2023 National Vintage Survey

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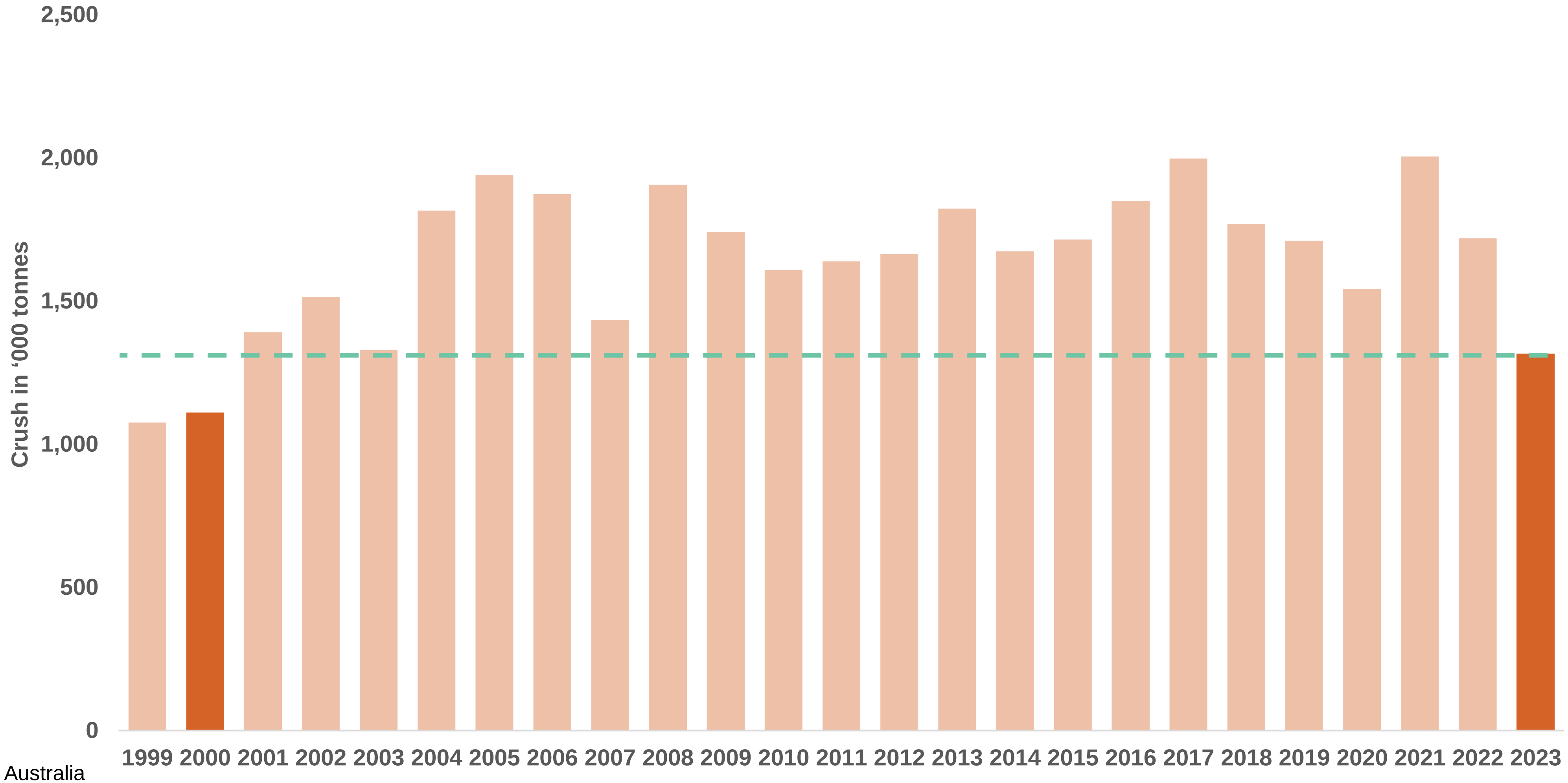
Outline

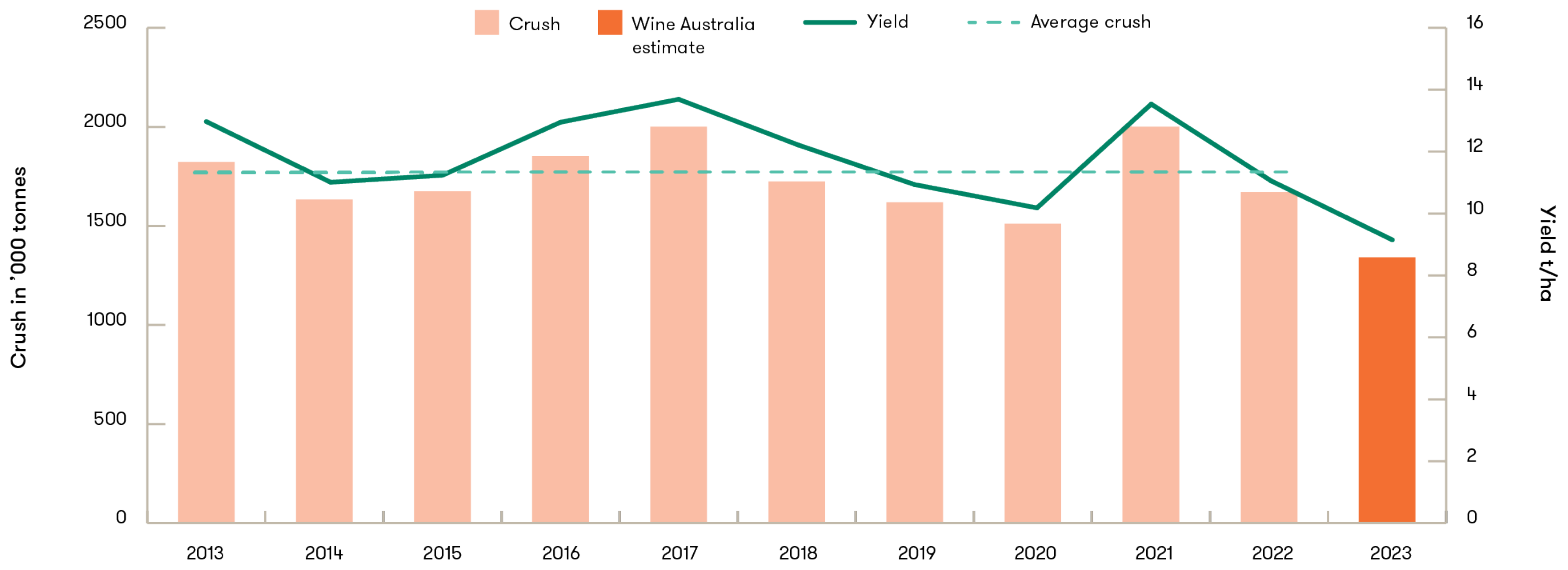
- National summary and vintage conditions
- Variety analysis
- Crush by state and region
- Price data analysis
- Global market conditions
- Looking ahead
- The One Sector Plan

2023 national crush the lowest in a generation



Source: Wine Australia

2023 national crush 26 per cent below the 10-year average

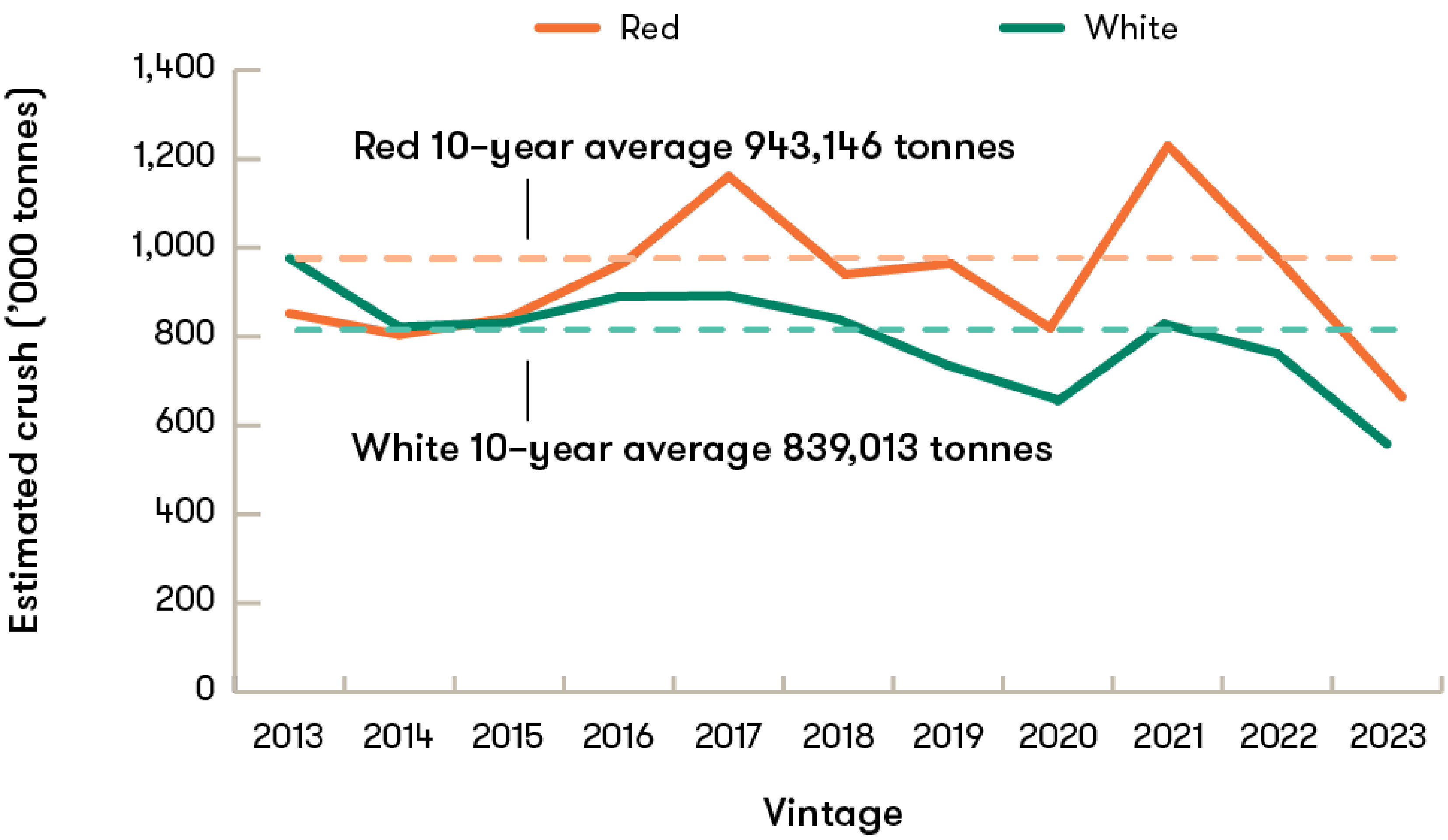


Source: Wine Australia

Vintage conditions ‘difficult and challenging’

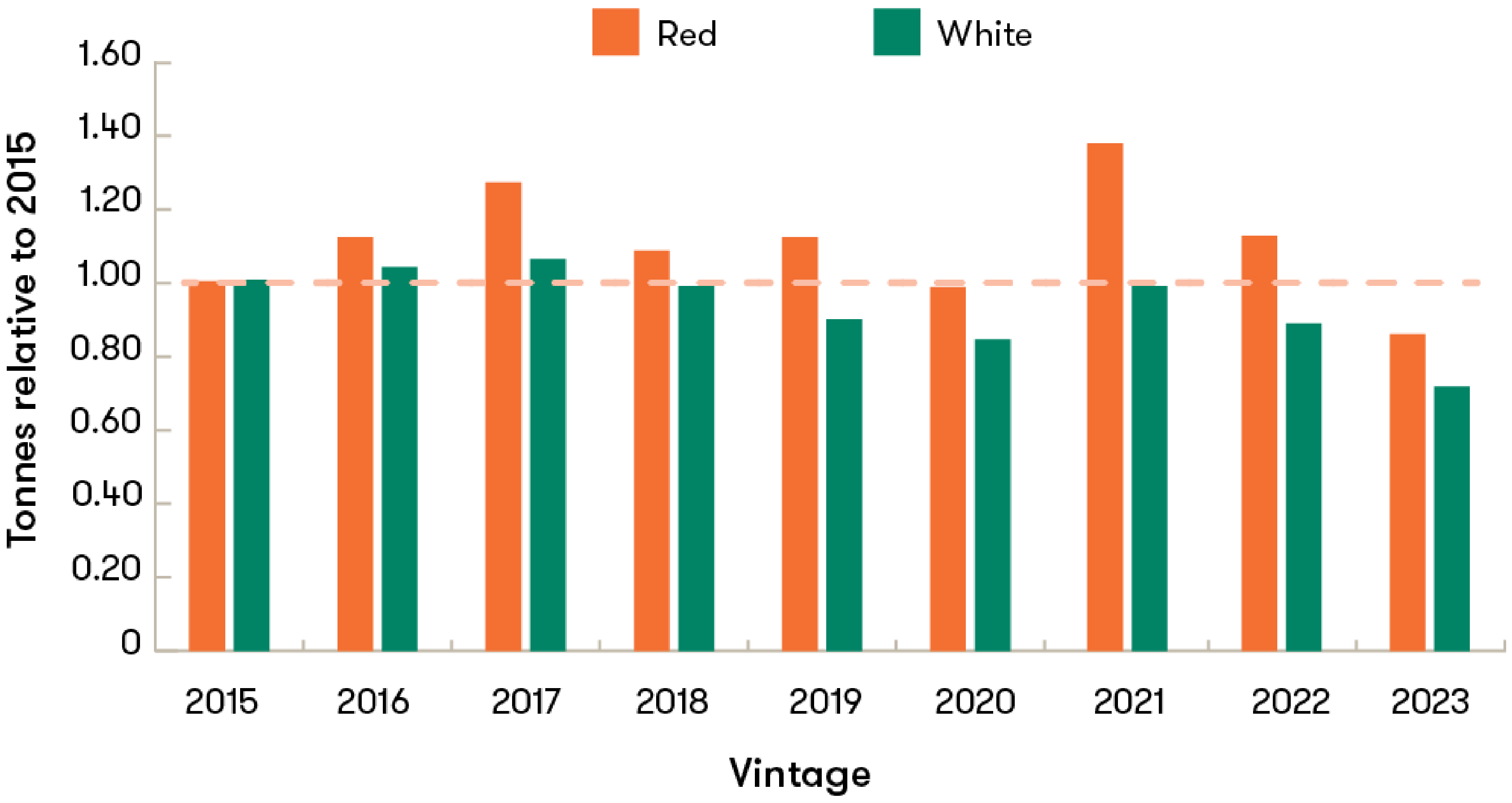
- Wettest year since 2011
- Coolest year since 2012
- Flooding in some regions
- Water-logged vineyards
- Disease pressure
- Staff and chemical shortages
- Low yields
- Late and slow ripening
- Yield caps
- ‘Rested’ vineyards
- Unharvested/unsold grapes

