



2025-26

# Australian Agriculture Export Report

 **Bendigo Bank**  
Agribusiness

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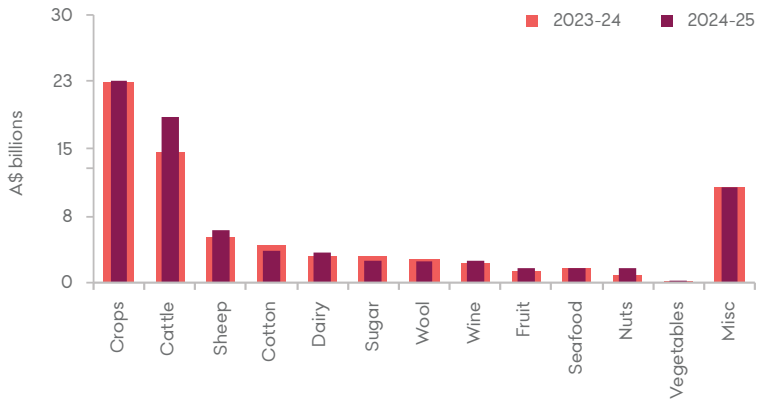


# National Trade Summary

The value of Australian agricultural exports surged \$5 billion (+7 per cent) to \$77.2 billion in 2024/25, the second highest export year on record as livestock sector exports lifted to all-time highs. The rise in export value has seen the overall agriculture sector now account for 15.1 per cent of Australia's total exported goods. This is the fourth consecutive rise in terms of agriculture as a percentage of total goods exported, which hit an all-time low of 12.5 per cent in 2020/21. The strong result for the agricultural sector comes amidst a backdrop of a rapidly shifting global environment driven by the ongoing efforts by the US to reshape trade.

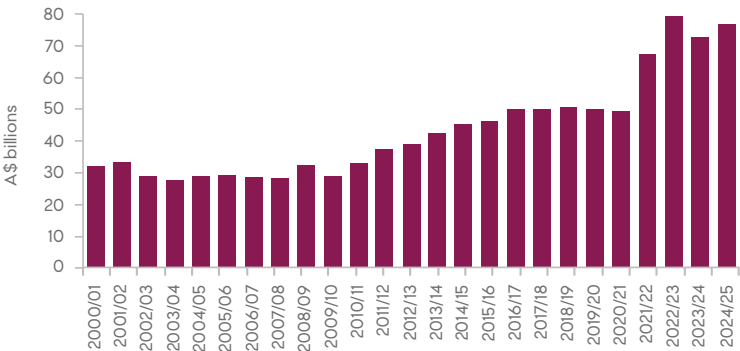
Cattle industry exports were the primary driver behind the overall lift in agricultural export value during 2024/25. The value of cattle exports smashed records to rise \$3.9 billion (+26.8 per cent) as demand for Australian beef across key markets including the US, China and South Korea continued to lift on the back of reduced herd sizes within major exporting nations. It was not just cattle exports that recorded significant growth; in fact, the majority of commodity groups again saw growth in export value across 2024/25. The value of agricultural commodities, excluding cattle, rose by \$1.1 billion (+1.9 per cent) to a record high. The value of sheep exports increased \$968 million (+19.2 per cent) to over \$6 billion. The nut sector also recorded a substantial rebound in the value of exports, jumping \$600 million (+66.4 per cent) to \$1.6 billion as rising trade tensions between the US and China shifted demand towards Australia.

Value of Australian export commodities



Source: GTA

Value of Australian agricultural exports



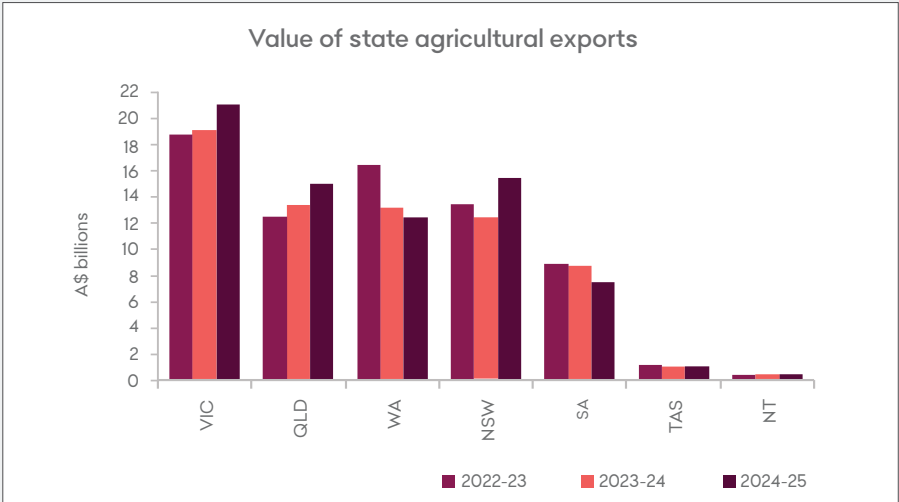
Source: Global Trade Atlas (GTA)

Cropping exports saw comparatively modest growth, with a rise of \$300 million (+1.3 per cent) amidst mixed production. Moderate growth in export value was also recorded across seafood, dairy, wine and fruit sectors. Meanwhile, cotton, sugar, wool, and vegetable sectors were the only major agricultural commodities to record declines in export value during 2024/25 with each of these commodities falling by between 3 and 17 per cent. Looking ahead, the value of Australian agricultural exports is expected to record a modest decline in 2025/26, with the majority of sectors to see a slight reduction in export value. Despite the decline, the outlook for Australian exports remains positive with the total value of exports anticipated to remain well above the five-year average, enabling further value creation across the agricultural supply chain. The largest decline in export value is expected to be observed across the red meat sector, primarily driven by lower volumes on the back of restocking and reduced slaughter rates. The accompanying supply-driven rise in red meat prices is expected to offer some support to cattle and sheep exports, with global import demand to remain substantial across the year. This will shield the red meat sector from a more significant decline in overall export value. While winter crop production is set remain broadly in line with last season, the value of cropping exports is also forecast to see a slight decline. Reduced carryover stocks will drive a fall in the value of barley and canola exports which is expected to more than offset a rise in the value of wheat exports. The value of wool, dairy, fruit, and almonds exports will also moderate in 2025/26 as supply tightens while on the other side of the equation cotton, seafood and vegetable sectors are forecast to record a marginal rise in total export value.

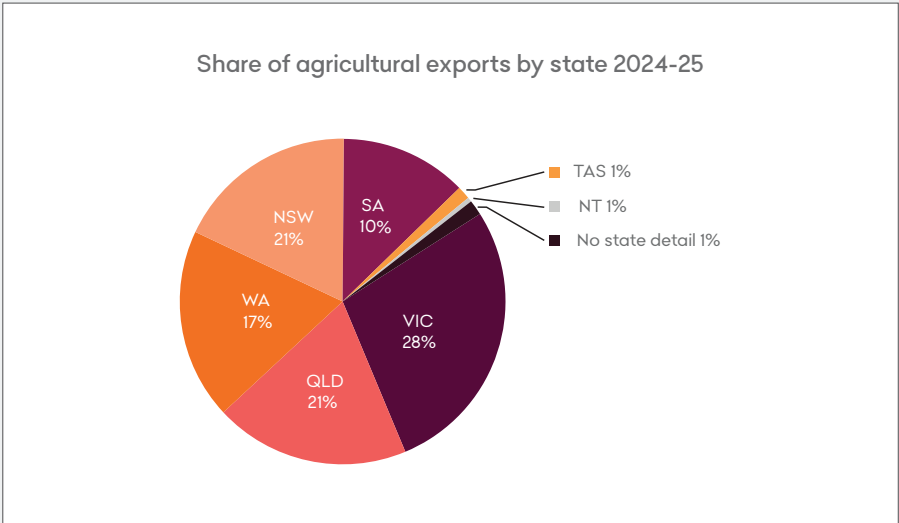
# State Export Performance

All states, with the exception of South Australia and Western Australia, recorded an increase in export value throughout 2024/25. Victoria recorded a fourth consecutive year of growth to retain its title as number one state exporter by a large margin. Overall, Victoria saw an 11.1 per cent rise in export value to a record \$21.1 billion as substantial growth across livestock, dairy and horticultural exports more than offset a 7.9 per cent decline in the value of cropping exports as drought impacted production. Queensland recorded growth of \$2.2 billion (+16.8 per cent) to maintain its position as the second largest exporter for a second consecutive season with export value of \$15.5 billion in 2024/25. Growth in exports from Queensland was unsurprisingly supported by the cattle industry which saw a 20.7 per cent rise in exports and accounted for 59 per cent of the state's export value. Resurgent cropping exports were also observed across Queensland following a favourable season, with the value of crop exports jumping 85.4 per cent following a challenging season in 2023/24. A similar story was seen in New South Wales which recorded the largest year on year increase in export value. The state recorded growth in exports across almost all commodity groups, led by livestock and cropping, resulting in a year-on-year rise of \$3.1 billion (+25 per cent) to a record \$15.5 billion. Tasmania also rebounded after a challenging year in 2023/24 with the value of exports lifting \$83.1 million (+9.3 per cent) to \$979.3 million. The growth was primarily driven by resurgent seafood exports to China, with a rise in exports across dairy and sheep sectors also adding value to the state's overall export picture. The Northern Territory recorded its first increase to export value since 2019-20. A substantial increase in the quantity of live cattle exported to Indonesia and Vietnam drove a rise of \$135 million (+44.4 per cent), taking the Territory's overall export value to its highest level since 2020-2021.

