Newsletter Argentina and Chile – December 2020

ARGENTINA

Domestic market and exports were all 2020 quite active in consumption and requirements, especially in the bottom quality range of wines, with good wine availability and competitive prices. This resulted to the situation, that now there is very limited availability of generic red and white wine.
In regards to the higher quality range of wines, there is are availabilities and good qualities too.

We suffered a hard frost this last spring, in all Mendoza Valley, what does foresee that we will have a 2021 vintage lower than the previous one. This has already been talking about higher prices for the 2021 grapes, which will obviously affect the final price of 2021 wines.
There is a good level of price speculation right now for 2021 grapes and over the actual wine stocks, forced also due the bad economic situation in the country. This all is affecting the bulk wine market performance.

CHILE

On contrary to the Argentinean situation, a good 2021 harvest is expected in Chile, with good grape volumes. Water supply will not be an issue this summer, as there was a lot of rain in the valleys and snow at the Andes this last winter.
There was a good demand of white varietal wines this 2020, so their price has risen and there is very little stock. Especially Chardonnay and Sauvignon Blanc, but in regards to the red varieties, there is good stocks.
There is a strong demand right now of 2021 white grapes from all wineries, in order to ensure their needs.

ACTUAL PRICES

ARGENTINA	Price per liter US$ FOB chilean port
Dry White	$ 0,49
Muscat	$ 0,49
Chardonnay	$ 0,70
Sauvignon Blanc	$ 0,70
Torrontes	$ 0,55
Dry Red	$ 0,49
Cabernet Sauvignon	$ 0,59
Syrah	$ 0,54
Merlot	$ 0,64
Bonarda	$ 0,54
Malbec	$ 0,68

CHILE	Price per liter US$ FOB Chilean port
Dry White	$ 0,54
Chardonnay	Not available
Sauvignon Blanc	Not available
Dry Red	$ 0,54
Cabernet Sauvignon	$ 0,72
Merlot	$ 0,75
Syrah	$ 0,75

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