



Global Market Report

February 2021
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**Ciatti Global Wine
& Grape Brokers**

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As we enter the second month of 2021 the global bulk wine market can be characterised by being uncharacterizable: each producer country is currently contesting with its own unique cocktail of domestic and internationally-derived factors so that any sweeping statement about the global supply-demand balance would be suspect to say the least.

Take the Southern Hemisphere: Argentina (+26.7% on 2019), Chile (-2%) and Australia (+0.5%) go into their 2021 harvests having experienced, given the pandemic, an impressive 2020 for their respective total wine export volumes. While this should mean tighter supply, in Argentina the supply tightness on varietals is mainly due to supplier speculation that prices will be higher later on (price increases that may be offset to the international buyer by the peso's continuing devaluation); in Chile, unprecedented rainfall at the end of January has led to concern about 2021 vintage quality, so that many wineries are putting their sales on hold; in Australia, China's imposition of 107%+ import tariffs on Australian wines has lowered red grape pricing by 20-25%. With slow exports in the past two years and periodic prohibitions on domestic alcohol sales over the past 12 months, stock levels in South Africa are high and pricing negotiable.

The Northern Hemisphere is similarly heterodox: hurting from newly-imposed US import tariffs on all French wines and slow sales – particularly on reds – more generally, prices in southern France are negotiable; Spain, with plenty of stock, is pricing aggressively in the hunt for buyers; following strong domestic and international sales over the past 12 months, Italy's main appellations are rising in price. Export pricing in California remains stable but feeling some upward pressure after the state's lighter than average 2020 crop and continued sales strength in the US off-trade.

Buyers must keep track of the ever-shifting opportunities while also making a judgement call as to where the world will be in three months, six months, a year. Early 2021 off-trade sales may continue their 2020 robustness but they may not; the on-trade reopens in one market, but closes in another; the vaccine rollout is underway, but there are new virus strains. Criss-crossing this fragmented picture are the tariffs wars in which wine is emotive collateral: the EU versus the US; the US versus China; China versus Australia. For every wine trader hurt by these there is another who can benefit: the Argentinian or Spanish supplier of bulk reds wins Chinese business from Australia; the Italian supplier wins US market share from his French counterpart.

Now more than ever, it is imperative that you get in touch with your Ciatti office to get the latest prices and market picture, so that we can help you position yourself to win in 2021 and beyond. The Italy page this month says: "The feeling (and the hope) is that the COVID-19 vaccine campaign will be successful and the recovery will be very strong, starting from the end of April/May." We have our fingers and toes crossed that every word of that proves true. In the meantime, don't hesitate to get in touch, and stay safe.

Robert Selby

California

Time on target



HARVEST WATCH: *2020 crop of 3.4 million tons, down 13% from 2019*

The start of 2021 has seen strong activity levels on California's bulk wine market, driven by the perception of tighter supply – due to the lighter 2020 crop – and the continuation of robust grocery store sales. Some Central Valley suppliers are already sold out of their 2020 vintage wines, partly due to the good retail demand but mainly because of the lighter crop. State-wide, the market is balanced and potentially moving towards a tighter situation until we see more bulk supply on the market.



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The California Department of Food & Agriculture's preliminary 2020 wine grape crush figure, published 10th February, came in at 3.4 million tons, down 13% from 2019's crop (when significant quantities of grapes went unpicked) and – as widely expected – the smallest since 2011's 3.34 million tons. This volume, due to Mother Nature's lighter yields and smoke exposure issues, is in line with Ciatti's pre-harvest estimate. The Interior's total volume was 2.46 million tons, down 15% from 2019, with the southern Interior's down 5.7% at 1.19 million tons. For a more complete breakdown of the preliminary harvest result, see Ciatti's press release [here](#).

Central Valley export pricing has been feeling the upward pressure but remains relatively stable – certainly it has not seen the price increases that we have seen on domestic pricing. There seems to have been a refocus on export since the reintroduction of Duty Drawback and recognition that the export business, representing 15% of California's wine output, has struggled in recent years due to pound sterling's devaluation since the Brexit referendum and China's imposition of extra import tariffs on US wines.

With bulk supply limited, the Central Valley's grape market has been very active, with offers across all varieties and one-year and multi-year contracts being agreed. Prices are below where growers would like but above where they were in 2020; growers are trying to understand the market and must decide if they should enter into deals or see if prices increase as the season develops. Most buying activity is coming from the large wineries benefitting from supplying or owning strong off-premise brands with national distribution. Planting contracts are being offered in the Central Valley but – as input costs have risen – not at prices tempting enough for many growers. Contracts are being offered for Merlot, Chenin Blanc, Sauvignon Blanc, Chardonnay and floral varieties such as Muscat and Colombard.

See next page for more on California.

E&J Gallo's acquisition of more than 30 wine brands from Constellation Brands was approved by the US Federal Trade Commission in December and finally completed on 5th January. The completion of the deal offers welcome additional stability to the market.

An expectation that the new Biden administration will be open to re-entering the US into the Trans Pacific Partnership (TPP) multinational trade agreement – which the US withdrew from in 2017 – is likely to be at least partly behind recent renewed interest in Californian wines from Asia, especially Japan. With a change in administration also comes fresh hope that the US and the EU can get around the table to end their longstanding civil aviation dispute, which has resulted in the US applying 25% import tariffs on all French and German wines and a large percentage of Spanish and UK wines. These tariffs, as well as being keenly felt in France especially, have hurt US importers and distributors.

Sierra Nevada snowpack levels are relatively good but winter rainfall levels across California have so far been significantly below normal. Portions of the state continue to experience long-term drought and the long-range forecast through until the end of April is for drier than average conditions. There is particular concern among growers in the southern Valley about this dryness and the effect it will have on federal water allocations should February through April not bring some replenishment of water reserves.

To find out more about California's bulk wine market you can read Ciatti's monthly *California Report*.

Key Takeaways

California's bulk wine market is very active and inventory is significantly lower than it was at this stage in the past 2-3 years. The Central Valley's bulk wine and grape markets have been active on all varieties but bulk pricing for export remains relatively stable. It is hoped a new administration in the White House will lead to a more favourable export environment for Californian wines – whether that be in accessing Asian markets through the US joining the TPP trade agreement, an end to the US-EU tariff war, or a thawing of US-China relations. After a drier than normal winter so far and with a dry February through April predicted, drought remains a concern in the Central Valley, particularly in the south.

