



# CIATTI

GLOBAL WINE & GRAPE BROKERS

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## GLOBAL MARKET UPDATE – JANUARY 2014

### VOLUME 5 ISSUE NO. 1

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As 2013 comes to a close, most will remember the year of large crops across the globe and the market that began to shift back to the favor of the buyer. The Southern Hemisphere produced record crops in several markets, and with the exception of France, growers in the Northern Hemisphere experienced bountiful harvests as well. Buyers returned to the market in full force, taking advantage of pricing that had not been seen in recent quarters. Despite reports of potential global wine shortages, the market ends the year 2013 in a balanced to long position.

Demand continues to be strong for wine in many markets, and wineries were able to weather the storm of higher bulk pricing in 2011 and 2012. Margins were squeezed, and many struggled with price increases. Hopes are that growth will continue with ample supply to meet future demand.

The team at the Ciatti Company thanks you for your support during the 2013 year, and we wish everyone a successful 2014.



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## CONCENTRATE – JANUARY 2014

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The Year That  
Was 2013

The 2013 harvest year will globally be remembered as a recovery year for many of the world's major growing regions. California, Argentina and Spain had very solid harvests that enabled a replenishment of dwindling stocks. While this has dramatically helped to reduce the product being shorted or put on allocation to customers, it has also helped lower the overall global price of both white and red Grape Juice Concentrates. There is still concern for what the future may hold.

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### PROJECTIONS FOR 2014

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#### California:

The coming year in California will be characterized by drought and sustainability. California is now one-third through the rain and snow season, with no significant measurable precipitation or snow on the mountains. The growing regions of Central California are continuing to struggle, as wells and underground aquifers are collapsing. The Federal Government has lowered initial water allocations for 2014 to between 0-5%. For the last three or more years, California has been experiencing a drought. There is still no water delivery solution in sight.

The state is seeing a mass pullout of all low-bearing acre crops. Farmers have been forced to shift from crop diversification to salvaging crops that will provide them the most long-term sustainability. Currently, expectations are for approximately 15,000 to 20,000 acres of grapes to be ripped out of the ground in favor of planting higher yielding crops, such as almonds and other nut and tree fruits. Land values on the Eastern side of the Valley and areas that have a better outlook for long-term water supplies have increased in value by three- to four-fold. This makes the prospect for planting a sustainable generic grape vineyard very difficult.

#### Argentina:

Argentina recovered last year after the major freeze and hail of the 2012 harvest. The biggest problem currently facing Argentina is the continued downward economic spiral that is causing current inflation rates of 20-25%. With no governmental changes predicted for the near future, the few remaining processors in Argentina will have to either reorganize their debt or shut their doors.

#### Spain:

The Spanish crop recovered quite well from the 2012 drought. The recovered supplies have brought welcome relief to the EU and Eastern block countries that have relied heavily on this region for their Grape Juice Concentrate stocks. While the economic climate is still pretty bleak in Spain, both growers and processors seem to be making it through.

## ARGENTINA – JANUARY 2014

The Year That Was 2013

The 2013 crop was very good in terms of quality and volume (2.8 million tons). There were few buyers for varietal grapes, forcing many growers to send their grapes to wineries without contracts. This resulted in large amounts of unsold wine on the market by the end of the year, pushing prices down significantly, compared to 2012. Criolla grapes were crushed mainly for Concentrate, due to high 2012 pricing (US\$2,000 per metric ton, FCA Plant). This is, in part, due to the fact that the government pushed for high pricing, almost 40% higher than the previous year. Throughout the year, Concentrate sales were slow and sales were less than in 2012, strongly impacting offered prices that reached US\$1,350 per metric ton (FCA Plant) by December 2013. There will be a carry-over stock of 40,000 metric tons by April 2014. Bulk wine and case good sales dropped in both the domestic and export markets, and caused a significant price decrease for all wines, particularly for Malbec. The economy, meanwhile, is not helping the situation, which continues to worsen due to high inflation, high costs, no financial assistance, controlled currency rates and tax pressures.

