



CIATTI

GLOBAL WINE & GRAPE BROKERS

GLOBAL MARKET UPDATE – MAY 2015 VOLUME 6 ISSUE NO. 5

Harvest is coming to an end in the Southern Hemisphere and most volume estimates remain unchanged. The total crop size for all of the Southern Hemisphere should fall short of the 2014 result. Argentina and New Zealand are experiencing the biggest declines in volume, while South Africa and Australia look to be very similar to the previous year. Chile has rebounded from a frost-stricken 2014 crop, but looks like it will not reach the same levels as the historic 2013 harvest.

Bulk market activity has been strong in many Southern Hemisphere markets, especially in New Zealand, as the small harvest has prompted buyers to take early action. Chilean prices have proven to be very enticing to international buyers, and many contracts have been closed over the past month. Australia is reporting strong export numbers, and suppliers at the value end of the market are experiencing growth in demand.

In the Northern Hemisphere, the talk continues to be about the drought in California. While the dry weather conditions remain, no significant decrease in the coming harvest is expected. Growers remain confident that they will produce an average sized crop, and buyers and sellers are acting accordingly. The bulk wine market remains very active in France, and inventory remains low on most varietals. Spanish and Italian markets also remain active, particularly on the higher quality wines. In total, the bulk market is active and pricing has stabilized in most regions.



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CONCENTRATE

WHITE GRAPE JUICE CONCENTRATE

United States

White Grape Juice Concentrate sales continue to be soft, as demand from both wineries and fruit juice processors are lackluster at best. Imports from both Argentina and Spain are well below sustainable levels, making it far more desirable for domestic GJC processors to store the US inventory, rather than sell it at a loss. With the continuation and worsening of the drought and the subsequent mass pullouts of the Central Valley generic white grape, this holding pattern makes a lot of sense.

Pricing for Domestic Generic WGJC is ranging in the \$8.00 to \$9.00 per US Gallon range.

Argentina

While the final volume numbers have not yet been determined, it is safe to say that the Argentine WGJC crop will be smaller than last year. Late harvest weather issues, coupled with the continued economic and political crisis, is causing processors to scramble to blend last year's carryover grape must with this year's new crop in order to ensure the needed cash flow to stay afloat. With an inflation rate of over 30%, along with a government payout for grape must that is well below the cost of growing the grapes, the future of this market is unknown.

Current pricing is in the \$4.50 per US Gallon range in bulk FCA Mendoza, San Juan areas. Ex-Doc Duty paid, East and West Coast ports: \$6.25-\$6.50 per Gallon.

RED GRAPE JUICE CONCENTRATE

United States

Pricing and volumes for Rubi Red GJC continues to be steady, with moderate demand from both wineries and juice processors. While the 2014 harvest showed on paper to be on par with that of 2013, the color levels and sugar levels struggled, especially in areas where the water tables dropped increasing selenium levels. The Rubi Red grape is hardy and with an estimated 10% acreage coming on board, the overall harvest was slightly below the previous year. With another year of water rationing and more profitable crops to keep alive on the west side of the Central Valley, there is great concern about next year's harvest.

Current pricing is around the \$10.00 to \$13.00 range for Red 1000.

Chile

Pricing for Red 100 GJC out of Spain is still very attractive. Pricing is currently in the \$9.25 to \$11.00 range in bulk flexis, Ex-Doc East and West Coast USA.

ARGENTINA

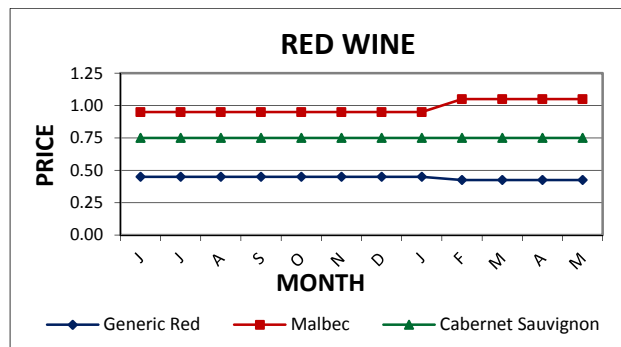
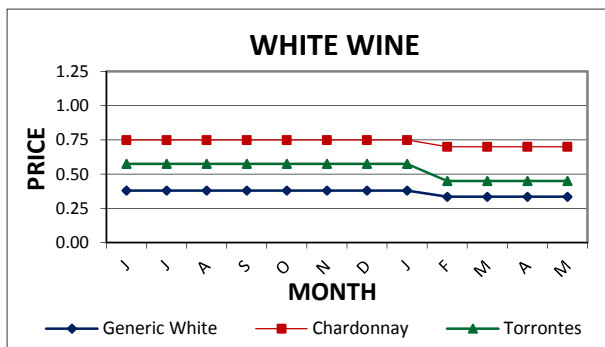
TIME ON TARGET

The 2015 crop was about 2.4 million metric tons, down 8% from 2014 and down 15% from an average year. Many factors have caused this shortage, including rain, lack of demand, lack of workers to pick the grapes, absence of money to finance the harvest and lower grape market pricing verses production costs. Overall, the quality is good but Cabernet Sauvignon has been affected by the rain, so volume and quality may be an issue this year. Meanwhile, Malbec is in good shape and quality. The 2015 Grape Juice Concentrate production is also down and will be around 116,000 metric tons this year, along with a carry-over stock of 50,000 metric tons from 2014.