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California: Current Export Market Pricing (USD per liter)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---------|-----------------|-------------|-------|---------|--------------------|-------------|-------|
| 2020 | Generic White | 0.90 – 0.99 | ↔ | 2019/20 | Generic Red | 0.79 – 1.05 | ↔ |
| 2020 | Chardonnay | 1.25 – 1.59 | ↔ | 2019/20 | Cabernet Sauvignon | 1.09 – 1.85 | ↔ |
| 2020 | Pinot Grigio | 1.25 – 1.59 | ↔ | 2019/20 | Merlot | 1.12 – 1.38 | ↔ |
| 2020 | Muscat | 1.10 – 1.45 | ↔ | 2019/20 | Pinot Noir | 1.40 – 1.85 | ↔ |
| 2020 | White Zinfandel | 0.94 – 1.00 | ↔ | 2019/20 | Syrah | 1.09 – 1.58 | ↔ |
| 2020 | Colombard | 0.95 – 1.00 | ↔ | 2019/20 | Ruby Cabernet | 0.97 – 1.10 | ↔ |
| | | | | 2019/20 | Zinfandel | 1.20 – 1.65 | ↔ |

Argentina

Time on target



HARVEST WATCH: *Expected to be down 5-10% versus last year*

Mendoza had been experiencing a heatwave (temperatures of up to 36-37°C) until unseasonably prolonged rain arrived at the end of January into February. A wet front, blowing across from the Pacific - and which also affected Chile - set in for four days or so of rain/drizzle, reducing highs to 17-19°C. With harvesting of the 2021 whites due to commence in mid-February, and the majority of the harvest not underway until March, picking has not been affected and the lower temperatures could allow more time for polyphenols to ripen.

Such a static front of rain is unusual for Mendoza at this time of year - usually rainfall comes in hard and fast via electrical storms. The big issue with the 2021 crop, however, is last October's severe frost episode. Many expect the crop to be down 5-10% in size from 2020, which itself was 15% down on a normal year: if a 'normal' Argentinian harvest is 2.5 million metric tons, and last year's was 2.05 million tons, this year's could be in the 2.0-2.1 million ton ballpark. The San Juan wine region to the north of Mendoza, which produces 27% of Argentina's total wine output (versus Mendoza's 70% and Patagonia's 3%), has announced it expects to harvest the same volumes as in 2020.

Argentina's grape prices have been experiencing a great deal of upward pressure due to this frost incident in addition to good bulk wine activity - domestically and for export - in the second half of 2020. The country's high inflation rate is also a factor: Argentina officially registered inflation of 36.1% in 2020 and the new year has already seen significant increases in gasoline and energy prices.

In turn, and with the country's 2020 inventory - especially of generics - having steadily reduced in size, bulk wine prices have ticked up slightly. Higher prices on the coming 2021 vintage are also possible but, at the same time, the government is allowing a gradual, daily devaluation of the peso so that, by the start of February, it was at ARS92.50/dollar (versus ARS89/dollar a month previously). In short, with the harvest outcome not yet known and Argentina's economic situation changing daily, the situation is in flux and we must wait for April to see what the actual market prices will be. As aforementioned, inventory of generic red and generic white has greatly reduced. Despite strong activity in the second half of 2020 into 2021, there remains inventory on varietals including Malbec but many suppliers have removed their volumes from the marketplace while they wait for the harvest result.

Argentina's National Institute of Viticulture (INV) announced that Argentina's total wine exports reached 395 million litres in 2020, up a significant 26.7% from 2019 and the highest total in ten years. Of this total, 192 million litres was exported in bulk, 203 million litres bottled. In further good news for the industry, domestic consumption showed signs of a robust revival, growing 6.5% in 2020 with some 57 million liters more consumed domestically than in 2019. Per capita domestic consumption increased to 21 litres, the highest level in five years. The INV projects the country's total wine inventory at 324.5 million liters as of 1 June 2021.

January was a more active month on the bulk market than normal, with robust domestic and North American demand. Such strong sales in the domestic market remain a mystery considering the parlous state of Argentina's economy: can it be sustained? Demand from domestic buyers is expected to be quieter in February and March as the industry focuses on harvesting the new vintage.

See next page for more on Argentina.

Key Takeaways

October's frost episode and good levels of bulk activity in 2020 (exports were up over 25% and domestic consumption was up 6.5%) have increased Argentina's 2021 grape prices. Its bulk pricing has also firmed up as inventory of 2020 wines diminishes or gets removed from the market as suppliers speculate on future prices (the coming harvest could be 20-25% down in size on a normal year). Argentina's peso, however, continues to soften daily, which might - for the international buyer - help offset any increased bulk wine prices. In short, the picture will be clearer in April when the harvest is complete and the peso's situation at that stage can be applied.

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Argentina: Current Market Pricing (USD per liter; FCA Winery)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---|--------------------------|-------------|-------|--|--------------------|-------------|-------|
| 2020 | Generic White (Basic) | 0.33 – 0.38 | ↑ | 2019/20 | Generic Red | 0.33 – 0.38 | ↑ |
| 2020 | Generic White (Standard) | 0.33 – 0.38 | ↑ | 2019/20 | Cabernet Sauvignon | 0.55 – 0.65 | ↑ |
| 2020 | Muscat | 0.33 – 0.38 | ↑ | 2019/20 | Merlot | 0.45 – 0.55 | ↑ |
| 2020 | Torrontes | 0.40 – 0.45 | ↑ | 2019/20 | Syrah | 0.40 – 0.50 | ↑ |
| 2020 | Sauvignon Blanc | 0.50 – 0.60 | ↑ | 2019/20 | Malbec Standard | 0.60 – 0.70 | ↑ |
| 2020 | Chardonnay | 0.50 – 0.60 | ↑ | 2019/20 | Malbec Premium | 0.70 – 1.00 | ↔ |
| 2019/20 | Bonarda | 0.35 – 0.45 | ↔ | 2019/20 | Malbec High End | 1.00 – 2.50 | ↔ |
| | | | | 2019/20 | Tempranillo | 0.35 – 0.45 | ↔ |
| White Grape Juice Concentrate <i>*Per metric ton in bulk</i> | | 1,100.00 | ↑ | Red Grape Juice Concentrate (Color 1,000) <i>*Per metric ton in bulk</i> | | 1,300.00 | |



Chile

Time on target



HARVEST WATCH: *Unprecedented rainfall in growing areas*

Unprecedented rainfall for January fell in much of Chile's fruit-growing area over the last weekend of the month. The record for the most rain in a single January day in Santiago (22.4mm in 1933) was easily broken on the 29th of the month when the area received 31.4mm – Santiago normally receives less than 1mm of rain in the entire month of January and had been receiving low rainfall levels for the previous five years.

The rainfall fell strongest between the regions of Valparaíso (Aconcagua Valley) and Maule (southern border of Valle Central). By 3rd February precipitation levels had reached 40mm in Santiago (normal: 0.6mm), 75.4mm in Curicó (normal: 2.8mm), and 62mm in Chillán (normal: 16.3mm). Hailstorms and landslides also occurred in some areas. Damage to blueberries, table grapes and other fruits has been significant, while some table grape and wine grape pergolas – in full leaf and on waterlogged ground – were pushed over by crosswinds.

Such precipitation levels have given rise to mildew fears and some wine grape growers commenced spraying immediately. Concerns about water supplies have been postponed until at least late April. The early varieties – Tintorera, Sauvignon Blanc, Chardonnay, and the small amount of Pinot Grigio grown in Chile – are likely to have been most affected by the recent conditions and assessments will be made over the next few weeks. The 2021 crop is still expected to be large but there is now a question mark over quality. Harvesting will get underway on Sauvignon Blanc by the end of February.

Many wineries are putting their sales on hold while they wait to see how the market reacts to the recent weather and then how the 2021 harvest itself fares. Where prices will head on the remaining uncontracted 2021 grapes remains open to question: the crop size should be good, but quality is now a concern.

