GLOBAL WINE & GRAPE BROKERS

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CIATTI
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January activity was mainly confined to the Southern Hemisphere as its 2023 harvests get underway and, as is usual, crop expectations begin to influence bulk wine buying behaviour. The potential for one of the smallest crops of the past 20 years in Argentina has stimulated some activity there and in neighbouring Chile, while conservative buying in South Africa thawed in the new year, as international buyers sourced remaining 2022 wines to last them until vintage 2023 is ready.

Australia – like Argentina, expecting a shorter crop – has been receiving good interest levels on its entry-level reds. Very competitive pricing on these helped Australia's bulk wine export volumes grow by 7% in 2022, driven by significant increases in shipments to the US (+67%) and Canada (+81%). China's opening up since January – and the growing prospect that it might reduce its import tariffs on Australian wine – could be good news in the global struggle to reduce red wine inventories.

In the Northern Hemisphere, meanwhile, the French government has acted after lobbying from growers: the country's second crisis distillation plan in four years will roll out this summer. Rosé carryover and old, non-vintage Vin de France reds are likely priorities for this scheme. Italy's industry, too, is pressing its own government to announce something similar; again, red wines would be a priority.

France and Italy have been receiving steady demand for their 2022 whites: Italy's Prosecco DOC and Pinot Grigio DOC, and southern France's IGP white varietals, continue to sell well. But the reds remain becalmed, as they have been for two years or so, and rosé is also becoming an issue. As this month's France page states: "The rosé market has become decoupled from the white wine market over the past year or so, proceeding at an incremental pace closer to the reds." South Africa, too, experienced disappointing European sales of its 2022 varietal rosés and is consequently questioning how much to produce this vintage. This situation is likely at least partly attributable to southern French overproduction – as wineries sought alternatives to producing reds – compounding a lag in rosé turnover in 2020-22 due to COVID's impact on the on-trade and summer-season gatherings.

Amid soul-searching as to why overall wine sales volumes in the US market are stagnant at best, the Californian industry has identified areas of growth, including: sparkling wines, "refreshing", "lighter" whites; low-alcohol or non-alcoholic wines. While Champagne and Prosecco popularity transcends age, the other options listed are disproportionately favoured by younger demographics, i.e., the consumers of the future. Perhaps due to the influence of RTD cocktail drinks, spritzers, canned wine – and the trend towards reduced alcohol consumption or abstinence altogether – younger consumers prefer lighter wines.

Consumer confidence waxes and wanes, but there are two underlying structural challenges the wine industry must address this year and beyond: reducing the overproduction of wines that have seen long-term sales stagnation or declines in mature markets, and finding a way to harness the positive trends without, in turn, overproducing on those as well. In the meantime, there continues to be an array of opportunities for buyers and sellers, and Ciatti can draw on decades of experience to help realise them: don't hesitate to get in touch. Read on for the latest from the bulk wine and grape markets.

Robert Selby

California

Time on target

HARVEST WATCH: *2022 crop of 3.34 MT, smallest since 2011*

Apprehension regarding the economic picture in general, and signs of softening wine sales at US retail specifically, have resulted in significant buyer hesitation on the Californian bulk wine market since the turn of the year. In general, acquisitions can be characterised as price-sensitive and incremental across the state, and – likely indicative of the sales picture – there are a growing number of wineries seeking to sell wines rather than buy them.

The California Department of Food & Agriculture's preliminary 2022 grape crush figure of 3.34 million tons, published 10th February, may help stimulate some buying activity. This figure was lower than anticipated, down 7.8% versus 2021 and the lowest since 2011. The crush was lighter than the year before in all districts of California's Interior except one, the Bakersfield area, where it was up only modestly.

The new 2022 Pinot Grigio wine was the one variety receiving interest from multiple and larger buyers on the Central Valley's bulk market in January, with suspicions of a shorter 2022 crop and recent vineyard pull-outs – as well as a relative shortness of supply globally – bringing the variety into supply-demand balance. This activity has since cooled as supply has been drawn down. Similarly, as elsewhere across the state, there was decent 2022 Sauvignon Blanc activity levels after harvest; this has since eased as supply has reduced. Demand for the Valley's 2022 Chardonnay was high post-harvest, but robust pricing then tempered activity.

Beyond the 2022 white varietals, there has been interest in a diverse range of varietals, but nearly all of it incremental. The Valley continues to possess inventory of entry-level 2021 Cabernet. January saw a larger number of new-vintage reds hit the bulk market than is normal for the time of year, as the 2022 crop was relatively early. This may skew year-to-year inventory level comparisons somewhat, but Cabernet and Pinot Noir inventory levels are high across California – mirroring the global picture on reds.

Many buyers, made cautious by inflated business costs and the consumer environment, are potentially discouraged by pricing levels on Californian bulk, especially as the ultra-competitive retail sector has pushed back against increased shelf prices. Buyers for private label programmes who are normally seeking to be opportunistic on the market at this time have not been present so far. Holding inventory is currently viewed as undesirable and volumes are only acquired when the retailer confirms they are needed.

Some wine industry observers believe US consumers have started trading down since the third quarter of 2022, but it is doubtful if this will automatically translate into a boost for the beleaguered sub-USD10/bottle categories at retail. These wines must now compete with a plethora of alternative alcoholic beverage products such as flavoured spirits, spirit RTDs and hard seltzers. Furthermore, in the lower-tier categories where consumers may not necessarily be seeking wine specifically, wine is

See next page for more on California.

uncompetitive versus beer and spirits on a cost-per-unit basis. What has been described as the "premiumization" of the wine category at US retail in recent years has sometimes in fact been "inflation": Programmes moving up on price as part of the wider general increase in prices, conceding much of the value-end of the market to competitor beverages. Wine, therefore, potentially stands to benefit less from a trading-down trend, should it come, than during the last recession in 2008-09.

California's bulk wine export supply and pricing remains stable. Imports have become less impeded by transport costs and delays: Container prices are elevated but well down from their 2021 highs, transit times have reduced, and West Coast port efficiency has improved. Imports of Cabernet and Merlot from Australia have increased due to their price-competitiveness, driving – according to Wine Australia statistics – a 67% increase in imports of Australian bulk wine in calendar 2022, at Chile's expense. Chile remains a focus for Sauvignon Blanc, Pinot Grigio and Pinot Noir. Improved Dry White output coming from the southern Interior's 2022 harvest, and slow sales for value-end wines on the US retail shelf in general, have slowed interest in South African product.

Looking ahead to 2023, California received significant precipitation in December and January, with no areas of the state now in either of the most extreme drought categories for the first time in many years. Sierra Nevada snowpack was at 205% of the average as of 1st February, the largest since 1995. It is very early days, but the signs are positive that there may be fewer water restrictions this growing season.

