Australian Agricultural Trade
2018/19
Australian agricultural exports 2018/19

- **USA**: $4.4b, +15.5%
- **INDONESIA**: $2.1b, -14.0%
- **VIETNAM**: $1.8b, -8.2%
- **NZ**: $1.7b, +5.7%
- **CHINA**: $14.0b, +12.3%
- **MENA**: $3.1b, +3.3%
- **EU**: $2.8b, -16.7%
- **JAPAN**: $5.3b, +8.7%
- **HONG KONG**: $1.4b, -4.6%
- **SOUTH KOREA**: $2.9b, +15.9%
- **EU**: $2.8b, -16.7%
- **SOUTH KOREA**: $2.9b, +15.9%

Cattle | Crops | Sheep | Wool | Wine | Horticulture | Cotton | Dairy | Seafood | Misc
Executive summary

It has been nearly 200-years since the first Australian wool was sold in London in 1821. Since that time, Australian farmers have been reliant upon global markets to trade their food and fibre, or to set a benchmark for domestic prices.

Rural Bank's agricultural trade report focuses on the volume and value of Australian agricultural exports to our major markets. This report provides farmers the opportunity to delve into export trends for each commodity and an indication of the level of demand from export markets.

In 2018/19 global agricultural commodity prices were impacted by shifting trade relationships and geopolitical tensions. Some, like tariff reductions under the China Australia Free Trade Agreement (ChAFTA), provided a boost to several commodities. Others, like Brexit and the US-China trade dispute, continue to weigh on global economic confidence. Despite this short-term volatility, the longer-term prospects for most of our export markets remains positive.

Agricultural exports accounted for 10.8 per cent of Australia's exports in 2018/19. Looking forward, ongoing negotiation of bilateral and multilateral trade agreements, shifting dietary trends, and unresolved international trade relationships, will continue to influence demand for, and competitiveness of, Australian agricultural products in export markets.

In 2018/19, Australian trade to China benefited from tariff reductions under ChAFTA which saw tariffs eliminated from many Australian agricultural exports including wine, seafood, fruits (except oranges), vegetables and nuts on the 1st January 2019. Australia also holds important tariff advantages into Japan. Grape exports to Japan benefited from production growth and preferential market access under the Japan – Australia Economic Partnership Agreement (JAEPA). Australian beef continues to enjoy a tariff advantage against US product under the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) however this advantage seems likely to be eroded by a new bilateral trade agreement between Japan and the US.

In markets like the Philippines, a growing representation of wheat-based products in local diets saw the value of Australian wheat exports increase 19 per cent year-on-year, making the Philippines the largest growth market for Australian wheat exports in value terms in 2018/19.

Australian red meat exports increased in both volume and value. Drought-induced supply increases were met by strong demand and supported values. Demand from China was fuelled in part by the impact of African Swine Fever (ASF) on local pig meat production and subsequent demand for alternative protein sources.

The ongoing US-China trade dispute and the series of tariffs imposed on US products by China has created opportunities for Australian dairy, cotton and almond producers.

Wool has been the major casualty of the trade dispute. Wool is experiencing a direct impact as tariffs have been placed on Chinese clothing exports to the US. There is also an indirect impact as the US-China trade war has resulted in weaker consumer demand in China, and combined with Brexit and other factors, has resulted in weaker economic confidence globally.

Despite these shorter term considerations, our farmers should take confidence from long-term growth in demand for quality food and fibre from Australia. While some commodities will continue to be confronted by the impacts of drought and global economic uncertainty, the long-term prospects are encouraging.

As a specialist agricultural lender, Rural Bank understands that for over two-thirds of agricultural production the end consumer lives offshore – which is why we want to support farmers with insights into the trends in these markets.
Australian agricultural exports increased in value for a ninth consecutive year in 2018/19 and reached a new record high value. Growth in the value of exports has been relatively low in the past two financial years largely due to significant declines in cropping exports. When the $6.4 billion (-46.2 per cent) decline in the value of cropping exports between 2016/17 and 2018/19 is taken into consideration it is a very positive result for almost all other commodities to record enough growth to achieve continued growth for Australian agriculture as a whole.

The largest of those increases in 2018/19 came from the cattle industry which recorded export value growth of $1.9 billion (+18.0 per cent). This could be considered a bittersweet result as it was largely the product of drought induced destocking which increased production but further eroded the already low national cattle herd. Horticulture continued to be an increasingly important export industry with a $594.1 million (+27.6 per cent) rise in export value in 2018/19. Each of the major categories in horticulture contributed to this rise, led by nuts (+39.1 per cent) and followed by fruit (+22.1 per cent) and vegetables (+18.4 per cent). Other growth commodities in 2018/19 were cotton (+$418.0 million), the sheep industry (+$393.7 million), wine (+$130.6 million), dairy (+$110.0 million) and sugar (+$27.9 million). Crop exports declined in value by $2.9 billion (-27.9 per cent) in 2018/19 due to a significant decline in production. The only other commodities to record a decline in export value were wool (-$162.6 million) and seafood (-$61.0 million).

Australian agricultural exports were supported by a continued weakening of the Australian dollar which averaged 7.7 per cent lower in 2018/19. The interest rate differential between Australia and the US was the main driver of the lower Australian dollar as well as lower housing prices and a fall in business and consumer confidence. It is likely that the Australian dollar will continue to decline towards 65 US cents as these factors continue into the 2019/20 financial year.

The outlook for Australian agricultural exports is mixed and a tenth consecutive year of growth is uncertain. Positivity remains from a demand perspective, particularly from the continuation of growing populations and wealth in Asia which has supported higher prices across a wide range of commodities. Some commodities may benefit from a reduction in US exports to China, however the ongoing trade dispute is also appearing more likely to cause a slowdown in the economies of both nations which could weaken demand for premium agricultural goods. Offsetting the positivity in demand are some supply challenges on the horizon for a number of commodities, most notably for cattle, sheep and wool where reduced flocks and herds will limit production and therefore exportable supplies in 2019/20. This could be partially offset by a slight improvement in cropping production. Expect the total value of Australian agricultural exports in 2019/20 to remain similar year-on-year as a rise in cropping exports offsets the decline in livestock sector exports.
Commodity growth comparison

The compound annual growth rate (CAGR) of Australian agricultural exports was 4.6 per cent over the last 10 years, but varies widely between commodity sectors.

Cotton has the highest 10 year CAGR of 17.7 per cent, rising from a very low base value of $500 million in 2008/09. Growth in cotton exports over the last 10 years hasn’t been smooth, with values peaking in 2011/12 and 2012/13.

Fruit and nuts have been consistently high growth markets over the past decade, rising from low values to now be significant export commodities.

Cattle, sheep and wool export values have grown at CAGR of 6.3-7.4 per cent over the last 10 years, a strong performance given the relatively higher values of these commodities.

Wine exports have recorded relatively modest growth over the last 10 years at 1.7 per cent, however a recovery in values over the last five years has produced a strong five year CAGR of 9.9 per cent.

Dairy sits towards the lower end of export value and is the only commodity sector to have negative CAGR over the last 10 years at -1.1 per cent. There is growing optimism in the industry with increased export values in the last two years.

Australian goods and services exports

Agricultural exports accounted for a smaller proportion of Australian goods and services exports in 2018/19. Total goods and services exports increased by $66.6 billion (+16.5 per cent) in 2018/19, a proportionately larger increase than agricultural exports recorded.

The largest contributors to the growth in exports were ‘other mineral fuels’ which increased by $21.5 billion (+54.8 per cent) and ‘metal ores and minerals’ which increased by $19.2 billion (+21.4 per cent).

Imports

The value of agricultural imports to Australia increased by $1.9 billion (+10.4 per cent) in 2018/19 to a value of $20.0 billion. This was equivalent to 39.5 per cent of the value of exports.

The top imported commodities were miscellaneous prepared food ($2.94 billion), wine, whiskey and beer ($2.57 billion combined) and dairy ($1.37 billion). The European Union, New Zealand and the United States are Australia’s top sources of imports, accounting for 53.9 per cent of agricultural imports.
Export markets

Australia’s top five agricultural export markets all recorded increases in value in 2018/19. The combined value of these markets accounted for a greater share of the total value of Australian agricultural exports in 2018/19 at 60 per cent, an increase from 57 per cent in 2017/18.

China continued its impressive run of growth as an export market in 2018/19, increasing by a further $1.5 billion. This meant China accounted for 28.4 per cent of Australian agricultural exports and was the largest export market for all commodity groups except for vegetables, sugar and beef and cattle. China remained the clear standout market for longer term growth, with an increase of $10.8 billion at a CAGR of 15.8 per cent over the last 10 years.