Bulk market activity was steady in January. Chinese buyers were active in December and January buying, approving and shipping, especially on high-quality reds and generic reds. Chile has also been receiving requests for Sauvignon Blanc from buyers struggling to source from Marlborough in New Zealand, where the varietal is nearly sold out. The Chilean peso steadily weakened against the US dollar through January off the back of a softening copper price, starting the month at CLP710.95/dollar and finishing it at CLP741.40/dollar. The peso strengthened back a little in early February (CLP733.13/dollar as of 10 February), aided by COVID-19 vaccine optimism.

Chile's wine export performance in full-year 2020 – down 2.18% versus 2019 – held up well in the face of COVID-19: bulk exports reached 343.42 million litres (-5.59%) while bottled was in line with the prior year at 477.31 million litres (-0.43). Packed wine exports, meanwhile, were up 22.6% in volume to 25 million litres. Increases in bulk wine export volumes to leading market the US (+19% to 107 million litres), plus to the UK (+10% to 73 million litres), Germany (+2% to 35 million litres), Denmark (+2% to 11 million litres), Canada (+10% to 19 million litres), France (+6% to 9 million litres) and Spain (+39% to 5 million litres), helped offset a significant fall (-48% to 41 million litres) in Chinese demand.

See next page for more on Chile.

Key Takeaways

The record-breaking rainfall over the final weekend of January into early February has increased uncertainty as to Chile's 2021 grape and bulk wine prices moving forward. Damage assessments are being carried out and spraying is underway in some vineyards to keep mildew at bay; it is likely quality will be affected at least on some varieties. The bulk market has seen steady activity, including from Chinese buyers recently sourcing high-quality and generic reds and other buyers seeking Sauvignon Blanc that they are struggling to source in Marlborough, New Zealand.

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Chile: Current Market Pricing (Pricing in bulk; FOB Chilean Port)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---------|-----------------|-------------|-------|---------|------------------------------------|-------------|-------|
| NV | Generic White | 0.50 – 0.60 | ↔ | NV | Generic Red | 0.48 – 0.60 | ↔ |
| 2019/20 | Chardonnay | 0.85 – 0.95 | ↑ | 2019/20 | Cabernet Sauvignon (Basic) | 0.65 – 0.80 | ↓ |
| 2019/20 | Sauvignon Blanc | 0.75 – 0.85 | ↑ | 2019/20 | Cabernet Sauvignon (Varietal Plus) | 0.85 – 0.95 | ↔ |
| 2019/20 | Syrah | 0.72 – 0.78 | ↔ | 2019/20 | Merlot | 0.75 – 0.85 | ↑ |
| 2019/20 | Carmenere | 0.75 – 0.85 | ↔ | 2019/20 | Malbec (Basic) | 0.90 – 1.15 | ↔ |
| 2019/20 | Pinot Noir | 0.95 – 1.15 | ↔ | | | | |

Chilean Export Figures

| Wine Export Figures | January 2019 - December 2019 | | | January 2020 - December 2020 | | | Volume |
|---------------------|------------------------------|------------------|---------------|------------------------------|------------------|---------------|--------------|
| | Million Liters | Million US\$ FOB | Average Price | Million Liters | Million US\$ FOB | Average Price | Variance % |
| Bottled | 479,35 | 1.526,67 | 3,18 | 477,31 | 1.467,52 | 3,07 | -0,43 |
| Bulk | 363,77 | 339,37 | 0,93 | 343,42 | 295,33 | 0,86 | -5,59 |
| Sparkling Wines | 4,61 | 18,54 | 4,02 | 3,48 | 14,67 | 4,22 | -24,58 |
| Packed Wines | 20,45 | 36,35 | 1,78 | 25,07 | 44,29 | 1,77 | 22,60 |
| Total | 868,18 | 1.920,92 | 2,48 | 849,27 | 1.821,82 | 2,48 | -2,18 |



France

Time on target

HARVEST WATCH: 2020 crop estimated at 44.9 million hectolitres

European demand for French bulk wine has been steady since the turn of the year, with interest from the historical/core buyer base from countries such as Germany, the Netherlands and those in Scandinavia. In general, Northern European consumers – unable to travel far – are purchasing wine in their local off-trade channels and the bag-in-box format, for example, is performing especially well. As a result, some sales are showing an uptick on pre-COVID levels.

Business with the US and the UK has proved far more problematic. Effective from 12th January, the outgoing US administration extended its 25% import tariffs on specific French wines/formats to include all French wines in all formats. Consequently, deals made prior to the announcement have been jeopardised and the industry is left hoping the new Biden administration will at some stage repeal or reduce these tariffs. In the meantime, export volume will be lost and deals are only able to proceed if all parties involved can agree on how the tariff burden is to be apportioned. By law, French suppliers are unable to sell their product at below cost price, limiting room for manoeuvre at that end.

The US market is one of the top three export markets for many of France's growing regions, including Bordeaux, the Languedoc, the Côtes du Rhône, Provence, and the Loire Valley. As a result, all transactions are paused and there is a high level of bulk inventory – consisting of two vintages at least.

The new EU-UK post-Brexit free trade relationship came into effect from 1st January. Many companies were ill-prepared for (often poorly-communicated) changes to customs paperwork/procedures and were caught out. As a result, there were some delays to shipping, though these teething problems gradually eased as the month wore on.

There has continued to be activity on southern French Chardonnay, rosé and – due to limited stock in Burgundy – Pinot Noir. Beyond these, activity has been limited as buyers assess their OND sales and, where needed, seek further supply in small increments. Interest from China had shown some signs of growing again, though the country's New Year holiday period – now underway – has since paused that activity. China's tariffs on Australian wine imports have likely increased Chinese interest in non-Australian wines and has given rise to Australian interest in import/exporting European wines to China.

Overall, pricing on the French bulk market continues to have the floor set by last year's Emergency Distillation Plan (EUR0.75/litre for AOP/IGP; EUR0.58 for Vin de France). However, pricing is negotiable: southern France has wine in volume and in quality, and pricing is more aggressive than it was six months ago.

France has resisted a third national lockdown but bars, restaurants, theatres, cinemas, ski resorts and – effective from 31st January – indoor shopping malls must remain closed. A night-time curfew also remains in place. As across much of Europe, the expectation is that the on-trade will not return to some normality until mid-March at the earliest.

Key Takeaways

In recent weeks the French bulk wine market has seen some good Northern European demand levels, plus Chinese interest. January is traditionally a quiet month as OND sales are assessed and this year was no different. Bulk wine trade with the US has been significantly upset by the expansion of US import tariffs to include all French wines in all formats. There have also been some difficulties shipping to the UK due to new customs requirements, but these are steadily being ironed out. In general, French bulk wine stocks remain good and pricing open to negotiation.

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See next page for pricing.

