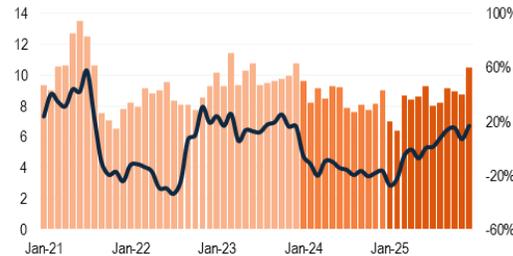


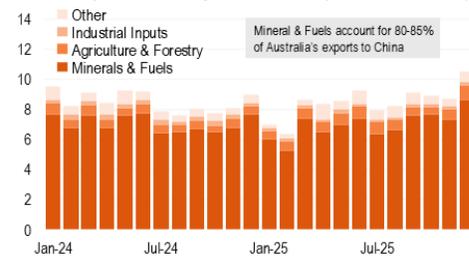
Australia-China Trade Rebalancing as Industrial Imports Outpace Commodity Exports

With commodity exports down from their 2021 peak, faster growth in machinery, electronics and transport imports has steadily narrowed Australia's bilateral trade surplus with China.

Australia Exports to China, USD bn and YoY Growth (Jan. 2021-Dec. 2025)



Australia Exports to China by Sector, USD bn (Jan. 2024-Dec. 2025)

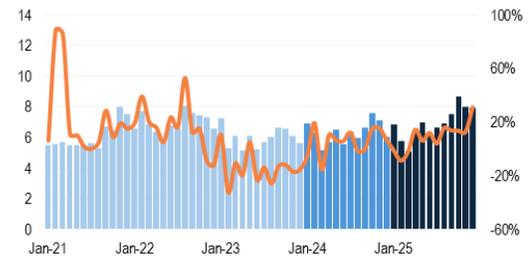


Source: UN Comtrade, ANDAMAN PARTNERS Analysis

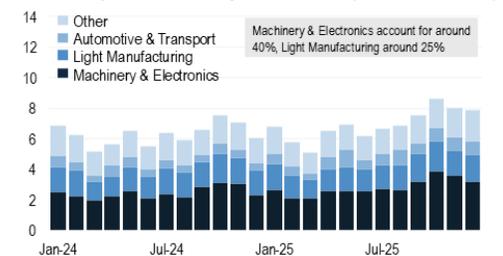
Australia Trade With China (2021-2025)

- ▶ Exports falling: USD 118 bn to USD 102 bn (CAGR -2.9%)
- ▶ Imports rising: USD 73 bn to USD 83 bn (CAGR 3.4%)
- ▶ Avg. yoy growth: Exports: 3% Imports: 9%
- ▶ Trade surplus shrinking: USD 45 bn to USD 19 bn
- ▶ Exports dominated by Minerals & Fuels
- ▶ Imports structurally concentrated in machinery, electronics and transport equipment
- ▶ Seasonal volatility in exports due to commodities
- ▶ Import growth highlights structural dependence on China

Australia Imports from China, USD bn and YoY Growth (Jan. 2021-Dec. 2025)



Australia Imports from China by Sector, USD bn (Jan. 2024-Dec. 2025)



Australia's trade relationship with China is undergoing a measurable shift. While China remains Australia's dominant commodity buyer, export values have declined from their 2021 peak of USD 118 billion to around USD 102 billion in 2025, reflecting softer commodity prices and cyclical volatility in minerals and fuels. Exports remain heavily concentrated, with 80-85% still accounted for by minerals and energy products, underscoring the structural nature of Australia's resource exposure.

By contrast, imports from China have expanded more steadily, rising from USD 73 billion to USD 83 billion over the same period. Growth has been led by machinery, electronics and transport equipment, together accounting for roughly two-thirds of Australia's imports from China. This divergence in momentum (declining commodity exports versus rising industrial imports) has materially compressed Australia's bilateral trade surplus, from USD 45 billion to just USD 19 billion.

The result is not a diversification of Australia's export base, but a rebalancing of the bilateral relationship driven by import growth. China remains central to Australia's resource sector, while Australia remains reliant on China for high-value manufactured goods and industrial inputs. Bilateral trade continues to reflect a classic commodities-for-manufactures exchange, but with

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narrowing surplus buffers and growing sensitivity to shifts in both commodity demand and industrial supply chains.

Also by ANDAMAN PARTNERS:

- [Australia's Highly Specialized Export Profile: Risk and Opportunity](#)
- [Led by China, Asia Commands Global Industrial Commodity Imports](#)
- [Anchored in Asia: Australia's Trade Has Become Regionally Centred](#)

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