



GLOBAL MARKET UPDATE – NOVEMBER 2015

VOLUME 6 ISSUE NO. 11

The annual Bulk Wine Fair in Amsterdam is once again coming up on the calendar. Given the recent crop estimates in Europe, many are expecting the Italians will be making their offers in full force. All harvest estimates seem to be holding steady through the end of the growing season. Both France and Italy look to have taken in much more fruit than last year, while Spain and The United States seem to have taken a step back in volume. The lighter crop in the United States has caused some increased market activity, especially in the premium coastal regions.

Activity in the Southern Hemisphere market is mixed. While Chile, Australia and New Zealand all seem to have good market movement, South Africa and Argentina continue to be a bit slower. Diageo continues to move towards exiting the wine business, as it was recently announced that their wine holdings in Argentina have been sold.

Heading into the November show in Amsterdam, the market is showing good signs of life, and the pace of transactions has quickened over the past thirty days. We look forward to seeing you at Ciatti Stand C46!

Thank you for those who participated in the Ciatti Craft Beer Pop Quiz in the October 2015 Report!

1st Place: **Scott Warren: Constellation Brands, Inc.**
Runner up: Niels Udsen: Castoro Cellars
Runner up: Hal Landvoigt: Precept Brands LLC

Congratulations to our 1st place winner who will receive a hand-selected mixed case of 12 craft beers!

Watch for more contests and contest winners!!



1101 Fifth Avenue #170 San Rafael, CA 94901
Phone (415) 458-5150
Fax (415) 458-5160

ARGENTINA

TIME ON TARGET

Since there was no winner of the Presidential election which took place on October 25th, a ballottage will take place November 25th. The good news is that the government got only 36% of the votes and the main two opposing parties received about 57% of the votes (Macri 34% and Masa 23%). This opens a good possibility for a new government and economic scenario that will help not only the industry, but also the country as a whole.

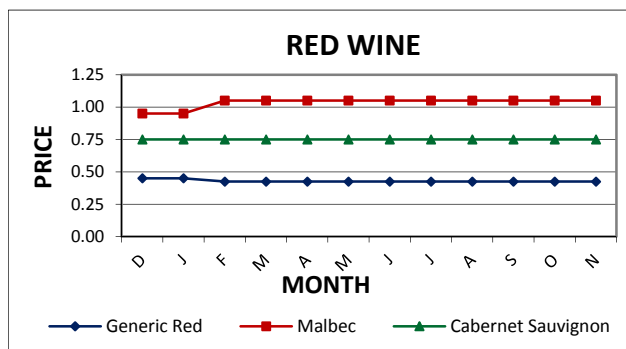
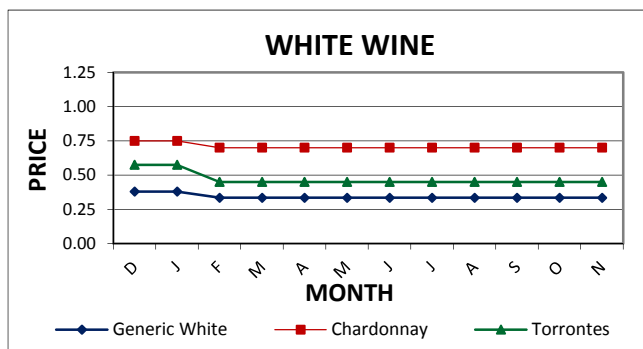
In the meantime, the weather has not changed and Argentina has experienced more rain and cold weather. This has caused some frost in Maipu (central area) and an early hail in Santa Rosa (eastern area). Forecasts are for unstable weather conditions throughout the summer months. The bulk market remains quiet, with main buyers picking up small lots of generic wines and some entry-level varietals at cheap prices. Prices continue to remain stable.

Diageo has sold the Navarro Correas wine brands to Grupo Penaflo. The move continues a worldwide move by Diageo to divest from the wine business. The addition of Navarro Correas to Grupo Penaflo is a nice additions to Argentina's largest wine company.

