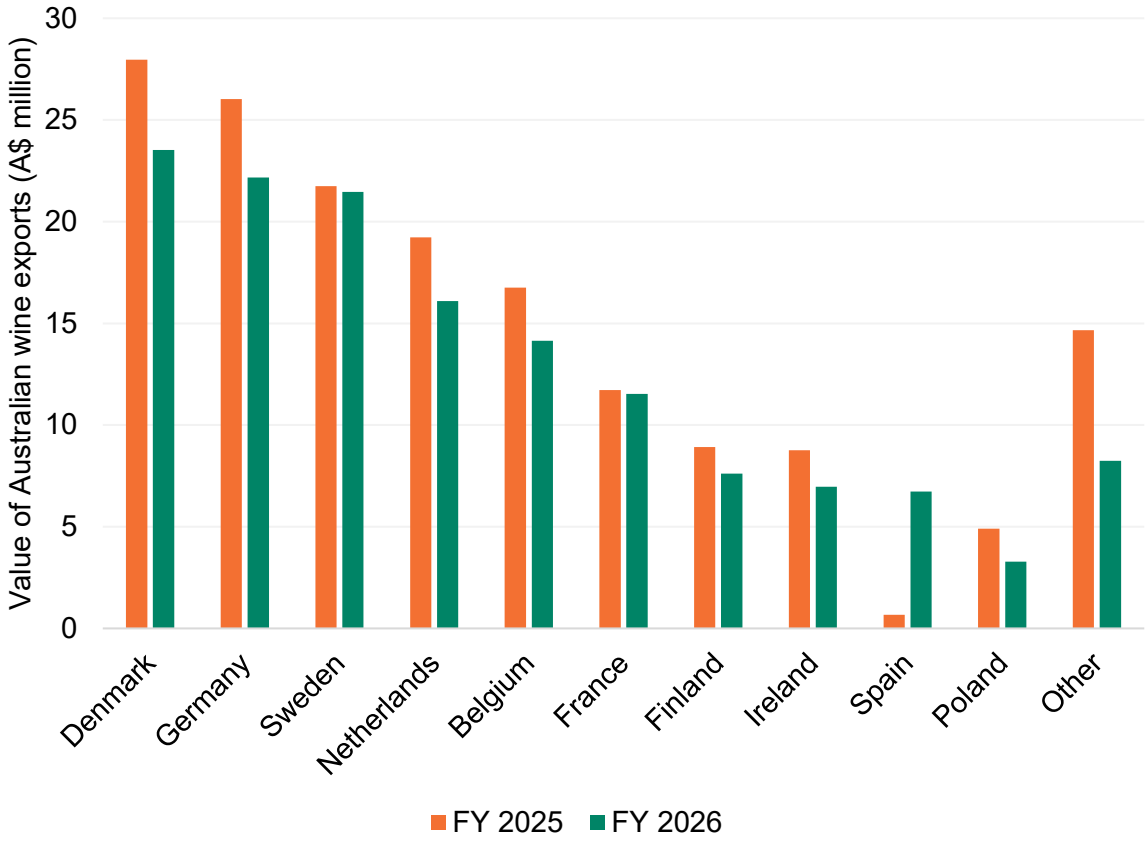
Denmark, Germany and Sweden remained the largest European destinations by export value (Figure 8). However, both Denmark and Germany recorded significant declines of 15–16 per cent in 2026, while Sweden was relatively resilient, declining by just 1 per cent. The Netherlands and Belgium also recorded notable falls of 16 per cent, continuing a longer-term downward trend.

Several smaller markets experienced even sharper declines. Export value to Ireland fell by 20 per cent, Finland declined by 15 per cent, and Poland dropped by 33 per cent. Export value to the collective "Other Europe" category also fell substantially, declining by 44 per cent.

Overall, the data indicates that the decline in Australian wine exports to Europe is broad-based rather than being driven by weakness in any single market. While some destinations, such as Sweden, have remained comparatively resilient, most major markets across Northern and Western Europe have recorded sustained declines in recent years.

A combination of structural and cyclical factors continues to weigh on demand. Higher living costs and inflationary pressures have constrained consumer spending, while declining wine consumption has intensified competition within the category. At the same time, Australian wine faces strong competition from domestic European producers, particularly France, Italy and Spain, which benefit from established market positions, shorter supply chains and lower transport costs. These countries are also actively seeking new markets in Europe to offset the downturn in exports to the US due primarily to the imposition of tariffs, adding more competition for market share. Elevated freight and logistics expenses, compounded by ongoing supply chain disruptions and geopolitical tensions, have further reduced the competitiveness of imported wines, particularly in lower-priced segments. As a result, Australian exporters have found it increasingly difficult to maintain both volume and value across the region.

