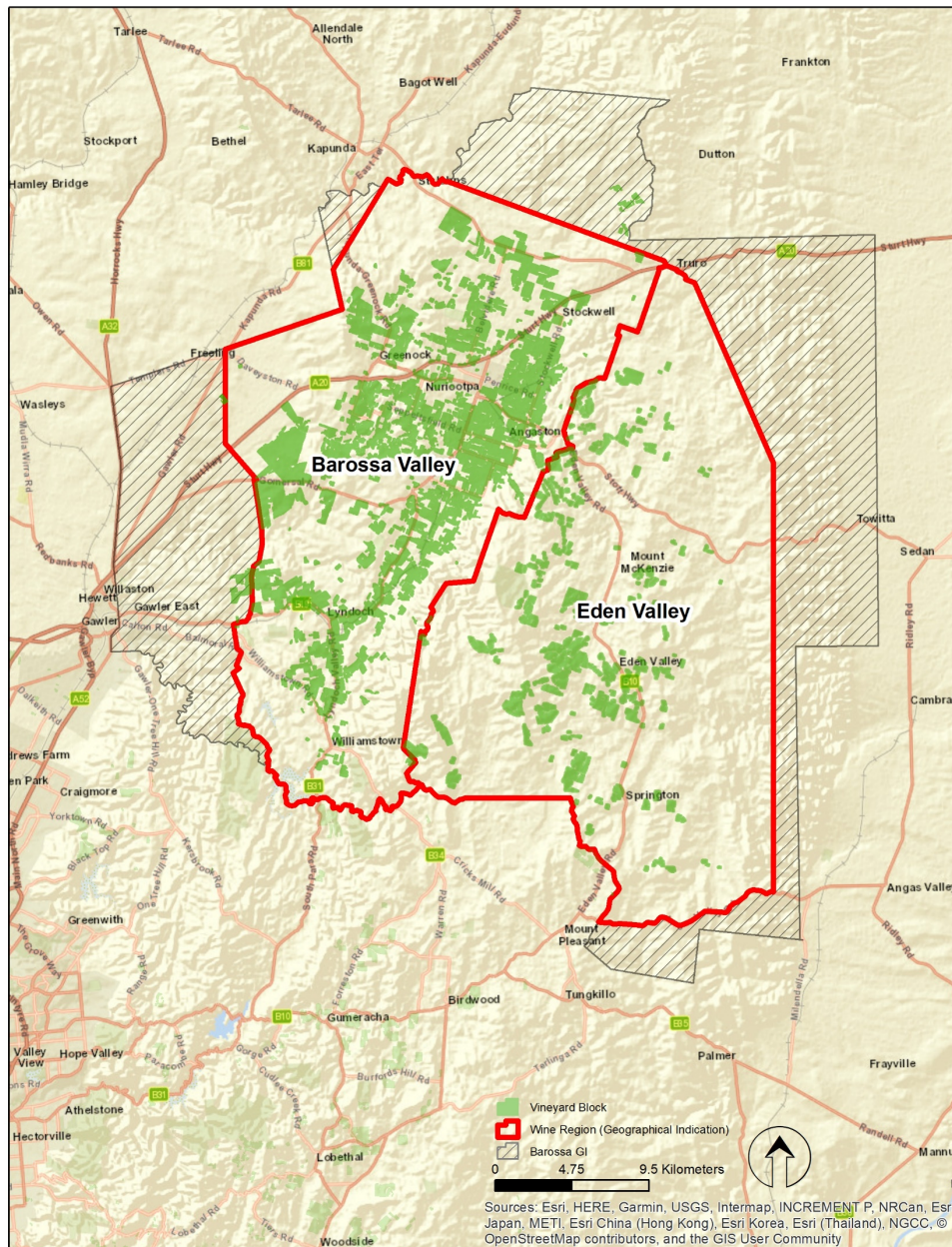


SA Winegrape Crush Survey 2019

Regional Summary Report

Barossa Including Barossa Valley and Eden Valley

Wine Australia July 2019



Barossa



DISCLAIMER: Although every effort has been made to ensure the accuracy of the information displayed, Vinehealth make no representations, either express or implied, that the information displayed is accurate or fit for any purpose and expressly disclaims all liability for loss or damage arising from reliance upon the information displayed.