The national red crush down more than the white crush



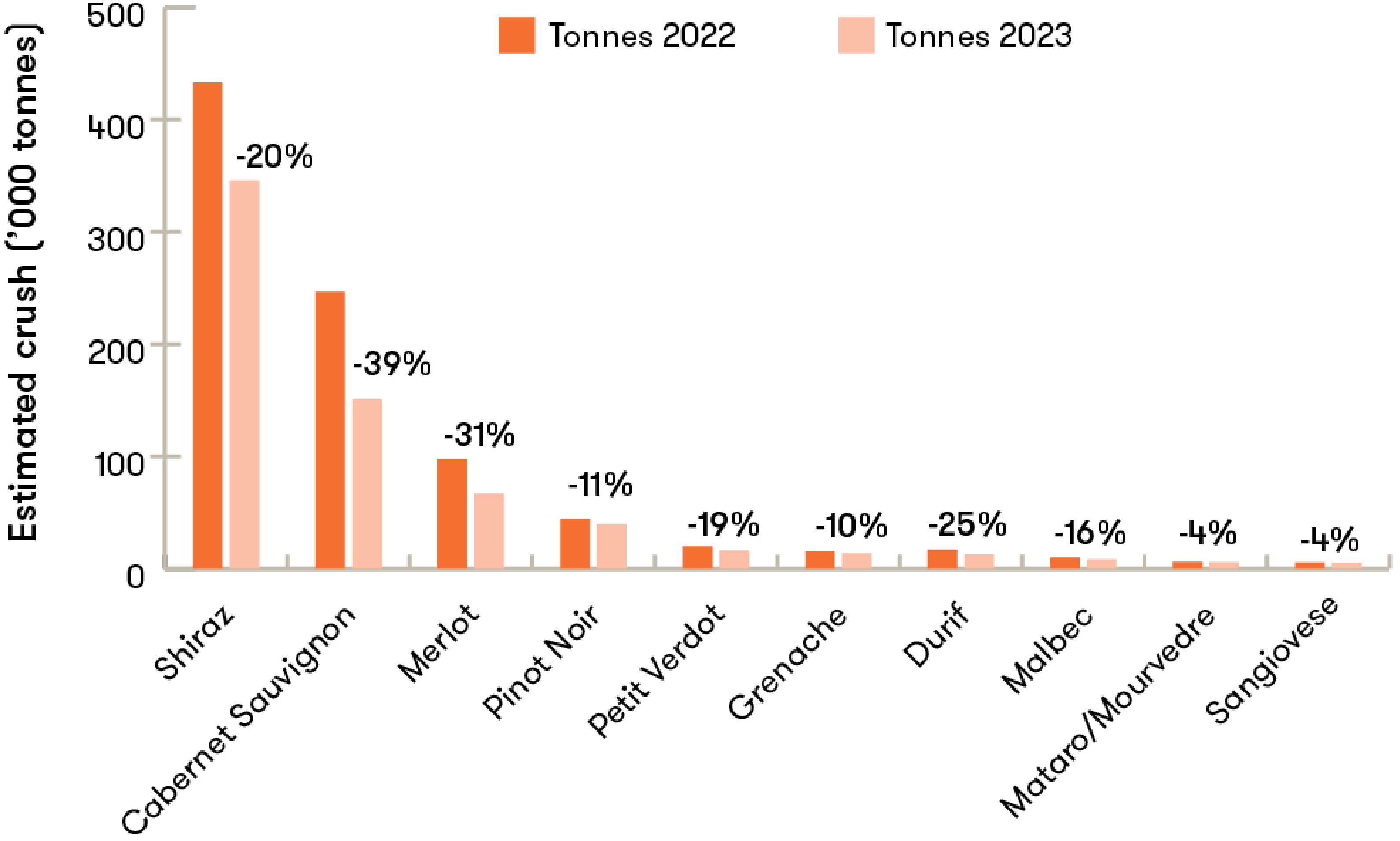
Source: Wine Australia

Whites have still decreased more than reds since 2015



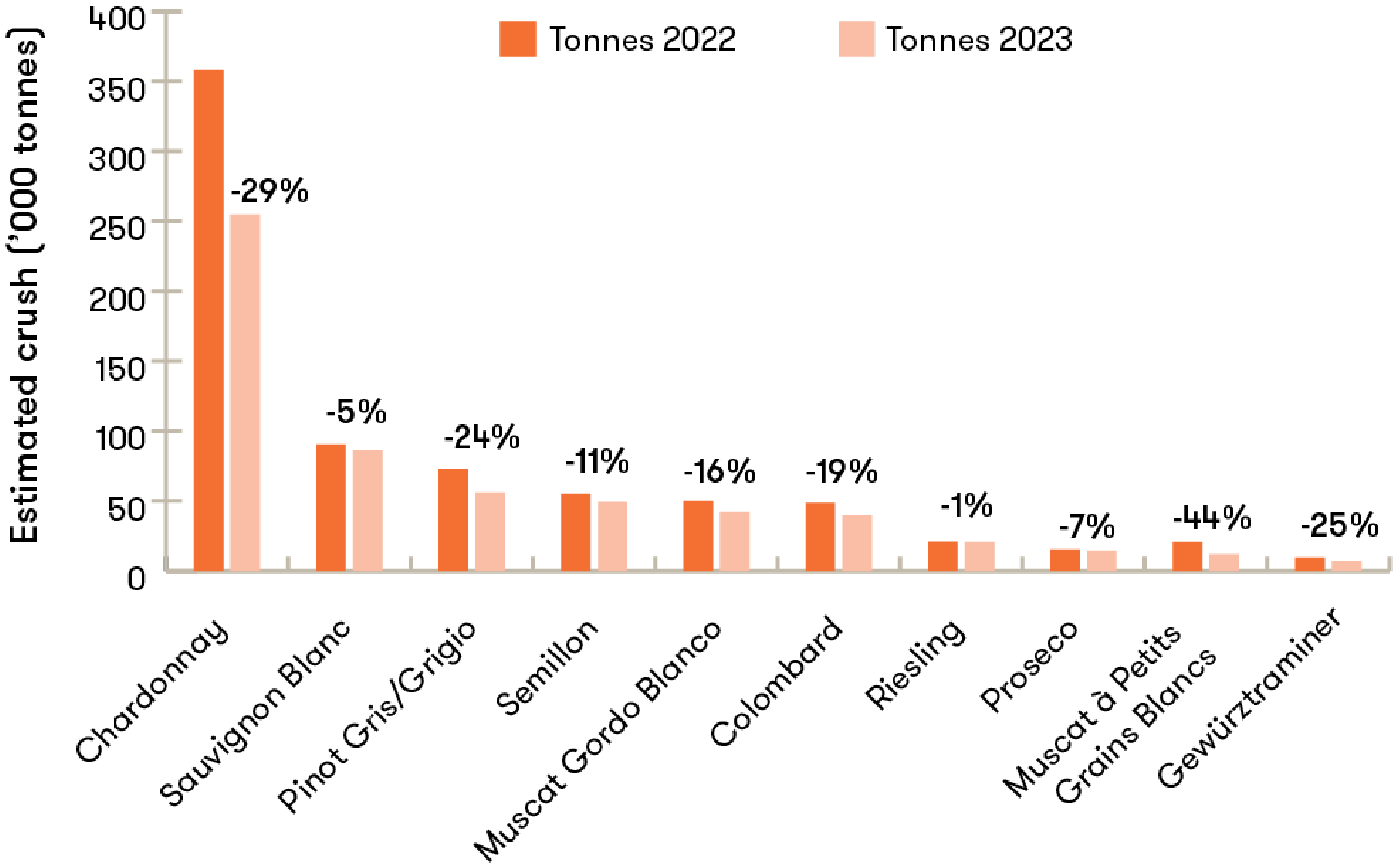
Source: Wine Australia

Reds - major three varieties hit the hardest



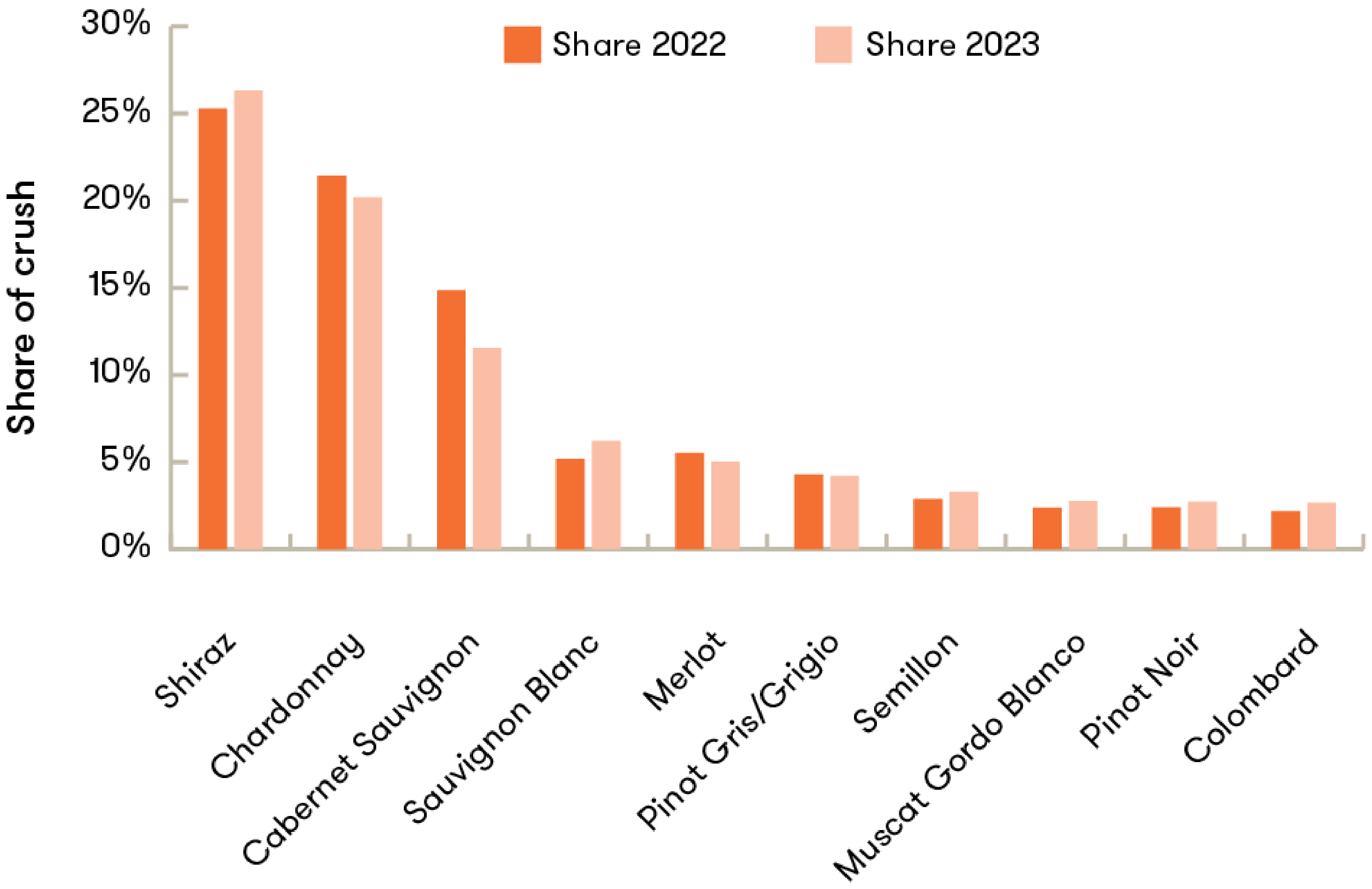
Source: Wine Australia

Whites - Chardonnay and Pinot Gris had the biggest falls



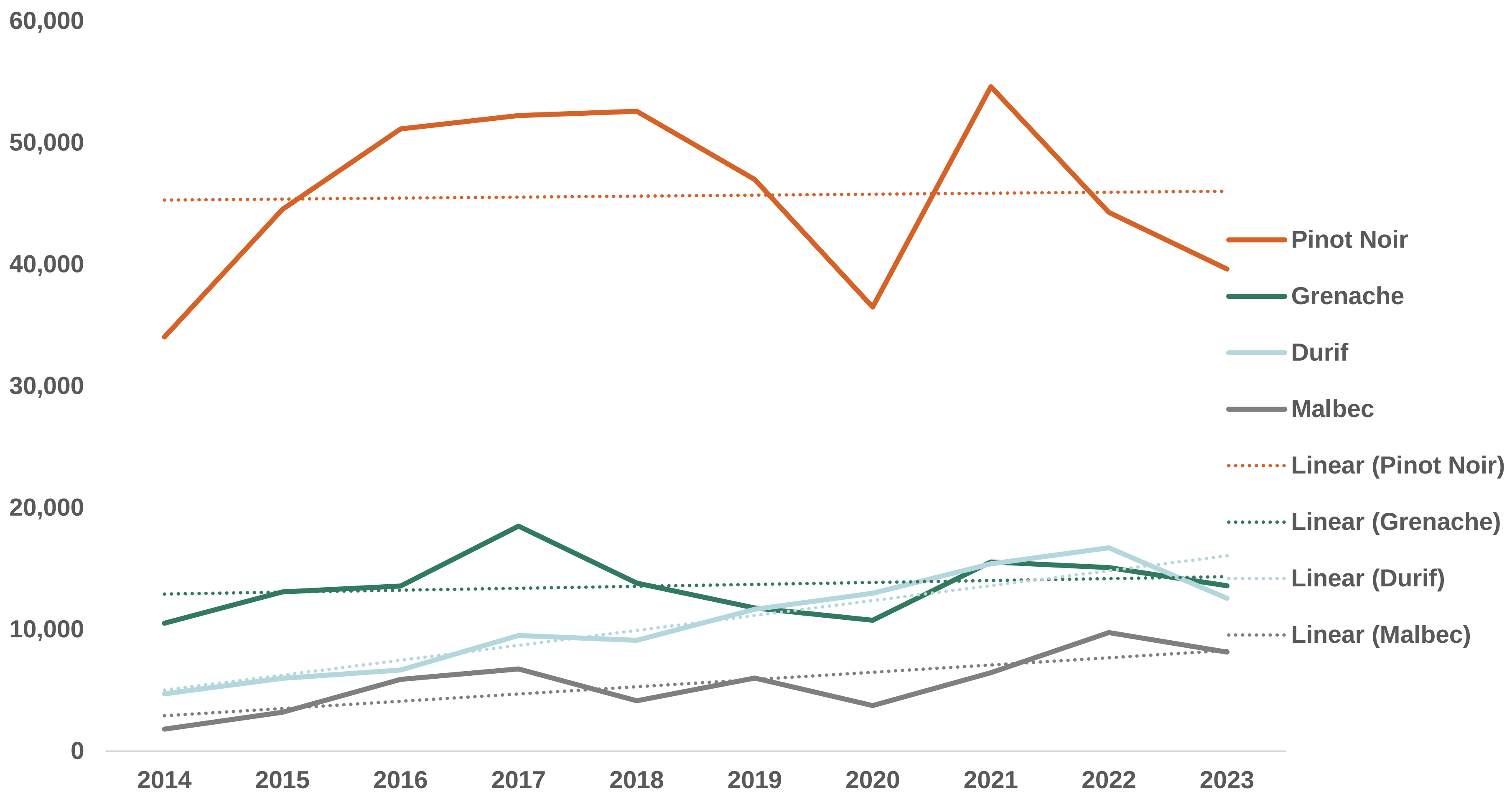
Source: Wine Australia

Little change to top 10 varieties



Source: Wine Australia

Limited growth in 'next tier' varieties (red)



