2016 GLOBAL ECONOMIC VITIVINICULTURE DATA

2016 World wine production estimated at 259 mhl, a fall of 5% compared with 2015

2016 Production among the lowest in 20 years, yet highly contrasting situations as a consequence of climatic events

- **Italy (48.8 mhl)** confirms its position as the leading world producer, followed by **France (41.9 mhl)** and **Spain (37.8 mhl)**.
- After two poor harvests, **Romania (4.8 mhl)** returned to a good level of production.
- An even higher level of production was recorded in the **United States (22.5 mhl)**.
- In South America, **production plummeted in Argentina (8.8 mhl)**, **Chile (10.1 mhl**) and **Brazil (1.4 mhl)**.
- **Australian production (12.5 mhl)** and **New Zealand production (3.1 mhl)** was on the rise.

Abbreviations:
khl: thousands of hectolitres
mhl: millions of hectolitres

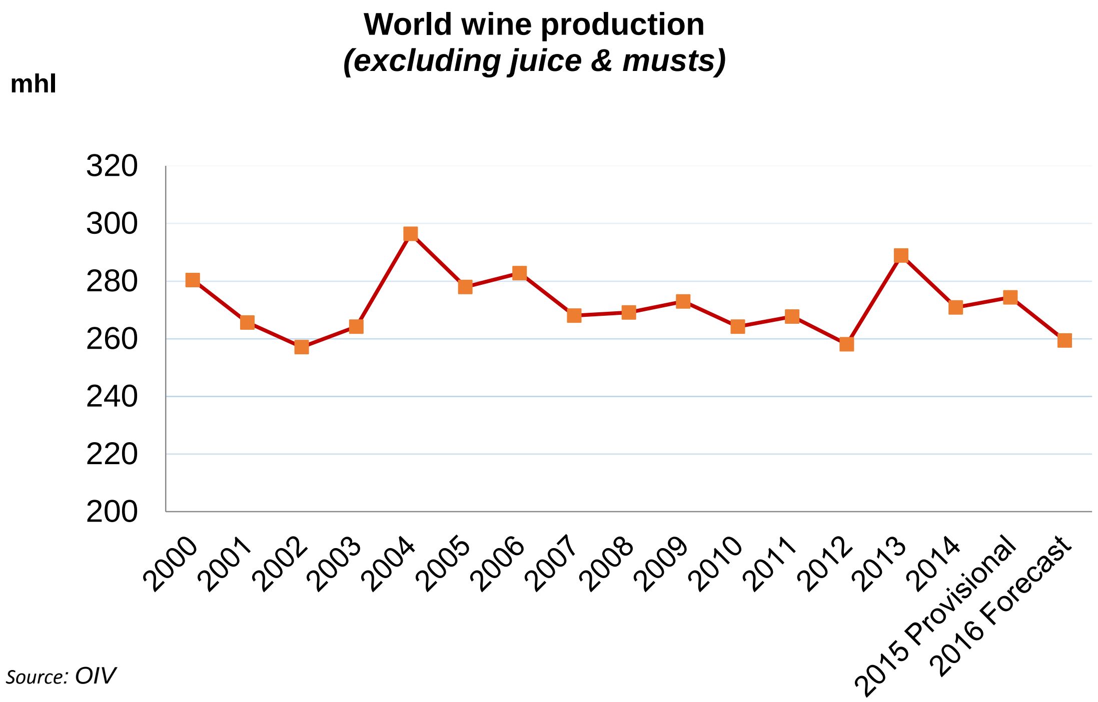
1. 2016 Wine production

Worldwide

To evaluate world wine production at this time in the year, a variability hypothesis of 10% of the 2015 harvest level for countries for which information has not been provided in 2016 is considered here (at this stage, data is available for 88% of countries). These hypotheses lead to the estimation of **2016 world wine production, excluding juice and musts, at between 255.0 and 264.0 mhl (259.5 mhl at the mid-range estimate).**

2016 Vinified production sharply dropped by 14.4 mhl.

Figure 1 – World wine production trends



Source: OIV

In the EU

In the European Union (EU), 2016 wine production is evaluated, at the mid-range estimate, at **158.5 mhl** (excluding juice and musts), which is a significant decline of 7.7 mhl compared with 2015 production (166.2 mhl).

Indeed, the forecasts of two of the three main producing countries saw a decrease compared with 2015 production: **Italy** saw a reduction of 2% (**48.8 mhl),** and **France** in particular recorded a drop of 12% **(42.2 mhl).** Only **Spain** experienced slight growth with around **37.8 mhl** (+1% compared with 2015).

Germany and **Portugal** fall in line with this downward trend, with **8.4 and 5.6 mhl** (-4% and -20%) respectively, while in **Romania** (**4.8 mhl)**

and **Greece (2.6 mhl) production was on the up** (+37% and +2%)**.** 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.