MARKET PRICING

ALL PRICING IN USD PER LITER; FCA WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2015	Generic White	0.32 – 0.35	↔	2015	Generic Red	0.40 – 0.45	↔
2015	Generic White (Criolla)	0.30 – 0.32	↔	2015	Cabernet Sauvignon	0.70 – 0.80	↔
2015	Chardonnay	0.65 – 0.75	↔	2015	Malbec Entry-Level	0.80 – 0.90	↔
2015	Torrontes	0.40 – 0.50	↔	2015	Malbec Mid-Level	0.90 – 1.20	↔
2015	Sauvignon Blanc	0.55 – 0.65	↔	2015	Malbec Premium	1.20 +	↔
2015	Muscat	0.35 – 0.45	↔	2015	Syrah / Merlot	0.60 – 0.70	↔
2015	Bonarda	0.50 – 0.70	↔	2015	Tempranillo	0.60 – 0.70	↔



AUSTRALIA

TIME ON TARGET

The weather continues to be warm in Australia and the lack of rain has growers concerned. The cost of temporary water allocations has exceeded \$300 per megalitre in Victoria and growers fear they may not recover their costs in final grape prices. Dry conditions cause further concern, as frost events are common in November. Grape growers also need to contend with the increasing number of almond blocks planted, which use a high amount of water. Experts have advised the water flow in our main river systems are now as low as they were in 2002-2003, the first bad year of the “millennium drought”.

CURRENT MARKET PRICING

ALL PRICING IN AUD PER LITER:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
NV	Dry White	0.50 – 0.65	↑	NV	Dry Red	0.60 – 0.75	↔
2015	Chardonnay	0.70 – 0.90	↑	2015	Cabernet Sauvignon	0.75 – 0.95	↔
2015	Sauvignon Blanc	0.85 – 1.00	↔	2015	Merlot	0.70 – 0.90	↔
2015	NZ Marlborough SB	NZ 4.85 – 5.50	↓	2015	Shiraz	0.75 – 0.95	↔
2015	Pinot Gris	1.10 – 1.30	↔	2015	Muscat	0.70 – 0.90	↔

FACTS & FIGURES

Figures released by the Australian Bureau of Statistics show that 440,000 megalitres of water was used to irrigate vineyards in 2015 – an increase of 18% on 2012. Vineyards in South Australia accounted for 46% – 203,000 megalitres of total water use – followed by New South Wales with 32% (140,000 megalitres) and Victoria with 20% (86,500 megalitres). The rapid rise in water use since 2012 – the last vintage for which data was collected – has been brought on by the drought conditions that still plague the country, even after the so-called “millennium drought” that was at its worst between 1995 and 2009.

In the past 12 months, Australian exports have experienced a record growth not seen since 2007. This is an increase of 8% in value to AUD \$1.96 billion and increase of volume by 5% to 734 million liters. Demand for Australian material has been seen across the globe, but predominately from Asia, now ranked as the number 1 region of imported Australian wine by value – an increase of 31% to \$466 million. China itself imports \$313 million worth of wine, while the US remains in pole position at \$427 million and the UK, second at \$370 million. The average value of exports above \$7.50/L increased by 7% to a record high of \$15.45/L, while the highest pricing segment – those above \$50/L rose 54% to \$133 million in value. Hong Kong has also received a notable increase in value, up 24% to \$188 million placing it in as the 5th top export country.

AUSTRALIA, continued...

Australia's top five export countries by value were:

- US – down 45 to A\$428 million
- UK – down 2% to A\$370 million
- China – up 47% to A\$313 million
- Canada – up 4% to A\$189 million
- Hong Kong – up 24% to A\$118 million

Australian wine exports to the U.S. market registered a 12% increase to A\$117 million (\$85m) in the three months through September, with the key California (+20%), Florida (+56%) and New York (+14%) markets all showing double-digit gains. The shipment increase represented a reversal for the Australian wine category in the U.S., which has struggled in recent years, surrendering nearly 5 million cases from 2010-2014, according to Impact Databank.

The *Australian Market 2015 Report* examines year-on-year consumer behavior within the sparkling wine category. The report found that overall volumes are declining and domestic sparkling wine is showing particular signs of slowing. Imported sparkling wines, such as Champagne, Cava and New Zealand sparkling, are all being drunk more frequently than two years ago, but the global trend for Prosecco is being mirrored in Australia; more than half of sparkling wine drinkers now consume Prosecco.