Grape activity in the Interior is behind where it was at this stage last year, albeit a time when a short 2021 crop had come in just after the pandemic-induced reduction in inventory levels. There has been only some limited activity on specific 2023 grapes, mainly whites and specifically Sauvignon Blanc. The slowness could be partly attributable to a high number of ongoing multi-year deals. Buyers are gauging their margins and assessing an array of sourcing options for the year ahead, if their programmes allow them to. Growers are assessing their own margins and waiting for the crop report – and perhaps budbreak/flowering – before quoting prices.

Key Takeaways

January saw limited buying activity on the Central Valley's bulk market, with 2022 varietal whites – especially Pinot Grigio – receiving the most demand. Buyers are extremely wary of overcommitting and overpaying amid squeezed margins and softening retail sales, while the softening sales picture has led some wineries to seek to sell, rather than buy, wines. California's export pricing and supply remains stable. Declining shipping costs and reduced transit times are making importing less of a headache: 2022 saw a significant rise in Australian Cabernet and Merlot imports. With the 2022 crop report only just published and the frost risk not yet over, the 2023 grape market has been slow to get underway.

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
2022	Generic White	1.05 – 1.15	↔	2022	Generic Red	1.00 – 1.15	↔
2022	Chardonnay	1.40 – 1.80	↔	2022	Cabernet Sauvignon	1.15 – 1.25	↔
2022	Pinot Grigio	1.30 – 1.59	↔	2022	Merlot	1.15 – 1.40	↔
2022	Muscat	1.15 – 1.45	↔	2022	Pinot Noir	1.40 – 1.85	↔
2022	White Zinfandel	1.05 – 1.15	↔	2022	Syrah	1.05 – 1.45	↔
2022	Colombard	1.10 – 1.25	↔	2022	Ruby Cabernet	1.00 – 1.10	↔
				2022	Zinfandel	1.25 – 1.65	↔

Argentina
Time on target

HARVEST WATCH: *Expected to be short due to spring frosts and continued hail*

Harvest is underway in Argentina and adhering to a normal timetable, with the sparkling base grapes and whites now coming in. January brought two hailstorms to the East Valley, compounding the damage from October's spring frosts. Some of the early white bunches have come in containing unripened grapes, reducing yield and potentially leading to green characteristics that the winemaking process will need to rectify. There is currently the potential for the 2023 crop to be one of the smallest of the past 20 years.

Supply of 2023 varietal whites such as Chardonnay and Sauvignon Blanc is expected to be short, so too the red varietals such as Cabernet. Malbec is likely to come in shorter, too, but off a larger base and with some limited 2022 volumes still remaining. Availability of Argentina's 2022 wines reduced rapidly towards the end of 2022 into January as it became clearer the new crop would be shorter. Domestic and international buyers came in to secure wines; some sellers removed their wines from the market, speculating that bulk prices – which have risen – will rise further.

Entry-level Malbec pricing for the domestic market increased in December from ARS180/litre to ARS250-300/litre. With the mid-tier now at ARS320/litre and the highest quality at ARS500/litre, there is a question mark as to whether or not domestic consumers – already feeling the pinch amid inflation running at 100% – will absorb the resulting increased shelf prices. Entry-level Malbec's export pricing has mirrored this rise, standing at USD1.35-1.50/litre, representing – in some instances – a 50% increase from 12 months ago. Prices could potentially rise again in April when the harvest result is clearer.

Argentina's bulk market is currently active, with international buyers securing some of the remaining 2021 and 2022 reds and pre-harvest contracting 2023 reds and whites. As is normal for the time of year, domestic buyers have been securing some extra volumes to last them until vintage changeover, this time having to pay the elevated prices to do so. Some domestic wineries have therefore been considering terminating their entry-level programs and focusing on those able to absorb the price increases.

Grape juice concentrate pricing, already high last year at approximately USD1,800/metric ton (FCA Plant), will likely rise further if more Criolla grapes go into winemaking this vintage. Argentina's 2023 grape prices are high, with growers asking for an increase that not only offsets the country's 100% annual inflation rate but also any shortfall in vineyard output this vintage. Input costs are on an upward spiral in Argentina in general, creating more inflation day by day. The official peso stands at ARS196/dollar but the unofficial rate is twice that, at ARS379/dollar; the government remains opposed to a devaluation.

Key Takeaways

The apparent shortness of Argentina's 2023 crop raises question marks over the availability of specific 2023 wines, particularly the whites which are believed to have been particularly badly affected by the frosts and hail. Grape (100%+) and bulk wine (50%+) prices have risen in response to the crop shortness and the high annual inflation levels in Argentina. Domestic and international buyers have been active on the market securing remaining 2022 wines and reserving some 2023. Some suppliers have removed their wines from sale in speculation that prices may rise further once the crop result is clearer in April.

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Chile

Time on target

HARVEST WATCH: *Hot, dry conditions; normal-sized crop expected*

Following a wet winter, Chile's growing season has been dry and – from January onward – intensely hot at times. Picking is estimated to be running one week early. Bunches have sometimes been coming in lighter, raising the prospect of a shorter crop than initially expected, but it is still projected to be normal-sized overall.

The combination of dry conditions and some extreme temperatures led to a spike in the number and size of wildfires from 4th February onward. These fires have been focused on the southern end of the Valle Central and southward of that, mainly affecting pine forest. Due to south-westerly winds, wineries are monitoring the smoke; so far, no guaiacol effects are forecasted. In terms of wine areas directly affected by fire, the most impacted is Itata, an area containing many small growers and wineries. Some have lost farms and wineries, with the loss of mainly Cinsault production. So far, only 66 hectares of vines have been reported as burned.

International interest was steady in January, with US, Canadian and European buyers actively seeking to secure wines, albeit mainly incremental volumes for specific programs. There have also been some South American inquiries stemming from expectations of a short Argentinian crop this year. Perhaps indicative of a consumer sales slowdown, UK and Scandinavian interest has dropped markedly, and some prospective buyers are seeking to reduce their commitments and/or spread them over more than one vintage. Chinese buyers have been requesting samples. Much of the current international interest is on red wine due to the 2022 carryover; interest in whites should rise once the volume and quality of the 2023 wines is assessed.

Ports and shipping lines are operating markedly more efficiently than they were a year ago, with vessels taking less time to arrive at their destinations. Shipping rates have been steadily softening back toward their pre-COVID levels, and this is helping to make Chile's wines more competitive again.

Chile's export prices are generally stable due to a number of factors. The key ones are the strengthened peso (below the CLP800/dollar mark in February, in from CLP1,000/dollar last July) as well as inflationary input costs (annual inflation in Chile was at 12.3% in January and interest rates at 11.25%), but the continuing, albeit incremental international demand and Argentina's crop shortfall are also preventing a softening. An inflated domestic price for white grapes used in Pisco production has increased Chile's generic white price, potentially bringing South Africa more into play as a competitor.

