



Australian Bulk Wine Market Update

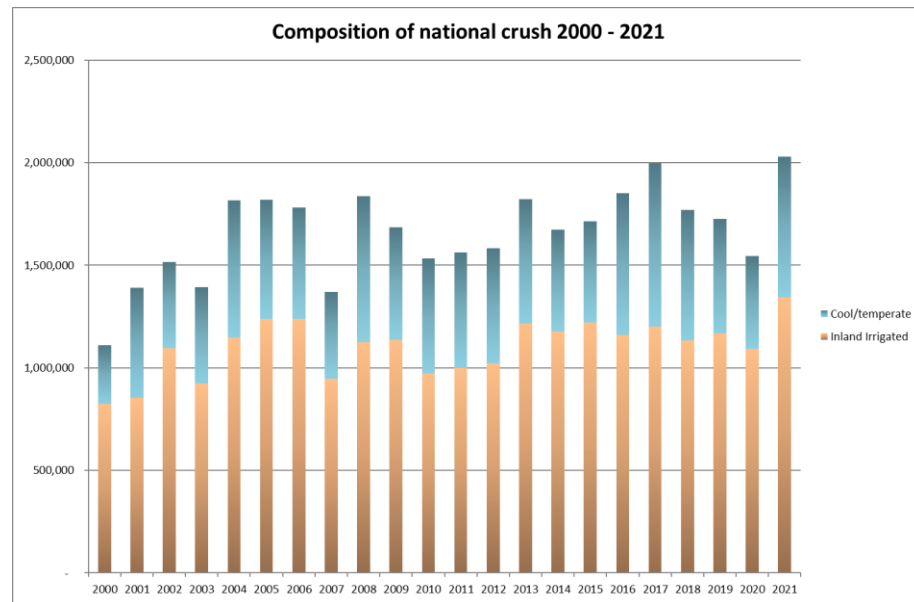
...IN JUST A FEW CHARTS

JIM MOULARADELLIS, 3 AUGUST 2021

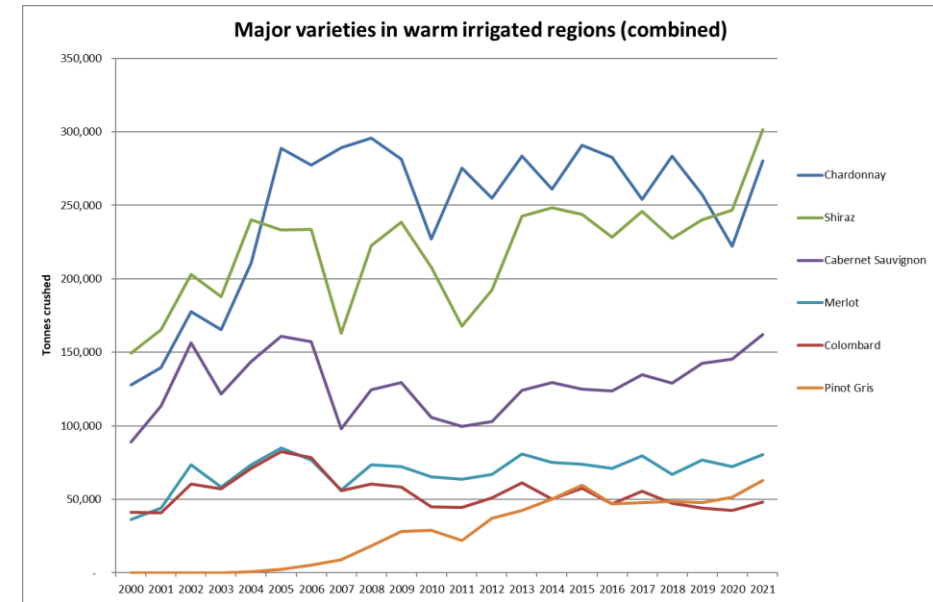
2021 vintage:

...a record crush with great growing conditions, leading to an excellent quality vintage.