Further declines in crop exports drove overall export value from Western Australia and South Australia lower again in 2024/25. South Australia recorded the largest decline of all states with a \$982.4 million (-11.4 per cent) fall in export value to \$7.6 billion as drought took its toll on crop production. While South Australian cropping exports fell by \$1.9 billion (-41.5 per cent), the livestock sector recorded significant growth, helping to limit the loss of export value from the cropping sector. Cattle industry exports jumped \$444.1 million (+122.8 per cent) to \$805.9 million, while sheepmeat exports also increased by \$149.4 million (+25.3 per cent) to \$739.9 million. Growth across the South Australian wine industry also aided in offsetting the lower cropping exports as Chinese buyers look to continue restocking following the several years of restricted access. Western Australia saw a comparatively smaller decline with overall export value down \$517.4 million (-4.0 per cent) to \$12.5 billion. The bulk of this decline was driven by reduced cropping exports which fell by \$554.8 million (-6.1 per cent) to \$8.6 billion. This was partially offset by large increases in livestock, wine and seafood exports, which are now at record levels.



Source: GTA



Source: GTA

Note: state data does not include sugar.



## Export Markets

Australia's major export markets predominantly saw mixed results in terms of export value in 2024/25. Australia's second largest market in the US, recorded further growth, with an increase in the value of exports totalling \$2.2 billion (+32.2 per cent) to just under \$9 billion during 2024/25. China and Indonesia were relatively stable with both seeing modest declines of just 0.4 per cent on last season. Japan meanwhile reported a drop in export value of \$742.7 million to \$5.5 billion. Growth outside of the top five markets was broadly positive with 14 of the next 20 largest export destinations recording an increase in overall export value.

Almost all of Australia's major trade partners benefited from increased red meat volumes. Meanwhile, improved dairy, fruit and nut production alongside still sizable wine inventories and stable crop production ensured most sectors had readily available volumes to meet export market demand.

China remained Australia's largest export market in 2024/25, despite the marginal decline. Exports to China decreased by \$71.1 million (-0.4 per cent) to \$16.8 billion. China accounted for 22.1 per cent of Australia's total agricultural export value, slightly down on the 23.3 per cent seen in 2023/24. Export value to China declined mainly on the back of a drop in wheat exports which fell by a staggering \$1.8 billion to just \$387.3 million as their own domestic production surged. Smaller losses in dairy, wool and cotton exports were also reported.

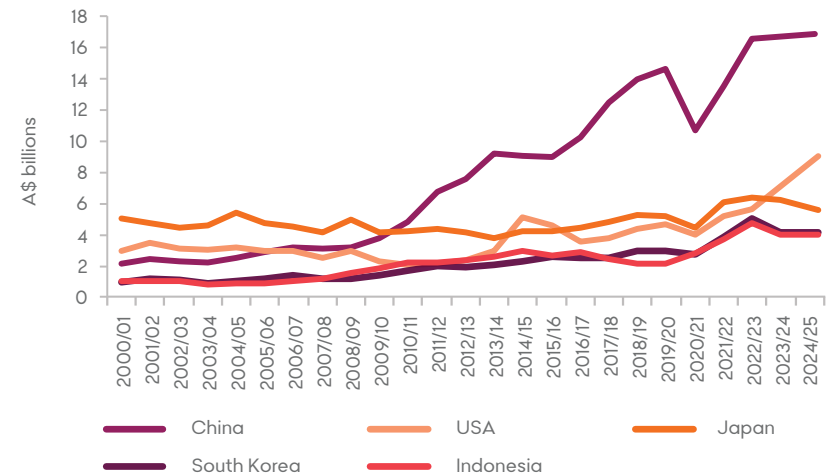
These drops mostly offset export growth across livestock (+\$696 million), wine (+\$467 million), nuts (+\$393 million), and seafood (+\$321 million) sectors.

The US again recorded the largest year-on-year growth in Australian agricultural exports during 2024/25. Export value climbed a further \$2.2 billion (+32.2 per cent) after growing by \$1.2 billion the year prior. This has resulted in export value totalling almost \$9 billion, with the US now our second largest export market by a significant margin. Growth was again almost exclusively driven by a rise in beef exports which surged by an additional \$2 billion (+58 per cent) having already increased by \$1.4 billion in 2023/24. The export value of lamb also a recorded year-on-year rise of \$224.3 million (18.2 per cent).

Export growth across Australia's next ten largest export markets was varied, albeit still broadly positive. Our top five largest markets remained unchanged, despite Japan and Vietnam recording substantial declines in export value of \$742 million (-11.9 per cent) and \$937 million (-25.7 per cent) respectively. Export value to India continues to surge with a rise of \$1.4 billion (+100%) to \$2.8 billion in 2024/25. As a result, India has lifted to become our 6th largest export market, up from 13th in 2023/24.

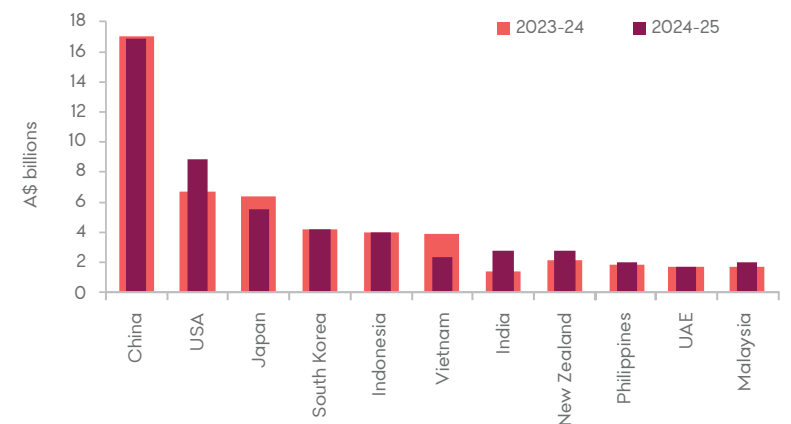
Australia's five largest trade partners accounted for 52.1 per cent of total export value, just 0.5 per cent lower than the year prior.

Top five Australian agricultural export markets



Source: GTA

Top 10 Australian agricultural export markets



Source: GTA

Note: state data does not include sugar.



## Commodity Overview

↑+27%

The value of Australian cattle industry exports increased \$3.9 billion (+27 per cent) in 2024/25 to a record high of \$18.6 billion.



The primary driver of the growth in Australian beef export value was the increase of \$2 billion (+58 per cent) to the US as their limited domestic production and lacklustre availability from Canada led to stronger demand for Australian beef.



Australia's cattle sector export value and volume is forecast to see a marginal decline throughout 2025/26.

## Trade performance in 2024-25

Australia's cattle sector export value continued the trend seen over the previous three years and again lifted significantly in 2024/25. The 27 per cent increase brought total value of exports to just over \$18.5 billion. This exceeded the previous record set during 2023/24 by a staggering \$3.9 billion and was 34 per cent above the five-year average. When looking at the primary drivers of this surge in export value, frozen and fresh beef segments accounted for the largest proportion of the rise, lifting 35 and 23 per cent respectively. The was led by the big buyers of Australian beef, as China and the US came to play in 2024/25, with both recording significant increases in total value of 20 and 58 per cent respectively. From a volume perspective, Australia exported just over 1,750,000 tonnes. This was 19 per cent higher than the previous year and sits 32 per cent above the five-year average. Alongside the lift in volume and value of exports,

Australian beef exports were trading at a premium when compared to last year, seeing the average export price sit at \$10,484 per tonne, up nine per cent on last year. This was also five per cent above the five-year average, however, the average export price per tonne for live cattle softened by nine per cent to \$1,189/t. Total live export volume and value recorded a rise, but value remains 17 per cent below the five-year average. Two key factors were behind the record export growth seen across Australian beef exports during 2024/25. The US has continued to struggle with a reduced herd following drought, while reduced cattle numbers within key trade partners Canada and Mexico pushed US buyers further towards Australia. On the back of this, trade tensions between China and the US also spilled over positively for Australia's beef exports.





## Major export markets

Nine of the top ten beef export markets recorded a rise in export value during 2024/25. The US remained Australia's most valuable cattle export market in 2024/25, with value and volume significantly increasing from 2023/24. Export value totalled a record \$5.4 billion, up nearly two billion dollars (+58 per cent). The significant growth to the US market was driven by increased import demand as a result of reduced US production. The US herd is now at the lowest point since the 1950's. Australia has managed to capture a large portion of the additional US import demand, and this is expected to carry over in 2025/26. In the 2024/25 season, export value of frozen beef surpassed \$3.2 billion. Australian beef exports to the US presently sit 27 per cent higher year-to-date and have contributed to the record monthly volume of exports being broken twice in 2025.

The Chinese market performed strongly in 2024/25, retaining the title of the second largest export value market for Australian beef. Export value was just under \$3.2 billion (+20 per cent), which was the highest value recorded since 2019-20 when beef export value to China totalled \$3.5 billion. The value of frozen beef exports rose, along with fresh/chilled exports in 2024/25. Interestingly, the value of live exports to China nearly halved in 2024/25 amidst diminished demand for live breeding dairy cattle.