MARKET PRICING

ALL PRICING IN USD PER LITER; FCA WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014	Generic White	0.32 – 0.35	↔	2014	Generic Red	0.40 – 0.45	↔
2014	Generic White (Criolla)	0.30 – 0.32	↔	2014	Cabernet Sauvignon	0.70 – 0.80	↔
2014	Chardonnay	0.65 – 0.75	↔	2014	Malbec Entry-Level	0.80 – 0.90	↔
2014	Torrontes	0.40 – 0.50	↔	2014	Malbec Mid-Level	0.90 – 1.20	↔
2014	Sauvignon Blanc	0.55 – 0.65	↔	2014	Malbec Premium	1.20 +	↔
2014	Muscat	0.35 – 0.45	↔	2014	Syrah / Merlot	0.60 – 0.70	↔
2014	Bonarda	0.50 – 0.70	↔	2014	Tempranillo	0.60 – 0.70	↔



BITS & PIECES

The local government has failed to help the growers and wineries and has repeatedly announced many programs that never happened, due to the lack of funds needed to support the wine industry. The Argentine economy is still in deep darkness, but there are big expectations for presidential elections in October. It looks like a new party could take power, and if so, 2016 could bring a new, positive scenario.

AUSTRALIA

Australia's volume of wine exports has increased by 3.6% in the past 12 months to 711 million liters. This is the highest volume since 2011, bringing with it an increase in value of 3.9% to AUD \$1.85 billion. Based on these figures, Australia currently sits as the 5th largest exporter behind Spain (2.174 million liters), Italy (2.023 million liters), France (1.427 million liters) and Chile (810 million liters). Statistics also show that Australian wine was exported to 123 countries by 1,385 exporters with products numbers of 17,387. The average value for bulk overall has decreased by 4.7% to \$0.97/L. This drop in value was caused by an increase in demand by 19% at the lower level, sub \$1.00/L. For bottled exports, the demand in volume for the higher price segments saw a 4.7% increase to \$4.87/L, a peak figure since 2005.

Australia's main export markets include the UK, US, Canada, China and Germany, which covers 78% of Australia's export volumes:

- UK increased volume by 2% to 251 million liters valued at \$371 million
- USA decreased by 1% to 164 million liters worth a total of \$421 million
- Canada increased by 11% to 61 million liters valued at \$186 million
- China increased by 20% to 44 million liters, worth \$242 million
- Germany took 37 million liters, up 11% and worth \$48 million

China has shown the biggest increase in volume for the past 12 months, up by 7 million liters, with strong demand also seen by Italy, Canada and the UK, all up 6 million liters, with Germany up 4 million liters. A growth in volume has occurred across the majority of the varying price segments, with the main demand seen in the premium category over \$10.00/L increasing by 12%. Over 50% of the exports above \$7.50+ were shipped to Asia.

Source: Wine Export Approval Report March 2015

CURRENT MARKET PRICING

ALL PRICING IN AUD PER LITER:

Variety	Current/2014 Price	Vintage 2015 Expected Price	Variety	Current/2014 Price	Vintage 2015 Expected Price
NV Dry White	0.45 – 0.65	0.45 – 0.65	NV Dry Red	0.60 – 0.75	0.60 – 0.75
Chardonnay	0.65 – 0.75	0.68 – 0.75	Cabernet Sauvignon	0.75 – 1.05	0.80 – 0.95
Sauvignon Blanc	0.70 – 0.90	0.85 – 1.00	Merlot	0.70 – 0.90	0.75 – 0.90
NZ Marlborough SB	NZ 2.70 – 3.50	NZ 4.20 – 5.00	Shiraz	0.75 – 1.00	0.80 – 0.95
Pinot Gris	1.05 – 1.30	1.10 – 1.30	Muscat	0.65 – 0.80	0.70 – 0.90

NEW ZEALAND

The lower yield from the 2015 New Zealand vintage has already effected pricing of bulk material, as we see higher prices set in place for the new stock. There is still availability of 2014 material at lower pricing. The 2015 harvest is being described as very good in terms of quality, but with quantity down significantly.

New Zealand wines are witnessing a surge in demand and are in top gear in many export markets. Exports marked a record high of NZ \$1.29 billion in 2014, which was up by 8.2 percent over the previous 12 months, according to *New Zealand Winegrowers*. Canada has become a significant player, with annual shipments to Canada exceeding one million cases as of February for the first time.

