



# *Global Market Report*

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**Ciatti Global Wine  
& Grape Brokers**

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## September 2021

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The 2021 growing season in Europe has been one of the most challenging for many years, with severe frosts occurring post-budbreak followed by a very wet or drought-hit summer, depending on location. France, arguably the most affected, is officially forecast to see a crop down 25% in size on the five-year average, which – because of vine pull-outs over recent decades – would make it the smallest crop on record. However, in southern France, Chardonnay, Sauvignon Blanc and other white varietals are coming in below even this estimate, at closer to a 50% shortfall.

Italy's total crop shortfall is expected to be significantly less dramatic, at 9% down from last year's 49 million hectolitres, though some areas – such as Emilia-Romagna (-15%) and Abruzzo (-18%) – are expected to fare worse than that. Spain's crop, too, is now expected to come in shorter than the long-term average, with tonnages in La Mancha on the first grapes to be picked – whites including Chardonnay and Sauvignon Blanc – down by roughly 25-30%.

Despite this news and the latest Comité Européen des Entreprises forecast – of a 23-million-hectolitre shortfall in European wine production this year – the bulk markets of Europe are not frenzied. As the Italy page reports this month: “All big operators are being extremely careful in price agreements and volume engagements. In addition, supermarkets are taking more time to close contracts because of the general, strong price increases in liquid and dry goods.” Similar can be seen in the US, where buyer hesitation is relatively high despite California being on course for a second-successive below-average crop.

Buyers are moving into the Northern Hemisphere autumn – when COVID-19 will doubtless make a return to the front pages – with a hazy picture of future sales at best. Should lockdowns fail to materialise and economies continue to emerge from the pandemic, costs will rise in the face of demand pressure across the whole supply chain. Some 40% of all wine consumed has to cross an international border to get to the consumer: haulage scarcity, container shortages at ports, delays to shipping and increased freight costs are complicating, and will continue to complicate, the national and international movement of wine and will render some bulk wine deals no longer feasible, margin-wise. Emerging from a pandemic brings its own challenges, just as being in one does.

Wine Australia has collated the production data currently available for 2021 and estimates global production will be at 25 billion litres – “the second lowest in the past 10 years”. However, drawing on OIV and IWSR statistics, it estimates global consumption at 23.7 billion litres, meaning a surplus of 1.3 billion litres. Markets which saw increased wine sales volumes at retail because of pantry-stocking in the extraordinary year of 2020 are now seeing steady returns to normal consumer behaviour, and while it appears there is a global shortage of the crisp dry whites – Sauvignon Blanc (in particular), Chardonnay and Pinot Grigio – which the Northern Hemisphere harvests will not alleviate, reds remain in surplus or at least in balance. The next three months until Christmas will be important: the Northern Hemisphere harvests – and the response of the bulk markets – will be clear, the Southern Hemisphere markets will then take their cue, and we will discover if the vaccination programmes have made winter lockdowns a thing of the past. In the meantime, read on for detailed updates from each market, get in touch with us directly for more information, and stay safe.

*Robert Selby*

# California

## *Time on target*



### **HARVEST WATCH:** *Lighter than average crop in southern Central Valley*

All indicators point to the 2021 harvest coming in lighter than average in California's southern Central Valley, which will come as little surprise considering the severity of the drought being experienced in this region. Water curtailment mandates are in place up and down the state's rivers and there have been drought stress issues visible on some vines. The crop in the northern Central Valley is perceived to have held up a little better, with crop lightness in Lodi less general and more variety and site-specific.

Of the three varieties commanding the greatest area in the Central Valley, Chardonnay is looking slightly lighter than last year which – considering last year was considerably light – would be a significant shortfall from the average. Zinfandel, too, is understood to be picking lighter than last year's light crop. Cabernet is already being picked – in some cases before Sauvignon Blanc – and volumes appear average, but it is too early to gauge confidently. Picking compaction is an issue across the state due to the drought and consistent heat. For example, some Central Valley vineyards have reported picking Merlot and Cabernet already, ahead of Sauvignon Blanc. Sometimes sugar levels are ready but other grape parameters are not, and slowing things down is difficult without access to adequate water supplies.

Smoke exposure concerns appear to be limited to this point, especially in the Valley which tends to be further removed from the wildfires than the Coastal growing areas. The USDA/California Department of Agriculture's forecast for the 2021 harvest of 3.6 million tons, issued on 12th August, still appears accurate, but the potential is there for it to be smaller, especially as the powerhouse southern Central Valley region is one of those seeing consistent shortfalls.

The Central Valley's grape market has been largely quiet as most grapes are already contracted. The pockets of grape availability on the Coast are gradually shrinking and the likelihood is there will be no real spot market for grapes in California this year. Bulk market activity has picked up in recent weeks as buyers get wind of the harvest size, but buyer hesitation – particularly on the non-Napa Valley Coastal appellations – persists, far more than one would normally see in a shortfall year (and a second-successive one at that). The US on-trade is still finding its feet and although wine sales volumes in retail continue to be higher than they were in 2019, the growth is shrinking through the course of 2021 as consumer patterns gradually return to normal after 2020's pantry-stocking boom.

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*See next page for more on California.*



The likelihood of a short crop in the Central Valley – as well as vine pull-outs on some specific varieties in recent years – have led some US buyers to inquire into sourcing wines from overseas. This mainly applies to Sauvignon Blanc (from Chile and South Africa), Pinot Gris (several markets including Italy), and Muscat (Chile, South Africa, and Australia). US white vinegar buyers will also struggle to locate what they need in California this year and may therefore source internationally, mainly from Spain.

The southern Valley's export prices remain stable despite feeling a great deal of upward pressure. California's exporters are facing the same logistical challenges currently being experienced the world over, though they seem to be particularly acute in the US – patience is required when shipping Californian wines. Don't hesitate to get in touch with us if you are encountering problems and we will do our very best to assist

## Key Takeaways

The 2021 crop in the Central Valley seems to be coming in lighter than average, particularly in the south where heat and drought has been the most extreme. The Valley's 2021 grape market is quiet as most grapes were pre-harvest contracted; inventory of 2020 wines and supply of uncontracted 2021 wines are also limited. Inquiries are consequently being made into overseas wines, particularly Sauvignon Blanc (from Chile and South Africa), Pinot Gris (several markets including Italy), and Muscat (Chile, South Africa, and Australia). The southern Central Valley's export pricing is feeling upward pressure but remains stable for now. Trucking scarcity, container shortages at ports, delays to shipping and increased freight costs are all serving to complicate the movement of wine out of the US.