Australian beef export value to Japan recorded a modest increase, lifting five per cent to just under \$2.4 billion. However, South Korea has now overtaken Japan as the third largest market. This has left Japan as the fourth largest export market in 2024/25. In a rather surprising development, Japan's domestic demand waned marginally throughout the past year, which has spilled over into less purchasing of international beef. Meanwhile, South Korea's intake of Australian beef showed growth throughout 2024/25. Export value ballooned 15 per cent from \$2.1 billion to \$2.4 billion. This was also the largest yearly export value on record for South Korea. The primary mover of export value was frozen beef. Frozen beef saw a 24 per cent increase to \$1.8 billion, a large rise from the previous two years which came in at \$1.3 and \$1.4 billion respectively. Interestingly, fresh/chilled export value fell along with offal both dropping five and two per cent respectively.

Looking at the relatively smaller markets, Indonesia lifted to the highest level on record at \$1.4 billion (+21 per cent) on the back of a rise in exports of live cattle. Canada's import of Australian beef doubled this year to \$432 million, due to their own reduced production. As a result, Canada has become Australia's sixth largest export market by value, up from eighth last year, as their own herd is now at the lowest point since 1987.

The only market which recorded a decline was Vietnam, falling 13 per cent in 2024/25, but remaining well above 2021/22 and 2022/23 levels.

## Outlook for 2025-26

Australia's export value and volume is forecast to see a marginal decline throughout 2025/26. This decline comes on the back of a fall in the forecast production. Cattle areas are likely to see favourable seasonal conditions in the back half of 2025, which is expected to translate into a rise in restocker demand and retention of cattle. Should these seasonal conditions eventuate, local saleyards will see more competition and less supply, which would push local prices upwards but not provide the extremely high volumes of cattle available for processing centres to purchase, hence limiting exports. Processing centres without prime access to cattle will either pay a premium for stock for an extended period of time or reduce export volume.

A key watch for the US will be their import forecast, as larger exporting nations for various reasons may not be able to meet US demand needs. Brazil currently has a 50 per cent tariff applied to their beef products from the US, Canada is battling one of their lowest herds on record and Mexican cattle exports have been further restricted off the back of New World Screw-worm disease detections. The US herd rebuild is also underway amidst improving conditions. USDA forecasts show beef production lower in 2025 and 2026, leaving their domestic demand needs greater than the previous few years. This all points to increased import demand and a higher price paid to ensure they get the stock.

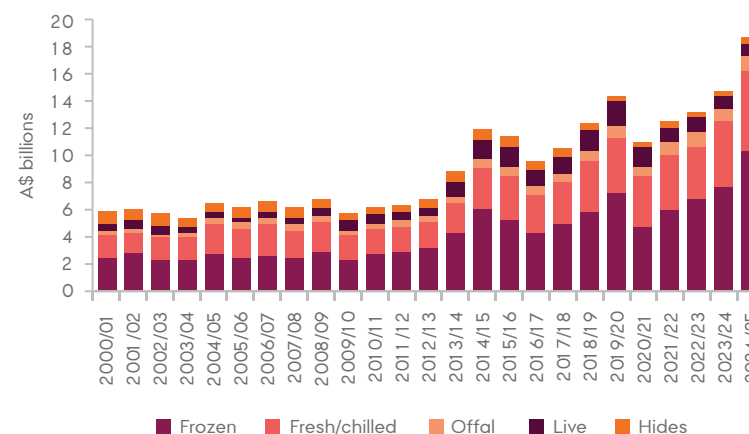
# Cattle

Export volume and value to China is expected to marginally soften amidst increased competition from Brazil, as they look to redirect flows from the US towards China. Just how much additional volume China look to purchase from Brazil will be of great interest. Will they pay the premium price and get more Australian stock or pay a cheaper fee and acquire more from South America? Australia will also likely see a reduction in supply available due to firmer restocker demand while competition from the US to secure Australian supply will continue.

Australian beef exports to Japan are forecast to remain stable. Japan has always been and most likely will remain buyers of Australian beef due to the premium product produced. However, increased competition and softer domestic demand are limiting growth prospects across 2025/26. Japan has historically purchased large volumes of beef from the US and Canada but with their shrinking production, it will be intriguing to see if Brazil become a bigger player in the Japanese market. Right now, Japan imports no beef from Brazil, however since Brazil has been cleared of FMD in several states, Japan is now in talks to create new import licenses for several smaller production states. Should this commence and a deal can be struck between the two nations, the proportion of beef purchased from South America may continue to grow throughout 2025/26, however this is a wait and see at the present time.

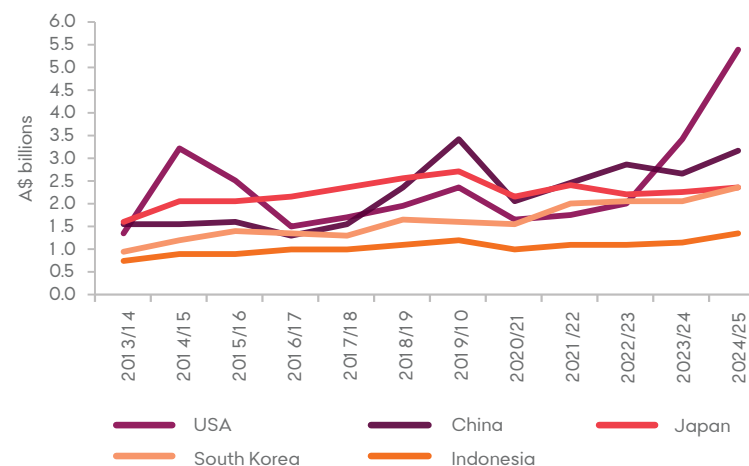
Australia is forecast to replace the US as the largest exporter of beef to South Korea in 2025/26 amidst declining US beef production. This represents a prime opportunity for Australian producers to become South Korea's largest supplier. Appetite for Australian beef is expected to remain very strong over 2025/26; however South Korea will face similar challenges with reduced Aussie supply and more buyers. Export value and volume is likely to come back from the record highs of this year but remain well above the five-year average. An interesting watch will be if they begin to utilise those South American markets and purchase beef there to cover domestic demand going forward if Australia can't match their requirements.

Value of Australian cattle industry exports



Source: GTA

Value of top five Australian cattle industry export markets



Source: GTA





# Cropping

## Commodity Overview

↑1.3%

The value of Australian cropping exports was relatively stable in 2024/25 at \$22.7 billion, a modest rise of 1.3 per cent from the previous year.



Wheat and barley exports declined in 2024/25, but rising canola and chickpea shipments helped maintain overall cropping export values.



The outlook for Australian cropping exports in 2025/26 remains positive. Both volumes and values are expected to hold above five-year averages, underpinned by favourable production outlooks and firm demand across our key markets.

## Trade performance in 2024/25

The value of Australian cropping exports was relatively stable in 2024/25 at \$22.7 billion, a modest rise of 1.3 per cent from the previous year. While wheat and barley exports both declined in value and volume, stronger canola shipments and a sharp increase in pulse exports offset those falls. Pulses were the standout, with values surging nearly 47 per cent year-on-year, supported by strong demand from the Indian subcontinent.

Export volumes across the major grains softened overall, led by wheat and barley, which declined by 5–6 per cent. By contrast, pulse volumes jumped by one-third. The mixed performance highlights the rebalancing of Australia's crop export mix following the record harvests earlier in the decade.

- Wheat exports fell by 11.7 per cent to \$8.7 billion, driven by a 5.4 per cent fall in volumes to 21.2 million tonnes and softer average prices. Greater competition from Black Sea origins weighed on export returns, particularly in Asian markets.

- Barley exports declined by 10.4 per cent to \$3.0 billion. Export volumes fell 6.3 per cent to 7.8 million tonnes. Despite continued strong demand from China following the removal of tariffs in 2023, total shipments eased year-on-year due to reduced Australian production.
- Canola exports recorded an increase in export value, rising 5.4 per cent to \$5.3 billion. Export volumes declined marginally to 6.3 million tonnes. The increase in value reflected strong European demand for non-GM canola, even against a backdrop of abundant global oilseed supply.
- Pulses achieved the strongest growth, with exports climbing 46.6 per cent to \$3.9 billion. Volumes increased by nearly one-third to 4.1 million tonnes. This was underpinned by India's suspension of tariffs on chickpeas and ongoing strong lentil demand, with the subcontinent more broadly continuing as a growth driver.

# Cropping

## Major export markets

China remained Australia's largest cropping export market in 2024/25 with imports worth \$4.0 billion, though this was a decline of 27.7 per cent year-on-year. The reduction was driven primarily by increased Chinese domestic wheat production, which rose from 136.6 million tonnes in 2023/24 to 140.1 million tonnes in 2024/25, easing the country's reliance on imports. Australian wheat shipments to China fell sharply from 4.9 million tonnes in 2023/24 to just 943,000 tonnes in 2024/25, highlighting the degree to which China's growing self-sufficiency displaced import demand.

India rose to become the second-largest market, with exports climbing to \$1.94 billion, more than double the previous year, reflecting strong pulse demand.

Indonesia was the third-largest destination with \$1.56 billion, down 12.8 per cent, as feed grain imports eased.

Belgium leapt into fourth place from outside the top ten last year, driven by a 195 per cent increase in the value of their exports, also an all-time record for the country. The increase was driven by canola imports on back of a poor EU crop in 2024/25.