Figure 8: Value of exports to key European destinations (excluding the UK)



Overall, Europe remains a challenging market for Australian wine exporters. With declining consumption across many mature wine markets and strong competition from domestic producers, the region continues to be a significant contributor to the broader decline in Australian wine exports.

Wine Australia's Regional General Manager EMEA, Laura Jewell MW said, "The UK continues to be a challenging trading environment despite improvements in inflation rates. In the hospitality sector, over 300 outlets closed in the first quarter of 2026, and generally households continue to feel the pinch as 56% expect to feel moderately or severely impacted by the ongoing cost of living pressures encouraging cautionary behaviour in shopper spending, leading to ongoing declines across the wine sector. This is exacerbated by political turmoil and ongoing uncertainty about the conflict in the Middle East. However Australian wine is holding onto its leading market share in the off-trade market. Across Europe, the pattern is similar, with domestic production demanding a larger market share in established markets."

North America

United States

Australian wine exports to the United States have experienced a sustained decline over the past decade, with export volume falling from 179 million litres in 2017 to 95 million litres in 2026, a decrease of approximately 47 per cent (Figure 9). Volume is now at its lowest level in 25 years. Export value has also declined substantially, falling from $464 million to $229 million over the same period, a decrease of around 51 per cent.

While exports showed a temporary recovery in 2022, both volume and value have trended downward since then, with the decline accelerating in the last year. Export volume fell by 15 per cent and value by 27 per cent in 2026.

The downturn was driven primarily by the commercial segments that account for most Australian wine sales in the US market. The largest category, $2.50–4.99 per litre, recorded the steepest decline, with volume falling 19 per cent and value declining 32 per cent year-on-year. Exports in the $2.49 and under segment also declined, falling by around 10 per cent in both volume and value. Together, these two segments accounted for more than 97 per cent of total export volume during the year, highlighting their importance to Australia's overall performance in the market.

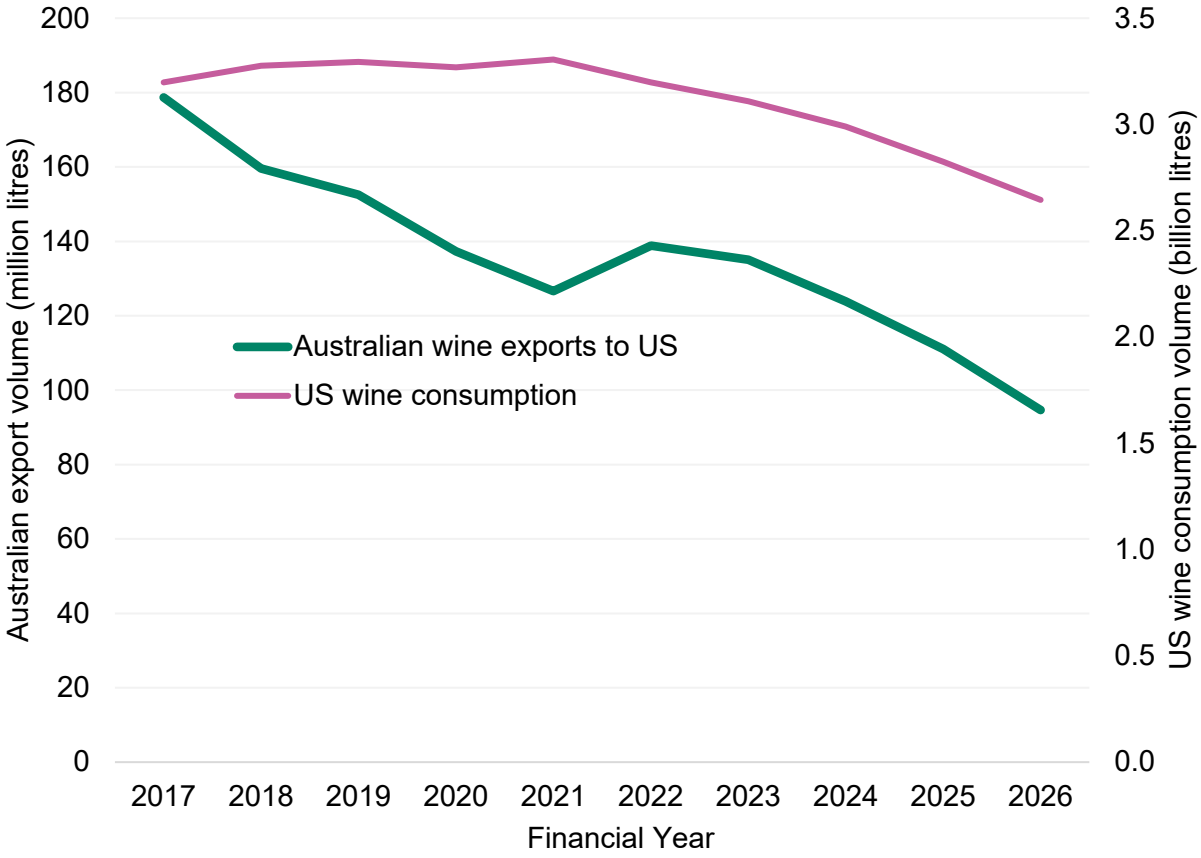
Higher-priced wines also experienced declines across most price points. Exports in the $10.00–14.99 per litre and $15.00–19.99 per litre segments fell by between 20 and 40 per cent in both volume and value, while categories above $30 per litre recorded even larger percentage declines from relatively small bases. The only notable exception was the $20.00–29.99 per litre segment, which posted modest growth in both volume and value.

