Required Report: Required - Public Distribution **Date:** October 22, 2026

Report Number: AS2026-0022

Report Name: Fresh Deciduous Fruit Annual

Country: Australia

Post: Canberra

Report Category: Fresh Deciduous Fruit

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Report Highlights:

Table grape production is forecast to increase by 5.1 percent to 205,000 metric tons (MT) in marketing year (MY) 2026/27, recovering only partly from a rain affected MY 2025/26 crop estimated at 195,000 MT. Financial losses following heavy rainfall during the previous harvest have constrained some growers' ability to finance input costs for the forecast crop. Exports are forecast to increase by 2.0 percent to 120,000 MT. Improved fruit quality and domestic availability for the forecast year are expected to lift consumption by 9.4 percent to 94,000 MT, returning to recent past levels. Imports are forecast at 9,000 MT, continuing incremental growth over recent years.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

EXECUTIVE SUMMARY

Early seasonal conditions in marketing year (MY) 2026/27 have been less than ideal but manageable for Australia's table grape crop. Above-average winter temperatures reduced chilling in key production regions, prompting the need for growers to use bud-break treatments to support an even and strong bud burst. Subsequent warmth and rainfall have increased fungal disease pressure, although conditions remain manageable for adequately resourced producers.

Heavy rainfall during March 1–2, 2026 affected Sunraysia, the Murray Valley and parts of the Riverina, regions accounting for approximately 85 percent of national table grape production. Losses in yield and marketable quality from the MY 2025/26 season have reduced available working capital for the new season. Industry sources report that some growers have obtained sufficient financing to maintain normal programs, while others are reducing managed area or inputs, and some have faced liquidation. These constraints are expected to limit the production rebound.

Production is forecast at 205,000 metric tons (MT) in MY 2026/27, compared with a downward-revised 195,000 MT in MY 2025/26 and 229,000 MT in MY 2024/25. Exports are forecast to rise by 2.0 percent to 120,000 MT, with fruit quality expected to improve from the unusually rain-affected prior season.

Indonesia overtook China as Australia's largest table grape export destination in MY 2025/26, largely reflecting a sharp decline in shipments to China. Australia nevertheless remained China's largest source of imported table grapes. Expanding Chinese domestic supply and cold storage have reduced its import requirements, while Chile and Peru have increasingly focused on the U.S. market.

Imports, sourced almost entirely from the United States, are forecast to rise by 5.9 percent to 9,000 MT in MY 2026/27. These counter-seasonal shipments help maintain supply outside Australia's main harvest period, although cost competitiveness of imports limit demand growth.

Domestic consumption is forecast to increase by 9.4 percent to 94,000 MT in MY 2026/27, from a downward-revised 85,900 MT in MY 2025/26. Improved production and fruit quality should restore consumption toward recent levels, following the unusual allocation of some lower-quality fruit to export markets in the prior season.

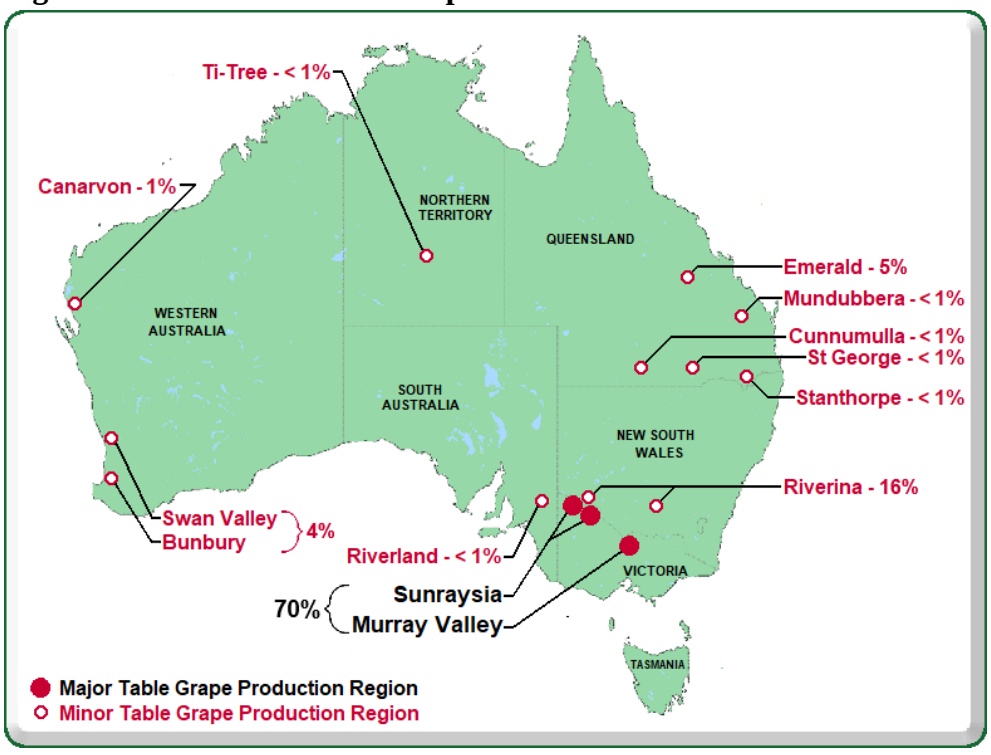
TABLE GRAPE

Overview

The majority of Australia's table grapes are produced in northern Victoria's Sunraysia and Murray Valley regions, which together account for around 70 percent of national production (Figure 1). The Riverina region in southern New South Wales contributes an additional 16 percent. These areas are characterized by a temperate climate, free-draining sandy loam soils, and low annual rainfall of about 300 millimeters, most of which falls between May and October—outside the harvest period of November to May. Although winters are relatively mild, the vines receive sufficient cold chill hours to support bud burst.

Production in these regions is heavily dependent on irrigation to meet vine water requirements. The combination of favorable winter chill, low rainfall, and warmer temperatures from spring through autumn minimizes the risks of frost, humidity, and hail, while maximizing growth potential. Well-managed spray or drip irrigation systems and fertilizer programs further enhance yields and fruit quality.