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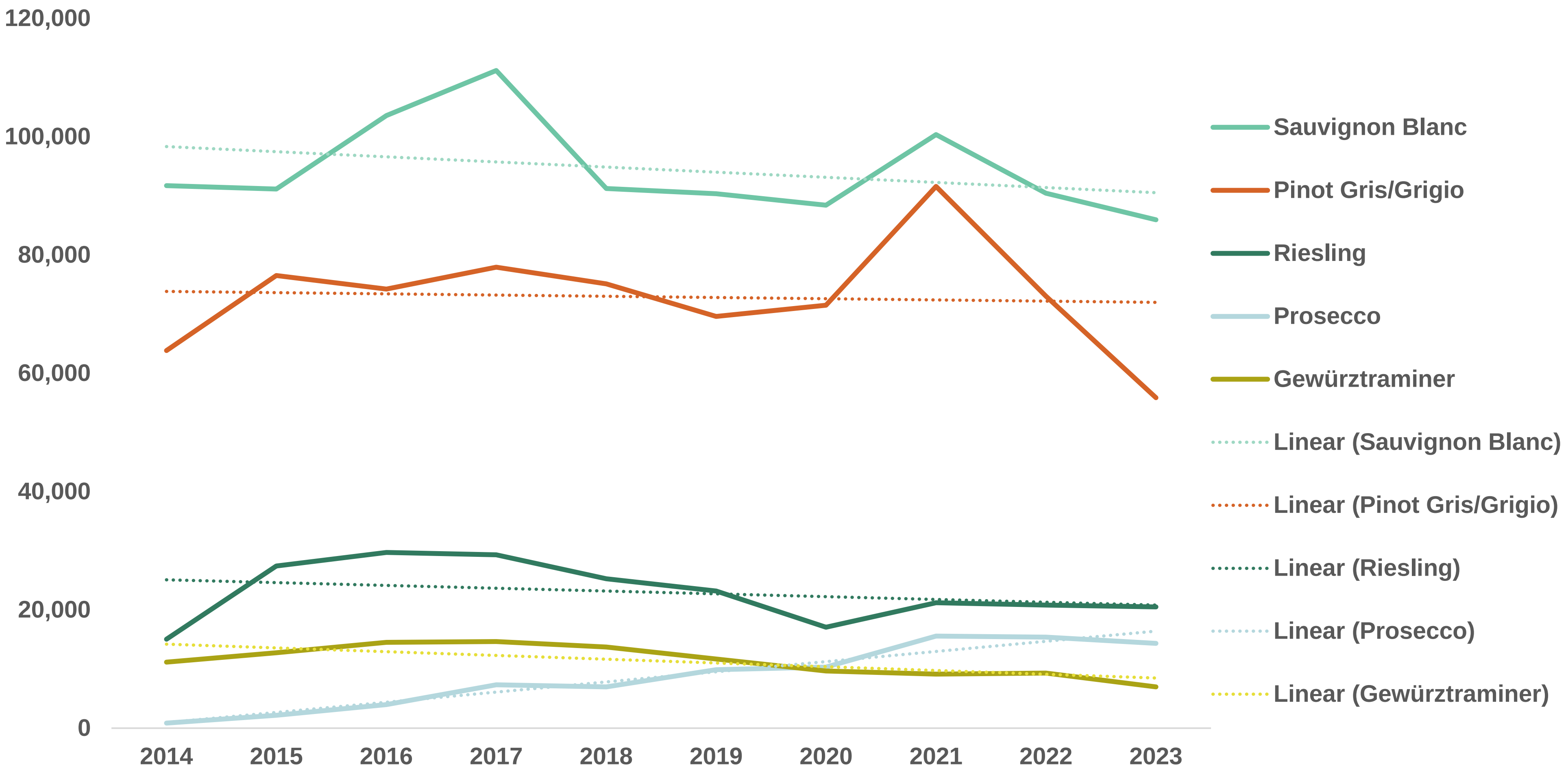
Limited growth in ‘next tier’ varieties (white)



Source: Wine Australia

Over 100 other varieties make up just 6 per cent of crush

Varieties outside top 20 showing growth

Red:

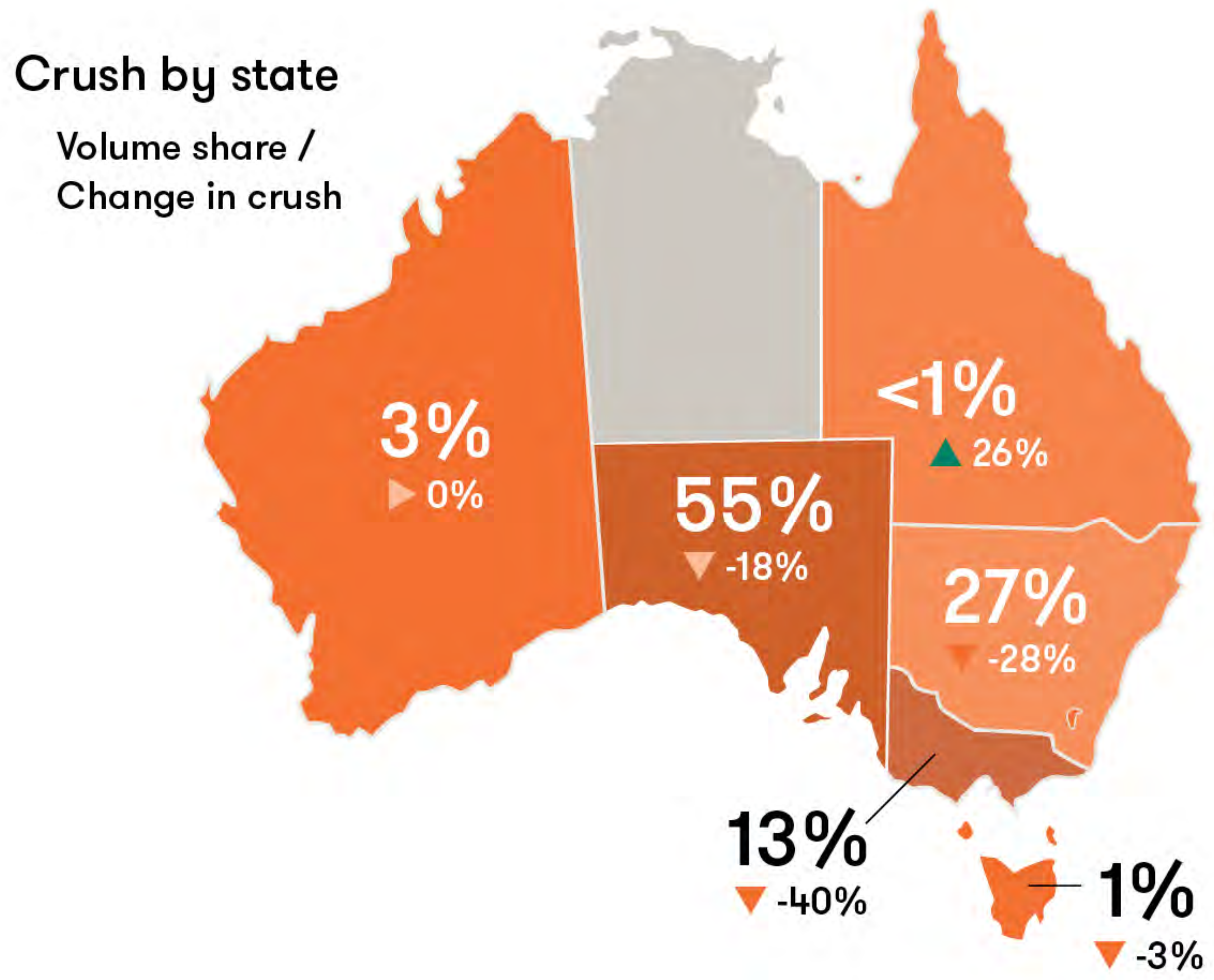
- Dolcetto
- Gamay
- Isabella
- Tarrango
- Tinta Cao

White:

- Crouchen
- Savagnin

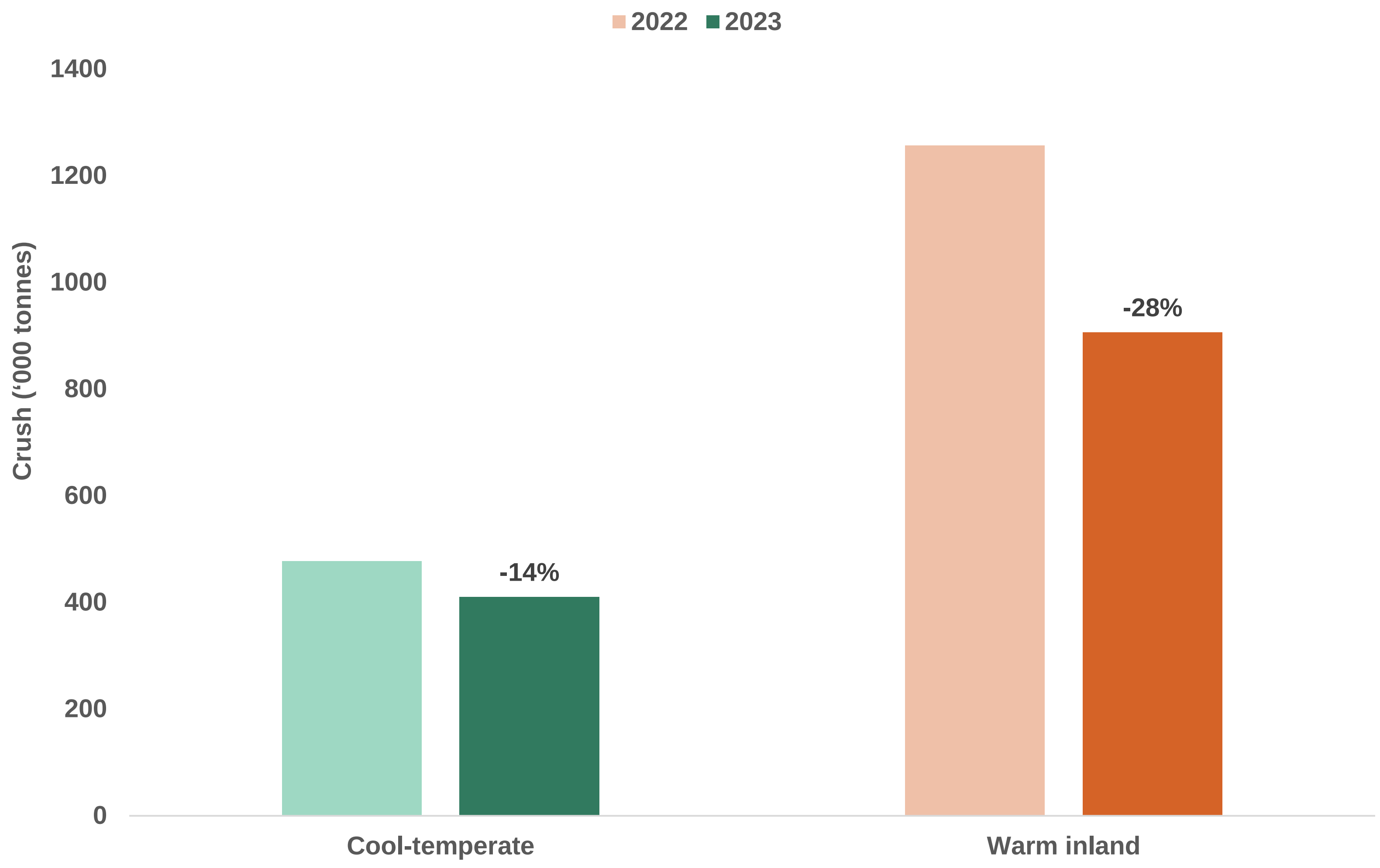
Crush by state and region

South Australia increases its share of the national crush



Source: Wine Australia

Inland regions' crush reduced by more than other regions



Source: Wine Australia

Barossa Valley – largest crush since 2017

Crush (tonnes)