Inland Irrigated v Cool/Temperate

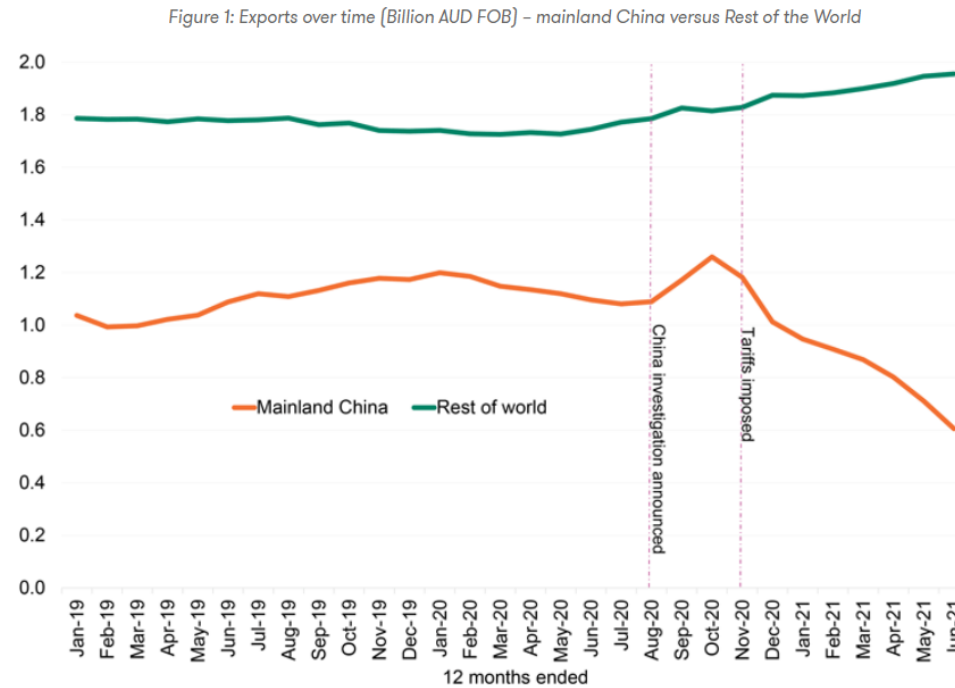


Major Inland Irrigated Varieties



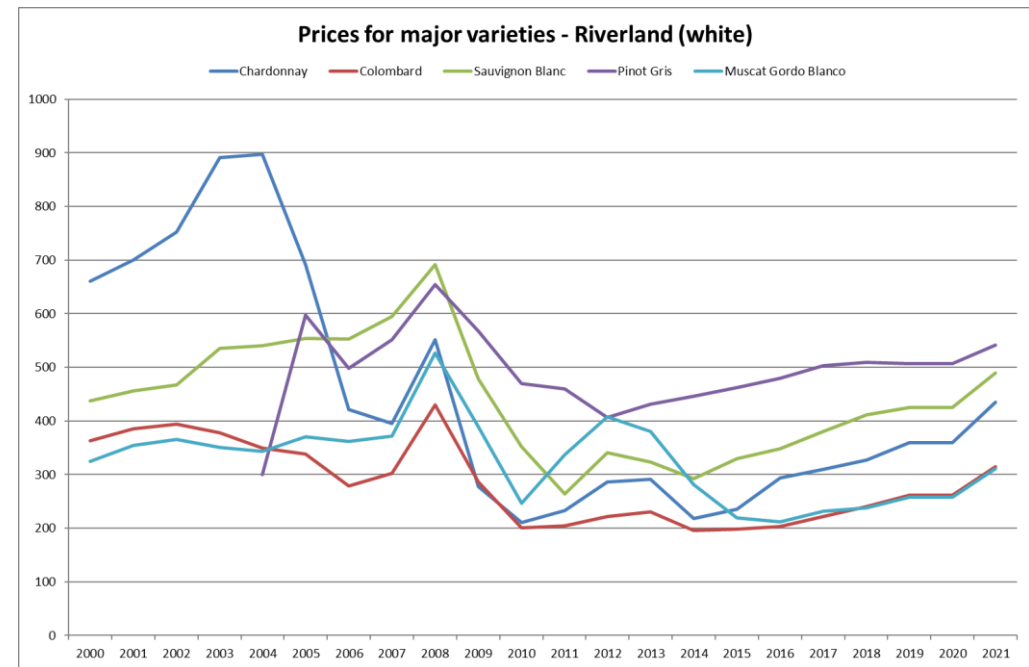
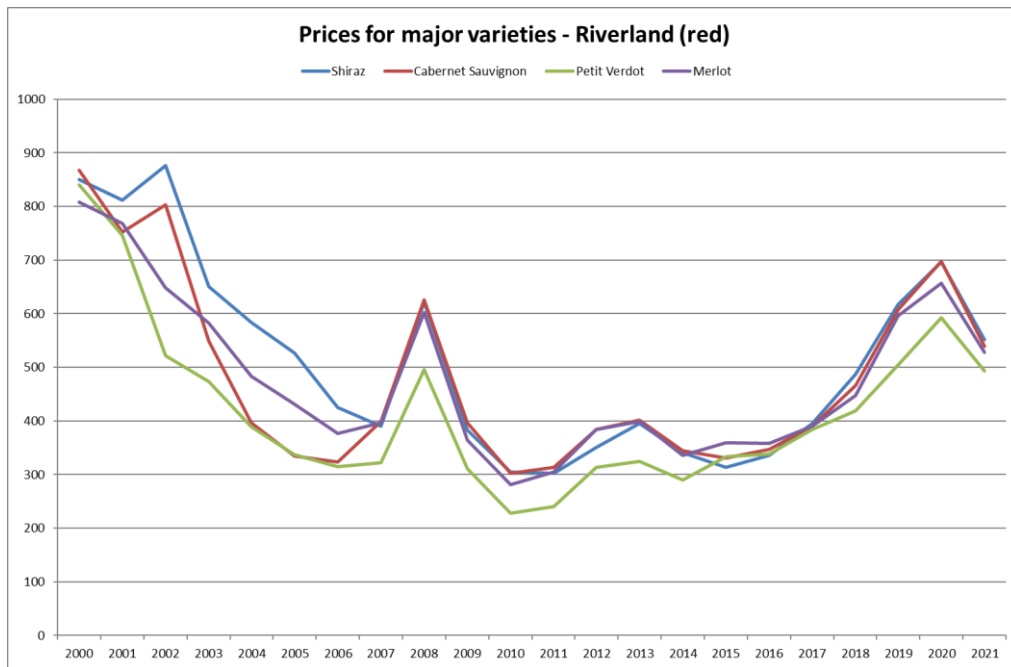
China Tariffs:

...the loss of the Chinese market will not be immediately offset by other markets. This will take some time & with likely downward pricing adjustment for Red wine previously destined for China.