France: Estimated Market Pricing (EUR per liter; Ex-Winery)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---------|---------------------|-------------|-------|---------|------------------------|-------------|-------|
| 2020 | Generic White | 0.65 – 0.75 | ↔ | 2020 | Generic Red | 0.65 – 0.70 | ↔ |
| 2020 | Chardonnay IGP | 1.00 – 1.10 | ↔ | 2020 | Cabernet Sauvignon IGP | 0.82 – 1.10 | ↓ |
| 2020 | Chardonnay VDF | 0.95 – 1.00 | ↔ | 2020 | Cabernet Sauvignon VDF | 0.72 – 0.80 | ↓ |
| 2020 | Sauvignon Blanc IGP | 0.90 – 1.05 | ↔ | 2020 | Merlot IGP | 0.80 – 0.90 | ↓ |
| 2020 | Sauvignon Blanc VDF | 0.85 – 0.95 | ↔ | 2020 | Merlot VDF | 0.70 – 0.80 | ↓ |
| 2020 | Generic Rosé IGP | 0.85 – 1.00 | ↔ | 2020 | Syrah / Grenache IGP | 0.80 – 0.90 | ↓ |
| 2020 | Generic Rosé VDF | 0.80 – 0.90 | ↔ | 2020 | Varietal Rosé IGP | 0.90 – 1.10 | ↔ |

Spain

Time on target

HARVEST WATCH: 2020 yield estimated at 45.7 million hectolitres

International interest in Spanish bulk wine since the turn of the year has largely consisted of requests and sampling from buyers weighing-up the cost of Spanish supply versus South American supply as Argentina and Chile prepare to harvest their 2021 vintages.

These buyers are discovering that – for immediate and medium-term needs – Spain is probably the world's most competitive supplier of bulk wine and grape juice concentrate, at least until South America's 2021 wines start to become ready from May onward. Spain is also vying for business with South Africa, where – like Spain – stock levels are high and pricing negotiable. Spanish prices are in general stable but suppliers are open to negotiation in order to make cellar space.

The picture on Spain's 2020 crush is now a little clearer. The OEMV (Spanish Wine Observatory) and OIVE (Interprofessional Wine Organisation of Spain) have jointly estimated the crush at 45.77 million hectolitres, up 23.1% on 2019's 37.19 million. Of this figure, 40 million hectolitres was made into wine (up from 33 million in 2019) while 5.0 million hectolitres went into must. Castilla-La Mancha's yield came in at 28.42 million hectolitres, up 42% on 2019, with 23.8 million litres of that for wine. Elsewhere, yield performance was highly variable by region: Castile & León (+15%), Valencia (+8%), Rioja (+6%) and Murcia (+17%) all saw increases versus 2019 to varying extents while Catalonia (-31%) and Extremadura (-5%) experienced declines. Thanks to the larger 2020 crush overall, it has been

calculated that the supply of wine on Spain's 2020/21 market is approximately 75.33 million hectolitres, with must supply of 7.12 million hectolitres. The combined total – 82.46 million hectolitres – is 8.5% (or 6.5 million hectolitres) more than in the previous campaign and 10.6% (7.8 million hectolitres) above the average of the previous three campaigns from 2017/18 onward.

Spain has resisted entering another nationwide COVID-19 lockdown and is proceeding with a regional and sub-regional/municipal approach, though a national curfew remains in force. The on-trade is shut in 10 of the country's 17 regions. Restaurants and bars are permitted to open in Barcelona and Madrid but with significantly reduced opening hours and capacity.

Key Takeaways

Spain's bulk wine and grape juice concentrate pricing is probably the world's most competitive at this stage, especially when freight costs are taken into account. This should remain the case in the immediate to medium term, at least until Argentina and Chile's 2021 wines become available from May onward. Spanish wine stock remains high – estimated at 75.33 million hectolitres, above the three-year average – and there is good availability on all wine types.

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See next page for more on Spain.

Spain: Current Market Pricing (EUR per liter; Ex-Winery)

| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
|---------|-------------------------------|-------|---|------|-------|---------|------------------------------|-------|---|------|-------|
| 2020 | Generic White | 0.25 | - | 0.35 | ↓ | 2020 | Moscatel | 0.40 | - | 0.50 | ↔ |
| 2020 | White Blends (Higher Quality) | 0.35 | - | 0.45 | ↔ | 2020 | Generic Red | 0.28 | - | 0.45 | ↓ |
| 2020 | Sauvignon Blanc | 0.50 | - | 0.60 | ↔ | 2020 | Generic Red (Higher Quality) | 0.45 | - | 0.55 | ↔ |
| 2020 | Chardonnay | 0.65 | - | 0.75 | ↔ | 2020 | Cabernet Sauvignon | 0.45 | - | 0.55 | ↔ |
| 2020 | Generic Rosé | 0.28 | - | 0.40 | ↔ | 2020 | Merlot | 0.50 | - | 0.60 | ↔ |
| 2020 | Varietal Rosé | 0.35 | - | 0.45 | ↔ | 2020 | Syrah | 0.40 | - | 0.50 | ↔ |

Italy

Time on target

HARVEST WATCH: *Cold winter with good rainfall levels*

Italy's bulk wine market was very quiet in the first two weeks of the year – the Christmas close was slightly longer than usual – but became more active in the second half of January. The trend seen during the final few months of 2020 has continued: Italian wines are still in good demand both from internal and external markets despite lockdowns and the continued on-trade closures in many parts of the world.

The competition between bottlers to sell to supermarkets (including those bottlers that normally would sell only to the HoReCa channel) has pushed the price of final products down. However, many bottlers are now not covered with bulk wine just as it has risen in price on the main Italian appellations at the supply end.

Key Takeaways

Italian wines continue to experience robust demand at home and abroad, and the bulk market is active again after a prolonged Christmas close with bottlers vying to supply the thirsty off-trade. The recent introduction of Prosecco Rosé is helping to boost Prosecco demand and bottlings even further; demand also remains good for Primitivo, Montepulciano d'Abruzzo and Nero d'Avola DOC. Italy's generics are struggling to remain competitively-priced with Spain's but inventory is not large enough to be a concern.

Prosecco DOC, thanks to the success of the Rosé version, is maintaining volumes and in January bottling increased by 0.1%; there was a 9.8% increase in the past six months. Pinot Grigio DOC bottlings were 7% down in January but with fewer working days versus the same month of 2020. Primitivo is still in good demand, as is Montepulciano d'Abruzzo and Nero d'Avola DOC. Only Italy's generic whites and reds have suffered in competition with very low Spanish prices, but stock is not so high as to represent a concern at the moment.

The feeling (and the hope) is that the COVID-19 vaccine campaign will be successful and the recovery will be very strong, starting from the end of April/May. Winter has been quite cold so far, with good rainfall. In the south of the country the temperatures have risen quickly in recent days. We currently do not see anything troubling in terms of the next harvest.

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See next page for pricing.

