



**CIATTI**

GLOBAL WINE & GRAPE BROKERS



# *Global Market Report*

**July 2020**

*Volume 11, Issue No. 7*

**Ciatti Global Wine  
& Grape Brokers**

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## **Ciatti Market Update**

**Please Join Our Webinar!**

Wednesday, August 12<sup>th</sup>, 2020

11:00AM - 12:00PM

The Ciatti Company will be hosting a session to discuss the current market conditions that exist in the Wine Industry. Please tune in and listen - you can register by [clicking here](#). This session will provide insight about the current wine and grape market, and also discuss buyer activity in Europe we will also hear from Danny Brager, Senior Vice President of The Nielsen Company who will discuss current casegood sales trends and consumer behaviors. There will be time at the end of the session for questions and answers from the audience.

### **Speakers:**

**Glenn Proctor** – Introduction

**Johnny Leonardo** – Wine/Grape Market Update

**Vic Gentis** – Exports to Europe and UK

**Danny Brager**, Nielsen Company – Update Sales & Consumer Trends

**REGISTER**

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With the 2020 harvest imminent, growing conditions in Europe have been proceeding without any climate extremes. May's fungus pressure in the Languedoc and Castilla-La Mancha was subsequently brought under control and there are no reports of anything looking short. This, combined with COVID-induced retail sales uncertainty, means bulk wine activity in Europe, as in many markets across the world, has been hesitant and conservative, even for what is a traditionally quiet period of the year.

The respective Emergency Distillation Plans in France, Spain and Italy are still being ironed out and, until they are, will be a further drag on activity – especially in France and Spain where oversupply on some wines in some regions is a serious headache with harvest just days away. Italy, meanwhile, has been having a better time of it in terms of sales: Pinot Grigio bottlings were in fact up 15% in June on the same month of 2019, while exports to the US have benefited from being tariff-free unlike their French competitors (which have faced a 25% rate since October), and the continued sales surge in the US off-trade. Suppliers in all three European countries, however, are bracing themselves for a slump in inward tourism this summer due to COVID-19, as well as an expansion of the US tariff programme on EU wines: see this month's 'US Tariff Update'.

While Europe enjoys the summer sun, Argentina and Chile have been experiencing their first 'normal' winters for many years: serious snowpack is being laid down in the Andes (rather unhelpfully for cross-border trucking); Chile experienced its rainiest June for many years, with deluges almost erasing the year's rainfall deficits in many areas in a matter of days. Both markets remain in-line with last month in terms of pricing and activity: Argentina – offering the world's most competitive bulk pricing on many wine types – is receiving steady interest, and for its grape juice concentrate too; Chile is seeing some limited activity.

The Western Cape, meanwhile, is competitively-priced with Chile and all countries except Argentina, aided by good supply, a weak Rand, and negligible domestic demand due to the nationwide ban on alcohol sales (lifted on 1 June but reimposed on 12 July). Ongoing (although now reducing) delays at Cape Town port have perhaps got in the way of some more international interest, and certainly Italy claims to be benefitting from logistical issues seemingly disproportionately affecting New World suppliers.

Recent increases in COVID-19 cases – and bleak economic and unemployment forecasts – in many countries reminds us that the world is still living through unprecedented times. It is no surprise that much of the bulk wine market is hesitant: visibility beyond the short-term is negligible. **Ciatti is drawing on all its decades of experience to keep you as well-informed as possible – get in touch, and also check out our Webinar in August. Details on the front page.**

*Robert Selby*

# US Tariff Update

## Further tariffs on EU wines could be announced in August:

### French wine spared special measures

The US government is currently consulting on expanding the imports tariffs it has been imposing on some EU products – including wine – since 18 October 2019. This potential expansion of the tariffs comes in response to the fact negotiations with the EU regarding the aircraft subsidies dispute have not yet produced an agreement.

Currently, French, Spanish, German and UK wines “not over 14% alcohol, in containers not over 2 liters” receive a 25% tariff, but the potential new measures could expand the list of countries included (to, for example, Italian wines), the types of wine (to sparkling wine and wine over 14% alcohol), and the volume (to encompass bulk wine containers as well as bottled wine).

The preliminary tariff list appears similar to the one published in December and includes the following wines from all EU countries (HTS subheading in brackets):

- “Sparkling wine, made from grapes” (2204.10.00)
- “Effervescent grape wine, in containers holding 2 liters or less” (2204.21.20)
- “Marsala” wine, over 14% vol. alcohol, in containers holding 2 liters or less” (2204.21.60)
- “Grape wine, other than “Marsala”, not sparkling or effervescent, over 14% vol. alcohol, in containers holding 2 liters or less” (2204.21.80)
- “Wine of fresh grapes of an alcoholic strength by volume  $\leq 14\%$  in containers holding  $< 2$  liters but not  $> 10$  liters” (2204.22.20)
- “Wine of fresh grapes of an alcoholic strength by volume  $> 14\%$ , in containers holding  $< 2$  liters but not  $> 10$  liters” (2204.22.40)
- “Wine of fresh grapes of an alcoholic strength by volume  $\leq 14\%$  in containers holding  $> 10$  liters” (2204.22.60)
- “Wine of fresh grapes of an alcoholic strength by volume  $> 14\%$  in containers holding  $> 10$  liters” (2204.22.80)
- “Wine of fresh grapes of an alcoholic strength by volume  $\leq 14\%$  in containers holding  $> 10$  liters” (2204.29.61)
- “Wine of fresh grapes of an alcoholic strength by volume  $> 14\%$  in containers holding  $> 10$  liters” (2204.29.81)

The USTR is accepting comments on the proposal through its online portal until 26 July, with a review decision anticipated around 12 August. The online portal is here: <https://comments.ustr.gov/s/>.

In better news for the wine industry, the US did not include wine on its list of French products to receive extra import tariffs – as of January 2021 – should France push ahead with its 3% digital services tax on technology companies. (The US government believes such a tax especially discriminates against US companies.) This new set of tariff hikes on French imports will – should they come into force – apply to products such as cosmetics, soaps and handbags, but wine is notably absent from the list.

According to *wine-searcher.com*, in January some 21 different people from the wine industry testified against the imposition of extra tariffs on French wine, and hundreds more wrote comments. “The strong turnout from the wine industry in January on the digital services tax matter, I am certain is a part of why wine was not a part of these tariffs,” said Ben Aneff, president of the US Wine Trade Alliance.

# California

## Time on target



**HARVEST WATCH:** *Average to slightly below average crop expected*

Activity on California's bulk market has slowed since the initial March and April uptick but is still moving forward at a better pace than this time last year, assisted by the continued increase in consumer demand for wine in the US off-trade. Nielsen data shows wine's off-trade dollar sales growth – year-on-year – at 18-24% each week in June.