Unlike the UK market, where premiumisation has helped offset weakness in lower-priced wines, the US data points to a broad-based contraction across most price segments. This suggests Australia's challenges in the US extend beyond entry-level wines and reflect wider market headwinds, including declining wine consumption, increased competition from domestic and imported producers, retailer inventory reductions, and changing consumer preferences toward alternative alcoholic beverages. Consequently, the US remains one of the largest contributors to the decline in Australian wine exports, with weakness evident across both commercial and premium categories.

Australian exports also declined across all major wine styles, with the steepest falls occurring in the two largest categories: still red wine and still white wine. In the last year, still red wine exports declined by 9 per cent in volume and 26 per cent in value. Still white wine experienced an even larger decline, falling 19 per cent in volume and 28 per cent in value. Together, these two categories accounted for virtually all of the decline in Australian wine exports to the US.

The long-term trend indicates that the contraction has been particularly severe for still red wine. Since 2017, still red wine export volume has fallen from 80 million litres to 44 million litres, while value has more than halved from $262 million to $110 million. This mirrors broader shifts in US consumer demand away from red wine that have been observed across the wider wine market. Still white wine has also declined over the past decade, although it has generally proven more resilient than red wine.

Figure 9: Australian wine exports to the US compared to US wine consumption



Source: Wine Australia and IWSR

Overall, the United States remains one of the largest contributors to the global decline in Australian wine exports. The weakness is evident across both commercial and premium price segments, as well as all major wine styles, indicating structural challenges within the market rather than a downturn confined to any single category.

Wine Australia's Regional General Manager Americas, Aaron Ridgway said, "These figures align to the extremely tough conditions for the overall wine category and echo many of the challenges faced by other exporting countries. Domestic wine has lost its key export market – Canada – so oversupply and heavy discounting are reducing demand for imports. And consumption declines are felt most acutely by the commercial wine segment, which still makes up the bulk of Australia's US exports. With high inflation, weak consumer sentiment, competition from other alcohol categories and an abundance of quality wine at reduced prices, the US is likely to remain challenging for some time."