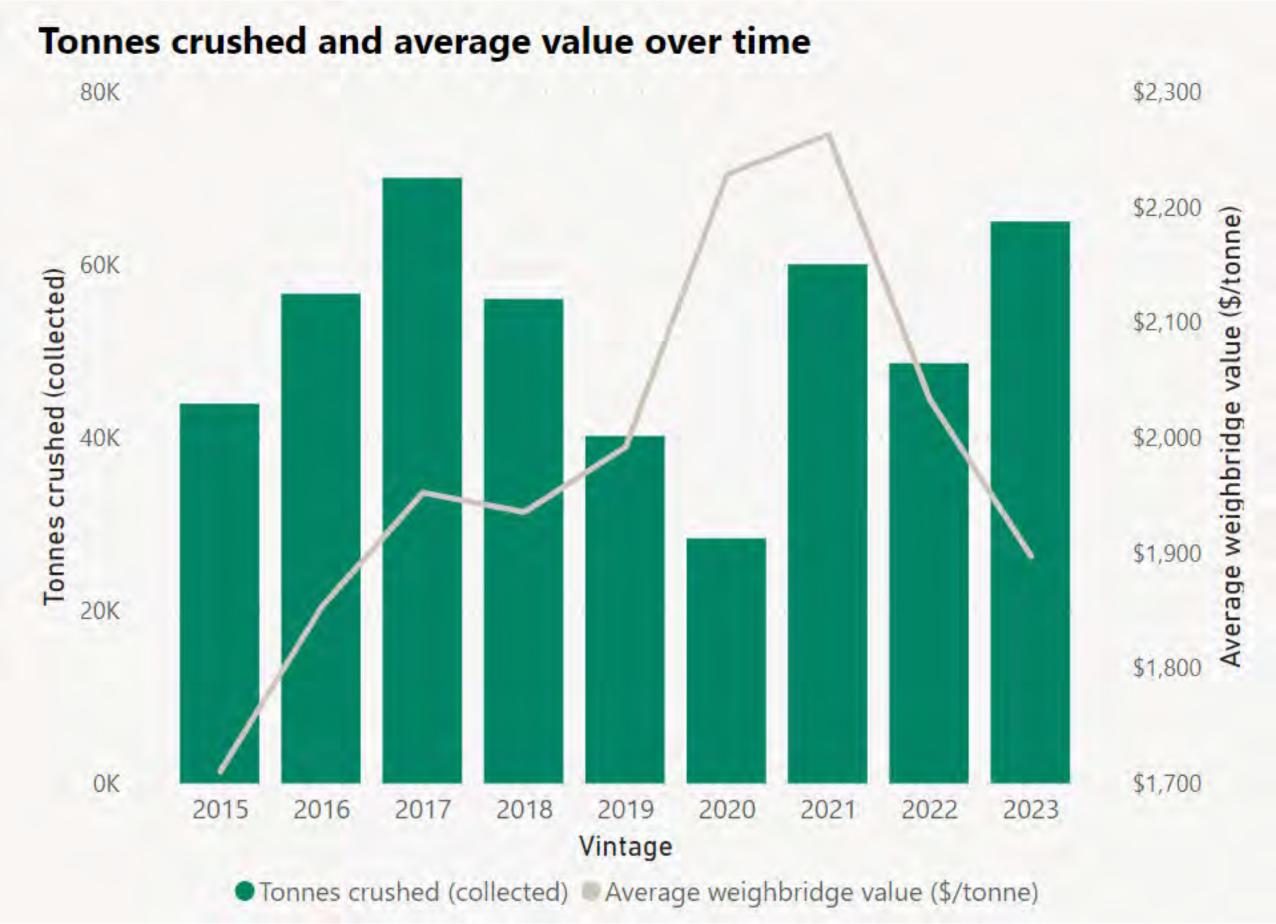
64,952

Year on year change: 34%

Average value per tonne

$1,897

Year on year change: -7%



Source: Wine Australia

Margaret River – jumped to second-largest ‘cool-temperate’ region after excellent vintage

Crush (tonnes)

29,232

Year on year change: 9%

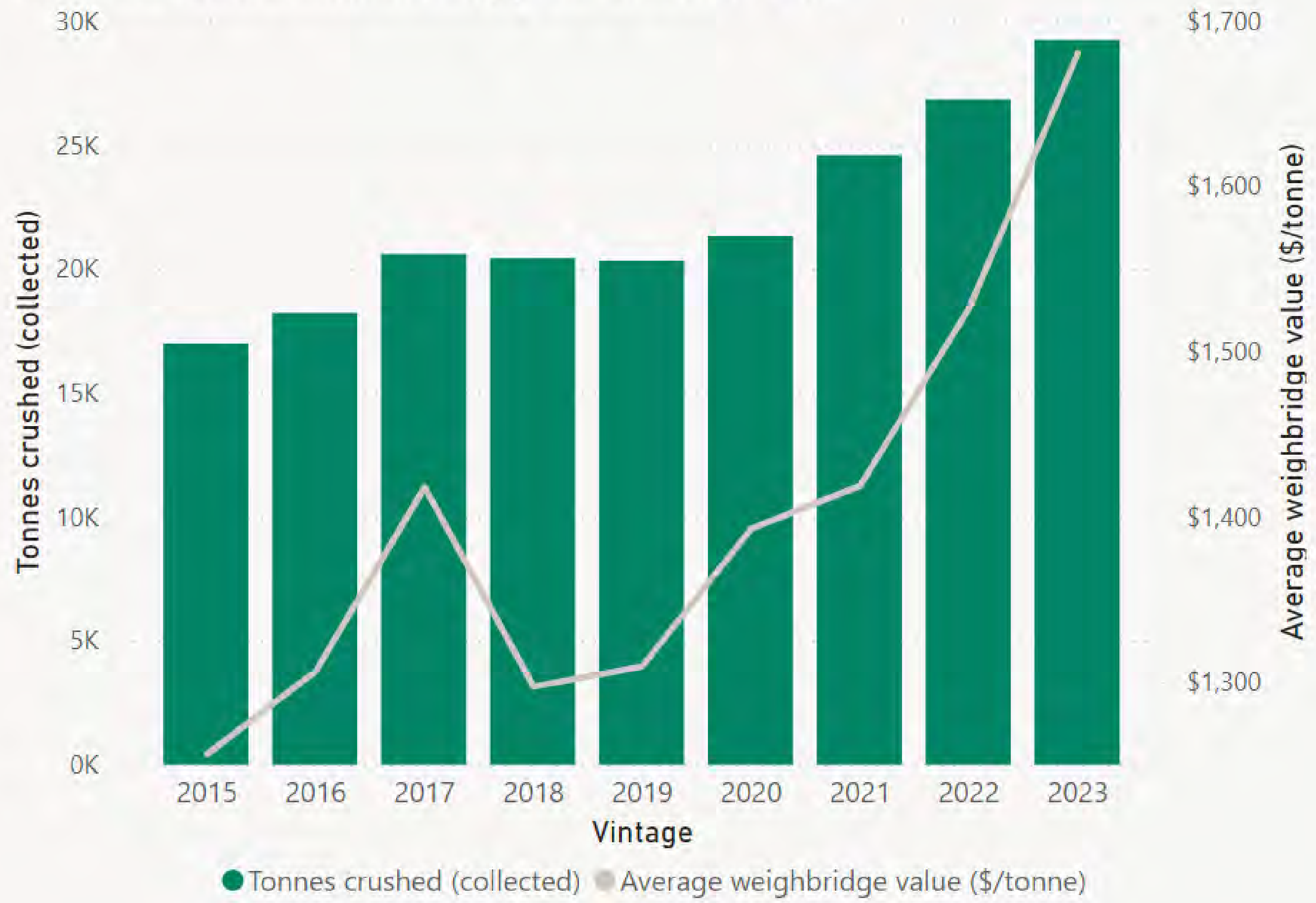
Average value per tonne

$1,681

Year on year change: 10%

Source: Wine Australia

Tonnes crushed and average value over time



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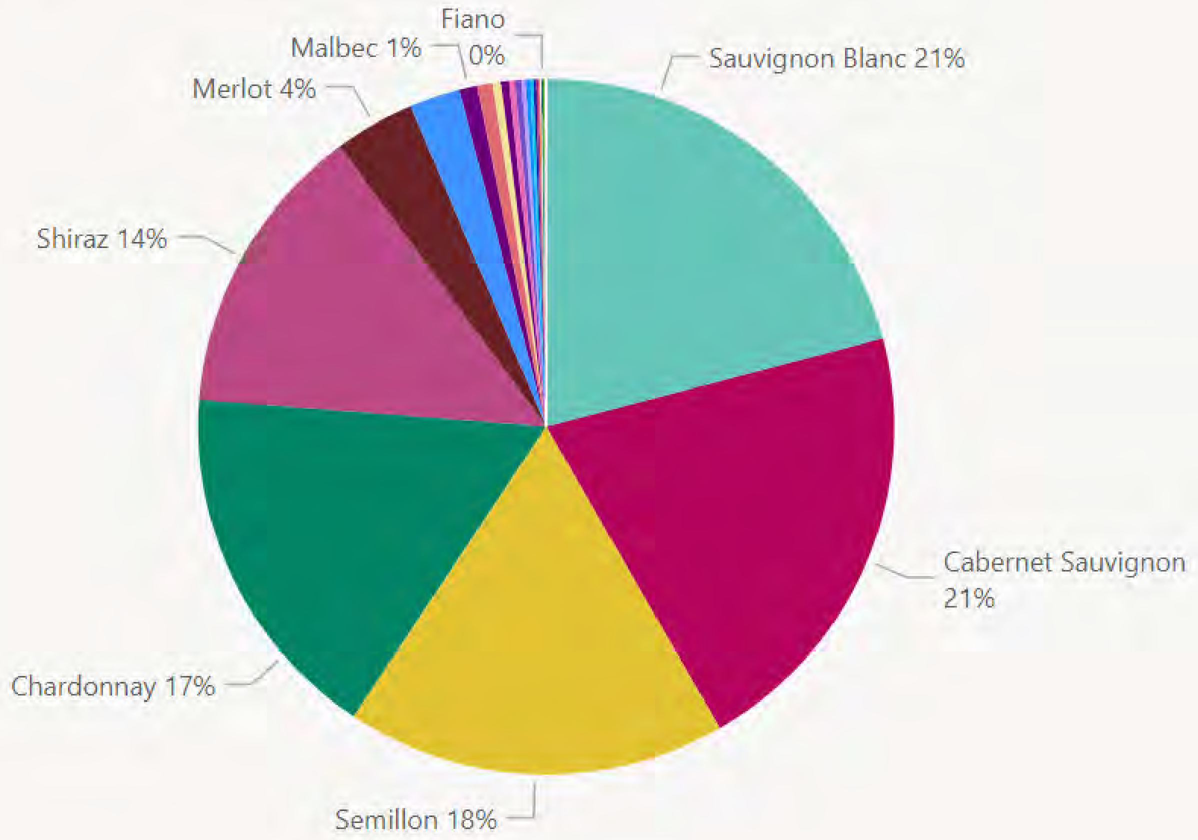
Variety profile (share by volume)



Source: Wine Australia

Padthaway – jumped to third-largest ‘cool-temperate’ region despite relatively small vintage

Crush (tonnes)

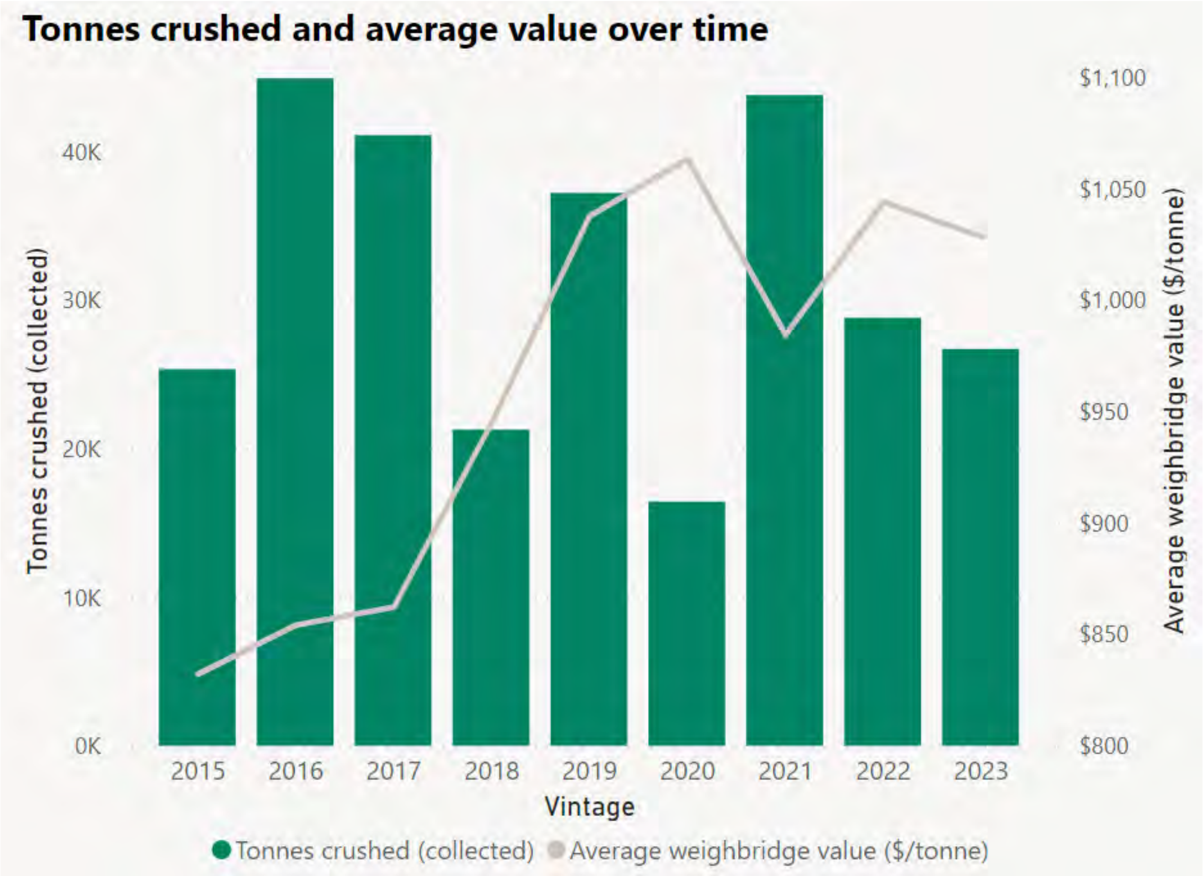
26,706

Year on year change: -7%

Average value per tonne

$1,028

Year on year change: -1%



Source: Wine Australia

Clare Valley – crush above average and prices up

Crush (tonnes)