New Zealand's fruit and vegetable production has now exceeded \$7 billion, with exports now valued at \$3.9 billion. Star export performers have been wine (\$1.3b), kiwifruit (\$930 million), apples (\$536m), frozen potatoes (\$105m) and avocados (\$93m).

CALIFORNIA

TIME ON TARGET

The California grape and bulk wine markets continue to see soft movements and limited change from previous months. No drastic weather problems or vineyard issues have occurred during spring. Vineyard development continues and timing looks early in most growing regions. Today's grape market is slow as buyers assess supply demand and watch berry set and sizing. We expect grape buying to remain weak until the onset of harvest, due to the sizable inventories currently in tanks, along with the fact that sales are less than robust. Cautious outlook prevails, along with a 2015 wine grape harvest that doesn't seem small, expected to be about 4.0 million tons.

CURRENT MARKET PRICING

ALL PRICING IN USD PER LITER:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014	Generic White	0.60 – 0.80	↔	2014	Generic Red	0.80 – 1.05	↓
2013/2014	Chardonnay	0.92 – 1.18	↓	2013/2014	Cabernet Sauvignon	1.25 – 1.98	↔
2014	Pinot Grigio	1.45 – 1.98	↔	2014	Merlot	1.05 – 1.45	↓
2014	Muscat	0.92 – 1.32	↓	2014	Pinot Noir	1.72 – 2.25	↔
2014	White Zinfandel	0.82 – 0.99	↔	2014	Syrah	1.18 – 1.45	↔
2014	Colombard	0.73 – 0.99	↔	2013/2014	Zinfandel	1.18 – 1.72	↓

BITS & PIECES

Drought conditions remain throughout the western United States. There continues to be a lot of dialogue and press regarding the limits and restrictions to agriculture and personal consumption. The ultimate effects on this year's wine grape totals will be minimal.

The bulk wine market is active for wines fueling the current expansion in premium wine sales. This activity has also slowed, but centers around heavy reds, mainly Cabernet Sauvignon, and with specific appellations. White varietal movements are based on short-term needs and upcoming bottling schedules.

Problems remain for older vintage wines that remain in tanks, waiting on buyers that have not shown up. Many wines from the 2012 and some from the 2013 vintage have little or no commercial value and are now becoming an industry problem. The slowing of generic sales in the United States has only exasperated this issue.

CHILE

TIME ON TARGET

The 2015 harvest is coming to the end and will finish in the next couple of weeks. The harvest has been a result of no frost and only a couple of very light rains, recognized as being average to good quality. Sauvignon Blanc produced a bigger volume than expected, and winemakers were expecting to see more aromas and intensity. Meanwhile, Chardonnay produced about the same volume as last year and

winemakers are really happy with the quality. Red wines saw a shorter than expected harvest. The grape market decreased during the season and gained value again at the end of the season. Major wineries had a high demand for grapes, since storage was not an issue following smaller inventories at the end of 2014. Wine prices have been stable.

CURRENT MARKET PRICING

ALL PRICING IN USD PER LITER; FOB PORT:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
NV	Generic White	0.41 – 0.60	↔	NV	Generic Red	0.36 – 0.48	↔
2014/2015	Chardonnay (Basic)	0.96 – 1.05	↔	2014	Cabernet Sauvignon (Basic)	0.48 – 0.51	↔
2014/2015	Chardonnay (Varietal Plus)	1.15 – 1.40	↔	2015	Cabernet Sauvignon (Basic)	0.45 – 0.54	↔
2014/2015	Sauvignon Blanc	0.72 – 0.85	↔	2014/2015	Cabernet Sauvignon (Varietal Plus)	0.55 – 0.63	↔
2014/2015	Pinot Noir	0.90 – 1.15	↔	2014/2015	Cabernet Sauvignon (High Quality)	1.50 – 4.00	↔
2014/2015	Syrah	0.45 – 0.55	↔	2014/2015	Merlot	0.45 – 0.63	↔
2014/2015	Carmenere	0.45 – 0.55	↔	2014/2015	Malbec	0.60 – 0.75	↔
				2014/2015	Malbec (Varietal Plus)	0.75 – 0.95	↔

EXPORT FIGURES

Wine export Figures (Bulk, Bottled & Sparkling)	January – March 2014			January – March 2015			Volume
	Million Liters	Million US\$ FOB	Average Price	Million Liters	Million US\$ FOB	Average Price	Variance %
Bottled	95.96	325.63	3.39	97.31	321.36	3.30	1.41
Bulk	71.09	59.90	0.84	86.12	62.27	0.72	21.14
Sparkling Wines	0.73	3.07	4.21	0.72	3.04	4.20	- 0.58
Packed Wines	5.06	10.28	2.03	5.72	10.27	1.79	13.13
Total	172.84	398.86	2.62	189.88	396.94	2.50	9.86

BITS & PIECES

- Calbuco Volcano erupted during April, with an impressive blast, throwing tons of ashes into the air for several weeks, covering significant surface area in the southern part of Chile and Argentina.
- China has started to show more interest than ever in Chilean wines.
- Domestic consumption has increased by 5% most likely the result of a media campaign that promoted wine consumption.

