



Newsletter Chile, Argentina and South Africa – February 2023

CHILE – 2023 WINE HARVEST

In terms of quantity 2023 is looking average with very healthy conditions. Demand for white grapes is solid and prices for Sauvignon blanc and Chardonnay grapes are between 250-300 Chilean pesos. In the case of red, the situation is the opposite. Demand is very weak and prices are between 120-150 Chilean pesos (1 USD = 820 Chilean pesos).

Under the current stage we are expecting the following prices for 2023 Wines:

- Sauvignon Blanc USD 0,85
- Chardonnay USD 0,85
- Cabernet Sauvignon USD 0,50-0,55
- Merlot USD 0,50-0,55
- Malbec USD 0,80

ARGENTINA – 2023 WINE HARVEST

Due to a masive frost that all production areas faced in last October, the domestic market has been on expectation for the damage visible results. There are some producers that speak about 20% to 50% decrease on grapes availabilities for this coming crop. But there will be no clarity until fruits start arriving to wineries.

Right now there is a lot of speculation about pricing, and many small and medium size wineries are keeping their wines locked until new vintage start, expecting getting better prices for their wines due the new production shortage. Big wineries are in the market securing grapes lots offering money in advance. There is no grapes prices as usual, and will be defined after vintage start.

In regards to wine availabilities, there is not much wine available. Right now.

- Almost non generic red (quantities available are in bad conditions)
- Almost non generic white
- No Chardonnay availability
- No Sauvignon blanc availability
- Not much Malbec availability.

2023 vintage expectations are limited, and some wineries went abroad for getting wines they need for their bottling programs. There will be a wine price increase obviously, but there is not much space for that, as prices are already high, and there is not much place for continue increasing it.

Actual prices are:

- Generic red: US\$ 0,88 (if you find decent quality)
- Generic white: US\$ 0,82
- Chardonnay: no availability, no price.
- Sauvignon blanc: no availability, no price.
- Malbec: starting on US\$ 0,95 for an entry level quality.

All prices per Liter FCA Mendoza.

SOUTH AFRICA – 2023 WINE HARVEST

The 2023 harvesting has started in almost all the regions and the final expectation is a significant smaller crop. This is relevant regarding the varieties which was started to harvest already: Sauvignon Blanc, Chenin Blanc, Chardonnay, Pinot Noir. However the indications are there, that it will be relevant to the other varieties as well.

The quality looks good and the prices are increasing around 11% on white and 6% on red. While this increase may look significant in must be bear in mind that the ZAR has weakened dramatically and that cost of production has increased above 17%.

February 2023