Japan continued to be a consistent growth market by increasing in value for the fifth consecutive year, up by $421.8 million (+8.7 per cent). Beef accounted for 43.9 per cent of exports to Japan and increased in value by $191.5 million (+9.0 per cent). Canola (+$80.4 million), wheat (+$69.3 million) and cheese (+$27.0 million) were other major growth commodities to Japan in 2018/19. Growth over the past five years has been at a CAGR of 6.9 per cent and was a recovery from a 24 per cent decline in value between 2008/09 and 2013/14. Accounting for both those periods, the 10 year CAGR is a modest 0.6 per cent.

Exports to the US increased by $589.0 million (+15.5 per cent), with growth mostly coming from red meat. Beef accounted for 44.1 per cent of Australian agricultural exports to the US and increased in value by $227.8 million (+13.8 per cent), while sheepmeat increased by $179.9 million (+24.0 per cent) and accounted for 21.2 per cent of exports. Macadamia nuts were a relatively small export commodity to the US but more than doubled in value in 2018/19 to $55.9 million.

The Middle East and North Africa (MENA) region increased in value by $97.0 million in 2018/19. The region was a significant exception to the trend of lower crop export values by recording growth in exports of wheat, barley and legumes. Lamb accounted for 20.4 per cent of exports to MENA and increased in value by $71.1 million (+12.8 per cent), however this was not enough to offset the $82.1 million (-43.1 per cent) decline in the value of live sheep exports.

Beef accounted for 51.3 per cent of the value of Australian agricultural exports to South Korea in 2018/19 and contributed $325.8 million of extra value to the market. Growth in the value of wheat (+$67.9 million) and lamb (+$21.8 million) also helped lift the total value of exports to South Korea by $400.3 million.

All major agricultural commodities recorded lower export values to the European Union (EU) in 2018/19. Canola is the largest commodity exported to the EU and declined in value by $347.5 million (-31.1 per cent). Wine and wool are also significant commodities that both recorded declines. The value of agricultural exports to the EU was $554.2 million lower in 2018/19, the largest decline of the top 10 markets.

Vietnam has been a strong growth market for Australian agricultural exports with a compound annual growth rate of 15.3 per cent over the last ten years. During that period, the value of exports to Vietnam increased from $434 million to a high of $2.1 billion in 2016/17 before declining over the past two years. Major growth commodities over that period have been wheat, live cattle, cotton and beef.

Source: GTA
State export performance

Wheat exports were $397.3 million lower year-on-year and over a billion dollars lower than 2016/17. Similarly, chickpea exports declined by $264.4 million. Most other commodities such as beef, sheepmeat, wine, dairy and macadamias recorded significant growth in export value, but not enough to counter the losses in crop exports.

South Australian exports declined by $856.1 million in 2018/19 after five years of growth. The decline in value was led by a $798.6 million (-57.8 per cent) fall in the value of wheat exports after lower production in 2018. Growth in export value was recorded for wine, seafood, wool, mutton and almonds.

Tasmanian exports recorded a second consecutive year of growth in 2018/19, this time as a result of a significant recovery in dairy exports. Dairy exports increased by $46.8 million (+47.6 per cent) after a $39.8 million decline in 2017/18. Beef exports also grew in value, up by 9.1 per cent, while seafood, wool, mutton and almonds declined in value.

Exports from Queensland increased by a relatively modest $59.1 million in 2018/19. Beef exports recorded significant growth of $850.5 million (+18.8 per cent), but this was offset by significant declines in chickpeas (-$444 million) and reported cotton exports (-$222.5 million). The expected slowdown in beef exports is likely to drive a decline in the value of Queensland exports in 2019/20.

Western Australia recorded the largest increase in export value of $1.68 billion, led by growth in wheat (+$904 million) and barley (+$895 million) exports. Sheepmeat (+$83 million) and beef (+$76 million) also recorded higher export values while canola, wool, seafood and live sheep recorded declines. It is unlikely that Western Australian crop production in 2018 will be repeated in 2019, which is expected to result in a decline in the state’s value of exports in 2019/20.

The value of exports from New South Wales declined for the second year in a row, driven lower by another year of reduced crop production. Wheat exports were $397.3 million lower year-on-year and over a billion dollars lower than 2016/17. Similarly, chickpea exports declined by $264.4 million. Most other commodities such as beef, sheepmeat, wine, dairy and macadamias recorded significant growth in export value, but not enough to counter the losses in crop exports.

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Beef and cattle

Trade performance and outlook

The value of Australian cattle industry exports reached a new record high of $12.3 billion in 2018/19. The significant level of growth was driven by both a drought induced lift in supply and continued growth in global demand.

Beef export volumes increased for the second year in a row with the largest increases in export volume recorded in the drought affected eastern states of Queensland, Victoria and New South Wales. The average export price increased 9.3 per cent despite a 9.1 per cent increase in export volume, indicating that export demand was sufficient to absorb the additional supply.

The number of cattle exported live increased 29.1 per cent in 2018/19, driving the overall value of live exports 29.8 per cent higher to $1.6 billion. Drought induced destocking in northern Australia was the primary driver of increased live export volume as the live export market provided producers an alternative selling option for cattle not well suited to local feedlots or processors. Encouragingly, the average export price of live cattle held up relatively well under the weight of extra volume, declining only 1.8 per cent. Live cattle exports increased to the major markets of Indonesia, Vietnam and China.

Continued growth in global demand, coupled with an anticipated slowing of global production and export growth should allow Australian beef exports to continue attracting higher prices in 2019/20. However, one of the implications of herd liquidation in Australia will be a reduction in supply, which is expected to reduce the volume of exports in 2019/20. Lower export volume is expected regardless of seasonal conditions driven by either a consolidation of the existing herd or rebuilding activities if conditions improve.

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*Live cattle includes beef and dairy cattle for breeding purposes  
Source: GTA

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Australia exported 1.2 million tonnes of beef and exported 1.3 million cattle in 2018/19.  
Source: GTA
Major export markets

Whilst Japan remained the most valuable market for Australian beef in 2018/19, Australian export volumes fell 1.9 per cent as we continued to lose market share to the US. Australian beef currently holds an 11.9 per cent tariff advantage over the US under the Comprehensive and Progressive Trans-Pacific Partnership, however this advantage seems likely to be eroded by a new bilateral trade agreement between Japan and the US.

Australian beef exports to China grew 49.2 per cent by value in 2018/19. Export volumes to China from South America (Brazil, Argentina and Uruguay) continue to grow and account for over 60 per cent of Chinese beef imports. However, the decline in protein supply resulting from the impacts of African Swine Fever (ASF) on the Chinese pig herd, combined with the continued growth in protein consumption should produce import demand large enough for all exporters to continue expanding shipments to China.

The US slipped from second to third most valuable export market for Australian cattle industry exports, despite a 13.8 per cent rise in value. US beef consumption increased significantly which led to larger volumes of Australian lean beef imports to compliment fatter domestic production in manufacturing beef products. Larger volumes of beef exports to the US also attracted higher prices, supported by a weaker Australian dollar and stronger competition from China for similar cuts of beef.

Exports to South Korea had slowed over the past two years but jumped to a new record value in 2018/19. Imports from the US, who holds a much larger share of the South Korean market, also increased, up by 22.8 per cent, indicating a strong rise in South Korea’s beef demand.

Indonesia became a billion-dollar export market for the first time in 2018/19. Growth was primarily driven by live cattle and offal exports, and offset a 0.7 per cent decline in value of frozen beef cuts as Indonesia sought lower cost carabeef from India.

Value of Australia’s top 10 cattle industry export markets

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>$2,578</td>
<td>+9.0%</td>
<td>21.0%</td>
</tr>
<tr>
<td>China</td>
<td>$2,372</td>
<td>+49.2%</td>
<td>19.3%</td>
</tr>
<tr>
<td>USA</td>
<td>$1,975</td>
<td>+13.8%</td>
<td>16.0%</td>
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<tr>
<td>South Korea</td>
<td>$1,648</td>
<td>+25.8%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>$1,124</td>
<td>+14.6%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$478</td>
<td>+47.9%</td>
<td>3.9%</td>
</tr>
<tr>
<td>MENA</td>
<td>$472</td>
<td>+32.8%</td>
<td>3.8%</td>
</tr>
<tr>
<td>EU</td>
<td>$281</td>
<td>-3.9%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>$271</td>
<td>-1.2%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Philippines</td>
<td>$189</td>
<td>-2.4%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

China overtook the USA as the 2nd most valuable export market due to a 74.2% rise in beef export.
Cropping

Value of exports decreased by $2.89 billion (-27.9 per cent)
Volume of exports decreased by 39.9 per cent
Average price of Australian crop exports increased by 19.9 per cent
Below average crop production to result in another year of low export value in 2019/20

The Philippines were the largest growth market for Australian wheat exports in value terms in 2018/19.
The value of legume exports to India fell 97.8 per cent from 2016/17, reflecting the impact of tariff barriers into this market.
Crop exports accounted for 15.2 per cent of Australian agricultural exports.
Australia accounted for 5.6 per cent of global wheat exports and 14.9 per cent of global barley exports.