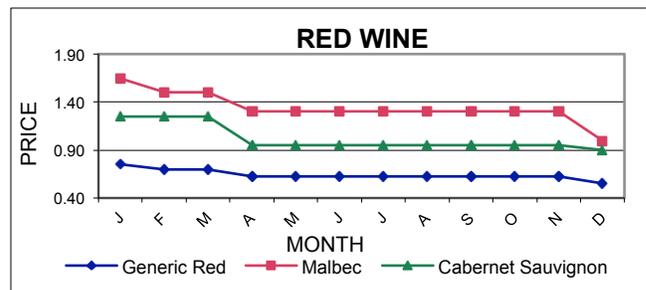
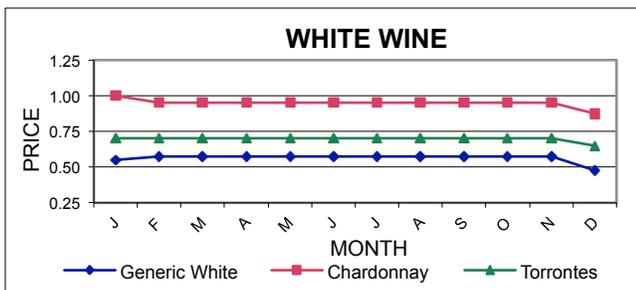
### OVERALL 2013 MARKET PRICING

ALL PRICING IN USD PER LITER; FCA WINERY:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2013	Generic White	0.45 – 0.60	↔	2013	Generic Red	0.50 – 0.75	↔
2013	Generic White (Criolla)	0.40 – 0.55	↔	2013	Cabernet Sauvignon	0.85 – 1.30	↔
2013	Chardonnay	0.85 – 1.00	↔	2013	Malbec	0.90 – 1.60	↔
2013	Torrontes	0.55 – 0.75	↔	2013	Syrah / Merlot	0.80 – 1.20	↔
2013	Chenin Blanc	0.55 – 0.75	↔	2013	Bonarda	0.70 – 0.95	↔

\*This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY - DECEMBER 2013



### PROJECTIONS FOR 2014

Based on weather conditions in the end of December, a normal crop is expected in terms of quality and volume. However, due to the current situation in Argentina explained above, many worry that this will create a very difficult scenario for growers during the 2014 harvest, including no grape buyers, no financial assistance and an over-supply situation. Even though there has been an acceleration of the currency devaluation in 2013 (A\$6.40 / US\$1), it is not enough to cover the inflation observed over the last three years. Rumor is that the government is considering a further devaluation, so that it may reach A\$7.50 by mid-2014. The main question now being asked is what to expect for 2014 pricing. It is certain that pricing will follow the downward tendency observed over the last several months. In any case, Argentina is facing another problem, which is the international supply scenario. Chile, Europe (mainly Spain), Australia and South Africa will be strong competitors in 2014, leaving Argentina unable to compete, with the exception of Malbec sales.

## AUSTRALIA & NEW ZEALAND – JANUARY 2014

The Year That Was 2013

Australia started the year 2013 with a 1.83 million tonne crush, an increase of 10% from the previous year. Temperatures of 40°C plus were recorded in the early months on the year, causing stress on vineyards throughout inland areas as vines shutdown and stalled their ripening process. Early heat waves condensed the overall crush in to a shorter period, causing timeframe issues at many wineries urgently looking to process fruit. Early predictions in the Barossa Valley area indicated shortages for fruit, while other premium

areas anticipated a good quantity and quality. Many critics claimed vintage 2013 as one of the best in terms of quality, and many growers/wineries were upbeat as to the expected movement of wine. As the year progressed, there were many enquiries for regional material, especially vintage 2012 product. Mid-year, total inventories accounted for 1.78 billion liters of wine, with 91.2% being table wine.

New Zealand continued to hold its ground with steady pricing throughout the course of the 2013. Marlborough Sauvignon Blanc continues to be an internationally sought after wine, with large volumes being exported to the UK in bulk. Growers were grateful for a larger 2013 crush, bringing volumes up to 210,000 tonnes of Marlborough Sauvignon Blanc alone, with a total of 345,000 tonnes for New Zealand as a whole, and increase from the year prior but on par with 2011. Overall the harvest was successful and quality was very good. The demand for Sauvignon Blanc has been strong throughout the year, pricing has remained quite constant and has softened to around NZD \$4.50/L FOB.

