

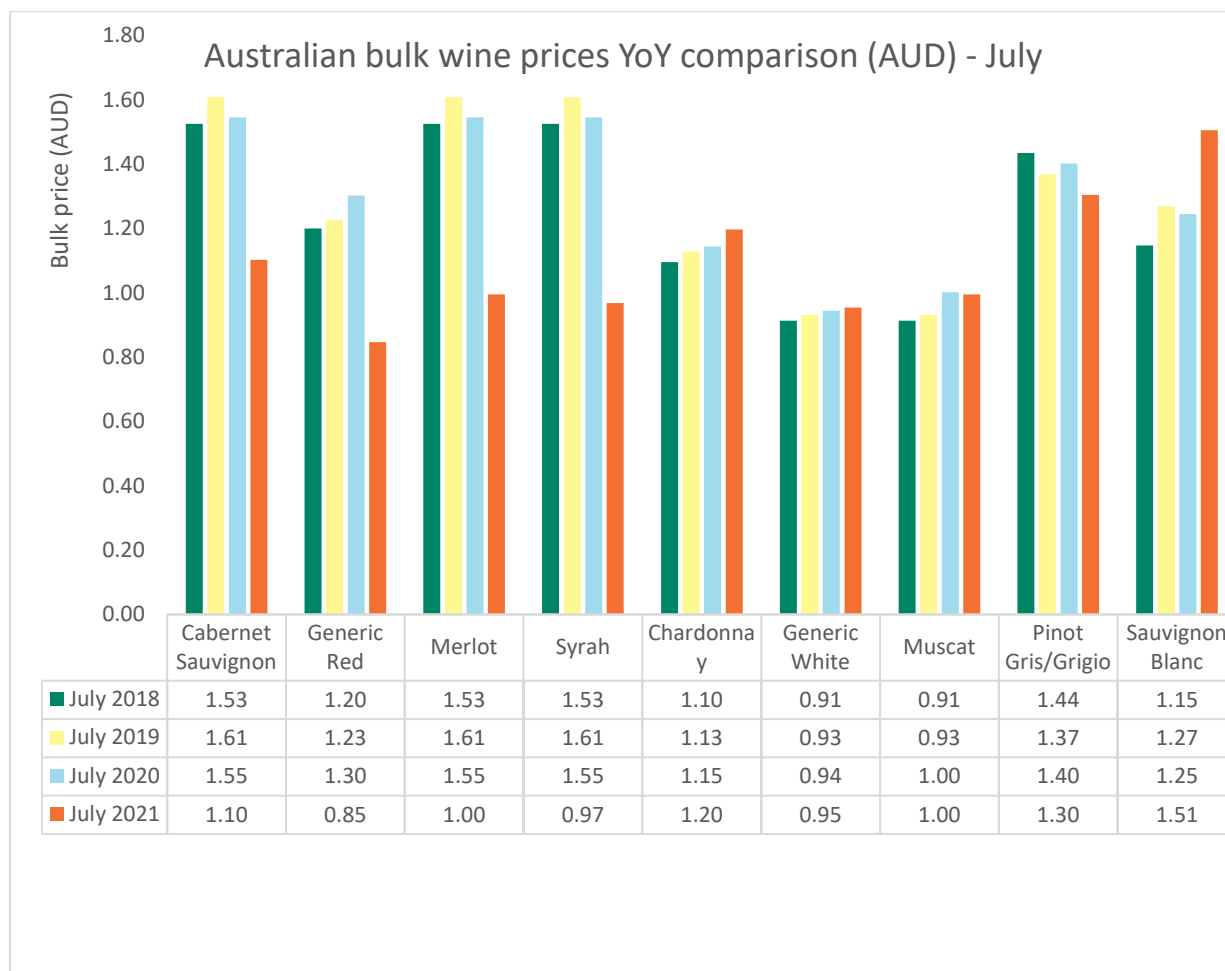
Bulk wine market update July 2021

Source: Ciatti Global Market Reports and historic data

Australian bulk wine prices for the major red varieties have dropped significantly in July 2021 compared with the same month in the previous three years, while prices for white varieties, particularly Sauvignon Blanc have generally increased or remained at a similar price.

