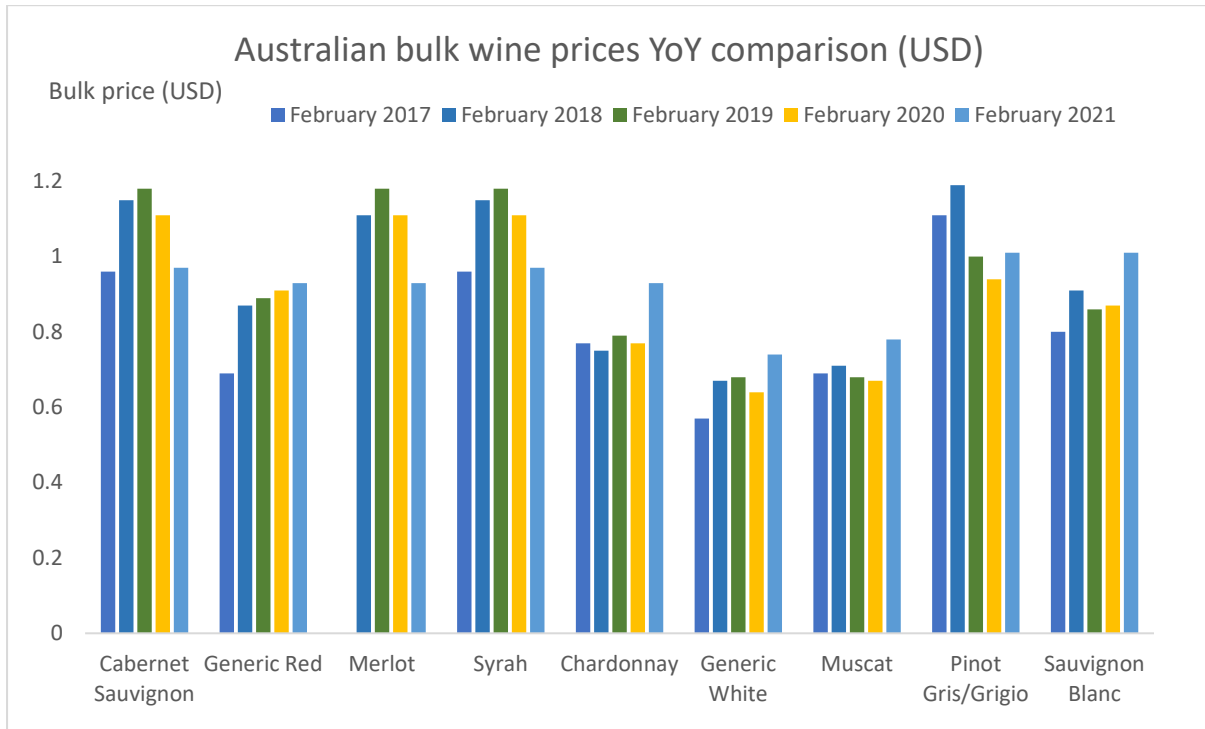


## Bulk wine market update February 2021

Source: Ciatti Global Market Reports and historic data

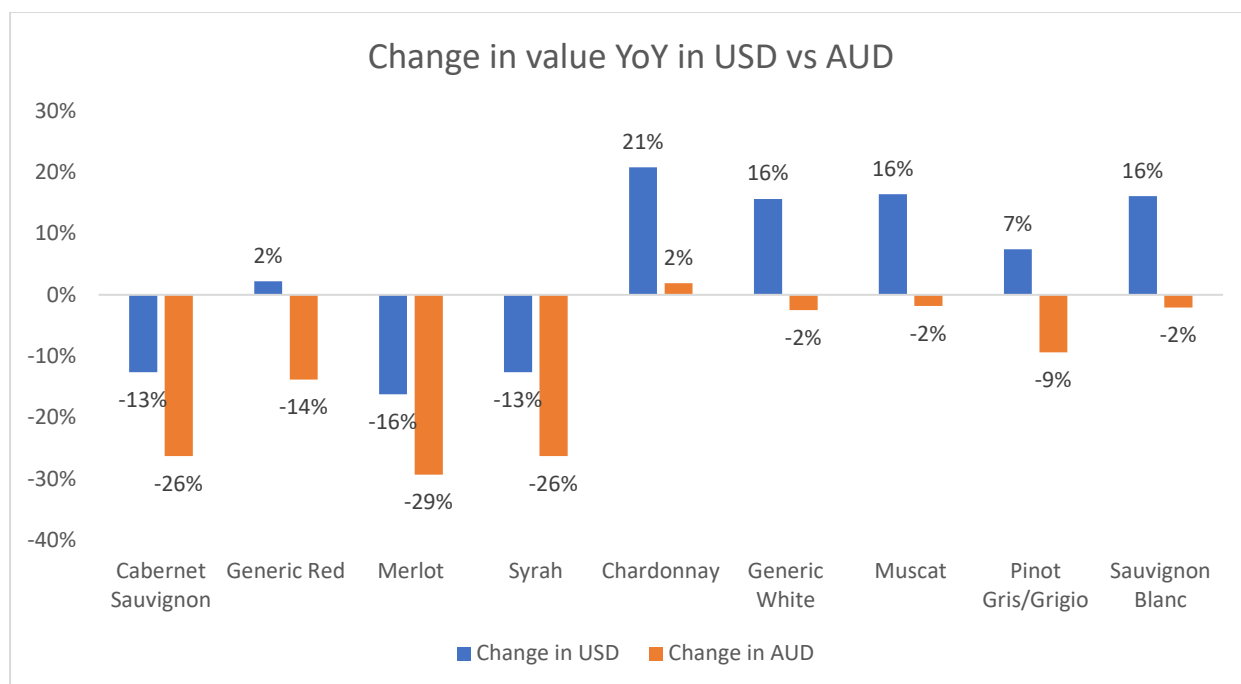
Australian bulk wine prices for the major red varieties have softened in February 2021 compared with the same month in the previous year, while prices for white varieties have increased significantly.