Figure 1 – Australian Table Grape Production Areas



Source: Australian Table Grape Association Inc. / Horticulture Innovation Australia Ltd

Other notable production regions include parts of Queensland, the Northern Territory, and Western Australia. These areas reach higher temperatures earlier in the season, bringing forward their harvest. However, warmer winters produce lower cold chill periods, making them less than ideal production regions. These northern regions also have higher humidity levels, increasing the risks of pest and disease

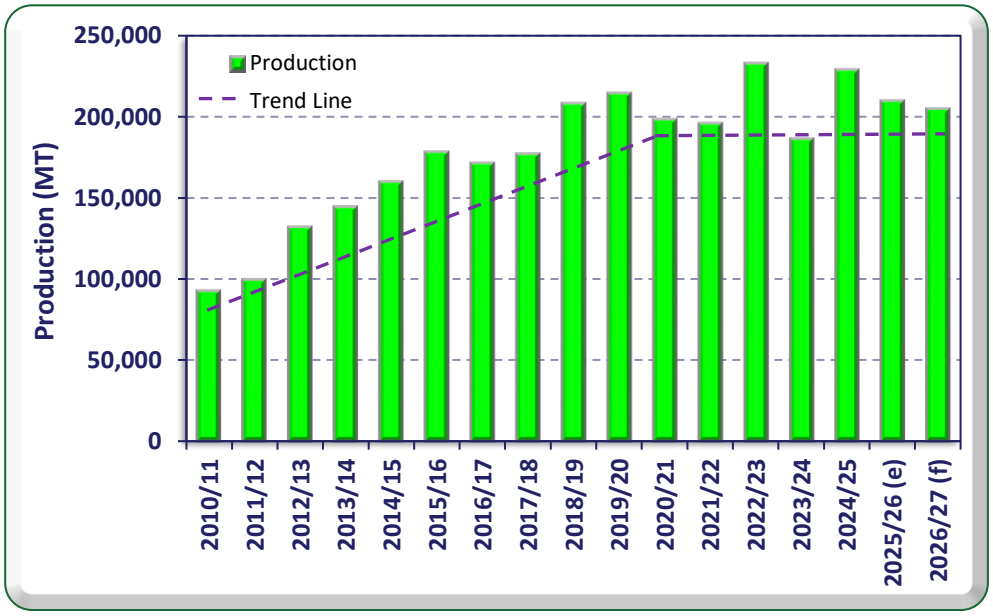
infestations, raising production costs. Despite this, grapes from these northern regions mature ahead of Victoria's main crop, extending supply primarily for the domestic market. Their production typically fills the gap between the decline of U.S. imports and the start of harvest in the southern regions.

Australia's table grape season begins in October in Ti-Tree (Northern Territory), followed by Emerald (Queensland) and Carnarvon (Western Australia) in early November. Production then shifts progressively south, with peak volumes harvested in February and March across the Riverina, Murray Valley, and Sunraysia—Australia's largest producing regions. Harvest in these areas continues until May. Smaller production areas, including Mareeba (far north Queensland) and Broome (Western Australia), extend supply into late June and July. However, these newer regions are still in early stages of development, and output remains small and inconsistent in both volume and quality, competing with imported grapes.

Over the past decade, the industry has expanded planted area and increasingly focused on proprietary and export-oriented varieties, reflecting strong demand from Asian markets such as Indonesia, China, Japan, Philippines and South Korea.

The sector experienced rapid growth from 2010 until the onset of the COVID-19 pandemic, which disrupted the industry through labor shortages, higher input and shipping costs, and logistical challenges. Unfavorable weather—including above-average rainfall during spring and harvest in key production areas—further reduced yields and quality. These combined pressures slowed new plantings and led to flatter, more variable production in recent years (Figure 2).

Figure 2 – Australian Table Grape Production Trend



Source: *Horticulture Innovation Australia, and FAS/Canberra estimate and forecast*
Note: *(e) = estimate, (f) = forecast*

Production

MY 2026/27 Production Forecast

Australia's table grape production is forecast to increase by 5.1 percent to 205,000 MT in MY 2026/27, from an estimated 195,000 MT in MY 2025/26. This remains 24,000 MT, or 10.5 percent, below the 229,000 MT produced in MY 2024/25. Although early growing conditions have been mixed, the principal constraint on a stronger recovery is reduced grower working capital following the March 2026 rainfall event.

Impact from Last Season's Big Wet

On March 1–2, 2026, Sunraysia, the Murray Valley and parts of the Riverina—together accounting for approximately 85 percent of national table grape production—received locally heavy rainfall reported at around 100–150 millimeters (4 to 6 inches). The event struck during a critical harvest period when much of the crop remained on vines, causing fruit damage, lower pack-out quality and production losses. Its financial effects have carried into MY 2026/27.

Industry sources report that the MY 2025/26 losses significantly increased growers' working-capital needs for the following season. Some growers secured financing for full crop-management programs; others received less support and have reduced the area managed for commercial production or cut input expenditure. A smaller number reportedly entered liquidation. Some affected vineyards may be leased to other operators, limiting the ultimate loss of producing area, but some blocks are expected to remain unmanaged or out of production for the forecast year.

These financing constraints, rather than seasonal weather alone, are the principal reason production is not expected to return to the MY 2024/25 level.