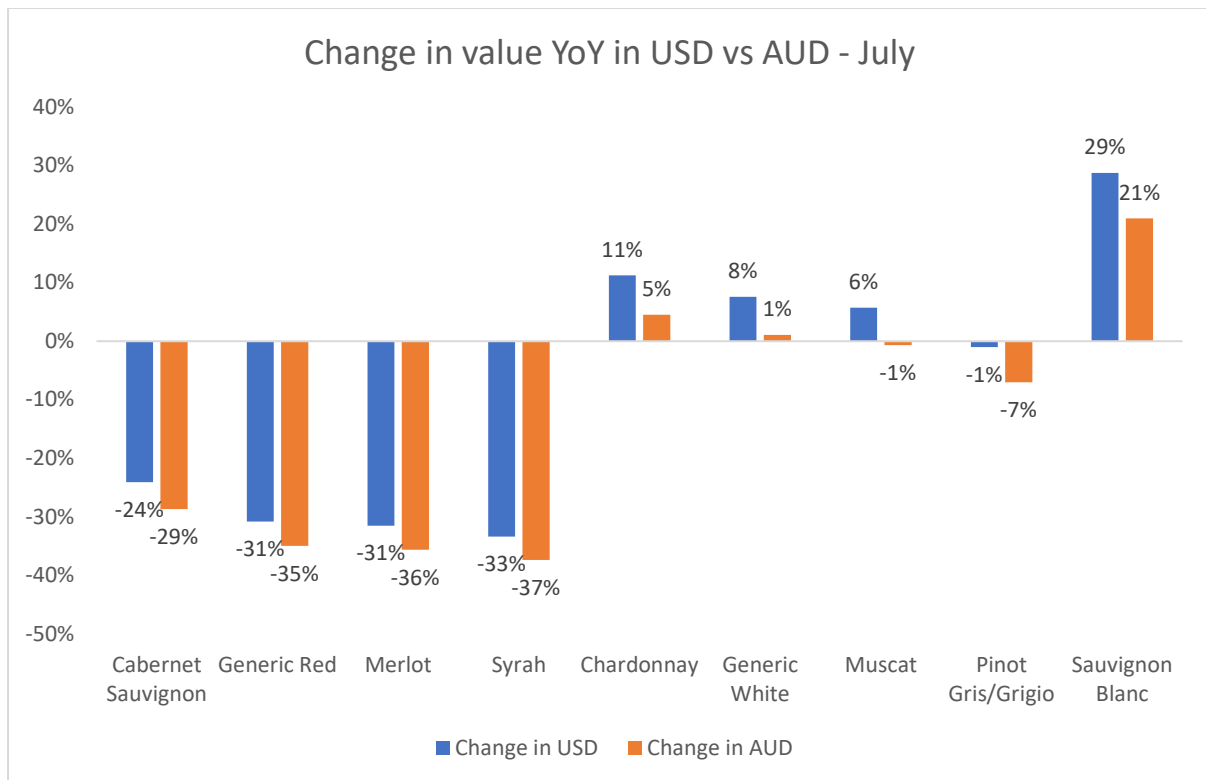
These prices relate to wine from the 2021 vintage.

Figure 1 Ciatti bulk wine prices for Australian wine by variety – past five years (July)



Generally, the declines in reds are larger and the increases in whites are smaller when looked at in AUD than in USD, as the AUD has strengthened since the same month in 2020 and 2019. When compared in USD, all the white varieties showed increases except Pinot Gris/Grigio.

Figure 2 Change in bulk wine prices for Australian wine by variety – USD vs AUD
(average exchange rate 0.7435 for July 2021 compared with 0.6986 in July 2020)