Chile's total wine exports totalled 831 million litres for full-year 2022, down 4% from 866 million litres in 2021. Bottled exports (-0.5%) were roughly in line, but bulk export volumes were down more, by 9.3% to 325 million litres. According to data from Chile's Ministry of Agriculture, the US remained the leading destination for bulk wine exports by volume, though shipments were significantly down, by approximately 38%. This was offset by a 7% increase in shipments to the UK and a 25% increase to China. Volumes to Canada (-32%) and Germany (-11%) were down.

Key Takeaways

Chile has been experiencing a dry and very hot growing season and picking got underway early in some instances; the crop, however, is still expected to be normal to good-sized. Bulk exports were down by 9.3% in 2022, mainly due to a fall in shipments to North America. January and the start of February brought steady international interest, albeit incremental, mainly on reds. High domestic inflation levels, a stronger peso and the international demand have prevented Chile's bulk export prices from softening. However, greatly-improved port and shipping efficiency, and a decline in shipping rates back toward their pre-COVID levels, have improved Chilean bulk's competitiveness.

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See next page for more on Chile.

Chilean Export Figures

Wine Export Figures	January 2021 - December 2021			January 2022 - December 2022			Volume
	Million Liters	Million US$ FOB	Average Price	Million Liters	Million US$ FOB	Average Price	Variance %
Bottled	482,55	1.587,65	3,29	479,89	1.555,83	3,24	-0,55
Bulk	358,96	325,82	0,91	325,38	299,11	0,92	-9,36
Sparkling Wines	3,58	14,47	4,04	3,92	15,47	3,95	9,36
Packed Wines	21,29	38,41	1,80	22,56	38,09	1,69	5,95
Total	**866,39**	**1.966,35**	**2,27**	**831,75**	**1.908,51**	**2,29**	**-4,00**

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
NV	Generic White	0.63 – 0.70	↔	NV	Generic Red	0.45 – 0.55	↔
2022	Chardonnay	0.85 – 0.95	↔	2022	Cabernet Sauvignon (Basic)	0.55 – 0.60	↓
2022	Sauvignon Blanc	0.85 – 0.95	↔	2022	Cabernet Sauvignon (Varietal Plus)	0.80 – 0.90	↓
2022	Sauvignon Blanc Cool Climate	Sold out		2022	Merlot	0.60 – 0.70	↓
2022	Carmenere	0.75 – 0.85	↔	2022	Malbec (Basic)	0.85 – 0.90	↔
2022	Pinot Noir	0.90 – 1.00	↑	2022	Syrah	0.70 – 0.80	↑

France

Time on target

HARVEST WATCH: *2022 crop estimated at 44 million hectolitres*

January was quiet on the bulk market in southern France, with incremental activity on 2022 non-organic white wines and only limited early demand for 2022 reds. The 2022 IGP varietal whites are 80-90% sold out on the first-hand market but negociants possess availability and some further supply may arise come springtime should reservations get cancelled. There remains availability of 2022 Vin de France and generic white wines and, again, springtime might see some extra batches arise on the first-hand market. Pricing on whites has softened slightly since the start of the 2022/23 buying campaign.

Activity on the new-vintage reds – underway in the second week of January with sampling of IGP Cabernet, Merlot and Syrah – has been more lethargic than is traditional, as the red market slowness of the past two years deepens. Uncertainty around red wine retail sales domestically and abroad means activity is focused on small volumes for immediate loading only, with few medium-term commitments on large volumes. High-quality 2022 reds are in demand by those brands/programmes still performing robustly, but prior vintages struggling to sell through at retail – and a large 2021 carryover stock – renders a market quietness on 2022 reds inevitable, both for IGP and Vin de France wines. Robust December interest in southern French 2022 Pinot Noir – powered by Burgundy buyers – has since eased. Market prices on reds are currently at a level similar to the previous two campaigns.

The rosé market, meanwhile, has become decoupled from the white wine market over the past year or so, proceeding at an incremental pace closer to the reds. There remains a significant level of 2021 rosé inventory in cellars and on retail shelves. In addition, over the past year the unreliability of clear glass bottle supplies – with pricing high and availability fluctuating – has impeded punctual rosé bottling, leading to rosé going unsold. The southern French organic wine market, meanwhile, mirrors the conventional, with demand highest on white wines but very quiet in general. Pricing has consequently softened and there are some highly attractive price-quality opportunities for buyers to harness.

The continued slow bulk markets for southern French reds and rosés and subsequent high inventory levels, together with lobbying by grower syndicates (as well as protests by Bordeaux growers in December), have led to the announcement, on 6th February, of a French/EU government-subsidised crisis distillation plan, commencing this summer, with a second round potentially from October should further funds be secured. The plan is financed up to EUR200 million, with EUR160 million already in place and EUR40 million to be deblocked from the European Commission's Crisis Reserve Fund, subject to agreement between all EU ministers during the next parliamentary session in March. It is up to the different producing regions/control boards to agree on the allocation of funds and how they break down between the wine categories and regions.

According to the grower syndicates, to have an impact, the plan should at least withdraw 3.0 million hectolitres from the market. However, many potential issues have arisen. Considering France could distillate around 2.5-3 million hectolitres, will the different producing regions (Bordeaux, Languedoc, Rhone Valley) come to an agreement about how the subsidy is broken down, even within each region? The distilleries are still waiting for further details following the announcement, but they will require higher subsidies than provided by the last distillation plan in 2020 to compensate for rising

See next page for more on France.

energy costs. Growers are hoping to receive the prior distillation plan's prices (EUR78/hectolitre for IGP/AOP wines and EUR58/litre for Vin de France wines) but given that red AOPs and IGP rosés represent the longest inventory, EUR200 million may not be sufficient funds.

The French government has reportedly also approved in principal the idea of uprootings as part of a longer-term restructuring of the industry, and is looking at whether to extend the time permitted to repay government loans taken out during COVID.

As around the world, wineries in France are wrestling with energy costs. Business rates for energy have steepled since the start of December and – as of 1st February – the French government's price shield for consumers will loosen, allowing larger rises in energy bills. Consequently, some wineries are focusing their operations on specific hours in the day when electricity rates are lower. Energy bill rises – together with accelerations in the cost of food – were a major factor in the first uptick in France's annual inflation rate since July, from 5.9% in December to 6% in January.

Fears at the start of the year of an unseasonably warm winter triggering premature budbreak and foliage in southern France have since been allayed by temperatures returning to normal through January, with early mornings bringing freezing conditions. Dryness, however, remains a concern, particularly in the Aude department and Roussillon, and many growing areas are likely to be already in drought when the growing season gets underway.