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

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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	↔	2020	Generic Red	1.00 – 1.15	↑
2020	Chardonnay	1.20 – 1.59	↔	2020	Cabernet Sauvignon	1.10 – 1.85	↔
2020	Pinot Grigio	1.30 – 1.59	↔	2020	Merlot	1.15 – 1.40	↑
2020	Muscat	1.15 – 1.45	↑	2020	Pinot Noir	1.40 – 1.85	↔
2020	White Zinfandel	1.00 – 1.10	↑	2020	Syrah	1.05 – 1.45	↔
2020	Colombard	0.95 – 1.00	↔	2020	Ruby Cabernet	1.00 – 1.10	↔
				2020	Zinfandel	1.20 – 1.65	↔





# Argentina

## *Time on target*



**HARVEST WATCH:** *Abnormally dry winter; some late snow in the Andes*

**There has been a snowy end to Argentina's unseasonably warm and dry winter, with a six-day snowstorm in the Andes closing the border to trucking for 4-5 days. The snow, representing perhaps a third of what is normally put down across the whole season, comes as a welcome relief, but its lateness – with temperatures already spring-like (as high as 24°C) due to warming Zonda winds – will likely reduce its impact in terms of slow-release water supplies come spring and summer.**

August's Zonda winds were unusually prolonged and intermittently high in speed, pulling up trees and causing other damage, and some of the fallen snow will have been swept away. Down from the mountains, dryness is acute – Mendoza has received little rain since February/March – and growers are consequently extra concerned regarding the frost impact any September and October cold fronts may bring. Should damaging frosts occur, bulk suppliers are likely to hold off from selling until the frost risk has passed, when they will reassess the marketplace and adjust prices accordingly.

As is normal for August – with the Northern Hemisphere on its summer holidays and commencing its own harvests – international activity on Argentina's bulk market was limited. The focus has been on loading those wines already contracted. There remains good volumes of excellent-quality Malbec and other red varietals, as well as red generics, and Argentina's bulk wine prices remain stable. The official peso – weakening gradually against the US dollar as part of the government's "creeping peg" strategy – is currently at ARS102.75/dollar, but the unofficial "blue dollar" is now at ARS182/dollar. Wineries are facing daily rises in raw material costs – inflation in Argentina is running at 50% per year – and price speculation is taking place across

all parts of the economy as the peso is widely expected to see a significant overnight devaluation at some stage after November's legislative elections.

Argentina's National Viticulture Institute (INV) estimates wine stocks at the country's wineries totalling 1.58 billion litres as of 1st August, with reds (1.1 billion litres) accounting for the great majority of this volume. Of the total stock, some 945 million litres is generic wine and 636 million litres varietal. Taking typical annual domestic and export demand into account, as well as technical stock at vineyards, this leaves an extra 170-200 million litres remaining for the export market should it want it – a balanced situation at the moment. That said, should a severe frost occur in springtime, domestic buyers could come back into the market to try to secure some of that extra stock. Thus it is currently a case of both buyers and sellers waiting for events to unfold over the coming weeks and months.

Argentina's stock of concentrated must and sulphated must – as of 1st August – was estimated at 106,000 metric tons, suggesting important volume available for export. Concentrate prices have thus dropped slightly. In addition, the biggest domestic consumption of concentrate goes into entry-level Tetra wines (representing over 30% of Argentina's domestic wine market), a category which has been losing sales this year due to lower- and middle-class consumers feeling the country's economic hardship, reducing wine industry demand for concentrate. New data from Argentina's Viticulture Observatory (OVA) shows sales of wine in Tetra containers were down 25% in the first five months of 2021 versus 2020, while bottled wine sales held up better, declining by only 4%.

OVA data shows wine shipments in the domestic market grew 12% across the years 2018-2020, from 839 million litres in 2018 to 885 million litres in 2019 and 943 million litres in 2020. However, in the first five months of 2021 they fell back 12% versus the first five months of 2020, from 346 to 303 million litres. This

*See next page for more on Argentina.*

can be partially attributable to a higher base in 2020 – “quarantine restrictions favored wine consumption” – but it is also due to high inflation reducing consumer spending power and confidence. The hit has been taken by red wines (-20% to 206 million litres), which make up the vast majority of wine consumption in Argentina, and rosé (-14% to 12.8 million litres); consumption of whites actually grew (+15% to 84 million litres), placing more pressure on Argentina’s limited supply of white wines.

# Key Takeaways

Argentina continues to offer good supply levels of competitively-priced, excellent-quality red wines – varietal and generic. Pricing is stable. White varietals and generics are in short supply. Overall, Argentina’s offer is in supply-demand balance, with perhaps 170-200 million litres of extra stock for potential export business, though some of this may be acquired by domestic buyers should any September/October frost events severely impact Mendoza’s vineyards; the dryness of the past year, and most particularly the winter now coming to an end, makes frost concerns acuter than normal. Concentrate is available and pricing has softened.

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Argentina: Current Market Pricing (USD per liter; FCA Winery)							
Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2021	Generic White (Basic)	0.40 – 0.45	↑	2021	Generic Red	0.45 – 0.60	↑
2021	Generic White (Standard)	0.45 – 0.50	↑	2020/21	Cabernet Sauvignon	0.80 – 0.90	↑
2021	Muscat	0.60 – 0.65	↑	2020/21	Merlot	0.65 – 0.75	↑
2021	Torrontes	0.60 – 0.70	↑	2020/21	Syrah	0.65 – 0.75	↑
2021	Sauvignon Blanc	0.80 – 0.90	↑	2020/21	Malbec Standard	0.75 – 0.85	↑
2021	Chardonnay	0.95 – 1.20	↑	2020/21	Malbec Premium	0.90 – 1.10	↑
2020/21	Bonarda	0.60 – 0.70	↑	2020/21	Malbec High End	1.30 – 2.50	↑
				2020/21	Tempranillo	0.60 – 0.70	↑
White Grape Juice Concentrate (per metric ton in bulk): 1,400-1,500 (FCA Plant)							





# Chile

## *Time on target*



### **HARVEST WATCH:** *Frost concerns after dry winter; low snowpack levels*

**August brought a week of late winter snowfall to the Andes, and some rainfall to the growing regions of Chile (particularly the Curicó and Maule valleys), alleviating some drought concerns for the coming season – but only some. The snowfall was limited in extent and its belatedness will mean a rapid melt: this was soon evident in Santiago, where the Mapocho river quickly became swollen. The continuing dry trend ensures frost will be a big concern in the coming weeks as flowering gets underway.**

The precipitation shortfall continues in all regions (see attached table). Scientists claim to have identified a vast area of water in the southern Pacific east of New Zealand – dubbed the “Southern blob” – which they believe is the cause of Chile’s so-called “megadrought”, which has persisted since 2007. This “blob” of ocean, 1.5°C warmer than 40 years ago, is heating the air directly above it; winds then carry the heated air across to Chile, where it breaks up traditional cold fronts. The blob is a naturally occurring phenomenon, but scientists claim climate change has made it larger and hotter. In August, Chile’s government announced a “Plan to Combat Drought” in an attempt to get to grips with the multi-year precipitation shortfall. The plan includes improvements to the country’s water infrastructure and irrigation, and funds for drought-affected small farmers to enable them to invest in water-saving technologies.

