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Prime Bordeaux vineyard values have fallen by more than half since 2021

Pauillac and Margaux posted roughly 50% real declines, reflecting weaker exports, lower pricing power and a long supply-demand imbalance

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France has raised its forecast for the 2026 wine harvest, but the stronger outlook is doing little to change the pressure on one of its most important wine regions. New data show that Bordeaux is not only dealing with weaker sales and exports. Vineyard land values in some of its best-known appellations have also fallen sharply in real terms

since 2021.

France’s Agriculture Ministry said on November 6 that national wine production is now expected to reach 36.7 million hectoliters, up from the 34.9 million hectoliters projected a month earlier. Even with that upward revision, the harvest would still be 10% below the 2021-2025 average. It would, however, be 3% above the 2025 crop, which was one of the weakest in decades.

The national picture masks wide regional differences. Languedoc-Roussillon is expected to recover 25% from the prior harvest. Bordeaux is projected to rise 10% from 2025, though it would still remain below its recent historical average. In the Burgundy-Beaujolais basin, by contrast, production is expected to fall 22% from a year earlier after a very hot and dry growing season.

In Burgundy, the 2026 season was unusually early. According to the Comité des Vins de Bourgogne, harvesting for Crémant began on August 8 in the Mâconnais, followed a few days later by still wines. The trade group said winter water reserves helped vines cope with summer stress, while dry conditions limited major fungal disease pressure. Early assessments pointed to healthy grapes and strong concentration, but those were preliminary views from producers rather than a final judgment on the vintage.

Regional agricultural officials in Bourgogne-Franche-Comté have given a more cautious reading on volume. Their data point to a disappointing crop in quantitative terms, with particular weakness in red wines. That leaves Burgundy with a harvest that may prove attractive in quality for some producers, but one that is clearly tighter in supply.

Bordeaux’s problem runs deeper than harvest size. The region’s expected production rebound this year does not amount to a return to normal conditions. Output is still set to remain 11% below the five-year average, in part because vineyard acreage has been reduced on purpose to bring supply more in line with demand.

The clearest sign of the strain may be in land prices. French agricultural statistics agency Agreste, in figures reworked by the American Association of Wine Economists and adjusted for inflation to 2025 prices, show steep declines in benchmark vineyard values between 2021 and 2025. In Pauillac, the average reference value fell from about

€3.41 million per hectare to €1.7 million, a drop of 50.1%. In Margaux, it fell from €1.70 million to €800,000, down 53.1%.

Other Bordeaux appellations also posted large declines. Saint-Émilion fell from €340,900 to €200,000 per hectare, a 41.3% drop. Sauternes fell from €34,100 to €20,000, also down 41.3%. Across all AOP vineyards in the Gironde, the average reference value dropped from €149,600 to €85,600 per hectare, a decline of 42.8%.

Those numbers do not represent the price paid in every vineyard transaction, and they are not a direct valuation of the most famous estates. In top appellations, sales are relatively rare and individual properties can trade at levels far from regional averages. Even so, the trend is hard to ignore. A market that long treated prime Bordeaux land as a durable store of value is now reflecting weaker expectations for future profitability.

That matters well beyond landowners. Vineyard values influence borrowing capacity, investment decisions, balance sheets and the terms of estate sales. For the wine business, a lower asset base can affect financing, consolidation and the willingness of buyers to enter the market, especially in a region already trying to cut excess capacity.

Export data help explain why those expectations have changed. According to figures from DRAAF Nouvelle-Aquitaine, Bordeaux wine exports stood at about 1.36 million hectoliters at the end of 2025, worth roughly €2 billion. That was down 9% in volume and 7% in value from 2024.

Some of Bordeaux’s biggest foreign markets weakened sharply. Exports to China fell 34% in volume and 27% in value. Shipments to the United States fell 14% in volume and about 32% in value. Canada was a notable exception, with exports up 12% in volume and 18% in value.

The pressure did not stop there. In the 12 months ended in July, Bordeaux exports fell to about 1.31 million hectoliters worth €1.82 billion. That was down 7% in volume and 14% in value from the previous 12-month period. The faster decline in value than in volume suggests that pricing power has weakened, adding to the economic squeeze on producers.

One reason is Bordeaux’s heavy exposure to red wine at a time when consumption of that category has softened in several markets. The region has responded with a large-scale reduction in vineyard area. DRAAF Nouvelle-Aquitaine said that by May, assisted uprooting programs had covered 12,284 hectares of vineyards in the Gironde. Another roughly 8,700 hectares were removed without public aid. Together, that brought the total area taken out between August 2023 and May to around 21,000 hectares.

The public goal was not only to reduce the sanitary risks linked to abandoned vineyards, but also to ease the imbalance between productive capacity and commercial demand. Even so, lower acreage alone cannot solve problems tied to distribution, market positioning and changing consumer tastes. A larger 2026 crop may help some growers after weak harvests, but in a weak market it can also increase pressure on prices if sales do not improve.

Burgundy faces a different set of pressures. The region has also seen softer international demand, but its export performance has been more resilient overall. The Comité des Vins de Bourgogne said total exports of Burgundy wines rose 3.7% in volume in 2025, while falling 1.8% in value, to about €1.617 billion.

Within that total, however, red wines showed more weakness. According to French customs data compiled by the American Association of Wine Economists, exports of bottled Burgundy AOP red wines with alcohol content of up to 15% fell to €700.73 million in 2025 from €740.70 million in 2024. That was a decline of 5.4%.

The biggest drag came from Burgundy’s two leading markets for that category. Sales to the United States fell to €128.70 million from €156.33 million, down 17.7%. Exports to the United Kingdom fell to €95.41 million from €111.23 million, down 14.2%. Together, those two markets lost more than €43 million, more than the net decline for the category as a whole, meaning gains elsewhere partly offset the damage.

Japan was broadly stable, rising 1% to €71.20 million. Hong Kong increased 13.4% to €60.82 million. Canada rose 8.8% to €26.86 million. Singapore also advanced, while Italy rose 13.7% to €11.75 million and Spain gained 22.9% from a smaller base. China fell 6.7%, Taiwan fell 15.6% and South Korea fell 14.6%. The United States still accounted for about 18% of the value of the Burgundy red wine exports covered by the

data, showing how important the American market remains even in a more diversified export mix.

Burgundy’s business model is also different from Bordeaux’s. The region has long relied on limited supply, highly fragmented appellations and strong global demand for specific terroirs and climats. That structure has helped sustain value, especially for sought-after labels. But it does not make the region immune to a slower market.

The Burgundy trade group said in March that bottled wine departures from estates during the first six months of the 2025-2026 campaign fell to 286,460 hectoliters from 304,197 hectoliters a year earlier, a decline of about 5.8%. Those figures measure releases from estates rather than final consumer sales, but they still point to cautious demand upstream in the supply chain. At the same time, movements of bulk wine, must and grapes increased, helped by the larger 2025 harvest. The trade group said inventories had moved back toward more typical recent levels.

The contrast between Bordeaux and Burgundy shows that France’s wine troubles are not uniform. Bordeaux is dealing with a structural mismatch between supply and demand that is weighing on exports, margins and the value of vineyard assets. Burgundy is confronting softer demand and climate-related uncertainty, but it still benefits from a supply model built on scarcity and appellation identity. In practice, that means Bordeaux is trying to sell a historically large red wine base into a weaker market, while Burgundy is trying to preserve value and market share with smaller and less predictable volumes.