Global Trends - Wine Industry Key Elements

2016 Global Economic Vitiviniculture Report

Global Production and Supply
The 2016 world wine production is estimated at 259.5 mhl, a fall of 5% (-14.4 mhl) compared with 2015. This production is among the lowest in 20 years, yet with highly contrasting situations as a consequence of climatic events.

Italy (48.8 mhl, -2% compared with 2015) confirms its place as the leading world producer, followed by France (41.9 mhl, -12%) and Spain (37.8 mhl, +1%). Germany and Portugal fall in line with this downward trend, with 8.4 mhl and 5.6 mhl (-4% and -20%) respectively, while in Romania (4.8 mhl, +37%) and Greece (2.6 mhl, +2%) production was on the up. After two poor harvests, Romania returned to a good level of production.

Bulgaria saw a production level in keeping with its potential with 1.3 mhl, after the very low 2014 production. Austria (1.8 mhl, -21%) and Hungary (2.7 mhl, -6%), declined compared to 2015 production levels.

The United States, with 22.5 mhl (+2% compared with 2015), again recorded a high production level.

In South America, the production in the three countries of Argentina, Chile and Brazil was in sharp decline. Argentina recorded a significant reduction in its production in 2016 with 8.8 mhl vinified (-35% compared with 2015), which is by far the poorest harvest in recent years. At the same time, 2016 production in Chile also experienced a decrease (-21%) to 10.1 mhl compared with 2015 (12.9 mhl). Brazil saw a very low production of 1.4 mhl, which is a reduction of 50% compared with 2015. The production of these three countries was affected by climatic events.

South Africa, with a production of 10.91 mhl, observed a 5.5% decline in 2016 production levels compared with 2015.

In Oceania, 2016 Australian production is evaluated at 12.5 mhl (+5%) and continues the trend of relative stability over the 2012 - 2015 periods. In New Zealand, 2016 production is set at 3.1 mhl (+34%) compared with 2015.

Global Consumption
Global consumption is estimated at 243.2 mhl, 2% more than in 2015.
Global Wine Exports (first half of 2016)
Export volumes are flat or down for many of the major wine producing countries. This trend is set to continue into next year as global production falls back and countries have will have worked through any stock overhangs from 2015.

French wine exports saw a modest volume decline of -0.8%. Italian wine exports are mostly steady, while Spanish bulk shipment volume fell by 8.7%.

Australian exports decreased by 4% in volume terms and rose by 4.2% in value terms. Growth in bottled wine exports at more premium price points in the US, Canada and the UK are further supporting the strong value growth in the Chinese market. The Australian growth in the Chinese market has a positive impact on the cooler regions red wine grape prices increasing from average AUSD 1 200 to AUSD 1 300 per ton. However, the contraction and negligible new vineyard development leaves only limited capacity for major increases in supply.

NZ exports rose by 3.7% in volume terms and in value by 6.4%. Argentine wine exports fell by 11% in volume and by 7% in value. Chilean exports grew by 7.2% in volume, but fell by 0.9% in value. Exports were dominated by bulk shipments, although turning negative lately. South African bulk wine exports increased by 3.6%, but failed to offset the 7.9% decline in packaged wines; total exports were down by 1.2%.


Important note: The OIV Press Release mentioned the decrease in South African wine production as 19% compared with 2015. This is incorrect and is 5.5% based on the estimate of 19 August 2016.