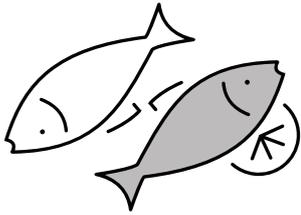


1 'Butter fruit'

Smashed avo' on toast is here to stay. Avocado sales to China are expected to double this year, fuelled in part by rising demand among Chinese millennials and consumers living in large urban hubs, including Shanghai, Beijing, and Guangzhou. In 2017, China purchased 32,200 tons of the fruit from Chile, Mexico and Peru, over 1,000 times the amount imported in 2011.²

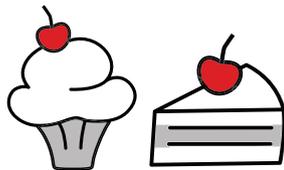


2 Anything fishy...

Already the largest producer of fish products, China is also the world's most avid seafood consumer, with a growing appetite for imported varieties. Seafood imports to China have enjoyed annual growth rates of almost 100% since 2015 and in 2017, the value of seafood imported into China reached US\$8.5 billion.³ As of July 2018, lobsters accounted for 70% of New Zealand's seafood exports to China, and Norwegian salmon exports to China have increased by 548% in the first half of this year.⁴

3 Would you like a cherry on top?

Cherries are also fast becoming a consumer favourite in China with imports growing from US\$286 million in 2013 to US\$770 million in 2017. China imported 125,000 tons of cherries in 2017 and 2018 from Chile, considered to be a record high by the Chilean Fruit Association.⁵ During a shopping event in June 2017, Chinese e-commerce platform JD.com sold 57 million cherries to consumers in just one day.⁶



Six Surprising Imports

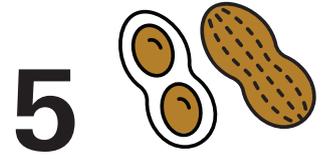
People in China Love to Eat (and Drink)

In China, people love their food and it's no surprise that the burgeoning middle class has developed a strong appetite for imported foods. In fact, the total value of food imported into China last year exceeded US\$58 billion, an increase of 25% compared to 2016.¹ Let's take a look at some of the more unexpected food imports becoming popular in China...



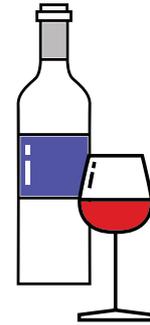
4 Fancy a cuppa? Or something stronger?

In China, tea is a big deal. And that includes English tea. The United Kingdom sold GBP2 million of tea to China just last year.⁷ While we're at it, let's not forget an evening tippie. In 2017, British whisky exports to China were up by 47% totalling nearly GBP62 million and sales of British beer to China increased by 127% exceeding GBP45 million.⁸



5 Going nuts for nuts

Not native to China, almonds and other nuts have seen a surge in demand and popularity, driven in part by growing health consciousness among younger and urban consumers. Australia's tree nut exports to China have grown from AU\$6 million in 2010 to AU\$63 million in 2016.⁹



6 Grape juice, anyone?

Last but certainly not least, is China's thirst for wine. China is now one of the world's largest wine markets, with imported wine reaching nearly US\$3 billion in value in 2017, going up by 18% compared to 2016. China is expected to become the world's second most valuable wine market by 2020, with the growth of sparkling wine in China increasing by more than 40% between 2016 and 2020.¹⁰

1. Xinhua News Agency: http://www.xinhuanet.com/english/2018-07/28/c_137353788.htm

2. CNBC: <https://www.cnbc.com/2018/01/10/chinas-middle-class-is-boosting-demand-for-avocados.html>

3. China Daily: <http://www.chinadaily.com.cn/a/201807/14/WS5b499f61a310796df4df673e.html>

4. China Daily: <http://www.chinadaily.com.cn/a/201807/14/WS5b499f61a310796df4df673e.html>

5. Chilean Fruit Association: http://www.xinhuanet.com/english/2018-07/15/c_137324927.htm

6. Reuters: <https://www.reuters.com/article/us-usa-trade-china-fruit/oh-nuts-china-shoppers-lament-tariffs-on-us-almonds-pistachio-and-fruit-idUSKBN1GZ1HQ>

7. China Daily: <http://europe.chinadaily.com.cn/a/201802/14/WS5a832702a3106e7dccc13c97c.html>

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9. ABARES: <https://www.abc.net.au/news/rural/rural-news/2017-03-30/tree-nut-export-trends-china/8399758>

10. The Drinks Business: <https://www.thedrinksbusiness.com/2017/04/europe-sags-in-wine-consumption-asia-pacific-surges/>