Trade performance and outlook

Australian cropping exports declined in value for the second consecutive year in 2018/19, primarily as a result of lower production which reduced exportable supplies. Western Australia was the exception to this national trend as timely growing season rainfall fuelled record crop production and a 37.3 per cent rise in export volume. In addition to lower production, increased domestic consumption for feed grains further tightened exportable surplus. Domestic use accounted for 50.5 per cent of crop utilisation in Australia in 2018/19, up from 25.8 per cent in 2016/17.

The effect of lower export volumes on the total value of exports was partially offset by strong domestic demand which supported higher average export prices. While higher prices brought some benefit to export values, they also resulted in reduced competitiveness of Australian grains in global markets.

All crop types recorded lower export volumes which drove the overall value of exports 39.9 per cent lower. Wheat exports recorded the largest decline of almost $1 billion (-21.4 per cent), followed by legumes (-$869.7 million), barley (-$592.7 million) and canola (-$343.3 million).

The significant decline in legume exports was affected by both dry conditions and a reduction in area planted in response to tariffs on exports to India. The loss of the Indian market has been significant for legumes, falling 97.8 per cent from a $1.4 billion market in 2016/17 to only $31.9 million in 2018/19.

Another below average Australian crop is expected in 2019/20, which will again result in low volumes available for exports in the coming year. Compounding the effect of expected low production, the USDA is forecasting record global wheat production and above average global barley production in 2019. Increased supply from competing origins is likely to place further downward pressure on Australian grain export volumes in 2019/20.

Lower export values for all crop types led to Australian crop exports falling to a 9 year low value of $7.5 billion.

Source: GTA

Australia exported 17 million tonnes of crops in 2018/19, the lowest since 2007/08.

Source: GTA
Major export markets

The value of crop exports to China declined 47.8 per cent, driven by a $621.0 million fall in barley export value due to reduced supply, higher prices and uncertainty of the outcomes of the ongoing anti-dumping investigation. Wheat exports to China also declined significantly from $292.5 million down to only $32.2 million.

Crop exports to Japan increased in value as growth for canola (+$80.4 million) and wheat (+$69.3 million) exports offset an $82.4 million decline in barley exports. Australian canola was sought after by Japanese buyers to replace Canadian canola which had lower oil content than desired. The mixed fortunes of wheat and barley exports occurred due to a strong preference for Australian wheat for noodles, but a willingness to substitute Australian barley for cheaper alternatives.

The Philippines were the largest growth market for Australian wheat exports in value terms in 2018/19, increasing $87.1 million to $539.8 million as higher prices offset a 3.2 per cent decline in volume. Wheat-based products are becoming a larger part of diets in the Philippines.

Indonesia dropped from second to fourth most valuable crop export markets in 2018/19 after a 57.6 per cent decline in the value of wheat export. Indonesian mills sought cheaper grains which meant Australian milling wheat struggled to compete with lower cost suppliers particularly from the Black Sea region.

The value of crop exports to the European Union (EU) declined again in 2018/19 largely due to a 31.1 per cent decline canola exports. In addition, Australian canola exports faced increased competition in the EU market from a larger volume of Canadian canola which would otherwise have been sold to China were it not for ongoing trade disputes.

Value of Australia's top 10 crop export markets

<table>
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<tr>
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<td>$1,049</td>
<td>-47.8%</td>
<td>14.0%</td>
</tr>
<tr>
<td>Japan</td>
<td>$742</td>
<td>+9.9%</td>
<td>9.9%</td>
</tr>
<tr>
<td>Philippines</td>
<td>$556</td>
<td>+18.1%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>$435</td>
<td>-55.4%</td>
<td>5.8%</td>
</tr>
<tr>
<td>South Korea</td>
<td>$431</td>
<td>+15.6%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$352</td>
<td>-28.0%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Belgium</td>
<td>$330</td>
<td>-28.4%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>$279</td>
<td>-28.5%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Germany</td>
<td>$271</td>
<td>-49.5%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Thailand</td>
<td>$247</td>
<td>+25.1%</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

The largest declines in export value occurred for barley to China and wheat to Indonesia.

Source: GTA
Sheep

**Export Value**
Value of exports increased by $393.7 million (+10.0 per cent)

**Export Volume**
Volume of sheepmeat exports increased by 7.2 per cent

**Export Price**
Average export price of sheepmeat increased by 10.0 per cent to A$7,907/tonne

**Outlook**
Lower export volume expected in 2019/20, but prices supported by strong demand

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### Trade performance and outlook

The value of Australian sheep industry exports reached a new record high of $4.3 billion in 2018/19, driven higher by strong demand and a larger share of Australian sheepmeat production going to overseas markets.

The volume of lamb exports increased 4.6 per cent in 2018/19 despite a 5.8 per cent decline in production, which resulted from dry conditions and a lower flock.

Strong competition between international buyers and domestic consumers saw lamb exports as a proportion of production increase to 58.5 per cent, up from 52.7 per cent in 2017/18. Competition also resulted in an 11.5 per cent increase in the average price of lamb exports, despite a 4.6 per cent increase in export volumes.

Mutton export volumes increased 11.5 per cent as destocking led to higher production. With exports accounting for 85 per cent of mutton production, the additional supply naturally flowed into export markets. Export markets absorbed the additional supply and the average export price of mutton increased 8.7 per cent.

Live sheep exports declined by 53.2 per cent in 2018/19 to the lowest point since the 1960s and at $121.1 million, accounted for only 2.8 per cent of Australia’s sheep industry exports. Western Australia was the source of 96.8 per cent of live sheep exports and the trade remains an important part of the states sheep industry, accounting for 17.1 per cent of sheep industry exports. The cessation of trade to the Middle East from June to August will continue to restrict the value of exports as these months account for approximately $54.5 million worth of live exports.

The impact of a smaller sheep flock will be felt strongly in 2019/20 with an expected decline in sheepmeat export volume. Spring lambing rates are expected to be poor, the result of dry conditions and fewer ewes joined, while sheep slaughter should experience a correction after a drought-induced increase in 2018/19. However, lower export volumes are expected to be met by sustained robust demand which should sustain strong values. Any gain in price is unlikely to offset the decline in volume, resulting in a decline in total export value in 2019/20.

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### Export value

- China overtook the MENA region as the largest export market for the Australian sheep industry.
- Lamb export prices to the US were on average 2.3 times higher than China.
- Sheep industry exports accounted for 8.8 per cent of total Australian agricultural exports.
- Australia is the world’s largest exporter of sheepmeat, accounting for 33 per cent of global exports by volume.
Major export markets

China overtook MENA region as the largest export market for the Australian sheep industry. Mutton exports led the growth, increasing by $171.1 million (+64.6 per cent) to a value of $436.1 million. Lamb exports are not far behind at $432.1 million, after recording growth of $134.8 million (+45.3 per cent). Imports only account for approximately five per cent of Chinese sheepmeat consumption, but demand has increased as consumption has risen faster than domestic production. The volume of Australian sheepmeat exported to China increased 24.4 per cent in 2018/19, but remained the second largest supplier after New Zealand who also recorded significant growth in export volume of 21.9 per cent. Despite substantially larger export volumes the average export price for Australian sheepmeat increased 24.2 per cent. Demand from China is expected to remain robust and support higher prices for a lower supply of sheepmeat from both Australia and New Zealand in 2019/20.

The value of sheep industry exports to the MENA region declined by 1.4 per cent, largely due to a turbulent year for live sheep exports. The loss in value from live exports was mostly offset by a $71.1 million (+12.8 per cent) rise in lamb exports. The UAE recorded a seventh consecutive year of growth in value, driven by a growing appetite for lamb as wealth has risen. Qatar recorded an increase in export value as growth in lamb (+$60.5 million) and mutton (+$9.0 million) more than offset a $51.4 million (-63.7 per cent) decline in live sheep export value.

The US continued to be a steady growth market in 2018/19, recording a 7th consecutive year of growth in value. Over that period, the compound annual growth rate of export value has been a strong 16.0 per cent. Growth in value was recorded for both lamb (+22.3 per cent year-on-year) and mutton (+34.9 per cent). The average export price of lamb to the US is 2.3 times higher than China. Lamb remains a niche product in the US but is growing in familiarity, particularly among millennial consumers through food service channels. Domestic production is declining and creating a larger requirement for imports to supply the increasing demand.

Value of Australia’s top 10 sheep industry export markets

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$1,177</td>
<td>+27.2%</td>
<td>27.2%</td>
</tr>
<tr>
<td>USA</td>
<td>$930</td>
<td>+24.0%</td>
<td>21.5%</td>
</tr>
<tr>
<td>UAE</td>
<td>$244</td>
<td>+4.1%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Qatar</td>
<td>$214</td>
<td>+9.2%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>$178</td>
<td>+7.3%</td>
<td>4.1%</td>
</tr>
<tr>
<td>South Korea</td>
<td>$147</td>
<td>+15.4%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Japan</td>
<td>$144</td>
<td>+0.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td>EU</td>
<td>$138</td>
<td>-24.3%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Kuwait</td>
<td>$126</td>
<td>-6.2%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Canada</td>
<td>$108</td>
<td>+11.6%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

China and the US led the growth in sheep industry exports with increases of 27.2 per cent and 24.0 per cent, respectively.