### OVERALL 2013 MARKET PRICING

ALL PRICING IN AUD PER LITER:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
NV	Dry White	0.50 – 0.80	↓	NV	Dry Red	0.70 – 0.80	↓
2013	Chardonnay	0.50 – 0.90	↓	2013	Cabernet Sauvignon	0.90 – 1.30	↓
2013	Sauvignon Blanc	0.80 – 1.00	↔	2013	Merlot	0.80 – 1.30	↓
2013	NZ Marlborough SB	NZD 4.50 – 5.80	↔	2013	Shiraz	0.90 – 1.20	↓
2013	Pinot Gris	0.95 – 1.20	↔	2013	Muscat	0.70 – 1.20	↓

\*This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### PROJECTIONS FOR 2014 - AUSTRALIA

The 2014 crush is expected to a reasonable sized crush, with many predicting the volume to be similar or slightly above the 2013 harvest. The talking point here will be the actual volume of grapes picked, as many wineries are looking to reduce their intake due to a lack of storage space. Weather conditions to date have proven to be good overall. We expect the demand for Pinot Gris and Barossa Valley Shiraz to continue, while Chardonnay will continue a rough ride, with surplus amounts causing prices to soften.

### PROJECTIONS FOR 2014 - NEW ZEALAND

There are talks again of a larger crop for 2014. Growers are working with wineries to get the correct balance again, in order to avoid an over-supply situation. Bunch and shoot thinning are a work in progress to maintain vine balance, but the potential increase is needed, as demand is still high and sales continue to grow. All regions are looking above average at this stage, and winter and spring weather has been warmer than average with few frosts and no reported damage.

## CALIFORNIA – JANUARY 2014

The Year That Was 2012

The 2013 wine and grape industry in the United States showed many similar conditions to that of 2012. Another large harvest of outstanding quality caused additional capacity constraints. As in 2012, there was more retooling of vineyards, both existing and on new ground. 2013 showed sales growth at modest levels, with case good imports leading the way. 2013 did, however, regain growth in US wine exports to international markets, as supply is now available. Bulk wine imports declined, as expected, given the bountiful US harvests. It seems that big wineries continue to get bigger, and most wineries are seeing high sales and performance numbers. Meanwhile, tank builders are busier than ever, delivering to wineries throughout California.

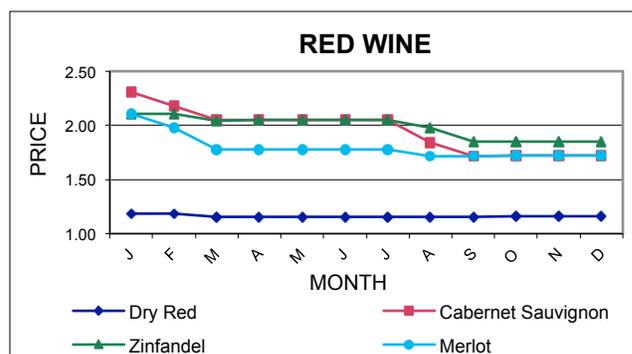
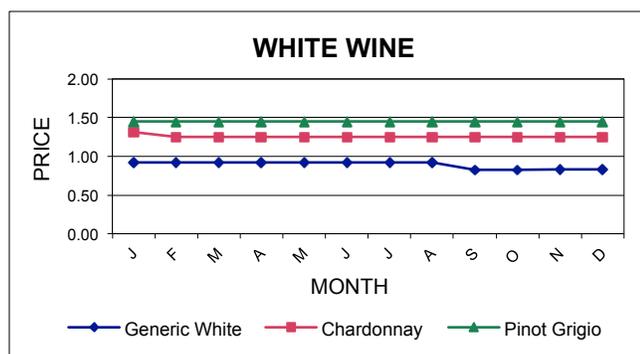
### OVERALL 2013 MARKET PRICING

ALL PRICING IN USD PER LITER:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2012	Generic White	0.66 – 1.05	↓	2012	Generic Red	0.92 – 1.32	↓
2012	Chardonnay	1.05 – 1.45	↓	2012	Cabernet Sauvignon	1.32 – 2.64	↓
2012	Pinot Grigio	1.32 – 1.58	↔	2012	Merlot	1.19 – 2.37	↓
2012	Muscat	1.05 – 1.58	↓	2012	Pinot Noir	1.72 – 2.64	↔
2012	White Zinfandel	0.99 – 1.45	↓	2012	Syrah	1.19 – 2.11	↔
2012	Colombard	0.85 – 1.18	↔	2012	Zinfandel	1.32 – 2.38	↓

\*This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY – DECEMBER 2013



### PROJECTIONS FOR 2014

In 2014, producers will aggressively market excess wines to all potential buying opportunities, both domestic and international.