FRANCE

TIME ON TARGET

Throughout April, the French bulk wine market remained active, helped by export market demand with a constant flow of transactions and loadings at a quicker pace and better rhythm than last year. Pricing is stabilizing for IGP varietal wines, but available inventory is decreasing to very low levels. Chardonnay, Sauvignon Blanc, Merlot and Cabernet Sauvignon are now in the hands of negociants, released in mid-sized batches little by little. Given the current inventory situation, there is growing uncertainty in the ability to supply the varietal wines demanded until the vintage change. Bordeaux, Cotes du Rhone and the South West may be alternative sources of supply with stable pricing, good quality and balanced inventories.

CURRENT MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014	Generic White (VDF)	0.95 – 1.00	↔	2014	Generic Red (VDF)	0.80 – 0.85	↔
2014	Chardonnay (VDF)	1.25 – 1.30	↔	2014	Cabernet Sauvignon (VDF)	0.85 – 0.90	↔
2014	Chardonnay (IGP OC)	1.35 – 1.40	↔	2014	Cabernet Sauvignon (IGP OC)	0.95 – 1.00	↔
2014	Sauvignon Blanc (VDF)	1.00 – 1.05	↔	2014	Merlot (VDF)	0.85 – 0.90	↔
2014	Sauvignon Blanc (IGP OC)	1.05 – 1.15	↔	2014	Merlot (IGP OC)	0.95 – 1.00	↔
2014	Generic Rosé (VDF)	0.85 – 0.90	↔	2014	Syrah (IGP OC)	0.95 – 1.00	↔
2014	Varietal Rosé (IGP OC)	0.92 – 0.95	↔	2014	Dry Muscat (IGP OC)	0.95 – 1.00	↔

BITS & PIECES

Worldwide production of rosé wine reached 24 million hectoliters in 2013 and has been following an increasing trend over the current decade, at 10% of the total wine production on average.

French rosé wine production reached 7.5 million hectoliters in 2014, (16 % of overall production) and makes France the biggest worldwide producer of rosé, followed by Italy, Spain and the US. South Africa is also becoming an increasing source of supply. French production is mainly dedicated to the national market, whereas these other countries are more export-driven.

France is also the biggest consumer of rosé wines, totaling 37% of global consumption in 2013, followed by the US (12%), Germany (9%) and the UK (6%). Due to this regularly increasing demand, France also relied on more than 2 million hectoliters of rosé imports in order to cover national demand.

Source: Franceagrimer, April 2015

GERMANY

TIME ON TARGET

There was an upturn in the German bulk market in April. It seems as though the slowdown earlier in the year was more of a seasonal phenomenon. However, prices are now lower than pricing seen this time last year. Thus far, everything is looking good in the vineyards, with no frost damage. Diversity in bud burst is more than in an average year. Early grapes are much farther developed than the later grapes at this point in time.

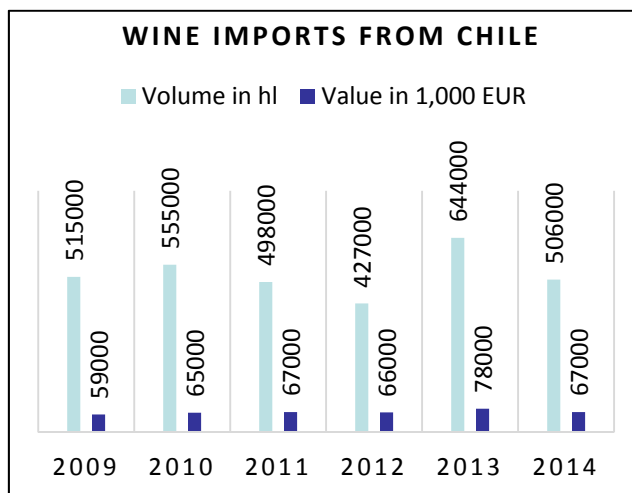
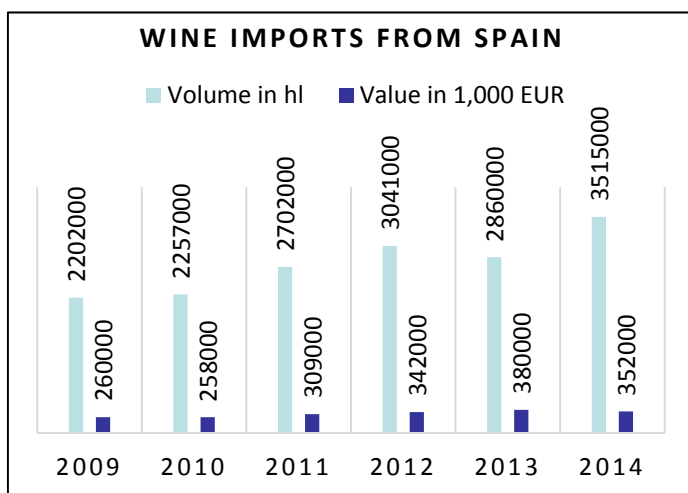
CURRENT MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014	White Wine	0.90 – 1.00	↔	2014	Red Wine	0.65 – 0.80	↔
2014	Pinot Grigio	1.00 – 1.20	↔	2014	Dornfelder	1.05	↔
2014	Riesling	1.00 – 1.20	↔	2014	Pinot Noir	1.00	↔

BITS & PIECES

The graphs below show the correlation between German wine imports from Spain and Chile from 2009 and 2014, depending on the yield size in Southern Europe. Less availability in Europe means more imports from countries like South Africa and Chile. This is mainly driven by cheap, generic wines.