Buyers supplying the off-premise thus need to source more wine. There is also activity from buyers capturing their normal volumes a little later than normal as the bulk market had been slow until the turn of this year, and others moving in to obtain older vintage wines as sellers seek to make take space ahead of the coming harvest. In



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addition, those suppliers of well-placed off-trade brands have taken bulk wine off the market to use internally.

As a result, California's bulk wine inventory is declining – with specific qualities of specific wines harder to find – but remains significant. Prices continue to be significantly lower than sellers would expect, and where there is activity on Coastal wines it is at California appellation prices.

There is grape activity in the Central Valley, albeit limited and at prices significantly below seller expectations. As on bulk wine, grape buyers know there is the opportunity to move into the Coastal appellations to source grapes at pricing that, in the past, growers there would likely not have accepted. Exacerbating the slow grape market, some wineries that were buyers of grapes just months ago have – due to COVID-19 – subsequently revised down their sales estimates and are now putting the same grapes back on the market. It will be another tough year for growers: with such a large amount of uncontracted fruit now growing on the vine, many must consider whether or not to take the risk and crush it into wine themselves.

Needless to say, there are opportunities for international buyers seeking high-quality Coastal appellation wines or grapes, and there continues to be opportunities in the Central Valley, although the activity outlined above has perhaps firmed-up the bottom prices on specific bulk wines a little.

Looking ahead, weather conditions have been normal and vineyards look in good shape. Some spotty rains and frost during bloom may have inhibited things a little but – overall – estimates are for a 2020 harvest average in size or slightly below average.

The increase in wine sales at US retailers has assisted Italian wines (*see Italy page*), which are currently exempt from the import tariffs the US has levied on wine imports from many European countries – including France – since October. The US government is currently consulting on expanding these tariffs as negotiations with the EU over aircraft subsidies have not produced an agreement. See this month's Tariff Update for more details.

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

*See next page for more on California.*

# Key Takeaways

California can offer international buyers very good quality wines on multi-year deals at pricing lower than it has been for many years – including wine from some premium Coastal appellations. The same applies on grapes. With the 2020 harvest imminent and bulk inventory still high, there are currently some good opportunities on bulk wine in the Coast and in the Valley, especially older vintage. And with the 2020 crop looking average-sized, or only slightly below, and a large amount of fruit still uncontracted across the state, there are opportunities to capture some very good quality vineyards on long-term grape contracts.

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California: Current Export Market Pricing (USD per liter)							
Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2019	Generic White	0.90 – 0.99	↔	2018/19	Generic Red	0.79 – 1.05	↔
2019	Chardonnay	1.20 – 1.59	↔	2018/19	Cabernet Sauvignon	1.09 – 1.85	↔
2019	Pinot Grigio	1.25 – 1.59	↔	2018/19	Merlot	1.12 – 1.38	↔
2019	Muscat	1.07 – 1.45	↔	2018/19	Pinot Noir	1.40 – 1.85	↔
2019	White Zinfandel	0.94 – 1.00	↔	2018/19	Syrah	1.09 – 1.58	↔
2019	Colombard	0.89 – 1.00	↔	2018/19	Ruby Cabernet	0.97 – 1.10	↔
				2018/19	Zinfandel	1.20 – 1.65	↔

# Argentina

## Time on target



**HARVEST WATCH:** *Welcome snowpack levels and cold temperatures*

Argentina’s bulk wine market has continued to be active, both with international buyers and – to a limited extent – domestic buyers too. The country’s very competitively-priced bulk wine and good availability is attracting interest from Australia, China, Canada, the UK and Scandinavia, among others, while bottled exports are also performing well. Argentina’s grape juice concentrate supply is set to become tighter by the end of the year due to the good demand it has received over the past few months.

Much of Argentina outside Buenos Aires has seen lockdown easing, with bars and restaurants now open. Social distancing guidelines that restrict the number of customers, in addition to the country’s parlous economic situation, means footfall in the on-trade is perhaps half what it would be normally, but the slight uptick in domestic bulk wine business suggests inventory is at least moving again.

The Argentinian government’s protracted debt renegotiation with its creditors moves into another month, with the latest deadline for an agreement set for 24 July. Latest talks have been said to be “constructive”. In the meantime, inflation and interest rates remain high and the peso floats artificially around the ARS73/dollar

*See next page for more on Argentina.*

mark, with the informal “blue market” peso – its actual value to Argentinians – at approximately ARS120-130/ dollar. Argentinians are hoping that its government can reach an agreement with creditors and then put in place an economic plan that provides some certainty moving forward.

Peso pricing on Argentina’s bulk wines remains stable, with some opportunity to negotiate. The floor of USD0.25/litre on generic white and generic red remains. Grape juice concentrate continues to be stably priced but the price may experience upward pressure should demand, as mentioned above, continue as strongly as it

has been since the end of last year. Now is a good time for GJC buyers to move onto the market to capture the volumes they need at the price they need.

Argentina’s growing areas are enjoying their first ‘normal’ winter for some years. Cold temperatures are ensuring the vines receive a good rest, while significant snowstorms in the mountains have put down snowpack two to three metres high, intermittently shutting the Andes crossing into Chile. This has obviously caused some trucking headaches but the return of true wintry conditions to Mendoza and environs is largely welcomed by a wine industry that endured reduced water supplies over recent vintages.

## Key Takeaways

Argentina continues to offer extremely competitive and negotiable pricing on a large inventory of good quality wines, from generics through to Malbec and other international varietals. International buyers are active on the market, realising some exciting opportunities, while domestic demand has picked up slightly as the country’s on-trade (outside Buenos Aires) starts to open up again. Argentina’s GJC market is also highly active, and pricing could potentially rise towards the end of the year as supply grows depleted. The Argentine peso continues to be weak - ARS73/dollar - and a further devaluation could happen depending on the result of the debt renegotiation, still ongoing.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2019	Generic White (Basic)	0.25 - 0.30	↓	2019	Generic Red	0.25 - 0.30	↓
2019	Generic White (Standard)	0.24 - 0.36	↓	2019	Cabernet Sauvignon	0.50 - 0.60	↓
2019	Muscat	0.30 - 0.35	↓	2019	Merlot	0.45 - 0.55	↓
2019	Torrontes	0.35 - 0.45	↓	2019	Syrah	0.35 - 0.45	↓
2019	Sauvignon Blanc	0.45 - 0.55	↓	2019	Malbec Standard	0.55 - 0.65	↓
2019	Chardonnay	0.45 - 0.55	↓	2019	Malbec Premium	0.70 - 1.00	↓
2019	Bonarda	0.35 - 0.45	↓	2019	Malbec High End	1.00 - 2.50	↓
2019	Tempranillo	0.35 - 0.45	↓				
White Grape Juice Concentrate <i>*Per metric ton in bulk</i>		950.00 - 1,000.00		Red Grape Juice Concentrate (Color 1,000) <i>*Per metric ton in bulk</i>		1,300.00	

# Chile

## Time on target



**HARVEST WATCH:** *Wettest June for many years; significant snowpack*

Chile is tentatively testing the easing of lockdown measures in two of its 15 regions, with a view to a wider easing should those reopenings go well. All of Santiago, where 80% of Chile's reported COVID-19 cases are, remains in full lockdown. Overall, the movement of wine is running smoothly, though there are individual instances of COVID-related delays. Chile's total exports as a country increased in June year-on-year, breaking a prolonged period of export declines.