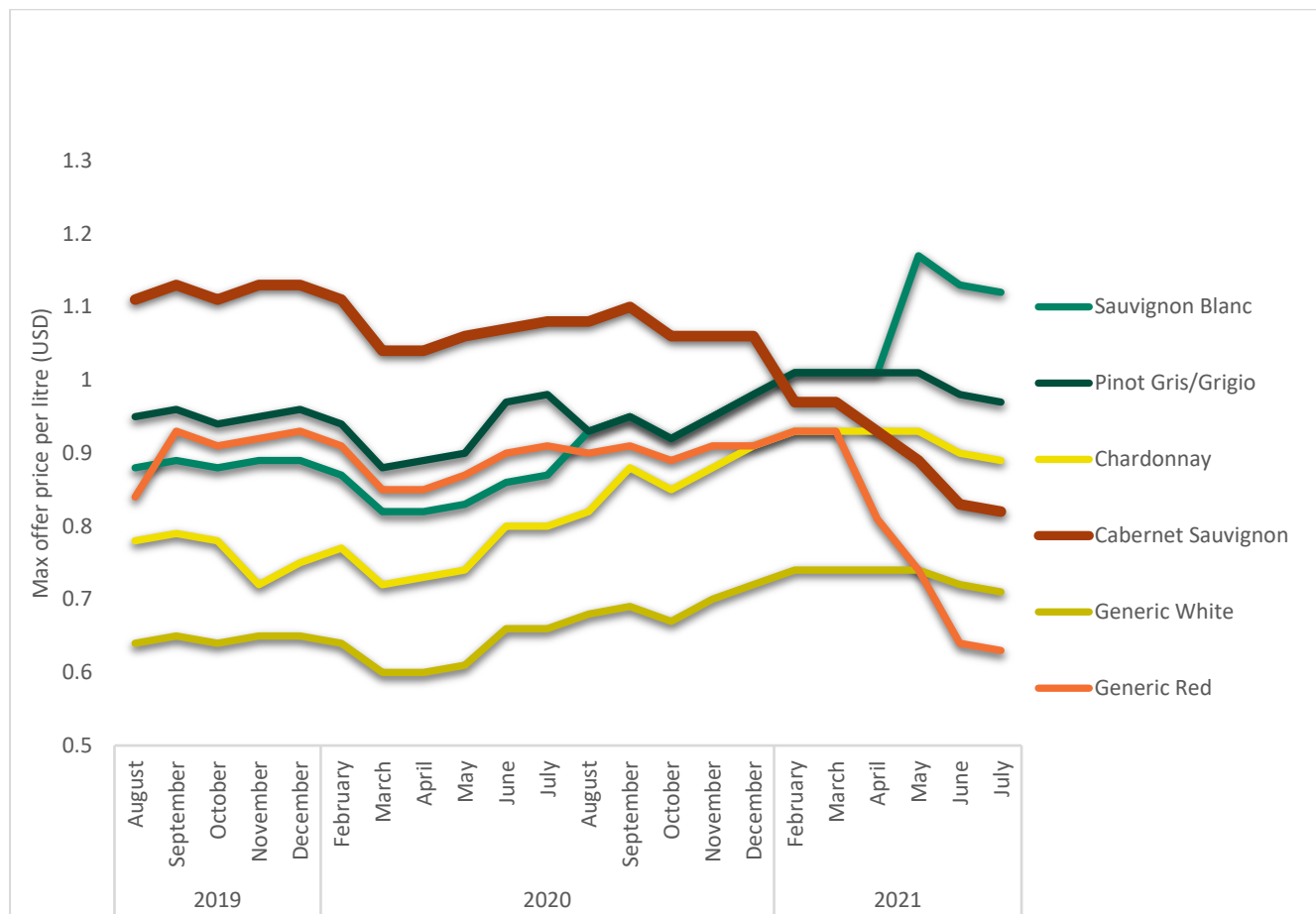


The monthly trend chart shows the dramatic decline in prices for reds since around November 2020, while the steady growth in white prices since early 2020 has shown signs of reversing in the past 2-3 months.

The average high price for Sauvignon Blanc, Pinot Gris/Grigio and Chardonnay have all been higher than for any reds since May 2021.

Note: Shiraz (Syrah) and Merlot have the same average value as Cabernet Sauvignon, which is used in the graph to represent all the major red varieties.

Figure 4 Monthly trend in prices of Australian bulk wine by variety 2019–20 (USD)



Australia’s bulk wine prices have also fallen on the global wine market compared with those of other countries. Figure 5 and Figure 6 compare average prices by variety across countries in July 2021 and in July 2020. Reds have fallen from being the highest or second highest in most cases to being the lowest or second lowest, while of the whites, only Sauvignon Blanc has remained in the top two countries by price.

Figure 5 Comparison of average bulk wine prices by country (July 2021)