NEW ZEALAND : FACTS & FIGURES

2015 MAJOR MARKETS BY VALUE NZ\$ (MILLIONS)	
USA	372
AUSTRALIA	362.1
UK	354
CANADA	95
NETHERLANDS	41.4
CHINA	27
SINGAPORE	20.7
HONG KONG	17.7
IRELAND	17.4
JAPAN	13.7
SWEDEN	13.2
OTHER	90.2

2015 VARIETY SPLIT ACROSS NEW ZEALAND	
SAUVIGNON BLANC	66%
CHARDONNAY	8.3%
PINOT NOIR	8%
PINOT GRIS	6.2%
MERLOT	2.7%
RIESLING	1.4%
SYRAH	0.5%
GEWÜRZTRAMINER	0.4%
CABERNET SAUVIGNON	0.3%
OTHER / UNKNOWN	6.0%

CALIFORNIA

TIME ON TARGET

Crush is over, let it now rain... The western United States is hopeful that all the reports of an impending and large El Niño weather pattern will come to fruition in the coming months. The drought certainly had an effect on lower yields seen across the state. Here at Ciatti, we feel the total wine grape crush could range between 3.6 – 3.8 million tons for the 2015 vintage.

Currently, bulk interest and activity seems strong for this time of year. Many wineries and negociants are looking to secure those varieties that were in short supply or missing from this past harvest. Movement on Sauvignon Blanc, Cabernet Sauvignon, Pinot Noir and blending red varieties are the majority of current sales.

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	↓
2014	Chardonnay	0.99 – 1.32	↔	2013/2014	Cabernet Sauvignon	1.45 – 2.11	↑
2014	Pinot Grigio	1.58 – 1.98	↔	2014	Merlot	1.05 – 1.58	↔
2014	Muscat	0.92 – 1.32	↓	2014	Pinot Noir	1.58 – 2.11	↑
2014	White Zinfandel	0.85 – 0.99	↔	2014	Syrah	1.18 – 1.58	↔
2014	Colombard	0.73 – 0.99	↔	2013/2014	Zinfandel	1.45 – 1.85	↔

FACTS & FIGURES

Reports from wineries continue to show strong performance on higher-end brands within their portfolios, along with sluggish or declining volumes of generic and lower-end brands.

Exports of US produced wines remain weak for both bulk (down 2%) and case goods (down 1%) year-to-date. Imported case goods are growing nicely, especially from Europe and New Zealand, benefiting from today's strong US currency and premiumization trends.

CHILE

TIME ON TARGET

El Niño is still present in Chile, with a combination of fog, rain and nice weather. Rain comes once a week or every two weeks and mildew and Botrytis are a concern for the 2016 vintage. The market is more in balance than it was at this time last year. Sauvignon Blanc demand has been increasing, and it is now the hottest varietal, especially since Chile has emerged as a lower-cost alternative to New Zealand for premium bulk Sauvignon Blanc wine. The 2016 grape market has already seen some transactions, with high-end grapes in high demand, mainly by Concha y Toro as part of the large growth of the Casillero del Diabolo brand. White wines and Pinot Noir remain in tight supply.

CURRENT MARKET PRICING

ALL PRICING IN USD PER LITER; FOB PORT:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
NV	Generic White	0.45 – 0.55	↔	NV	Generic Red	0.39 – 0.45	↑
2015	Chardonnay (Basic)	0.95 – 1.05	↔	2015	Cabernet Sauvignon (Basic)	0.49 – 0.54	↑
2015	Chardonnay (Varietal Plus)	1.15 – 1.40	↔	2015	Cabernet Sauvignon (Varietal Plus)	0.55 – 0.80	↑
2015	Sauvignon Blanc	0.70 – 0.85	↔	2014/2015	Cabernet Sauvignon (High Quality)	1.50 – 4.00	↔
2015	Pinot Noir	0.85 – 1.15	↑	2015	Merlot	0.51 – 0.63	↑
2015	Syrah	0.48 – 0.58	↑	2015	Malbec (Basic)	0.60 – 0.70	↑
2015	Carmenere	0.48 – 0.58	↑	2015	Malbec (Varietal Plus)	0.75 – 0.95	↑

EXPORT FIGURES

Wine export Figures (Bulk, Bottled & Sparkling)	January – September 2014			January – September 2015			Volume
	Million Liters	Million US\$ FOB	Average Price	Million Liters	Million US\$ FOB	Average Price	Variance %
Bottled	330.71	1,111.28	3.36	348.42	1,109.01	3.18	5.36
Bulk	233.97	192.93	0.82	264.61	188.85	0.71	13.10
Sparkling Wines	2.56	10.89	4.26	2.96	11.95	4.04	15.67
Packed Wines	18.81	36.83	1.96	21.31	36.64	1.72	13.30
Total	586.03	1,351.93	2.60	637.30	1,346.44	2.41	8.75

Exported bulk wine might reach 400 million liters, making it a record year for Chile. Northern hemisphere purchases have been stable as usual, in contrast to China, which has been very active in the market. More buying pressure is expected in the near future. The Chilean Peso continues to be weak against major currencies, currently around CLP 685 to 690 per US Dollar.