ITALY

TIME ON TARGET

The situation in Italy remains similar to last month's report. The market is still increasing for high color and high alcohol wines (12.2 %+), while decreasing for lower quality wines that are in direct competition with Spanish offers (generic red and white around 10.5% alcohol). DOC Montepulciano is becoming more popular for buyers that don't want to pay the higher asking price for Primitivo of this vintage. There have been no issues with weather concerns and all signs indicate a good crop in terms of quality and quantity, even though it remains too early to make such predictions.

The 2014 total production in Italy has been announced. In 2014, Italy produced 44.7 million hectoliters (-18% vs 2013). National wine consumption decreased in 2014 to 27.5 million people from 28 million in 2013, even when the total Italian population remained the same as 2013 with 54.4 million citizens.

MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014	Generic White	0.40 – 0.45	↔	2014	Generic Red	0.45 – 0.50	↔
2014	Chardonnay	0.75 – 0.85	↔	2014	Cabernet Sauvignon	0.60 – 0.70	↔
2014	Pinot Grigio	1.05 – 1.15	↔	2014	Merlot	0.60 – 0.70	↔

BITS & PIECES

Export of Italian Wine in Bulk from January to December 2014

Country	Liters		Euro		Euro/Liter	
	2014	% Change	2014	% Change	2014	% Change
Germany	292,284,871	- 1.1	146,387,002	- 29.6	.50	- 28.9
UK	36,650,646	19.7	41,742,490	22.1	1.14	2.0
Sweden	20,553,167	6.0	31,436,649	- 0.6	1.53	- 6.2
Switzerland	17,455,061	4.4	24,231,755	- 4.6	1.39	- 8.6
Norway	9,202,803	26.9	20,506,162	27.1	2.23	0.1
France	37,055,234	3.0	18,976,812	- 23.5	0.51	- 25.7
USA	6,573,257	20.6	16,434,021	41.2	2.5	17.0
Denmark	9,921,935	17.4	14,633,859	25.2	1.47	6.6
Austra	19,643,333	- 8.7	11,621,316	- 30.5	0.59	- 23.9
Hungary	37,212,702	- 27.7	11,595,361	- 56.1	0.31	- 39.3
Czech Republic	19,968,423	3.7	10,020,790	- 20.7	0.50	- 23.5
Japan	3,358,029	68.8	5,562,608	20.5	1.66	- 28.6
Canada	4,279,947	22.3	3,793,005	14.9	0.89	- 6.1
Spain	4,366,630	- 2.3	3,278,496	- 20.7	0.75	- 18.8
Others	44,770,447	- 16.8	36,924,670	- 24.9	0.82	- 9.8
TOTAL	563,296,485	- 2.1	397,144,996	- 17.3	0.71	- 15.6

Source: Wine by Numbers from Corriere Vinicolo

SOUTH AFRICA

TIME ON TARGET

With autumn weather setting in, most areas are in need of some good rainfall. Very dry conditions persist and many areas have had little to no rainfall this year. The market situation is fairly stable and pricing is continues to be stable. Quality for the 2015 vintage is looking very good.

CURRENT MARKET PRICING

ALL PRICING IN SA RAND PER LITER; FOB CAPE TOWN:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014/2015	Generic White	4.80 – 5.00	↔	2014/2015	Generic Red	5.70 – 6.30	↔
2014/2015	Chenin Blanc	4.80 – 5.20	↔	2014/2015	Cabernet Sauvignon	6.80 – 8.25	↔
2014/2015	Sauvignon Blanc	6.30 – 7.80	↔	2014/2015	Ruby Cabernet	6.00 – 6.30	↔
2014/2015	Chardonnay	6.00 – 7.25	↔	2014/2015	Merlot	6.80 – 8.00	↔
2014/2015	Muscat	5.50 – 5.80	↔	2014/2015	Pinotage	6.35 – 7.50	↔
2014/2015	Generic Rosé	4.85 – 6.00	↔	2014/2015	Shiraz	6.80 – 8.25	↔
2014/2015	Cultivar Rosé	5.70 – 6.60	↔	2014/2015	Cinsaut	5.80 – 6.30	↔

BITS & PIECES

Harvest, Inventory Levels + Domestic Market:

- The domestic market is very stable at this moment, with no big movements in volumes or sales.
- The 2015 harvest is estimated at about 1,485,800 tons, which is 2.3 % lower than in 2014. With large 2014 crop and early harvest, some wineries had storage problems later in the harvest. With growing and very good exports in April (2014 and early 2015 wine), many of these problems were negotiated.
- Red wine stock levels remain more under pressure than for white wine. The 2015 vintage seems to be of very good quality and the first white wines are already being exported. Red wine will be finished with malolactic fermentation in almost all areas by mid-May.