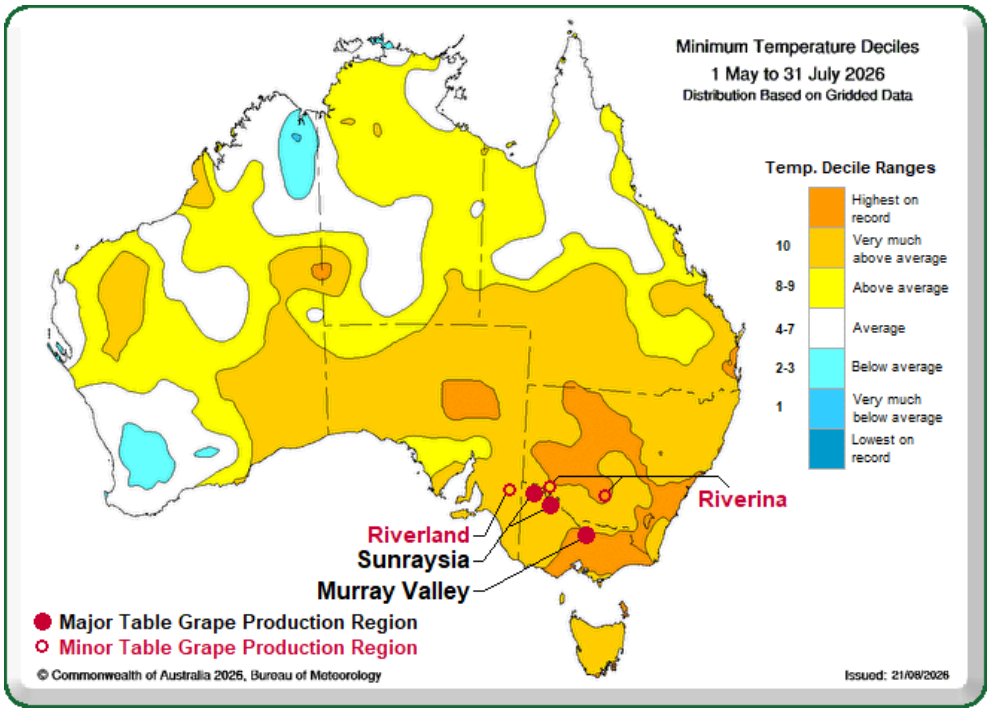
Dormancy and Bud Burst

Above-average minimum temperatures during May–July 2026 reduced winter chilling in major production areas (Figure 3), increasing the risk of a weaker and uneven bud burst. Growers can use dormancy-breaking treatments to improve bud burst and its uniformity, but it adds to input costs and effective timing of application is important to optimize results. Industry sources indicate that financially constrained growers may have reduced or omitted treatments, potentially affecting yields in MY 2026/27.

Increased Pest and Disease Pressure

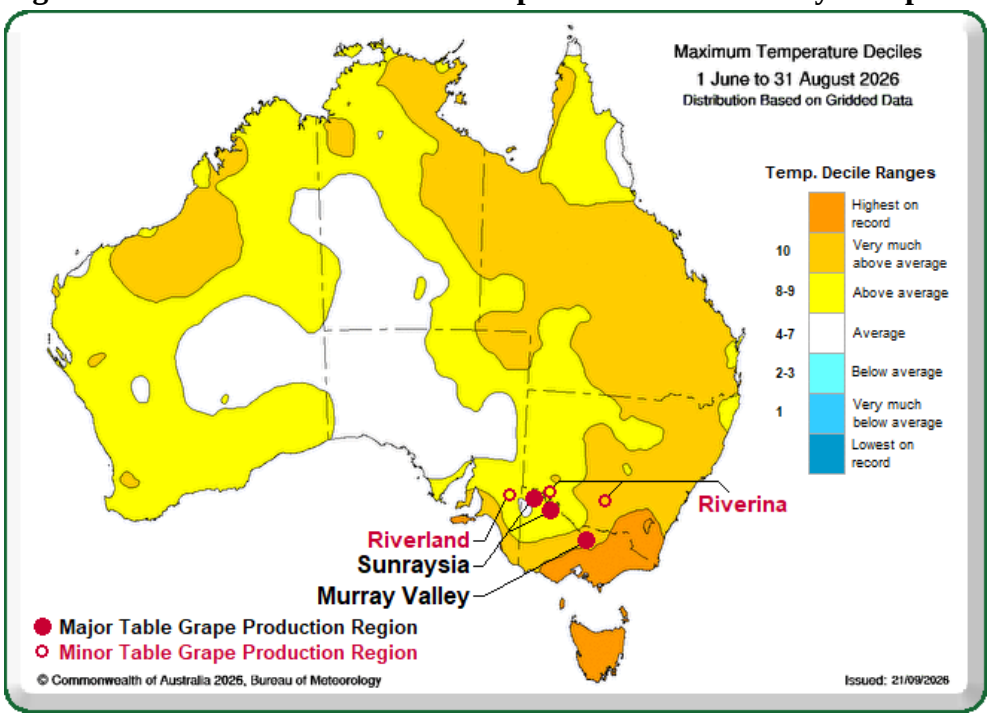
Above-average temperatures during July–September 2026 (Figure 4), combined with generally average to above-average rainfall (Figure 5) in important growing regions, increased fungal disease pressure. Industry sources report that rainfall in early October led to slightly greater fungicide use. Growers able to maintain timely spray programs are expected to manage these risks, while reduced input spending could affect yields and fruit quality.

Figure 3 – Australian Minimum Temperature Deciles – May to July 2026



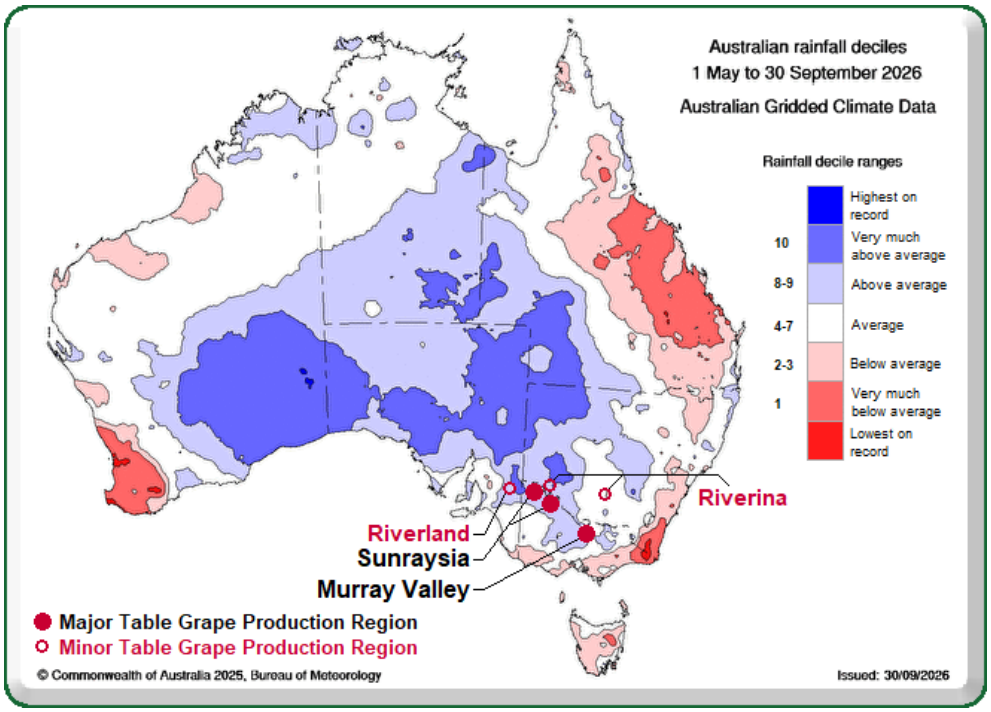
Source: Australian Bureau of Meteorology / Australian Table Grape Association Inc.