Ongoing drought concerns have caused domestic wineries to stock-up on bulk wines. Another factor for the stocking is an uptick in demand from domestic consumers, partly attributable to an easing of COVID-19 restrictions: Chile’s HoReCa sector is booming now that infection rates are low and some 80% of the country is fully vaccinated. But the demand increase is also a consequence of Chile’s USD50 billion fiscal stimulus, provided by a series of early pension withdrawals, that has triggered a retail sales frenzy. Total retail sales in Chile saw year-on-year gains of 72% in May and 66% in June. The economy grew 18.1% in the second quarter of 2021, its biggest increase since records began.

With negligible bulk wine carryover stock going into the 2022 vintage and expectations of a smaller crop – due to drought, potential frosts and a natural balancing-out after a large 2021 harvest – wineries started securing 2022 grapes early and pricing has continued to increase. The price increase started on the varietal hardest to find in bulk – Sauvignon Blanc – but it has since spread to all grapes, including the reds.

Pricing on Chile’s 2021 white varietal wines is largely moot as supply is negligible; pricing on the remaining 2021 red varietals has plateaued from an international perspective, as an uptick in the peso price has largely been offset by the peso’s weakness: it averaged CLP779.83/dollar in August, reaching as weak as CLP789.98/dollar mid-month before strengthening slightly into September (averaging CLP777.12/dollar as of the 13th). On balance, then, we suggest potential buyers of Chile’s 2022 wines communicate their needs sooner rather than later, as 2021 supply is highly limited, 2022 availability is gradually getting pre-harvest contracted, and the currency exchange is currently favourable.

Some international buyers and some domestic wineries supplying export markets have been hesitant in pre-contracting 2022 wines, choosing instead to wait a little longer to see how things unfold before committing. Looking ahead, there is plenty of uncertainty, but the current global picture – with supply of white varietals very tight and the 2021 Northern Hemisphere harvests coming in short – tends to justify the robustness of Chile’s grape and bulk wine prices.

Chinese demand for Chilean wine – bulk and bottled – has risen following the China-Australia trade dispute, and there has also been some signs of Australian brands seeking to use Chilean supply to circumvent China’s import tariffs on Australian wines. Chile’s bulk exports to China totalled 32.7 million litres in January-July 2021, up 63% versus the first seven months of 2020. Bottled exports to China reached 4.3 million 9-litre cases, up 47%.

In Chile as across the world, shipping continues to be a headache. A lack of containers is an ongoing problem, while a big increase in freight costs is making some bulk wine deals no longer feasible from a margin point

*See next page for more on Chile.*

of view. In addition, ocean swells continue to make docking at Chile's ports difficult and new docking rules – implemented following one near-accident – have discouraged some ships from stopping in Chile altogether. What can suppliers and buyers do in the face of shipping delays and container shortages? We urge them to be in regular contact with the shipping companies and to keep pushing for their shipments to move. We have found those suppliers/buyers who have put the most time and energy into applying pressure on the shipping companies have been the most successful in getting their wines to where they need to be in good time.

## Key Takeaways

A lack of bulk carryover, strong domestic market and Chinese demand, and fears regarding the exceptionally dry winter's impact on water supplies during the coming growing season, have all served to increase Chile's 2022 grape prices across the board, in turn pushing up 2022 bulk wine prices. That said, the peso has trended weaker from April (when it averaged CLP707.85/dollar) to August (CLP779.83/dollar), offsetting some of the price rises to international buyers. We suggest potential buyers of Chilean 2022 bulk wines should assess their needs now, as supply is gradually being pre-contracted and currency exchange is currently favourable. Some buyers are choosing to hold off, but the global picture – an acute tightness on some varietal whites and short Northern Hemisphere harvests – suggests the uptick in Chile's prices is justified.

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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	0.70 – 0.75	↑	NV	Generic Red	0.67 – 0.73	↑
2021	Chardonnay	1.10 – 1.30	↑	2021	Cabernet Sauvignon (Basic)	0.75 – 0.85	↑
2021	Sauvignon Blanc Sold Out	0.00 – 0.00	↑	2021	Cabernet Sauvignon (Varietal Plus)	0.85 – 1.00	↑
2021	Sauvignon Blanc Cool Climate Sold Out	0.00 – 0.00	↑	2021	Merlot	0.80 – 0.90	↑
2021	Carmenere	0.78 – 0.85	↑	2021	Malbec (Basic)	0.85 – 1.00	↑
2021	Pinot Noir Sold Out	0.00 – 0.00	↑	2021	Syrah	0.78 – 0.85	↑

### Chilean Export Figures

Wine Export Figures	January 2020 - July 2020			January 2021 - July 2021			Volume
	Million Liters	Million US\$ FOB	Average Price	Million Liters	Million US\$ FOB	Average Price	Variance %
Bottled	266,23	808,08	3,04	274,09	904,11	3,30	2,95
Bulk	205,13	171,91	0,84	197,15	186,88	0,95	-3,89
Sparkling Wines	1,71	7,52	4,39	1,80	7,27	4,05	4,90
Packed Wines	14,77	25,34	1,72	12,66	22,86	1,81	-14,29
<b>Total</b>	<b>487,84</b>	<b>1.012,86</b>	<b>2,50</b>	<b>485,70</b>	<b>1.121,12</b>	<b>2,53</b>	<b>-0,44</b>



## Rain Status (millimetres) - Updated August 31, 2021

City	Total to date	Last year same date	Normal to Date	Deficit or surplus	Yearly normal
Valparaíso	91,4	258,6	367,5	-75%	413,1
Santiago	96,6	187,7	293,4	-67%	341,8
Curicó	249,8	423,4	558,9	-55%	658,0
Chillán	472,4	534,3	860,2	-45%	1.058,8
Concepción	501,4	750,0	891,8	-44%	1.090,6

# France

## *Time on target*



**HARVEST WATCH:** *Potentially 25%+ down on five-year average*

France has experienced its most difficult growing season for many years, with drought conditions in the south (Languedoc, Provence and the Rhône Valley) and a washout summer elsewhere (leading to mildew, powdery mildew, and black rot) coming in behind severe April frosts across the country. The French Ministry of Agriculture issued a harvest estimate on 1st September of 33.3 million hectolitres: this would be a crop 29% down in size versus 2020 and 25% down on the five-year average.

Historically, from a hectolitre perspective, a crop of 33.3 million hectolitres would be shorter than those of 1991 and 2017 – also affected by severe frosts – and effectively the shortest on record. However, a straight hectolitre comparison does not allow for a regular decrease in wine-growing area since the 1970s: the Ministry of Agriculture likens the current vintage, yield-wise, to 1977 – another year hit by a destructive frost followed by a wet summer. As well as reduced volumes, it will be a challenging winemaking year as the crop quality is so heterogenous – often the same plot, the same vine even, contains grapes in differing states of health.