Pricing on excess bulk inventories will continue to decrease, given the added volume and competitive environment. Pricing on grapes will not see as large of a downward swing until additional vineyards enter production.

The current cyclical drought conditions in the western US will cause industry concerns for future vintages. This will also spur the continued regulatory and legislative discussions about water restrictions to all California agriculture.

## CHILE – JANUARY 2014

The Year That Was 2013

The 2013 crop in Chile was 1.282 million liters, up 3.6% from the previous year. Meanwhile, stock levels as of December 31, 2012 were 1.040 million liters in Chile. The consecutive droughts, especially in the northern valleys, affected production for Pisco, Muscat and generic white wine by about 30%. After the low 2012 crop in Spain, about 140 million liters were purchased and shipped to Spain between the end of 2012 and the first half of 2013. Some branded wineries began to bottle at destination, resulting in an increase in bulk wine exports out of Chile. The domestic bulk wine market was stable, without purchase peaks throughout the year. During the period of January to October, bulk exports were up 92%, while bottled exports remained the same. The Chilean Peso was fairly strong for most of 2013 against the US Dollar, weakening slightly only at the end of the year, which helped exporters. Chilean prices have been slightly decreasing throughout the year, with a major change as the Northern Hemisphere crops were released. The exception was white wine, due to the frost that affected mainly Chardonnay grapes, among other varieties, as well as Kiwis and other fruits.

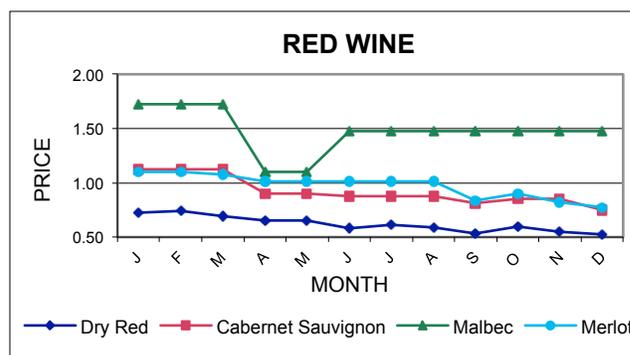
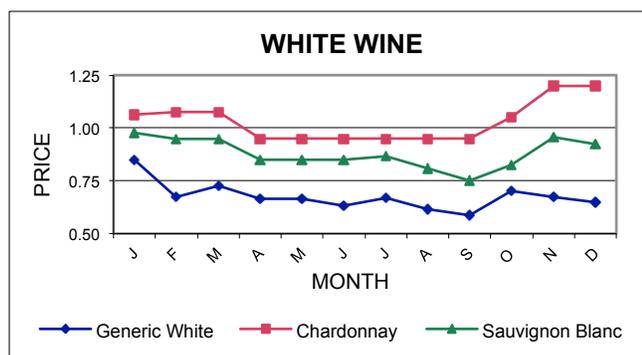
### OVERALL 2013 MARKET PRICING

ALL PRICING IN USD PER LITER; FOB PORT:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2013	Generic White	0.52 – 0.80	↑	2013	Generic Red	0.49 – 0.90	↔
2013	Chardonnay	0.80 – 1.50	↔	2013	Cabernet Sauvignon (Basic)	0.57 – 0.90	↓
2013	Sauvignon Blanc	0.65 – 1.15	↓	2013	Cabernet Sauvignon	0.59 – 1.30	↓
2013	Sauvignon Blanc (Casablanca)	1.05 – 2.50	↔	2013	Merlot	0.65 – 1.30	↔
2013	Pinot Noir	0.75 – 1.50	↔	2013	Malbec	0.90 – 2.00	↔
2013	Syrah	0.65 – 1.15	↔	2013	Carmenere	0.60 – 1.30	↓

\*This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY – DECEMBER 2013



### PROJECTIONS FOR 2014

Grape prices for 2014 are already in discussion, and are looking to be lower than that of the previous crop. If this is the case, vintage 2014 wines will be cheaper than 2013 wines, the exceptions being Chardonnay and Pinot Noir. Overall, quality for the 2014 crop is looking good as we enter the 2014 year.