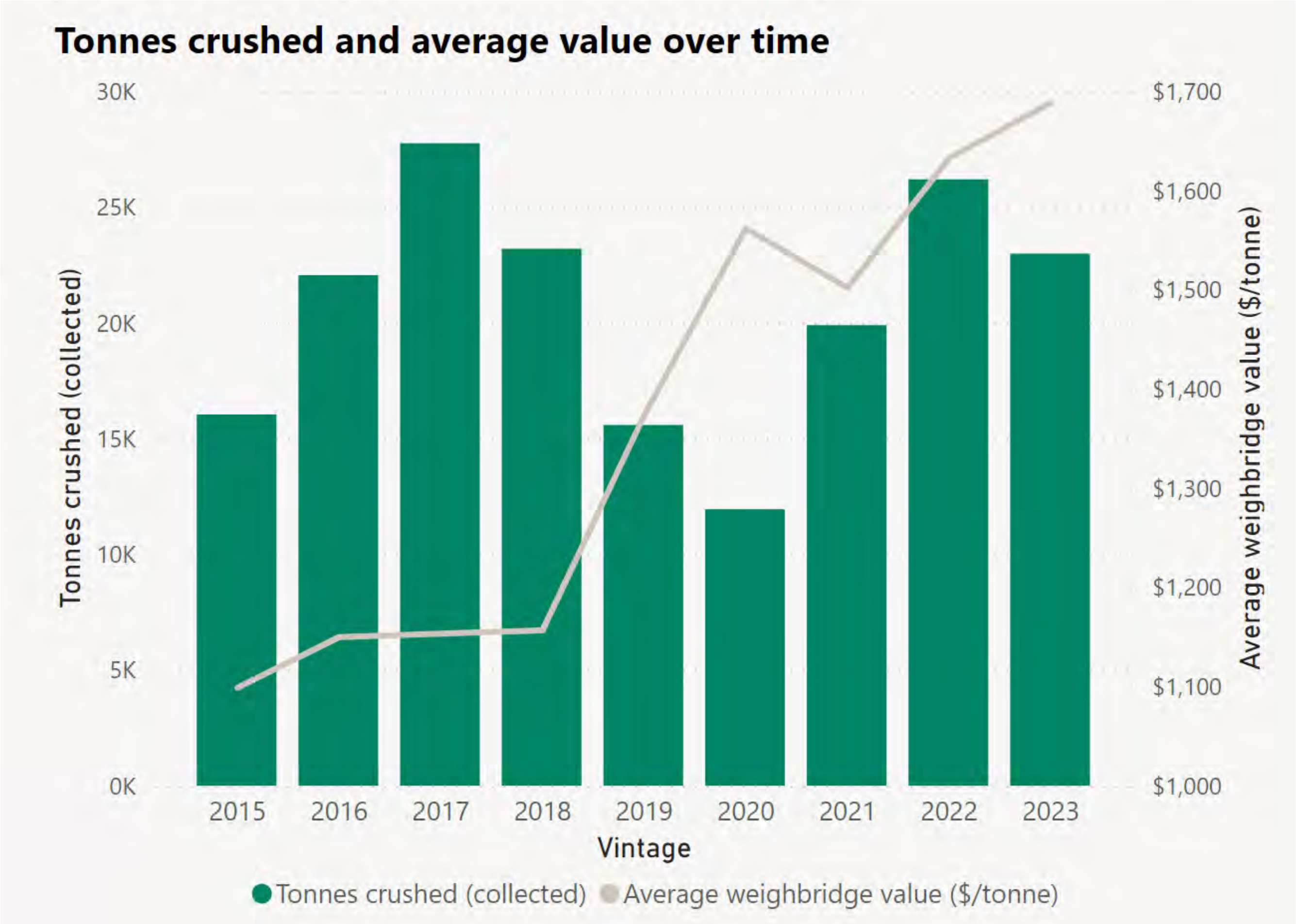
22,987

Year on year change: -12%

Average value per tonne

$1,688

Year on year change: 3%



Source: Wine Australia

King Valley – crush down and prices up

Crush (tonnes)

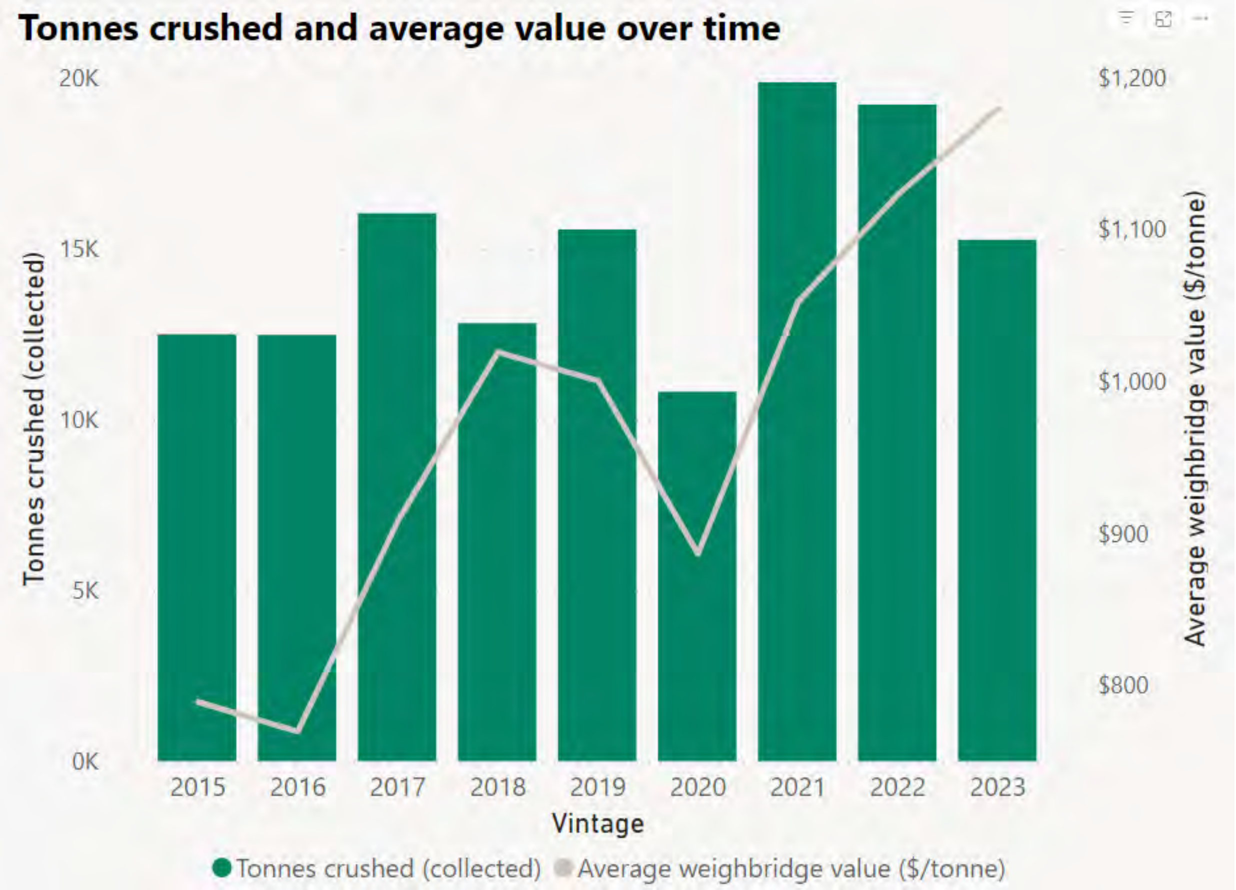
15,251

Year on year change: -21%

Average value per tonne

$1,179

Year on year change: 5%



Source: Wine Australia

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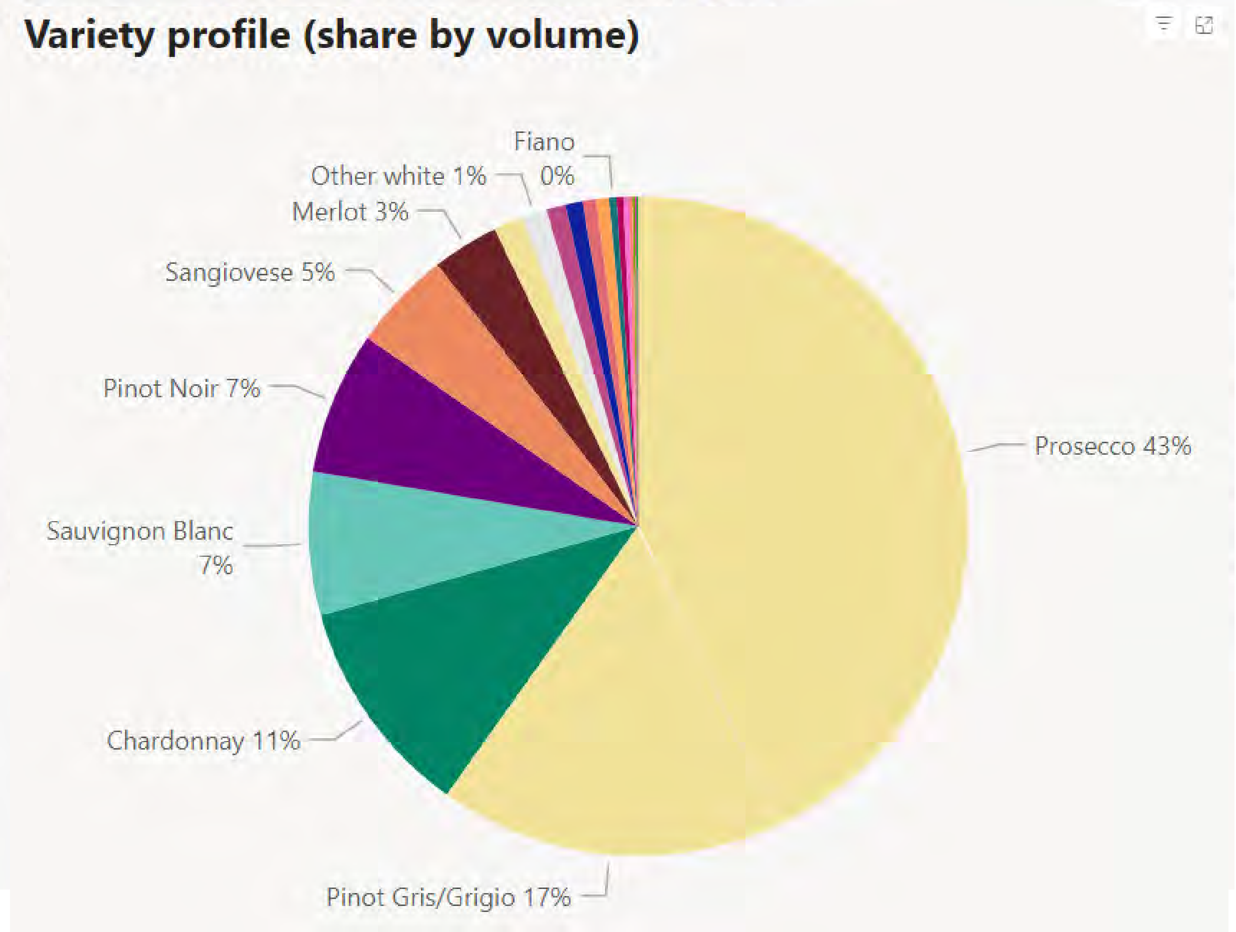


Source: Wine Australia

Analysis of grape purchases

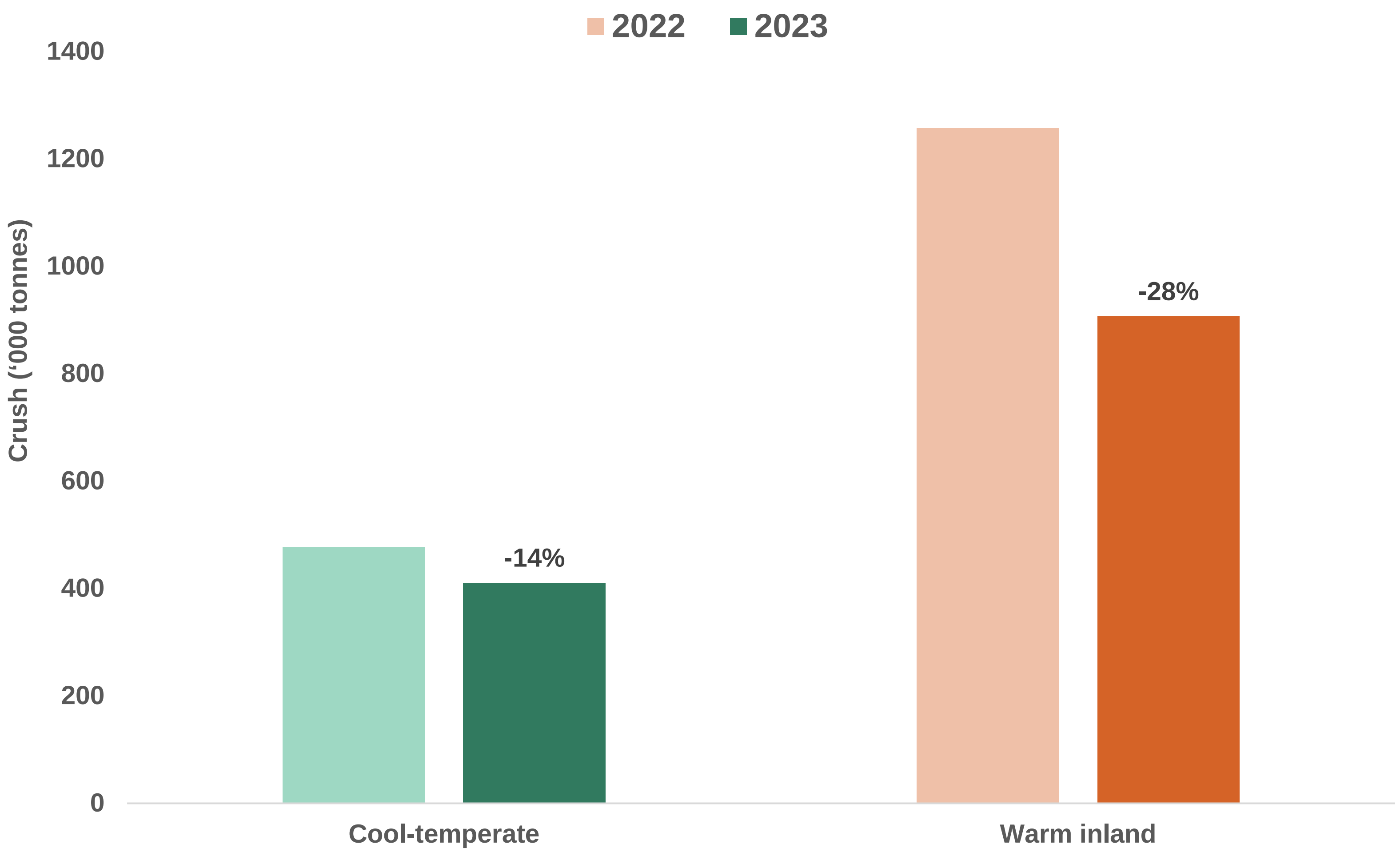
Small overall increase in average value hides mixed fortunes

Table 1: Average value and year-on-year changes for grapes by source and colour

		Average value ($/tonne)			
		2022	2023	Change in avg. value	Change in tonnes
Cool/temperate	Red	1529	1585	3.6%	-18%
	White	1324	1391	5%	-10%
	Total	**1463**	**1523**	**4%**	**-15%**
Warm inland	Red	384	304	-21%	-30%
	White	419	399	-5%	-25%
	Total	**403**	**357**	**-11%**	**-28%**
Grand Total	**All**	**630**	**642**	**2%**	**-24%**