FRANCE

TIME ON TARGET

The harvest season is now over in France, with crop results confirming previous estimates around 47.7 million hectoliters. Production is definitely higher than last year in Languedoc and Gers, stable in the Loire Valley, Bordeaux, South West and South East, and lower in Burgundy, Beaujolais, Alsace, and Champagne. Quality is good overall, but results can differ within the same producing region (i.e. Languedoc). White and rosé wines are now ready to be sampled, bought, shipped and bottled. Red wines will soon be ready, as they are now finishing malolactic

fermentation and fining processes. There could soon be good purchase opportunities for varietal wines (especially for Vin de France and some white and rosé varietal IGP wines) due to a market price adjustment in favor of buyers. In the other regions, market trends are stable compared to last year and in balance.

CURRENT MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2015	Generic White	0.80 – 0.85	↓	2015	Generic Red	0.70 – 0.75	↓
2015	Chardonnay	1.15 – 1.20	↓	2015	Cabernet Sauvignon	0.95 – 1.00	↑
2015	Sauvignon Blanc	0.90 – 1.00	↓	2015	Merlot	0.90 – 0.95	↓
2015	Generic Rosé	0.75 – 0.85	↓	2015	Syrah	0.90 – 0.95	↔
2015	Varietal Rosé	0.85 – 0.90	↓				

Please note that these prices are estimates for the 2015 harvest

FACTS & FIGURES

In southern France, where the crop is bigger than last year, the buying campaign has kicked off at different pace depending on the varietal, wine quality and appellation. The best batches of red and white IGP d'Oc wines are selling at a normal pace with stable pricing compared to this time last year (i.e. top quality Cabernet Sauvignon, Merlot, Syrah, Chardonnay and Sauvignon Blanc used as blending enhancers). On the other hand, basic quality IGP and VDF wines are not selling as quickly.

The market trend is still uncertain for rosé wines, as inventories remain in balance. There are several reasons behind this, but the main explanation is that most of the big French buyers are still negotiating pricing with producers and covering only their current bottling needs.

There could soon be two parallel markets for entry-level and top quality products, which wasn't the case last year. Bottlers are claiming a price softening (except for Cabernet Sauvignon in undersupply), whereas producers want to increase pricing or at least maintain last year's pricing.

The influence of Spanish/Italian/New World imports are impacting the negotiation capability of growers, as many bottlers have swapped their supply for famous wine brands in favor of these wine producing countries.

GERMANY

TIME ON TARGET

The quality of the 2015 harvest in Germany appears to be promising. Grapes came in very healthy, with high ripeness and moderate acidity. The crop size was about average compared to the last 10 years (about 9 million hectoliters +/-). Since buyers bought as much as they could already, there is almost no market activity for finished wine at the moment. Therefore, most price indications are more of a guessing game, as there is no current trade. It is safe to say that prices for some German wines will find themselves on a lower level than we have seen in past years.

CURRENT MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2014/2015	White Wine	0.80 – 0.90	↔	2014/2015	Red Wine	0.65 – 0.80	↔
2014/2015	Pinot Grigio	0.95 – 1.20	↔	2014/2015	Dornfelder	0.95 – 1.05	↔
2014/2015	Riesling	0.95 – 1.20	↔	2014/2015	Pinot Noir	0.90 – 1.00	↔

FACTS & FIGURES

Wine Imports to Germany: July 2014 to June 2015

Country	Amount (hl)	Value in 1,000 EUR	Average EUR/hl	+/- vs. Previous Year Volume (%)	+/- vs. Previous Year Value (%)
Italy	5,408,000	845,000	156	- 3.0	- 4.3
France	2,416,000	744,000	308	- 4.1	13.9
Spain	3,487,000	346,000	99	11.0	- 6.0
USA	495,000	103,000	207	- 6.9	6.6
South Africa	887,000	92,000	104	- 3.2	0
Chile	512,000	69,000	136	- 17.5	- 5.7
Austria	309,000	62,000	199	17.5	10.3
Australia	457,000	59,000	130	13.8	11.2
Portugal	155,000	35,000	225	6.2	7.2
Greece	95,000	17,000	184	- 14.0	- 12.7
TOTAL	14,863,000	2,452,000	165	- 0.3	1.9