Key Takeaways

Southern France can offer large volumes of varietal reds, generic reds, as well as rosés, at an attractive price-quality ratio; white wines are in shorter supply but volumes can still be sourced and further pockets may pop up in spring. There is also a large organic wine supply – reds, whites and rosés – offering an attractive price-quality opportunity. The newly-announced crisis distillation plan is likely to focus on red wines and rosé, and how the funds will be divided up by the regions is now being discussed. Premature budbreak fears have been eased by cooler January temperatures but the unseasonable dryness of the winter continues.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2022	Generic White	0.85 – 1.00	↓	2021 & NV	Generic Red	0.70 – 0.80	↓
2022	Chardonnay IGP	1.35 – 1.45	↓	2022	Cabernet Sauvignon IGP	0.92 – 1.30	↔
2022	Chardonnay VDF	1.15 – 1.25	↓	2021	Cabernet Sauvignon VDF	0.85 – 1.00	↓
2022	Sauvignon Blanc IGP	1.10 – 1.20	↓	2022	Merlot IGP	0.85 – 1.20	↔
2022	Sauvignon Blanc VDF	1.05 – 1.15	↓	2021	Merlot VDF	0.80 – 1.10	↓
2022	Generic Rosé IGP	0.85 – 1.00	↔	2022	Syrah / Grenache IGP	0.90 – 1.30	↔
2021 & NV	Generic Rosé VDF	0.60 – 1.00	↓	2022	Varietal Rosé IGP	0.90 – 1.10	↔

Spain

Time on target

HARVEST WATCH: *Latest estimate of 2022 crop at 40.5 million hectolitres*

As is traditional, January was quiet on the Spanish bulk market as buyers construct their purchasing strategies for the year ahead and request samples of the new 2022 wines. With consumers in key markets such as the UK, Germany, the Nordic countries – as well as Canada and other non-European markets – having reined-in discretionary spending and taken longer to work through the wines already on retail shelves, the loading pace has been slow over the past few months and many buyers are now focusing on finally moving what was contracted last year.

Spain's 2022 crush size has been revised upward somewhat, from 36-37 million hectolitres of wine and grape must to something more like 40.5 million hectolitres, roughly in line with the prior year. The acutely high temperatures of the 2022 summer inhibited maturation; consequently, high-alcohol reds remain in tighter supply than the headline figure might suggest. That said, good availability exists on all of Spain's 2022 wines and there is some 2021 carryover, particularly of reds.

There has not yet been enough buying activity to accurately gauge 2022-vintage bulk pricing, but it seems that prices are potentially negotiable and have likely trended softer since the start of December, fastest on reds. Activity has mainly been confined to incremental volumes and – as mentioned above – loading what was contracted last year. French buyers have been present, contracting limited volumes; German buyers have closed their sparkling base needs at approximately EUR0.35/litre, slightly down in price – by approximately EUR0.03/litre – versus the prior campaign; Italian demand has been muted.

Domestic wine consumption showed signs of slowing in November, according to an INFOVI report from Spain's Ministry of Agriculture. The report cautioned: "Factors such as Russia's invasion of Ukraine, the crisis in transport/supplies, and the sharp increase in energy prices, have led to a historic level of inflation that has caused a turn in the trend in wine consumption in Spain; especially from the second semester of the year 2022". Elevated inflation levels through 2022 were likely especially damaging to on-trade consumption. The annual inflation rate in Spain did fall back from a high of 10.8% in June to 5.7% in December, though it ticked up slightly again in January, to 5.8%.

INFOVI statistics also suggested a year-on-year decline in the volume of Spanish wine exports for the month of November, but an uptick in their value. We believe this dynamic – value gains offsetting volume falls – could potentially reverse as 2023 progresses and statistics start to reflect the concerted loading push now underway, as well as the softening in Spanish bulk pricing that occurred in the second and third quarters of 2022.

Spain's must and grape juice concentrate markets have been quiet and some Spanish buyers have switched their sourcing abroad. Suppliers must be cognisant of the increased input costs that potential buyers have been experiencing, while buyers should take transportation ease and cost into account when weighing up the Spanish offer versus that of other countries.

Key Takeaways

Spain possesses good availability on all 2022 wines and also has supplies of 2021 carryover. Buying activity was limited in January, as is traditional, and bulk pricing is generally showing signs of a softening trend, fastest on reds. There is some catch-up necessary on loadings after delays arising from slower retail sales through 2022 in key markets; consequently, we expect to see statistics showing an uptick in exports by volume in coming months but a fall-back by value, reflecting the softer bulk pricing from mid-2022. Spanish must and GJC is available, and remains attractive for buyers depending on location and transport costs.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2022	Generic White	0.38 - 0.42	↑	2022	Moscatel	0.55 - 0.65	↑
2022	White Blends (Higher Quality)	0.45 - 0.50	↔	2022	Generic Red	0.40 - 0.50	↓
2022	Sauvignon Blanc	0.65 - 0.80	↓	2022	Generic Red (Higher Quality)	0.50 - 0.60	↑
2022	Chardonnay	0.70 - 0.80	↓	2022	Cabernet Sauvignon	0.55 - 0.65	↔
2022	Generic Rosé	0.40 - 0.45	↔	2022	Merlot	0.60 - 0.70	↔
2022	Varietal Rosé	0.45 - 0.50	↔	2022	Syrah	0.50 - 0.60	↔

Italy

Time on target

HARVEST WATCH: *Large temperature fluctuations in the vineyards*

January was not as slow for wine sales in Italy as feared, with the domestic HoReCa sector continuing to perform well, assisted by the strong recovery of tourism after the pandemic. Supermarket sales remain slow, however, and sales in some export markets – including the UK and Germany – are lagging their forecasts.

Italy's white and sparkling wines remain in good demand and the market is active. Some 346,000 hectolitres of Prosecco DOC were bottled in January, up 0.7% versus the same month of 2022 and the largest monthly volume in six years. Pinot Grigio DOC is also performing well considering the shortage of clear glass bottles: bottlings in January reached 122,204 hectolitres, down 4% versus January 2022 but up 28% versus January 2021.

Red wine, as elsewhere around the world, remains an issue, moving markedly more slowly than the whites. This is indicative of a global oversupply and a long-term trend, in mature markets, for reduced red wine consumption. The wine industry is going to need to find a solution to this, both in the immediate and long terms. Some of Italy's regions have applied for a distillation plan but the Italian and EU governments have yet to respond. The recent announcement of a crisis distillation scheme in France may help encourage Italy's ministers to take similar action.