Of course, COVID-induced uncertainty across the world continues to impact wine sales and consumer behaviour. Chile's bulk wine export volumes were down 16% in the January to May period, though exports to countries with which Ciatti does much business – the US (+23%), the UK (+4.6%), Germany (+29%) and Sweden (+34.6%) – all increased, aided by good wine sales in supermarkets. These increases failed to offset a 66.8% fall in Chile's bulk wine exports to China. We have been seeing some small-scale activity from Chinese buyers, however.

Potential buyers are actively sampling Chilean wines but deals are being done slowly and some are for small volumes only. Bulk wine pricing remains stable, in line with last month. The Chilean peso moved past CLP800/dollar in mid-June, reaching CLP821/dollar on 1 July, before an increase in copper price saw the peso fall back again (to CLP781/dollar as of 10 July).

The HoReCa sector in Chile, as in most countries, continues to suffer, compounding the effects of last year's civil unrest on the country's on-trade. As a result, premium wineries are feeling intense pressure and seeking to redirect their supply into the bulk market.

Confounding forecasts of a dry winter, Chile's growing areas experienced the rainiest June for many years,

with deluges recovering the year-to-date rainfall levels hugely, bringing them up to close to normal levels. The rainfall deficit is now just 10% in Curicó and 13% in Santiago (Pudahuel commune): see table. Rivers in some regions burst their banks and flooding occurred. This much-needed rain comes off the back of an unusually dry ten years, however, so the impact of this single very wet month should not be overstated.

Significant snowpack has also been put down in the mountains (*see Argentina page*). As in neighbouring Argentina, this winter is proving cooler and snowier than in recent years, a return to a more 'normal' winter understood to be related to low pressure systems coming in from Antarctica's Weddell Sea. Prices on Chile's 2021 grapes are not yet being discussed, considering the level of uncertainty in the world at the moment, but the wet and snowy June has helped keep the bulk wine pricing stable.

## Key Takeaways

Bulk pricing in Chile remains stable, assisted by the weak peso against the dollar (past CLP800/dollar at some stage but falling back subsequently) and the wettest June in Chile's growing areas for many years. With so much uncertainty in the world right now, grape prices for 2021 are yet to be discussed. International demand for Chile's bulk wine is steady, and statistics show its bulk wine exports to countries like the US and UK – where supermarket sales have been strong during their lockdowns – have helped partially offset a big drop in bulk exports to China. As in other countries, premium wineries focused on serving the HoReCa channel are struggling, with some attempting to redirect their supply into the bulk market.

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*See next page for pricing.*

## Rain Status (millimeters) - Updated July 10, 2020

City	Total to date	Last year same date	Normal to date	Deficit or surplus	Yearly normal
La Serena	45,4	12,2	46,5	-2%	86,7
Santiago (Pudahuel)	134,7	36,0	154,2	-13%	276,9
Curicó	339,0	113,0	378,0	-10%	658,0
Chillán	412,1	435,2	621,4	-34%	1.058,8

## 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 - May 2019			January 2020 - May 2020			Volume
	Million Liters	Million US\$ FOB	Average Price	Million Liters	Million US\$ FOB	Average Price	Variance %
Bottled	193,13	612,26	3,17	183,37	556,04	3,03	-5,05
Bulk	168,01	168,34	1,00	141,06	118,05	0,84	-16,04
Sparkling Wines	1,41	5,68	4,03	1,27	5,68	4,48	-10,13
Packed Wines	8,03	14,46	1,80	9,43	15,92	1,69	17,50
<b>Total</b>	<b>370,58</b>	<b>800,73</b>	<b>2,50</b>	<b>335,13</b>	<b>695,68</b>	<b>2,51</b>	<b>-9,57</b>



# France

## *Time on target*



**HARVEST WATCH:** *Vine development 2-3 weeks ahead; extensive green pruning*

**Since 15 June, all of mainland France has been in the ‘green zone’, where lockdown restrictions can be eased faster. Bars and restaurants across the country are open inside and out – including in Paris – as long as they adhere to social distancing guidelines.**

The on-trade supply chain may have re-opened, bringing some relief to wine suppliers, but the bulk market in France has been complicated by the Emergency Distillation Plan, put forward to help alleviate tank space ahead of the imminent 2020 harvest. The Plan installed a EURO.58/litre floor on the table wine market, pausing deals (the actual market price had been lower), and EURO.78/litre on the IPG/AOP markets.

The Plan was to finance the distillation of 2.0 million hectolitres of wine, but in the end it was oversubscribed: some 3.23 million hectolitres was put forward by suppliers for distillation. Negotiations have subsequently re-opened between the wine industry and the ministry of agriculture to finance – to the tune of approximately EUR90 million – the enlargement of the Plan to encompass this extra 1.23 million hectolitres. This expansion is likely to get the go-ahead, but there is a question mark over the distillers’ ability to distil so much wine when they will already be at full capacity dealing with the original 2.0 million hectolitres.

As such, there is the possibility of two distillation tranches: the first tranche of 2.0 million going for distillation as soon as possible, the second tranche of 1.23 million hectolitres going for distillation by the end of the year. The latter case would mean tanks not being emptied until after the new harvest has come in, something of particular concern to the small, independent growers outside the support of cooperatives. Suppliers will be hoping the government

can find storage for the wine elsewhere ahead of its distillation.

This matter is made all the more pressing by the fact that, in southern France and elsewhere, vineyard development is running 2-3 weeks ahead of normal, with some areas set to commence harvesting their Muscat/sparkling bases from mid-July. A dry June combined with good spraying programmes brought the fungus pressure in Languedoc under control; fungus will have slightly reduced the production potential but not significantly. The focus now is on green pruning – with high temperatures and dryness in recent weeks, vines are growing fast – and some green harvesting.

In the meantime, while the Distillation Plan is ironed out (the official line is that the government is still studying the details), the market for red wines is as paused as it was in June. Suppliers are waiting to see how much of their wine can go forward for distillation, while négociants are waiting to see if there will be some excess wine available at attractive pricing. Wine sales are slow in France and around the world due to COVID-19 while French business with the US market has been impacted by tariffs. Buyers are either covering their remaining needs to last them until vintage changeover in 3-4 months, or steadily loading what they have already bought.