Figure 4 – Australian Maximum Temperature Deciles – July to September 2026



Source: Australian Bureau of Meteorology / Australian Table Grape Association Inc.

Figure 5 – Australian Rainfall Deciles – May to September 2026



Source: Australian Bureau of Meteorology / Australian Table Grape Association Inc.

The Bureau of Meteorology's outlook for November 2026–January 2027 (Figure 6) suggests near-median rainfall probabilities across several key growing areas, although outcomes remain uncertain. Rainfall near typical levels would help growers manage disease pressure and fruit development ahead of peak harvest.

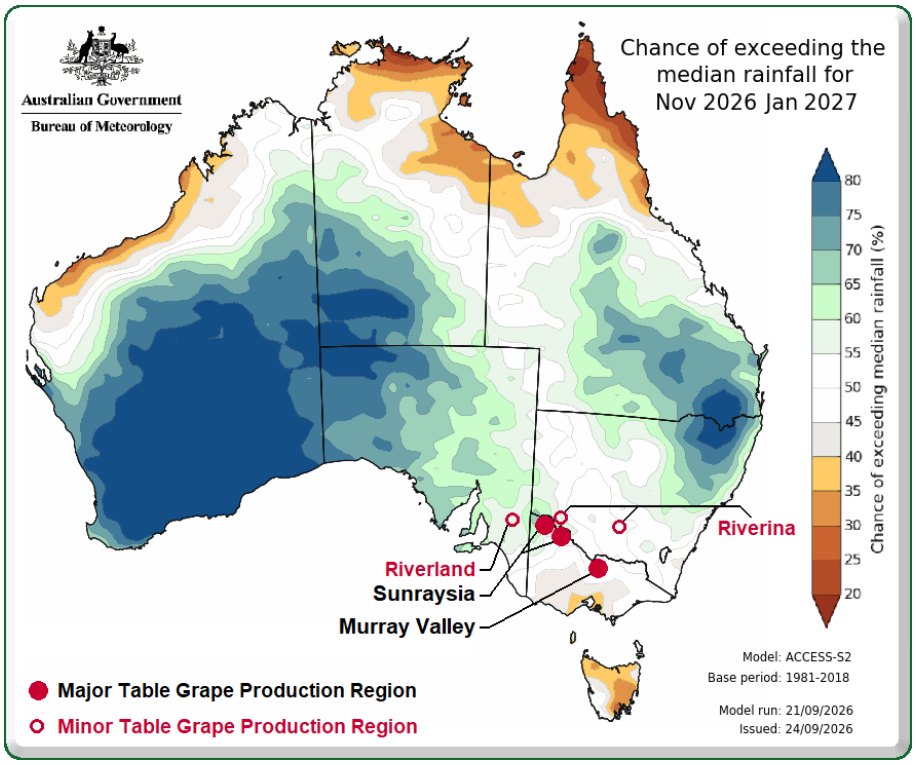
Irrigation Water Availability

Water availability and price had been an escalating concern for the industry until recent months. Tradeable irrigation water prices were high in 2024/25 and with a looming El Niño declaration, which is typically associated with drought conditions particularly in the eastern states of Australia, there were concerns that irrigation water prices could escalate further towards levels seen in the previous drought.

On June 16, 2026 the BOM had declared an El Niño for Australia and prices rose for a short period before good winter rains and early spring rains produced good inflows of water into the Dartmouth and Hume dams which are the primary sources for the Murray Valley, Sunraysia, and Riverland regions.

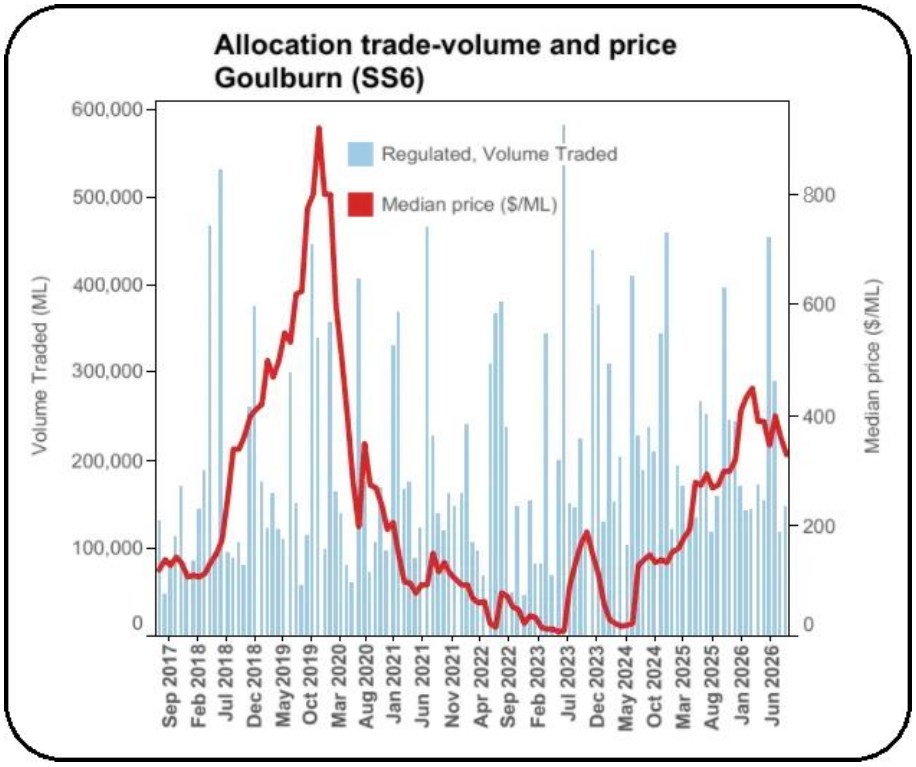
Despite concerns about dry conditions, improved water availability has coincided with lower allocation-trade prices in recent months (Figure 7), reducing pressure on growers' operating costs. Water prices nevertheless remain sensitive to allocations, inflows and seasonal demand.