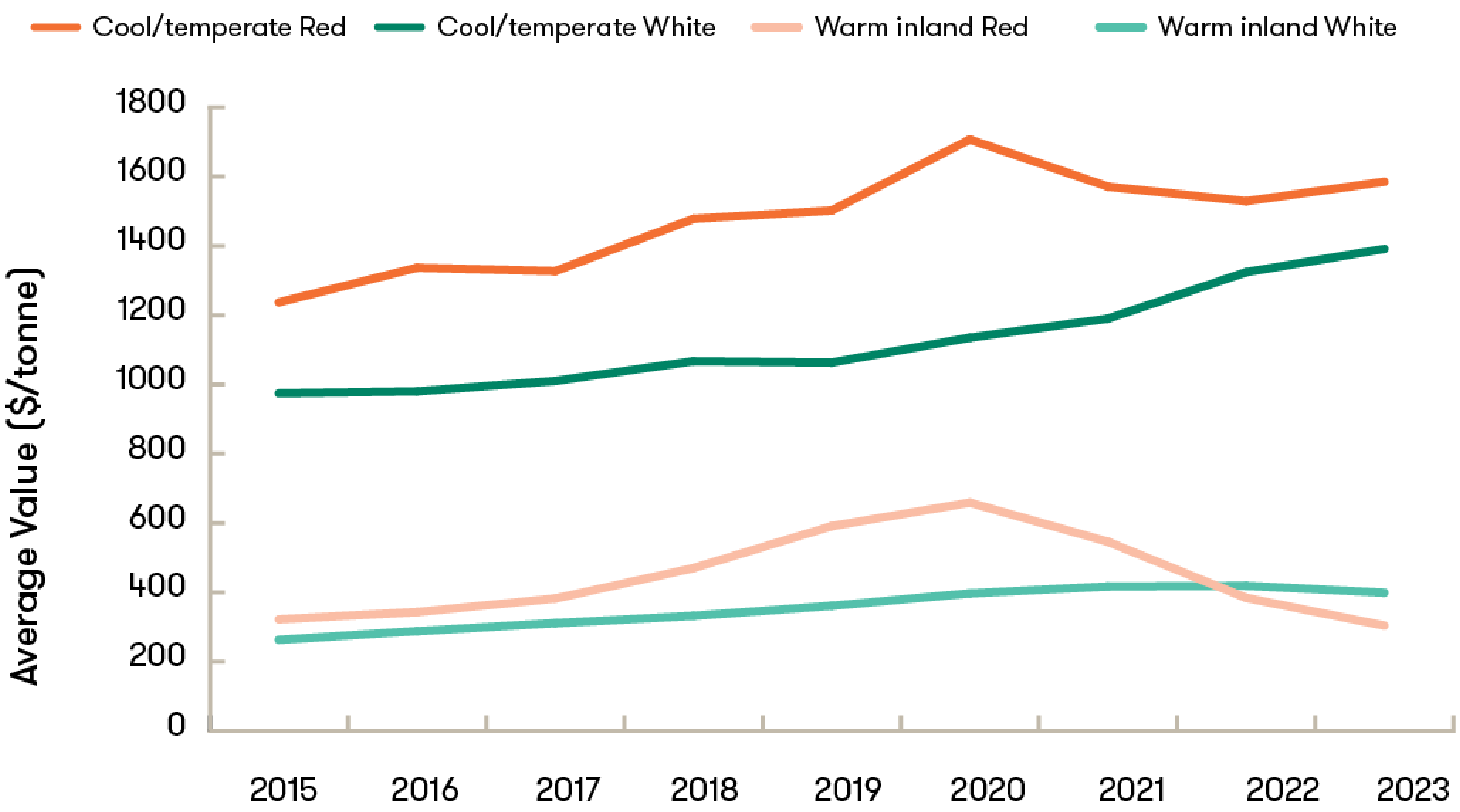
Source: Wine Australia

Inland regions' crush reduced by more than other regions



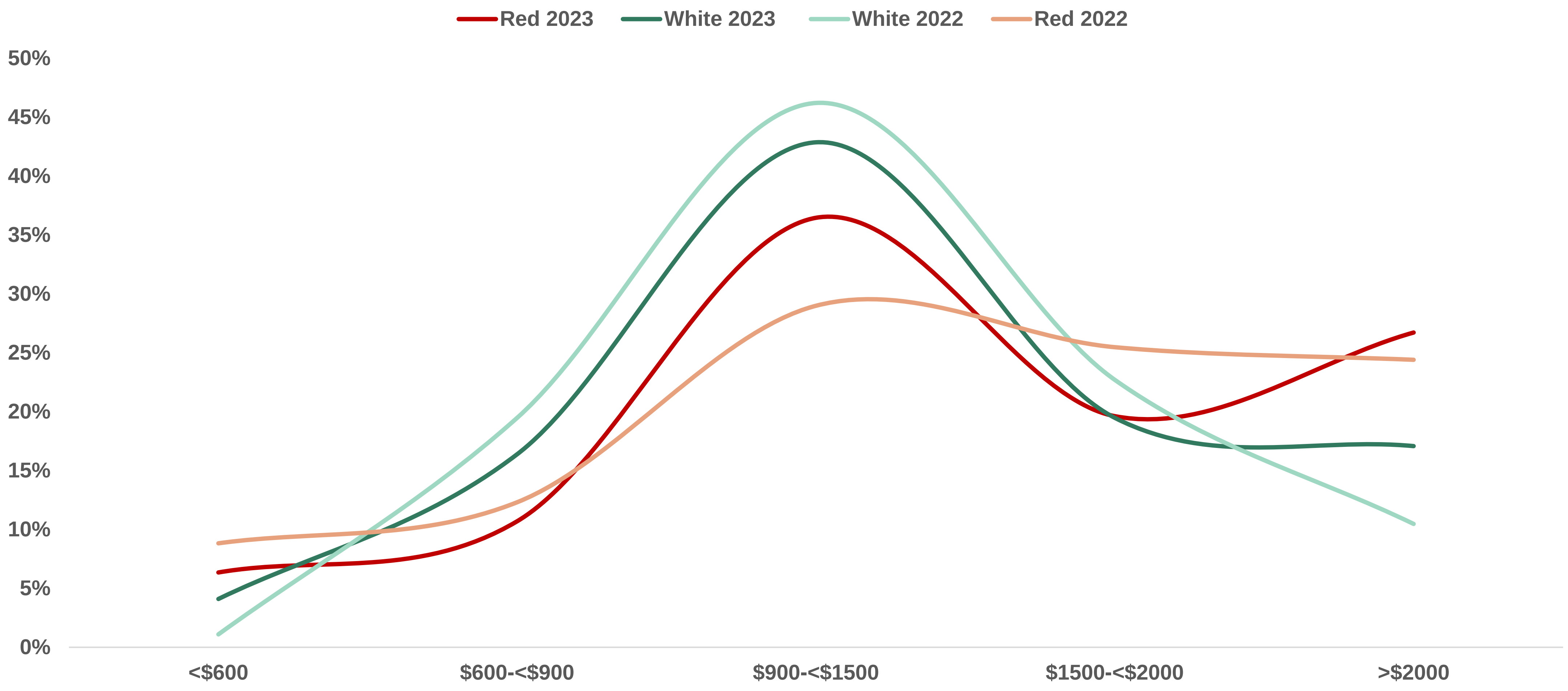
Source: Wine Australia

Overall decrease driven by warm inland reds



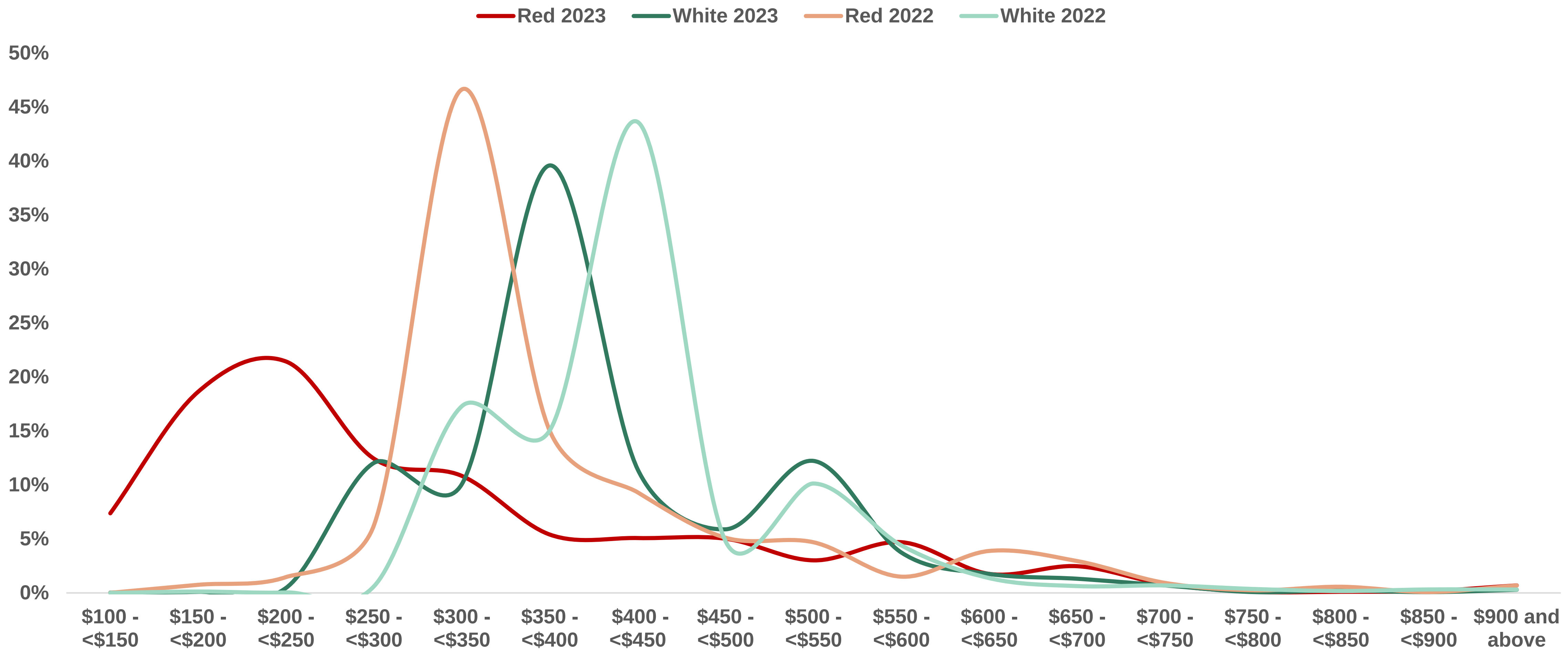
Source: Wine Australia

Upward shift in prices for cool-temperate whites



Source: Wine Australia

Downward shift in prices for inland reds and whites

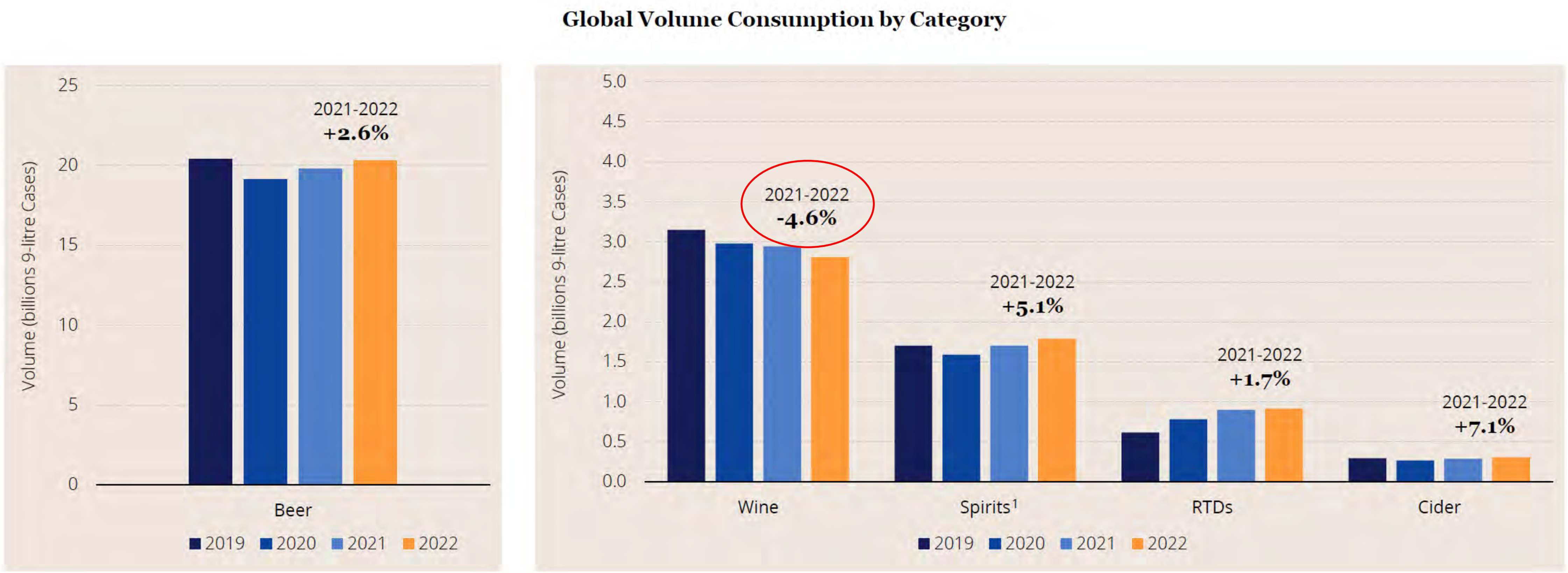


Source: Wine Australia

Global wine market conditions

Global wine market conditions are very difficult

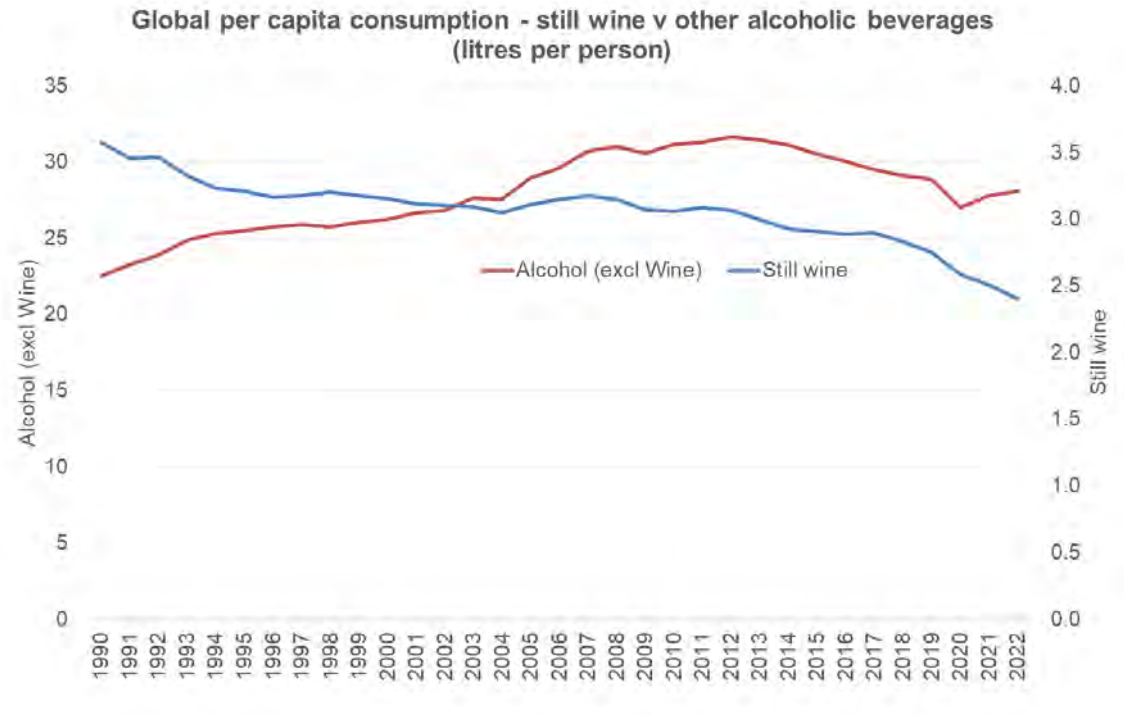
Other alcohol categories are recovering post-COVID while wine continues to decline



