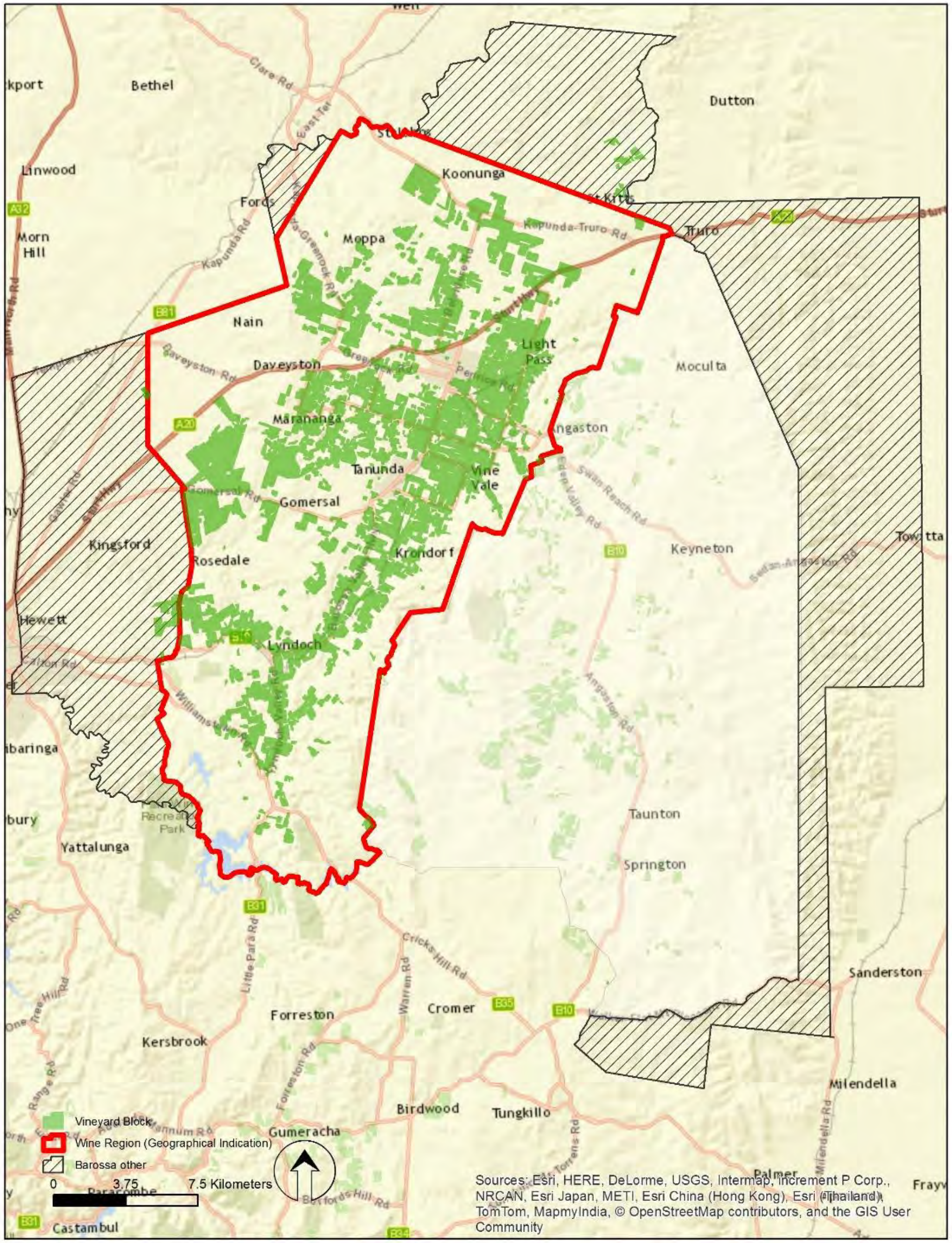

DATUM: GDA94
PROJECTION: MGA Zone 54
DATE: 8th March 2017
SOFTWARE: ESRI ArcGIS v10.4
DATA SOURCE:
Vineyard Block - Vinehealth Australia
Wine Region - Wine Australia

Barossa Valley Wine Region
inc Barossa Zone other

Vinehealth AUSTRALIA

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SA Winegrape Crush Survey

Regional Summary Report 2018

Barossa Valley Wine Region
(inc Barossa Zone other)

Wine Australia August 2018

Barossa Valley

Vintage overview

VINTAGE REPORT

Barossa grape growers and winemakers will be happy with a high-quality 2018 vintage and good yields.