Bordeaux red in particular is suffering from a long supply position, with demand from its two key markets – the US and China – having become muted over the past year. Production controls are being rolled out in the region to restrict the supply of Bordeaux AOP red moving forward. Reds across most French regions are in oversupply, exacerbated by the reduction in consumer demand for red wine versus rosé and white in recent years. White wines are in better supply-demand balance – for example, the inventory of Languedoc Sauvignon Blanc, Chardonnay – and loadings of these have been running smoothly since lockdown. Ditto Languedoc rosé.

*See next page for pricing.*

We are, however, already busy negotiating pre-harvest deals on organic wines because organic wine is, again, going to be under pressure. Demand from northern Europe and Scandinavia for IGP Languedoc organic white has been strong even through COVID-19 –

perhaps even more so than normal – and buyers are keen to find more as it becomes available. There remain some limited supply of 2019 organic rosé, and a good supply of organic red, especially AOPs.

## Key Takeaways

There are some very attractive buying opportunities right now on high-quality French AOP reds – both standard and organic – and other reds, and even some last-minute batches of organic rosé. The market for whites is a more balanced, but there remains availability on most things except Chardonnay. The bulk market is paused while the Emergency Distillation Plan is finally cemented. The Plan was oversubscribed and financing to encompass an extra 1.23 million hectolitres is being negotiated.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2019	Generic White	0.65 – 0.75	↔	2019	Generic Red	0.60 – 0.70	↔
2019	Chardonnay IGP	1.00 – 1.10	↔	2019	Cabernet Sauvignon IGP	0.90 – 1.10	↔
2019	Chardonnay VDF	0.95 – 1.00	↔	2019	Cabernet Sauvignon VDF	0.80 – 0.90	↔
2019	Sauvignon Blanc IGP	0.90 – 1.05	↔	2019	Merlot IGP	0.85 – 1.00	↔
2019	Sauvignon Blanc VDF	0.90 – 0.95	↔	2019	Merlot VDF	0.75 – 0.85	↔
2019	Generic Rosé IGP	0.85 – 1.00	↔	2019	Syrah / Grenache IGP	0.85 – 1.00	↔
2019	Generic Rosé VDF	0.80 – 0.90	↔	2019	Varietal Rosé IGP	0.90 – 1.10	↔





# Spain

## Time on target



**HARVEST WATCH:** *Fungus pressure brought under control*

**Spain's national state of emergency – declared in response to COVID-19 – officially ended on 21 June, though some areas of northern Spain have since had to reimpose some lockdown restrictions. Bars and restaurants in Spain have been permitted to open inside and out since 10 June, though only at 50% capacity.**

Recent data suggested a slight recovery in Spanish wine sales (+7.4%) in the month of May versus April, with domestic demand up 10.3% on the prior month and exports up 3.5%. The slight recovery domestically is especially welcome as greatly-reduced inward summer tourism is expected to compound the impact on the Spanish on-trade of it having been shuttered for two months.

The Spanish Emergency Distillation Plan has paused activity on the country's bulk wine market and stabilised prices. It is understood that, under the plan, wines with designation of origin would receive EURO.40/litre and other wines EURO.30/litre. The plan's rollout is somewhat behind its French counterpart, as the distillation requests from suppliers are still being collected. It is expected that everything will have to get decided in the second half of July before the official start of the new campaign on 1

August. Until the figures are calculated and the intention as to what will happen is made clear, caution reigns on the bulk wine and grape juice concentrate markets.

There have been some domestic bulk sales – with the national buyers coming in to cover their short-term needs – and some activity around European blends, but the international buyers of big volumes are holding off for now. There continues to be good opportunities in Spain on pricing and availability, particularly on the whites of which there is a large inventory, as well as on 13-14% alcohol high colour reds from areas south of La Mancha such as Murcia and Valencia. Organic reds are also available.

Castilla-La Mancha saw an outbreak of fungus pressure in May but this has been brought under control thanks to a dry June, with conditions in the vineyards looking good. Plenty of rain over the winter means groundwater stocks remain sufficient.

## Key Takeaways

**Pricing in Spain is stable while details of the the Emergency Distillation Plan remain unclear (it is hoped negotiations will be complete by 1 August). That said, pricing is open to negotiation and Spain's white wines are particularly competitively priced. There are also good deals to be had on reds – including organic reds as well as 13-14% alcohol reds of high color reds from Murcia and Valencia.**

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2019	Generic White	0.33 - 0.40	↔	2019	Moscatel	0.45 - 0.55	↔
2019	White Blends (Higher Quality)	0.35 - 0.45	↔	2019	Generic Red	0.40 - 0.50	↔
2019	Sauvignon Blanc	0.65 - 0.75	↔	2019	Generic Red (Higher Quality)	0.45 - 0.60	↔
2019	Chardonnay	0.80 - 0.90	↔	2019	Cabernet Sauvignon	0.60 - 0.75	↔
2019	Generic Rosé	0.35 - 0.40	↔	2019	Merlot	0.65 - 0.75	↔
2019	Varietal Rosé	0.45 - 0.55	↔	2019	Syrah	0.60 - 0.75	↔



# Italy

## Time on target



**HARVEST WATCH:** *Conditions currently good in the vineyards*

**Despite the global situation, the performance of Italian wines on the domestic and export markets has been tracking only slightly slower than in 2019, with total remaining inventory as of 1 July approximately 2% smaller than at the same point of last year**

Italian wine has likely taken market share from New World wines in European markets and in the US. The delays at Cape Town port have been an impediment to exports of South African wine, while Chilean and Australian wines have also faced logistical challenges. In addition, Italian wine has likely also taken share from other European wines in the US market, where it is the only significant European supplier not to face hiked import tariffs.

Italy has increased sales of some of its wines – like Pinot Grigio DOC – in the UK and the US. Impressive bottlings data was recently released by DOC Delle Venezie Consortium: bottling was up 15% in June 2020 compared to June 2019, and 3.2% up in the first six months of the year). Primitivo and wines from Puglia in general are still in good demand.

It is likely that the worst is yet to come in terms of consumption, with the important tourist season in Italy expected to be severely impacted by COVID-19 (both the fear of the disease and any travel restrictions) and the potential revision of US duties in August to include wines from Italy. That said, there remains a hope that some sales increases like those listed above will continue.

Prosecco DOC, meanwhile, has seen decreased bottling levels. In the first six months of 2020 they were down 4.3%, but it is hoped Prosecco Rosé's arrival at the end of the year will help plug the sales gap.

Italy's Emergency Distillation Plan has been approved by the national government but wineries are waiting for additional contributions from the regions. Without this potential additional contribution, the Plan's prices are unattractive to sellers and their uptake will likely be minimal. As this month's pricing table shows, prices remain stable.