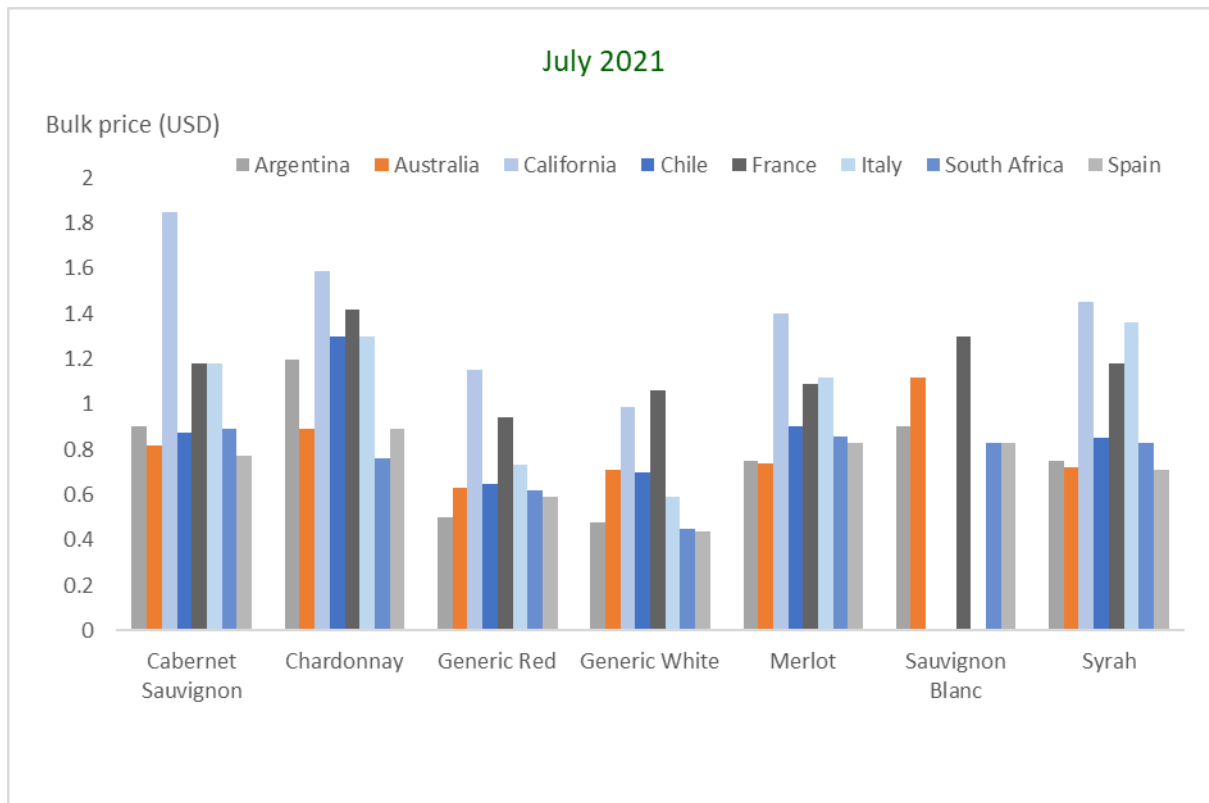
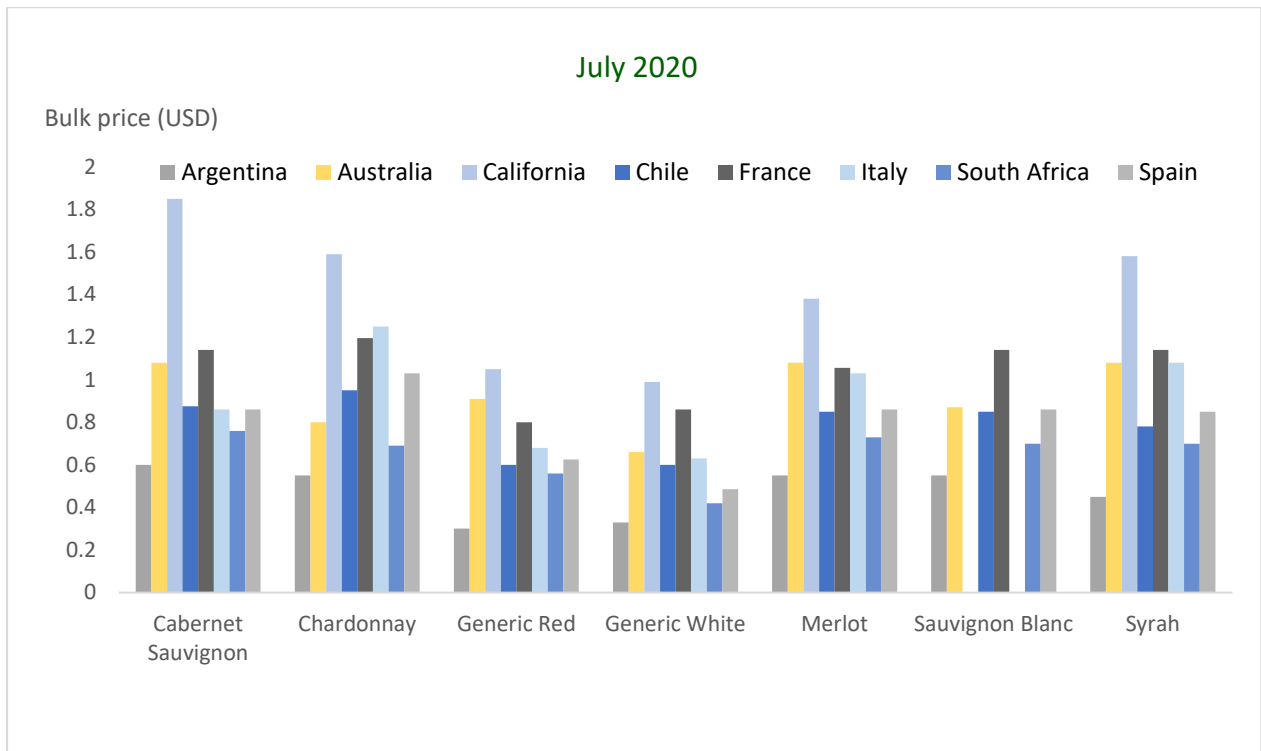


Figure 6 Comparison of average bulk wine prices by country (July 2020)



Report prepared by Wine Australia – July 2021.
 Prices are the high price per litre reported by Ciatti.
 Further information: market.insights@wineaustralia.com or <https://www.ciatti.com/ciatti-reports/>