

Voluntary Report – Voluntary - Public Distribution

Date: January 16, 2026

Report Number: CH2026-0009

Report Name: Baking Ingredients Market Update 2025

Country: China - People's Republic of

Post: Guangzhou ATO

Report Category: Market Development Reports, Retail Foods, Food Processing Ingredients, Food Service - Hotel Restaurant Institutional

Prepared By: ATO Guangzhou

Approved By: Emily Scott

Report Highlights:

China is the world's second largest bakery market, second only to the United States. Its baked food retail market was estimated between \$50 billion to \$83 billion in 2025. Continued growth is expected as China's per-capita baked food consumption remains relatively low in comparison to mature markets like the United States and Japan. The market for baking ingredients is expanding correspondingly, with market size estimated around \$18 billion in 2024. Baking ingredients including wheat, whey, butter, cheese, and tree nuts continue to present growth potential for U.S. exporters as China's bakery sector continues expanding.

Market Overview

China is the world's second largest bakery market after the United States with total market value in 2025 estimated between \$50 billion and \$83 billion. The baking ingredients segment was valued around \$18 billion in 2024 and is projected to grow at a compound annual growth rate (CAGR) of about 7.8 percent through 2030. The sector is highly competitive; as of April 2025, China had more than 338,000 bakery outlets nationwide. While new entrants continue to enter the market, intense competition also forces some players to exit. Beyond traditional stand-alone bakeries, coffee and tea chains – including Starbucks and Luckin – are increasingly expanding their baked-goods offerings, while major supermarket chains such as Sam's Club, Yonghui, and Olé have developed in-store bakery sections, further intensifying competition across retail channels.

China's per capita baked food consumption remains relatively modest at 7 – 8 kg per year, significantly lower than in developed markets such as the United States (40 kg) and Japan (25 kg), leaving substantial room for growth. Consumption is heavily meal-driven, with breakfast accounting for 68.4 percent of total bakery consumption, followed by afternoon tea (25.5 percent), snacking (21.6 percent), and gifting occasions (18.1 percent). Female consumers represent 65.4 percent of total bakery product buyers, reflecting the segment's strong appeal among women in urban regions. By age group, consumers aged 30 to 39 comprise 32.9 percent of the market, followed by 20 to 29-year-olds at 26.8 percent, and 40 to 49-year-olds at 17.9 percent, underscoring the dominance of younger and middle-aged urban professionals as key drivers of bakery demand. The growing emphasis on convenience, health, and social sharing through café culture and online platforms is further shaping China's evolving bakery consumption landscape.

Competition Landscape

With a market size up to \$83 billion, China's baked food market is highly competitive with players from home and abroad. According to industry reporting, by the end of May 2025, China had over 338,000 bakery stores nationwide. While new entrants continued to enter the market, some chains have reduced scale or even exited the market totally or partially in 2025. For example, 85°C Bakery, a Taiwanese chain, reportedly closed 40 outlets in mainland China in 2025. Christine, a bakery chain that had more than 800 outlets nationwide at its peak, went insolvent at the end of 2024. Even BreadTalk, which was included in the top 10 bakery chains list in 2025, closed all stores in Chengdu (Sichuan Province) in July 2025. Guangdong – China's most populace province - is the largest baking province in the country, accounting for 11.7 percent of the store counts, followed by Jiangsu (7.7 percent) and Shandong (6.8 percent). Super large bakery chains (operating more than 500 stores) accounted for only 1.6 percent, while chains operating between 101 and 500 stores accounted for 9.7 percent. Nearly half (49.3 percent) of the chains operated between 5 to 30 outlets.

Below are the Top 10 bakery chains in China in 2025 by a food/catering consultancy group based on comprehensive standards integrating store counts, brand awareness, influence, and consumer rating:

Brand Name	Headquarters	Description
Holiland	Beijing	Founded in 1992, the chain now owns and operates nearly 1,000 outlets across 70 cities in China.
Bliss Cake (Xingfu Xibing)	Shenzhen (Guangdong)	Founded in 2008, the chain focuses on online-ordering with very few brick-and-mortar outlets. It started franchising the brand in 2015 and now serves in 300+ Chinese cities.
Ganso	Shanghai	This Taiwanese chain entered the mainland China market in 1993. It operated around 760 outlets across China by the end of 2024.
Luxi He Food	Nanjing (Jiangsu)	Founded in 2013 in Nanjing, Luxi He is specialized in Chinese-style baked goods and currently operates more than 500 outlets nationwide.
Bao Pastry	Beijing	Founded in 2004, Bao Pastry currently owns and operates more than 100 outlets across the country and has rejected franchising.
Kengee	Wuhan (Hubei)	Founded in 2000 in Wuhan, Kengee emphasizes using ingredients from its own farms and targets young consumers. It currently operates around 400 outlets in the four provinces of Hubei, Hunan, Henan, and Anhui.
Maxim's Cakes	Guangzhou (Guangdong)	This Hong Kong chain established its Guangzhou branch in 2004 to operate the mainland China business covering not just bakery but also a wide array of restaurants. Information on its mainland store count is not available, but its products (esp. mooncakes) are sold not just in its outlets but also in other retail channels such as supermarkets and convenience stores.
BreadTalk	Singapore	This Singaporean chain opened its first China outlet in 2003. At its peak it had nearly 500 outlets across China, operated by different franchisees. In recent years the store number has decreased due to intense competition.
BBT Bakery (Baba Tang)	Wuxi (Jiangsu)	BBT (or Daddy Sweetie) was founded in 2015 and focuses on toasts. By the end of 2025 it operated around 500 outlets in 128 cities.
Kumo Kumo	Shanghai	As the youngest chain among the top 10, Kumo Kumo opened its first shop in 2020, and has expanded aggressively to cover more than 100 cities with 500 outlets in just 5 years due to its successful marketing strategy (targeting young consumers, launching new products frequently, strong presence on social media, etc.)

Source: <http://food.china.com.cn/>

Leading Ingredient Suppliers

China's imported baking ingredient market is dominated by big-name multinationals – Cargill, Kerry Group, Nestle, Anchor, etc., depending on the type of ingredient. These multinationals have broad portfolios, compliance capabilities, and ability to supply premium functional ingredients. Many of these players do not sell directly to small bakeries; instead, they operate through networks of local distributors or ingredient dealers – including regional food ingredient companies. These distributors provide logistics, credit facilitation, and sometimes formulation services. While multinationals are strong in specialty functional ingredients, domestic companies compete on price and logistics. China's baking

sector increasingly demands localized solutions, driving multinationals to localize production and R&D to stay competitive.

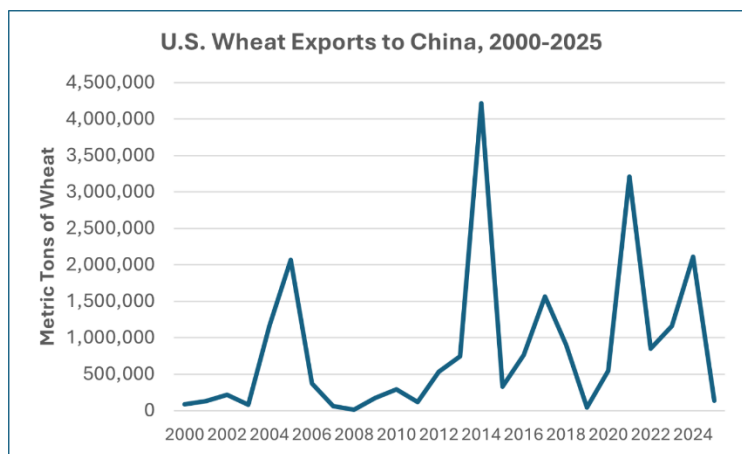
Some large bakery chains with centralized production systems – such as Maxim’s Cakes and Kengee – supply semi-processed or finished bakery ingredients (like frozen dough, fillings, creams) to external bakery chains or foodservice customers, not solely for in-house use. This practice leverages their scale, standardized formulations, and cold-chain logistics, and it sometimes blurs the line between “bakery chain” and “ingredient supplier”, especially in the frozen and ready-to-use segment.

Trade Overview

Wheat (flour), dairy products including whey, butter, and cheese, and tree nuts – particularly almond and pistachio, are used abundantly in the bakery sector. Even though China’s domestic production meets market demand to some extent, China continues to import these commodities – especially among high-end bakery chains that emphasize premium quality.

Wheat (Flour)

China’s wheat imports peaked in marketing year 2023/24 at about 13.6 MMT, driven by strong feed demand and increased purchases of higher-quality milling wheat. Since that peak, the pace has moderated: calendar-year 2024 imports fell 7.6 percent from 2023 to 11.2 MMT, with Australia, Canada, and France as the top three suppliers. The United States ranked fourth in 2024, shipping 1.9 MMT. China made no wheat purchases from the United States during the first ten months of 2025 amid bilateral trade tensions.