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



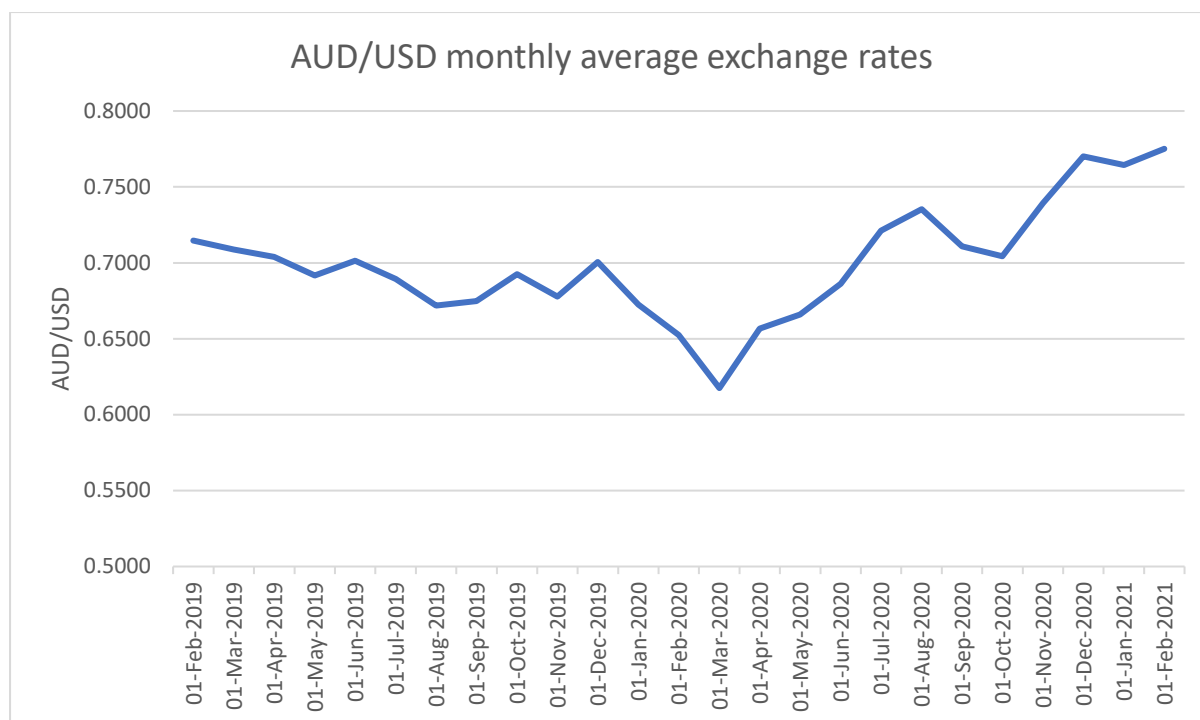
However, the price gains in USD are reversed when measured in AUD, as the AUD/USD has strengthened considerably since February 2020. In AUD, prices for red varieties declined by over 20% each.

