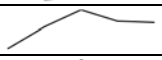
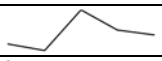
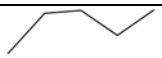
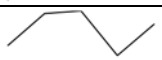
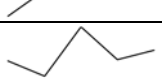
winefacts

# Global Supply Monitor

## Historical volume of wine production

| | Million litres | | | | | | |
|---|---|---|---|---|---|---|---|
| **Country** | **2011** | **2012** | **2013** | **2014** | **2015** | **Predicted 2016** | **Trend** |
| Italy | 4,277 | 4,562 | 5,400 | 4,470 | 4,887 | ↓ |  |
| France | 5,076 | 4,155 | 4,200 | 4,670 | 4,737 | ↓ |  |
| United States of America | 3,828 | 4,330 | 4,720 | 4,460 | 4,428 | → |  |
| Spain | 3,340 | 3,112 | 4,531 | 3,821 | 3,660 | → |  |
| Argentina | 1,547 | 1,178 | 1,498 | 1,520 | 1,336 | ↓ |  |
| Chile | 884 | 1,255 | 1,282 | 1,050 | 1,287 | ↓ |  |
| Australia | 1,126 | 1,236 | 1,246 | 1,092 | 1,200 | ↑ |  |
| South Africa | 973 | 1,057 | 1,098 | 1,132 | 1,131 | ↓ |  |
| World Total | 26,780 | 25,820 | 28,890 | 26,860 | 27,440 | ↓ |  |

Source: OIV

## 2016 Vintage Update

Italy

2016 vintage in Italy is progressing, having started later than last year. Quantity is uncertain at the moment but Sicily is reporting a drop in production by about 10-15 per cent. The Pinot Grigio harvest across the country is also down by about 15 per cent. Prosecco is one of the most in demand sparkling wines globally and any increases in supply are only just keeping up with demand.

France

Due to recent drought and windy conditions, as well as spring frost, rain and hail, the harvest in France is also being revised down, currently estimated to be about 10 per cent smaller than last year. Prices are therefore expected to be firmer and wine imports into France to continue to climb.

United States of America

The harvest in California is predicted to be about average in size. Ideal conditions this growing season means that the state should recover from its slightly smaller harvest last year. Also, cooler conditions towards the end of growing season helped grapes increase their size. The Central Valley is also looking average, with some varietals below average. However, Washington and Oregon are expected to produce record harvests, although still small compared to California.

Spain

The growing season in Spain has been very dry and what was expected to be a bumper harvest has now been revised down to an estimate in line with last year. The harvest also started late in Spain, with traditional Spanish varietals yet to begin. Prices are predicted to stay about the same as last year.

Argentina

Argentina's 2016 vintage was well below average, coming in around 1.75 million tonnes. Severe weather conditions caused by El Nino reduced the crop by about 25 per cent compared to the year before, which was also considered a small harvest. As such, grape prices have increased, by as much as 100 per cent for some varieties. This has caused an increase in the price of wine and resulted in a decrease in exports. **2017 update:** a polar front in September has caused concern for any vines roused in early spring weather.

Chile

As with Argentina, Chile experienced one of the most difficult grape harvests in its history. The estimated amount of wine to come from this vintage is 1,014 million litres, down 21 per cent from the previous year. However, it is reported that white wines have been of very good quality due to the cool growing conditions.
**2017 update**: a polar front in September has caused concern for any vines roused in early spring weather.

Australia

The Australian 2016 vintage was up 6 per cent from the year before at 1.81 million tonnes. Ideal growing conditions, as well as an increase in the demand for Australian wine exports, has lead to this increase in supply and also in grape prices. The average purchase price increased by 14 per cent to $526, driven mostly by increases in cool and temperate regions.

South Africa

South Africa's 2016 harvest is estimated to be about 6.7 per cent less than 2015. This decrease was a result of extremely dry conditions in some of the country's larger regions. The smaller crop and increase in demand has caused prices to firm up.
**2017 update:** cool tempartures and good rainfall have provided good growing conditions for the 2017 vintage so far.

Source: Ciatti

**NOTES & DEFINITIONS**
**Prepared:** September 2016
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