While the annual imported volume decreased by 4,472,317 liters compared to last year, wine became more expensive and increased the import value by 45,719,333 Euros. France benefited from this the most, as the average price of French wine imports increased from 2.70 to 3.08 Euros. Due to low prices, Spain ranks second in terms of volume and increased by 34 million liters compared to the previous year. Meanwhile, overseas business shifted. Australia won back some important terroir, with the largest increase in volume and a significant increase in value, while Chile suffered the biggest decrease in volume by 10.9 million liters.

Source: Weinwirtschaft issue 17/2015

ITALY

TIME ON TARGET

In recent days, there have been many “old” German buyers that have come back to Italy asking for offers and closing some deals. Prosecco pricing has continued on an upward trend and is currently around 2 Euros per liter. Producers are having difficulty meeting strong demand from buyers. We will see how the situation develops through the end of the year.

MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2015	Generic White	0.32 – 0.35	↔	2015	Generic Red	0.32 – 0.35	↔
2015	Chardonnay	0.60 – 0.85	↔	2015	Cabernet Sauvignon	0.60 – 0.80	↔
2015	Pinot Grigio	1.05 – 1.15	↔	2015	Merlot	0.55 – 0.75	↔
2015	Prosecco	1.70 – 1.85	↔	2015	Chianti	1.55 – 1.80	↔

Please note that these prices are estimates for the 2015 harvest

FACTS & FIGURES

Vintage 2014 Pinot Grigio is sold out and 2015 Pinot Grigio is seeing good demand with pricing that will likely increase. On average, quality of generic red and white wine is looking good, particularly for red wines. Abruzzo, Puglia and Sicily are seeing good quality for both Italian and international varieties. Primitivo and Montepulciano d’Abruzzo are still seeing strong demand and will see pricing at or above 2014 pricing.

The 7th World Bulk Wine Exhibition will take place in Amsterdam from November 23-24. It should be an interesting exhibition for Italian products and many suppliers will be in attendance.

SOUTH AFRICA

TIME ON TARGET

Local and export sales have shown the same trend over the last 4 months. There has been a lack of rain in almost all regions of South Africa and water restrictions have been put in place. Wine growing regions are not seen any big problems at this stage, as the fruit, cattle and wheat farming areas have experienced. The South African Rand has stayed at the same level as last month against the US Dollar and Euro. Analysts are divided as to where the Rand will go in the coming months.

The weakening of the Rand has made many imports into South Africa more expensive. This will also have an effect on the wine industry, because all products and machinery is imported for use in the South African wine industry. At this stage, pricing is stable for all wines, with better pricing for spot deals with larger volumes and fast shipment. With the current warm and dry conditions, expectations are for an early harvest this year and could start as early as the end of January in many areas.

CURRENT MARKET PRICING

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

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2015	Generic White	4.70 – 5.00	↔	2014/2015	Generic Red	5.40 – 6.30	↓
2015	Chardonnay	6.50 – 7.50	↑	2014/2015	Cabernet Sauvignon	6.80 – 8.00	↔
2015	Sauvignon Blanc	6.50 – 8.50	↑	2014/2015	Ruby Cabernet	6.00 – 6.30	↔
2015	Chenin Blanc	4.80 – 5.40	↔	2014/2015	Merlot	6.50 – 8.00	↓
2015	Muscat	5.60 – 6.00	↔	2014/2015	Pinotage	6.35 – 7.50	↓
2015	Generic Rosé	4.95 – 6.00	↔	2014/2015	Shiraz	6.50 – 8.25	↓
2015	Cultivar Rosé	5.60 – 6.60	↔	2014/2015	Cinsaut	5.80 – 6.30	↔

FACTS & FIGURES

Top 5 Export Countries Per Volume (in liters) October 2014 to September 2015

Country	Packaged Exports	Bulk Exports	Total Exports
United Kingdom	40,300,942	70,027,827	110,328,769
Germany	18,840,692	64,301,468	83,142,160
Sweden	16,838,432	7,413,187	24,251,619
France	636,646	23,234,269	23,870,915
The Netherlands	14,512,353	7,275,745	21,788,098

SPAIN

TIME ON TARGET

The buying campaign in Spain began with uncertainty regarding the actual crop size. While growers associations are expecting the crop to be between 41 and 42 million hectoliters, “insiders” believe it could be 1 to 2 million hectoliters more. The white grape varietal crop is down by at least 15-20%. In order to maintain a reasonable volume of white wine available, this adjustment was made for both grape juice and concentrate production, with a loss of roughly a couple million hectoliters. Overall, the Spanish market should remain competitive, with a reasonable and moderate price increase, due to the fact that grapes were bought at a higher price than last year. A balanced inventory with moderate old wine carry-over stock should allow for price stability over the next six months.