Figure 6 - Australia Rainfall Forecast – November 2026 to January 2027



Source: *Australian Bureau of Meteorology / Australian Table Grape Association Inc.*

Figure 7 – Irrigation Water Trade Volume and Price History



Source: *Australian Bureau of Meteorology*

Summary of MY 2026/27 Outlook

Production is forecast to recover modestly to 205,000 MT in MY 2026/27. Growers with adequate working capital are better placed to maintain vine management, control disease and produce export-quality fruit, while relatively limited national supply could support prices.

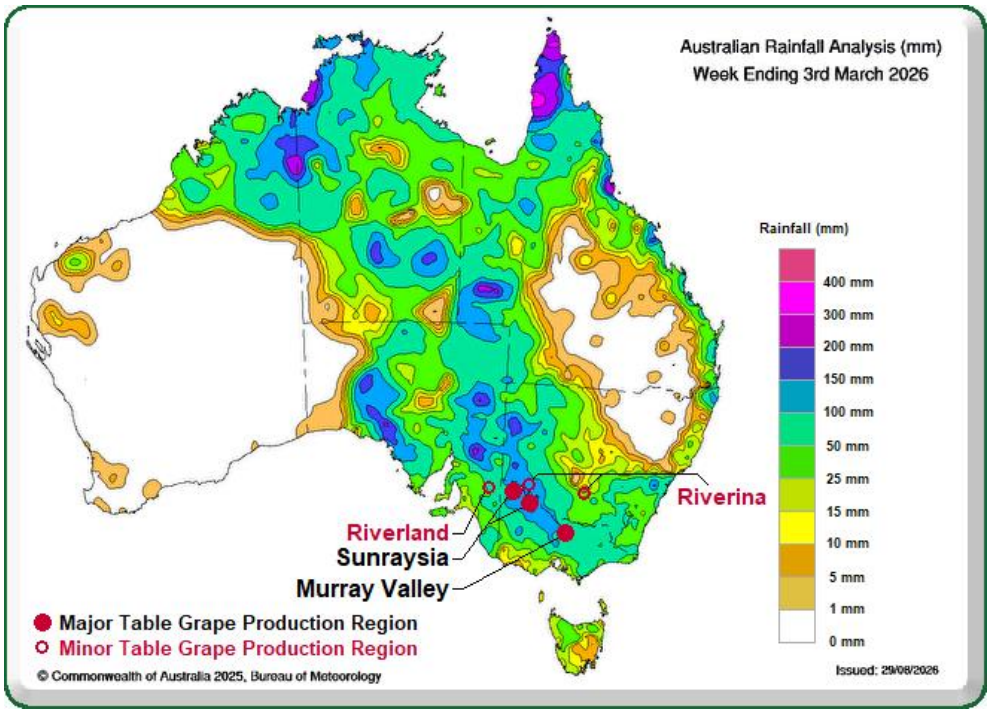
By contrast, growers still facing financial constraints from MY 2025/26 may reduce managed area or production inputs. This is expected to restrict the national recovery despite otherwise manageable growing conditions.

Overall, the forecast 5.1 percent production increase represents only a partial recovery from the previous season, with financial constraints remaining the principal limiting factor.

MY 2025/26 Production Estimate

FAS/Canberra has revised its MY 2025/26 production estimate downward by 15,000 MT, or 7.1 percent, to 195,000 MT from its previous 210,000 MT forecast. Favorable early-season bud burst, warm weather and low disease pressure initially supported expectations for a strong crop before heavy rain disrupted harvest in the main growing regions.

Figure 8 - Australia Rainfall Total – Week Ending March 3, 2026



Source: Australian Bureau of Meteorology / Australian Table Grape Association Inc.

Heavy rainfall on March 1–2, 2026 (Figure 8), locally reported at approximately 100–200 millimeters (4 to 6 inches), damaged fruit at a critical stage of harvest. Initial media reports suggested crop losses of

around 40 percent, but this was not a verified national production-loss estimate. Growers sought to limit financial losses by marketing some fruit at lower quality grades, including through export channels.

The resulting MY 2025/26 production estimate of 195,000 MT is 34,000 MT, or 14.8 percent, below the MY 2024/25 level of 229,000 MT.

Consumption

MY 2026/27 Consumption Forecast

FAS/Canberra forecasts domestic table grape consumption to increase by 9.4 percent to 94,000 MT in MY 2026/27, from a downward-revised 85,900 MT in MY 2025/26. The recovery is expected to outpace the 5.1-percent increase in production as improved fruit quality and a more normal distribution between domestic and export markets restore domestic availability.

Lower-quality crops are normally directed more heavily toward the domestic market. However, industry reports indicate that unusually large volumes of rain-affected fruit were exported in MY 2025/26, limiting domestic supply. The forecast rebound in consumption therefore reflects a return toward more typical marketing patterns rather than an equivalent increase in total production.