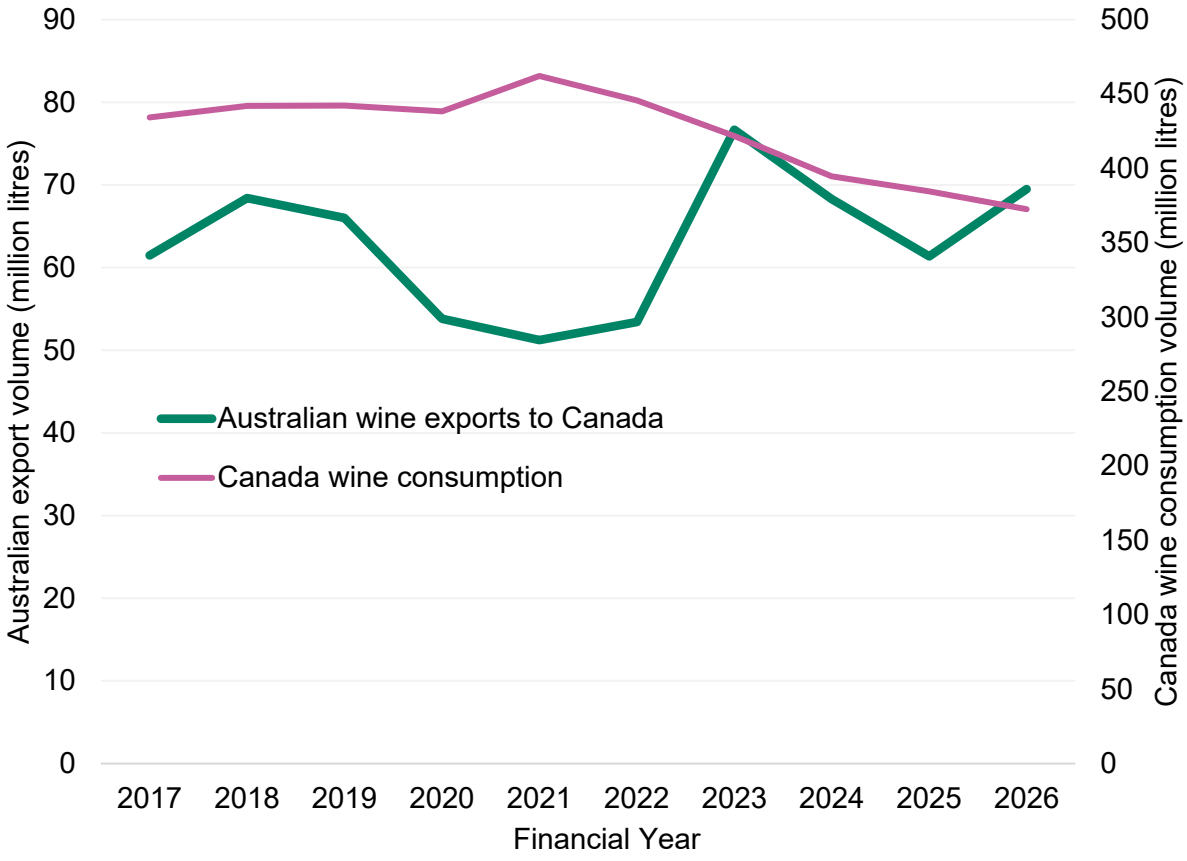
Canada

Canadian exports have been an important source of growth for Australian wine over the last year. Export volume increased by 13 per cent to 69 million litres and export value increased by 20 per cent to $188 million. Export value reached its highest level in seven years, while export volume exceeded pre-pandemic levels. The strong performance was particularly notable because it occurred against the backdrop of declining wine consumption in Canada. (Figure 10).

Growth over the last year has been assisted by Canadian liquor boards removing or reducing American wine offerings in response to US–Canada trade tensions and tariff-related disputes that commenced in early March 2025. This created shelf space and market opportunities for alternative suppliers, including Australia, particularly for brands that were already established in market. Import data from Trade Data Monitor shows that, in the 12 months ended May 2026, Canadian imports of US wine fell by 69 per cent in volume and 81 per cent in value.

Australian export growth was led by the $5.00–7.49 per litre segment, which contributed approximately half of the total increase in export value, while the $10.00–14.99 per litre segment also recorded strong growth. The broad-based gains across both volume and value price segments suggest Australian wine expanded its market share in Canada at the expense of US wines.