The growing season started off well, with Winter 2017 rainfall around 10% higher than average. However, spring rainfall was only 78% of average in the Barossa Valley (BV) and December rainfall was only 57% of average.

Drier soils, combined with warmer than average October and November days (October 2ºC above average and November 1.1ºC above average, meant the vine canopies grew quickly; flowering well and setting a good number of bunches.

January and February were warm and dry, with very warm temperatures in February slowing down the pace of ripening. January was slightly above average (1.4ºC during the day but closer to average at night) and February was about average during the day, but with significantly warmer than average night time temperatures in Barossa Valley (5.8ºC warmer).

With summer rainfall 50% of average, growers with access to water, soil moisture monitoring, good irrigation management and healthy soils experienced less stress – and subsequently delivered sound fruit and consistent yields.

The Indian summer of March and early April, with average temperatures, without extremes, was perfect for finishing off vintage. The 28-30mm of rain on 14/15 April did not cause any major problems for picking and will be a welcome post-harvest watering for most Barossa growers.

While there is variation across Barossa, Shiraz yields are generally around 10-20% below the long-term average – but higher than the (very low yielding) five years prior to 2017. Cabernet Sauvignon is reported to be average to 15-20% down on the long-term average.

Nicki Robins, Barossa Grape & Wine Association

OVERVIEW OF VINTAGE STATISTICS

The 2018 Barossa Valley recorded crush[1] was 56,970, down 22% from the 2017 crush of 73,174 tonnes but still the second highest since 2011.

Over the last 5 years (2013-2017), the average Barossa Valley reported production has been 52,082 tonnes, with a low of 43,824 tonnes in 2013. The 2017 crush was the highest in the five-year period, and in fact the highest since 2006. The 2018 crush was 9% above the 5-year average.

The total value of grapes from the region is estimated to be $113 million in 2018, down from $147 million in 2017 as a result of the lower tonnages.

After big increases in average purchase price for most varieties in 2017, there were only small changes this year. Shiraz declined by 1% to $2252 per tonne and Cabernet Sauvignon declined by 2% to $2007 per tonne, but Merlot (up 1% to $1135 per tonne) and Grenache (up 1% to $1719) both increased slightly. In the white varieties, Chardonnay increased by 5% to $636 per tonne, while Semillon declined 5% to $684 per tonne.

The price dispersion data shows that, while the proportion of red varieties purchased at $1500 per tonne or more was the same as in 2017 (91%), the proportion purchased at $2000 or more decreased from 65% to 51%.

There were 161 hectares of new plantings in the Barossa Valley in the 2017 planting season (including top-working and replacements) compared with 111 hectares in the previous year. Shiraz accounted for nearly all of the new plantings (148 hectares).

Despite the new plantings, the total area of vineyards in the Barossa Valley as at 30 April 2018 had reduced by nearly 1,000 hectares to 10,460 hectares, compared with 11,525 in 2017. In 2013 the total area was 11,394 hectares.

