EUROTRADE

BUSINESS SERVICES Ltd.

Newsletter Spain – June 2023

We can currently analyse the sales results and shipments in Spain, which have not stopped increasing since the start of the 2022/2023 campaign (since August 2022). Sales in Spain were slow to take off as Italian wine prices drew buyers' attention.

As mentioned in our last market report, the conclusion of contracts and shipments then followed very quickly, especially from the beginning of February 2023. This positive experience encourages producers to enter the new 2023 harvest with the hope of being able to enforce fair wine prices for winegrowers.

The recent rains in La Mancha were more than welcome but did not make up for the deficit caused by the region's drought months. Nevertheless, the situation seems to have eased somewhat and growers are now assuming that this harvest may not be that small after all.

Logically, the grape prices this year should be in a similar price range as last year, so that the starting prices for the wines from 2023 are more-or-less in the same trend as last year.

We must then analyse the prices from other producing countries such as Italy and France and, as usual, observe the reaction of the markets to the prices offered in order to determine price developments in Spain. Now in June, it is still much too early to give an overview of the future prices for the 2023 harvest, but in our opinion, it is very likely that the cooperatives will announce similar prices for the start of the season as they are in of the 2022/2023 campaign.

Regarding white wine - We have already noticed that it has been difficult to find free lots for new contracts since April. According to the largest producers, everything has been sold and there is no more white wine on offer. The general price trend is firm to rising, but in no case falling. However, it will be a long time before the wines from the new harvest are available. Currently, most of the available volume is in the hands of private producers who are pursuing a speculative strategy, knowing full well that there is still strong demand for white wine on the international market. In short, we will start this new crop with very little stock.

Regarding red wine - The sales have little to do with the situation of white wine, even if the usual contracts for other vintages were concluded in this campaign.

The price development for red followed that for white very closely. But we are convinced that while the red wine harvest in Spain is usually a little shorter than the white wine harvest, there should still be more stock than expected. Because of the drought, producers have preferred to store red wine for 2023/2024 rather than selling everything before harvest. In fact, we've already had two normal harvests, with no large excess stocks from previous harvests.
Wines with a colour intensity of more than 9/10 points, e.g. Tintorera, and the market appreciates wines with high graduations (over 13.5%), while red wines with 11% - 12% vol. alcohol and 5 colour points is the cheapest wine on the market today.

Summary: after numerous investments, for several years the cooperatives have now enough space in their cellars to accommodate the new harvest while at the same time disposing of the stocks of the previous ones. So, there is no longer the urgency of having to sell volumes quickly before harvest to make space. After the harvest, market events will decide what price situation we will have at that point and whether the trend will be up or down. Before that, however, the grapes must be harvested, the final quantity must be determined, the prices for the grapes must be determined and the marketing on the market must begin.

It should also be remembered that for several years we have been confronted with the volatility of nature in the summer months with hailstorms, torrential rain or long extreme heat waves.

GUIDELINE PRICES FOR SPANISH WINES PRICES EXW WINERY SUBJECT OF SALES

CROP **2022** EXW. LA MANCHA **WINE WITH ORIGIN SPAIN –** WITHOUT VARIETAL INDICATION ON THE DOCUMENTS

TABLE WINE	BASE WINE FOR SPARKLING 10% F/C TA MIN 6	11% F/T Traditionally fermented	**12%** F/T Traditionally fermented	11% F/C Controlled fermentation	**12%** F/C Controlled fermentation	**TREND**
WHITE WINE	38,00 €/HL (€ 3,80 hº)	37,40 €/HL (€ 3,40 hº)	40,80 €/HL (€ 3,40 hº)	39,60 €/HL (€ 3,60 hº)	43,20 €/HL (€ 3,60 hº)	↗
ROSÉ WINE	39,00 €/HL (€ 3,90 hº)	39,60 €/HL (€ 3,60 hº)	43,20 €/HL (€ 3,60 hº)	41,80 €/HL (€ 3,80 hº)	45,60 €/HL (€ 3,80 hº)	↗

TABLE WINE	**Red Wine 11% IC 5 MIN**	**Red Wine 12% IC 7 MIN**	**Red Wine 13% IC 8/9 MIN**	**TREND**
RED WINE	33,00 €/HL (€ 3,00 hº)	33,60 €/HL (€ 3,10 hº)	39,00 €/HL (€ 3,20 hº)	=

VARIETAL WINES 100%

WITH VARIETAL DESCRIPTION AND CROP INDICATION ON THE DAe

White Wine Varietal 100% * crop 2022		**€ Indicatif 12%**	**TREND**
WHITE WINE AIREN	3,60 €/hgd	€ 43,20/HL	↗
WHITE WINE MACABEO	3,60 €/hgd	€ 43,20/HL	↗
WHITE WINE VERDEJO	4,00 €/hgd	€ 48,00/HL	↗
WHITE WINE MOSCATEL	6,00 €/hgd	€ 72,00/HL	↗
WHITE WINE SAUV. BLANC	5,30 €/hgd	€ 63,60/HL	↗
WHITE WINE CHARDONNAY	6,00 €/hgd	€ 72,00/HL	↗
Rosé Wine Varietal 100% * Crop 2022		**€ Indicatif 12%**	**TREND**
ROSE TEMPRANILLO	3,50 €/hgd	€ 42,00/HL	↗
ROSE GARNACHA	3,70 €/hgd	€ 44,40/HL	↗
ROSE BOBAL	3,70 €/hgd	€ 44,40/HL	↗
Red Wine Varietal 100% * Crop 2022		**€ Indicatif 12%**	**TREND**
RED WINE TEMPRANILLO	3,40 €/hgd	€ 40,80/HL	=
RED WINE SYRAH	3,80 €/hgd	€ 45,60/HL	=
RED WINE CABERNET SAUV.	4,00 €/hgd	€ 48,00/HL	=
RED WINE MERLOT	4,50 €/hgd	€ 54,00/HL	=