Sheepmeat exports increased to all major markets, but a decline in live sheep exports to MENA led to a decline in total export value.

Source: GTA
Wool

Trade performance and outlook

Reduced wool production in Australia prevented wool exports increasing in value for a fifth consecutive year in 2018/19. Dry conditions led to a decline in wool production by having the combined effect of forcing many producers to destock, reducing the number of sheep shorn, and reducing average wool cut per head.

Australian wool prices entered 2018/19 at record high levels, driven higher by strong Chinese demand for a reduced supply of wool, but experienced some volatility and a steady downwards trend beginning in February 2019. Despite this, prices averaged higher year-on-year in 2018/19 and partially offset the effects of lower export volume on the overall value of wool exports.

Fine wool was the only category to record an increase in export value in 2018/19, up by $98.9 million (+5.6 per cent). Dry conditions generally result in a larger proportion of finer wool and this was evident as wool less than 20 micron recorded the smallest decline in export volume of only 3.2 per cent. The 9.1 per cent rise in average export price of fine wool was the lowest price rise but enough to more than offset the reduced volume.

Wool between 20–23 micron declined in value by $244.6 million (-14.6 per cent) as a 15.8 per cent rise in average export price was not enough to offset the 26.3 per cent decline in volume.

The broader wool categories both recorded large declines in export volume but significant increases in average export prices. The net result for both categories were declines in value of $25.3 million for 24–27 micron and $24.3 million for >27 micron.

Value of Australian wool exports

Volume of Australian wool exports

**2018/19 AT A GLANCE**

- Fine wool was the only category of wool to record an increase in export value in 2018/19.
- Continued global economic uncertainty will weigh on the outlook for Australian wool exports.
- Wool exports accounted for 7.8 per cent of total Australian agricultural exports.
- Australia is the world’s largest exporter of wool, accounting for approximately 50 per cent of global exports by volume.
The value of Australian wool exports is expected to decline significantly in 2019/20, driven by both a continued easing of prices and a decline in production. Prices are declining due to weaker demand from China, a trend which is expected to continue for as long as global economic uncertainty persists, despite the expected decline in wool supply. Australian wool production will continue to be limited by a very low sheep flock, driving another decline in export volume in 2019/20.

Major export markets
The value of wool exports to China declined by $113.1 million in 2018/19, brought down by the lower supply of wool in Australia. Fine wool (<20 micron) was the only category to record an increase in value in 2018/19, supported by higher prices. Demand for Australian fine wool also received a boost when China temporarily banned imports from South Africa after an outbreak of foot and mouth disease. The value of medium and broad wool exports declined, primarily due to less supply. The implications of the trade dispute between China and the US will be a major influencer on the outlook for Chinese demand for Australian wool. Wool demand will be affected by tariffs on clothing from China to the US which accounts for 15 per cent of clothing manufactured in China. In addition, global demand for woollen clothing as a predominantly luxury good is likely to weaken if economic downturn eventuates as a by-product of the trade dispute.

Italy was the only significant growth market for Australian wool exports in value terms, despite a 3.4 per cent decline in volume. The increase in value came exclusively from 20–23 micron wool, which accounted for more than half the value of wool exports to Italy and increased by $113.1 million (+9.0 per cent). Italy imported a similar volume of 20–23 micron wool compared to 2017/18, but had to pay increased prices.

India and the Czech Republic both recorded lower imports of Australian wool in 2018/19. Tight supply and high prices from Australia caused both countries to increase imports from South Africa as an alternate source of wool.

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$2,862</td>
<td>-3.8%</td>
<td>74.9%</td>
</tr>
<tr>
<td>Italy</td>
<td>$251</td>
<td>+7.0%</td>
<td>6.6%</td>
</tr>
<tr>
<td>India</td>
<td>$225</td>
<td>-8.7%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>$119</td>
<td>-33.3%</td>
<td>3.1%</td>
</tr>
<tr>
<td>South Korea</td>
<td>$113</td>
<td>-1.7%</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

Fine wool exports to China increased by 6.6 per cent in 2018/19, while 20-23 micron declined by 13.2 per cent.
Wine

Value of exports increased by $131 million (+4.6 per cent)

Volume of exports declined by 6.2 per cent

Average export price increased by 11.5 per cent to A$3.64/litre

Unfavourable conditions to reduce production, but Chinese demand to drive higher prices

China’s appetite for red wine has been growing strongly over the last five years.
The competitiveness of Australian wine in China has improved due to a lower Australian dollar and declining tariffs under the China-Australia Free Trade Agreement (ChAFTA).
Wine exports accounted for 6.0 per cent of total Australian agricultural exports.
Australia accounts for approximately 5.8 per cent of global wine exports (ranked 4th).

Trade performance and outlook

Australian wine exports reached a new record high value in 2018/19 of $2.96 billion, eclipsing the previous record from 2006/07. This was the fifth consecutive year that wine exports have increased in value, with growth of $1.1 billion (+60 per cent) over that period.

Australia exported 813 million litres of wine in 2018/19, a year-on-year decline of 6.2 per cent. Australian wine grape crush has been relatively stable over the last 10 years, with a small decline of 3 per cent recorded in 2019 due to hot and dry seasonal conditions.

The decline in export volume was offset by a rise in the average export price. The average export price in 2018/19 was 41.2 per cent higher than 2013/14 after five consecutive years of increases.

Red wine exports continued to drive the growth in Australian wine exports in 2018/19 with an additional $92.9 million worth of exports (+4.4 per cent). This adds up to growth of 78 per cent over the past five years, almost entirely driven by growing Chinese demand. Exports of white wine and sparkling wine also recorded increases in value of $26.4 million (+4.3 per cent) and $80.0 million (+14.4 per cent), respectively.

Australian wine exports are expected to be limited by another decline in wine grape production in 2019/20 due to the continuation of dry conditions and the prohibitive price and availability of irrigation water. Prices are expected to continue to increase further, driven by continued growth in Chinese demand, albeit at a slower growth rate to recent years.

The value of wine imports to Australia increased by 0.8 per cent in 2018/19 to a new record high of $833.5 million. A greater value of imports came from the top three importers who combined account for 91 per cent of Australian wine imports. Imports from New Zealand increased 0.8 per cent to $341.0 million. An 11.0 per cent increase in French red wine imports led a 4.2 per cent increase in imports from France, up to $318.2 million. Imports from Italy increased 11.7 per cent to $99.6 million, led by a 14.2 per cent rise in sparkling wine imports.

Wine export volumes were lower, largely due to a year-on-year decline of almost 52 million litres in red wine exports.

Source: GTA
**Major export markets**

The growth in the value of wine exports in 2018/19 and over the past five years has almost exclusively come from Chinese demand for red wine. The compound annual growth rate of wine exports to China has been 39.9 per cent since 2013/14. Australian exporters have taken advantage of China’s growing appetite for wine and improved competitiveness in the market due to a lower Australian dollar and declining tariffs under the China-Australia Free Trade Agreement (ChAFTA). Tariffs on Australian wine were eliminated in January 2019 after being progressively reduced each year since 2015. Competitors remain subject to a 14 per cent tariff. Slower economic growth in China combined with a growing domestic industry is expected to result in slower growth in import demand over the medium term.

Exports to the US recorded modest growth in value in 2018/19, led by a $10.5 million (+5.9 per cent) rise in white wine exports but a loss of $5.4 million (-2.1 per cent) in red wine export. Import demand from the US is expected to remain subdued compared to longer term history as a result of a lack of growth in wine consumption and improved domestic production, particularly in California.

The decline in wine export value to the UK was driven by a $20.8 million (-8.3 per cent) decline in red wine exports. This was partially offset by a $7.1 million (+4.7 per cent) rise in white wine exports. While economic uncertainty is expected to lead to lower wine consumption, Australian exports to the UK are supported by an agreement made in January 2019 that will ensure the trade commitments with the UK remain unchanged post-Brexit. European competitors currently do not have a similar agreement with the UK which could potentially create greater opportunities for Australian exports.

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$1,079</td>
<td>+9.8%</td>
<td>36.5%</td>
</tr>
<tr>
<td>USA</td>
<td>$447</td>
<td>+1.1%</td>
<td>15.1%</td>
</tr>
<tr>
<td>UK</td>
<td>$398</td>
<td>-2.9%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Canada</td>
<td>$199</td>
<td>-0.2%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$139</td>
<td>+5.7%</td>
<td>4.7%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>$102</td>
<td>+7.3%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Singapore</td>
<td>$91</td>
<td>-0.8%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>$64</td>
<td>+11.6%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Japan</td>
<td>$55</td>
<td>+1.4%</td>
<td>1.8%</td>
</tr>
<tr>
<td>MENA</td>
<td>$39</td>
<td>+21.4%</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

Value of Australia’s top 10 wine export markets

The expansion of Chinese wine demand has led the recovery in the value of Australian wine exports over the past 5 years.