## Key Takeaways

**Italy's wine sales have weathered the intense global headwinds better than most, with inventory slightly down – as of 1 July – versus last year and signs of taking share from competitor suppliers in the US and European markets. There are fears, however, regarding COVID-19's impact on the important tourist season in Italy as well as the chance of US import tariffs being extended to encompass Italian wines. The country's national Emergency Distillation Plan could see limited take-up from grape suppliers unless the regions top-up the Plan's prices.**

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2019	Generic White (Alc. 9 - 10%)	0.35 - 0.45	↑	2019	Generic Red (Alc. 11 - 12%)	0.45 - 0.60	↔
2019	Generic White (Alc. 11 - 12.5%)	0.38 - 0.55	↑	2019	Generic Red (Alc. 13%)	0.65 - 0.80	↔
2019	Organic Generic White (Alc. 10 - 12%)	0.58 - 0.72	↑	2019	Organic Generic Red (Alc. 11 - 13%)	0.80 - 1.20	↔
2019	Varietal Chardonnay (Alc. 11 - 13%)	0.78 - 1.10	↔	2019	Varietal Cabernet Sauvignon (Alc. 12 - 13%)	0.60 - 0.75	↑
2019	Organic Pinot Grigio (Alc. 12%)	0.80 - 1.00	↑	2019	Varietal Merlot (Alc. 12 - 13%)	0.70 - 0.90	↔
2019	DOC Pinot Grigio delle Venezie	0.85 - 1.05	↔	2019	Varietal Syrah (Alc. 12 - 13%)	0.70 - 0.95	↔
2019	Pinot Grigio IGT (Different Regions)	0.90 - 1.10	↔	2019	Rossissimo (Alc. 12.5 - 14%)	1.00 - 1.15	↑
2019	Pinot Grigio IGT (Blends)	0.65 - 0.90	↑	2019	Primitivo IGT Puglia/Salento (Alc. 12 - 14%)	1.35 - 1.55	↑
2019	DOC Prosecco (Cannot be sold outside of Italy)	1.55 - 1.65	↔	2019	Sangiovese IGT (Alc. 11.50 - 13%)	0.55 - 0.65	↑
2019	Soave or Garganega DOC	0.95 - 1.10	↔	2019	Trebbiano IGT (Alc. 10.5 - 12%)	0.50 - 0.60	↑

*\*Bottled Price*

# South Africa

## *Time on target*

**HARVEST WATCH:** *Estimated at 1.31 million tonnes*

The continued weakness of the Rand against the dollar and euro, and the softening in Rand pricing that has occurred over the past two months as suppliers jockey for export business, has made South Africa's bulk wine offer very attractive versus that of other countries. There are volumes available on all wine varieties with good deals especially available on dry red and dry white if buyers can take big volumes and load quickly. Chenin Blanc and generic rosé continue to see especial price competition too.

Typical for the time of year, the Western Cape's bulk market was quiet in June into July, with some limited activity from international buyers seeking small top-ups to their volumes. With visibility on sales performance across the world so limited moving forward, due to COVID-19 and its impact

on economies, it is likely buyers will allocate conservatively and remain cautious.

Domestically, the lifting of the prohibition on the sale of alcohol on 1 June caused a surge in footfall at liquor stores, but stock remains that would normally have been worked-through in April and May. Then, on 12 July, in response to a rise in COVID-19 cases, South Africa reimposed its nationwide ban on the sale of alcohol (as well as reintroducing a 9pm to 4am curfew), delaying the uptake of the new 2020 vintage still further.

Looking ahead, with the fragility of South Africa's economy brought about by the strict COVID-19 lockdown in April and May and other pre-existing issues, and the return of the ban on alcohol sales in July, we do not foresee growth in domestic sales. Even before the reintroduction of the alcohol ban, any rebound in domestic demand for premium wines was constrained by an ongoing prohibition on alcohol

*See next page for more on South Africa.*

sales in South Africa's bars and restaurants, which can open but serve non-alcoholic beverages only.

Shipping delays – brought about by staff absences due to COVID-19 and pre-existing structural challenges – remain an issue at Cape Town port. Delays of up to 3-4 weeks have occurred in some instances, and some shipping is being re-routed via the larger ports of Port Elizabeth and Durban, adding to journey times. However, the Western Cape government, the port, and the shipping companies are working to address matters urgently and improvements are being made.

## Key Takeaways

The Western Cape can provide competitively-priced, good quality bulk wines of all varieties in good volumes, with pricing open to negotiation – particularly on dry red and dry white – if buyers can take large volumes and ship quickly. International buyer demand has been slow, as is typical for the time of year, while domestic buyer demand was limited after the ending of the original nationwide ban on alcohol sales, and will now be further limited by the reintroduction of that ban as of 12 July.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2019/20	Dry White	6.80 – 7.20	↓	2019/20	Generic Red	9.00 – 9.50	↔
2019/20	Chardonnay	11.00 – 11.80	↔	2019/20	Cabernet Sauvignon	11.80 – 13.00	↔
2019/20	Sauvignon Blanc	10.80 – 12.00	↔	2019/20	Ruby Cabernet	9.50 – 10.00	↔
2019/20	Chenin Blanc	8.00 – 8.50	↓	2019/20	Merlot	11.50 – 12.50	↔
2019/20	Colombard	7.20 – 7.70	↔	2019/20	Pinotage	10.50 – 11.50	↔
2019/20	Muscat	8.00 – 8.50	↔	2019/20	Shiraz	11.00 – 12.00	↔
2019/20	Generic Rosé	7.20 – 7.80	↔	2019/20	Cinsaut Rose	8.65 – 9.00	↑
2019/20	Cultivar Rosé	8.60 – 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



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**HARVEST WATCH:** *Au: 1.52 million tonnes, -13% on the avg. NZ: 457,000 tonnes, +11% on 2019*

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**Australia's 2020 winegrape crush totalled 1.52 million tonnes – the equivalent of over one billion litres of wine, according to the National Vintage Report 2020 released by Wine Australia. This is the smallest crop since 2007: the 2020 crush was 12% smaller than 2019's, and 13% below the ten-year average of 1.75 million tonnes.**

Wine Australia's CEO Andreas Clark said that, while the crop was down in size, wine quality was expected to be high. Autumn temperatures were generally around average or slightly cooler, leading to ideal ripening and harvesting conditions, and the reduced yields have resulted in more concentrated colours and flavours in the berries.

The overall reduction of 200,000 tonnes compared with 2019 was split almost 50-50 between red and white varieties. The crush of red grapes in 2020 is estimated to be 836,462 tonnes – a reduction of 105,000 tonnes or 11% compared with 2019. The white crush was 684,146 tonnes – down by just under 100,000 tonnes, which was slightly more in percentage terms (13%). This led to the white crush reducing its share of the total to 45% – down from 46% in 2019 and 48% in 2018.

