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Canadian wine imports maintain steady volume in 2022, reach record investment levels

Canada's wine investment reaches a historic peak of 2.954,7 billion CAD in 2022, showcasing robust growth

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According to data from the Canadian Customs Agency, the volume of wine imported into Canada remained steady in 2022, reaching 417.8 million liters, a slight decrease of 1.1 million liters from the previous year. In contrast to this modest decrease in volume,

Canada marked its highest investment in wine to date in 2022, with the total expenditure reaching 2.954,7 billion Canadian dollars (CAD), a rise of 4.9% compared to an already positive 2021.

The average price of imported wine also saw an increase, with a 5.2% rise to 7.07 CAD per liter, surpassing the 7-dollar mark for the first time. This trend reflects a broader shift in global wine commerce, which, throughout 2022, was marked by considerable trade uncertainty and strong inflation.

In the light of the current exchange rate between the Canadian dollar and the euro, Canada's 2022 wine imports equate to an investment of 2.009 billion euros, at an average price of 4.81 euros per liter. Canada concluded the year as the fifth-largest wine importer by volume, surpassing China, and fourth in value.

Over the course of the 21st century, Canadian wine imports have grown at an average annual rate (Compound Annual Growth Rate, CAGR) significantly higher in value terms (+5.8%) than in volume (+2.6%), escalating from 859 million to 2.955 billion CAD and from 236 to 418 million liters. The average price has nearly doubled in these 22 years, increasing from 3.64 to 7.07 CAD per liter.

Canadian imports are largely focused on bottled wine, accounting for 68% of the total volume and 85% of the total value of all wine imported in 2022. These figures correspond to 282 million liters (+2%) and 2.497 billion CAD (+4.8%). The volume of bottled wine imports has remained relatively stable for eight years, but its value continues to grow, attributed to a progressively rising average price, which reached a historical peak in 2022 at 8.86 CAD per liter (+2.7%).

Sparkling wine, though not as prominent as bottled wine, saw substantial growth, with an 11% rise in volume and an 11.8% increase in value, amounting to 23.5 million liters and 324 million CAD, respectively, marking historical records. The price increase for sparkling wine was modest at 0.7%, taking the price to 13.79 CAD per liter, the highest recorded so far.

Bulk wine imports, on the other hand, hit their lowest level since individual data for this category began to be recorded in 2017, with 103.8 million liters (-6.4%) and 98 million CAD (-4.3%). The average price of bulk wine rose by 2.1% to 94 cents per liter, marking the highest level since 2019.

Furthermore, the purchases of bag-in-box wines dropped by 17.8% in volume and 13.8% in value, totaling 8.5 million liters and 35.6 million CAD, with an average price of 4.17 CAD per liter (+4.8%), the highest recorded to date.

In 2022, Canada imported wine from a total of 68 global suppliers, with the top 11 accounting for more than 98% of the total. Italy, for instance, increased its share as the leading supplier by volume, growing by 5.4% to 83.2 million liters, a record high. Australia, after a few difficult years, managed to move up from fourth to second place among exporters, with 66 million liters (+40%), surpassing the 65.9 million liters from France and the 60.3 million liters from the United States, both of which saw a drop of just over 4%.

However, these rankings change when considering the value of imports: France led the pack for the sixth consecutive year, with a record 725.5 million CAD (+0.7%). Italy, too, set a record, surpassing the United States to take the second spot, with 649 million CAD (+8.6%). The United States billed 618 million CAD (+3.4%), reaching its historical peak despite losing a place. Australia ended the year as the fourth largest seller with 216.5 million CAD (+16.5%), ahead of Spain, which experienced a 9.6% decrease to 169.2 million CAD.

When it comes to import volume, Spain also lost a position in the ranking due to a significant 25% decrease to 29.3 million liters, being overtaken by South Africa in fifth place, which grew by 12.8% to 29.4 million liters. Chile was close to overtaking Spain as well, with 29 million liters (-4.4%).

New Zealand, Austria, and Hungary saw exceptional growth in wine imports, in contrast to Portugal, Germany, and Greece, which witnessed a decline. As for average prices, France had the highest among the evaluated countries, with 11.01 CAD per liter (+5.1%). The United States (10.25 CAD) and New Zealand (10.10 CAD) were the other two suppliers that surpassed the 10-dollar mark among the 15 analyzed. Spain saw a

price increase of over 20% to 5.78 CAD per liter, after a significant decrease in 2021. Among the top 10 suppliers, Australia was the only one to experience a price drop, at -17%.

The Canadian wine import landscape in 2022 showcased a blend of consistency in volume, considerable growth in investment, and a focus on bottled and sparkling wines. As the world grapples with trade uncertainties and inflation, these trends reflect the resilience and adaptability of global wine trade dynamics.