Red wine continued to be the major growth product for Australian wine in China, increasing by 10.9 per cent in 2018/19.
Cotton

**EXPORT VALUE**
Value of exports increased by $418.0 million (+19.6 per cent)

**EXPORT VOLUME**
Volume of exports increased by 2.5 per cent

**EXPORT PRICE**
Average export price increased by 16.8 per cent to A$2,852/tonne

**OUTLOOK**
Lower value of exports in 2019/20 due to further decline in Australian cotton production and uncertain trade conditions

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**2018/19 AT A GLANCE**

- A 25 per cent tariff on US cotton exports to China created a significant gap in Chinese imports for Australian cotton to fill.
- Australian cotton exports will continue to be restricted by unfavourable seasonal conditions.
- Cotton exports accounted for 5.2 per cent of total Australian agricultural exports.
- Australia is the world’s third largest cotton exporter, accounting for 9 per cent of global exports.

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**Trade performance and outlook**

Australian cotton exports increased in volume as a drawdown of carry in stocks offset a 54 per cent decline in production. Lower production occurred due to a decline in the area of cotton planted in response to dry conditions in New South Wales and Queensland during planting and lower water availability for irrigation. Australian cotton stocks are estimated to have declined by 6.2 per cent in 2018/19 in order to offset lower production and meet increased export demand.

In addition to increased volume, an increase in the average export price was a stronger factor in the increased export value of Australian cotton. Prices responded to lower production and firmer demand and remained above the five-year average for most of the financial year.

Demand for Australian cotton improved in 2018/19, largely as a result of increased import demand from China and improved competitiveness into China following the implementation of a tariff of 25 per cent on US cotton in July 2018.

The value of Australian cotton exports is expected to decline in 2019/20 due to a further decline in domestic production. The continuation of dry conditions in Australia’s cotton growing regions and sustained high water prices are likely to result in another reduction in the area planted to cotton in 2019. This will reduce the volume available for export, with stocks to supplement some supply to export markets. Prices should continue to remain supported by additional Chinese demand for as long as tariffs remain in place on US cotton, albeit at lower levels than 2018/19. This should partially offset the impact of lower supply on total export value.

The caveat to the export outlook is the uncertainty of the trade war between China and the US and the economic implications of a prolonged dispute. Poorer economic conditions would likely result in lower Chinese textile and apparel demand and therefore a lower requirement for cotton imports. A resolution to the trade dispute and resumption of US cotton exports to China would suppress cotton export opportunities and prices in Australia.

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**Value of Australian cotton exports**
Australian cotton export increased in value for the third consecutive year to a total of $2.5 billion.

**Volume of Australian cotton exports**
Australian exported 893,500 tonnes of cotton, a modest increase on 2017/18.

Source: GTA
Major export markets

China returned to be Australia’s largest market for reported cotton exports in 2018/19 as Australian exporters benefitted from tariffs placed on cotton imports from the US. US cotton accounted for approximately 45 per cent of Chinese cotton imports in the previous two years, but the increased competitiveness of Australia cotton in 2018/19 has allowed Australian cotton to recapture a larger market share along with Brazil. Chinese cotton production is expected to remain flat in 2019/20 at 6 million tonnes, while consumption is expected to rise 1.3 per cent. The widening gap between consumption and domestic production is likely to see China utilise cotton stocks and increase import demand. Greater import demand from China should provide support to Australian cotton prices.

Australian cotton exports to Vietnam were negatively impacted by tariffs on US cotton exports to China as a greater volume of US cotton was diverted to Vietnam, displacing some Australian cotton. This was the first year-on-year decline in export value to Vietnam since 2008/09, during which time exports increased from $1.6 million to $456.9 million in 2017/18.

Bangladesh had been following a similar growth trajectory to Vietnam since 2008/09 but recorded a decline in value of $151.6 million in 2018/19. India accounted for 25 per cent of Bangladesh cotton imports.

Exports to Indonesia increased by $44.3 million (+152.0 per cent) in 2018/19, a modest recovery from a dramatic decline in 2017/18. Exports to Indonesia remain relatively low as Australian cotton has struggled to compete in recent years as imports from the US, Brazil and Argentina build market share.

Reported* value of Australia’s top 10 cotton export markets

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$891</td>
<td>+684.6%</td>
<td>35.0%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$376</td>
<td>-17.8%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>$200</td>
<td>-43.2%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>$73</td>
<td>+152.0%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Thailand</td>
<td>$56</td>
<td>-29.5%</td>
<td>2.2%</td>
</tr>
<tr>
<td>India</td>
<td>$55</td>
<td>-55.6%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>$36</td>
<td>-24.8%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Japan</td>
<td>$27</td>
<td>-12.5%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Turkey</td>
<td>$23</td>
<td>-79.1%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Unidentified</td>
<td>$787</td>
<td>+6.8%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>

Australia’s top 5 reported markets for cotton exports accounted for 62.6 per cent of total exports in 2018/19, up from 54.1 per cent in 2017/18.

Source: GTA*
**Dairy**

**Value of exports increased by $110.0 million (+4.6 per cent)**

**Volume of exports decreased by 1.8 per cent**

**Average export prices of milk powder and cheese both increased by 7.6 per cent**

**Lower production to restrict export volumes and drive a reduction in export value in 2019/20**

- Australian dairy exports have increased in value in the last two years despite lower production.
- Stronger demand has led to improved global dairy prices.
- Dairy exports accounted for 5.1 per cent of total Australian agricultural exports.
- Australia is the fourth largest dairy exporter in the world, accounting for approximately 6 per cent of global dairy exports.

**Trade performance and outlook**

The value of dairy exports increased for the second consecutive year, recovering $301.9 million of the $448.8 million value lost between 2013/14 and 2016/17. Gains in the last two financial years have come from improvements in price, offsetting declines in export volumes as unfavourable seasonal conditions and poor returns have led to herd reductions and therefore lower milk production. Lower supply from Australia and stronger export demand, particularly for skim milk powder to China and cheese to Japan, have led to a recovery in average export prices.

Cheese and curd exports have been the largest growth commodity in dairy, increasing by $43.3 million (+4.6 per cent) in 2018/19 to a value of $990.2 million. Japan was the destination for 49.3 per cent of Australian cheese and curd exports and stronger demand in this market was the primary driver of a 7.6 per cent rise in average export price which offset a 2.8 per cent decline in export volume.

Milk powder was the only major dairy commodity to decline in export value in 2018/19, falling by $22.0 million (-2.7 per cent) to $792.3 million. The decline in value occurred due to a 9.6 per cent decline in export volume exceeding the 7.6 per cent growth in average export price. Whole milk powder recorded a decline of $51.0 million (-15.5 per cent) due to a proportionately larger decline in volume (-24.3 per cent) compared to skim milk powder (-3.5 per cent). Skim milk powder increased in value by $28.9 million to $485.7 million.

Milk and cream exports increased by $38.5 million (+14.7 per cent) in 2018/19 to $300.9 million. The value of exports increased due to rises in both volume (+13.6 per cent) and average export price (+5.3 per cent).

Australian dairy exports increased in volume for the second consecutive year to a total of $2.5 billion.

Source: GTA
Butter exports also grew in value in 2018/19, up by $18.3 million (+15.8 per cent) to $134.0 million. A shortfall of US butter production and subsequent rise in import demand was the primary driver of a larger volume of butter exports, but a 12.5 per cent decline in average export price.

Dairy export value is likely to be lower in 2019/20 as a result of subdued milk production from unfavourable seasonal conditions. Price growth in global dairy commodities could partially offset a lower volume of exports and give processors confidence to maintain higher farm gate prices.

**Major export markets**

China was the largest growth market for Australian dairy exports in 2018/19 and increased in value for the fourth consecutive year as consumption growth continues to outpace growth in domestic production, increasing the requirement for imported products. All major dairy commodities recorded increased export values to China, led by milk powder which rose by $37.0 million (+12.8 per cent). Milk and cream increased by $24.7 million (+26.0 per cent) as demand continued to grow for fluid milk imports. China was also a strong growth market for cheese exports, which increased by $11.2 million (+12.0 per cent). Per capita consumption of cheese is expected to continue to grow quickly and Australian exporters have a greater opportunity to capture more share of Chinese imports due to fewer imports from the US following the application of a 25 per cent tariff on US cheese.