Source: IWSR

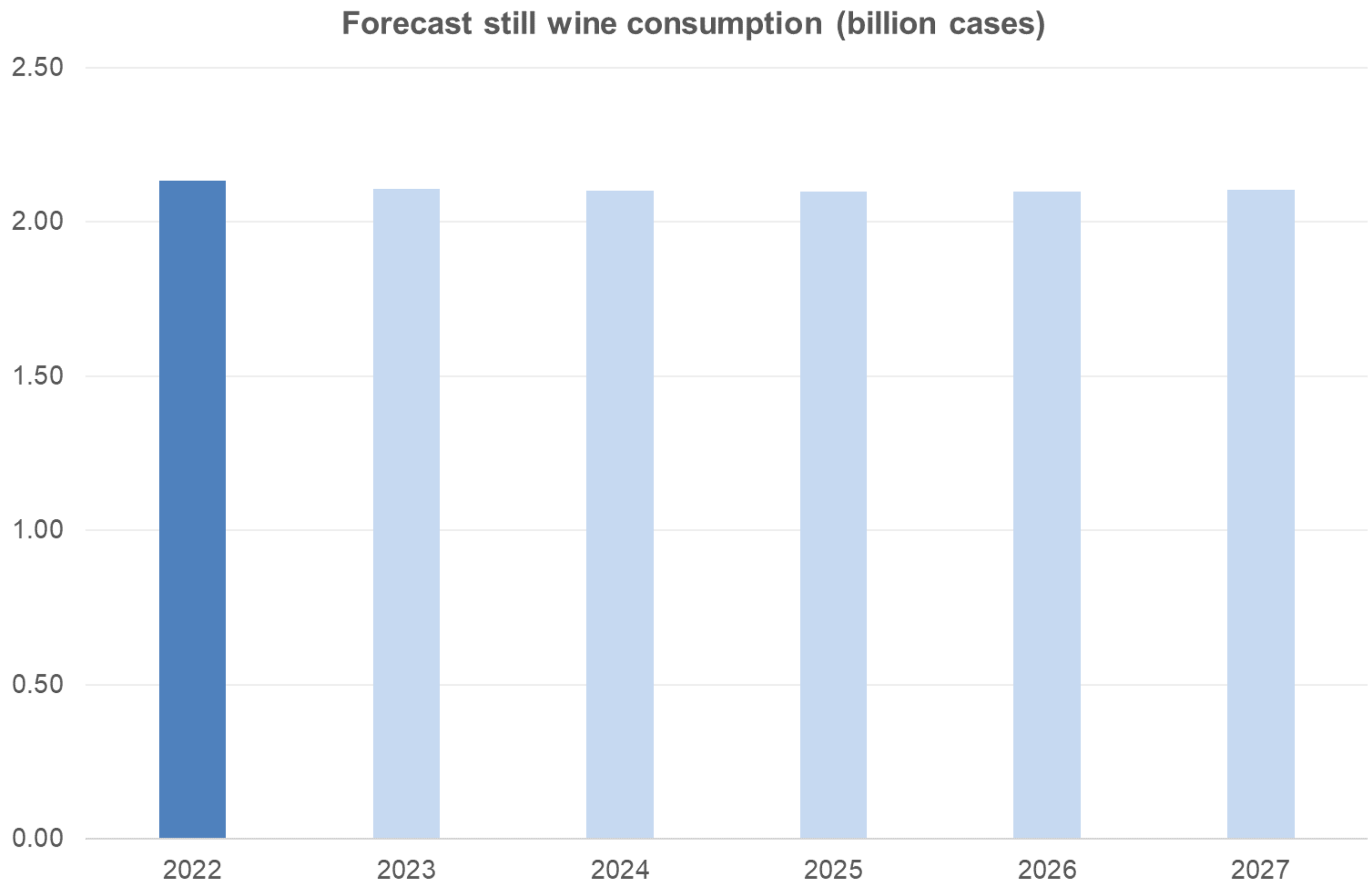
Long-term decline in global wine consumption per capita

- Heightened awareness and importance of health and wellness
- Competition from other alcoholic beverages – especially in younger drinkers
- Wine drinkers also drinking less (but better)
- Inflation and cost of living pressures impacting on spending short-term