While precipitation has been normal, January saw above-average temperatures in Italy's growing areas. Temperature fluctuations have been dramatic in general, with a very hot day followed by a very cold day, and so on. It remains to be seen what impact such conditions have had on the vines. With many wineries in Italy still full with wines, and expectations of limited interest in the 2023 production of some red varietals, growers must decide in the coming months how much time and money to invest in their vineyards.

Another headache for the year ahead is the higher cost of capital, with the European Central Bank (ECB) raising interest rates to 3% in February, pushing up borrowing costs to the highest level since 2008. ECB interest rates had been negligible for ten years until 2022 so, for many, they are a new business cost to be factored in. It may harm the investment into wine companies that has been seen over the past five years; will the small profits of the big Italian bottling companies be enough to attract new capital and investors? There is a high level of uncertainty in the business environment at the moment and the future remains unpredictable.

See next page for more on Italy.

Key Takeaways

Sales of Italy's white/sparkling wines remain robust amid a challenging trading environment, with Prosecco DOC (+0.7% versus January 2022) and Pinot Grigio DOC bottlings (+28% versus January 2021) continuing to weather the slowdown in wine sales at retail and the shortage of clear glass bottles. The red wine market is slower, inventory has built up at wineries and there have been calls for a government-funded distillation plan, akin to the one recently announced in France. The slowness on reds may encourage some growers to pull-back time and money from red variety production.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2022	Generic White (Alc. 10.5%)	0.43 – 0.58	↑	2022	Generic Red (Alc. 11 - 12%)	0.35 – 0.55	↔
2022	Generic White (Alc. 11 - 13%)	0.45 – 0.65	↑	2022	Generic Red (Alc. 13%)	0.45 – 0.60	↓
2022	Organic Generic White (Alc. 10.5 - 12%)	0.65 – 0.80	↔	2022	Organic Generic Red (Alc. 12.5 - 13%)	0.70 – 1.00	↔
2022	Varietal Chardonnay (Alc. 11 - 13%)	0.65 – 0.90	↑	2022	Varietal Cabernet Sauvignon (Alc. 12 - 13%)	0.90 – 1.10	↔
2022	Organic Pinot Grigio (Alc. 12%)	1.25 – 1.50	↑	2022	Varietal Merlot (Alc. 12 - 13%)	0.58 – 0.90	↔
2022	DOC Pinot Grigio delle Venezie	1.10 – 1.25	↑	2022	Varietal Syrah (Alc. 12 - 13%)	0.90 – 1.15	↔
2022	Pinot Grigio IGT (Different Regions)	0.95 – 1.05	↑	2022	Rossissimo (Alc. 12.5 - 14%)	0.80 – 0.95	↓
2022	Pinot Grigio IGT (Blends)	0.75 – 0.90	↑	2022	Primitivo IGT Puglia/ Salento (Alc. 12.5 - 14%)	1.00 – 1.30	↔
2022	DOC Prosecco (Cannot be sold outside of Italy)	2.20 - 2.25	↔	2022	Sangiovese IGT (Alc. 11.50 - 13%)	0.60 – 0.90	↔
2022	Soave or Garganega DOC	0.90 – 1.00	↔	2022	Trebbiano IGT (Alc. 10.5 - 12%)	0.50 – 0.70	↔
				2022	Chianti DOCG (13 - 13.50%)	1.60 – 1.70	↓

****Bottled Price***

South Africa

Time on target

HARVEST WATCH: *Early estimate of 1.28 million tonnes*

South Africa's 2023 harvest got underway in January amid good vineyard conditions. Picking has returned to a more normal timetable after the later start in 2022: harvesting of Chardonnay, Pinot Noir, sparkling bases and early Colombard is mainly complete, while picking of Sauvignon Blanc, Chenin Blanc and Pinot Grigio is now in full swing.

The growing season commenced dry, causing uneven budding in some areas. There were a few difficulties in scheduling irrigation pumps due to electricity load-shedding (see below). December rain then led to some disease pressure. Consequently, some bunches have come in light, and SAWIS has given an early crop estimate of 1.28 million tonnes, 6.5% down from 2022's 1.37 million tonnes and the lowest tonnage since 2019. There remains another 6-8 weeks of the harvest left to run, however, so the estimate is a tentative one. With smaller berries offering greater intensity, growers are happy with quality.

The potential for a smaller crop places yet another upward pressure on South Africa's bulk wine prices to add to considerable rises in input costs, strong domestic demand, and the smallest carryover for many years. Despite these factors, Rand bulk pricing is set to rise modestly, by approximately 5-10%, and the weakened Rand – 7.5% weaker against the Euro versus a year ago – at least partly offsets this increase to the international buyer. South Africa's suppliers are eager to preserve buyer relationships and their share of export markets. With South Africa's bulk market in supply-demand balance – or at least as close to balance as can be found anywhere in the world currently – 2022 customers will be given priority on the new 2023 wines.

Following a quiet November and December for international demand and export loadings, the bulk market was active in January as buyers came in to secure the last of the 2022 white varietals and begin contracting the 2023 whites. The varietal reds have also received some renewed interest from European buyers. There remains stock of 2022 Shiraz, Cabernet, Merlot and Pinotage and pricing on these is potentially negotiable, especially if there is also a commitment to the 2023 reds.

As we predicted, conservative buying in the second half of 2022 has led to some international buyers needing to come in to secure extra batches of 2022 white and/or red wines to tide themselves over until they make their decisions on the 2023 vintage. On the flip-side, some wines – particularly those destinated for the on-trade – have been released back onto the market due to slow sales.

While international demand in the final two months of 2022 was quiet, the domestic market continued strongly, drawing down Dry Red supply and, if that could not be found, entry-level Pinotage. Since the turn of the year, domestic demand has switched to Dry White and – if supplies of that are not available – entry-level Chenin Blanc. This is likely due to projections of a shorter 2023 crop, especially in the important generic white-producing area of the Northern Cape/Orange River, coupled with continued growth in domestic consumption. Consequently, unlike the modest price increases seen on the export-focused white and red varietals, prices on Dry Red, Dry White and Chenin Blanc have ticked up strongly.

Looking longer-term, traditional sources of Dry White have reduced in South Africa over the past 5-6 years because of the move to varietal wines. In addition, adverse weather conditions and uprootings in the Northern Cape over the past few years have eroded the region's wine grape output from an average of 120,000 tonnes per year in 2012-2019 to a projected average of 70,000 tonnes/year in 2020-23.

The year 2022 was not a bumper one for sales of rosé wine in Europe – as the large quantity of

See next page for more on South Africa.

unsold southern French 2021 rosé attests – and sales of South African rosé were not brisk. South Africa's producers are ready to make 2023 Cinsault, Shiraz or Pinotage rosé but will use February to weigh-up demand levels. International buyers interested in this rosé should therefore make their needs known.