The Ministry of Agriculture reports that – following the April frosts – the flowering stage in central France, South West, the Rhône Valley and Provence was visited by humid or cool-climate conditions, leading to coulure (failure of grapes to develop from flowers) and millerandage (small berries). In summer, the strong growth of vegetation and the wet weather allowed disease to take hold in many growing areas.

The Ministry expects frosts and then drought in the Languedoc to reduce production there by a third – both versus 2020 and the five-year average. In southern France outside the Languedoc, such as in Provence and the Rhône Valley, frosts, coulure, disease and some wildfires (raising the possibility of smoke exposure effects) are estimated to reduce the crop by 20% versus 2020 and 16% versus the five-year average. Frost severely affected Ugni Blanc in Charentes and Sauvignon Blanc in Bordeaux. Coulure, millerandage and disease will further shorten the overall crops there and in other areas of the South West, including Gers.

At the time of writing, the harvest season in southern France is only just underway and it should be borne in mind that the crop size outlook could deteriorate further; we will learn more as the harvest proceeds week by week. Because drought and high temperatures

*See next page for more on France.*

intermittently paused grape ripening in southern France, harvesting there is running slightly later than normal. Languedoc, Provence and the Rhône Valley commenced in the final week of August with Chardonnay, Sauvignon Blanc and other white varieties and volumes are coming in well below grower and Ministry of Agriculture expectations: these areas now expect a shortfall of 30-40% on average and as much as 50% on the whites.

On one of the first varieties to be picked, Chardonnay, some co-operatives have reported receiving less than half their planned tonnages. In addition to the volume shortfall, the drought in southern France is likely to have taken its toll on juice yield. Suppliers are likely to allocate what Chardonnay they can produce to existing clients only; some will not be able to fulfil all their clients' needs. Gascony/South West's Chardonnay output is likely to have been similarly affected, while Burgundy was already expecting a 60% loss since mid-August. The southern French Chardonnay price could rise by up to 50% versus last year – should any come available on the open market. The South West's short crop will heavily impact generic and entry-level white wine supply; the region will supply existing clients with the best qualities it can produce but a supply shortfall

and a price increase will likely bring Spain into the thinking of some brand owners.

On the reds, Grenache in southern France has been particularly badly affected by coulure, likely leading to a reduction in rosé and high-proof red output. Harvesting on some Pinot Noir is underway and tonnages are, again, disappointing. With Burgundy and Loire Valley also set to see short Pinot Noir crops – Burgundy for the second successive year – there will be big demand pressure on southern French Pinot Noir and prices will rise. It remains too early to tell how the rest of the reds – which hopefully suffered less from April's frosts because of their later budbreak – will perform.

The bulk market in France was quiet in August, as is traditional, but loadings have been proceeding at a consistent pace: with the 2021 crop looking so short, buyers realise they must stick to loading plans in order to keep their suppliers happy. The bulk market will not become super-active until the harvest has finished, when the dust settles, but it goes without saying that potential buyers of southern French wines must be alert to the lack of supply coming from the 2021 vintage.

## Key Takeaways

The 2021 harvest season in southern France has been beset by frosts, coulure, drought and some disease and the crop is currently coming in lighter on the whites by as much as 50%. Chardonnay prices could rise by 50%+ this vintage. Harvesting of the reds is only just starting to get underway on the Pinot Noir and Grenache and volumes are also disappointing. As well as tonnage, conditions will have reduced grape yield and rendered quality heterogeneous. Suppliers will struggle in some cases to meet all the needs of even their existing clients: buyers should be respecting loading terms on the pre-existing contracts as suppliers may have to make difficult decisions.

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*See next page for more on France.*

2021 French Harvest Estimate by Area (AGRESTE, 1ST September, unit: 1,000 hectolitres)

Region	5-Year Average	2020	2021	2021/20	2020 Average
Champagne	2,443	2,070	1,335	-36%	-45%
Bourgogne-Beaujolais	2,301	2,360	1,246	-47%	-46%
Alsace	1,102	1,013	895	-12%	-19%
Savoie	114	115	111	-4%	-3%
Jura	84	92	17	-82%	-80%
Val de Loire	2,565	2,848	1,723	-39%	-33%
Charentes	8,672	10,874	8,619	-21%	-1%
Sud-Ouest	3,560	3,570	1,987	-44%	-44%
Bordelais	5,233	4,997	3,765	-25%	-28%
Languedoc-Roussillon	12,030	12,553	8,492	-32%	-29%
Corse	323	352	339	-4%	-5%
Sud-Est	5,147	5,415	4,348	-20%	-16%

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2020	Generic White	0.80 – 0.90	↑	2020	Generic Red	0.70 – 0.80	↑
2020	Chardonnay IGP	1.10 – 1.20	↔	2020	Cabernet Sauvignon IGP	0.85 – 1.10	↔
2020	Chardonnay VDF	1.10 – 1.20	↔	2020	Cabernet Sauvignon VDF	0.80 – 0.90	↑
2020	Sauvignon Blanc IGP	0.95 – 1.10	↑	2020	Merlot IGP	0.85 – 1.00	↑
2020	Sauvignon Blanc VDF	0.95 – 1.10	↑	2020	Merlot VDF	0.80 – 0.85	↑
2020	Generic Rosé IGP	0.88 – 1.00	↑	2020	Syrah / Grenache IGP	0.85 – 1.00	↑
2020	Generic Rosé VDF	0.80 – 0.90	↑	2020	Varietal Rosé IGP	0.90 – 1.10	↑







# Spain

## *Time on target*

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**HARVEST WATCH:** *Lighter La Mancha crop expected; extent unclear*

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August was a challenging month for La Mancha's grape growers as the beginning brought at least 10 successive days of temperatures close to 40°C, which paused grape growth, while storms towards the end visited the region and the Mediterranean side of the country in general. In addition, frost damage from earlier in the season became apparent. The start of September brought some cooling rain which it is hoped will help improve juice yield on the remaining unpicked grapes after a hot, dry year.

Tonnages in La Mancha on the first grapes to be picked – international varietal whites such as Chardonnay and Sauvignon Blanc – were down from the average by roughly 25-30%. Tonnages also look off by 30-35% on the international varietal reds and red generics; the early picture looks similar on the whites. The harvest is currently approximately 30-35% through, so the picture is still a very tentative one and the size of this year's shortfall from the average remains to be seen: will it be closer to 20% or 35%+? The eye test currently sees healthy-looking vineyards and good grape numbers, though some growers say the grapes themselves lack weight, suggesting reduced yield. Things will be a lot clearer in October.

The more uncertain harvest picture has given rise to seller speculation, increasing prices on the 2021 wines by approximately 30% and sulphated must – under demand pressure from Italian buyers – by 20%. Should the harvest come in closer to 20% down, prices are likely to remain stable, but should it become apparent that the Airen harvest will come in closer to 35%+ down, prices are likely to continue rising. At the time of writing it is difficult to predict as the main body of the harvest is only now getting into full swing. What must also be factored into the equation is the high level of carryover stock still at Spanish wineries.