**Figure 2** Change in bulk wine prices for Australian wine by variety – USD vs AUD  
(average exchange rate 0.7735 for Feb 2021 compared with 0.6524 in Feb 2020)



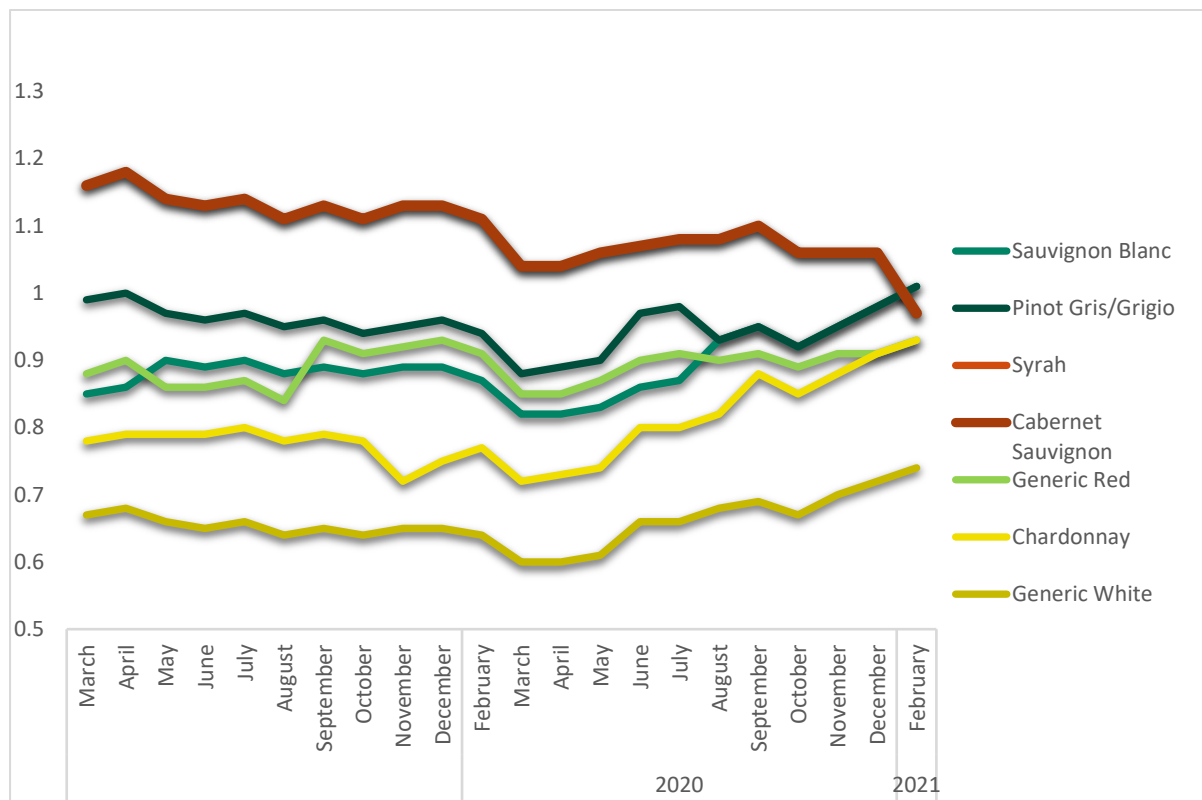
It should be noted that the AUD/USD exchange rate dipped unusually low in February-March 2020 (see figure 3) as the early impacts of the coronavirus pandemic were being realised, and is now higher than it has been at any time in the past two years. Therefore, the percentage change in bulk wine price measured from February to February in AUD is greatly accentuated, compared with comparisons made in USD or across periods of relatively steady exchange rates.

**Figure 3** AUD/USD exchange rates 2019-2021 (source: RBA)



The monthly trend chart shows the upward trend in white variety prices over the past 12 months, while red prices have been declining. In February, the average high price for Sauvignon Blanc and Pinot Gris/Grigio exceeded that of the main red varieties for the first time, with the red bulk wine price on the global market affected by the reduction in exports of Australian wine to China following the imposition of trade tariffs by the Chinese government.

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



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