## FRANCE – JANUARY 2014

The Year That Was 2013

The year 2013 was challenging for both producers and buyers in France. The year started with disappointing 2012 crop figures. With as little as 41.35 million hectoliters produced and volume losses in every single French region, the buying campaign was rapid and active from the beginning. This was especially true for white and rose wines, since the biggest producing regions were in an under-supply situation. Consequently, bulk market prices rose regularly until the end of spring/beginning of summer, until there was almost no volume remaining on the market. Although the 2012 red wine crop was low, suppliers managed to use important 2011 carry-over stocks at the beginning of the campaign to relieve the loss in volume and market price increase. As soon as 2012 wines came onto the market, prices slowly increased until buyers had their needs covered by the end of spring. The 2013 crop was yet another small crop at 42.3 million hectoliters, and only Languedoc produced slightly more volume than 2012, while other regions showed worse results. Consequently, the buying campaign started quickly at a fast pace, and very segment saw a price increase.

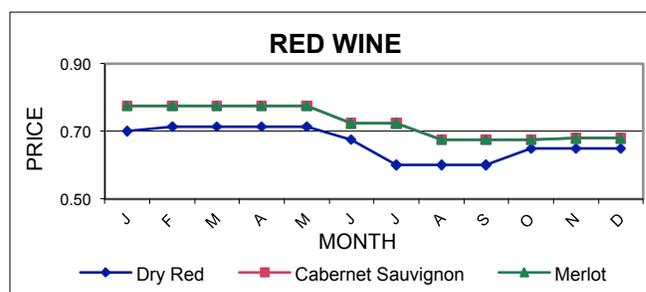
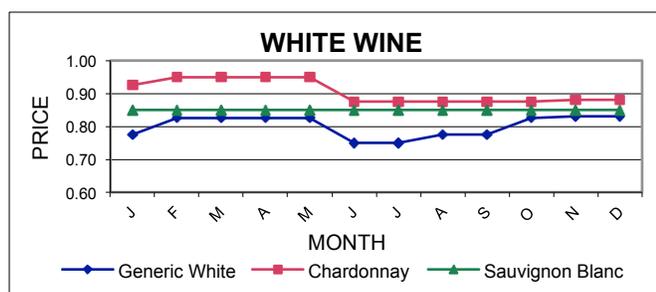
### OVERALL 2013 MARKET PRICING

BULK WINE PRICES: ALL PRICES IN € PER LITER; EXW:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2012	Generic White (VDF)	0.70 – 0.85	↑	2012	Generic Red (VDF)	0.55 – 0.75	↑
2012	Chardonnay (VDF)	0.85 – 1.00	↑	2012	Cabernet Sauvignon (VDF)	0.65 – 0.85	↑
2012	Chardonnay (IGP OC)	0.90 – 1.10	↑	2012	Cabernet-Sauvignon (IGP OC)	0.68 – 0.90	↑
2012	Sauvignon-Blanc (VDF)	0.80 – 0.90	↑	2012	Merlot (VDF)	0.65 – 0.80	↑
2012	Sauvignon-Blanc (IGP OC)	0.82 – 0.95	↑	2012	Merlot (IGP OC)	0.68 – 0.90	↑
2012	Generic Rosé (VDF)	0.65 – 0.77	↑	2012	Syrah (IGP OC)	0.65 – 0.80	↑
2012	Varietal Rosé (IGP OC)	0.72 – 0.90	↑	2012	Dry Muscat (IGP OC)	0.95 – 1.10	↑

\* This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY – DECEMBER 2013



### PROJECTIONS FOR 2014

The future of the French bulk wine market remains to be seen. This is especially true for white and rose wines, as reports are that 70-80% of these wines have already been committed in Languedoc. Another price increase is expected just before spring. The market will be more stable for red wines. The difficulty will be to develop prospect markets on both case goods and bulk wines this year, while there are less volumes available at even higher prices., especially for the famous French AOP (AOP Bordeaux, Cotes du Rhone, Burgundy, Sancerre).

## GERMANY – JANUARY 2014

The Year That Was 2013

The year 2013 was characterized by a general shortage of German wines. This led vintage 2013 wines onto the market very early, especially white wines. Meanwhile, German wine sales were stable to slightly increasing. The result could be a tough year ahead, with very limited availability towards the end of the season.