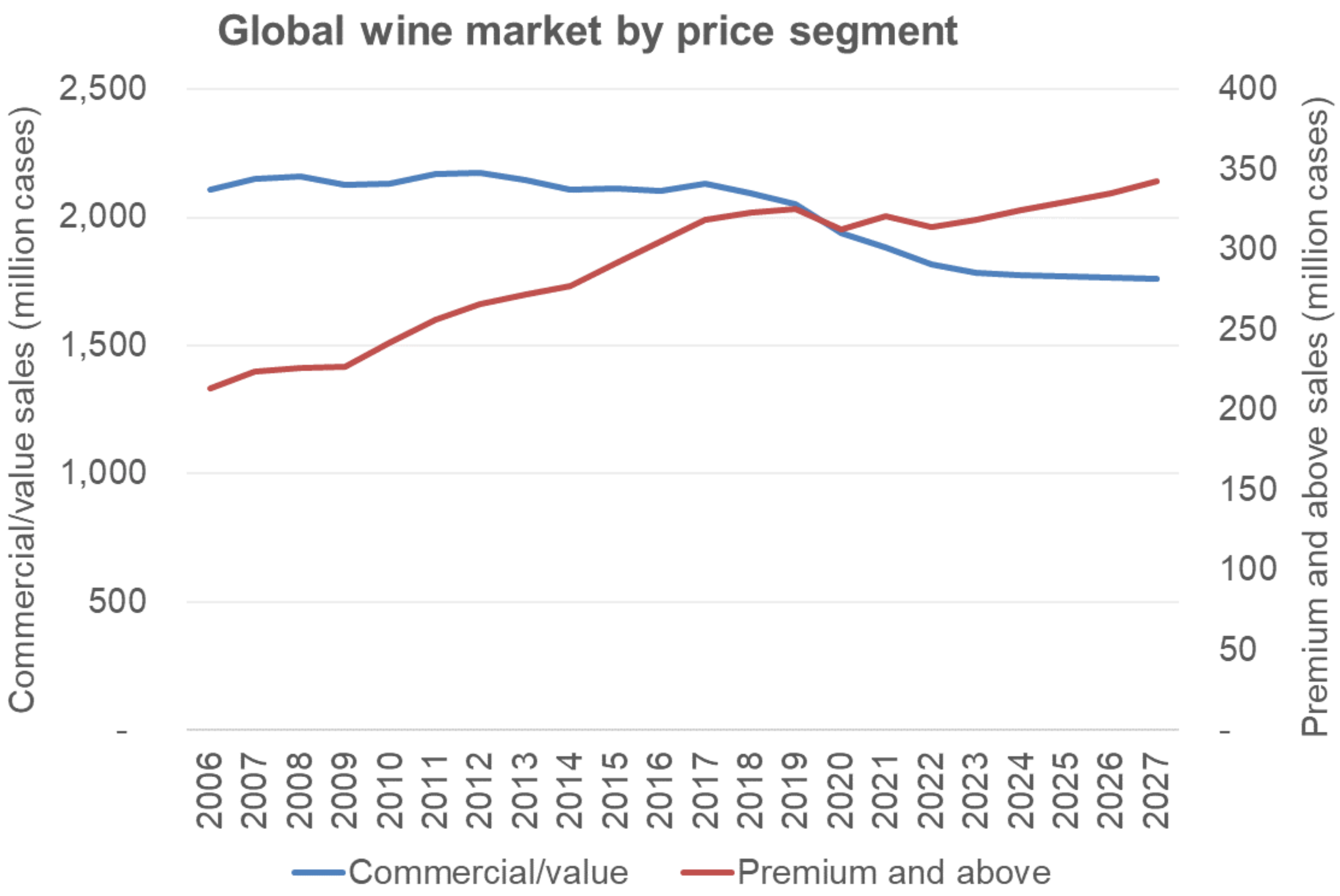
Source: IWSR and Worldometer

Global wine consumption forecast to be flat in next five years



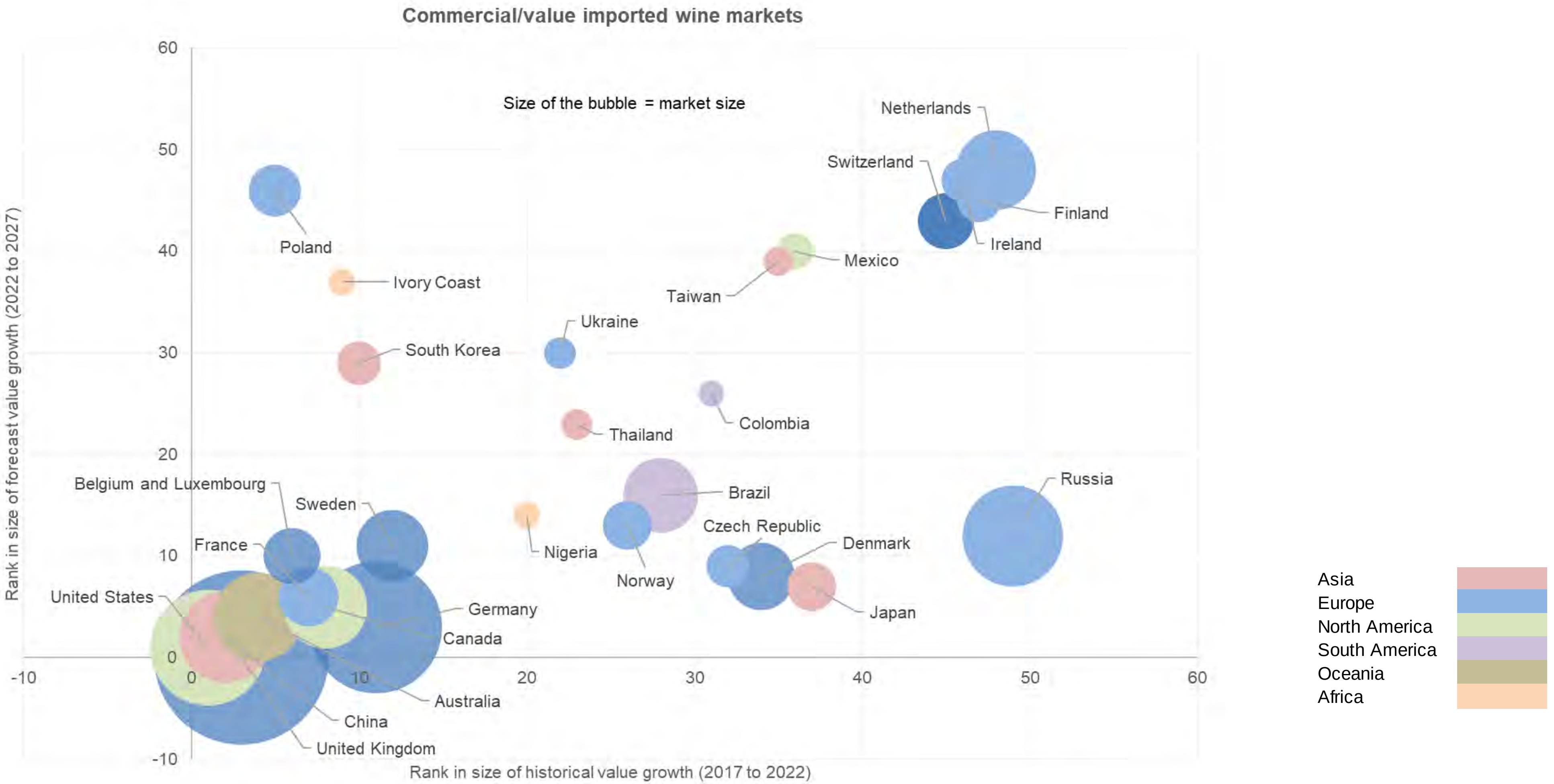
Source: IWSR

Commercial wines in decline while premium sales grow



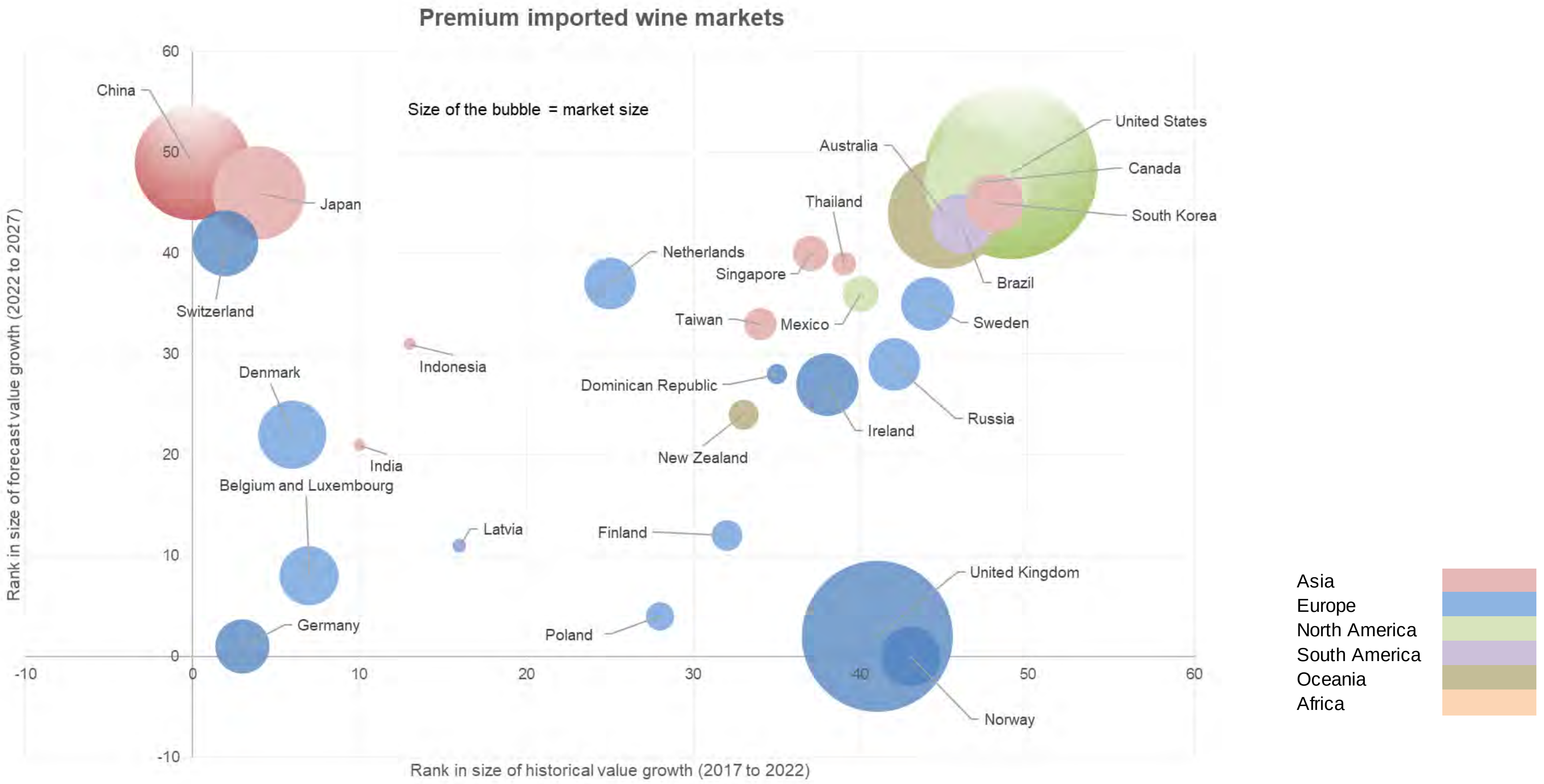
Source: IWSR

Major, mature markets declining for commercial wines



Source: IWSR

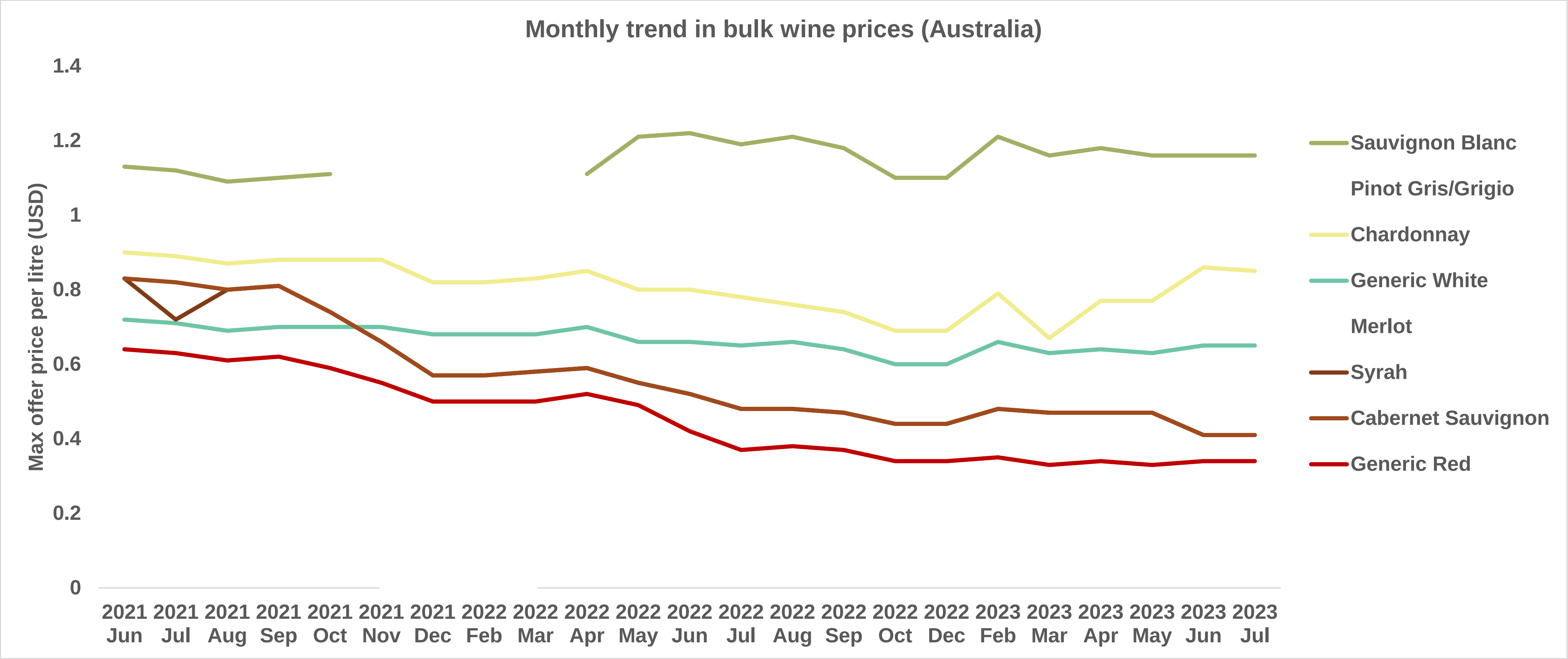
Opportunities for premium wines in many markets



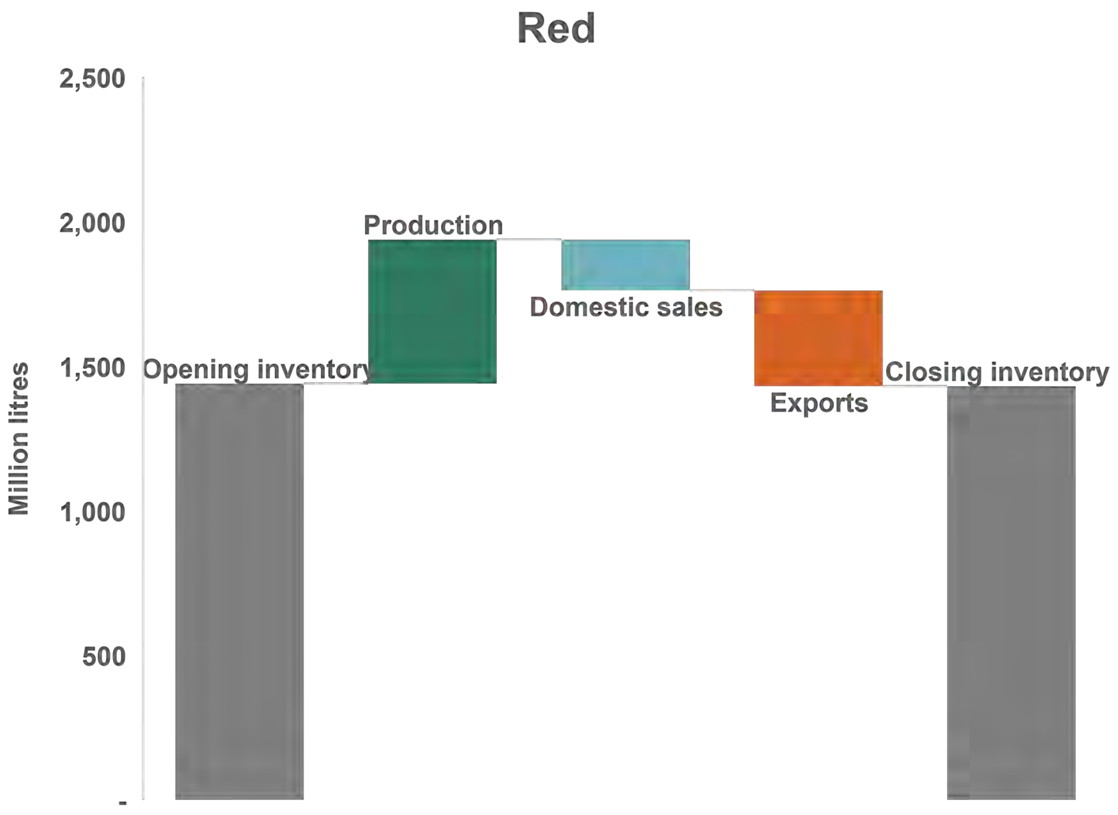
Source: IWSR

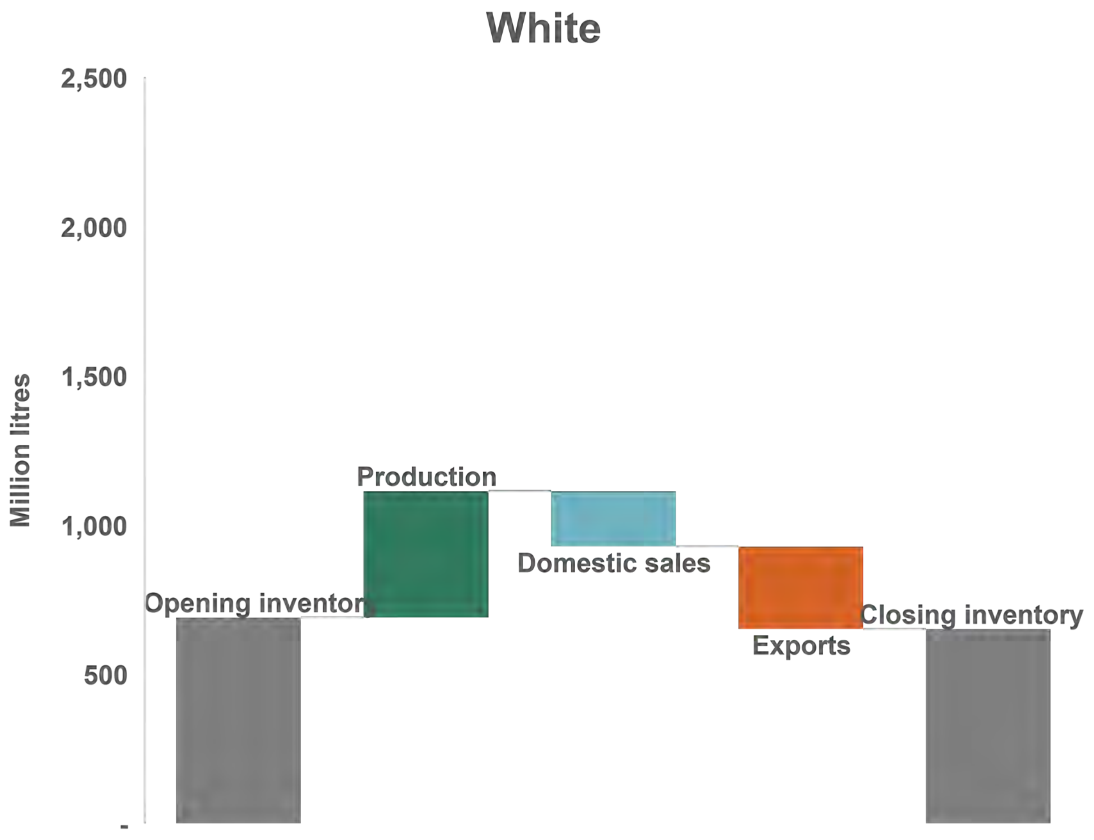
Looking ahead

Global bulk wine prices are critically low for Australian reds



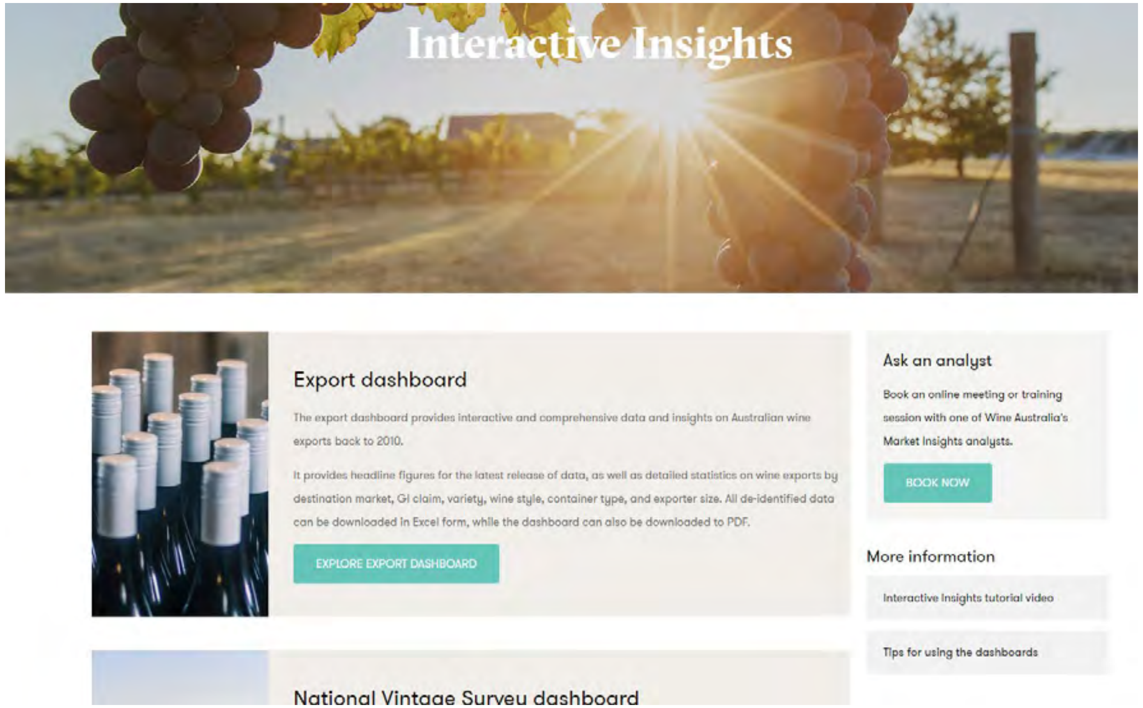
Inventory is unlikely to change much despite the small vintage





For more information go to Interactive Insights

- https://www.wineaustralia.com/market-insights/interactive-insights
- Explore dashboards on Exports, National Vintage, Global Wine Markets, Vineyards
- Book a personal training/information session: ‘Ask an Analyst’



The One Sector Plan

- A shared vision and plan for the wine sector from now to 2030
- A response to the ‘perfect storm’ of challenges faced by the sector over the past several years
- Priorities set through consultation with everyone in the sector
- Have your say in a simple online survey or by attending a regional workshop
- Contact Wine Australia or check our website to find out more

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