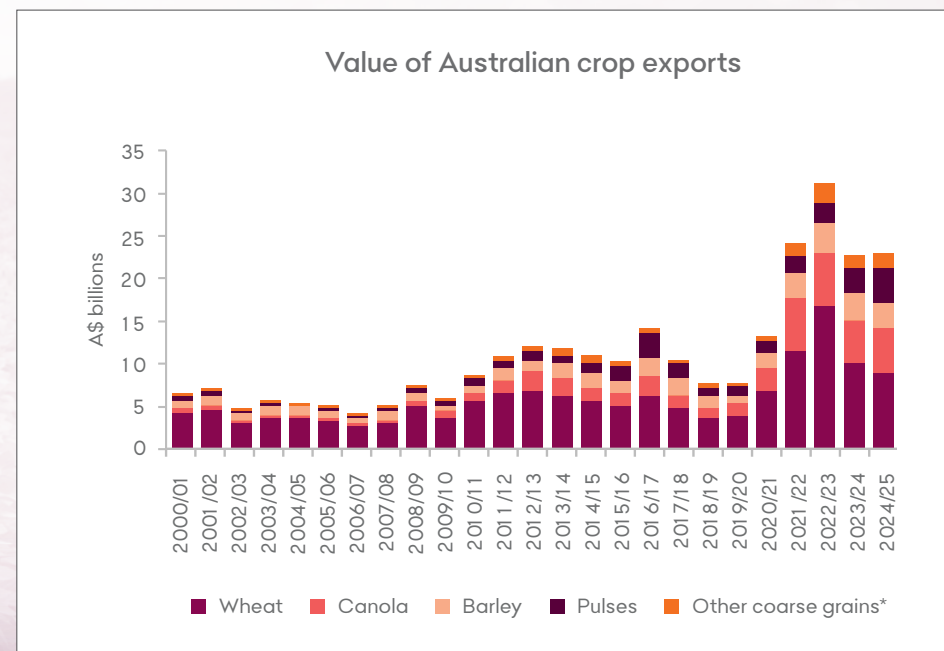
The Philippines ranked fourth at \$1.21 billion, with wheat imports from Australia rising to 3.0 million tonnes in 2024/25, up from 2.6 million tonnes the previous year. The Philippines remains a consistently strong buyer of Australian wheat, with volumes above 2.5 million tonnes for three consecutive years. Imports are dominated by feed wheat, where Australia is the primary supplier.

Japan rounded out the top five at \$1.19 billion, a 42 per cent fall from the previous year. This was driven by a sharp reduction in canola imports, which dropped from 1.36 million tonnes in 2023/24 to just 547,000 tonnes in 2024/25. Wheat and barley volumes also contracted, reinforcing the overall decline in trade value.

Beyond the top five, the "Others" category – which captures all destinations outside Australia's top ten export markets – has emerged as a critical pillar of trade. Over the past five years, "Others" has expanded its share by 5.1 per cent, rising from 25.2 per cent in 2020/21 to 30.3 per cent in 2024/25, confirming long-term diversification. While volatile – swinging within a 9.8 percentage point range due to pandemic disruption, recovery cycles, and shifting global demand – the category has consistently absorbed shocks and rebounded strongly, culminating in a sharp recovery in 2024/25.

The rise of "Others" has also coincided with a relative displacement of China's dominance. In 2022/23 China's lead over "Others" was around seven per cent, but by 2024/25 "Others" held a 16 per cent advantage, demonstrating the strength of diversification beyond a single dominant buyer. The 2024/25 peak share above 30 per cent underscores this is not a short-term fluctuation but a structural evolution. Australia's crop exports are now spread across a broader, more resilient base of buyers outside of the top ten.

Regional markets also played a critical role. Exports to MENA reached \$3.24 billion, buoyed by strong demand for barley into Saudi Arabia and wheat into North Africa. EU-27 imports nearly doubled to \$3.24 billion, driven primarily by canola shipments. The subcontinent – led by India, Pakistan and Bangladesh – reinforced its position as a growth engine for Australian pulses



Source: GTA

\*includes sorghum, oats, maize, buckwheat, millet, rye and rice





# Cropping

## Outlook for 2025-26

Australia's 2025/26 winter crop production is forecast at 59 million tonnes, broadly in line with last season. There is upside potential if spring conditions prove favourable, which would flow directly into additional exportable surplus. Export volumes are projected to hold steady at just under 43 million tonnes, consistent with the previous two years, though the composition of shipments will shift across commodities.

Wheat is expected to underpin exports, supported by a healthy carry-out position and above-average production. Shipments are forecast at 23.5 million tonnes, with Chinese demand anticipated to recover to around 2.5 million tonnes, up from 943,000 tonnes in 2024/25. Even so, this remains well below the 5.0 million tonnes recorded in 2023/24 and the record 7.65 million tonnes achieved in 2022/23. Demand from other major markets across Southeast Asia, Japan and the Middle East is expected to remain stable. Prices are forecast to track close to last year's \$410/tonne, with limited upside given ample global stocks, subdued import urgency and minimal local production risks. Any price strength is more likely to emerge in the second half of the financial year if northern hemisphere production concerns arise.

Barley exports are forecast to decline to 7.0 million tonnes, despite a year-on-year increase in production. Carry-in stocks are set to fall to their lowest levels since 2019/20, limiting the fast-paced early-season exports seen in recent years. Strong Chinese demand is expected to continue, with export prices remaining above the five-year average of \$365/tonne.

Canola exports are projected to drop sharply due to very low carry-out stocks and rising domestic crush capacity, which is competing with exports. With EU rapeseed production expected to rebound following last season's drought, Australian canola exports are forecast to fall by 850,000 tonnes to 3.0 million tonnes, though the EU will remain the largest customer. Any return of Chinese buying would be a significant boost, particularly for GM canola, which has traded at discounts of more than \$100/tonne to non-GM canola over much of the past year.

Pulses are expected to see production rise 8.7 per cent to 5.0 million tonnes, led by another large chickpea crop. However, market structure is shifting after India reinstated a 10 per cent tariff on Australian Desi chickpeas from April 2025. The tariff, set at 66 per cent since 2017, effectively shut Australia out of India's chickpea market for much of the past decade, before being briefly removed in 2024/25. That suspension triggered a surge of front-loaded exports.





# Cropping

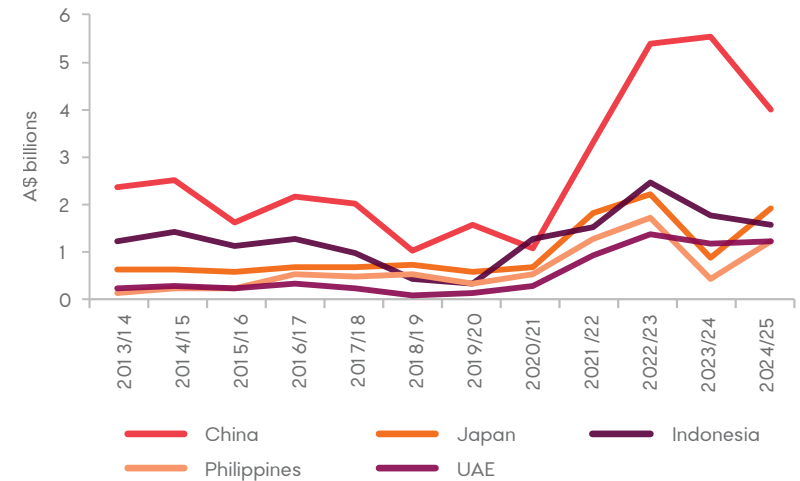
The new 10 per cent tariff is far less restrictive than the previous rate, but it will temper demand and remove the heavily front-loaded buying pattern of last year. Trade into India is expected to be more balanced, albeit at lower levels. Strong demand from Pakistan, Bangladesh and the Middle East will help offset weaker Indian imports, but without the exceptional premiums that pushed pulse values to a record \$955/tonne in 2024/25.

China, Japan and Southeast Asia will continue to be core markets for Australian grains, given their scale and favourable geographic proximity. However, China's growing self-sufficiency is likely to weigh on export volumes over the longer term. At the same time, China remains a volatile market: production risks mean the country will swing in and out of imports, particularly for wheat, as evidenced in the sharp shifts seen in the past year. Over the longer horizon, structural factors such as China's ageing population may also shape consumption trends, though the immediate drivers for Australian exports remain production outcomes, policy settings, and shifting trade flows.

Overall, the outlook for Australian cropping exports in 2025/26 remains positive. Both volumes and values are expected to hold above five-year averages, underpinned by firm demand across Asia, resilient pulse trade into the subcontinent, and ongoing Chinese interest in wheat and barley.



Value of top five Australian crop export markets



Source: GTA

\*includes sorghum, oats, maize, buckwheat, millet, rye and rice





## Commodity Overview

↑ +10.0%

The value of Australian dairy exports reached a record high \$3.44 billion in 2024/25. This is up ten per cent year-on-year and 18.8 per cent above average.



While volumes were also up year-on-year for most products, elevated global pricing meant record or near record average export prices drove gains in total value.



Dairy export value is forecast to decline to around \$3 billion in 2025/26, still above average of \$2.9 billion. Global dairy prices are forecast to remain rangebound, while reduced Australian supply will limit export volumes in the coming season.