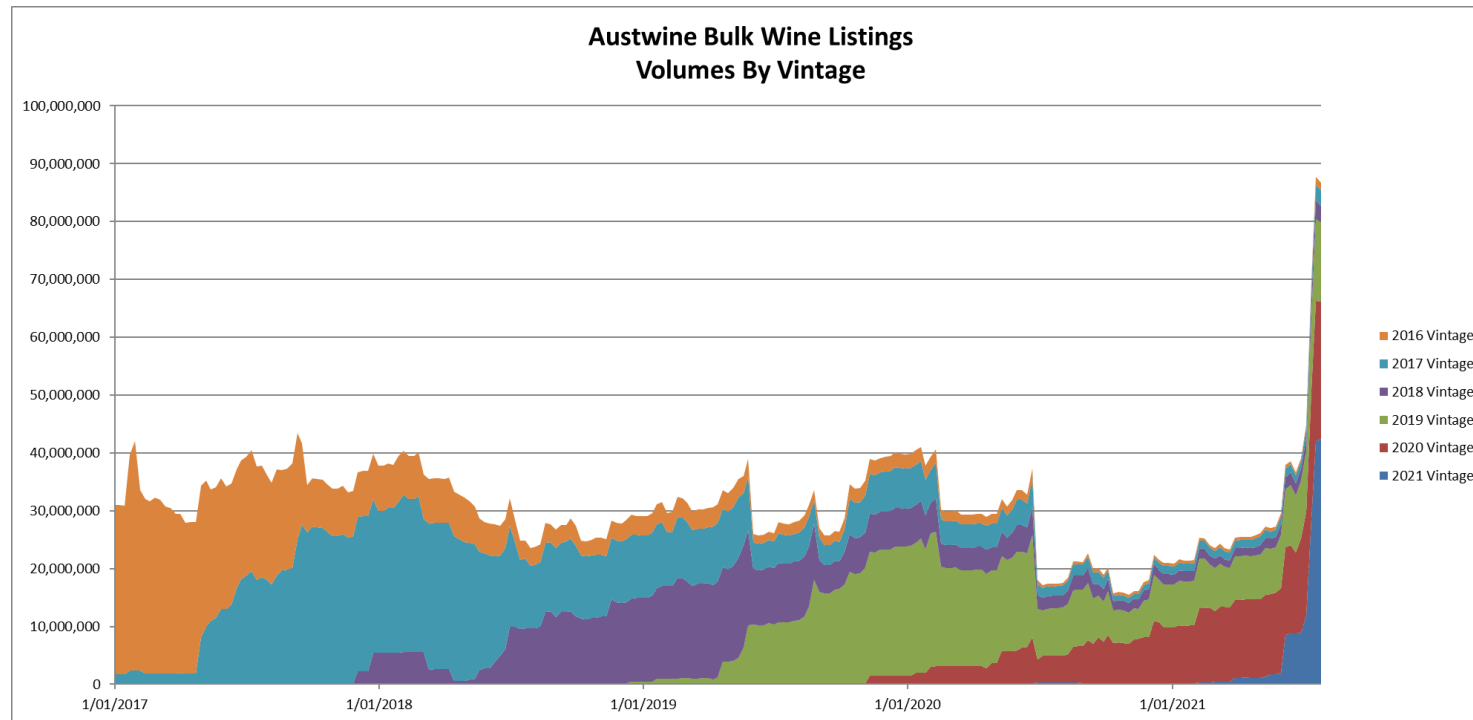
Grape Prices:

...V21 Red prices are down significantly & White prices up slightly.
These trends are expected to continue into V22.



Leading to:

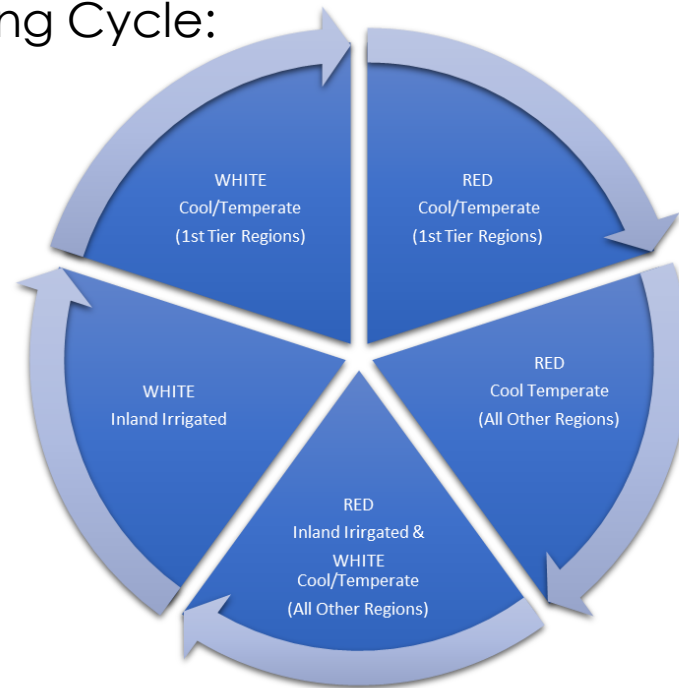
...increased Australian Bulk Wine Availability, from recent & current vintages, dominated by Red Wine previously destined for China.