Italy: Current Market Pricing (EUR per liter; Ex-Winery)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---------|---|-------------|-------|---------|--|-------------|-------|
| 2020 | Generic White (Alc. 9 - 10%) | 0.32 – 0.40 | ↔ | 2020 | Generic Red (Alc. 11 - 12%) | 0.45 – 0.60 | ↔ |
| 2020 | Generic White (Alc. 11 - 13%) | 0.35 – 0.50 | ↔ | 2020 | Generic Red (Alc. 13%) | 0.65 – 0.90 | ↔ |
| 2020 | Organic Generic White (Alc. 10.5 - 12%) | 0.60 – 0.70 | ↑ | 2020 | Organic Generic Red (Alc. 11 - 13%) | 0.90 – 1.20 | ↑ |
| 2020 | Varietal Chardonnay (Alc. 11 - 13%) | 0.70 – 1.00 | ↔ | 2020 | Varietal Cabernet Sauvignon (Alc. 12 - 13%) | 0.75 – 0.95 | ↑ |
| 2020 | Organic Pinot Grigio (Alc. 12%) | 1.20 – 1.50 | ↔ | 2020 | Varietal Merlot (Alc. 12 - 13%) | 0.70 – 0.90 | ↔ |
| 2020 | DOC Pinot Grigio delle Venezie | 0.90 – 1.05 | ↔ | 2020 | Varietal Syrah (Alc. 12 - 13%) | 0.75 – 0.95 | ↔ |
| 2020 | Pinot Grigio IGT (Different Regions) | 0.85 – 0.95 | ↑ | 2020 | Rossissimo (Alc. 12.5 - 14%) | 1.05 – 1.20 | ↔ |
| 2020 | Pinot Grigio IGT (Blends) | 0.60 – 0.85 | ↔ | 2020 | Primitivo IGT Puglia/Salento (Alc. 12 - 14%) | 1.40 – 1.70 | ↑ |
| 2020 | Prosecco White | 1.65 – 1.75 | ↑ | 2020 | Sangiovese IGT (Alc. 11.50 - 13%) | 0.60 – 0.75 | ↑ |
| 2020 | Prosecco Rose | 1.80 – 1.90 | ↑ | 2020 | Trebbiano IGT (Alc. 10.5 - 12%) | 0.50 – 0.55 | ↔ |
| 2020 | Soave or Garganega DOC | 0.90 – 1.00 | ↔ | 2020 | Montepulciano D'Abruzzo DOC | 0.80 – 0.90 | ↔ |

**Bottled Price*

South Africa

Time on target

HARVEST WATCH: *Volumes estimated to be at least in line with 2020*

The Western Cape's 2021 harvest is now underway – running about 1-2 weeks behind last year's timetable, depending on area – amid good vineyard conditions. The growing season ran relatively smoothly and, following a wet winter, water supplies remain plentiful. Some rain in January led to pockets of mildew concern but, overall, quality as well as volumes looks good at this stage – volume is currently estimated to be at least in line with last year at 1.37 million tonnes.

The Cape's existing bulk inventory is receiving a solid level of requests and general interest from international buyers enquiring into pricing for the year ahead. The globally uncertain sales picture combined with the recent prohibition on alcohol sales in South Africa (the third imposed since Covid-19 arrived) has placed an additional downward pressure on the Cape's pricing. This in turn has led to buyer hesitancy about completing purchases at this stage.

South Africa's wine export performance for calendar year 2020 – 318 million litres – was in line with 2019's disappointing 319 million litres, both years down some 120–130 million litres from the prior

See next page for more on South Africa.

years. Consequently, stock levels are significant. With the domestic market beset by alcohol sales prohibitions – the latest lasting for five weeks of the important summer sales period for wine in South Africa – generic wine inventory is particularly significant and pricing is negotiable.

The Cape's international varietal wine inventory, meanwhile, is not as significant and its pricing is more stable (especially as it already softened through 2020), though still negotiable to an extent. The lack of on-trade demand globally, and the paused domestic market, has meant some high-quality wines that normally go for bottling have been diverted into bulk instead, further boosting the quality of an already excellent 2020 vintage. Consequently, the Cape's price-quality ratio is very impressive and should be of interest to European buyers seeking quality varietal wines for off-trade

channels at highly competitive pricing. On generic wines and varietal wines alike, suppliers are flexible – happy to meet immediate needs but also keen to build longer-term relationships.

The most recent alcohol sales prohibition was partially lifted on 1st February, two weeks ahead of schedule. Off-trade alcohol sales are now permissible between the hours of 10am and 10pm Monday to Thursday, while onsite sales/consumption (including in tasting rooms and restaurants) is allowed between the hours of 10am and 10pm each day.

The Rand, meanwhile, has – with its typical fluctuations – weakened slightly against the US dollar (ZAR14.80) and euro (ZAR17.90) through the opening weeks of the year after its December strengthening, as is traditional.

Key Takeaways

Two successive years of muted export volumes and, over the past 12 months, three separate prohibitions on domestic alcohol sales in South Africa has led to significant wine stocks in the Western Cape, especially of Dry Red and Dry White. Pricing on these is highly competitive and negotiable. International varietal stock is more limited – though still sufficient to meet big needs – and pricing is more stable, if only because pricing already softened through 2020. As the quality of the 2020 vintage was excellent and has been further supplemented by some higher-end wines that traditionally go into the on-trade, the price-quality ratio of the Cape's varietal wines is excellent and should prove attractive to European buyers seeking to supply the off-trade channels with excellent but affordable wines.

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South Africa: Current Market Pricing (SA Rand per liter, FOB Cape Town)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---------|-----------------|---------------|-------|---------|--------------------|---------------|-------|
| 2020 | Dry White | 5.40 – 6.00 | ↓ | 2020 | Generic Red | 8.50 – 9.50 | ↓ |
| 2020 | Chardonnay | 10.80 – 11.50 | ↓ | 2020 | Cabernet Sauvignon | 11.80 – 13.00 | ↓ |
| 2020 | Sauvignon Blanc | 10.50 – 13.00 | ↓ | 2020 | Ruby Cabernet | 9.50 – 10.00 | ↓ |
| 2020 | Chenin Blanc | 7.00 – 8.50 | ↓ | 2020 | Merlot | 11.50 – 12.50 | ↓ |
| 2020 | Colombard | 6.00 – 6.50 | ↓ | 2020 | Pinotage | 10.50 – 11.50 | ↓ |
| 2020 | Muscat | 6.00 – 6.50 | ↓ | 2020 | Shiraz | 11.00 – 12.00 | ↓ |
| 2020 | Generic Rosé | 5.80 – 6.50 | ↓ | 2020 | Cinsaut Rose | 8.25 – 9.00 | ↓ |
| 2020 | Cultivar Rosé | 8.20 – 9.00 | ↓ | | | | |

NB: pricing is directly related to remaining available stock and - due to the current short situation - can change without notice

Australia & New Zealand

Time on target



HARVEST WATCH: *Milder than normal in Au; some heavy rainfall*

Harvest is gearing up in Australia and many have started picking for sparkling and Chardonnay programs. The summer period has been relatively cool with few hot bursts of warm weather over 35°C. Many regions by the end of January have normally endured multiple, week-long temperatures of 35-40°C, but the mild weather this time has slowed ripening. Wineries have had access to good water sources at cost-effective prices throughout the latter part of the year. Some grape growing areas have seen consistent and heavy rainfall in the past few weeks that has caused concern about disease pressure.

Uncertainty around growers securing buyers for their fruit has been evident – many wineries have cut back their intake of red fruit from the 2021 vintage due to the lack of requirement resulting from the China tariff situation. The 2021 crop appears to be large in size but the true volume may be unknown as a percentage of fruit is expected to be left on the vine. Growers have been mindful to ensure any sales of white grape varieties in high demand have been coupled with the less desirable red grape varieties. Entry-level red fruit pricing has dropped around 20-25% but white fruit has slightly increased by 5-20% depending on the variety.