## Trade performance in 2024-25

The value of Australian dairy exports reached a record high \$3.44 billion in 2024/25. This represents a year-on-year increase of 10.0 per cent and is 8.6 per cent higher than the previous record in 2021/22. Record, or near record average price for a number of dairy product categories supported by tight global supply was the primary driver of elevated export value, despite relatively subdued export volumes.

In what is a common theme across most product categories, it was the high average price of exports that supported total export value. The best example of this is cheese products. Export volume of 169 thousand tonnes of cheese and curd, while 12.2 per cent higher than last year, ranks 14th out of the past 30 years. But the average export price of \$7,453 per tonne (the second highest on record) saw total value of exports reach a record high \$1.26 billion, up 12.5 per cent year-on-year and 26.9 per cent above average. The volume of fresh milk and cream products fell 18.8 per cent, but total value lifted 2.5 per cent year-on-year on the back of record high average price of \$1.96 per litre. The 164 million litres exported was 38.4 per cent below average, while value of \$323 million was up 2.5 per cent on last year but 4.7 per cent below average. The volume of whole milk powder

(WMP) and skim milk powder (SMP) exports lifted 2.5 per cent and 12.5 per cent respectively. But while the average price of WMP lifted 37.2 per cent year-on-year to a record high \$11,368 per tonne, the average price of SMP fell 9.0 per cent to \$7,336 per tonne. This saw total value of WMP lift 54.3 per cent to reach an 11-year high of \$380 million, while the value of SMP exports fell 6.7 per cent to \$799 million in 2024/25.

Dairy imports stabilised in the past financial year, with the import:export ratio by value at 53.3 per cent – meaning the value of imports was 53.3 per cent of the value of exports – compared to 52.8 per cent in 2024/25 and five-year average of 54.1 per cent. While total import value of \$1.84 billion lifted 11.2 per cent year-on-year, this was offset by the 10.0 per cent lift in export value. The ratio of import:export dairy solids by volume fell 2.0 per cent year-on-year to 46.5 per cent, while fresh milk was unchanged at 4.8 per cent. While it would be tempting to claim Australia is back on track to achieving a stronger export profile, the reality is that elevated global pricing was the main driver behind flat trade balance. The 2024/25 ratio of 46.5 per cent is still the fourth highest on record, and with forecast lower domestic production in the coming season we anticipate that ratio to lift closer to average of 54.1 per cent in the 2025/26 season.



Global milk production has tightened in the northern hemisphere over the past year. European production has been affected by dry seasonal conditions and an outbreak of bluetongue disease which has limited supply growth to around one per cent year-on-year. While US milk production is slowly recovering from an outbreak of avian influenza, milk production is showing modest growth year-on-year, and trade disputes are impacting demand for US products. Export demand for dairy products has been robust over the past year, particularly from Asian destinations. While Chinese demand remains subdued, import volumes have lifted from the slump in 2023/24 as stockpiles are worked through and herd numbers stabilise. Chinese demand for Oceania dairy products is also aided by an anti-subsidy probe into EU dairy imports. Constrained northern hemisphere supply and healthy demand from Asian importers has supported global dairy prices with New Zealand and Australia being the main beneficiaries. While lower Australian dairy production limited export potential from a volume perspective, this also played into supporting prices and resulted in record high dairy export value.

### Major export markets

China maintained its status as Australia's most valuable trade partner for dairy exports for the eighth year in a row with 24.6 per cent market share worth \$847 million. However, this represents a significant shift in China's dominance, down 15.4 per cent year-on-year and 23.6 per cent below average. By volume, dairy solids were down 11.3 per cent on 2023/24 to 86 thousand tonnes, 28 per cent below average, while fresh milk and cream exports of 50.6 million litres is 60.5 per cent below average.

By product, the only categories to record a year-on-year lift in volume were cheese (+18.6 per cent) and WMP (+40.3 per cent). Offsetting the decline in volume were record high average export price for all products with the exception of 'Other dairy products' and SMP, which were third and fourth highest price on record respectively. China has made no secret of their efforts to reduce reliance on dairy imports and combined with subdued economic growth, it is likely Chinese imports of Australian dairy products will continue to ease in the coming year.

Japan has been Australia's second largest dairy export market for the past eight years. Export value of \$505 million was 14.7 per cent of market share, up 11.7 per cent year-on-year and 21 per cent above average. Cheese makes up the majority (around 92 per cent) of Australia's dairy exports to Japan. In 2024/25 Japan took 68 thousand tonnes of Australian cheese, up 8.0 per cent year-on-year and 9.6 per cent above average. Increased volume combined with an average price of \$6,800 per tonne – the second highest on record – saw total value of cheese exports reach \$461 million, the second largest total in a year. Quality and consistency are primary drivers for the Japanese market which sees it value Australian dairy products based on a long history of trade and formulation for Japanese applications.

While Chinese demand was subdued, appetite for dairy products from South-East Asian nations boomed. Indonesia (\$292m), Malaysia (\$286m), Thailand (\$229m) and Vietnam (\$151m) all reached record high value of Australian dairy imports in 2024/25. By volume, milk powders made up the majority of exports to all of the above-mentioned countries, taking advantage of reduced

Chinese demand. Only Vietnam reached record high volume of dairy solids imports, further reinforcing elevated global pricing as the main driver behind higher total export value.

### Outlook for 2025-26

The total value of Australian dairy exports is forecast to moderate to around \$3 billion in the 2025/26 season, though this total will still exceed the five-year average of \$2.9 billion. Reduced local supply will likely limit potential upside. Tight global supply has been a key driver of elevated export values over the past year, but is expected to ease slightly in the coming year. European production is forecast to continue to lift as seasonal conditions have improved, but the lingering effects of bluetongue disease and a lower herd will limit gains. US production has already shown signs of improvement and is expected to continue to recover but will be gradual as herd numbers build up. US tariffs have made buyers cautious of purchasing US product, but this and flat US domestic demand is seeing pricing remain competitive. New Zealand production is a key watchpoint with milk supply showing year-on-year improvement and a favourable spring weather forecast tipped to accelerate available volume.

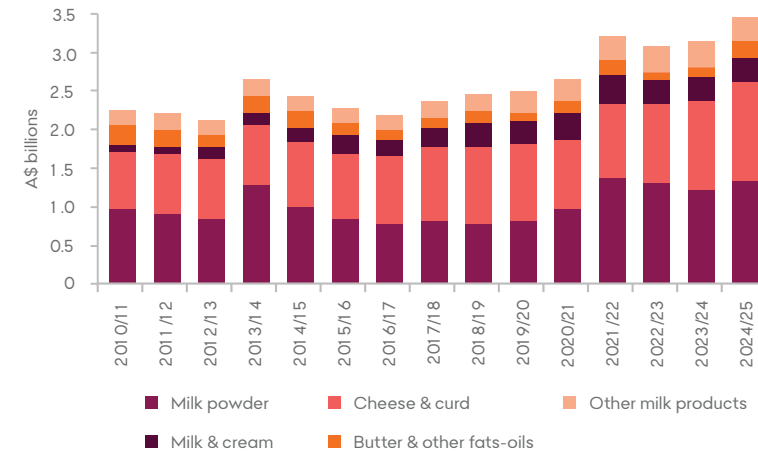
Global demand is expected to hold steady. Oversupply in the Chinese market resulted in depressed domestic pricing and a slowdown in production, but as stockpiles have been worked through prices are improving. Chinese demand is expected to be steady, but could ease marginally in 2026 as domestic production picks up.

## Dairy

Trade conflict between China and the US is likely to support purchasing from southern hemisphere suppliers, though there is a risk that reduced demand for US dairy could weigh on global dairy prices. South-East Asian and Middle Eastern demand have been key supports of global dairy trade over the past year, and robust imports are expected to continue as economic conditions stabilise. But as we've seen recently, these are price sensitive markets and will pull back on purchasing when prices get too hot. With this in mind we're not forecasting a significant lift in global dairy prices, but constrained global supply should keep prices rangebound. This will apply to a lesser or greater extent depending on product availability.

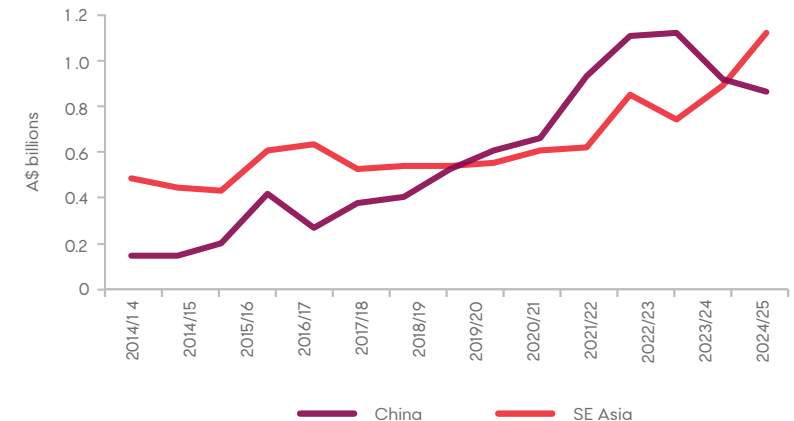
Australian production is forecast to fall around three per cent to 8.2 billion litres in 2025/26, with available supply a key determinant to Australia's dairy exports in the coming season. Reduced local supply implies less available product for export which means export pricing would need to lift to exceed the \$3.4 billion exported in 2024/25. While export demand is expected to remain firm, it's unlikely prices will reach levels required to offset reduced volume. Competition from New Zealand will also be a key factor - greater supply from NZ affords the opportunity to eat into Australia's export market share. Lower Australian farmgate prices relative to NZ may provide some wiggle room for exporters, but the nature of pricing in NZ also affords greater flexibility in price adjustments compared to Australia. With the forecast for reduced local supply, constrained global supply, robust if unstable export demand and volatile global pricing, we're expecting the value and volume of Australian dairy exports to decline in the coming season.