South African producers are wrestling with an intermittent electricity supply and dramatic increases in electricity prices, as well as elevated prices on imported inputs in general due to the Rand's weakness (ZAR18.80/euro; ZAR17.12/dollar). South Africa's longstanding energy crisis, caused by long-term mismanagement at primary power generator Eskom, has deepened since the turn of the year with more regular, and longer, scheduled rolling blackouts (known as "load-shedding").

Most companies, long grown used to load-shedding, have invested in generators, but the increasing regularity and length of blackouts requires more expensive, larger generators and more petrol/diesel to power them, just as the Rand is weaker and imported fuel prices are rising. The cost and disruption to business of present load-shedding levels will significantly harm South Africa's economy. Solar energy is viewed as a viable short-term help, the City of Cape Town recently announcing it will be buying electricity from commercial solar installations directly from June 2023.

Key Takeaways

South Africa comes into the 2023 vintage with its lowest carryover levels for many years and the new crop is tentatively projected to be the shortest since 2019. Despite this and spiralling input costs, Rand export pricing has risen only modestly, by 5-10%, as suppliers strive to preserve export relationships; this increase is at least partially offset by the weakened Rand versus 12 months ago. The bulk market was active in January, with interest in remaining 2022 wines and some contracting of the 2023 varietal whites. Suppliers would like to produce 2023 Cinsault, Shiraz or Pinotage rosé but need to be convinced the demand is there. Domestic demand for Dry Red and – more recently – Dry White has been strong and pricing on these is consequently uncompetitive internationally.

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2022	Dry White	5.70 – 6.50	↔	2022	Generic Red	8.50 – 9.00	↔
2022	Chardonnay	10.80 – 12.00	↔	2022	Cabernet Sauvignon	10.80 – 13.00	↔
2022	Sauvignon Blanc	11.00 – 13.50	↔	2022	Ruby Cabernet	9.00 – 10.50	↔
2022	Chenin Blanc	7.20 – 8.25	↔	2022	Merlot	10.80 – 12.50	↔
2022	Colombard	6.00 – 6.50	↔	2022	Pinotage	10.00 – 11.50	↔
2022	Muscat	6.80 – 7.20	↔	2022	Shiraz	10.50 – 12.00	↔
2022	Generic Rosé	6.00 – 6.50	↔	2022	Cinsaut Rose	8.35 – 9.00	↔
2022	Cultivar Rosé	8.30 – 8.85	↔				

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: *Crop expected to be short in Au, above-average in NZ*

In the lead up to the 2023 harvest, the bulk market has been relatively quiet in Australia as many industry staff return from summer holidays. The vintage is currently running at least 2-3 weeks behind a normal timetable – an ongoing effect of La Niña which brought mild spring temperatures and higher than average rainfall. Many regions would normally start their initial crush in late January; this vintage they have been pushed back to mid-February, raising some concern that a mix of varieties may ripen simultaneously and create a bottleneck at crushing facilities.

Disease pressure – both downy and powdery mildew – is widespread. This has caused some batches of fruit to be rejected, including whites – notably Chardonnay. The crop size will be significantly down due to disease and the decreased market requirement for red wines: the exact shortfall is hard to determine with minimal crushing having occurred so far.

There have been some good interest levels from overseas for Australia's lower-end reds and select white varieties. Red wine inventory remains high and storage space limited, but there are some tanks available for contract hire.

Water levels along the river systems have been dropping quickly after peaking in late December. The peak saw 185 gigalitres per day flowing over the border between Victoria and South Australia. River towns expect the water levels to normalise by mid to late February, when the clean-up process will begin. The floods, caused by prolonged rainfall from the La Niña weather system, have led to high levels of rotting organic matter that has washed back into the main system. Small areas of vineyard were underwater for a length of time and may need to be replanted. Fortunately, the weather since late December has been mostly warm and sunny.

Wine Australia's recent export report for the 12 months to 31 December 2022 shows that the total value of Australian wine exports declined 4% versus 2021 to AUD1.94 billion, whilst volume increased 1% to 623 million litres. The decrease in value was driven by a drop in shipments to the UK versus an elevated level of exports to that market around Brexit deadlines and during COVID-inspired retail sales spikes.

The uptick in export volumes in 2022 is attributable to a marked increase in bulk shipment to the US (+67%) and Canada (+81%), driven by competitive wine pricing and softening shipping costs. The total volume of bulk wine exported from Australia increased by 7% to 407 million litres, accounting for 65% of all wine being shipped out of the country. Large inventories led to more competitive red wine pricing. Consequently, there was a decrease in the value of bulk wine exported by 6% to AUD488 million, with an average price of AUD1.20/litre FOB.

Relations between China and Australia appear to be thawing, with further high-level ministerial talks between the two countries having taken place in early February. This positive development has led to speculation that Chinese tariffs could be removed from Australian goods in the near future. China is requesting Australia drop its World Trade Organisation challenges over barley and wine tariffs in order to help rebuild diplomatic ties. In January, four Chinese utility companies received permission from Beijing to begin importing Australian coal again – two years after unofficial bans were put into place.

Even if the door is reopened to Australia exporting wine to China, it is widely expected to take some time for tariffs to return to 0% and – therefore – wine volumes to flow at their previous levels (176 million litres in the year ending July 2018). The strict COVID-19 protocols imposed in China until recently reduced the volume of imported wine the country required from its main suppliers, Chile and France. With these restrictions having been lifted from the start of January, it is anticipated the Chinese market will now move through the backlog of stock.

See next page for more.

Severe rainfall in **New Zealand**'s largest city, Auckland, in late January caused flooding, landslides and extensive damage. The 27th January was the North Island city's wettest day on record, with 320mm of rain falling in 24 hours, flooding and closing the airport. Auckland also recorded its wettest month on record, receiving 539mm of rain in January.

The grape-growing region of Marlborough, located on the South Island, was fortunate not to receive any of this extensive rainfall. The North Island regions of Hawkes Bay and Gisborne have experienced a high level of disease pressure which will influence fruit quality; tonnages are expected to be down as a result. The outlook for the 2023 crop is looking healthy, however, and predictions remaining for a harvest size above the long-term average. Pricing is starting to soften as wineries seek to remove the remaining 2022 material before the new vintage comes on-line over the next few months.

Update: A national state of emergency has been declared in New Zealand following the arrival of Cyclone Gabrielle. Prime Minister Chris Hipkins called the storm, which peaked on 13th February, "the most significant weather event New Zealand has seen in this century". Large parts of the North Island have been devastated and at least 46,000 homes left without power. Among the areas worst hit are the coastal region of Gisborne, Tairāwhiti, parts of Hawkes Bay, Waikato and Northland. It is a serious concern for growers and wineries in badly-affected areas.