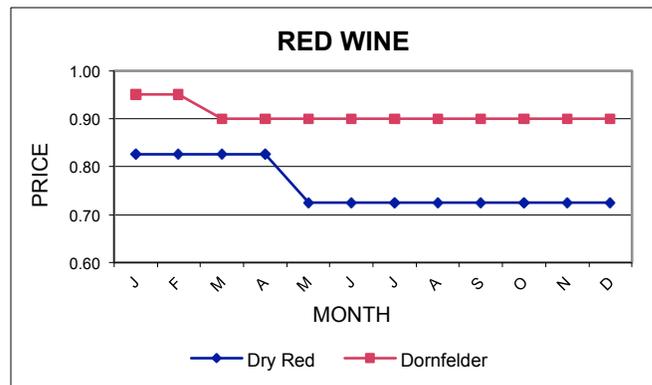
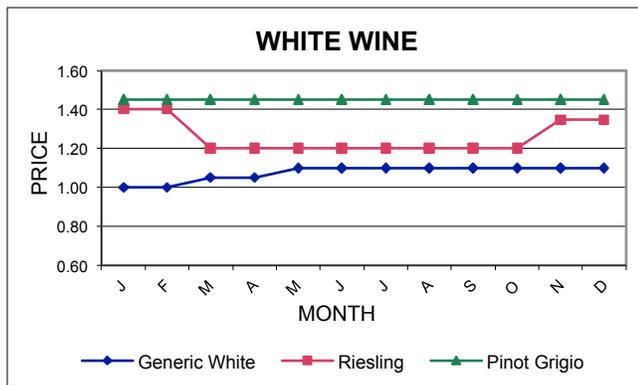
### OVERALL 2013 MARKET PRICING

BULK WINE PRICES: ALL PRICES IN EURO PER LITER EX WINERY:

Vintage	Variety	Price	Trend
2012	White Wine	0.95 – 1.15	↔
2012	Pinot Grigio	1.40 – 1.50	↔
2012	Riesling	1.10 – 1.50	↔
2012	Red Wine	0.65 – 0.95	↔
2012	Dornfelder	0.85 – 1.00	↔

\*This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY – DECEMBER 2013



### PROJECTIONS FOR 2014

In our projections from last year, it was mentioned that the price difference between German and imported wines would shrink because of a general price increase for many wines around the globe, especially from Southern Europe. This was, in fact, the case, but ended abruptly after the harvest season of the Northern hemisphere.

For buyers, there will be plenty of opportunities to purchase wines of good value almost everywhere in the world. This will fill the gap between the total consumption, which is quite stable in Germany, and the moderate volumes of German wines.

## ITALY – JANUARY 2014

The Year That Was 2013

The beginning of the year 2013 was characterized by the short 2012 crop and high prices in most categories, affecting mainly generic wines. After the results and even the first forecasts for the 2013 vintage, prices dropped dramatically. The official numbers for the 2012 crop were revised to show a large positive difference in volume, which did not help prices to become stable during 2013. The current crop is now predicted to be around 47 to 48 million hectoliters, which would again make Italy the leading wine producer in the world.

National consumption continues to suffer, pushing most wineries to focus on exports. Statistics from January to September 2013 show that Italian exports totaled 3.5 billion Euros in value (+9%) and 14 million hectoliters in volume (-3%). Italian bulk wines alone accounted for 361 million Euros (+20%) and 4.3 million hectoliters (-8%). Details can be found in the table below. (Sources: *Corriere Vinicolo / Istat*).

Italian Bulk Exports by Country (January – September 2013)						
Country	Litres		Euros		Euros/Liter	
	2013	% Var.	2013	% Var.	2013	% Var.
Germany	224,803,501	4.6	163,755,685	41.7	0.73	35.5
Sweden	15,459,778	9.9	24,598,261	22.8	1.59	11.7
United Kingdom	21,225,039	14.0	23,987,164	29.9	1.13	14.0
Hungary	42,531,578	- 24.6	23,052,988	- 4.3	0.54	26.8
Switzerland	12,847,133	- 3.8	20,366,316	21.8	1.59	26.5
France	28,751,183	5.0	19,822,397	42.5	0.69	35.7
Austria	16,986,924	12.2	13,901,360	48.6	0.82	32.4
Czech Republic	14,365,457	- 17.5	9,928,183	1.6	0.69	23.3
TOTAL	434,893,735	- 7.7	360,719,279	19.8	0.83	29.9