Value of Australian dairy exports



Source: GTA

Value of Chinese vs South East Asian dairy export markets



Source: GTA



## Commodity Overview



The value of Australian horticultural exports surged to a record \$3.5 billion in 2024/25.



Export value was driven by growth in almond, macadamia, table grape and citrus sectors.



The outlook for Australian horticultural exports remains broadly positive in 2025/26 despite an expected fall in overall value on the back of reduced almond and macadamia stocks.

## Trade performance in 2024-25

The value of Australian horticultural exports surged \$759.7 million to a record \$3.5 billion in 2024/25. Growth was driven by fruit and nut sectors amidst strong supply. A favourable trade environment provided a further boost to the demand side of the equation amidst an increasingly positive trade relationship with China and an Australian dollar that remains well below the five-year average. Export volumes were also at record levels in 2024/25, primarily driven by table grape and nut sectors.

The value of Australian fruit exports increased by \$128.1 million (+8.6 per cent) to a record \$1.6 billion in 2024/25, \$80 million higher than the previous record. Higher production volumes in citrus and table grape sectors ensured greater quantities of exportable produce. As a result, total exported volumes jumped by 7.8 per cent to 496,000 tonnes, the second highest level on record. At a commodity level, growth in fruit exports was led by table grapes which lifted \$104.5 million (+21.2 per cent) to \$598.8 million. Table grape production soared by over 30,000 tonnes while quality also exceeded expectations with the high sugar averages driving greater interest from China. Industry commentators also noted that Asian markets are prioritizing taste and stem freshness over size and general appearance. Peru and Chile produced impressive sizing, though struggled due to dehydrated stems, while Australian grapes were slightly smaller but fresher, helping to capture demand. The value of citrus exports lifted to a record \$577 million (+6.2 per cent). This was led by oranges with export value rising by 17.4 per cent to \$326.5 million, the second highest level on record. Mandarin exports were stable at a record \$233.5 million having surged by over 28 per cent the year prior. Despite global trade upheaval, the citrus industry remains in a strong position off the back of a range of diversified Asian markets.







# Horticulture

The nut sector saw a substantial uplift in both the value and volumes of exports. Resurgent Chinese and Indian demand pushed the sectors overall export value up by \$640.3 million (+66.4 per cent) to a record \$1.6 billion. The sector now accounts for 46 per cent of all horticultural exports. Almond exports accounted for the majority of the increased value, rising by \$506.6 million to \$1.3 billion (+66.8 per cent). A stronger almond crop in 2024 ensured volumes were readily available for export. This high supply was met by surging demand with increased tariff barriers placed on US exports (producer of ~80% global almond supply) by importers including China and Türkiye. Australian almond exporters enjoyed a competitive advantage into these markets as a result. The value of macadamia exports rebounded close to the five-year average, rising 47.2 per cent to \$277.2 million. Exports were boosted by an 11.5 per cent increase in production during the 2024 season. Pistachio exports also hit record levels with booming global demand to support the sectors rising production which is anticipated to more than double by 2030. A consistent lift in the average export price across all nut sectors rounded out what was an incredibly favourable market for nuts in 2024/25. Almonds and macadamias recorded the largest increases with the average export price paid per tonne rising 22 per cent and 23 per cent respectively. This provided a boost to producers following 2023/24 when record low prices and soaring input costs, placed margins under significant pressure.

The value of Australian vegetable exports declined by a modest \$8.7 million (-3.0 per cent) to \$277.7 million. Australian vegetable exports remain stable, hovering within a \$10 million range over the last half decade as the sector maintains a domestic focus. Export volume fell 5.1 per cent to 187,896 tonnes while the average export price lifted 2.2 per cent. The sector continues to struggle to achieve consistent export growth due to the absence of the Chinese market which remains the world's largest producer of vegetables and are a net exporter. As a result, Aussie vegetable exporters operate in a vastly different export environment compared to fruit and nut sectors. This does allow for a more diversified array of markets in comparison, which can shield the sector from market concentration issues. At a variety level, the value of carrot exports lifted four per cent to \$74.4 million, though this sits 14 per cent below the five-year average. The bright spot for the vegetable industry remains the potato sector which grew 13 per cent to \$60.1 million, the fourth consecutive year of export growth. On the opposite side of the spectrum, the value of onion exports fell to the lowest level since 2017-18. A challenging season for producers across key production regions limited volumes available for export. Meanwhile, lacklustre demand from Thailand, the UAE, and parts of Europe also weighed exports through the first half of the year. This depressed demand has been driven by a rebound in India's onion exports, supported by a 25 per cent increase in production and removal of export duties.

## Major export markets

China remained Australia's largest export market for horticultural produce for the tenth consecutive year with the \$1.2 billion of export value accounting for 34.5 per cent of all exports in 2024/25. While the improving trade relationship continues to deliver strong value, the single market concentration remains a watchpoint amidst a period of upheaval in global trade relationships. Export growth to China at a sector level was driven by almonds (+339 million), citrus (+38.5 million), table grapes (+32.3 million) and macadamias (+\$31 million). The trade dispute between China and the US shifted demand towards Australian almond exports, driving record volumes and value.

Meanwhile, the high quality and strong volumes of export focused fruit varieties including table grapes and citrus also proved supportive. The table grape sector benefited from Chile allocating a larger share of their table grapes to the US market enabling Australian product to capture a greater portion of the Chinese market across 2024/25. However, as disruptions caused by US trade policy reverberates across the sector, we may start to see these key competitors shift away from the US and towards Asian markets, including China.

India surged from Australia's sixth largest horticultural export market to the second largest market in 2024/25 almost exclusively on the back of rising demand for in-shell almonds. In-shell almonds for Indian importers remain sought after given labour costs in India are far cheaper, resulting in more cost-efficient onshore processing.



# Horticulture

Demand growth is underpinned by the expanding Indian middle class alongside rising interest in the health benefits of nuts which has coincided with the signing of the Interim Free Trade Agreement in 2022. Almond exports have surged in each of the prevailing years with quantities in 2024/25 totalling 31,000 tonnes. This is now nearing the annual tariff quota of 34,000 tonnes that provides a 50% MFN tariff discount.

The value of Australian horticultural exports to Vietnam also hit a record high, rising \$40.6 million (+46 per cent) to \$194 million. This was again on the back of substantial growth in almond and macadamia exports, though the underlying driver of this demand is market specific. As Chinese demand for almonds increase, Vietnam has become a major value-add hub that processes almonds for re-export to the nation.

Hong Kong reported more moderate growth of \$9 million (+5.1 per cent) in 2024/25 which saw it slip from our second to fourth most valuable market for horticultural exports. Hong Kong was our second most valuable market for fruit exports and our sixth largest market for vegetable exports. Export value to Japan continued to lift, rising \$21.9 million (+13.4 per cent) to \$184.3 million in 2024/25. This has lifted export value back towards the five-year average. A rise in the value of macadamia and table grape exports were the underlying sectors that drove this export growth. Table grape producers benefited from greater access to the Japanese market which allowed for the export of more than 130 varieties into Japan up from just four last year.

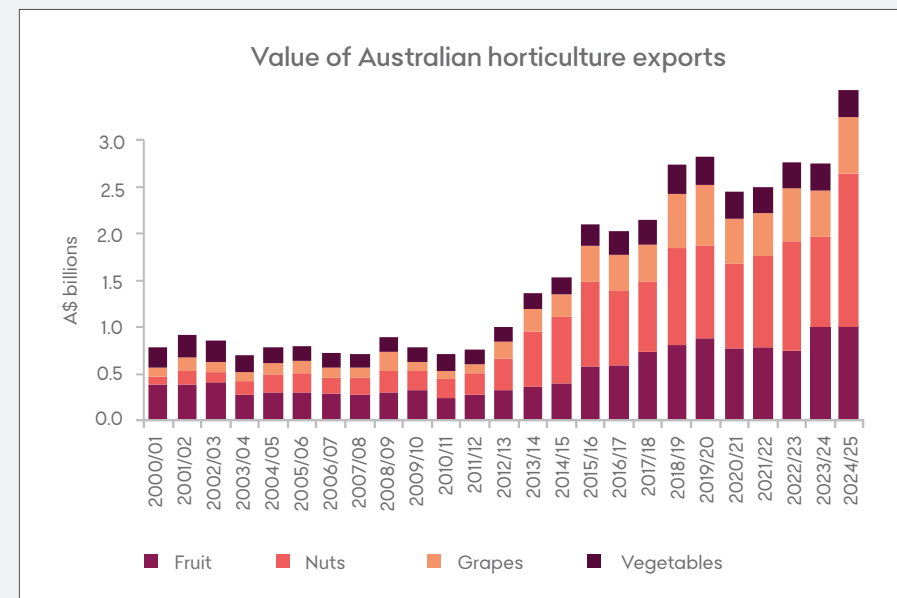
## Outlook for 2025-26

Horticultural exports in 2025/26 are anticipated to move slightly lower in 2025/26 amidst shifting market dynamics. Currency movements will also be a key demand driver in 2025/26. The nut sector stands to continue to benefit from the trade disruption with demand expected to remain high on the back of strained trade relations between the US and both India and China. This should ensure Australia remains a major almond supplier, although the potential for India or China to strike a trade deal with the US is a potential risk to almonds exports and a watchpoint into 2026. While the underlying drivers of demand are anticipated to remain broadly positive for Australian nut exports in 2025/26, reduced volumes across key export varieties will see an overall easing in export value. Falling production across both almond and macadamia sectors will be the primary drag on overall export value which is expected to decline back towards a still strong \$1.1-\$1.3 billion range. The current 2025 almond crop is estimated to have come in around 10 per cent lower with pollination issues also causing some yield concerns for the 2026 crop. Meanwhile, lower stocks on the back of the record 24-25 export program will further limit volumes. While this points to lower overall export value, it will likely result in a further uplift to prices of the back of strong competition to secure supply, aiding margins and driving further on-farm reinvestment. Macadamia yields also suffered from weather disruptions with production forecast within a range of 37,300 to 41,970 tonnes in-shell (~25 per cent lower).