Japan remained a growth market for Australian cheese and curd exports in 2018/19 as consumption continued to grow, while domestic production declined. Cheese exports declined by 2.3 per cent in volume but recorded an 8.4 per cent rise in average export price, leading to a $27.0 million (+5.8 per cent) rise in value. Market access to Japan improved with the implementation of the CPTPP at the end of December 2018. Tariffs were eliminated on certain cheese products and new quota allocations and tariff reductions were applied to all other cheese products. This is a significant improvement from the relatively small duty-free quotas that existed under JAEPA.

The value of dairy exports to Singapore, Indonesia and Malaysia remained relatively stable year-on-year.
Sugar

Export Value
- Value of exports increased by $27.9 million (+1.8 per cent)

Export Volume
- Volume of exports decreased by 7.4 per cent

Export Price
- Average export price increased by 10.0 per cent to A$419/tonne

Outlook
- Global price volatility is expected to result in a lower value of Australian sugar exports in 2019/20

Trade performance and outlook

The value of Australian sugar exports grew in 2018/19 as a higher average export price offset a lower volume of exports.

A global oversupply of sugar has driven international prices lower since late 2016 as record high production has exceeded consumption and caused an accumulation of stocks. Subsidised production in India has been a key factor in the increased supply and has prompted a joint challenge to the World Trade Organisation by Australia, Brazil and Guatemala. The supply and demand imbalance improved slightly in 2018/19 but a further reduction in international prices suggests supply still exceeded demand. A 9.6 per cent decline in the average ICE sugar contract in 2018/19 followed a 29.1 per cent decline in 2017/18.

There were signs for improved balance in global supply and demand in 2019/20 which would have likely led to an improvement in prices, however India’s decision to provide subsidies that incentivise exports in order to reduce stocks is now likely to extend the oversupply of sugar in global markets and suppress prices further.

Australian sugar production is expected to decline slightly in 2019/20 due to unfavourable weather conditions and uncertain market conditions. A lower volume of exports and a continuation of low prices is expected result in a year-on-year decline in export value for Australian sugar in 2019/20.

2018/19

- World sugar prices have trended lower due to an oversupply in global markets.
- Global supply and demand balance is unlikely to improve as India seeks to reduce its stocks.
- Sugar exports accounted for 3.2 per cent of total Australian agricultural exports.
- Australia is the third largest exporter of sugar, accounting for 6.7 per cent of global exports.

Note on data availability: Official statistics on sugar exports (including country and state detail) are unavailable due to confidentiality provisions. Data is published on a quarterly basis and released six months after the reference period. Estimates from the Australian Bureau for Agricultural and Resources Economics and Sciences (ABARES) have been used in this report.

Value of Australian sugar exports

The estimated value of Australian sugar exports recorded a modest increase in 2018/19 to a total of $1.6 million.

Source: ABARES

Volume of Australian sugar exports

Australia exported an estimated 3.7 million tonnes of sugar in 2018/19, accounting for 80 per cent of production.

Source: ABARES
Seafood

**Export Value**
Value of exports decreased by $61.0 million (-4.2 per cent)

**Export Volume**
Volume of exports decreased by 9.9 per cent

**Export Price**
Average export price increased by 6.3 per cent

**Outlook**
Strong export demand is expected to push prices higher and increase export value, despite constrained production growth

**2018/19 AT A GLANCE**
- Strong export demand has supported higher seafood prices, but Australian export volumes remained constrained.
- Rock lobster exports to China benefitted from the elimination of tariffs under the China-Australia Free Trade Agreement (ChAFTA) and the shutdown on grey trade from Vietnam.
- Seafood exports accounted for 2.8 per cent of total Australian agricultural exports.

**Trade performance and outlook**

The value of Australian seafood exports declined to $1.39 billion due to a decline in the volume of exports which was only partially offset by a rise in average export price. This trend of lower value from a decline in volume but higher average prices was consistent across all major seafood commodities.

The value of crustacean exports fell by $24.5 million (-2.8 per cent) in 2018/19 to $843.6 million, driven by a $18.4 million (-2.4 per cent) decline in the value of rock lobsters which accounted for 89.3 per cent of crustacean exports. The volume of rock lobster exports fell by 7.8 per cent, but a 5.9 per cent increase in the average export price offered some improvement to the value of exports. Continued strong export demand is expected to see further price rises for rock lobster exports, slow volume growth due to fisheries output controls will limit the growth in export value.

Fish exports declined by $22.7 million (-5.9 per cent) in 2018/19 to $363.6 million. Tuna from South Australia was the most valuable fish export commodity at $123.8 million. The outlook for tuna exports is neutral due to stable global prices and commercial catch controls. Tasmanian salmon was another significant fish export at $105.9 million but experienced a $22 million (-17.2 per cent) decline in 2018/19. The outlook for salmon exports is neutral as increased production is expected to meet declining prices due to increased competition from Norway and Chile. Continued growth in domestic consumption will support the industry.

Mollusc exports recorded a $14.7 million (-8.4 per cent) fall in value in 2018/19 to a total of $160.8 million. Abalone accounted for 89.1 per cent of mollusc exports at $143.2 million. Again, it was a significant decline in volume (-21 per cent) that drove a decline in value (-6.6 per cent), despite an 18.2 per cent rise in average export price. Growing demand from China is expected to continue driving price increases, but Australian production and therefore export volume growth will remain limited by allowable catch volumes.

![Value of Australian seafood exports](image1)

![Volume of Australian seafood exports](image2)

Australian seafood export declined to $1.4 billion in 2018/19 but retained a small trade surplus.

Lower export volumes were recorded for all seafood commodities in 2018/19.

Source: GTA
The value of Australian seafood imports increased by $65.2 million (+5.8 per cent) to $1.37 billion. The growth in imports and decline in exports meant Australian seafood remained a net export industry by only $12.9 million. Fish was the major export product at $639.2 million and increased by $45.6 million (+7.7 per cent). New Zealand and Vietnam were the major sources of imported fish. Prawns and squid were the other major imported commodities and also contributed to the growth in seafood imports.

**Major export markets**

The rapid expansion of seafood exports to China continued in 2018/19 with growth of $231.6 million making the market 5.2 times more valuable than 2016/17. Crustacean exports to China are almost entirely rock lobster which accounted for 79.8 per cent of seafood exports to China in 2018/19. Rock lobster exports to China increased by $240.1 million (+51.3 per cent) to a value of $705.5 million. Most of this trade replaced what was previously exported to Vietnam, as the increased tightening on the grey trade from Vietnam to China combined with the elimination of tariffs under ChAFTA resulted in direct exports to China. Abalone exports to China (which accounted for 98.7 per cent of mollusc exports) also recorded an increase in value, up by $5.0 million (+6.5 per cent) to $81.4 million. This added to growth of $31.1 million in 2017/18. Strong import demand for seafood in China is driven by the growing Chinese middle class. As production growth of both rock lobster and abalone in Australia is constrained, further growth in export value is likely to come predominately through price increases.

Japan was the only other growth market for Australian seafood exports in 2018/19. A $14.0 million (+12.3 per cent) rise in the value of tuna exports drove the growth in seafood exports to Japan. At $127.9 million, tuna exports to Japan accounted for 84.2 per cent of Australian tuna exports and 69.5 per cent of seafood exports to Japan. Growth in export value came from a 6.1 per cent rise in export volume and a 5.9 per cent increase in average export price.

**Value of Australia’s top 5 seafood export markets**

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$888</td>
<td>+35.3%</td>
<td>64.1%</td>
</tr>
<tr>
<td>Japan</td>
<td>$184</td>
<td>+7.1%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$135</td>
<td>-3.5%</td>
<td>9.7%</td>
</tr>
<tr>
<td>USA</td>
<td>$38</td>
<td>-0.3%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$26</td>
<td>-91.1%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

Hong Kong recorded a third consecutive year of decline in export value, albeit at a much slower rate in 2018/19 compared to the previous two years. The decline in value has occurred across all seafood categories.

Seafood exports to the US have remained stable at $38.1 million for the past three years. Lower export values for abalone and swordfish drove the decline despite stable values for tuna exports and growth in rock lobster exports of $4.0 million (+57.8 per cent).

Vietnam returned to be a minor export market for Australian seafood after four years of declining export value. Seafood exports to Vietnam were worth over $500 million between 2013/14 and 2016/17, but a clamp down on the grey trade to China over the past two years has resulted in seafood exports, primarily rock lobster, now being sold directly to China.
Horticulture – Fruit

Value of exports increased by $251.6 million (+22.1 per cent)
Volume of exports increased by 7.3 per cent
Average export price increased by 13.8 per cent
Supply of major categories to continue increasing into markets with growing demand

2018/19 AT A GLANCE
- Fruit exports have grown by a billion dollars since 2010/11.
- Table grape exports were the major growth commodity in 2018/19, up by $176 million.
- Fruit exports to China have grown for the last nine years.
- Fruit exports accounted for 2.8 per cent of total Australian agricultural exports.