[1] Report includes crush from Barossa Zone – other (1,516 tonnes)

Barossa Valley

Winegrape intake summary table - red

	Total tonnes purchased	Price dispersion - number of tonnes in each price range: < $300	$300 to <$600	$600 to <$1500	$1500 to <$2000	$2000+	total value purchased grapes	Average purch. value per tonne	Change in price YoY	Winery grown fruit	Share of winery grown	Total crushed	Est total value ALL grapes
Red													
Barbera	5		5		0						0%	5	$2,648
Cabernet Franc	77			74	2		$88,360	$1,154	3%	45	37%	121	$140,025
Cabernet Sauvignon	3,963		22	161	2,329	1,451	$7,953,281	$2,007	-2%	3,344	46%	7,306	$14,664,235
Durif	72			7	55	10	$115,266	$1,599	-4%	4	5%	76	$120,991
Grenache	2,396			597	1,292	506	$4,117,391	$1,719	1%	614	20%	3,010	$5,172,349
Lagrein	1			1							0%	1	$627
Malbec	21				15	7	$37,185	$1,752	0%	50	70%	71	$125,241
Mataro/Mourvedre	743			99	326	319	$1,410,173	$1,899	-4%	437	37%	1,180	$2,240,027
Merlot	1,282			984	298		$1,454,814	$1,135	1%	204	14%	1,486	$1,686,244
Montepulciano	23			5	1	17	$47,519	$2,041		34	59%	57	$116,740
Muscat Rouge a Petits Grains	12			12						15	55%	27	$25,598
Nero d'Avola	20			4	16		$28,753	$1,464		26	57%	45	$66,579
Petit Verdot	54			23	23	8	$73,190	$1,366	7%	24	31%	78	$106,364
Pinot Meunier	16			16						1	5%	17	$23,296
Pinot Noir	131			131			$106,107	$810	10%		0%	131	$106,107
Sangiovese	268			241	5	22	$371,620	$1,386	1%	78	23%	346	$479,673
Shiraz	20,726			43	7,508	13,176	$46,683,653	$2,252	-1%	15,932	43%	36,658	$82,568,234
Tempranillo	425			26	393	5	$717,707	$1,690	3%	103	19%	527	$891,126
Other red	327			222	76	29	$459,211	$1,405	-13%	134	29%	461	$647,800
Red total	**30,560**		**27**	**2,645**	**12,340**	**15,548**	**$63,701,098**	**$2,084**	**-2%**	**21,044**	**41%**	**51,604**	**$109,183,904**

Note: Where there are fewer than three purchasers of a variety, the average price and total value are not reported to protect confidentiality.