## OVERALL 2013 MARKET PRICING

BULK WINE PRICES: ALL PRICES IN € PER LITER; EXW:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2012	Generic White	0.35 – 0.75	↓	2012	Generic Red	0.38 – 0.73	↓
2012	Chardonnay	0.80 – 0.95	↓	2012	Cabernet Sauvignon	0.70 – 0.85	↔
2012	Pinot Grigio	1.25 - 1.50	↔	2012	Merlot	0.70 – 0.85	↔

\* This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

## PROJECTIONS FOR 2014

It remains to be seen whether the market for generic wines will continue on a downward trend until it reaches Spanish pricing, or whether it remain stable at current pricing. Nationally, Italy hasn't received much pressure from supermarkets pushing bottles to anticipate better pricing. This has caused national consumption to decrease. On the other hand, Italy seems to be ready to gain markets lost, such as Russia and Eastern countries with aggressive pricing.

Italy has the opportunity to compete with other categories working well abroad. For varietals, this includes Pinot Grigio, Prosecco and Lambrusco; for DOP, this includes Asti, Valpolicella, Chianti, Soave and Sicily; wine categories include Partially Fermented Must (rosé, white, red), sweet reds (popular in the US) and sparkling. A similar increase is expected for sparkling wines, driven by Prosecco, based on its popularity in 2013.

## SOUTH AFRICA – JANUARY 2014

The Year That Was 2013

The last months of 2012 and the first 7 months of 2013 showed a huge increase on export of South African bulk wine to various countries. Although the increased export volumes included the traditional countries like United Kingdom, Germany and Netherlands, the most significant bulk volume increase involved countries like Russia, USA, France, Spain and Italy. The large-volume and early movement of wine, very favorable export-exchange rate from the SA Rand to all major currencies, coupled with another above-average 2013 crop size has resulted in another favorable export year for most supplying wineries, producers and wine related companies. White and rosé saw the highest volume of sales, followed by other white varietals and lastly red varietals. Red wine production and sales were mostly on par with each other, resulting in a balanced situation in terms of remaining stock. The local sales of wine showed a steady growth each month during 2013. All these factors has resulted in a very low carry-over stock situation from 2013 into 2014 on all white wines. Red wine stock levels are approximately the same as the 2012 carry over stock and fairly in balance.

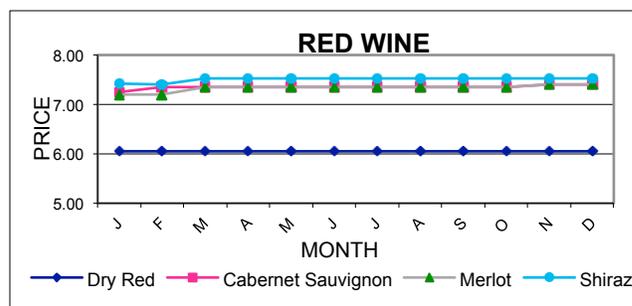
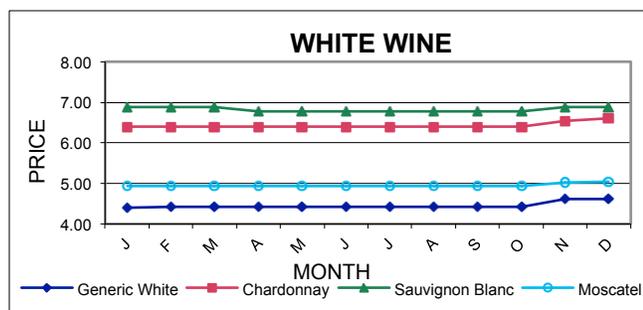
### OVERALL 2012 MARKET PRICING