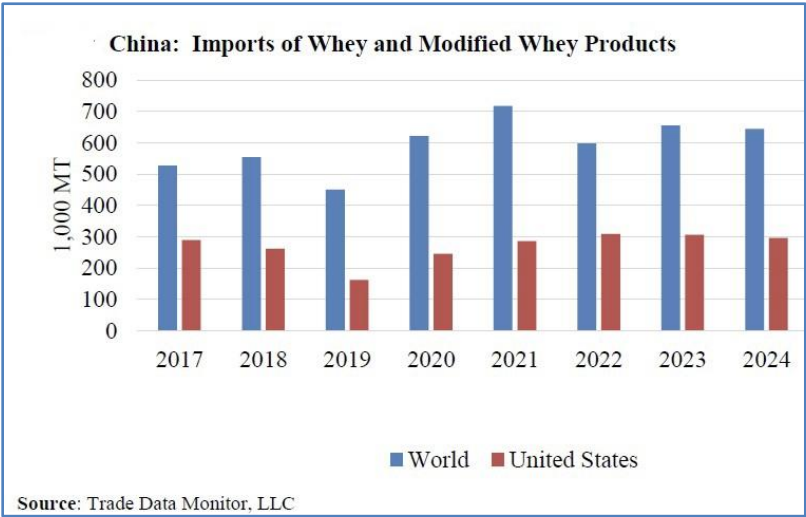


Source: <https://www.profarmer.com/>

Whey

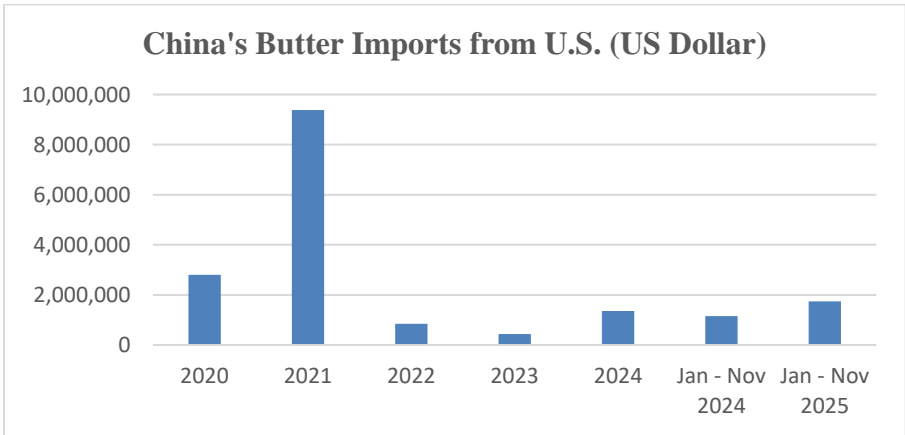
The bulk of China’s whey imports are primarily used for animal feed (70 – 80 percent), and only a small portion (3 – 15 percent) is used for the processed food sector including bakery and confectionery. China’s demand in whey remains strong. Despite China’s retaliatory tariffs on U.S. whey, the United

States has remained the top source of China’s whey and modified whey imports for multiple years. In the first nine months of 2025, imports from the United States increased almost 5 percent to \$183.3 million, accounting for 28.5 percent of total imports. Even though some buyers shifted sourcing from Eastern European suppliers due to U.S.-China trade tensions. these alternative suppliers lack sufficient capacity to fully replace U.S. volumes.



Butter

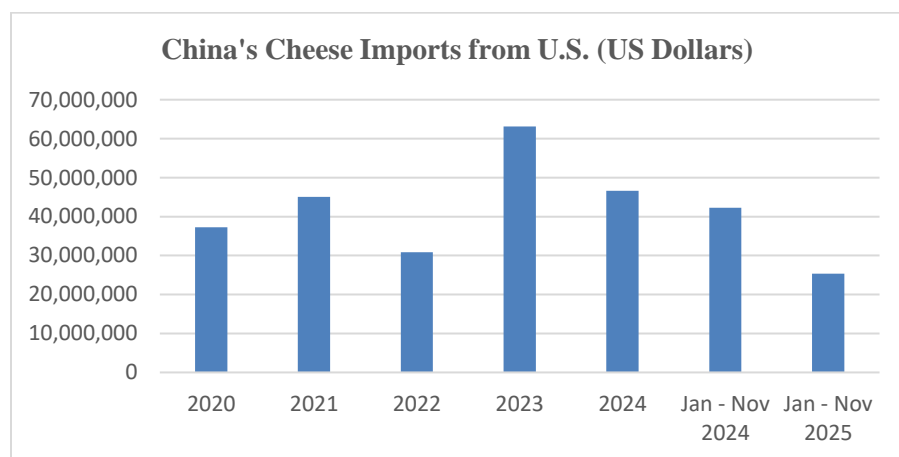
China's domestic butter production has been unable to meet demand, leading to a reliance on imports. A growing preference for high-quality imported butter for premium applications has reinforced the trend of relying on imports. Increasing demand from the bakery sector and food services has bolstered consumption and imports. New Zealand consistently dominates China's butter import market, accounting for a large majority, often close to 90 percent – thanks to zero tariff status. Butter imports from the United States have fluctuated over the past 5 years, ranking as the 10th largest supplier in 2024 with an import value of \$1.36 million. In the first 11 months of 2025, imports from the United States reached \$1.74 million, exceeding total U.S. imports of the entire 2024.



