vinetur

A 15% U.S. tariff jolts French wine and spirits stocks.

Investors have also priced in weaker Chinese demand and an 8% drop in exports in 2025.

Saturday, October 3, 2026



French wine and spirits companies are facing a difficult year in the stock market as new U.S. tariffs, weaker demand in China, falling exports and changing drinking habits weigh on the sector’s outlook.

On the Paris market, several of the best-known names in the industry have declined in 2026. According to data cited by Meilleurtaux Placement, Marie Brizard has fallen by more than 7% since the start of the year and Pernod Ricard is down nearly 20%. Over a 10-year period, the drops are even steeper, at more than 80% for Marie Brizard and more than 40% for Pernod Ricard. The broader pressure on listed groups reflects a business environment that has become less favorable both abroad and at home.

One of the biggest setbacks came from trade policy. Since July 1, 2026, the United States has applied a 15% tariff to most European products under a new agreement with the European Union. Wines and spirits did not receive an exemption. For French producers and distributors, the measure adds costs in one of their most important export markets and increases uncertainty about pricing, volumes and margins.

China has also become a more difficult market, especially for premium products such as cognac. Jérôme Lieury, a managing partner at Olier Etudes & Recherche, said in remarks reported by MoneyVox and cited by Meilleurtaux Placement that the Chinese market has deteriorated since the pandemic, particularly for high-end cognac. He pointed to customs restrictions introduced in retaliation for European protectionist measures on electric cars, as well as weaker consumer demand linked to China’s real estate crisis. That combination has reduced visibility for companies that depend heavily on international sales.

The export data underline the trend. The Federation of French Wine and Spirits Exporters said the sector’s exports fell for a third straight year, reaching 14.3 billion euros in 2025, down 8% from 2024. For an industry that relies strongly on overseas demand, another annual decline reinforces concerns that the slowdown is not temporary. It also matters well beyond vineyards and distilleries, because lower exports, weaker demand and tariff costs can affect investment plans, hiring, marketing budgets and pricing across the broader beverage business, including wine, liquor and adjacent premium drinks categories.

Investors are also reacting to a shift in consumer behavior. Analysts following the industry say buyers, especially younger consumers, are paying more attention to health and are more willing to reduce alcohol consumption. That has helped fuel interest in no-

and low-alcohol products, often referred to as NoLo, while traditional categories lose momentum. For major drinks companies, the change raises questions about how fast they can adapt product portfolios that have long depended on established alcohol brands and premium positioning.

Regulatory pressure adds to those concerns. In the United States, health authorities have pushed for clearer warnings on bottles about health risks tied to alcohol consumption. Those proposals have not been described as an immediate sales shock, but they add another layer of risk for producers already dealing with tariffs and softer global demand. In financial markets, those factors can weigh on valuations even before any formal rule changes take effect.

At the same time, the market decline has brought share prices to levels some analysts view as historically low. Dorian Abadie, Meilleurtaux’s head of equity markets, said valuations for much of the sector in Paris have fallen to levels that appear to reflect a large amount of bad news already. That does not remove the pressures facing the industry, but it helps explain why some investors are watching the group closely despite the weak performance this year.

Rémy Cointreau offers one example of how companies are trying to adjust. The French spirits group has launched a cost-cutting plan worth more than 50 million euros. The measures include a hiring freeze, lower advertising spending and a strategy focused more on value than on volume. Its shares have risen 16% since the start of 2026, suggesting that some investors see the restructuring effort as a sign of discipline in a difficult market rather than a sign of deeper weakness.

The contrast within the sector shows that investors are no longer treating wine and spirits companies as a single story. Groups with strong exposure to premium cognac or to markets hit by tariffs and slower consumption are facing the greatest pressure. Companies that can cut costs, defend pricing or respond to changing demand with new products may hold up better. For the beverage sector as a whole, the combination of trade barriers, weaker exports, health-related regulation and the rise of NoLo is reshaping the business climate and could continue to influence earnings expectations and market valuations in the months ahead.