The bulk wine loading pace has been good and, in recent weeks, has sped up even faster due to the latest news emanating from the vineyards. This, combined with the expectations of a smaller crop this year, has eased storage space worries at wineries.

On Spain's bulk market, Italian buyers have been actively acquiring generics and German buyers sparkling bases. With the crop in France looking significantly down, French buyers are expected to enter the Spanish market next. Beyond interest in bulk wine, there has been the aforementioned high demand from Italian buyers for sulphated must and some Chinese and Canadian inquiries into grape juice concentrate.

## *Key Takeaways*

A difficult end to the growing season has reduced La Mancha's crop expectations by between approximately 20% and 35%-plus – a more exact shortfall figure will not be known for some weeks. This news has given rise to seller speculation and an increase in La Mancha's bulk wine (+30%) and GJC concentrate (+20%) prices. The loading pace has picked up and this, combined with expectations of a smaller crop, has eased storage space concerns at wineries. There is solid Italian demand for Spanish generic wines and sulphated must and there is an expectation that buyers from France – which is expecting a significant harvest shortfall – will come onto the market sooner or later.

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*See next page for pricing.*

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

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2020	Generic White	0.38	-	0.42	↑	2020	Moscatel	0.55	-	0.65	↑
2020	White Blends (Higher Quality)	0.45	-	0.50	↔	2020	Generic Red	0.40	-	0.50	↑
2020	Sauvignon Blanc	0.70	-	0.80	↑	2020	Generic Red (Higher Quality)	0.50	-	0.60	↑
2020	Chardonnay	0.75	-	0.80	↑	2020	Cabernet Sauvignon	0.55	-	0.65	↔
2020	Generic Rosé	0.40	-	0.45	↔	2020	Merlot	0.60	-	0.70	↔
2020	Varietal Rosé	0.45	-	0.50	↔	2020	Syrah	0.50	-	0.60	↔

# Italy

## Time on target

**HARVEST WATCH:** *Estimated at 44.5 million hectolitres, down 9% on 2020*

At the time of writing, the harvest has started in every region of Italy and the grape market is very active, especially in Veneto and Puglia where prices have seen an average increase of 20% versus last year. The latest official production forecast by Ismea, Assoenologi and UIV – released on 8th September – estimates Italy's 2021 production at 44.5 million hectolitres, down 9% from 49 million in 2020. Most of the largest production regions are expected to see a decline versus 2020 to varying extents – Veneto (-7%), Puglia (-5%), Emilia-Romagna (-15%), Abruzzo (-18%) – though Sicily is expected to see an uptick (+9%).

The drop in overall crop size is not as significant as those experienced by Europe's other large producers, France and Spain. It is also not as significant as it could potentially have been, considering the very problematic and heterogeneous weather conditions that have occurred all across the Italian peninsula, with frosts, hailstorms and heavy rains in some regions and extreme heat and drought in others. Quality is expected to be good and there could also be some excellent quality in evidence if the climate remains conducive through to the end of harvest.

Export and domestic consumption data is impressive: both are up versus 2020 but, more significantly, also

versus 2019. Sparkling wines are driving growth, followed by the globally-popular Italian DOCG/DOC/IGT wines, confirming a premiumization trend among consumers.

Prosecco outperformed expectations in August with sales growth of +35.7% versus the same month of 2020. Even more eye-catchingly, sales in January-August 2021 were up +24% versus the first eight months of 2019. To meet this growth in demand and to avoid the risk of going out of stock during 2022, for this harvest a few thousand hectares of Glera will be temporarily included in the Prosecco DOC appellation. At the time of writing, the market price for 2021 Prosecco is yet to be established but grapes have been trading at a 20% price increase.

The same is the case on Primitivo and – in general – on all Italian wines, including generic reds and whites. Chardonnay is also in strong demand from both domestic and export markets and, like all international varietals, they will be sold out very soon this buying campaign.

Pinot Grigio DOC stock has been at its lowest level for at least five years and 2020 production will be fully bottled by November. Availability of unsold lots is very small,

*See next page for more on Italy.*

and some companies will need to start bottling the 2021 vintage as soon as possible. Grapes have been traded at a 20% increase in price versus 2020, on average, with the same tendency also seen on the wine price. That said, due to a 10-day delay in harvesting, on average, the wine market is not yet well defined and all big operators are being extremely careful in price agreements and volume engagements. In addition, supermarkets are taking more time to close contracts because of the general, strong price increases in liquid and dry goods.

If the CEEV (Comité Européen des Entreprises Vins) forecast of a 23-million-hectolitre shortfall in European wine production this year proves correct, and considering the global logistics problems and the cost of loading wine from Australia and South America, the coming months will potentially be the most complicated on the bulk market for 30 years. Ciatti is working harder than ever to help its customers navigate such stormy seas: don't hesitate to get in touch.

## Key Takeaways

Italy's harvest is expected to come in approximately 9% down on 2020, faring better than neighbouring France and Spain; quality is good and – weather permitting – could in some cases be excellent. Very strong Prosecco sales growth – versus 2019, not just 2020 – has led to a temporary expansion of the DOC appellation for the 2021 harvest in order to include more Glera grapes and help reduce the chances of going out of stock in 2022. Italy's grape pricing is in general showing a 20% increase; this includes Prosecco, Primitivo, Pinot Grigio and red and white generics. The wine markets are yet to be established.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2020	Generic White (Alc. 9 - 10%)	0.48 – 0.58	↑	2020	Generic Red (Alc. 11 - 12%)	0.55 – 0.65	↑
2020	Generic White (Alc. 11 - 13%)	0.53 – 0.70	↑	2020	Generic Red (Alc. 13%)	0.78 – 0.95	↑
2020	Organic Generic White (Alc. 10.5 - 12%)	0.80 – 0.95	↑	2020	Organic Generic Red (Alc. 11 - 13%)	1.00 – 1.20	↑
2020	Varietal Chardonnay (Alc. 11 - 13%)	0.85 – 1.10	↔	2020	Varietal Cabernet Sauvignon (Alc. 12 - 13%)	0.90 – 1.10	↑
2020	Organic Pinot Grigio (Alc. 12%)	1.25 – 1.50	↔	2020	Varietal Merlot (Alc. 12 - 13%)	0.80 – 0.95	↑
2020	DOC Pinot Grigio delle Venezie	1.10 – 1.20	↑	2020	Varietal Syrah (Alc. 12 - 13%)	0.90 – 1.15	↔
2020	Pinot Grigio IGT (Different Regions)	0.95 – 1.05	↑	2020	Rossissimo (Alc. 12.5 - 14%)	1.10 – 1.25	↔
2020	Pinot Grigio IGT (Blends)	0.75 – 0.90	↔	2020	Primitivo IGT Puglia/ Salento (Alc. 12 - 14%)	1.60 – 1.90	↑
2020	DOC Prosecco (Cannot be sold outside of Italy)			2020	Sangiovese IGT (Alc. 11.50 - 13%)	0.75 – 0.90	↑
2020	Soave or Garganega DOC	0.95 – 1.00	↔	2020	Trebbiano IGT (Alc. 10.5 - 12%)	0.55 – 0.75	↑

**\*Bottled Price**





# South Africa

## *Time on target*



**HARVEST WATCH:** *Snowy end to winter; dams at full capacity*

South Africa continues to offer good supply levels of red varietals, Chenin Blanc, Colombard and generics (red, white and rosé) at attractive, negotiable pricing. Supplies of white varietals Chardonnay, Pinot Grigio and premium Sauvignon Blanc, however, have been drawn down, reflected in export statistics for the 12 months to the end of July 2021: total white wine exports were up 21.4% (with bulk white exports up 31.6%) ahead of a more limited increase in total red exports of 11.2% (bulk reds +12.1%).