Of the top 10 red varieties, Merlot's crush was down most (+20%), while Durif and Ruby Cabernet's crushes increased (by +9% and +8% respectively). In fact, Durif overtook Grenache to become the seventh-largest red variety. The crushes of the top 10 white varieties were all down in 2020 versus the previous year, except for

Pinot Gris/Grigio (almost identical at just over 70,000 tonnes) and Prosecco (+2% to just over 11,000 tonnes). The total value of the winegrape crush is estimated to be AUD1.07 billion, and the average value across all purchases in 2020 was AUD694 per tonne, an increase of 5% on 2019's AUD663/tonne.

Australian Grape & Wine (AGW), in collaboration with Wine Australia, have developed 'Vision 2050', a landmark strategy that is intended to help Australian grape and wine businesses plan for a profitable and sustainable future over the next three decades. Vision 2050 looks beyond the immediate and significant challenges of bushfires, smoke and COVID-19, setting a range of ambitious targets to strive for by 2050. These targets include increasing growth in value to become a AUD15 billion industry, a net-zero emissions target, and expanding on export success to become the leading valued product in each key market Australia's wine operates in.

Simon Birmingham, Australia's Federal Trade Minister, has announced the start of negotiations on a bilateral FTA between Australia and the UK, post-Brexit, to help boost export flows between the two nations beyond the overall existing AUD15 billion trade. For wine, the UK is Australia's largest export market by volume at over 24 million 9-litre case equivalents and AUD347 million in value for the year to March 2020.

Sales of non-alcoholic beer and wine have more than doubled in Australia over the past year, and are two of the fastest growing drinks categories, according to sales data from the country's largest liquor chain, BWS, and its sister chain Dan Murphy's. Meanwhile, a Melbourne buyer recently purchased a 1951 Penfolds 'Bin 1 Grange' for over AUD103,000, the highest

*See next page for more.*

price ever paid for a single bottle of Australian wine, beating the previous record of AUD81,000.

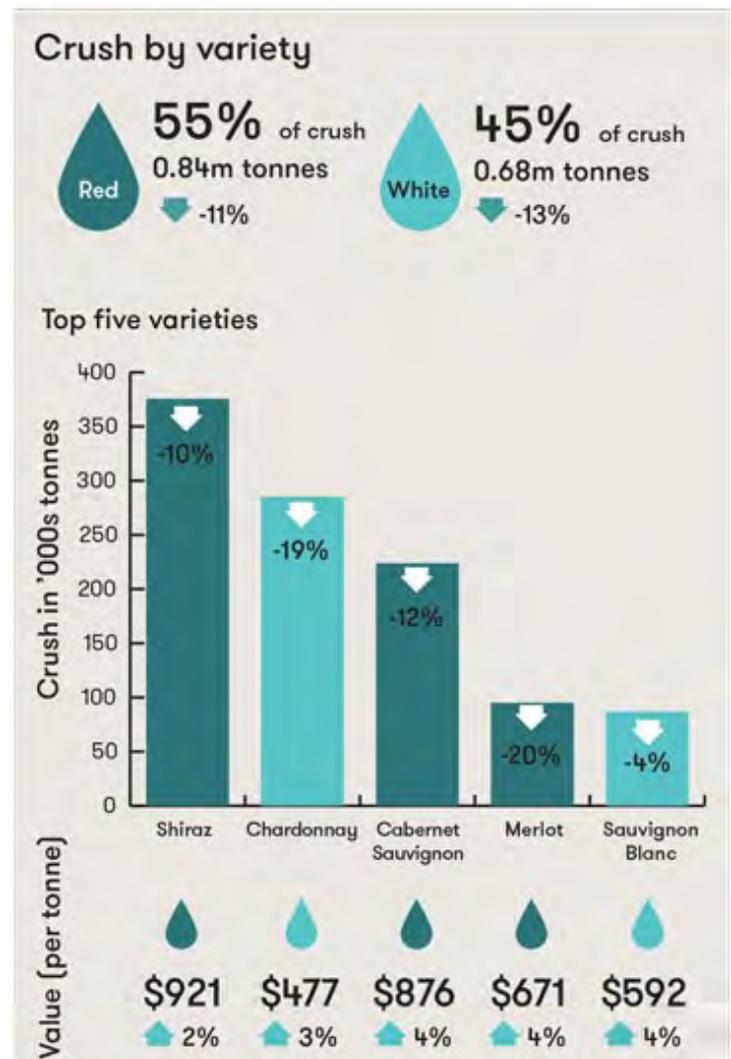
An “excellent summer” throughout most of **New Zealand** contributed to an “outstanding” 2020 vintage across the country’s wine regions, according to New Zealand Winegrowers (NZW). However, the industry had hoped for a larger harvest following “smaller than expected” crops over the past three years, in order to support current sales levels and rebuild stocks, said NZW.

A total of 457,000 tonnes of grapes were harvested in 2020, an increase of 11% versus 2019. Wine production is estimated to be less than 3% above current sales levels. As a result, sales growth during the year ahead would be “modest, albeit there is more uncertainty than normal due to COVID-19”. NZW said it was confident the 2020 wines would “only enhance the country’s international reputation for premium and sustainable wines”. New Zealand’s wine sales for the 12 months to 30 June 2020 were estimated at 334 million litres, up 4% on the previous year, with exports up 6% and currently valued at NZD1.92 billion. Export volume was estimated at 284 million litres, up 5%. Wine is New Zealand’s sixth-largest export good.

The New Zealand wine sector, meanwhile, has welcomed news that the UK and New Zealand will start negotiations to establish an FTA. The first round of negotiations, taking place virtually, will commence on 13 July. The UK is the fifth-largest investor in New Zealand and the country’s sixth-largest trading partner.