CURRENT MARKET PRICING

ALL PRICING IN EUR PER LITER; EX-WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2015	Generic White	0.31 – 0.38	↑	2015	Generic Red	0.31 – 0.40	↔
2015	Sauvignon Blanc	0.52 – 0.56	↔	2015	Cabernet Sauvignon	0.48 – 0.52	↔
2015	Chardonnay	0.60 – 0.65	↔	2015	Merlot	0.48 – 0.52	↔
2015	Generic Rosé	0.31 – 0.40	↔	2015	Tempranillo	0.32 – 0.45	↔
2015	Moscatel	0.50 – 0.65	↓	2015	Syrah	0.45 – 0.50	↔

Please note that these prices are estimates for the 2015 harvest

FACTS & FIGURES

In terms of market activity, both national and international buyers are now busy visiting wineries and marking their wine selections to cover their short/mid-term needs. Quality is very satisfying overall, due to perfect ripening and harvest conditions in the month of October. International varietal wines in Spain (Merlot, Cabernet Sauvignon, Syrah, Sauvignon Blanc and Chardonnay) are gaining more interest each year from European buyers who are swapping their historic supply in favor of Spain. French buyers are very active, due to the increase in French varietal wines seen last year.

According to the OEMV, between September 2014 and August 2015, Spanish exports (wine, juice, vinegar and aromatized wine beverages) reached 2,854.16 million liters in volume (up 17.1% compared to the previous period). This totals 2,953.83 million Euros in export sales, and an increase of 3.4%, compared to previous period.

This places Spain as the top ranking global wine exporter (in volume) in 2014-2015, ahead of Italy. In terms of value, the main destination markets for Spain remain Germany, the UK and France, but in terms of volume, France leads the way, followed by Germany and Italy.

BUYER'S PAGE: THE UNITED STATES

WINE SALES

While sales of wine continue to plow ahead in 2015, there has been a lot of discussion about the growth of the over \$10/bottle category, versus the flat to declining sales of the under \$10/bottle category. Current figures tend to support this line of thinking. As of August 2015, 4 of the top 10 wineries (case goods) have posted gains year over year through August, with the rest posting flat to small declines. By contrast, 8 of the next 10 wineries posted gains versus declines (Source: Gomberg-Fredrickson). This is interesting to say the least, but one must also remember that the under \$10 category represents 75% of the volumes sold in the United States, which forms the base of the wine production pyramid: growers, wineries and, traditionally, consumers.

IMPORTS – VS – EXPORTS

While the value of the US Dollar has continued to gain versus other currencies, and the price of imports continues to fall, relatively speaking. Thus, imports, especially bottled goods, continue to post gains in most regions around the world.

US Imports by Country of Origin, January to July 2015

	Value (USD million)	Change (%)	Volume (million cases)	Change (%)
Italy	1,011.3	0	21.4	9
France	814.5	2	8.1	12
Spain	195.3	- 5	4.7	2
Australia	251.3	- 7	10.0	- 6
New Zealand	200.0	8	3.3	5
Chile	162.1	- 11	9.0	- 21
Argentina	209.4	- 4	7.8	0
Portugal	51.0	5	1.2	18
WORLD TOTAL	3,124.0	0	76.4	3

Source: RABOBANK

QUESTION

Does the legalization of marijuana impact the sale of wine?

Case in point Colorado: Please follow the link on our website to a presentation given by Jim Smith of Republic National Distributing Company at the Wine Industry Financial Symposium in September of 2015. It will make you wonder about the future!!

