coface
FOR SAFER TRADE

DECEMBER 2015

GLOBALISATION OF THE WINE MARKET

EUROPE'S DOUBLE POSITIONING: QUALITY AND QUANTITY COEXISTENCE OF 3 MODELS

Italy, France, Spain
48%
of world production

EU
60%
of world production

2/3
of exports in value and around
50% in volume

Creation of value	Intermediary position	Volume increase
-12% crop surface area[1]	**-20%** crop surface area[1]	**>35%** vs crop areas in Italy and France
-8% decreasing productivity	**+2%** feeble productivity	**+42%** a sharp rise in productivity
7 Quality ratio[2] Quality orientated production	**3.3** Quality ratio[2]	**1.5** Quality ratio[2] Volume and low and mid-level orientated production
-17% consumption[3]	**-26%** consumption[3]	**-34%** consumption[3]

[1] average 2003-2013 vs 1983-2003 [2] relationship between export value and volume [3] in 2013 vs 2003

ASIA, THE WORLD'S FUTURE LEADING CONSUMER, FRANCE TO LEVEL OFF

FRANCE

43,8 litres /year, leading wine consumer but on a declining trend

EUROPE

consumption decreasing
17000 hectolitres[4]

[4] beteween 2003 and 2013

BY 2027, DEMAND EXPECTED TO MOVE TO ASIA

China
United States
France
Italy
Germany
Russia

China: **+4** vs 2013
Russia: **+1** vs 2013

Increase in urbanisation

Growing popularity of wine thanks to the growing middle class population

Alignment with Western standards

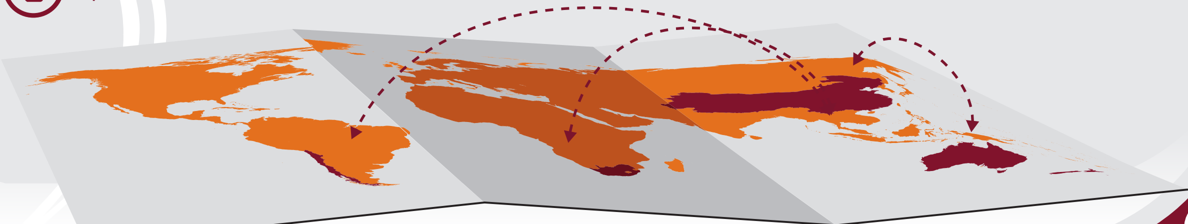
EUROPEAN EXPORTERS WEAKENING OVER THE LONG TERM

Competition between European and new world producers on low and mid-level products

Spain is vulnerable

Lower exchange rates in Chile and South Africa strengthen their price competitiveness

Free-trade agreements[5] exempt from taxes



[5] *between China and Australia, Chile, New Zealand*

Find all our publications on www.coface.com
Follow us on Twitter LinkedIn