Many still hold out hope that the political situation with China will be resolved in the coming months, but the general consensus is that there will be no further news until the end of August 2021, the end of China's 12-month timeframe for its anti-dumping investigation. The market has been quiet since the China tariff news broke and a number of opportunistic buyers are looking to take advantage of softening red prices. The October-December 2020 export figures show Australia's wine exports to China were down by 98% or AUD158 million since late November, from AUD162 million to just AUD4 million.

The latest Wine Australia Export Report has confirmed that Australia's overall exports in 2020 decreased by 1% in value to AUD2.89 billion and increased by 0.5% in volume to 747 million litres. Bulk wine has seen an increase in both volume (+9% to 428 million litres) and

value (+20% to AUD585 million) with an average price per litre of AUD1.37/litre FOB, up 10%. Significant growth to Europe (up 22% to AUD704 million) and to North America (up 4% to AUD628 million) is notable, helping offset the decline in exports to China. Whilst these figures appear stable, it must be remembered that they only take into account a single month – December – since the China tariffs were imposed.

The accompanying graph (see over page) details the large increase in exported volume to China from August to October before the new tariffs came into effect in late November. Post-August, many rushed to get their wines across to China after receiving information that the Chinese authorities had commenced their anti-dumping investigation.

New Zealand, meanwhile, continues to enjoy strong demand for its Marlborough Sauvignon Blanc. Pricing for the upcoming 2021 crop is expected to potentially reach NZD5.50/litre ex winery. International and domestic enquiries continue to come through for bulk Sauvignon Blanc but even local New Zealand wineries are struggling to access any excess material expected to be available. Currently, the availability of 2020 Marlborough Sauvignon Blanc is extremely low and very hard to find.

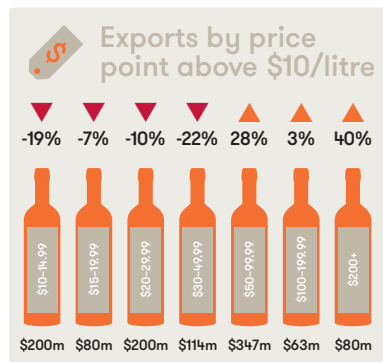
Obtaining harvest staff for the upcoming period has been critical for New Zealand's wineries as closed borders mean they have limited options for cellar hands and seasonal workers. Hourly pay rates set the standard for selection, whereas many casual workers seek extras including food and accommodation. COVID-19 has meant only a limited number of international workers coming to New Zealand to cover seasonal work such as picking fruit, shearing sheep or assisting in the wine industry.

Strong sales in key export markets such as the UK and US have increased the popularity of New Zealand's flagship variety. In the UK, the average retail price of Sauvignon Blanc has increased 2.5% from GBP7.24 to GBP7.42 per bottle, faring better than the average price per wine bottle of GBP6.09. New Zealand rosé is also increasingly demanded, with 5.6 million litres of material being exported in 2020, up from 2.4 million litres in 2017. It is now New Zealand's fourth-largest wine export.

See next page for more on Australia & New Zealand.

Export report

1 Jan 2020 to 31 Dec 2020



Value of exports to the top 10 markets

| | | | |
|--|-------------------------|---------|--------|
| | China Inc. HK and Macau | \$1.15b | ▼ -10% |
| | United Kingdom | \$456m | ▲ 29% |
| | United States | \$434m | ▲ 4% |
| | Canada | \$192m | ▲ 5% |
| | New Zealand | \$107m | ▲ 17% |
| | Singapore | \$80m | ▼ -24% |
| | Germany | \$55m | ▲ 15% |
| | Japan | \$45m | ▼ -15% |
| | Malaysia | \$43m | ▲ 22% |
| | Netherlands | \$37m | ▼ -14% |

Volume of exports to the top 10 markets (9L cases)

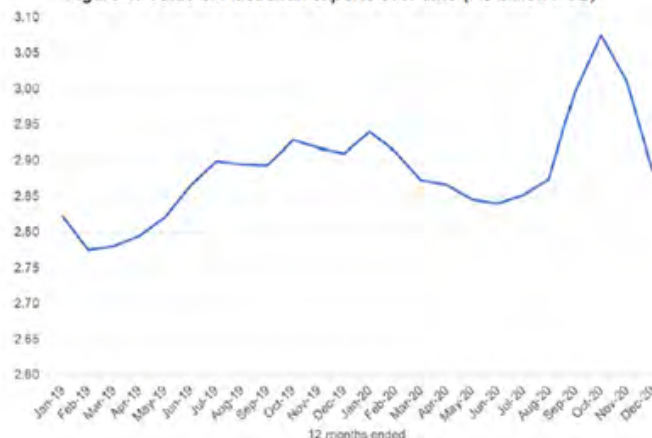
| | | | |
|--|-------------------------|-------|--------|
| | United Kingdom | 29.6m | ▲ 19% |
| | United States | 15.1m | ▼ -1% |
| | China Inc. HK and Macau | 11.6m | ▼ -27% |
| | Canada | 6.2m | ▲ 0.3% |
| | Germany | 3.9m | ▲ 10% |
| | New Zealand | 3.7m | ▲ 11% |
| | Denmark | 2.1m | ▲ 29% |
| | Netherlands | 1.5m | ▼ -23% |
| | Japan | 1.4m | ▼ -23% |
| | France | 1.0m | ▲ 36% |



Key Takeaways

Australia's growing areas have been experiencing milder than normal temperatures and water supplies appear adequate; there is some concern regarding disease pressure due to heavy rainfall in some areas. As a consequence of China's imposition of high import tariffs on Australian wines (which has effectively extinguished exports of Australian reds into China), wineries are reducing their intake of 2021 reds and some fruit will be left on the vine. Entry-level red grape pricing has thus fallen. White grape prices have increased and white varietals remain in good demand. Very strong domestic and international demand means supply of 2020 Marlborough Sauvignon Blanc is extremely limited and pricing for the upcoming 2021 crop is expected to potentially reach NZD5.50/litre ex winery.

Figure 1: Value of Australian exports over time (A\$ billion FOB)



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Australia: Current Market Pricing (AUD/litre unless otherwise stated)

| Vintage | Variety | Price | Trend | Vintage | Variety | Price | Trend |
|---------|-------------------|-----------------|-------|---------|--------------------|-------------|-------|
| NV | Dry White | 0.85 – 0.95 | ↔ | NV | Dry Red | 1.05 – 1.20 | ↓ |
| 2020 | Chardonnay | 1.10 – 1.20 | ↑ | 2020 | Cabernet Sauvignon | 1.10 – 1.25 | ↓ |
| 2020 | Sauvignon Blanc | 1.20 – 1.30 | ↑ | 2020 | Merlot | 1.05 – 1.20 | ↓ |
| 2020 | Pinot Gris | 1.20 – 1.30 | ↑ | 2020 | Shiraz | 1.10 – 1.25 | ↓ |
| 2020 | NZ Marlborough SB | NZD 4.80 – 5.30 | ↑ | 2020 | Muscat | 0.90 – 1.00 | ↔ |

Price stated are indicative only; all offers subject to prior sale and subject to volume, drawdown and terms

Structan

A Smoke Taint Solution



As many winemakers in California are currently only too aware, after wildfires blazed across the state following August's freak lightning storms, the biggest commercial damage caused by fire can be smoke drifting into vineyards prior to – or during – harvest. Wines made from smoke-affected grapes can be characterized by unpleasant smoky, ashy or burnt aromas with an excessively drying back palate and retronasal ash character. Unsurprisingly, consumers have been shown to respond negatively to such wines.