Trade performance and outlook
Australian fruit exports experienced an eighth consecutive year of growth in value in 2018/19. At $1.39 billion, fruit exports have grown by over a billion dollars in value at a compound annual growth rate of 20.0 per cent since 2010/11. The growth in 2018/19 came from an increased volume of exports, combined with higher prices on average. Table grapes led the growth along with a continued expansion of exports to China.

Table grapes recorded the largest growth in export value in 2018/19, increasing by $176.4 million (+43.7 per cent) to $580.3 million. A larger area planted to grapes and improved yields led to increased production in 2018/19 which was reflected in a 31.9 per cent increase in export volume. Demand, primarily from China, outpaced supply growth and led to a 10.7 per cent increase in the average export price. Planted area increased again in 2018/19 which will continue the growth in supply in coming years.

The value of orange exports increased by $28.0 million (+10.0 per cent) in 2018/19 to $308.1 million. Increased price was the key driver of increased export value, offsetting a 1.0 per cent decline in volume after production was reduced due to dry conditions and high water prices. Similar conditions in 2019 are expected to lead to another year-on-year decline in production over the July to September harvest period and further reduce export volume for 2019/20.

Stone fruit was also a significant growth category in 2018/19, increasing by $41.2 million (+32.3 per cent) in value to $168.4 million. This occurred due to the combination of a 28.3 per cent increase in export volume and 3.1 per cent rise in average export price. The trend of increased volume and price leading to increased value was consistent across the major categories of cherries (+$17.3 million), nectarines (+$11.1 million) and peaches ($7.4 million). Confidence is growing in the stone fruit sector as increased production is being met with growing demand. This is likely to encourage further expansion in production.

Australian fruit exports reached a value of $1.4 billion after an eighth consecutive year of growth in 2018/19.

The volume of Australian fruit exports was driven higher by a 31.9 per cent rise in grape exports.

Source: GTA
Major export markets

Australian fruit exports to China increased in value for the ninth consecutive year in 2018/19 with growth shared across grapes (+$70.1 million), stone fruit (+$38.1 million) and oranges (+$31.5 million). Growing import demand was assisted by tariffs on Australian fruit (except for oranges and mandarins) being eliminated on January 1st 2019. Increased production in Australia is likely to result in further growth in export values to China.

The decline in the value of fruit exports to Hong Kong was led by a $7.4 million decline in stone fruit exports. This was likely due to a greater proportion of stone fruit being exported to China instead. A lower value of stone fruit exports was partially offset by gains in grape and orange exports.

A seventh consecutive year of growth in the value of fruit exports to Japan in 2018/19 was primarily driven by growth in grape exports of $12.4 million (30.1 per cent). Grape exports have benefitted from expanded production in Australia and growing demand assisted by preferential market access under the Japan-Australia Economic Partnership Agreement (JAEPA). Orange and mandarin exports both recorded modest growth of $1.6 million and $1.1 million, respectively.

Growth to Indonesia in 2018/19 was almost exclusively from a $27.4 million (+53.8 per cent) increase in grape exports. Grape exports to Indonesia recorded a 43.9 per cent increase in volume and a 7.9 per cent increase in average export price as promotion of table grapes has encouraged growth in demand.

The value of exports to MENA declined for the third consecutive year as the region has struggled to compete against higher prices offered by Chinese buyers. This was particularly evident for orange exports which declined by 47.4 per cent in value.

Vietnam has emerged as a strong growth market for Australian fruit with a fourth consecutive year of growth in 2018/19. Table grapes accounted for two-thirds of fruit export value to Vietnam and grew by 84 per cent. Lower growth has also occurred for oranges and cherries.

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$465</td>
<td>+43.4%</td>
<td>33.4%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$129</td>
<td>-2.4%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Japan</td>
<td>$127</td>
<td>+14.0%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>$103</td>
<td>+34.7%</td>
<td>7.4%</td>
</tr>
<tr>
<td>MENA</td>
<td>$80</td>
<td>-3.7%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Singapore</td>
<td>$76</td>
<td>+9.1%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$64</td>
<td>+66.2%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Thailand</td>
<td>$60</td>
<td>+15.0%</td>
<td>4.3%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>$59</td>
<td>+6.8%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>$47</td>
<td>+9.5%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

Grape exports increased in value to all major export markets in 2018/19.
Trade performance and outlook

Australian nuts regained the lost value from two years of decline to become a billion dollar export commodity for the first time in 2018/19. Record almond and macadamia production provided an expanded supply of nuts to be exported which coincided with increased prices from expanding global demand.

Almonds accounted for 65.6 per cent of the value of Australian nut exports and recorded an extraordinary year-on-year increase in value of $234.7 million (+53.3 per cent) to $675.0 million. The expansion of almond plantings in recent years allowed for record production to be achieved in 2018/19 while hot and dry conditions improved quality. Increased production drove a 34.7 per cent rise in export volume. The additional supply was met by a timely improvement in Chinese demand which led to a 13.8 per cent rise in the average export price. The value of almond exports is expected to increase again in 2019/20 as more trees come into maturity and drive further growth in production, combined with continued strength in Chinese demand to support prices.

Macadamia exports increased by $60.1 million (+22.6 per cent) in 2018/19 to a value of $326.1 million. This was achieved due to a 39.0 per cent rise in average export price which offset an 11.8 per cent decline in export volume. The decline in export volume occurred due to a larger proportion of shelled macadamia exports. The higher price was driven by a global undersupply of macadamias which has been unable to keep up with growth in global consumption. Australian macadamia production is expected to increase in 2019/20 as the industry continues to expand to capture the opportunities presented by growing demand.

Growth in nut export volumes came from a 34.7 per cent rise in almonds exports, offsetting lower macadamia and walnut exports.
Victoria was the largest state for nut exports with a value of $533.6 million in 2018/19, a year-on-year increase of $208.3 million (+64.0 per cent). Growth in almonds drove this increase as they accounted for 96 per cent of Victorian nut exports. New South Wales and Queensland had lower growth of 33.5 per cent and 2.6 per cent, respectively, due to the more modest growth of macadamias which account for the majority of exports from these states. Like Victoria, South Australia benefitted from the rise in almonds exports by recording a 19.6 per cent rise in value.

**Major export markets**

China was the major growth market for Australian nuts in 2018/19 and recorded an eighth consecutive year of growth. Macadamias have historically been the major nut exported to China and recorded growth of $6.0 million (+7.8 per cent), but it was overshadowed by an extraordinary rise in almonds exports in 2018/19. Almond exports to China increased in value from $12.3 million to $266.5 million. The primary cause of this increase was Chinese buyers seeking alternative suppliers after a tariff was applied to imports from the US which previously supplied 95 per cent of Chinese imports. Australia was a major beneficiary of this situation as the second largest almond producer and with a record high volume to sell. Australian almonds should continue to supply a large share of Chinese almond imports while trade tensions persist.

The value of nut exports to the EU was almost 50 per cent lower than 2015/16 after a third consecutive year of decline in 2018/19. This trend has been primarily due to competition from US almonds, further exacerbated by a greater volume of US almonds being diverted to the EU as China has become an increasingly unviable market. Australian almond exports to the EU fell $22.5 million (-17.3 per cent) in 2018/19, but a doubling of macadamia exports to $34.2 million helped to partially offset this loss.

A similar situation unfolded in India, where Australian almond exports declined by $18.1 million (-12.5 per cent) as imports from the US, otherwise destined for China, increased.

Growth to Vietnam came from a near doubling of almond exports in 2018/19. The $42.5 million (+98.5 per cent) rise in almonds exports to Vietnam offset the $20.2 million (-41.4 per cent) decline in macadamia exports.

Japan appears to have captured a portion of macadamia exports that were previously sold to Vietnam, with a $23.3 million (72.5 per cent) rise in value. Japan may have become a more attractive market for macadamias with an average export price 3.4 times higher than Vietnam.

Value of Australia’s top 10 nut export markets

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$366</td>
<td>+272.9%</td>
<td>35.1%</td>
</tr>
<tr>
<td>EU</td>
<td>$156</td>
<td>-5.7%</td>
<td>14.9%</td>
</tr>
<tr>
<td>India</td>
<td>$129</td>
<td>-11.0%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$115</td>
<td>+21.9%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Japan</td>
<td>$65</td>
<td>+70.2%</td>
<td>6.2%</td>
</tr>
<tr>
<td>USA</td>
<td>$63</td>
<td>+66.8%</td>
<td>6.0%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>$27</td>
<td>+5.0%</td>
<td>2.6%</td>
</tr>
<tr>
<td>MENA</td>
<td>$24</td>
<td>-38.0%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$20</td>
<td>-38.2%</td>
<td>1.9%</td>
</tr>
<tr>
<td>South Korea</td>
<td>$18</td>
<td>+23.1%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>425</td>
<td>202</td>
</tr>
<tr>
<td>EU</td>
<td>156</td>
<td>156</td>
</tr>
<tr>
<td>India</td>
<td>129</td>
<td>129</td>
</tr>
<tr>
<td>Vietnam</td>
<td>115</td>
<td>23</td>
</tr>
<tr>
<td>Japan</td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>USA</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td>New Zealand</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>MENA</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>South Korea</td>
<td>18</td>
<td>18</td>
</tr>
</tbody>
</table>
Horticulture – Vegetables

Value of exports increased by $48.6 million (+18.4 per cent)

Volume of exports increased by 15.7 per cent

Average export price increased by 2.4 per cent

Export volumes to be lower in 2019/20 as dry conditions are likely to lead to lower production

**2018/19 AT A GLANCE**

- Improved production drove a seventh consecutive year of growth in vegetable exports.
- Carrot exports to the MENA region accounted for 19 per cent of all Australian vegetable exports.
- Lower European production was a key factor in stronger demand for Australian vegetable exports.
- Vegetable exports accounted for 0.6 per cent of total Australian agricultural exports.