Export Pricing: USD per liter
Currency Conversion Rates as of November 9, 2015

ARGENTINA

Pricing in bulk; FCA

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2015	Generic White	0.32	-	0.35	↔	2015	Generic Red	0.40	-	0.45	↔
2015	Generic White (Criolla)	0.30	-	0.32	↔	2015	Cabernet Sauvignon	0.70	-	0.80	↔
2015	Chardonnay	0.65	-	0.75	↔	2015	Malbec Entry-Level	0.80	-	0.90	↔
2015	Torrontes	0.40	-	0.50	↔	2015	Malbec Mid-Level	0.90	-	1.20	↔
2015	Sauvignon Blanc	0.55	-	0.65	↔	2015	Malbec Premium	1.20		+	↔
2015	Muscat	0.35	-	0.45	↔	2015	Syrah / Merlot	0.60	-	0.70	↔
2015	Bonarda	0.50	-	0.70	↔	2015	Tempranillo	0.60	-	0.70	↔

AUSTRALIA & NEW ZEALAND

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Dry White	0.35	-	0.46	↑	NV	Dry Red	0.42	-	0.53	↔
2015	Chardonnay	0.49	-	0.63	↑	2015	Cabernet Sauvignon	0.53	-	0.67	↔
2015	Sauvignon Blanc	0.60	-	0.70	↔	2015	Merlot	0.49	-	0.63	↔
2015	NZ Marlborough SB	3.42	-	3.87	↓	2015	Shiraz	0.53	-	0.67	↔
2015	Pinot Gris	0.77	-	0.92	↔	2015	Muscat	0.49	-	0.63	↔

AUD Rate: 0.704290

NZD Rate: 0.653604

CALIFORNIA

Pricing in bulk; FCA

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014	Generic White	0.60	-	0.80	↔	2014	Generic Red	0.80	-	1.05	↓
2014	Chardonnay	0.99	-	1.32	↔	2013/2014	Cabernet Sauvignon	1.45	-	2.11	↑
2014	Pinot Grigio	1.58	-	1.98	↔	2014	Merlot	1.05	-	1.58	↔
2014	Muscat	0.92	-	1.32	↓	2014	Pinot Noir	1.58	-	2.11	↑
2014	White Zinfandel	0.85	-	0.99	↔	2014	Syrah	1.18	-	1.58	↔
2014	Colombard	0.73	-	0.99	↔	2013/2014	Zinfandel	1.45	-	1.85	↔

CHILE

Pricing in bulk; FOB Chilean Port

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
NV	Generic White	0.45	-	0.55	↔	NV	Generic Red	0.39	-	0.45	↑
2015	Chardonnay	0.95	-	1.05	↔	2015	Cabernet Sauvignon (Basic)	0.49	-	0.54	↑
2015	Chardonnay (Varietal Plus)	1.15	-	1.40	↔	2015	Cabernet Sauvignon	0.55	-	0.80	↑
2015	Sauvignon Blanc	0.70	-	0.85	↔	2014/2015	Cabernet Sauvignon (High Quality)	1.50	-	4.00	↔
2015	Pinot Noir	0.85	-	1.15	↑	2015	Merlot	0.51	-	0.63	↑
2015	Syrah	0.48	-	0.58	↑	2015	Malbec	0.60	-	0.70	↑
2015	Carmenere	0.48	-	0.58	↑	2015	Malbec (Varietal Plus)	0.00	-	0.00	↑

FRANCE

Pricing in bulk; Ex-Winery

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2015	Generic White	0.86	-	0.91	↓	2015	Generic Red	0.75	-	0.81	↓
2015	Chardonnay	1.24	-	1.29	↓	2015	Cabernet Sauvignon	1.02	-	1.08	↑
2015	Sauvignon Blanc	0.97	-	1.08	↓	2015	Merlot	0.97	-	1.02	↓
2015	Generic Rosé	0.81	-	0.91	↓	2015	Syrah	0.97	-	1.02	↔
2015	Varietal Rosé	0.91	-	0.97	↓						

* Please note that these prices are estimates for the 2015 harvest

Rate: 1.075630

GERMANY

Pricing in bulk; Ex-Winery

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2014/2015	White Wine	0.86	-	0.97	↔	2014/2015	Red Wine	0.70	-	0.86	↔
2014/2015	Pinot Grigio	1.02	-	1.29	↔	2014/2015	Dornfelder	1.02	-	1.13	↔
2014/2015	Riesling	1.02	-	1.29	↔	2014/2015	Pinot Noir	0.97	-	1.08	↔