The three main factors that determine if smoke-exposed grapes become smoke-tainted are: the growth stage of the grapevine, the variety of the grapes and the length of their smoke exposure. Grapes close to picking readiness, grapes being of the typically most susceptible varieties (Cabernet and Pinot Noir of the reds, Pinot Grigio, Chardonnay and Sauvignon Blanc of the whites), and prolonged smoke exposure, increase the taint risk. All three factors currently apply in California: the smoke has settled in vineyards mid-harvest, the most sensitive varieties are the state's leading cultivars by acreage, and smoke has been lying in some areas for many days.

The compounds in smoke known as free volatile phenols (such as Guaiacol and 4-methylguaiacol) are absorbed directly by the grapes and can bind to grape sugars as glycosides. These glycosides break apart during fermentation (or over time in the barrel or bottle), releasing the volatile phenols into the must/wine so that a smoky flavor becomes perceptible. They can also be released in the mouth during drinking, contributing to the perception of smoke taint.

What solution can our partners at Stoak Technologies offer winemakers visited by smoke? Well, Structan – their all-natural, organic-certified, liquid oak extract – can not only be used as a finishing tannin and wine stabilizer but also as a smoke-taint masking option. Results from chemical analysis and sensory evaluation against a control,

carried out by PhD research in the Viticulture & Oenology Department at the University of Stellenbosch, have shown that Structan reduces the perceived intensity of smoke-taint flavor and aroma in smoke-affected wines.

While other winemaking interventions – such as reverse osmosis – may reduce the concentration of smoke-derived volatile phenols in wine, it has not yet been shown that it is possible to completely remove them and, anyway, such interventions also strip the wine of its best characteristics (and any positive impact does not last). Structan, however, successfully masks the volatile phenols through increasing the wine's overall complexity, thus preserving the wine's best flavor, aroma and color attributes, for up to five years.

In fact, one of the Western Cape's premier wineries, which sells its wines into the European market, used Structan to make a highly successful red wine. That was after a wildfire similar to those seen in California, when thick smoke lingered in the vineyards for three weeks.

In summary, Structan is your smoke taint solution. And its stable liquid form makes measuring and adding really simple, with no premixing or dissolving necessary. Just dose during the fermentation process and/or in the blending tank, to get stabilized, complex wines free from unpleasant flavors and aromas. Give us a call.

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Export Pricing: USD per liter

Currency Conversion Rates as of February 16, 2021

| Argentina (Pricing in bulk; FCA) | | | | | | | | | | | |
|----------------------------------|------------------------|-------|---|------|-------|---------|--------------------|-------|---|------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| 2020 | Generic White (Basic) | 0.33 | - | 0.38 | ↑ | 2019/20 | Generic Red | 0.33 | - | 0.38 | ↑ |
| 2020 | Generic White Standard | 0.33 | - | 0.38 | ↑ | 2019/20 | Cabernet Sauvignon | 0.55 | - | 0.65 | ↑ |
| 2020 | Muscat | 0.33 | - | 0.38 | ↑ | 2019/20 | Merlot | 0.45 | - | 0.55 | ↑ |
| 2020 | Torrontes | 0.40 | - | 0.45 | ↑ | 2019/20 | Syrah | 0.40 | - | 0.50 | ↑ |
| 2020 | Sauvignon Blanc | 0.50 | - | 0.60 | ↑ | 2019/20 | Malbec Standard | 0.60 | - | 0.70 | ↑ |
| 2020 | Chardonnay | 0.50 | - | 0.60 | ↑ | 2019/20 | Malbec Premium | 0.70 | - | 1.05 | ↔ |
| 2019/20 | Bonarda | 0.35 | - | 0.45 | ↔ | 2019/20 | Malbec High End | 1.00 | - | 2.50 | ↔ |
| | | | | | | 2019/20 | Tempranillo | 0.35 | - | 0.45 | ↔ |

| Australia & New Zealand (Pricing in bulk; FCA) | | | | | | AUD Rate: 0.776036 / NZD Rate: 0.721114 | | | | | |
|--|-------------------|-------|---|------|-------|---|--------------------|-------|---|------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| NV | Dry White | 0.66 | - | 0.74 | ↔ | NV | Dry Red | 0.81 | - | 0.93 | ↓ |
| 2020 | Chardonnay | 0.85 | - | 0.93 | ↑ | 2020 | Cabernet Sauvignon | 0.85 | - | 0.97 | ↓ |
| 2020 | Sauvignon Blanc | 0.93 | - | 1.01 | ↑ | 2020 | Merlot | 0.81 | - | 0.93 | ↓ |
| 2020 | Pinot Gris | 0.93 | - | 1.01 | ↑ | 2020 | Shiraz | 0.85 | - | 0.97 | ↓ |
| 2020 | NZ Marlborough SB | 3.46 | - | 3.82 | ↑ | 2020 | Muscat | 0.70 | - | 0.78 | ↔ |

| California (Pricing in bulk; FCA) | | | | | | | | | | | |
|-----------------------------------|-----------------|-------|---|------|-------|---------|--------------------|-------|---|------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| 2020 | Generic White | 0.90 | - | 0.99 | ↔ | 2019/20 | Generic Red | 0.79 | - | 1.05 | ↔ |
| 2020 | Chardonnay | 1.25 | - | 1.59 | ↔ | 2019/20 | Cabernet Sauvignon | 1.09 | - | 1.85 | ↔ |
| 2020 | Pinot Grigio | 1.25 | - | 1.59 | ↔ | 2019/20 | Merlot | 1.12 | - | 1.38 | ↔ |
| 2020 | Muscat | 1.10 | - | 1.45 | ↔ | 2019/20 | Pinot Noir | 1.40 | - | 1.85 | ↔ |
| 2020 | White Zinfandel | 0.94 | - | 1.00 | ↔ | 2019/20 | Syrah | 1.09 | - | 1.58 | ↔ |
| 2020 | Colombard | 0.95 | - | 1.00 | ↔ | 2019/20 | Ruby Cabernet | 0.97 | - | 1.10 | ↔ |
| | | | | | | 2019/20 | Zinfandel | 1.20 | - | 1.65 | ↔ |

| Chile (Pricing in bulk; FOB Chilean Port) | | | | | | | | | | | |
|---|-----------------|-------|---|------|-------|---------|------------------------------------|-------|---|------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| NV | Generic White | 0.50 | - | 0.60 | ↔ | NV | Generic Red | 0.48 | - | 0.60 | ↔ |
| 2019/20 | Chardonnay | 0.85 | - | 0.95 | ↑ | 2019/20 | Cabernet Sauvignon (Basic) | 0.72 | - | 0.80 | ↓ |
| 2019/20 | Sauvignon Blanc | 0.75 | - | 0.85 | ↑ | 2019/20 | Cabernet Sauvignon (Varietal Plus) | 0.85 | - | 0.95 | ↔ |
| 2019/20 | Syrah | 0.72 | - | 0.78 | ↔ | 2019/20 | Merlot | 0.75 | - | 0.85 | ↑ |
| 2019/20 | Carmenere | 0.75 | - | 0.85 | ↔ | 2019/20 | Malbec | 0.90 | - | 1.15 | ↔ |
| 2019/20 | Pinot Noir | 0.95 | - | 1.15 | ↔ | | | | | | |