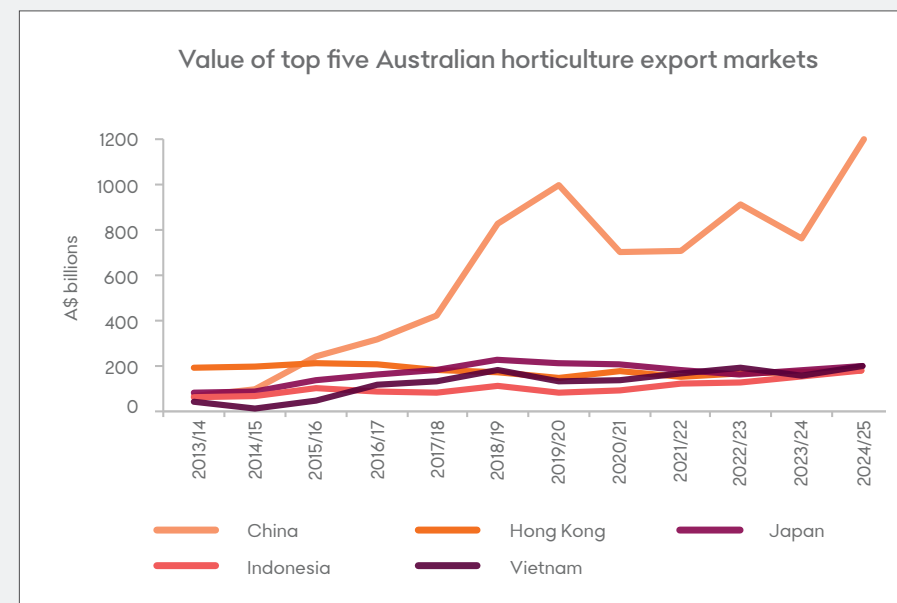
# Horticulture

A wet spring outlook is driving positive production prospects, though quality remains at risk across stone fruit varieties in particular. High volumes of citrus and table grapes are anticipated; although, the aforementioned US trade disruption is anticipated to result in an increased market diversification focus by southern hemisphere exporters which will drive greater competition into Asian markets. Chile and Peruvian exporters typically send about 50 per cent of their table grape volume to the U.S with the 10 per cent tariff will likely see growers sending more fruit to Mexico, Europe, and Asia. Despite this, Australia's large volumes of high-quality produce will remain the key differentiator to maintaining demand from key export markets of China, Japan and Vietnam. Citrus exports will remain well above the five-year average off the back of a reports of high quality thanks to minimal rainfall at key development periods earlier this season. The size of the citrus also remains in the ideal marketing range for both domestic and export markets while the ongoing maturation of younger orange trees should see production trend higher, ensuring strong volumes available for export in coming years.

The value of Australian vegetable exports is expected to lift slightly albeit within a similar band to recent years. Improved output across key varieties should ensure greater volumes available for export. However, from a demand standpoint, production across competing nations including China and India will remain a major driver. Unlocking greater export value remains a key goal for the sector that is grappling with surging costs and stagnant prices. Research is currently being undertaken by Hort Innovation focused on optimising trade in the Australian vegetable industry. Further investment will help not only identify factors that are limiting export growth but understand how to better compete with regional exporters including China and India.



Source: GTA



Source: GTA





## Commodity Overview

↑+19.3%

The value of Australian sheepmeat exports lifted \$925.5 million (+19.3 per cent) in 2024/25 to a record total of \$5.7 billion.



Export value was driven higher by a sharp increase in mutton volume, while the average export unit prices of both lamb and mutton were significantly firmer this financial year.



Australian sheepmeat exports are expected to be relatively steady in 2025/26, with the forecast decline in volume being mostly offset by an increase in prices.

## Trade performance in 2024-25

Australia's sheep industry export value reached record levels in 2024/25, climbing \$968.3 million (+19.3 per cent) to \$6.0 billion. This marks the second consecutive annual increase and surpasses the record set in 2023/24. At this level, Australia's sheep industry export value is up 30.8 per cent compared to the five-year average.

Lamb exports continue to be the major driver of sheep industry export value, accounting for \$4.1 billion and 67.3 per cent of the total sheep industry exports. Lamb export volumes were marginally lower year-on-year, but a 14.7 per cent increase in average export unit price has pushed the total lamb export value 14.4 per cent higher. The average export unit price of \$10,356 per tonne over the past 12 months is second only to the record of \$11,155 set in 2021/22.

The value of Australian mutton exports has lifted sharply in 2024/25, climbing 33.4 per cent to \$1.7 billion. Mutton export value was supported by growth in both export volumes and average unit price. Australia exported 16.8 per cent more mutton by volume, while the average export unit price also increased by 14.1 per cent.

This was the highest mutton export volume on record; however, despite the uplift in prices in 2024/25, average unit price still lags 27.4 per cent lower than the peak in 2021/22.

The number of live sheep exported declined for a second consecutive year to 443.5 thousand head, however, the value of live sheep exports increased by 20.7 per cent to \$55.9 million. This sharp uplift comes on the back of the recovery of sheep prices compared to the lows seen in 2023/24, with the average live sheep export price lifting 37.9 per cent to \$126 per head. The value of sheep skins increased by 14.8 per cent in 2024/25 to \$257.5 million, the highest total since 2021/22.





## Major export markets

The US maintained its position as the largest export market for Australian sheep industry exports in 2024/25, recording a \$224.4 million (+18.2 per cent) increase, primarily driven by growth in lamb exports. The US imported a record \$1.4 billion of lamb in 2024/25, driven by a 14.4 per cent increase in average unit price and a slight 3.9 per cent increase in volume. Mutton export value also lifted 10.4 per cent to \$98.1 million; however, mutton exports remained below the recent peak of \$174.1 million in 2021/22 and total mutton volume was actually 6.4 per cent lower year-on-year.

Sheep industry exports to China increased in 2024/25 following two consecutive years of declines. Total sheep industry export value lifted 15.9 per cent to \$1.3 billion, the highest level since 2021/22 and marking the seventh consecutive year of export value exceeding one billion dollars. Mutton exports were the big story for China this year, with the value of mutton exports lifting 33.8 per cent to \$615.9 million, exceeded the previous record set back in 2019-20. However, value of lamb exports

declined 3.8 per cent due to the 8.8 per cent decline in volume being partially offset by 5.5 per cent lift in average unit price.

Exports to the UAE continued to grow for a fourth consecutive year, with total sheep industry exports climbing \$57.6 million (+19.1 per cent) to \$358.7 million in 2024/25. Both lamb and mutton export value lifted this year by 13.3 per cent and 49.3 per cent respectively, although lamb export value still accounted for 80.2 per cent of their sheep industry total this year.

Malaysia and Saudi Arabia have leapfrogged South Korea to become Australia's fourth and fifth largest sheep industry export markets, lifting 37.7 per cent to \$290.9 million and 33.4 per cent to \$278.7 million respectively. South Korea also recorded a marginal 3.8 per cent increase in total export value to \$240 million, while exports to the UK have increased for a second year in a row, jumping by 76 per cent to \$230.1 million. The uplift in trade with the UK follows the free trade agreement signed in 2023 which allows increased sheepmeat exports from Australia, with export value now more than double compared to 2022/23.



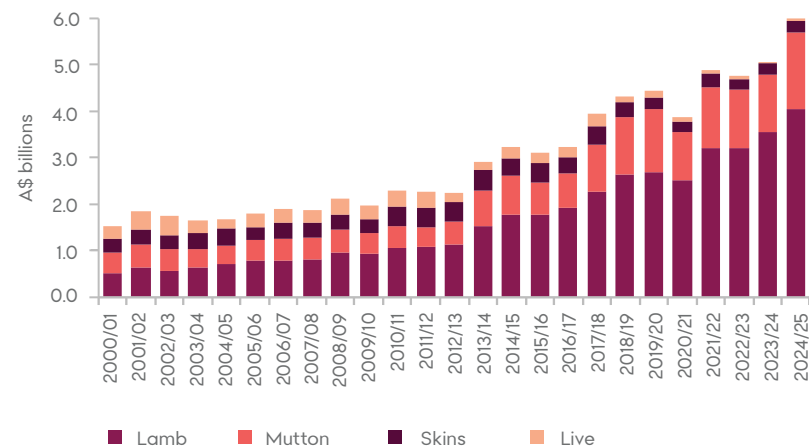
## Outlook for 2025-26

Australia's sheep industry exports are facing an interesting 2025/26. Lamb and mutton production is forecast to decline following the prolonged period of high-turn off as a result of the drought conditions, as well as the rebuild which took place between 2020 and 2023. The tighter supply picture will limit the amount of product that Australia has available to export. This will be further exacerbated should the favourable rainfall forecast for the next three months come to fruition. If a rebuild were to commence, supply will tighten further as producers look to hold back stock and purchase breeding stock. Livestock prices are also forecast to be comparatively firmer throughout 2025/26, with this uplift expected to flow through into export markets to some extent. The combination of tighter supply and firmer prices is expected to result in a slightly lower overall export value forecast for 2025/26.