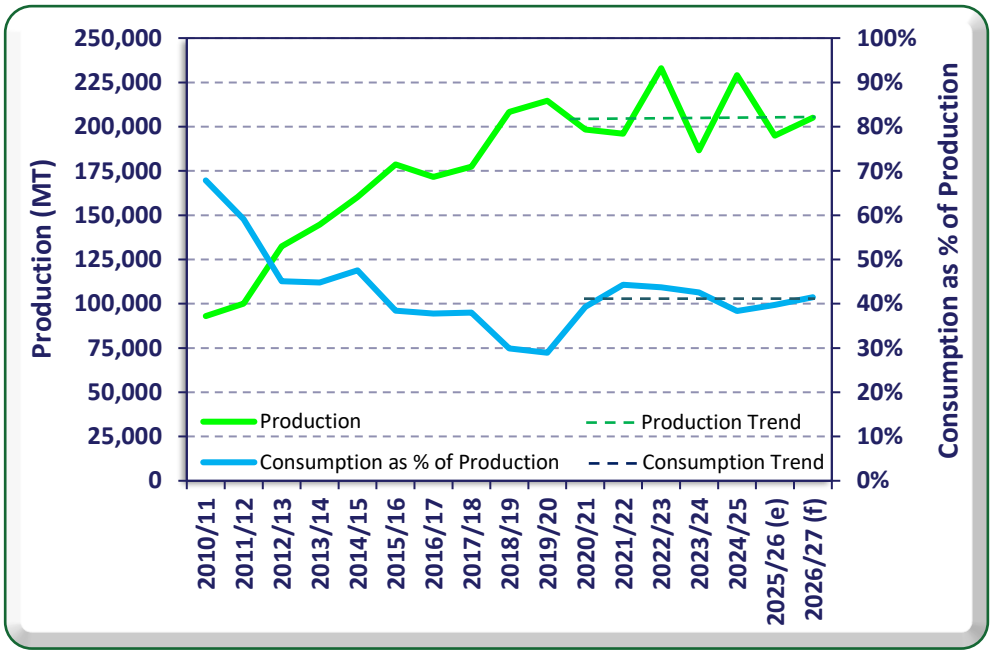
In Australia, domestic grapes are available mainly from December to May, while imported grapes—almost exclusively from the United States—supply the market from July to November.

Domestic consumption has generally increased alongside the longer-term expansion in table grape production, although both trends have flattened in recent years (Figure 9). Consumption as a share of production has also stabilized at around two-fifths in recent seasons. Year-to-year movements remain sensitive to crop quality, export demand and the availability of imported grapes.

MY 2025/26 Consumption Estimate

FAS/Canberra has revised down its estimate of MY 2025/26 table grape consumption to 85,900 MT, compared with the prior forecast of 98,000 MT. This revision is related to the substantial decrease in production related to the major rain event in the early stages of harvest and exporters shipping lower quality table grapes than usual which limited available supply in the domestic market.

Figure 9 – Australian Table Grape Production and Consumption Trend



Source: *PSD Online / FAS/Canberra*
Note: *(e) = estimate, (f) = forecast*

Trade

Exports

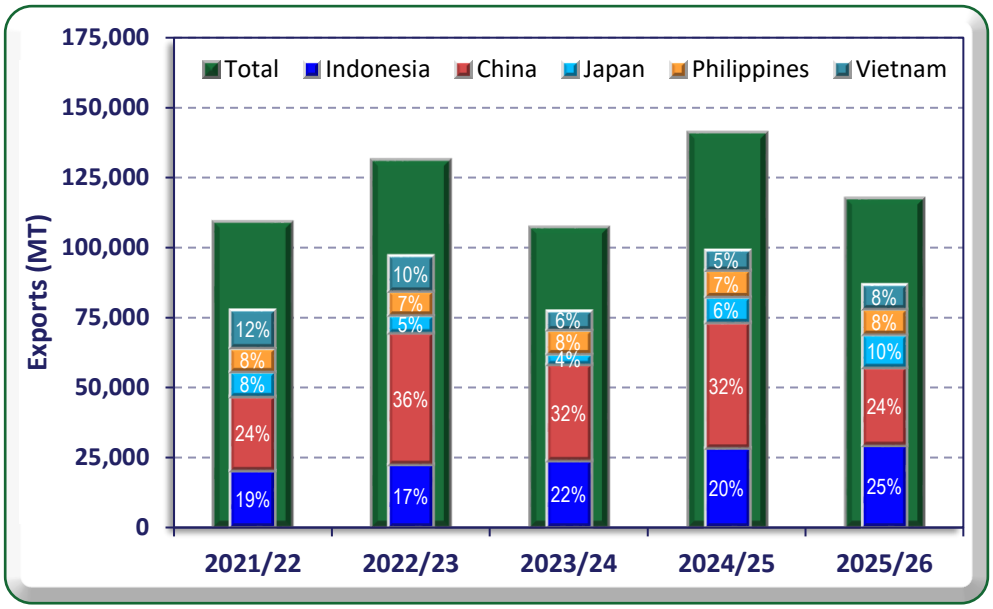
MY 2026/27 Export Forecast

Australia's table grape exports are forecast to increase by 2.0 percent to 120,000 MT in MY 2026/27, from an estimated 117,600 MT in MY 2025/26. Although production is expected to rise by 5.1 percent, improved quality and a recovery in domestic consumption are expected to limit export-volume growth.

Indonesia became Australia's largest table grape export destination in MY 2025/26, overtaking China as shipments to China fell sharply. Figure 10 shows exports to China declining from 44,800 MT to 28,000 MT over the October–July comparison period, a fall of 37.5 percent, while exports to Indonesia increased from 28,200 MT to 29,100 MT.

Australia exports table grapes to approximately 35 markets. The five leading destinations account for roughly 70 percent of shipments (Figure 10), with Indonesia and China together representing a substantial share. With Chinese import demand weakening, exporters are expected to continue diversifying sales across other Asian markets.