South Africa's total wine exports reached 366 million litres in the August 2020 to July 2021 period, up 20.7% from the admittedly low base set in the prior 12 months – due to the emergence of COVID-19 – of 303 million litres. Bulk wine exports were up 30%, with Chardonnay (+122%) and Sauvignon Blanc (+47) leading the way, reflecting international recognition that the Western Cape is a good supplier of excellent-quality white varietals just at a time when those wines are in most demand globally.

Late July's cyber attack on South Africa's state-owned logistics firm Transnet halted the unloading of containers at Cape Town port for three weeks, leading to a considerable shortage through August of containers turned around for export shipping. Loadings of wine continued but at a slow rate, exacerbated by competition for containers from the fruit industry. The situation improved by the end of August and shipping in September has been fairly normal so far. Before the cyber attack and the backlog it created, Cape Town port had been performing well, not experiencing – to the same

extent – the container shortages and subsequent delays seen elsewhere in the world.

As is typical for August, international demand was quiet and the focus was on the movement of wines already contracted. There has been some renewed international interest in South Africa's dry white and generic rosé but the main uptick in demand for South Africa's bulk wines will come from the end of September onwards when Northern Hemisphere buyers requiring more stock after the summer season will start to make their interest known. In general, the Rand – with its typical fluctuations – gradually strengthened against the dollar and euro in the 14 months from April 2020 to June 2021. From June onward it trended weaker again, undoing some of the gains, before strengthening once more since mid-August: it stands at approximately ZAR14.50/dollar and ZAR17.25/euro going into September.

Domestically, entry-level wine sales have been performing robustly since the country's fourth alcohol sales prohibition was lifted on 25th July: alcohol sales are permitted in South Africa's off-trade between Mondays and Thursdays. Sales of mid-level and high-end wines are suffering in the face of eased but ongoing on-trade restrictions: currently, restaurants must stop serving alcohol at 8pm, a stipulation that has suppressed footfall. Overall, wine sales domestically were up 15% in the 12 months to the end of June versus the prior year, just before the most recent alcohol sales prohibition came into effect. At the end of August, Vinpro challenged the legality of these prohibitions in the Western Cape's High Court: the three-judge panel reserved judgement on the case.

The Western Cape has experienced a snowy, wet and very cold end to the winter, continuing the trend seen in recent years of the wintriest weather coming later,

*See next page for more on South Africa.*

in August instead of June/July. Cape Town dams are at full capacity and the snow put down in the

mountains will release water steadily into streams and rivers well into the growing season.

## Key Takeaways

South Africa can offer good supply levels of red varietals, Chenin Blanc, Colombard and generics (red, white and rosé) at attractive, negotiable pricing. Chardonnay, Pinot Grigio and premium-quality Sauvignon Blanc are harder to come by as these white varietals were big drivers of a 21% increase in South Africa's bulk wine exports in the 12 months to the end of July 2021. Late July's cyber attack on Transnet greatly reduced the availability of export containers at Cape Town port through August, compounded by high demand from fruit exporters: the situation had improved by the end of the month and into September. The Rand has weakened against the euro and dollar since June (when it reached its strongest since December), though it has trended stronger again from the second half of August. The domestic sales picture is mixed, with growth overall in the 12 months to the end of June versus the prior year but with on-trade restrictions hurting demand for mid-level and high-end wines and intermittent alcohol sales prohibitions hindering off-premise sales of entry-level 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
2020/21	Dry White	5.40 – 6.50	↔	2020/21	Generic Red	8.20 – 9.00	↔
2020/21	Chardonnay	10.00 – 11.00	↔	2020/21	Cabernet Sauvignon	11.00 – 13.00	↔
2020/21	Sauvignon Blanc	10.00 – 12.00	↔	2020/21	Ruby Cabernet	9.00 – 10.00	↔
2020/21	Chenin Blanc	7.00 – 8.00	↓	2020/21	Merlot	11.00 – 12.50	↔
2020/21	Colombard	6.00 – 6.50	↔	2020/21	Pinotage	10.00 – 11.50	↔
2020/21	Muscat	6.00 – 6.50	↔	2020/21	Shiraz	11.00 – 12.00	↔
2020/21	Generic Rosé	6.00 – 6.50	↔	2020/21	Cinsaut Rose	8.00 – 9.00	↔
2020/21	Cultivar Rosé	7.50 – 8.50	↔				

**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:** *Bud-burst underway in Australia; more heavy rain in NZ*

Australia's red wine market remains slow as a limited number of buyers offer softening prices. September is traditionally a lull period in Australia anyway as the market quietens down before picking up again prior to the Christmas period, when buyers seek to top up their needs before the 2022 crush is ready.

Bouts of warm weather have brought on bud-burst in the growing areas and, in turn, fears for the possibility of frost in the coming months. The latest seasonal outlook suggests spring will bring warmer and wetter conditions following an already wet winter: Australia as a whole has experienced its wettest winter since 2016.

Conversations around 2022 grapes have begun and there is a concern about the volume of wine carryover stock sitting in tank. Grape growers are mindful that wineries currently house long red inventories and will be limited as to their intake of red fruit next year. Having in-demand bulk varieties such as Sauvignon Blanc, Pinot Gris or Pinot Noir will assist those looking to move reds as a package deal.

Treasury Wine Estates has listed a net profit of AUD250 million for the 2020-2021 financial year. This is an increase of 1.8% from the previous year but down from the AUD356 million reported in 2019, prior to COVID-19 and the implementation of Chinese import tariffs. The earnings from lost sales in mainland China account for AUD77.3 million. The company's total sales fell 3% to AUD2.57 billion. Meanwhile, Endeavour Group, the retail-based drinks supplier and hospitality group, has posted a net profit of AUD445 million for the 2021 financial year. Overall sales increased 9.3% to AUD11.6 billion. The company recently demerged from the Woolworths Group, one of the largest supermarket chains in Australia.