Key Takeaways

Disease pressure following a La Niña-induced wet spring, combined with the reduced requirement for red varieties, is likely to significantly reduce Australia's 2023 crop size. Competitive export pricing on reds helped increase shipments to some markets – especially North America – in 2022, and continues to stimulate good interest levels. Red wine inventory remains high but it is hoped thawing relations with China may lead to the restarting of exports to that key market. Auckland suffered its wettest January on record; Hawkes Bay and Gisborne have experienced a high level of disease pressure but New Zealand's overall crop is expected to be above-average in size. Pricing has been softening on remaining 2022 wines.

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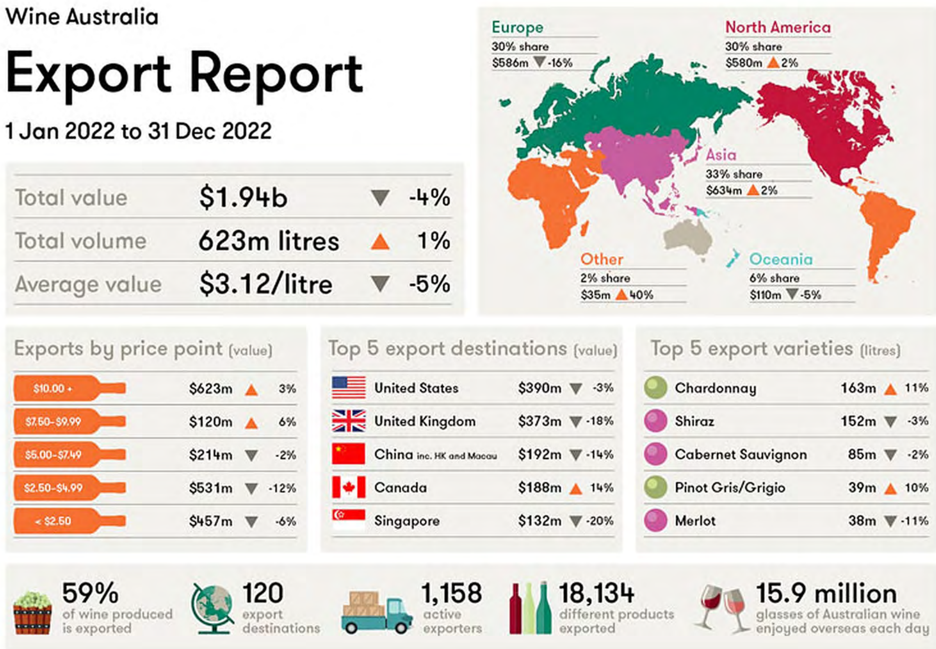

Source: Wine Australia

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	0.35 – 0.50	↓
2022	Chardonnay	1.00 – 1.15	↑	2021/22	Cabernet Sauvignon	0.50 – 0.70	↓
2022	Sauvignon Blanc	1.45 - 1.75	↔	2021/22	Merlot	0.50 – 0.70	↓
2022	Pinot Gris	1.20 – 1.30	↔	2021/22	Shiraz	0.50 – 0.70	↓
2022	**NZ Marlborough SB**	**NZD 4.80 - 5.30**	↓	2022	Muscat	0.90 – 1.00	↔

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

Wine Shield

Delivers peace of mind as NSA wine undertakes long journey

Perhaps the most widely-known additive in winemaking, the utility of sulphur dioxide (SO2) is undeniable. Some consider it indispensable to the making of good-quality wine. Yet a marked consumer push has driven considerable growth in the low-sulphite wine categories. This has led many winemakers to consider alternative wine antioxidants like Wine Shield.

The chief selling point of SO2 is that it can make harvest, fermentation, racking, and bottling more straightforward. The organic winemaking process, meanwhile, is less forgiving: 'No sulphite added' (NSA) wines can be more demanding and – despite containing fewer additives – more expensive to produce. Consequently, without SO2, that most utilitarian of tools, organic wine production can deter vintners seeking to keep risk to a minimum.

Devoid of added sulphites, oxidation of phenolic compounds could severely impede wine marketability. Wine oxidation can lay waste to wine taste, aroma, and colour. The NSA wine producer arguably faces an even greater loss if their more expensive wine disappoints.

Luckily, Wine Shield is available to reinforce the shelf life of NSA wine. The oak-derived antioxidant intervenes with wine auto-oxidation to facilitate flavour and colour maintenance. It can be used with sulphured wines, but its true value is realised when NSA wines undertake long journeys and reach satisfied clients despite their potentially greater vulnerability to deterioration. What's more, Wine Shield preserves the wine's own flavour and colour without contributing novel nuances. It truly keeps the wine at its best, for longer.

Antonio Florencio Nieto, Technical Director of Cooperativa Manjavacas (Spain), has been using Wine Shield as an antioxidant in his red and white NSA wines since 2020. These wines, totalling in excess of one million litres annually, are stored in bulk for up to 12 months. They are drawn down throughout the year and dispatched in tankers from the winery in La Mancha to the client in England. Recognising that Wine Shield can support good winemaking practices, Antonio enjoys the ease of use Wine Shield offers to protect wines during sometimes lengthy journeys from the winery to the client.

"From La Mancha to Hampshire, the wine is in transit for over three weeks by a combination of road, rail, and sea freight," Antonio recounts. "The wines usually spend about three weeks in transit, but there have been those nerve-wracking times where they only reached our client four or five weeks after leaving the winery." Great care is important during all wine transportation, but the more organic nature of NSA wines potentially renders them more susceptible to degradation during transit. Regardless, Antonio delivers his NSA wines to his client in prime condition – and despite cold winters and extremely hot summers. "Wine Shield oak extract helps me keep my wines fresh. It protects the color and flavor of my wine and my client is satisfied that they are buying wine with a good flavor and color."

A successful NSA wine is an authentic testimony to a winemaker's skills as they present a great-tasting, sensory product. A heightened risk of oxidative degradation should not hinder the delivery of great wine to the end user. Wine Shield has a proven history of protecting wine during storage and transport. In uncertain times, when working with a delicate product, Wine Shield might just be the solution your cellar needs.

