ITALIAN TRADE AGENCY

ITA Beijing Office

NEWSLETTER

FASHION/PERSONAL CARE/LEISURE
22 – 28 June 2026

China Luxury Market Shows Stabilizing Signs Amid Broad Retail Weakness
China's overall retail sales fell 0.6% year on year in May 2026, the first contraction since December 2022, with discretionary categories such as gold and jewelry (-8.9%) and furniture (-8.7%) bearing the brunt. Cosmetics bucked the trend with a 2.5% rise, underscoring resilient demand in personal care. The divergence signals stabilization at the luxury tier even as mass-market consumption softens. **(National Bureau of Statistics)**

China Luxury Retail Reshuffles as Brands Retreat from Lower-Tier Cities
British label Studio Nicholson entered China in the first half of 2026 while Galeries Lafayette exited Beijing, signaling a major realignment in the sector. Luxury brands are pulling back from third- and fourth-tier cities to refocus on first-tier and key second-tier markets. Prada is among those doubling down on Shenzhen, building cultural ecosystems to deepen consumer engagement. **(Jing Daily / Industry reports)**

China's Skincare Market to Hit $79.4 Billion by 2033 on 7.6% CAGR
China's skincare market was valued at $44.2 billion in 2025 and is projected to reach $79.4 billion by 2033, growing at a compound annual rate of 7.6%. Premiumization, natural and organic ingredients, and anti-aging products are driving the sector's expansion. The robust outlook underscores sustained consumer appetite for high-end personal care despite broader retail headwinds. **(Industry market research reports)**

Modest Growth is Expected for China's Outbound Travel Market in 2026
87% of surveyed travel agents forecast growth in China's outbound travel market in 2026, with most expecting modest growth. In 2025, growth rates slowed, but were strongest among silver and younger demographics, alongside small group travel and FIT. In addition, Chinese travelers are demonstrating a stronger demand for in-depth trips featuring longer stays and cultural exploration, as well as interest in niche destinations. **(www.dragontrail.com)**

China's Gold and Jewelry Retail Slumps 8.9% in May on Soaring Bullion Prices
Gold and jewelry retail sales fell 8.9% year on year to RMB 26.7 billion ($3.93 billion) in May 2026, following an even steeper 21.3% plunge in April. Cumulative sales for January–May edged up 2.8% to RMB 167.8 billion ($24.68 billion), masking deepening monthly weakness. The sharp decline highlights how record-high gold prices are increasingly choking consumer demand. **(National Bureau of Statistics)**