Sixteen South Australian wine producers will be assisted in entering and expanding into the US market through Wine Australia's US Market Entry Program, 50% of the cost of which will be subsidised by the South Australian government. The 12-month program is designed to educate wine producers about the technicalities of the US market, including compliance, marketing, pricing, sales, PR and logistics. In the 12 months to 30 June 2021, Australia exported the equivalent of 14.1 million 9-litre cases of wine to the US market, worth AUD400 million, making it the second most important export market by volume (after the UK) and third by value (after China and the UK).

Parts of **New Zealand** received more heavy rainfall as August turned to September, with Auckland subjected to flooding. A small number of vineyards are located west of Auckland where minor damage to the vines was evident – mainly snapped canes. This rainfall follows a wet July in which parts of the Marlborough region flooded.

New Zealand bulk Sauvignon Blanc remains unavailable. Enquiries for it have ceased as buyers have sourced from other countries to cover their requirements. Speculation remains as to what may occur should a large surplus be available in the future – will buyers return to Marlborough Sauvignon Blanc or remain with their Chilean and South African suppliers?

As reported last month, the value of New Zealand's total wine exports declined 2% to NZD1.88 billion in the 12 months to May 2021, the first fall in export value for 26 years. Radio New Zealand has since reported New Zealand Winegrowers chief executive Phillip Gegan as saying the strong export growth the country's wine sector has been experiencing over a number of years is now being constrained by a lack of supply: "Despite the fact that we had a record harvest in 2020, our wineries simply did not have the volume of wine available to them to support market growth

*See next page for more.*



for the whole year. And so we saw the first decline in wine exports.” He added that the smaller 2021 crop – 370,000 tonnes, down 19% versus 2020 – compounds this difficulty in meeting demand and the long-term remedy would be new plantings: they are currently increasing by about 2-3% per annum.

As in most other countries, shipping delays are causing some major concerns in New Zealand. Luckily the smaller 2021 harvest means there is already less carryover stock, but running out of stock for brands is still a concern if available vessels cannot be found. Indeed, New Zealand wine producer Delegat Group said its net profit for the year ended

June was a record NZD65.5 million, up 8% on the previous year, despite a 3% fall in case sales to 3.17 million: it attributed the lower sales to the impact of global port congestion and constrained shipping line capacity.

Delegat Group’s sales revenue dropped by 1% to NZD295.1 million; its operating earnings before interest, taxes, depreciation and amortization (EBITDA) came to NZD122.9 million, up 5%, also a record. The group’s 2021 harvest totalled 37,470 tonnes – down 2% on 2020, but quality was “exceptional”.

## Key Takeaways

Australia’s bulk market enters its traditional September lull with the bulk red wine market slow, some long red inventories still at wineries and buyers offering softening prices. Those holding in-demand white varietals and Pinot Noir will try to use package deals to move their reds. Following the wettest winter in Australia since 2016, warm weather has commenced bud-burst, raising frost concerns. New Zealand continues to receive heavy rainfall, this time the Auckland region flooding but with limited damage to vineyards. The lack of NZ Sauvignon Blanc supply has raised fears in the country’s wine industry of losing buyers long-term to Chile and South Africa; New Zealand Winegrowers have admitted that New Zealand is struggling to meet demand even when harvests are large and new plantings are going in. As in most other countries, shipping delays are proving a headache.

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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	0.70 – 0.85	↓
2021	Chardonnay	1.05 – 1.20	↔	2021	Cabernet Sauvignon	0.90 – 1.10	↓
2021	Sauvignon Blanc	1.30 – 1.50	↑	2021	Merlot	0.85 – 1.00	↓
2021	Pinot Gris	1.20 – 1.30	↔	2021	Shiraz	0.90 – 1.10	↓
2021	NZ Marlborough SB	NA		2021	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 winemakers around the world are now only too aware, after a year of wildfires in a number of wine-producing countries, 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 characterised 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.

There are three main factors that increase the risk of smoke-exposed grapes becoming smoke-tainted: being close to picking readiness, 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. 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 flavour 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.** 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 colour attributes, for up to five years.

Structan has been used successfully over a number of years by several wineries around the world who have had to contend with smoke-affected wines (and one of the Western Cape's premier wineries, which sells into the European market, used Structan to make a red wine that went on to become an award winner). The fires of the past year have also led to an uptick in interest in Structan and, from this, new trials are ongoing. Consequently, Structan now comes with a full trial protocol, refined over the years by the experience of multiple wineries. The protocol differs depending on whether the wine in question is red or white and it outlines, for example, the size and timing of dosing. Structan's 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 flavours and aromas.

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 flavour and aroma in smoke-affected wines. Further scientific validation is ongoing at Stellenbosch and adding to the growing body of evidence, from the lab and out in the field, that Structan has a very significant positive impact on smoke-affected wines; the latest report will be ready at the end of the year. In the meantime, give us a call to discuss Structan further and start your own trial.

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## Where Bulk Wine, Bulk Spirits & Private Label Happens

The International Bulk Wine and Spirits Show (IBWSS) is an annual trade show and conference, open to trade professionals only, which takes place in San Francisco on November 09 & 10, 2021. IBWSS exhibitors are wineries and distilleries looking to sell bulk wine and spirits, producers and negociants who offer contract manufacturing, private label programs and wineries, distilleries, importers who have one time excess stock to clear.

In addition to a wide range of programs running throughout the fair, the trade show will also feature a business conference dedicated to the private label and bulk wine and spirit business. With in-depth market studies and instructional seminars from some of the industry's biggest names, the central part of the conference's remit is to encourage sustainable growth and profitability in the bulk wine and spirit sector.

### WHATS ON AT IBWSS

- Expo Floor
- Conference



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BEVERAGE TRADE NETWORK

# Export Pricing: USD per liter

Currency Conversion Rates as of September 15, 2021

Argentina (Pricing in bulk; FCA)											
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2021	Generic White (Basic)	0.40	-	0.45	↑	2021	Generic Red	0.45	-	0.50	↑
2021	Generic White Standard	0.45	-	0.50	↑	2020/21	Cabernet Sauvignon	0.80	-	0.90	↑
2021	Muscat	0.60	-	0.65	↑	2020/21	Merlot	0.65	-	0.75	↑
2021	Torrontes	0.60	-	0.70	↑	2020/21	Syrah	0.65	-	0.75	↑
2021	Sauvignon Blanc	0.80	-	0.90	↑	2020/21	Malbec Standard	0.75	-	0.85	↑
2021	Chardonnay	0.95	-	1.20	↑	2020/21	Malbec Premium	0.90	-	1.10	↑
2020/21	Bonarda	0.60	-	0.70	↑	2020/21	Malbec High End	1.30	-	2.50	↑
						2020/21	Tempranillo	0.60	-	0.70	↑

White Grape Juice Concentrate (per metric ton in bulk): 1,400-1,500 (FCA Plant)