ALL PRICING IN SA RAND PER LITER; FOB, CAPE TOWN:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2013	Generic White	4.35 – 4.75	↔	2013	Generic Red	5.80 – 6.30	↔
2013	Chardonnay	5.55 – 7.25	↔	2013	Cabernet Sauvignon	6.70 – 8.00	↔
2013	Sauvignon Blanc	5.59 – 7.80	↔	2013	Ruby Cabernet	5.85 – 6.30	↔
2013	Generic Rosé	4.65 – 6.00	↔	2013	Merlot	6.40 – 8.00	↔
2013	Cultivar Rosé	5.40 – 6.00	↔	2013	Pinotage	6.60 – 7.50	↔
2013	Chenin Blanc	4.50 – 5.35	↔	2013	Shiraz	6.80 – 8.25	↔
2013	Muscat	4.85 – 5.20	↔	2013	Cinsaut	5.85 – 6.30	↔

\*This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY – DECEMBER 2013



### PROJECTIONS FOR 2014

Current projections for the 2014 crop are looking very good in almost all production areas. Good pre-harvest conditions have persisted with a cold and wet winter, followed by dry, hot conditions at the start of the summer season. The low carry-over stocks will assist the 2014 sales season. A slower start in exports is expected due to the large EU crops, compared to a very busy comparative period at the beginning of 2013. Pricing remains stable, with a favorable ZAR exchange rate for all exports, as the Rand continues to weaken against all major currencies. Therefore, there is continued renewed interest in South African wine for the new crop, especially from foreign- buyer markets, which were extremely hesitant to buy ex "Africa" pre-2013, but who now seen that South Africa can provide quality-competitive product at globally competitive pricing.

## SPAIN – JANUARY 2014

The Year That Was 2013

The year 2013 was another challenging year for Spain. After a historically low 2012 crop around 35 million hectoliters, the huge market price increase was not accepted by historical buyers (France, Germany, Russia), causing a very slow bulk wine buying campaign start. Spanish case goods, however, compensated for this with good results on new markets. Spain moved from its position as one of the cheapest suppliers in the world, to a less competitive position compared to New World countries. The market began to awaken in spring after a continuous drop in bulk prices. In the meantime, most international buyers covered their needs with New World supply. However, by the beginning of summer, crop estimates were for a huge 2013 crop of 47-48 million hectoliters. Overall, 2013 produced both good quality wines and very basic wines. The 2013 bulk wine market was slow to start, as buyers were aware of the big crop, watching prices continuously drop until December. Historic buyers have now come back onto the market in need of quality products to secure their needs for 2014.

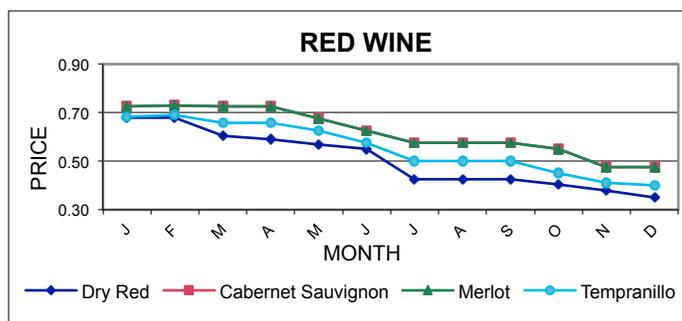
### OVERALL 2013 MARKET PRICING

BULK WINE PRICES: ALL PRICES IN € PER LITER; EXW:

Vintage	Variety	Price	Trend	Vintage	Variety	Price	Trend
2012	Generic White	0.30 – 0.68	↓	2012	Generic Red	0.30 – 0.65	↓
2012	Generic Rosé	0.34 – 0.68	↓	2012	Cabernet Sauvignon	0.45 – 0.75	↓
2012	Moscatel	0.60 – 0.85	↓	2012	Merlot	0.45 – 0.75	↓
2012	Syrah	0.43 – 0.70	↓	2012	Tempranillo	0.38 – 0.70	↓

\* This shows the overall annual price range, low to high, and the trend throughout the year 2013: up, down or flat

### BULK PRICING JANUARY – DECEMBER 2013



### PROJECTIONS FOR 2014

Projections are that Spain may experience another price drop during the second half of 2014. However, it looks as though there will be two different markets: one for very basic wines in ample supply to be used in entry-range programs, vinegar, distillation and industrial/food preparation use, and one market for good quality wines in less supply. The very basic wine category could experience another price drop if not sold quickly, whereas the quality wine category is likely to maintain at current pricing, with a slight drop at the end of the campaign.



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GLOBAL WINE & GRAPE BROKERS

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