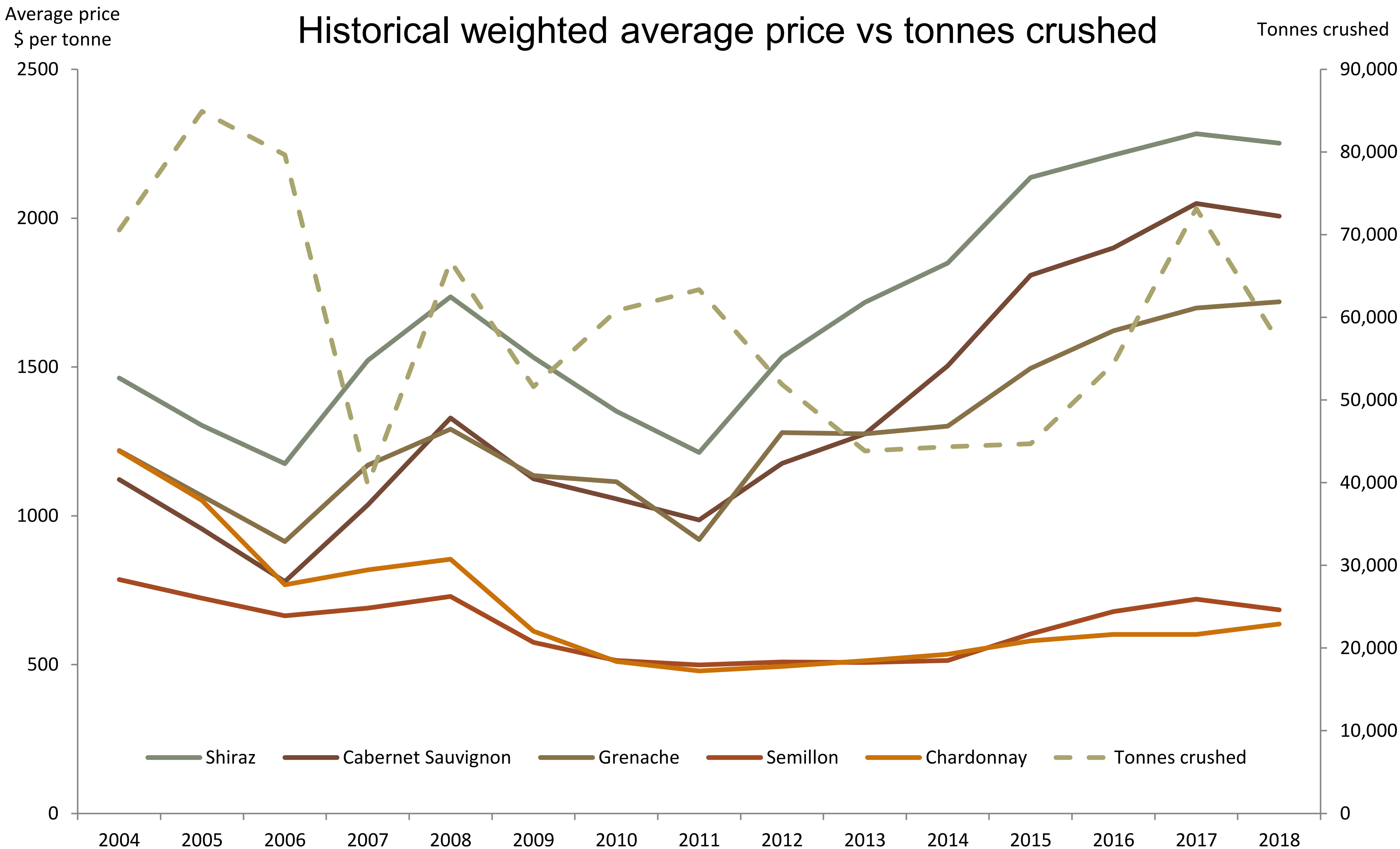
Barossa Valley

Winegrape intake summary table - white

	Total tonnes purchased	Price dispersion - number of tonnes in each price range < $300	$300 to <$600	$600 to <$1500	$1500 to <$2000	$2000+	total value purchased grapes	Average purch. value per tonne	Change in price YoY	Winery grown fruit	Share of winery grown	Total crushed	Est total value ALL grapes
White													
Chardonnay	1,331		239	1,092			$846,870	$636	5%	271	17%	1,602	$1,019,390
Chenin blanc	29			20	9		$30,575	$1,050	19%		0%	29	$30,575
Fiano	7			7						36	84%	43	$40,404
Gewurztraminer	68			68							0%	68	$50,880
Marsanne	21		5	11	5		$26,554	$1,252		43	67%	64	$79,792
Muscadelle (Tokay)	12			12			$12,462	$1,073	41%		0%	12	$12,462
Muscat Blanc a Petits Grains	178		41	137			$151,245	$850	16%	65	27%	243	$206,851
Pinot Gris/Grigio	81			81			$88,399	$1,088	10%	67	45%	148	$161,209
Riesling	481		9	466	7		$419,000	$871	4%	89	16%	570	$496,658
Roussanne	17			2	14		$26,485	$1,587	-1%	2	12%	19	$30,100
Sauvignon Blanc	335			335			$280,663	$837	4%	42	11%	377	$315,484
Semillon	1,190		327	847	16		$813,796	$684	-5%	298	20%	1,488	$1,017,727
Vermentino	110			110			$99,946	$907			0%	110	$99,946
Viognier	264			243	7	14	$342,620	$1,298	2%	63	19%	327	$424,871
Other white	42			27	15		$49,110	$1,157	0%	223	84%	266	$307,517
White total	**4,166**		**620**	**3,459**	**73**	**14**	**$3,244,971**	**$779**	**3%**	**1,200**	**22%**	**5,366**	**$4,293,864**
Grand total	**34,726**		**647**	**6,104**	**12,413**	**15,563**	**$66,946,068**	**$1,928**	**-1%**	**22,243**	**39%**	**56,970**	**$113,477,768**

Note: Where there are fewer than three purchasers of a variety, the average price and total value are not reported to protect confidentiality.