The global trade landscape has changed significantly throughout 2025 in response to tariff announcements, predominantly from the US, but also from Canada, the EU and China. The implementation of tariffs have the potential to enhance inflationary pressures, which may impact demand from key markets such as the US and China as consumer prices rise. However, the ongoing trade tensions are providing opportunities for Australian sheepmeat, as the US struggles to secure redmeat imports due to tariffs applied to key trade partners, and China looks to markets other than the US to secure their protein.

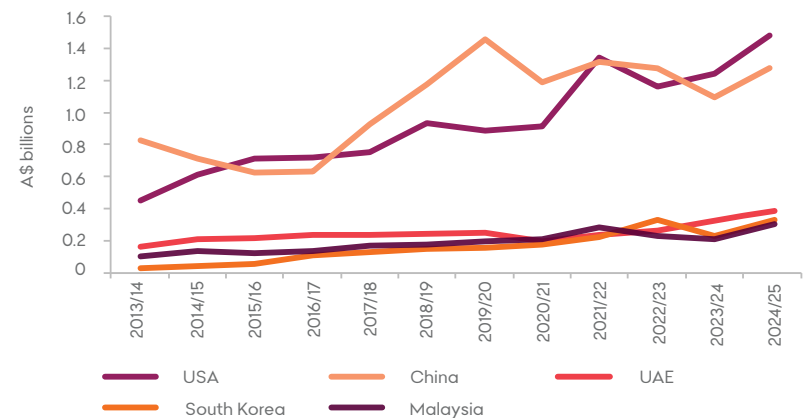
The contraction in production and export volumes from New Zealand, the second largest exporter of sheepmeat, presents further opportunities to expand Australia's export volumes into key markets such as China, the US and the UK. The tighter supply outlook from both Australia and New Zealand should support global sheepmeat export prices over the next 12 months.

Value of Australian sheep industry exports



Source: GTA

Value of top five Australian sheep industry export markets



Source: GTA





## Commodity Overview

↓ -10.6%

The value of Australian wool exports fell \$298.7 million (-10.6 per cent) in 2024/25 to a total of \$2.5 billion.



Despite prices generally increasing across the year, sluggish demand and reduced wool production saw export value decline for a third consecutive year.



With wool production volumes predicted to drop to their lowest levels in over a century, wool exports are set to see another decline in value in 2025/26. Although prices have been rising to start the season, it's not enough to offset the lower volumes and pressure from currency exchange fluctuations.

## Trade performance in 2024-25

Australian wool exports continued to struggle in 2024/25 with a decline in value for a third consecutive year. Following falls of 2.3 per cent in 2023-23 and 12.1 per cent in 2023/24, the additional 10.6 per cent decline has left the value of exports 11.8 per cent below the five-year average.

This decline was driven by a 13.2 per cent fall in the total export volume of wool. Fine-micron wool volumes of less than 20-micron fell 3.6 per cent compared to the 2023/24 season, however, they sat higher than the five-year average by 4.3 per cent. Medium wools saw higher declines of volume of 15.8 per cent for 20-23-micron and 18.3 per cent for 24-27-micron compared to 2023/24. Volumes of wool broader than 27-micron fell 32.0 per cent year-on-year, although the 2024/25 volume was only 2.3 per cent lower than the five-year average.

Average export price increased to \$8,560 per tonne, an improvement of 3.0 per cent from the 2023-34 season but was still 8.6 per cent below the five-year average. Fine wool below 20-micron was the only category to record a decline in average price, falling 3.5 per cent compared to the 2023/24 season. All other categories

increased compared to last season, however they all sit below the five-year average, with 20-23-micron wool the closest at 1.5 per cent lower. The other categories sit between 8.6 per cent and 19.2 per cent below the five-year average.

## Major export markets

China maintained its share of Australian wool exports in 2024/25. While the total value for exports to China dropped for the third consecutive year, falling \$252 million (-10.6 per cent) to \$2.1 billion, this still accounted for 84.6 per cent of the total value of wool exports, the same as in 2023/24. The decrease of supply was evident with the top five markets all declining in value and volume for 2024/25, except for the Czech Republic, which increased its value 8.5 per cent to \$44 million. This was on the back of an increase in purchasing wools finer than 20-micron and 20-23-micron wools, with both increasing in value by 23.4 per cent and 26.0 per cent respectively. Italy was the only market that had a decrease in the average price of wool exported. This stemmed from a 89.9 per cent fall in value of wool greater than 27-micron and a 24.0 per cent fall in wool finer than 20-micron. With much of Italy's imported wool becoming luxury textiles, cost of living pressures



reduced demand for these sort of high-end products, thereby reducing Italy's demand for wool. Notably, India increased the value of fine wool imported, with the value of wool finer than 20-micron increasing 35.1 per cent compared to 2023/24. This resulted in the value of wool exported to India only falling 1.6 per cent compared to the 2023/24 season.

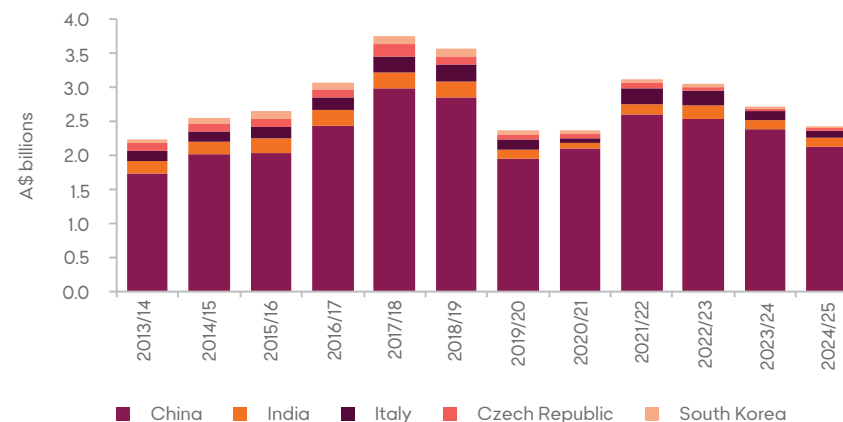
## Outlook for 2025-26

It is expected to be another challenging year for wool exports in 2025/26, with a further decline in export volume set to drive export value lower for a fourth year in a row. The Australian Wool Production Forecasting Committee (AWPFC) has estimated Australian wool production for the 2025/26 season to be 251.5 Mkg greasy, a fall of 10.2 per cent from 2024/25. Due to tough seasonal conditions, supply chain and workforce pressures, rising input costs and increased sheep slaughter due to strong sheep meat prices, total sheep shorn numbers are expected to decrease to 57.9 million head, a fall of 8.1 per cent. This will bring Australian wool to the lowest production numbers in a century. The continued decline in volume does allow a level of price

support to be found. The season has already started with some increases in price across most-micron. Prices are vulnerable to currency fluctuations and with the Australian dollar forecast to finish the year strongly there will be some downwards pressure placed on the market.

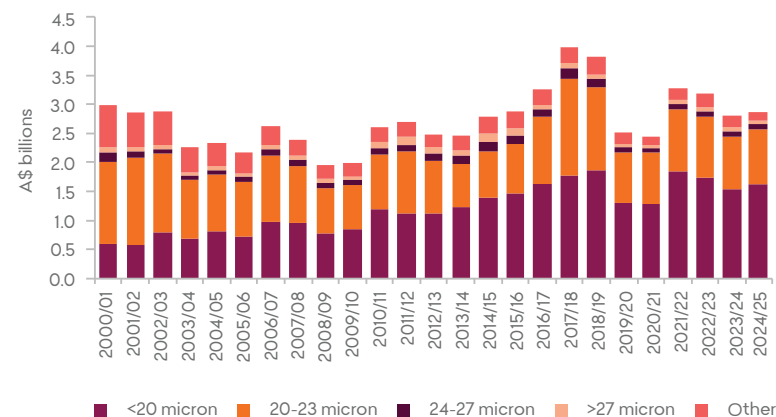
Many of the key export markets for Australian wool, particularly China, are in the midst of challenging trade conditions primarily with regards to the status of United States tariffs. This has the potential to decrease China's economic growth which would challenge the current levels of demand and those expected for the rest of the season. While India is the world's third largest exporter of apparel and textiles, around 40-50 per cent of wool processed in India is used domestically. A growing population and economy positions India as an area of potential growth for Australian wool. While economic growth in any target market is favourable, there can be a lag between this growth and the increase of demand for luxury products, including wool. The expected volume decline and potential for steady pricing means export value is expected to decline for the fourth consecutive year.

Value of top five Australian wool export markets



Source: GTA

Value of Australian wool exports



Source: GTA



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