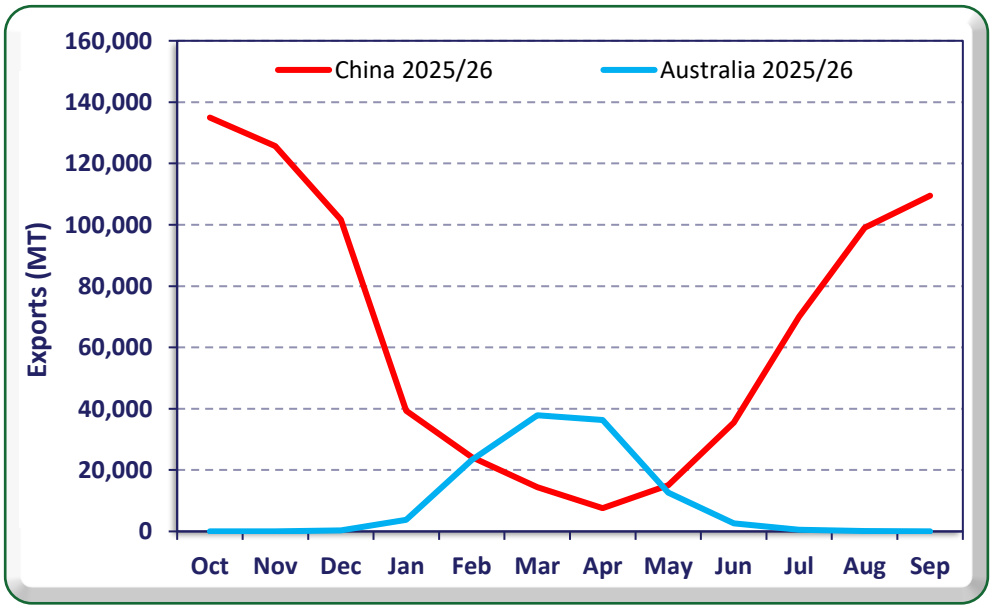
Figure 10 – Table Grape Export Destinations – Oct to Jul MY 2021/22 to 2025/26



Source: *Australian Bureau of Statistics*
Note: *Past August and September exports are negligible*

Australia's production season is largely counter-seasonal to China's, supporting demand during parts of the Chinese off-season. However, expanded Chinese cold-storage capacity has lengthened the marketing window for locally produced grapes, increasing competition with southern hemisphere imports. February–April remains an important period for Australian shipments (Figure 11).

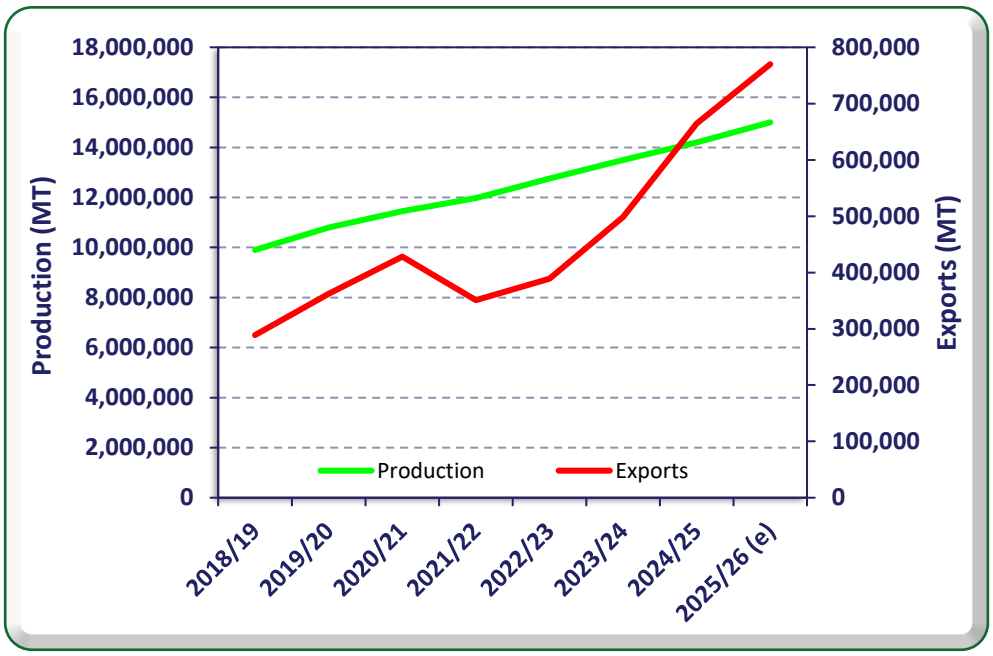
Figure 11 – Australia and China Exports MY 2025/26



Source: *Trade Data Monitor*
Note: *August and September are estimates based on past seasonality trends*

A further impact on China's demand for counter seasonal table grapes from the southern hemisphere is the growth in China's domestic production. Since Australia's record export years, China's table grape production has expanded by 52 percent (Figure 12), while its imports have fallen by 62 percent. Additionally, FAS/Beijing reports that new dormancy free varieties are now being grown in tropical regions, expanding China's domestic production window. Combined with China's cold storage expansion this has expanded China's capacity towards meeting its domestic demand all year round.

Figure 12 – China Table Grape Production and Export Trend



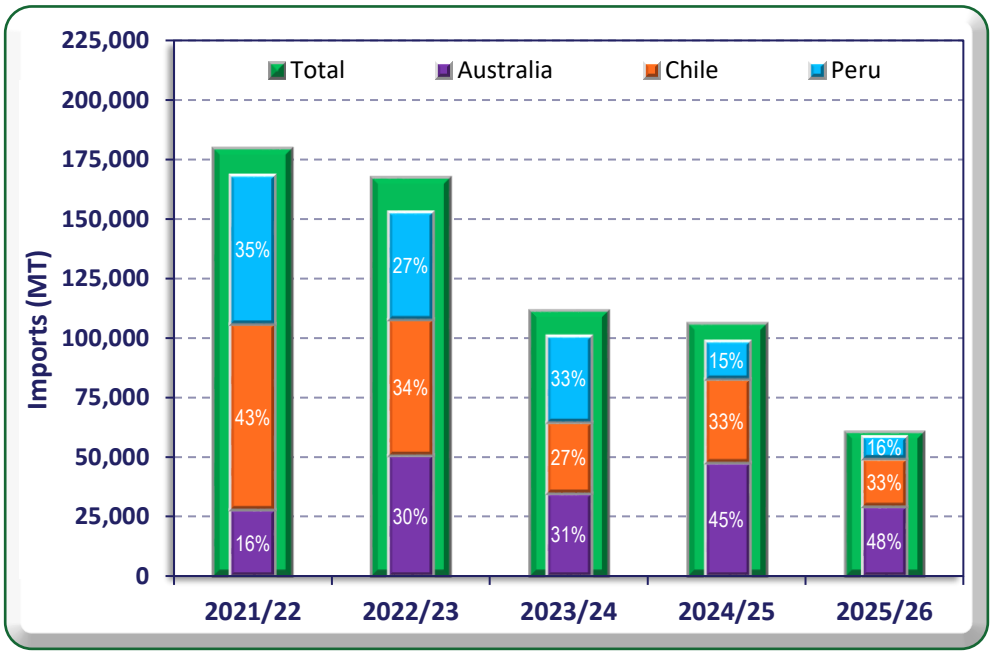
Source: *USDA PSD Online*
Note: *(e) = estimate*

Despite a 38 percent decline in Australian shipments to China during October–July MY 2025/26, China's imports from Chile and Peru also fell markedly. Australia remained China's largest supplier among the three origins shown in Figure 13, having moved ahead of Chile and Peru in MY 2024/25.