Barossa Valley



Barossa Valley

Current plantings by variety and year planted – red winegrapes

Includes Barossa Zone other (237 hectares)

	Year planted					
Variety	**Pre-2015**	**2015**	**2016**	**2017**	**Total area**	**% planted in 2017**
Red winegrapes						
Cabernet Franc	28	0	0	2	29	5%
Cabernet Sauvignon	1,488	73	23	7	1,591	0%
Durif (Petite Sirah)	19	1	0	0	19	0%
Grenache	661	0	5	0	666	0%
Malbec	22	2	1	1	26	3%
Mataro (Mourvedre)	258	1	0	1	260	0%
Merlot	334	0	1	1	337	0%
Petit Verdot	19	0	0	0	19	1%
Pinot Noir	36	0	0	0	36	0%
Sangiovese	27	0	0	0	27	0%
Shiraz	6,775	227	78	148	7,228	2%
Tempranillo	98	2	1	0	101	0%
Zinfandel	12	0	0	0	12	0%
Other red	103	2	2	1	109	1%
Total red varieties	**9,880**	**308**	**111**	**161**	**10,460**	**2%**

Source: Vinehealth Australia

Barossa Valley

Current plantings by variety and year planted – white winegrapes

Includes Barossa Zone other (237 hectares)

Variety	Pre-2015	2015	2016	2017	Total area	% planted in 2017
	Year planted					
White winegrapes						
Chardonnay	305	0	0	0	305	0%
Chenin Blanc	15	0	0	0	15	0%
Marsanne	11	0	0	0	11	0%
Muscadelle (Tokay)	13	0	0	0	13	0%
Muscat A Petit Grains Blanc (White Frontignac)	52	0	0	0	52	0%
Pedro Ximenez	5	0	0	0	5	0%
Pinot Gris	16	1	0	0	16	0%
Riesling	160	1	0	0	161	0%
Sauvignon Blanc	54	0	0	0	54	0%
Semillon	336	0	0	0	336	0%
Vermentino	7	0	0	0	7	0%
Viognier	57	0	0	0	57	0%
Other white	48	0	0	0	48	0%
Total white varieties	**1,080**	**2**	**0**	**0**	**1,082**	**0%**
Unknown variety	112	0	0	0	112	0%
Total all varieties	**11,072**	**310**	**111**	**161**	**11,654**	**1%**

Source: Vinehealth Australia

Explanations and definitions

AUSTRALIAN NATIONAL VINTAGE SURVEY

The information for this report has been collected and analysed by Wine Australia as part of the Australian National Vintage Survey. The SA Winegrape Crush Survey Report has been prepared by Wine Australia on behalf of the South Australian Wine Industry Association, Wine Grape Growers South Australia and Primary Industries and Regions SA.

Maps and planting data tables are provided by Vinehealth Australia (see notes on planting data tables pg 20).

The survey publication is available on Wine Australia's website wineaustralia.com, the Vinehealth Australia website vinehealth.com.au and via links from the Wine Grape Council SA website wgcsa.com.au and the South Australian Wine Industry Association website winesa.com.au

Photo credits

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Note: data published in this report supercedes that in earlier reports. Minor variations in reported figures can occur due to data revisions.

Any questions about the report should be directed to:

Wine Australia Market Insights
+618 8228 2000
market/insights@wineaustralia.com

Explanations and definitions - continued

INTAKE (CURRENT VINTAGE) DATA

Definition of regions

Regions have been defined in accordance with Geographical Indication (GI) boundaries. If a GI region has not been declared, or produces less than 5,000 tonnes, then the data is aggregated into the relevant GI zone. Disaggregation of data into smaller regions such as Southern Fleurieu and Mount Benson is available on request from Wine Australia.