International Market + Trends:

- Traditional European big tenders for South African wine seems to be later than usual. Renewed interest in South African wine has been very evident in the last few weeks, especially from France.
- In March, exports had an upward turn in total exports packaged and bulk natural wine 2015 vs 2014 :
 - White wine increased 23% (mainly Chenin and dry white)
 - Red wine increased 25% (mainly dry red)
 - Rosé increased 37%
- For the first 3 months of 2015 (January to March), packaged and bulk wine exports of all natural wine totaled 93,920,316 liters. This is up 9% compared to the same period in 2014.
- April seemed to be very busy on the export market, with 2015 vintage wines already being shipped.

SPAIN

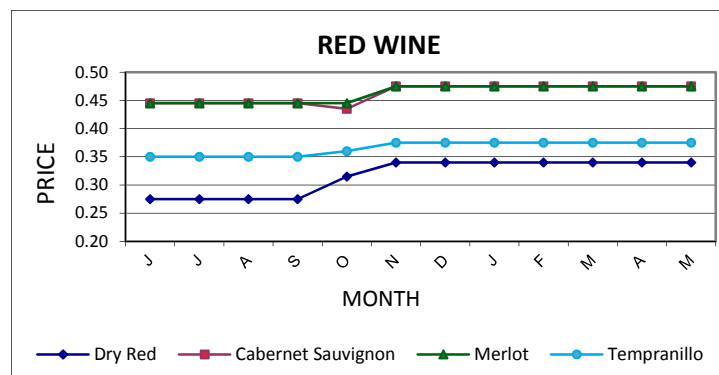
TIME ON TARGET

The market in Spain remained very active throughout April, with buyers from around the globe actively sourcing a variety of wines, alcohol and grape juice concentrates. In terms of available bulk inventory, white wine is available in large volumes, with a broad range of generic wines available (sparkling base, traditional and controlled fermentation). Consequently, market pricing has been going down. As mentioned in previous reports, inventories of generic red and rosé wines are going down, due to a combination of a smaller crop and active purchasing from France and the rest of Europe. Market pricing is going up for good quality products. Currently, varietal wines are becoming very difficult to find in decent sized batches. Chardonnay, Sauvignon Blanc, Muscat and Merlot inventories are almost sold out, and Cabernet Sauvignon and Syrah inventories are decreasing. However, pricing currently remains stable.

CURRENT MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014	Generic White	0.25 – 0.32	↓	2014	Generic Red	0.32 – 0.36	↔
2014	Generic Rosé	0.30 – 0.35	↔	2014	Cabernet Sauvignon	0.45 – 0.50	↔
2014	Moscatel	0.60 – 0.65	↔	2014	Merlot	0.45 – 0.50	↔
2014	Syrah	0.42 – 0.50	↔	2014	Tempranillo	0.35 – 0.40	↔



BITS & PIECES

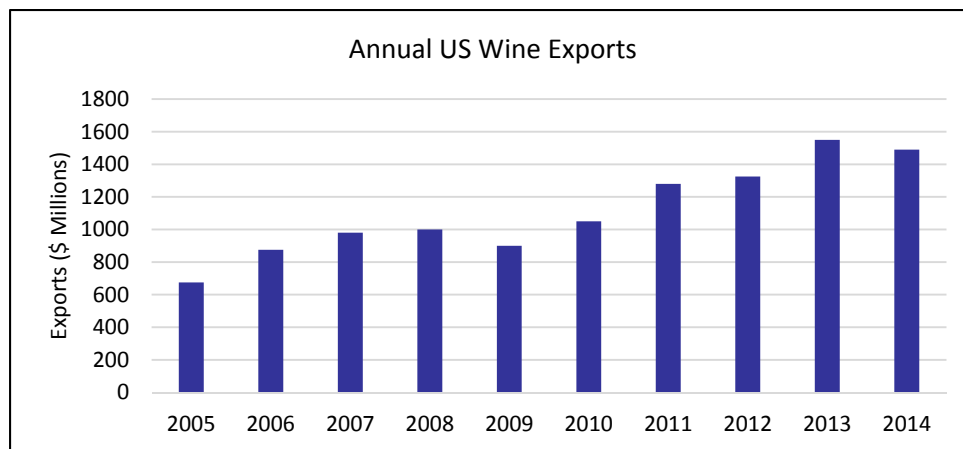
In terms of vineyard development, regular rainfall throughout the end of the winter and beginning of spring in Castilla La Mancha and other bulk regions, gave growers hope for good crop potential in terms of volume, especially now that the risk of frost is gone. If no major weather incidents occur before the harvest season, it is believed that the 2015 crop should be at least as big as 2014, although it is still very early to forecast. The situation is a bit different in the Valencia region, known for its Muscat and Bobal grapes, due to regular droughts over the last years.

