



## Newsletter - Quick update Italy and Spain – September 2018

A quick update about Spain and Italy harvest 2018:

### HARVEST:

- Should be a good year on the quantitative level
- Overall quality seems good

However :

- Recent issues due to heavy rains and hard draught in some parts of Italy have generated a decrease on quality (lower alcoholic level than planned, and lower gustative quality)
- In Spain, one has to remain cautious as the 15-day delay at the start of the harvest will make the harvest end mid-October for half of the total volume and October is known for potential heavy rains.

### PRICES

- Context :
  - Spanish bodegas have invested in additional storage
  - Low inventories to-date therefore a lot of available storage capacity
  - Healthy financial situation for most of wine growers
  - Higher pressure to quality in Spain due to growing risks of control from authorities in Europe in general
- Forecast :
  - Clear decrease but no come-back to very low prices
  - Due to the context above, the decrease should not be in effect before the end of 1st quarter of 2019, or even in April after the end of the risks of frost

September 2018