Total crush

The total crushed is the total tonnes of grapes crushed from a particular source region, whether processed in that region, another region in SA or interstate. All wineries in Australia are included in the survey collection process. However, not all wineries respond to the survey - therefore the total tonnage reported may underestimate the true crush. It is estimated that the overall response rate for the survey is 85 per cent; however, individual regions may vary. Generally, regions will have a higher response rate when there is a high proportion of purchased winegrapes within the region.

Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Calculated average purchase value

The survey requests wineries to provide the total amount paid for each parcel of fruit purchased (or the price per tonne). This is the price paid for fruit of a particular variety at the point of receival – NOT including freight. It includes any penalties or bonuses (eg Baumé) applied at the weighbridge, but DOES NOT INCLUDE other bonuses or adjustments such as end use quality bonuses, which are not available at the time the survey is conducted (May-June 2018).

The calculated average purchase value per tonne is the average amount paid per tonne of fruit across all wineries.

Winery grown grapes are not included in the calculation of average purchase value; nor are grapes grown by companies connected with the winery or under lease arrangements.

Average and total purchase values are not reported where there are fewer than three purchasers of a variety in a particular region.

Important note on average purchase value

There is considerable variation in the pricing arrangements made by different wineries. For example, some wineries make adjustment payments based on the average value per tonne reported in this survey and some pay quality bonuses based on the end use of the product. These additional payments are not included in the reported figures. The average price also does not give any indication of the distribution of prices, or variables that go into individual contracts.

Price dispersion data (shaded columns in Intake Summary tables)

All purchases for each variety are grouped into price segments according to the price paid for that batch of fruit. The sum of tonnes in all the price segments may not match the total tonnes purchased where there are tonnes reported without an associated price.

Estimated total value of all grapes

The estimated total value of all grapes is calculated by multiplying the average purchase value per tonne by all tonnes crushed. If there is a variety where there are no purchases, then the average purchase value for the same variety across similar regions, or across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Explanations and definitions continued

PLANTING DATA

Source of planting data tables

Planting data is not collected by the 2018 Australian Wine Sector Survey. The information is obtained from the vineyard register maintained by Vinehealth Australia.

Vinehealth Australia is required under the *Phylloxera and Grape Industry Act 1995* to maintain a complete and accurate register of vineyard owners in the state. Vineyard owners with plantings of 0.5 hectares or more are required to register with Vinehealth Australia, and provide details of any changes made to these vineyard plantings within three months of any such change. This information is kept strictly confidential and provided for this survey in a deidentified and aggregated manner.

Explanatory notes for planting data tables

Regions are defined according to the Register of Australian Geographical Indications.

To protect confidentiality, the following rules are applied to reporting varieties:

- where there are fewer than 10 registered owners with plantings of a particular variety across the state, that variety is not separately identified in either the state or the regional reports but is grouped with “other red/white”, AND
- where there are fewer than three registered owners with a particular grape variety in a given region, that variety is not separately identified in the regional report but is grouped with “other red/white” unless it is a white variety listed in the top six, or red variety in the top five by planted area for the state for the current year.

- Planting data tables are current as at 30 April 2018 and include all plantings from the 2017 planting season.
- Reference to “other varieties” includes rootstock, multi-purpose and table-grape plantings.
- Vines planted in a particular year may include top-worked or replaced vines, as well as new plantings in virgin ground. Where vines have been replaced or topworked, the old variety record is removed. This explains why the area planted for earlier years may be different in the 2018 report compared with previous reports.
- Where a zero (0) appears in a table, this may indicate the presence of a planting of less than 0.5 hectares, or it may indicate zero plantings. Rounding may produce slight discrepancies in totals.

For more information on the planting data in this report or about registration of vineyards, please contact the Vinehealth Australia office on (08) 8273 0550.

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