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Canadian wine imports show significant drop in first half of 2023

Notable changes in import patterns for 2023

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In a surprising turn of economic events, Canada has recorded a noticeable decrease in its wine imports during the first six months of 2023. This decline has been the most pronounced since 2010, raising eyebrows among industry experts.

Data released by Canadian customs shows that wine imports fell by about 12%, reaching a total of 186 million liters. This brought the total value of imports to approximately $918.8 million (USD), based on the current exchange rate of 1 USD to

1.37 CAD. Despite this reduction in volume, the average price remained steady at around $4.94 USD per liter, reflecting only a minor 0.4% decrease.

Although this year marked the lowest first-half volume in over a decade, the import value was the third-highest to date, only surpassed by figures from 2022 and 2016. Starting from November 2022 through to June 2023, a consecutive eight-month period displayed declining import values. Interestingly, May 2023 was the sole month in which there was an uptick in volume.

This trend is concerning when contrasted against 2022, which concluded with almost steady volumes and a positive 4.9% growth in value. With these current figures, Canada has lost its standing as the fourth-largest global importer by value and slid to the sixth spot in volume during this period.

Diving Deeper: Types of Wines Imported

The only segment of wine that showed an increase in imported volume during this period was bulk wine. Expenditures, on the other hand, grew for the bag-in-box category. Packaged wine, which traditionally dominated imports, saw a decline with 116.8 million liters (an 18% drop) valued at around $778.1 million USD, accounting for 63% of the total volume and 85% of the total value. This type of wine, unfortunately, faced the steepest decline.

Sparkling wine remained the second most imported wine in terms of value at approximately $92.4 million USD, a 7.4% decline. Its volume, however, stood at 9 million liters, marking a 14.5% decrease. Bulk wine emerged as a more significant player in volume with 56.3 million liters, a 5.1% increase, but its low price point, at $0.65 USD per liter, saw a 5.7% decrease.

The bag-in-box category, while experiencing a 3.5% dip in volume to 4 million liters, witnessed a growth of 2.4% in its value, amounting to around $12.6 million USD. This represents an average price increase of 6.2%, positioning it at $3.11 USD per liter.

Major Wine Exporters to Canada

Canada procured wine from 61 global suppliers in the first half of 2023. The top ten, contributing to nearly 97% of total imports, witnessed a decrease in value. However, Australia saw a surge in volume, securing its position as Canada's primary wine exporter. Australian wine imports grew by 31.6%, nearing 40 million liters. Italy, once the leader, experienced an 18.2% drop to 34.6 million liters, with France at 29.2 million liters (a 14% decline) and the United States at 24.6 million liters (down by 19%).

In terms of value, Spain saw the smallest decline among the top ten and overtook Australia as the fourth-largest seller with $58.8 million USD, a mere 1.7% decrease. France, Italy, and the United States remained the top three sellers in value, contributing to almost 70% of Canada's total wine expenditure.