Source: Trade Data Monitor LLC.

Cheese

China's cheese consumption continued to grow in 2025, primarily fueled by the foodservice sector. Currently, approximately 70 percent of cheese consumption occurs in the hotel, restaurant, and institutional (HRI) sector. Demand from Western-style restaurants, pizza chains, and Chinese-style quick-service restaurants remains robust. Mozzarella, cream cheese, and cheddar continue to be the most used varieties. China's cheese import market remains highly concentrated, with New Zealand firmly holding the top position (zero tariff again) and Australia following closely behind. Imports of U.S. cheese, traditionally the third-largest source, had a steep drop of more than 40 percent in the first 11 months of 2025 as a result of China's retaliatory tariffs on U.S. imports, positioning itself as the 6th largest supplier.



Source: Trade Data Monitor LLC.

Tree Nuts

Tree nuts are key inputs for premium bakery products in China. For several varieties – most notably pistachios and almonds used in Western-style baked goods – China remains highly dependent on imports. According to a CFNA (China Chamber of Commerce of Import & Export of Foodstuffs, Native Produce & Animal By-Products) report released in August 2025, China's domestic pistachio self-sufficiency is close to zero, while estimated consumption ranges from 90,000 to 110,000 metric tons. This made China the world's second-largest pistachio buyer on an in-shell basis in 2024, after the European Union.

China's imports of both raw and processed pistachios from the United States are expected to decline in marketing year (MY) 2025/26 (September - August), primarily due to elevated tariffs. However, some importers have reportedly rerouted U.S.-origin pistachios through Southeast Asian countries – particularly Vietnam – for processing prior to re-export to China, in order to mitigate tariff impacts on U.S. goods. Meanwhile, imports from Iran, China's second-largest pistachio supplier, are projected to continue increasing.

A similar pattern is taking place in the almond sector. Direct almond imports from the United States are anticipated to fall due to high tariff levels. Nonetheless, significant volumes of U.S. raw almonds continued to be routed through Southeast Asia for processing and subsequent re-export to China. At the same time, China is expected to expand almond imports from Australia and potentially Spain, both of which are forecasting larger crops in MY 2025/26.

Major Bakery Trade Shows in 2026

Event Name	Dates (chronological order)	Location	Organizer	Official Website
Food Ingredients China (USDA-endorsed show)	March 17-19	Shanghai (National Exhibition and Convention Center)	China Food Additives & Ingredients Association	https://www.cfaa.cn/lxweb/toIndex.action?type=fic.en
The 22 nd International Baking Exhibition	April 10 -12	Beijing (China International Exhibition Center)	National Federation of Industry and Commerce Baking Association	http://www.baking-expo.com/en/
The 29 th China Bakery Exhibition (also known as Guangzhou Bakery Show)	May 11-13	Guangzhou (Canton Fair Complex)	All China Baking Association	http://www.china-baking-expo.com/
Bakery China 2026	May 20 -23	Shanghai (National Exhibition and Convention Center)	China Association of Bakery and Confectionary Industry	https://www.bakerychina.com/en/
Bakery China Autumn 2026	October 22-24	Wuhan (Wuhan International Expo Center)	China Association of Bakery and Confectionary Industry	https://www.bakerychina.com/en/

Further Information

FAS China has published the following reports on various ingredients used in the bakery sector:

[Dairy and Products Annual 2025](#)

[Tree Nuts Annual 2025](#)

[Pistachio Market Update 2025](#)

[Food Processing Ingredients Annual 2025](#)

For more information, please contact the following USDA Foreign Agricultural Service offices in China.

Office of Agricultural Affairs (OAA) Tel: +86 10 8531 3600 Fax: +86 10 8531 3636 Email: AgBeijing@usda.gov	
Agricultural Trade Office (ATO) Beijing Tel: +86 10 8531 3950 Fax: +86 10 8531 3974 Email: ATOB Beijing@usda.gov	Agricultural Trade Office (ATO) Shanghai Tel: +86 21 6279 8622 Email: ATOShanghai@usda.gov
Agricultural Trade Office (ATO) Guangzhou Tel: +86 20 3814 5000 Fax: +86 20 3814 5310 Email: ATOGuangzhou@usda.gov	Agricultural Trade Office (ATO) Shenyang Tel: +86 24 2335 5140 Email: shenyangATO@state.gov

Attachments:

No Attachments.