WINE PRICES **BIO / ECO** BIO CERTIFICATE BY « ECOSCHERT / SOHISCERT » - ACCORDING TO EU-LEGISLATION

BIO / ORGANIC	BASE WHITE WINE FOR SPARKLING **10% F/C AT 6**	**11% F/C** Controlled fermentation	**12% F/C** Controlled fermentation	**TREND**
WHITE WINE BIO	38,00 €/HL (€ 3,80 hº)	41,80 €/HL (€ 3,80 hº)	45,60 €/HL (€ 3,80 hº)	↗
ROSÉ WINE BIO	41,00 €/HL (€ 4,10 hº)	42,90 €/HL (€ 3,90 hº)	46,80 €/HL (€ 3,90 hº)	↗

BIO / ORGANIC	**RED WINE 11% IC 5 MIN**	**RED WINE 12% IC 7 MIN**	**RED WINE 13% IC 8/9 MIN**	**TREND**
RED WINE BIO	41,80 €/HL (€ 3,80 hº)	45,60 €/HL (€ 3,80 hº)	49,40 €/HL (€ 3,80 hº)	=

WHITE WINE BIO/ORGANIC VARIETAL 100% * CROP 2022		**€ Indicatif 12%**	**TREND**
WHITE WINE BIO AIREN	3,80 €/HL	€ 45,60/HL	↗
WHITE WINE BIO MACABEO	3,90 €/HL	€ 46,80/HL	↗
WHITE WINE BIO VERDEJO	5,20 €/HL	€ 62,40/HL	↗
WHITE WINE BIO SAUV. BLANC	6,00 €/HL	€ 72,00/HL	↗
WHITE WINE BIO CHARDONNAY	7,00 €/HL	€ 84,00/HL	↗
ROSÉ BIO/ECO VARIETAL 100% * CROP 2022		**€ Indicatif 12%**	**TREND**
ROSE BIO GARNACHA	4,10 €/HL	€ 49,20/HL	↗

RED WINE BIO/ECO VARIETAL 100% * 2022		€ Indicatif 12%	TREND
RED WINE BIO TEMPRANILLO	3,90 €/HL	€ 46,80/HL	=
RED WINE BIO GARNACHA	4,00 €/HL	€ 48,00/HL	=
RED WINE BIO SYRAH	4,50 €/HL	€ 54,00/HL	=
RED WINE BIO CABERNET SAUV.	5,00 €/HL	€ 60,00/HL	=
RED WINE BIO MERLOT	5,50 €/HL	€ 66,00/HL	↗

Concentrate / **rectified grape must concentrate 65 Brix –** on the base of must prices crop 2022
INDICATIVE PRICE SUBJECT TO CONFIRMATION * PER TANK TRUCK / FLEXITANK EXW Spain.

100% VITISVINIFERA	PRICE KG	PRICE HL	PRICE % PA	TREND
Rectified grape must concentrate 65 BRIX * **MCR**	EUROS 1,55	EUROS 205,30	EUROS 3,93	=
White grape must concentrate 65 BRIX	EUROS 1,45	EUROS 192,15	EUROS 3,68	=

For the next crop 2023 in Spain…
from [METEO Ciudad Real -- Servicio meteorológico y climatológico online de Ciudad Real - Precipitación]

Up to today – * 08/06/23 rainfalls have moderately arrived

Rainfalls	Rainfall in liters in Autum September, October and November	Rainfall in liters in Winter December, January and February	Rainfall in liters in Spring March, April and May	Rainfall in liters in Summer June, July and August	Total Rainfalls in Lts	Total Production Mio/HLS in La Mancha
2022/2023	54,1	138,2	4,8	* 42,4	239,5	2023 = ¿19,00?
2021/2022	142,2	107,4	20,2	24	293,8	crop 2022 = 20,00
2020/2021	124,2	124,8	94,2	40,8	384	crop 2021 = 21,00
2019/2020	137,4	72,6	161,8	6,8	378,6	crop 2020 = 22,00
2018/2019	128,6	26,2	78,4	6,4	239,6	crop 2019 = 19,00
2017/2018	61,6	113,8	264,8	16,6	456,8	crop 2018 = 29,08
2016/2017	165	102,8	108,4	31	407,2	crop 2017 = 19,45
2015/2016	87,8	56,8	174,2	2,2	321	crop 2016 = 24,42
2014/2015	159,4	64,8	77,6	35,2	337	crop 2015 = 22,94
2013/2014	139,6	237,4	54,8	14,4	446,2	crop 2014 = 25,12
2012/2013	299,4	129,6	256,2	11,8	697	crop 2013 = 33,03
2011/2012	89	26,6	121,4	10,8	247,8	crop 2012 = 19,00
2010/2011	147,6	243,2	130,6	2,4	523,8	crop 2011 = 18,90
2009/2010	42,8	391,8	98,2	49,1	581,9	crop 2010 = 21,60
2008/2009	129,4	67,3	71,8	32	300,5	crop 2009 = 20,00
2007/2008	¿... ?	¿... ?	¿... ?	¿... ?	602	crop 2008 = 23,10

June 2023