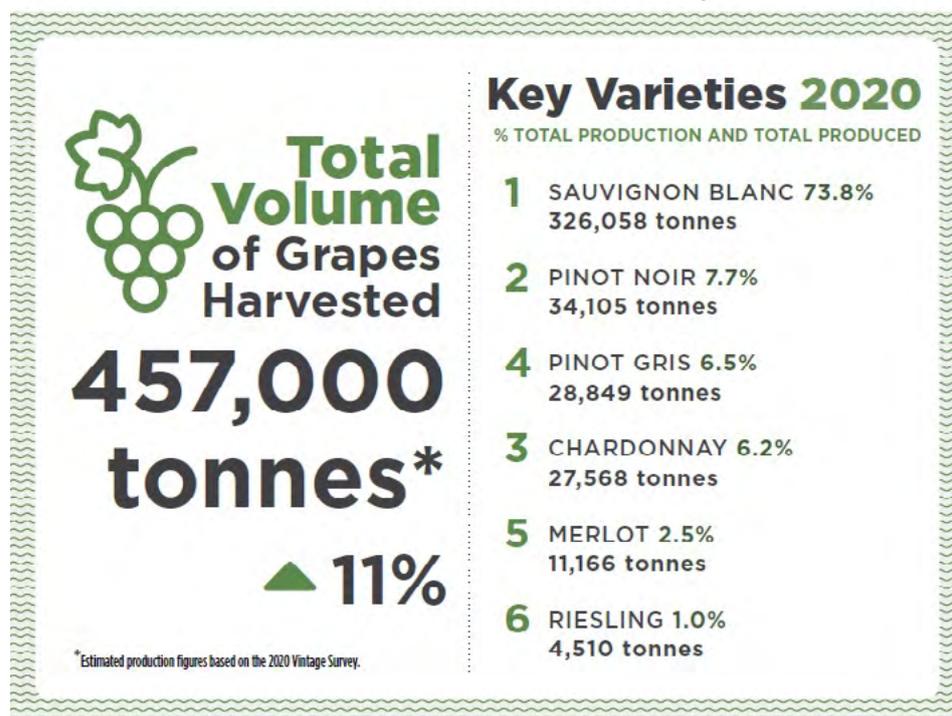
A total of 95 wines from across New Zealand have been selected by the ‘Fine Wines of New Zealand’ programme as part of its wine list for 2020, with seven of the 14 new additions coming from the Marlborough region. The list is still strongly led by Pinot Noir with 26 wines, followed by Chardonnay (15 wines), Sauvignon Blanc (12 wines), and Riesling (10 wines).

## Australia 2020 harvest by varietal



Source: Wine Australia (prices in AUD)

## New Zealand 2020 harvest by varietal



Source: New Zealand Winegrowers

# Key Takeaways

Australia's 2020 winegrape crop was its smallest since 2007 at 1.52 million tonnes: red grape yields were down 11% on 2019 and white grapes down 13%. The average price per tonne was AUD694, up 5% on 2019. Durif, Ruby Cabernet, Pinot Gris/Grigio and Prosecco were the only significant varieties that saw a production uptick. A new strategy called 'Vision 2050' targets Australian wine becoming a AUD15 billion industry by 2050. Australia is to commence bilateral FTA talks with the UK, as is New Zealand. The 2020 crop in New Zealand totalled 457,000 tonnes, up 11% on 2019 – but wine output is estimated to be less than 3% above demand. New Zealand's wine exports grew by 5% in volume and 6% in value in the year to 30 June.

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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	1.20 – 1.30	↑
2020	Chardonnay	1.05 – 1.15	↔	2020	Cabernet Sauvignon	1.45 – 1.55	↑
2020	Sauvignon Blanc	1.15 – 1.25	↔	2020	Merlot	1.45 – 1.55	↑
2020	Pinot Gris	1.20 – 1.30	↔	2020	Shiraz	1.45 – 1.55	↑
<b>2020</b>	<b>NZ Marlborough SB</b>	<b>NZD 4.00 – 4.25</b>	↔	2020	Muscat	0.90 – 1.00	↑

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



# John Fearless Update

**JOHN FEARLESS**  
PROVIDER OF CRAFT HOPS AND PROVISIONS



**In recognition of our growth in the beverage alcohol and non-alcohol supply business, we at John Fearless are building up our Sales Team, our Technical Support and our Customer & Operations Support, in order to better assist our growing list of customers and suppliers. We introduce you to three exciting new appointments below.**

**Matt Johnson** – Manager, Brewing Technical Support and Key Accounts

Matt has over 23 years of experience brewing professionally in the US. He is the former Brewmaster of Brewery Operations at Karl Strauss Brewing Co. in San Diego, California. During his time there, the brewery won more than 100 awards for its beer including the 2016 ‘Mid-Size Brewery of the Year’ at the Great American Beer Festival (GABF). Also while at Strauss, Matt spent five years as a member of the Hop Research Council and the Hop Quality Group and he contributes regularly to both. He is a current World Beer Cup judge and a judge at the GABF.

Matt’s focus will be on providing technical support to our customers and sales organization, focusing on our larger customers and their needs.

Matt is passionate about product quality and innovation. He has travelled the world and visited most hop growing regions – including Yakima, Oregon, Idaho, Australia, South Africa, and Germany. Outside the office, he loves to spend time with his family, going to his kids’ sporting events, hanging out at the beach, and travelling.

**Thomas Gilbert** – Sales Manager, Northern California & Northwest

Thomas joins the John Fearless team after several years in sales roles at Anchor Brewing and BevZero. Thomas started his beverage career in 2009 selling

high-end wine, then entered into the beer world in 2012 with Anchor Brewing. At Anchor he started in production, then transitioned into four different roles before finishing his time there as Key Account & Distributor Manager – he knows his way around a brewery!

Thomas will bring exceptional customer support to the Northern Californian and Northwest territories.

Passionate about working with people to achieve their best results, Thomas loves it when he can help a customer develop a kick-ass product! Outside the office, he enjoys basketball, tennis and trail running with his Shepherd. He also likes to cook, trying out new recipes from different parts of the world, but his ultimate enjoyment comes from spending time with friends and family.

**Geoff Eiter** – Manager, Customer & Operations Support

Geoff is being promoted to the exciting new role of Manager, Customer & Operations Support. Geoff was employee number two at John Fearless, so he knows where (almost) all the bones are buried! He has been our Sales Manager for the past three and a half years, primarily focused on Southern California, and knows what it takes to offer exceptional service to our customers. Prior to John Fearless, Geoff spent many years in the banking industry, and before that in the heady environment of politics in Washington DC and Idaho.

Geoff will bring this deep knowledge and understanding to what is a vitally important new role, supporting not only our customers but our Sales Team and suppliers.

Outside the office, Geoff loves to travel with his friends, and is passionate about his San Diego Padres. Geoff also loves to run, and run, and run... and has competed in several marathons and ultra-marathons.

# John Fearless Update

**JOHN FEARLESS**  
PROVIDER OF CRAFT HOPS AND PROVISIONS



## Key Takeaways

John Fearless provides huge experience garnered from over 20 years in the beverage industry, but we are evolving as a business all the time, in recent years significantly expanding our range of products. In addition to our ability to provide a wide spectrum of specialty hops, we can also now offer hop aroma, malt, beer and wine stabilizers, finishing tannins, liquid flavor extracts, quality aged barrels, MicroDried fruits and more.