FAS/Santiago reports declining table grape production in Chile due to competition from Peru for the U.S. export market causing diminishing returns and as a consequence there is a shift away from table grape production towards walnuts, cherries and citrus. FAS/Lima reports that table grape production in Peru is increasing due to its climatic advantage and irrigation infrastructure investments. Both of these major southern hemisphere table grape producers have a focus on exports to the U.S. market due to their proximity but are also among the top three sources for table grape imports for China.

Australia's shorter shipping distances to China relative to South American competitors offer a logistical advantage. Together with Chilean and Peruvian exporters' focus on the U.S. market, this has supported Australia's share of China's shrinking table grape import market.

Figure 13 – China's Fresh Table Grape Imports – Oct to Jul MY 2021/22 to 2025/26



Source: *Trade Data Monitor*
Note: *2025/26 = 10 months from October 2025 to July 2026*
Past August and September imports are negligible

MY 2025/26 Export Estimate

Exports for MY 2025/26 are estimated at 117,600 MT, revised downward by 2.0 percent from the prior forecast of 120,000 MT. This remains a comparatively resilient result given the March 2026 rainfall damage, partly reflecting shipments of fruit at lower quality grades. Almost all exports occur from January through June (Figure 14), so the first 11 months of trade data provide a near-final indication of the marketing-year outcome.

Imports

MY 2026/27 Import Forecast

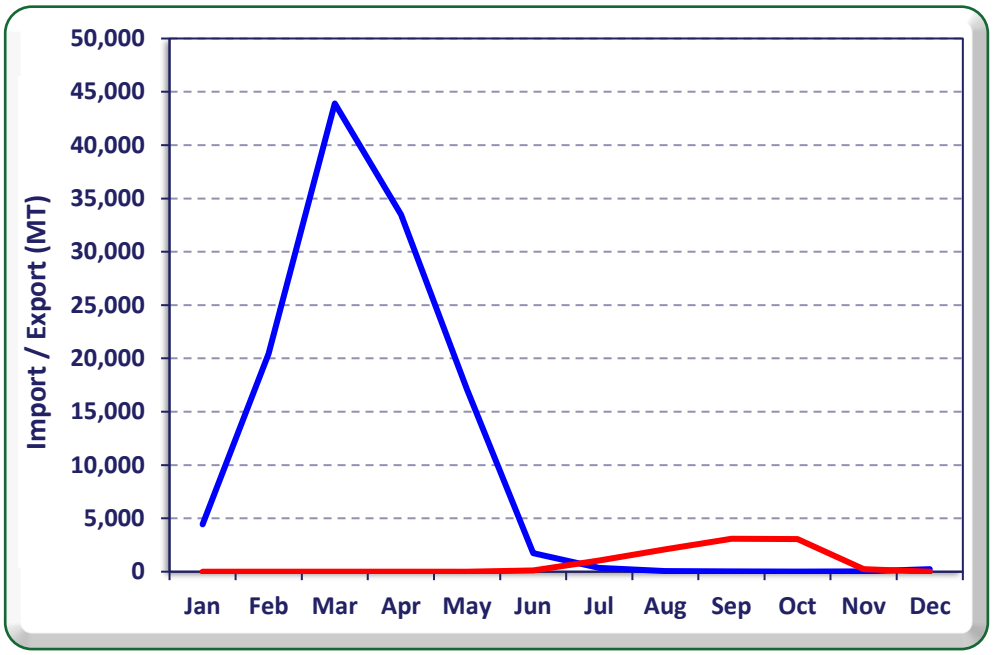
FAS/Canberra forecasts table grape imports to increase by 5.9 percent to 9,000 MT in MY 2026/27, from an estimated 8,500 MT in MY 2025/26. Imports remain modest but have gradually increased, supported by counter-seasonal demand for U.S. grapes.

Almost all table grape imports come from the United States, primarily from California. These shipments are largely counter-seasonal, arriving between July and October (Figure 14), and therefore do not directly compete with domestic production. Historically, some imports arrived in November, but

shipments are now largely completed by October, reflecting competition from low volumes of domestic supply that has emerged from northern Australian producers.

Out-of-season demand for table grapes remains limited by high retail prices. Industry sources indicate that imported grapes are generally of good quality but retail for approximately three times or more than the price of domestic grapes during the main Australian season, constraining further consumption growth.

Figure 14 – 5 Year Average Australian Import and Export Seasonality



Source: *Australian Bureau of Statistics*

MY 2025/26 Import Estimate

FAS/Canberra has revised its MY 2025/26 import estimate upward by 500 MT, or 6.3 percent, to 8,500 MT from 8,000 MT. Imports during the first 11 months reached 5,760 MT, around 1,020 MT above the comparable prior-year period. The full-year estimate therefore assumes approximately 2,740 MT in September 2026, consistent with a substantial final month of U.S. shipments but requiring confirmation against final trade data.

Industry sources report very good quality for imported grapes in MY 2025/26, supporting consumer demand. September is typically a peak month for U.S. arrivals, although the 8,500 MT full-year estimate remains dependent on the final month’s trade outcome.

Table 1 - Production, Supply, and Distribution of Table Grapes

Grapes, Fresh Table	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Commercial Production (MT)	230000	229000	210000	195000	0	205000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	230000	229000	210000	195000	0	205000
Imports (MT)	7700	7700	8000	8500	0	9000
Total Supply (MT)	237700	236700	218000	203500	0	214000
Fresh Dom. Consumption (MT)	96600	95600	98000	85900	0	94000
Exports (MT)	141100	141100	120000	117600	0	120000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	237700	236700	218000	203500	0	214000
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OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Attachments:

No Attachments