BUYER'S PAGE

CALIFORNIA WINE EXPORTS

Despite the 2014 export stumble, California wine exports have continued to grow in terms of volume, value and price. From 1998 to 2013, the percentage of California wine exported climbed from 18.7% to 22.5% of the total production and from 4.5% to 6.7% of the total value.

Year	US Wine Exports (Million Gallons)	Value of US Wine Exports (Millions)	Price per gallon of US wine exported	Price per gallon of Non-CA wine shipped to US (billions)	CA export per gallon price deficit vs. non-CA wine shipped to US	CA wine exported as % of total (gallons)	CA wine exported as % of total \$ (value)
2014	116.94	\$1,490	\$12.74				
2013	115.00	\$1,555	\$13.52	\$34.57	-\$21.05	22.54 %	6.37 %
2012	106.90	\$1,336	\$12.50	\$34.08	-\$21.58	21.60 %	6.07 %
2002	74.50	\$549	\$7.37	\$37.06	-\$29.69	18.57 %	3.98 %
2001	80.30	\$541	\$6.74	\$36.92	-\$30.19	20.75 %	4.04 %
2000	77.70	\$547	\$7.04	\$35.24	-\$28.20	19.82 %	4.21 %
1998	71.90	\$537	\$7.47	\$35.46	-\$28.00	18.68 %	4.48 %
1995	38.80	\$241	\$6.21	\$0.00			



Europe is still the top export market for California wine exports and Canada is growing fast. In 2014, the European Union accounted for 34.6% or \$517 million of US exports. Following Europe, the top five countries to which the US exported wine were Canada, Japan, China and Hong Kong. US wine exports to Canada increased 7.33% in value to \$486.9 million.

Source: Lewis Perdue. "Aided By USDA Funding, Calif Wine Exports Continue Growth Despite 2014's Stumble." Wine Industry Insight. 20 Apr. 2015.

California wine exports decreased in February, with a drop in bottled exports of 35% and bulk exports 23%. These decreases were, in part, due to the West Coast port strikes. In addition, the climbing value of the US Dollar against the Euro and other major currencies increased prices for US wines globally, reducing demand. Winery shipments are expected to pick up speed in March, following port strike resolution that was finally reached at the end of February. Finally, as of February 2015, US bulk wine imports decreased 49% in February alone and 55% cumulatively.

Source: Gomberg-Fredrikson Report February 2015. Volume 35, No. 2. 20 April 2015.

Export Pricing: USD per liter
Currency Conversion Rates as of May 12, 2015

ARGENTINA

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014	Generic White	0.32	-	0.35	↔	2014	Generic Red	0.40	-	0.45	↔
2014	Generic White (Criolla)	0.30	-	0.32	↔	2014	Cabernet Sauvignon	0.70	-	0.80	↔
2014	Chardonnay	0.65	-	0.75	↔	2014	Malbec Entry-Level	0.80	-	0.90	↔
2014	Torrontes	0.40	-	0.50	↔	2014	Malbec Mid-Level	0.90	-	1.20	↔
2014	Sauvignon Blanc	0.55	-	0.65	↔	2014	Malbec Premium	1.20		+	↔
2014	Muscat	0.35	-	0.45	↔	2014	Syrah / Merlot	0.60	-	0.70	↔
2014	Bonarda	0.50	-	0.70	↔	2014	Tempranillo	0.60	-	0.70	↔

AUSTRALIA & NEW ZEALAND

AUD Rate: 0.797920

NZD Rate: 0.739287

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Dry White	0.36	-	0.52	-	NV	Dry Red	0.48	-	0.60	-
2014	Chardonnay	0.52	-	0.60	-	2014	Cabernet Sauvignon	0.60	-	0.84	-
2015 *	Chardonnay	0.54	-	0.60	-	2015 *	Cabernet Sauvignon	0.64	-	0.76	-
2014	Sauvignon Blanc	0.56	-	0.72	-	2014	Merlot	0.56	-	0.72	-
2015 *	Sauvignon Blanc	0.68	-	0.80	-	2015 *	Merlot	0.60	-	0.72	-
2014	NZ Marlborough SB	2.00	-	2.59	-	2014	Shiraz	0.60	-	0.80	-
2015 *	NZ Marlborough SB	3.35	-	3.99	-	2015 *	Shiraz	0.64	-	0.76	-
2014	Pinot Gris	0.88	-	1.04	-	2014	Muscat	0.52	-	0.64	-
2015 *	Pinot Gris	0.84	-	1.04	-	2015 *	Muscat	0.56	-	0.72	-

