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2012 WINE GRAPE CROP – BIGGER THAN 2011 IN ALL DISTRICTS, EXCEPT STELLENBOSCH

The 2012 wine grape crop should amount to 1 351 714 tons, according to industry (producer cellars and viticultural consultants) estimates on 29 November 2011. This represents an increase of 3.9% compared to the 2011 crop, but is nevertheless 5.2% smaller than the record crop of 2008. The 2012 wine crop – including juice and concentrate for non-alcoholic purposes, wine for brandy and distilling wine – is expected to amount to 1 043.4 million litres, calculated at an average recovery of 772 litres per ton of grapes.

In all the wine regions, with the exception of the Stellenbosch region, estimates show a slight to 17% increase on the 2011 crop. The alternating up-and-down trend that characterises the crop in the Orange River region again manifests this year. Following the fairly small 2011 crop, mainly due to flood damage, the crop in the Orange River region is estimated to be approximately 17% bigger.

The most important reasons for the projected increase in the 2012 crop are:

- Sufficient cold conditions in winter resulted in good and even bud burst.
- On the whole this has been a very healthy year with cooler/benign weather conditions over the past two months, resulting in vigorous growth.
- The infamous gale force winds which are able to cause considerable damage, have not prevailed.

Factors that may yet impact on the crop in the coming months:

- Cooler weather conditions during the flowering and set periods caused poor and uneven set (millerandage) which may result in a decrease in the total crop size – the effect of which will only be visible at a later stage. The fact that fruit growers, who have already started harvesting, report below-average fruit sizes this year, clearly shows the impact of weather fluctuations.
- Current water resources in the Stellenbosch, Paarl and Malmesbury regions are insufficient for the season's irrigation requirements and follow-up rains for the rest of the season will be important to ripen the crop.
- Weather conditions during the remainder of the season will obviously determine the final crop size, as well as the quality of the crop.

Domestic sales of natural wine for the 12-month period from November 2010 to October 2011 show that the market has increased by 4.0% to 311.8 million litres, compared to the corresponding period the previous year. Exports of natural wine over the same period decreased by 7.2%, with packaged wine showing a negative growth trend of 19.7%,

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whereas bulk wine increased by 12%. The decline in exports is attributed to the global economy, the problems in the Eurozone, our largest market, and the volatile rand.

Stock levels at producer and private cellars should increase to 430.6 million litres on 31 December 2012, compared to 406.4 million litres on 31 December 2011.

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