| France (Estimated Pricing in bulk; Ex-Winery) | | | | | | | | | | Rate: 1.211030 | |
|---|---------------------|-------|---|------|-------|---------|--------------------------|-------|---|----------------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| 2020 | Generic White | 0.79 | - | 0.91 | ↔ | 2020 | Generic Red | 0.79 | - | 0.85 | ↔ |
| 2020 | Chardonnay IGP | 1.21 | - | 1.33 | ↔ | 2020 | Cabernet Sauvignon IGP | 0.99 | - | 1.33 | ↓ |
| 2020 | Chardonnay VDF | 1.15 | - | 1.21 | ↔ | 2020 | Cabernet Sauvignon VDF | 0.87 | - | 0.97 | ↓ |
| 2020 | Sauvignon Blanc IGP | 1.09 | - | 1.27 | ↔ | 2020 | Merlot IGP | 0.97 | - | 1.09 | ↓ |
| 2020 | Sauvignon Blanc VDF | 1.03 | - | 1.15 | ↔ | 2020 | Merlot VDF | 0.85 | - | 0.97 | ↓ |
| 2020 | Generic Rosé IGP | 1.03 | - | 1.21 | ↔ | 2020 | Red Syrah / Grenache IGP | 0.97 | - | 1.09 | ↓ |
| 2020 | Generic Rosé VDF | 0.97 | - | 1.09 | ↔ | 2020 | Varietal Rosé IGP | 1.09 | - | 1.33 | ↔ |

| Italy (Pricing in bulk; Ex-Winery) | | | | | | | | | | Rate: 1.211030 | |
|------------------------------------|---------------------------------------|-------|---|------|-------|---------|---|-------|---|----------------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| 2020 | Generic White (Alc. 9 - 10%) | 0.39 | - | 0.48 | ↔ | 2020 | Generic Red (Alc. 11 - 12%) | 0.54 | - | 0.73 | ↔ |
| 2020 | Generic White (Alc. 11 - 13%) | 0.42 | - | 0.61 | ↔ | 2020 | Generic Red (Alc. 13%) | 0.79 | - | 1.09 | ↔ |
| 2020 | Organic Generic White (Alc. 10 - 12%) | 0.73 | - | 0.85 | ↑ | 2020 | Organic Generic Red (Alc. 11 - 13%) | 1.09 | - | 1.45 | ↑ |
| 2020 | Varietal Chardonnay (Alc. 11 - 13%) | 0.85 | - | 1.21 | ↔ | 2020 | Varietal Cabernet Sauvignon (Alc. 12 - 13%) | 0.91 | - | 1.15 | ↑ |
| 2020 | Organic Pinot Grigio (Alc. 12%) | 1.45 | - | 1.82 | ↔ | 2020 | Varietal Merlot (Alc. 12 - 13%) | 0.85 | - | 1.09 | ↔ |
| 2020 | DOC Pinot Grigio delle Venezie | 1.09 | - | 1.27 | ↔ | 2020 | Varietal Syrah (Alc. 12 - 13%) | 0.91 | - | 1.15 | ↔ |
| 2020 | Pinot Grigio IGT (Different Regions) | 1.03 | - | 1.15 | ↑ | 2020 | Rossissimo (Alc. 12.5%) | 1.27 | - | 1.45 | ↔ |
| 2020 | Pinot Grigio IGT (Blends) | 0.73 | - | 1.03 | ↔ | 2020 | Primitivo IGT Puglia/ Salento (Alc. 12 - 14%) | 1.70 | - | 2.06 | ↑ |
| 2020 | Prosecco White | 2.00 | - | 2.12 | ↑ | 2020 | Sangiovese IGT (Alc. 11.50 - 13%) | 0.73 | - | 0.91 | ↑ |
| 2020 | Prosecco Rose | 2.18 | - | 2.30 | ↑ | 2020 | Trebbiano IGT (Alc. 10.5 - 12%) | 0.61 | - | 0.67 | ↔ |
| 2020 | Soave or Garganega DOC | 1.09 | - | 1.21 | ↔ | 2020 | Montepulciano D'Abruzzco DOC | 0.97 | - | 1.09 | ↔ |
| *Bottled Price | | | | | | | | | | 0.71 | |

| South Africa (Pricing in bulk; FOB Cape Town) | | | | | | | | | | Rate: 0.068116 | |
|---|-----------------|-------|---|------|-------|---------|--------------------|-------|---|----------------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| 2020 | Generic White | 0.37 | - | 0.41 | ↓ | 2020 | Generic Red | 0.61 | - | 0.65 | ↓ |
| 2020 | Chardonnay | 0.74 | - | 0.78 | ↓ | 2020 | Cabernet Sauvignon | 0.80 | - | 0.89 | ↓ |
| 2020 | Sauvignon Blanc | 0.72 | - | 0.89 | ↓ | 2020 | Ruby Cabernet | 0.65 | - | 0.68 | ↓ |
| 2020 | Chenin Blanc | 0.48 | - | 0.58 | ↓ | 2020 | Merlot | 0.78 | - | 0.85 | ↓ |
| 2020 | Colombard | 0.41 | - | 0.44 | ↓ | 2020 | Pinotage | 0.72 | - | 0.78 | ↓ |
| 2020 | Muscat | 0.41 | - | 0.44 | ↓ | 2020 | Shiraz | 0.75 | - | 0.82 | ↓ |
| 2020 | Generic Rosé | 0.49 | - | 0.53 | ↓ | 2020 | Cinsaut Rosé | 0.56 | - | 0.61 | ↓ |
| 2020 | Cultivar Rosé | 0.56 | - | 0.61 | ↓ | | | | | | |

| Spain (Pricing in bulk; Ex-Winery) | | | | | | | | | | Rate: 1.211030 | |
|------------------------------------|-------------------------------|-------|---|------|-------|---------|------------------------------|-------|---|----------------|-------|
| Vintage | Variety | Price | | | Trend | Vintage | Variety | Price | | | Trend |
| 2020 | Generic White | 0.30 | - | 0.42 | ↓ | 2020 | Generic Red | 0.34 | - | 0.54 | ↓ |
| 2020 | White Blends (Higher Quality) | 0.42 | - | 0.48 | ↔ | 2020 | Generic Red (Higher Quality) | 0.54 | - | 0.67 | ↔ |
| 2020 | Sauvignon Blanc | 0.61 | - | 0.73 | ↔ | 2020 | Cabernet Sauvignon | 0.54 | - | 0.67 | ↔ |
| 2020 | Chardonnay | 0.79 | - | 0.91 | ↔ | 2020 | Merlot | 0.61 | - | 0.73 | ↔ |
| 2020 | Generic Rosé | 0.34 | - | 0.48 | ↓ | 2020 | Syrah | 0.48 | - | 0.61 | ↔ |
| 2020 | Varietal Rosé | 0.42 | | 0.54 | ↔ | 2020 | Moscatel | 0.48 | - | 0.61 | ↔ |



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