* Estimated Pricing for Vintage 2015

CALIFORNIA

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014	Generic White	0.60	-	0.80	↔	2014	Generic Red	0.80	-	1.05	↓
2013/2014	Chardonnay	0.92	-	1.18	↓	2013/2014	Cabernet Sauvignon	1.25	-	1.98	↔
2014	Pinot Grigio	1.45	-	1.98	↔	2014	Merlot	1.05	-	1.45	↓
2014	Muscat	0.92	-	1.32	↓	2014	Pinot Noir	1.72	-	2.25	↔
2014	White Zinfandel	0.82	-	0.99	↔	2014	Syrah	1.18	-	1.45	↔
2014	Colombard	0.73	-	0.99	↔	2013/2014	Zinfandel	1.18	-	1.72	↓

CHILE

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Generic White	0.41	-	0.60	↔	NV	Generic Red	0.36	-	0.48	↔
2014/2015	Chardonnay	0.96	-	1.05	↔	2014	Cabernet Sauvignon (Basic)	0.48		0.51	↔
2014/2015	Chardonnay (Varietal Plus)	1.15	-	1.40	↔	2015	Cabernet Sauvignon (Basic)	0.45	-	0.54	↔
2014/2015	Sauvignon Blanc	0.72	-	0.85	↔	2014/2015	Cabernet Sauvignon	0.55	-	0.63	↔
2014/2015	Pinot Noir	0.90	-	1.15	↔	2014/2015	Cabernet Sauvignon (High Quality)	1.50	-	4.00	↔
2014/2015	Syrah	0.45	-	0.55	↔	2014/2015	Merlot	0.45	-	0.63	↔
2014/2015	Carmenere	0.45	-	0.55	↔	2014/2015	Malbec	0.60	-	0.75	↔
						2014/2015	Malbec (Varietal Plus)	0.00	-	0.00	↔

FRANCE

Rate: 1.121670

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014	Generic White	1.07	-	1.12	↔	2014	Generic Red	0.90	-	0.95	↔
2014	Chardonnay VDF	1.40	-	1.46	↔	2014	Cabernet Sauvignon VDF	0.95	-	1.01	↔
2014	Chardonnay IGP OC	1.51	-	1.57	↔	2014	Cabernet Sauvignon IGP OC	1.07	-	1.12	↔
2014	Sauvignon Blanc VDF	1.12	-	1.18	↔	2014	Merlot VDF	0.95	-	1.01	↔
2014	Sauvignon Blanc IGP OC	1.18	-	1.29	↔	2014	Merlot IGP OC	1.07	-	1.12	↔
2014	Generic Rosé VDF	0.95	-	1.01	↔	2014	Syrah IGP OC	1.07	-	1.12	↔
2014	Varietal Rosé IGP OC	1.03	-	1.07	↔	2014	Dry Muscat IGP OC	1.07	-	1.12	↔

GERMANY

Rate: 1.121670

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2013/2014	White Wine	1.01	-	1.12	↔	2013/2014	Red Wine	0.73	-	0.90	↔
2013/2014	Pinot Grigio	1.12	-	1.35	↔	2013/2014	Dornfelder	1.18			↔
2013/2014	Riesling	1.12	-	1.46	↔	2013/2014	Pinot Noir	1.12			↔

ITALY

Rate: 1.121670

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014	Generic White	0.45	-	0.50	↔	2014	Generic Red	0.50	-	0.56	↔
2014	Chardonnay	0.84	-	0.95	↔	2014	Cabernet Sauvignon	0.67	-	0.79	↔
2014	Pinot Grigio	1.18	-	1.29	↔	2014	Merlot	0.67	-	0.79	↔

SOUTH AFRICA

Rate: 0.083041

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014/2015	Generic White	0.40	-	0.42	↔	2014/2015	Generic Red	0.47	-	0.52	↔
2014/2015	Chardonnay	0.50	-	0.60	↔	2014/2015	Cabernet Sauvignon	0.56	-	0.69	↔
2014/2015	Sauvignon Blanc	0.52	-	0.65	↔	2014/2015	Ruby Cabernet	0.50	-	0.52	↔
2014/2015	Generic Rosé	0.40	-	0.50	↔	2014/2015	Merlot	0.56	-	0.66	↔
2014/2015	Cultivar Rosé	0.47	-	0.55	↔	2014/2015	Pinotage	0.53	-	0.62	↔
2014/2015	Chenin Blanc	0.40	-	0.43	↔	2014/2015	Shiraz	0.56	-	0.69	↔
2014/2015	Muscat	0.46	-	0.48	↔	2014/2015	Cinsaut	0.48	-	0.52	↔

SPAIN

Rate: 1.121670

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014	Generic White	0.28	-	0.36	↓	2014	Generic Red	0.36	-	0.40	↔
2014	Generic Rosé	0.34	-	0.39	↔	2014	Cabernet Sauvignon	0.50	-	0.56	↔
2014	Moscatel	0.67	-	0.73	↔	2014	Merlot	0.50	-	0.56	↔
2014	Syrah	0.47	-	0.56	↔	2014	Tempranillo	0.39	-	0.45	↔



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