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# Export Pricing: USD per liter

Currency Conversion Rates as of July 16, 2020

Argentina (Pricing in bulk; FCA)											
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2019	Generic White (Basic)	0.25	-	0.30	↓	2019	Generic Red	0.25	-	0.30	↓
2019	Generic White Standard	0.24	-	0.36	↓	2019	Cabernet Sauvignon	0.50	-	0.60	↓
2019	Muscat	0.30	-	0.35	↓	2019	Merlot	0.45	-	0.55	↓
2019	Torrontes	0.35	-	0.45	↓	2019	Syrah	0.35	-	0.45	↓
2019	Sauvignon Blanc	0.45	-	0.55	↓	2019	Malbec Standard	0.55	-	0.65	↓
2019	Chardonnay	0.45	-	0.55	↓	2019	Malbec Premium	0.70	-	1.05	↓
2019	Bonarda	0.35	-	0.45	↓	2019	Malbec High End	1.00	-	2.50	↓
2019	Tempranillo	0.35	-	0.45	↓						

Australia & New Zealand (Pricing in bulk; FCA)											
						AUD Rate: 0.69859 / NZD Rate: 0.65478					
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Dry White	0.59	-	0.66	↔	NV	Dry Red	0.84	-	0.91	↑
2020	Chardonnay	0.73	-	0.80	↔	2020	Cabernet Sauvignon	1.01	-	1.08	↑
2020	Sauvignon Blanc	0.80	-	0.87	↔	2020	Merlot	1.01	-	1.08	↑
2020	Pinot Gris	0.84	-	0.98	↔	2020	Shiraz	1.01	-	1.08	↑
2020	NZ Marlborough SB	2.62	-	2.78	↔	2020	Muscat	0.63	-	0.70	↑

California (Pricing in bulk; FCA)											
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2019	Generic White	0.90	-	0.99	↔	2018/19	Generic Red	0.79	-	1.05	↔
2019	Chardonnay	1.20	-	1.59	↔	2018/19	Cabernet Sauvignon	1.09	-	1.85	↔
2019	Pinot Grigio	1.25	-	1.59	↔	2018/19	Merlot	1.12	-	1.38	↔
2019	Muscat	1.07	-	1.45	↔	2018/19	Pinot Noir	1.40	-	1.85	↔
2019	White Zinfandel	0.94	-	1.00	↔	2018/19	Syrah	1.09	-	1.58	↔
2019	Colombard	0.89	-	1.00	↔	2018/19	Ruby Cabernet	0.97	-	1.10	↔
						2018/19	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: 1.14016

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2019	Generic White	0.74	-	0.86	↔	2019	Generic Red	0.68	-	0.80	↔
2019	Chardonnay IGP	1.14	-	1.25	↔	2019	Cabernet Sauvignon IGP	1.03	-	1.25	↔
2019	Chardonnay VDF	1.08	-	1.14	↔	2019	Cabernet Sauvignon VDF	0.91	-	1.03	↔
2019	Sauvignon Blanc IGP	1.03	-	1.20	↔	2019	Merlot IGP	0.97	-	1.14	↔
2019	Sauvignon Blanc VDF	1.03	-	1.08	↔	2019	Merlot VDF	0.86	-	0.97	↔
2019	Generic Rosé IGP	0.97	-	1.14	↔	2019	Red Syrah / Grenache IGP	0.97	-	1.14	↔
2019	Generic Rosé VDF	0.91	-	1.03	↔	2019	Varietal Rosé IGP	1.03	-	1.25	↔

## Italy (Pricing in bulk; Ex-Winery)

Rate: 1.14016

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2019	Generic White (Alc. 9 - 10%)	0.40	-	0.51	↑	2019	Generic Red (Alc. 11 - 12%)	0.51	-	0.68	↔
2019	Generic White (Alc. 11 - 12.5%)	0.43	-	0.63	↑	2019	Generic Red (Alc. 13%)	0.74	-	0.91	↔
2019	Organic Generic White (Alc. 10 - 12%)	0.66	-	0.82	↑	2019	Organic Generic Red (Alc. 11 - 13%)	0.91	-	1.37	↔
2019	Varietal Chardonnay (Alc. 11 - 13%)	0.89	-	1.25	↔	2019	Varietal Cabernet Sauvignon (Alc. 12 - 13%)	0.68	-	0.86	↑
2019	Organic Pinot Grigio (Alc. 12%)	0.91	-	1.14	↑	2019	Varietal Merlot (Alc. 12 - 13%)	0.80	-	1.03	↔
2019	DOC Pinot Grigio delle Venezie	0.97	-	1.20	↔	2019	Varietal Syrah (Alc. 12 - 13%)	0.80	-	1.08	↔
2019	Pinot Grigio IGT (Different Regions)	1.03	-	1.25	↔	2019	Rossissimo (Alc. 12.5%)	1.14	-	1.31	↔
2019	Pinot Grigio IGT (Blends)	0.74	-	1.03	↑	2019	Primitivo IGT Puglia/Salento (Alc. 12 - 14%)	1.54	-	1.77	↔
2019	DOC Prosecco (Cannot be sold outside of Italy)	1.77	-	1.88	↔	2019	Sangiovese IGT (Alc. 11.50 - 13%)	0.63	-	0.74	↔
2019	Soave or Garganega DOC	1.08	-	1.25	↔	2019	Trebbiano IGT (Alc. 10.5 - 12%)	0.57	-	0.68	↑

*\*Bottled Price*

## South Africa (Pricing in bulk; FOB Cape Town)

Rate: 0.058433

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2019/20	Generic White	0.40	-	0.42	↓	2019/20	Generic Red	0.53	-	0.56	↔
2019/20	Chardonnay	0.64	-	0.69	↔	2019/20	Cabernet Sauvignon	0.69	-	0.76	↔
2019/20	Sauvignon Blanc	0.63	-	0.70	↔	2019/20	Ruby Cabernet	0.56	-	0.58	↔
2019/20	Chenin Blanc	0.47	-	0.50	↓	2019/20	Merlot	0.67	-	0.73	↔
2019/20	Colombard	0.42	-	0.45	↔	2019/20	Pinotage	0.61	-	0.67	↔
2019/20	Muscat	0.47	-	0.50	↔	2019/20	Shiraz	0.64	-	0.70	↔
2019/20	Generic Rosé	0.42	-	0.46	↔	2019/20	Cinsaut Rosé	0.51	-	0.53	↑
2019/20	Cultivar Rosé	0.50	-	0.53	↔						

## Spain (Pricing in bulk; Ex-Winery)

Rate: 1.14016

Vintage	Variety	Price		Trend	Vintage	Variety	Price		Trend
2019	Generic White	0.38	- 0.46	↔	2019	Generic Red	0.46	- 0.57	↔
2019	White Blends (Higher Quality)	0.40	- 0.51	↔	2019	Generic Red (Higher Quality)	0.51	- 0.68	↔
2019	Sauvignon Blanc	0.74	- 0.86	↔	2019	Cabernet Sauvignon	0.68	- 0.86	↔
2019	Chardonnay	0.91	- 1.03	↔	2019	Merlot	0.74	- 0.86	↔
2019	Generic Rosé	0.40	- 0.46	↔	2019	Syrah	0.68	- 0.85	↔
2019	Varietal Rosé	0.51	- 0.63	↔	2019	Moscatel	0.51	- 0.63	↔

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