Rate: 1.075630

ITALY

Pricing in bulk; Ex-Winery

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2015	Generic White	0.34	-	0.38	↔	2015	Generic Red	0.34	-	0.38	↔
2015	Chardonnay	0.65	-	0.91	↔	2015	Cabernet Sauvignon	0.65	-	0.86	↔
2015	Pinot Grigio	1.13	-	1.24	↔	2015	Merlot	0.59	-	0.81	↔
2015	Prosecco	1.83	-	1.99	↔	2015	Chianti	1.67	-	1.94	↔

Rate: 1.075630

SOUTH AFRICA

Pricing in bulk; FOB Cape Town

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2015	Generic White	0.33	-	0.35	↔	2014/2015	Generic Red	0.38	-	0.44	↓
2015	Chardonnay	0.45	-	0.52	↑	2014/2015	Cabernet Sauvignon	0.48	-	0.56	↔
2015	Sauvignon Blanc	0.45	-	0.59	↑	2014/2015	Ruby Cabernet	0.42	-	0.44	↔
2015	Chenin Blanc	0.34	-	0.38	↔	2014/2015	Merlot	0.45	-	0.56	↓
2015	Muscat	0.39	-	0.42	↔	2014/2015	Pinotage	0.44	-	0.52	↓
2015	Generic Rosé	0.35	-	0.42	↔	2014/2015	Shiraz	0.45	-	0.58	↓
2015	Cultivar Rosé	0.39	-	0.46	↔	2014/2015	Cinsaut	0.41	-	0.44	↔

Rate: 0.069871

SPAIN

Pricing in bulk; Ex-Winery

Vintage	Variety	Price			Trend	Vintage	Variety	Price			Trend
2015	Generic White	0.33	-	0.41	↑	2015	Generic Red	0.33	-	0.43	↔
2015	Sauvignon Blanc	0.56	-	0.60	↔	2015	Cabernet Sauvignon	0.52	-	0.56	↔
2015	Chardonnay	0.65	-	0.70	↔	2015	Merlot	0.52	-	0.56	↔
2015	Generic Rosé	0.33	-	0.43	↔	2015	Tempranillo	0.34	-	0.48	↔



CIATTI
GLOBAL WINE & GRAPE BROKERS

CONTACT US

ARGENTINA

Eduardo Conill
T. +54 261 420 3434
Email: eduardo@ciatti.com.ar

AUSTRALIA/NEW ZEALAND

Matt Tydeman
Simone George
T. +61 8 8361 9600
Email: Matt@ciatti.com.au
Email: simone@ciatti.com.au

CALIFORNIA – IMPORT / EXPORT

CEO - Greg Livengood
Steve Dorfman
T. +415 458-5150
Email: greg@ciatti.com
Email: steve@ciatti.com

CALIFORNIA – DOMESTIC

T. +415 458-5150
John Ciatti – john@ciatti.com
Glenn Proctor – glenn@ciatti.com
John White – johnw@ciatti.com
Chris Welch – chris@ciatti.com

CONCENTRATE

Greg MaGill
T. 559 977 4040
gregm@ciatti.com

CANADA & US CLIENTS OUTSIDE OF CALIFORNIA

Dennis Schrapp
T. 905/354-7878
Email: dennis@ciatticanada.com

CHILE

Marco Adam
T. +56 2 2363 9206 or
T. +56 2 2363 9207
Email: madam@ciattichile.cl

CHINA/ASIA PACIFIC

Simone George
T. +61 8 8361 9600
Email: simone@ciatti.com.au

FRANCE/ITALY

Florian Ceschi
T. +33 4 67 913532
Email: Florian@ciatti.fr

GERMANY

Christian Jungbluth
T. +49 6531 9734 555
Email: christian@ciatti.biz

SPAIN

Nicolas Pacouil
T. +33 4 67 913531
Email: nicolas@ciatti.fr

UK / SCANDINAVIA / HOLLAND

Catherine Mendoza
T. +33 4 67 913533
Email: catherine@ciatti.fr

SOUTH AFRICA

Vic Gentis
T. +27 21 880 2515
Email: vic@ciatti.fr
-or-
Petre Morkel
T. +27 82 33 88 123
Email: petre@ciatti.co.za

AFRICA & MIDDLE EAST

Emile Gentis
T. +27 72 23 81 703
Email: emile@ciatti.co.za

CRAFT BEER

Rob Bolch
T. +1 707 738 4866
Email: rob@ciatti.com