Consumer Countries/Markets

China Wine Trends

China pays close attention to Spain bulk wine
International Wine buyers set their eyes on Spain, in expectation of a good harvest in quantity and quality, and especially the Chinese, who could take positions to avoid falling production in Chile, one of its major suppliers to date.

But not only China looks to Spain as a supplier of bulk, but also other potential buyers, like the Danes.

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China begins selling Georgian wine online
People in China with a taste for Georgian wine can buy their favourite tipple from a number of new Georgian Wine Houses but soon consumers will be able to go online to buy their favourite drink.

A special platform named E-SilkRoad will launch online where traditional Georgian wine will be sold in China.

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Economic Environment

5 Countries To Watch For African Currency Troubles In The Second Half Of 2016

Ghana
Economic growth has slowed in Ghana with the trials of 2015 carrying over to 2016. These include ongoing electricity shortages due to inconsistent gas supply and flooding, high inflation and subsequent fiscal and monetary tightening. A June International Monetary Fund (IMF) report predicts Ghana’s economy will grow 5.2 percent, down from its 5.9 percent prediction in 2016.
Other analysts say that the number will be closer to 4.1 percent-to-4.3 percent.

Mozambique
The economic darling of 2014 and 2015 is facing a perfect storm of problems — some self-created. Political tensions are at their highest since the months leading up to the October 2014 presidential election. Sporadic attacks in central Mozambique on road transport and other infrastructure have fueled growing fears of instability. The fear has influenced international decision makers and weighed heavily on foreign investment. The fear may not be fully attributed to the government, the high frustration with the country’s debt load is definitely a government problem.

Nigeria
The IMF now estimates a mere 0.8 percent growth in 2016 compared to its original estimate of 4.6 percent. The economy contracted further in the second quarter of 2016 as result of a sharp drop in electricity output, decimating any opportunity of growth for the manufacturing sector. The ongoing low oil prices are devastating the country’s revenue, which weighs on budget planning.

Angola
The Angolan economy is under pressure from ongoing low oil prices. The IMF recently dropped its 2016 growth forecast to 0.9 percent, compared to the original 3.3 percent estimate.

South Africa
The South African world has changed a lot in the past few months. The IMF predicted a rough year for South Africa in January 2016 with 1.4 percent estimated growth. Today that number is 0.6 percent with several economic analysts imagining a full contraction in GDP for the year of minus 0.1 to minus 0.3 percent.

This goes against the Treasury’s 2016 budget assumption of 0.9 percent growth. The country is at risk of seeing a rise in its debt-to-GDP ratio and a growing gap in its current account deficit.

Although South Africa is likely to experience some pain from Brexit, it is unclear how much. The country will lose on exports yet it surprisingly gained on a gold price uptick in the immediate short term.

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