### Trade performance and outlook

Australian vegetable exports have nearly doubled in since 2011/12 after a seventh consecutive year of growth in 2018/19. Growth in the value of exports was assisted by a recovery in the average export price of vegetables after a decline in 2017/18, however it was a rise in export volume, resulting from increased production, that had the largest impact on the growth in value.

Carrots remained the largest export product for vegetables at $96.6 million. The value of carrot exports increased by a modest 2.1 per cent in 2018/19 as export volume increased by only 1.9 per cent and the average export price remained relatively stable at $876/tonne.

Onions recorded the largest growth in export value in 2018/19, increasing by $17.5 million (+80.5 per cent) to a value of $39.2 million. The rise in value was driven by significant increases in the volume of exports (+55.7 per cent) and an improvement in average export price (+15.9 per cent) to $826/tonne.

Potato exports also increased significantly in 2018/19, growing by $5.8 million (+18.7 per cent) to a value of $36.5 million. Australia exported 30.3 per cent more potatoes in 2018/19 but the average export price declined for a second consecutive year, falling 8.9 per cent to $720/tonne. Export volumes increased most noticeably to Singapore, Indonesia, Philippines, Thailand and the UAE to fill a gap in supply created by lower European production in 2018.

Asparagus exports increased by 6.9 per cent in value to $29.8 million, driven by both increased export volume and average export price. Similarly, broccoli and cauliflower exports increased in value by 22.0 per cent to $21.7 million.

Production of onions, carrots and potatoes is expected to increase again in 2019/20, but production will be challenged by dry conditions and rising water prices. This may affect the viability of vegetable production for some growers and result in lower production and therefore lower exportable supplies.

### Value of Australian vegetables exports

*Source: GTA*

### Volume of Australian vegetable exports

*Source: GTA*
Major export markets

The value of vegetable exports to the MENA region increased for the eleventh consecutive year in 2018/19. Carrots accounted for 82.4 per cent of the value of vegetable exports to the MENA region and have been responsible for most of the growth in vegetable export value to this market over the past 11 years. The value of carrot exports increased by $2.0 million (+3.4 per cent) in 2018/19 as demand was met by expanded production in Australia. Potato exports to MENA increased by $1.7 million (+69.5 per cent) in 2018/19 as Australia was able to fill some of the gap in import supplies created by lower European production.

Singapore continued to be a growth market for a wide range of Australian vegetable exports and recorded a sixth consecutive year of growth in value in 2018/19. Growth was recorded for all vegetable types except for carrots. The largest growth commodities to Singapore in 2018/19 were onions (+34.7 per cent) and potatoes (+31.1 per cent).

Japan was the destination for 74.3 per cent of Australian asparagus exports in 2018/19 and growth in vegetable exports to Japan mostly came from a $1.3 million (+6.3 per cent) rise in asparagus exports. The largest decline in value in 2018/19 came from onion exports, which were 26.7 per cent lower year-on-year.

Malaysia was a large growth market for Australian vegetable exports in dollar terms, increasing by $4.6 million. Growth in export values to Malaysia were recorded for all vegetable types except for carrots. Onions were the largest growth commodity, increasing by $1.8 million (+149.2 per cent).

Vegetable exports to Hong Kong increased for a seventh consecutive year in 2018/19. Growth was recorded for many of the diverse range of vegetables Australia exports to Hong Kong, led by increased values for celery (+$1.0 million) and lettuce (+$961,389).

Value of Australia’s top 10 vegetable export markets

<table>
<thead>
<tr>
<th>Destination</th>
<th>2018/19 (A$ million)</th>
<th>Year-on-year % change</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>MENA</td>
<td>$73</td>
<td>+4.3%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Singapore</td>
<td>$52</td>
<td>+4.8%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Japan</td>
<td>$32</td>
<td>+3.2%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>$26</td>
<td>+21.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$21</td>
<td>+23.9%</td>
<td>6.7%</td>
</tr>
<tr>
<td>EU</td>
<td>$19</td>
<td>+116.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>USA</td>
<td>$16</td>
<td>+205.2%</td>
<td>5.0%</td>
</tr>
<tr>
<td>South Korea</td>
<td>$13</td>
<td>-4.2%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Thailand</td>
<td>$13</td>
<td>+74.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>$9</td>
<td>+5.3%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

The largest growth markets for Australian vegetable exports were both outside of the top five markets, with the EU and US both increasing in value by $10.5 million. Exports to the EU were dominated by onions, which were drawn to the market as prices increased after poor local production. Exports to the US were predominately unspecified mixed vegetables.
## Other agricultural exports

<table>
<thead>
<tr>
<th></th>
<th>2017/18 export value (A$ millions)</th>
<th>2018/19 export value (A$ millions)</th>
<th>Year-on-year % change</th>
<th>Top two export destinations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepared foods</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including malt, cocoa, pet food, baked, other</td>
<td>4,430.7</td>
<td>4,537.1</td>
<td>+2.4%</td>
<td>China ($1,700m), New Zealand ($846m)</td>
</tr>
<tr>
<td>Other plant products</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including milling products, seeds, coffee, other</td>
<td>1,161.2</td>
<td>1,317.6</td>
<td>+13.5%</td>
<td>USA ($290m), Vietnam ($146m)</td>
</tr>
<tr>
<td>Other animal products</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including fats, oils, hides, fibres, honey, eggs</td>
<td>1,112.9</td>
<td>1,103.9</td>
<td>-0.8%</td>
<td>Singapore ($227m), China ($186m)</td>
</tr>
<tr>
<td>Other meat and offal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including goat, pig, poultry, other</td>
<td>575.2</td>
<td>519.3</td>
<td>-9.7%</td>
<td>USA ($137m), Singapore ($60m)</td>
</tr>
<tr>
<td>Forages</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including hay, chaff, lucerne, straw, other</td>
<td>624.0</td>
<td>631.0</td>
<td>+1.1%</td>
<td>Japan ($248m), China ($109m)</td>
</tr>
<tr>
<td>Beverages</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excluding wine</td>
<td>414.6</td>
<td>545.9</td>
<td>+31.7</td>
<td>China ($119m), New Zealand ($101m)</td>
</tr>
<tr>
<td>Food industry residues and waste</td>
<td>301.1</td>
<td>319.9</td>
<td>+6.2%</td>
<td>USA ($96m), Taiwan ($34m)</td>
</tr>
<tr>
<td>Other live animals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including horses, buffalo, goats, other</td>
<td>194.4</td>
<td>192.8</td>
<td>-0.8%</td>
<td>Hong Kong ($78m), New Zealand ($48m)</td>
</tr>
</tbody>
</table>

*Hay and chaff excluding lucerne

Source: GTA

### Value of forage exports

- **Hay/chaff**
- **Other forages**

Source: GTA

### Value of other meat and offal exports

- **Goat meat**
- **Pig meat**
- **Poultry meat and offal**
- **Other**

Source: GTA
About Rural Bank

Rural Bank is a division of Bendigo and Adelaide Bank Limited and provides exceptional financial services, knowledge and leadership for Australian farmers to grow.

About the research

The Australian agricultural trade research is based on the reported values and quantities of goods at Australia's ports. The report includes all agricultural, food and fibre products including processed products. Wood and articles of wood are not included.

The reported values are quoted Free On Board (FOB) in Australian dollars, unless otherwise noted, and not adjusted for inflation or foreign exchange rates.

In some instances the export destination and/or state of origin is not identified in the data for confidentiality purposes. Figures may not reflect the actual export total.

Commodity groups may not include all products relevant to that group. For example, miscellaneous edible preparations is a significant commodity group by value and volume where individual products are not specified and therefore cannot be attributed to another commodity group.

Where appropriate, European and Middle East and North African nations are referred to as the European Union (EU) and the Middle East and North Africa (MENA).

EU includes: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.

MENA includes: Algeria, Bahrain, Djibouti, Egypt, Gaza Strip, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, West Bank, Yemen.