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The hop fields along the famed Garden Route of the Western Cape, near George, South Africa

Export Pricing: USD per liter

Currency Conversion Rates as of February 15, 2023

Australia & New Zealand (Pricing in bulk; FCA)

AUD Rate: 0.690198 / NZD Rate: 0.628313

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Dry White	0.59	-	0.66	↔	NV	Dry Red	0.24	-	0.35	↓
2022	Chardonnay	0.69	-	0.79	↑	2021/22	Cabernet Sauvignon	0.35	-	0.48	↓
2022	Sauvignon Blanc	1.00	-	1.21	↔	2021/22	Merlot	0.35	-	0.48	↓
2022	Pinot Gris	0.83	-	0.90	↔	2021/22	Shiraz	0.35	-	0.48	↓
2022	NZ Marlborough SB	3.02	-	3.33	↓	2022	Muscat	0.62	-	0.69	↔

California (Pricing in bulk; FCA)

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2022	Generic White	1.05	-	1.15	↔	2022	Generic Red	1.00	-	1.15	↔
2022	Chardonnay	1.40	-	1.80	↔	2022	Cabernet Sauvignon	1.15	-	1.25	↔
2022	Pinot Grigio	1.30	-	1.59	↔	2022	Merlot	1.15	-	1.40	↔
2022	Muscat	1.15	-	1.45	↔	2022	Pinot Noir	1.40	-	1.85	↔
2022	White Zinfandel	1.05	-	1.15	↔	2022	Syrah	1.05	-	1.45	↔
2022	Colombard	1.10	-	1.25	↔	2022	Ruby Cabernet	1.00	-	1.10	↔
						2022	Zinfandel	1.25	-	1.65	↔

Chile (Pricing in bulk; FOB Chilean Port)

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Generic White	0.63	-	0.70	↔	NV	Generic Red	0.45	-	0.55	↔
2022	Chardonnay	0.85	-	0.95	↔	2022	Cabernet Sauvignon (Basic)	0.55	-	0.60	↓
2022	Sauvignon Blanc	0.85	-	0.95	↔	2022	Cabernet Sauvignon (Varietal Plus)	0.80	-	0.90	↓
2022	Sauvignon Blanc Cool Climate		-			2022	Merlot	0.60	-	0.70	↓
2022	Carmenere	0.75	-	0.85	↔	2022	Malbec	0.85	-	0.90	↔
2022	Pinot Noir	0.90	-	1.00	↑	2022	Syrah	0.70	-	0.80	↑

France (Estimated Pricing in bulk; Ex-Winery)

Rate: 1.067913

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2022	Generic White	0.91	-	1.07	↓	2021 & NV	Generic Red	0.75	-	0.85	↓
2022	Chardonnay IGP	1.23	-	1.33	↓	2022	Cabernet Sauvignon IGP	0.98	-	1.39	↔
2022	Chardonnay VDF	1.44	-	1.55	↓	2021	Cabernet Sauvignon VDF	0.91	-	1.07	↓
2022	Sauvignon Blanc IGP	1.12	-	1.23	↓	2022	Merlot IGP	0.91	-	1.28	↔
2022	Sauvignon Blanc VDF	1.17	-	1.28	↓	2021	Merlot VDF	0.85	-	1.07	↓
2022	Generic Rosé IGP	0.91	-	1.07	↔	2022	Red Syrah / Grenache IGP	0.96	-	1.39	↔
2021 & NV	Generic Rosé VDF	0.64	-	1.07	↓	2021	Varietal Rosé IGP	0.96	-	1.17	↔

Italy (Pricing in bulk; Ex-Winery)

Rate: 1.067913

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2022	Generic White (Alc. 10.5%)	0.45	-	0.62	↑	2022	Generic Red (Alc. 11 - 12%)	0.37	-	0.59	↔
2022	Generic White (Alc. 11 - 13%)	0.48	-	0.69	↑	2022	Generic Red (Alc. 13%)	0.53	-	0.69	↓
2022	Organic Generic White (Alc. 10 - 12%)	0.69	-	0.85	↔	2022	Organic Generic Red (Alc. 12.5 - 13%)	0.75	-	1.07	↔
2022	Varietal Chardonnay (Alc. 11 - 13%)	0.69	-	0.96	↑	2022	Varietal Cabernet Sauvignon (Alc. 12 - 13%)	0.96	-	1.17	↔
2022	Organic Pinot Grigio (Alc. 12%)	1.33	-	1.60	↑	2022	Varietal Merlot (Alc. 12 - 13%)	0.64	-	1.07	↔
2022	DOC Pinot Grigio delle Venezie	1.17	-	1.33	↑	2022	Varietal Syrah (Alc. 12 - 13%)	0.96	-	1.23	↔
2022	Pinot Grigio IGT (Different Regions)	1.01	-	1.12	↑	2022	Rossissimo (Alc. 12.5%)	0.85	-	1.01	↓
2022	Pinot Grigio IGT (Blends)	0.80	-	0.96	↑	2022	Primitivo IGT Puglia/ Salento (Alc. 12.5 - 14%)	1.07	-	1.39	↔
2022	DOC Prosecco (Cannot be sold outside of Italy)	2.35	-	2.40	↔	2022	Sangiovese IGT (Alc. 11.50 - 13%)	0.64	-	0.96	↔
2022	Soave or Garganega DOC	0.96	-	1.07	↔	2022	Trebbiano IGT (Alc. 10.5 - 12%)	0.53	-	0.75	↔
						2022	Chianti DOCG (Alc. 13 - 13.5%)	1.76	-	1.87	↓

***Bottled Price** 0.89

South Africa (Pricing in bulk; FOB Cape Town)

Rate: 0.055453

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2022	Generic White	0.32	-	0.36	↔	2022	Generic Red	0.47	-	0.50	↔
2022	Chardonnay	0.60	-	0.67	↔	2022	Cabernet Sauvignon	0.60	-	0.72	↔
2022	Sauvignon Blanc	0.61	-	0.75	↔	2022	Ruby Cabernet	0.50	-	0.58	↔
2022	Chenin Blanc	0.40	-	0.46	↔	2022	Merlot	0.60	-	0.69	↔
2022	Colombard	0.33	-	0.36	↔	2022	Pinotage	0.55	-	0.64	↔
2022	Muscat	0.38	-	0.40	↔	2022	Shiraz	0.58	-	0.67	↔
2022	Generic Rosé	0.33	-	0.36	↔	2022	Cinsaut Rosé	0.46	-	0.50	↔
2022	Cultivar Rosé	0.46	-	0.49	↔						

Spain (Pricing in bulk; Ex-Winery)

Rate: 1.067913

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2022	Generic White	0.41	-	0.45	↑	2022	Generic Red	0.43	-	0.53	↓
2022	White Blends (Higher Quality)	0.48	-	0.53	↔	2022	Generic Red (Higher Quality)	0.53	-	0.64	↑
2022	Sauvignon Blanc	0.75	-	0.85	↑	2022	Cabernet Sauvignon	0.59	-	0.69	↔
2022	Chardonnay	0.80	-	0.85	↑	2022	Merlot	0.64	-	0.75	↔
2022	Generic Rosé	0.43	-	0.48	↔	2022	Syrah	0.53	-	0.64	↔
2022	Varietal Rosé	0.48		0.53	↔	2022	Moscatel	0.59	-	0.69	↑

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