Further causing:

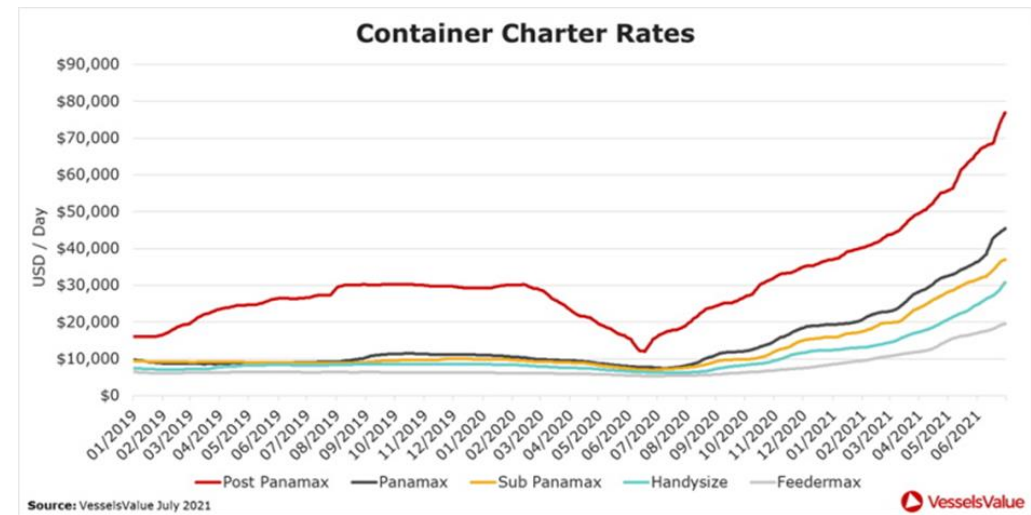
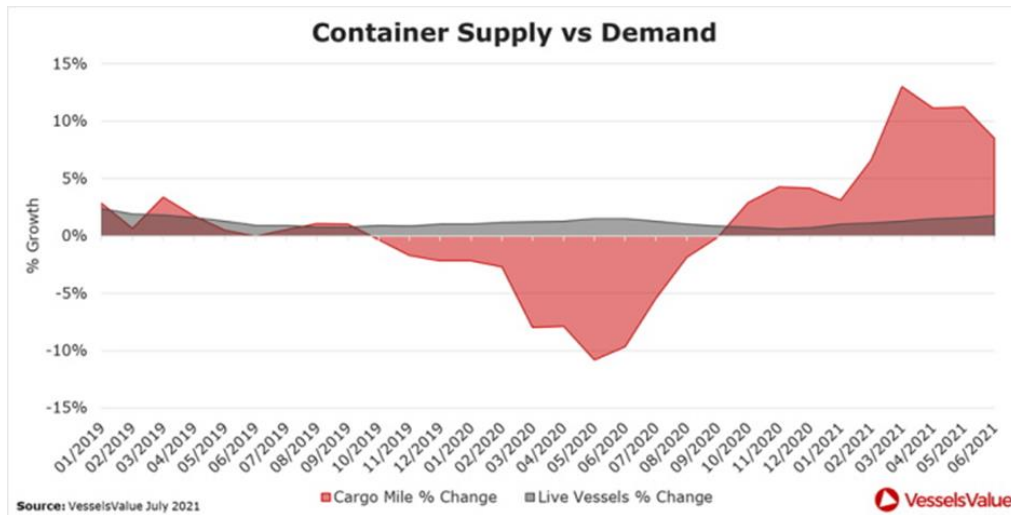
...decreased Australian Red Bulk Wine Pricing & increased White pricing.

Australian Bulk Wine Pricing Cycle:



Complicated by:

...high demand & high cost of Shipping leading to delays in getting to export markets.



Vintage 22 outlook:

...too early to call, but a wet Winter recorded and a wet Spring is likely in Eastern Australia.