It should be mentioned that 2016 production forecasts in **Austria** and **Hungary**, with **1.8 and 2.7 mhl** respectively, indicate a decline in relation to 2015 production levels (-21% and -6%).

Outside the EU

In the main producing countries outside the EU, 2016 production – as for that of 2015 – should see a decline compared with the significant production levels in 2013 and 2014.

The **United States, with 22.5 mhl vinified (+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 with **10.1 mhl**, which is very close to that of 2014 (10.5 mhl) and represents a notable drop of **-21%** compared with vinified production in 2015 (12.9 mhl). **Brazil** saw a very low production of **1.4 mhl**, which is **a reduction of 50%** compared with 2015 (2.8 mhl). The production of these three countries was affected by climatic events.

South Africa, with a production of **10.5 mhl**, observed a **7% decline** in 2016 production levels **compared with 2015**.

In **Oceania**, **2016 Australian production** is evaluated at **12.5 mhl, which is +5% compared with 2015** and continues the trend of relative stability over the 2012-2015 period. In **New Zealand**, 2014 production set a record at nearly 3.2 mhl. This record was almost equalled in **2016** since production reached **3.1 mhl, which is +34% compared with 2015.**

Table 1 shows the quantitative developments for countries for which information has been provided, with a wine production of more than 1 mhl.

Table 1: Wine production (excluding juice and musts) (1)

Unit: mhl	2011	2012	2013	2014	2015 Provisional	2016 Forecast	2016/2015 Variation in volume	2016/2015 Variation in %	Ranking
Italy	42.8	45.6	54.0	44.2	50.0	48.8	-1.2	-2%	1
France	50.8	41.5	42.1	46.5	47.4	41.9	-5.7	-12%	2
Spain	33.4	31.1	45.3	39.5	37.3	37.8	0.5	1%	3
United States	19.1	21.7	23.6	23.7	22.1	22.5	0.5	2%	4
Australia	11.2	12.3	12.3	11.9	11.9	12.5	0.6	5%	5
China*	13.2	13.8	11.1	11.1	11.5	11.5	0.0	0%	6
South Africa	9.7	10.6	11.0	11.5	11.2	10.5	-0.7	-7%	7
Chile	10.5	12.6	12.8	10.5	12.9	10.1	-2.7	-21%	8
Argentina	15.5	11.8	15.0	15.2	13.4	8.8	-4.6	-35%	9
Germany	9.1	9.0	8.4	9.2	8.8	8.4	-0.4	-4%	10
Portugal	5.6	6.3	6.2	6.2	7.0	5.6	-1.4	-20%	11
Russia*	7.0	6.2	5.3	4.9	4.9	4.9	0.0	0%	12
Romania	4.1	3.3	5.1	3.7	3.5	4.9	1.3	37%	13
New Zealand	2.4	1.9	2.5	3.2	2.3	3.1	0.8	34%	14
Hungary	2.8	1.8	2.6	2.6	2.9	2.7	-0.2	-6%	15
Greece	2.8	3.1	3.3	2.8	2.5	2.6	0.0	2%	16
Serbia*	2.2	2.2	2.3	2.3	2.3	2.3	0.0	0%	17
Austria	2.8	2.1	2.4	2.0	2.3	1.8	-0.5	-21%	18
Georgia*	1.1	0.8	1.0	1.1	1.7	1.7	0.0	0%	19
Moldova*	1.5	1.5	2.6	1.6	1.7	1.7	0.0	0%	20
Brazil*	3.5	3.0	2.7	2.7	2.8	1.4	-1.4	-50%	21
Bulgaria	1.1	1.3	1.8	0.8	1.3	1.3	0.0	1%	22
OIV World Total(3)	**267.7**	**258.1**	**288.9**	**270.8**	**274.4**	**259.5**	**-15.0**	**-5%**	

(1): Countries for which information has been provided with a wine production of more than 1 mhl

(3): OIV estimate: mid-range estimate Range for evaluation of 2016 world production: from 255.0 mhl to 264.0 mhl.

* Report for the year 2015, 2016 figures not yet available

2. Assessment of world consumption levels

World consumption levels

At this time of year, there is not yet any consolidated information on the consumption levels of the different markets.

Here, therefore, we resort to a projected level of world consumption from the year 2000 with two scenarios (Figure 2). One of the two scenarios considered is based on the long-term resumption of the positive development of world consumption since 2000, while the second is based on the negative development of this market since the 2008 economic crisis.

These changes have resulted in **2016 global wine consumption levels ranging between 239.7 and 246.6 mhl, giving a mid-range estimate of 243.2 mhl.**

Figure 2 - World wine consumption