Australia & New Zealand (Pricing in bulk; FCA)											AUD Rate: 0.732589 / NZD Rate: 0.710473
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Dry White	0.62	-	0.70	↔	NV	Dry Red	0.51	-	0.62	↓
2021	Chardonnay	0.77	-	0.88	↔	2021	Cabernet Sauvignon	0.66	-	0.81	↓
2021	Sauvignon Blanc	0.95	-	1.10	↑	2021	Merlot	0.62	-	0.73	↓
2021	Pinot Gris	0.88	-	0.95	↔	2021	Shiraz	0.66	-	0.81	↓
2021	NZ Marlborough SB		-			2021	Muscat	0.66	-	0.73	↔

California (Pricing in bulk; FCA)											
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2020	Generic White	0.90	-	0.99	↔	2020	Generic Red	1.00	-	1.15	↑
2020	Chardonnay	1.20	-	1.59	↔	2020	Cabernet Sauvignon	1.10	-	1.85	↔
2020	Pinot Grigio	1.30	-	1.59	↔	2020	Merlot	1.15	-	1.40	↑
2020	Muscat	1.15	-	1.45	↑	2020	Pinot Noir	1.40	-	1.85	↔
2020	White Zinfandel	1.00	-	1.10	↑	2020	Syrah	1.05	-	1.45	↔
2020	Colombard	0.95	-	1.00	↔	2020	Ruby Cabernet	1.00	-	1.10	↔
						2020	Zinfandel	1.20	-	1.65	↔

Chile (Pricing in bulk; FOB Chilean Port)											
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Generic White	0.70	-	0.75	↑	NV	Generic Red	0.67	-	0.73	↑
2021	Chardonnay	1.10	-	1.30	↑	2021	Cabernet Sauvignon (Basic)	0.75	-	0.85	↑
2021	Sauvignon Blanc Sold Out	0.00	-	0.00	↑	2021	Cabernet Sauvignon (Varietal Plus)	0.85	-	1.00	↑
2021	Sauvignon Blanc Cool Climate Sold Out	0.00	-	0.00	↑	2021	Merlot	0.80	-	0.90	↑
2021	Carmenere	0.78	-	0.85	↑	2021	Malbec	0.85	-	1.00	↑
2021	Pinot Noir Sold Out	0.00	-	0.00	↑	2021	Syrah	0.78	-	0.85	↑

France (Estimated Pricing in bulk; Ex-Winery)										Rate: 1.181635	
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2020	Generic White	0.95	-	1.06	↑	2020	Generic Red	0.83	-	0.95	↑
2020	Chardonnay IGP	1.30	-	1.42	↔	2020	Cabernet Sauvignon IGP	1.00	-	1.30	↔
2020	Chardonnay VDF	1.30	-	1.42	↔	2020	Cabernet Sauvignon VDF	0.95	-	1.06	↑
2020	Sauvignon Blanc IGP	1.12	-	1.30	↑	2020	Merlot IGP	1.00	-	1.18	↑
2020	Sauvignon Blanc VDF	1.12	-	1.30	↑	2020	Merlot VDF	0.95	-	1.00	↑
2020	Generic Rosé IGP	1.04	-	1.18	↑	2020	Red Syrah / Grenache IGP	1.00	-	1.18	↑
2020	Generic Rosé VDF	0.95	-	1.06	↑	2020	Varietal Rosé IGP	1.06	-	1.30	↑

Italy (Pricing in bulk; Ex-Winery)										Rate: 1.181635	
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2020	Generic White (Alc. 9 - 10%)	0.57	-	0.69	↑	2020	Generic Red (Alc. 11 - 12%)	0.65	-	0.77	↑
2020	Generic White (Alc. 11 - 13%)	0.63	-	0.83	↑	2020	Generic Red (Alc. 13%)	0.92	-	1.12	↑
2020	Organic Generic White (Alc. 10 - 12%)	0.95	-	1.12	↑	2020	Organic Generic Red (Alc. 11 - 13%)	1.18	-	1.42	↑
2020	Varietal Chardonnay (Alc. 11 - 13%)	1.00	-	1.30	↔	2020	Varietal Cabernet Sauvignon (Alc. 12 - 13%)	1.06	-	1.30	↑
2020	Organic Pinot Grigio (Alc. 12%)	1.48	-	1.77	↔	2020	Varietal Merlot (Alc. 12 - 13%)	0.95	-	1.18	↑
2020	DOC Pinot Grigio delle Venezie	1.30	-	1.42	↑	2020	Varietal Syrah (Alc. 12 - 13%)	1.06	-	1.36	↔
2020	Pinot Grigio IGT (Different Regions)	1.12	-	1.24	↑	2020	Rossissimo (Alc. 12.5%)	1.30	-	1.48	↔
2020	Pinot Grigio IGT (Blends)	0.89	-	1.06	↔	2020	Primitivo IGT Puglia/ Salento (Alc. 12 - 14%)	1.89	-	2.25	↑
2020	DOC Prosecco (Cannot be sold outside of Italy)	0.00	-	0.00	↑	2020	Sangiovese IGT (Alc. 11.50 - 13%)	0.89	-	1.06	↑
2020	Soave or Garganega DOC	1.12	-	1.18	↔	2020	Trebbiano IGT (Alc. 10.5 - 12%)	0.65	-	0.89	↑
<b>*Bottled Price</b>										<b>0.89</b>	

South Africa (Pricing in bulk; FOB Cape Town)										Rate: 0.069222	
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2020/21	Generic White	0.37	-	0.45	↔	2020/21	Generic Red	0.57	-	0.62	↔
2020/21	Chardonnay	0.69	-	0.76	↔	2020/21	Cabernet Sauvignon	0.76	-	0.90	↔
2020/21	Sauvignon Blanc	0.69	-	0.83	↔	2020/21	Ruby Cabernet	0.62	-	0.69	↔
2020/21	Chenin Blanc	0.48	-	0.55	↓	2020/21	Merlot	0.76	-	0.87	↔
2020/21	Colombard	0.42	-	0.45	↔	2020/21	Pinotage	0.69	-	0.80	↔
2020/21	Muscat	0.42	-	0.45	↔	2020/21	Shiraz	0.76	-	0.83	↔
2020/21	Generic Rosé	0.42	-	0.45	↔	2020/21	Cinsaut Rosé	0.55	-	0.62	↔
2020/21	Cultivar Rosé	0.57	-	0.62	↔						



Spain (Pricing in bulk; Ex-Winery)										Rate: 1.181635	
Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2020	Generic White	0.45	-	0.50	↑	2020	Generic Red	0.47	-	0.59	↑
2020	White Blends (Higher Quality)	0.53	-	0.59	↔	2020	Generic Red (Higher Quality)	0.59	-	0.71	↑
2020	Sauvignon Blanc	0.83	-	0.95	↑	2020	Cabernet Sauvignon	0.65	-	0.77	↔
2020	Chardonnay	0.89	-	0.95	↑	2020	Merlot	0.71	-	0.83	↔
2020	Generic Rosé	0.47	-	0.53	↔	2020	Syrah	0.59	-	0.71	↔
2020	Varietal Rosé	0.53	-	0.59	↔	2020	Moscatel	0.65	-	0.77	↑





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