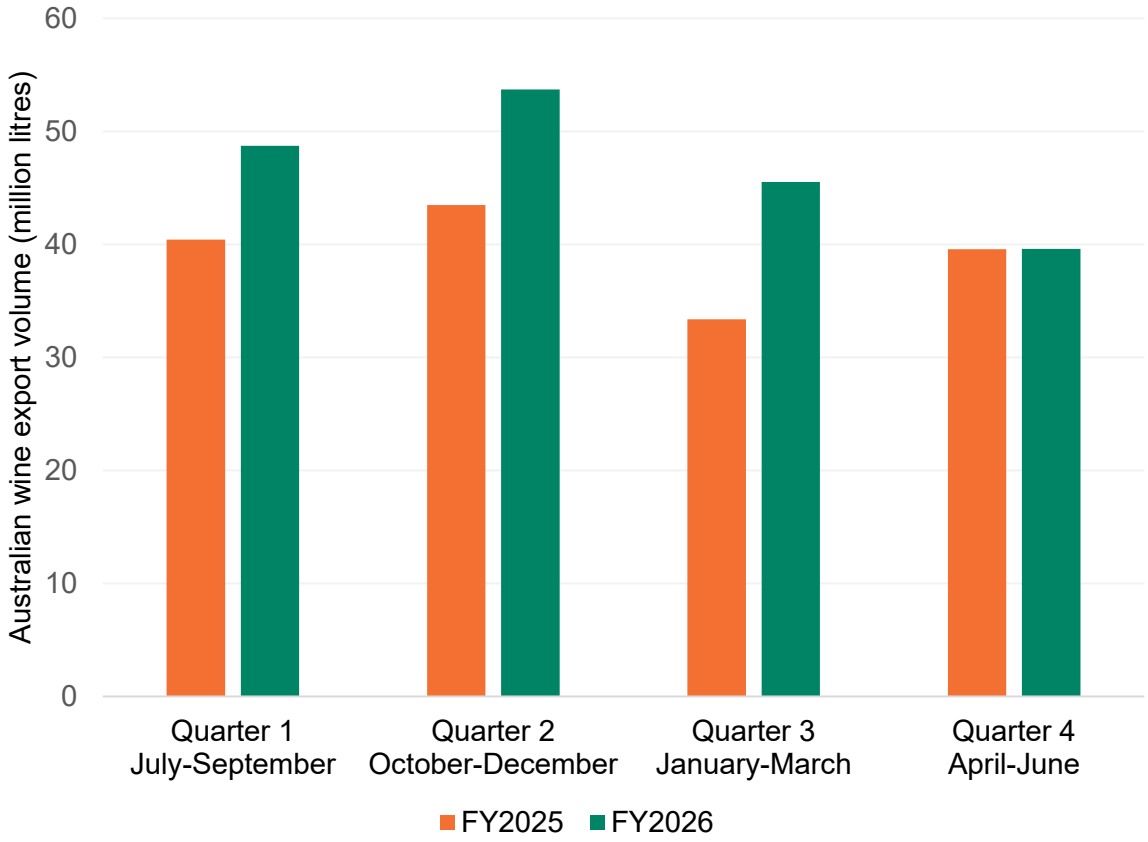
Figure 10: Australian wine exports to Canada compared to Canada wine consumption



Source: Wine Australia and IWSR

The uplift in Australian wine exports to Canada does not appear to reflect a structural increase in Canadian wine consumption, but rather a temporary market-share opportunity. Australian wine export value to Canada increased by $31 million in 2026, with virtually all of the growth occurring in the first three quarters of the year (Figure 11). Quarter three recorded the strongest increase, rising 36 per cent year-on-year. Strong growth in the $5.00–7.49 per litre and $10.00–14.99 per litre segments suggests Australian wine gained market share across both mainstream premium and premium price points during the year. However, export value was flat in quarter four, indicating that growth momentum softened toward the end of the period and suggesting that the initial market-share gains may have begun to stabilise.

Figure 11: Value of Australian exports to Canada by quarter



Overall, the data indicates that Canada was an important source of growth for Australian wine exports during the year, helping to offset some of the declines experienced in larger markets such as the United States, the United Kingdom and continental Europe.

Wine Australia's Regional General Manager Americas, Aaron Ridgway said, "The majority of Canada's growth has come from existing wineries who have been able to capitalise on a once-in-a-generation opportunity to expand shelf presence. With the support of ANMI funding and a broad collaboration framework, Wine Australia is delivering many activations that increase promotional intensity and position Australian wine as the option of choice."

Other destinations

Additional markets that were valued at least $1 million for Australian wine exports had mixed results:

- United Arab Emirates, down by 20 per cent to $10 million,
- Fiji, up 4 per cent to $6 million,
- Papua New Guinea, down 8 per cent to $3.3 million,
- Vanuatu, up 32 per cent to $1.8 million,
- Brazil, down 23 per cent to $1.6 million,
- Qatar, up 69 per cent to $1.4 million, and
- Nepal, up 275 per cent to $1 million.

For more detailed data, please visit the Export Dashboard.

About Wine Australia

Wine Australia empowers the success of the Australian wine sector through Research, Innovation and Adoption to enhance global competitiveness and meet the challenges of tomorrow, today; Market Development to increase the demand and premium paid for Australian wine; and Regulatory Services to safeguard Australian wine's integrity and uphold the sector's reputation.

Wine Australia is funded by the sector, for the sector, through grapegrower, winemaker and exporter levies and user-pays charges, with matching funds from the Australian Government for research and innovation. Established under the *Wine Australia Act 2013*, it is a Commonwealth Government statutory authority.

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