Barossa

Vintage overview – Barossa Valley

VINTAGE REPORT – BAROSSA VALLEY

Barossa's 2019 wines will be sought out early, following the lowest-yielding – but possibly the highest quality – vintage of the past decade.

After a very dry winter and spring (winter rainfall 77 per cent and spring 64 per cent of average in Barossa Valley), frost events on 29 September and 8 November disrupted budburst and flowering. The region experienced windy conditions during flowering, and sporadic hail storms in November hit some vineyards. This was followed by hot, very dry conditions in January and February (summer rain 31 per cent of average; March 12 per cent of average). December and January experienced above average max temps by 2.6° and 3.2°C respectively, with 11 days over 35°C in Jan but close to average temperatures in February.

The lack of rainfall means Barossa's vineyards have not experienced any disease pressure this season.

On most soil types, vineyards irrigated in winter have retained better soil moisture and healthier crops than those irrigated later in the season. Vineyards that have been 'reworked' to convert older cordons with spurs to cane pruning - largely to manage Eutypa – have also fared better.

Data from Barossa Grape & Wine Association's (BGWA) 'demonstration vineyards' project shows vineyards with mulch under-vine and mid-row swards are retaining cooler soil temperatures, less evaporation, more consistent ripening of fruit, and higher bunch weights, compared with vines grown in bare soil.

The lower yields will result in Barossa Shiraz and Cabernet Sauvignon with great colour, intense flavours and firm tannin structure, while Grenache and Mataro have been described as "exceptional" and are shaping up to be 2019 vintage standouts.

Nicki Robins, Barossa Grape & Wine Association

OVERVIEW OF VINTAGE STATISTICS

The 2019 Barossa Valley recorded crush¹ was 40,986, down 28 per cent from the 2018 crush of 57,513 tonnes.

There were 78 respondents to the survey who reported crushing grapes from the Barossa Valley in 2019, compared with 72 in 2018.

Over the last 5 years (2014-2018), the average Barossa Valley reported production has been 54,711 tonnes, with a low of 44,336 tonnes in 2014 and a high of 73,174 tonnes in 2017. The 2019 crush was 25 per cent below the five year average and the lowest since 2007.

The total value of grapes from the region is estimated to be \$84 million in 2019, compared with \$113 million in 2018, with the lower tonnage partially offset by a small increase in the overall average purchase value.

After small declines in average value in 2018, Shiraz and Cabernet Sauvignon each increased by 2 per cent in 2019, while Grenache increased by 9 per cent to \$1873 per tonne.

The price dispersion data shows that, while the proportion of red varieties purchased at \$1500 per tonne or more increased from 91 per cent in 2018 to 94 per cent, while the proportion purchased at \$2000 or more increased slightly to 54 per cent.

There were 129 hectares of new plantings in the Barossa Valley in the 2018 planting season (including top-working and replacements) compared with 197 hectares in the previous year. Shiraz accounted for the majority of the new plantings (88 hectares).

The total area of vineyards in the Barossa Valley as at 30 April 2019 was 11,702 hectares (including 238 hectares in Barossa zone – other). In 2013 the total area was 11,394 hectares.

¹ Report includes crush from Barossa Zone – other (818 tonnes)

Barossa

Winegrape intake summary table – Barossa Valley (red winegrapes)

	Total tonnes purchased	Price dispersion - number of tonnes in each price range					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
		< \$300	\$300 to <\$600	\$600 to <\$1500	\$1500 to <\$2000	\$2000+							
Red													
Barbera	2				2						0%	2	\$2,916
Cabernet Franc	54			36	17		\$70,076	\$1,306	13%	25	31%	78	\$102,117
Cabernet Sauvignon	3,649			39	2,303	1,302	\$7,478,493	\$2,049	2%	2,640	42%	6,289	\$12,889,185
Durif	80			13	53	14	\$138,770	\$1,735	9%	9	10%	89	\$153,920
Grenache	1,490			169	896	426	\$2,791,592	\$1,873	9%	270	15%	1,761	\$3,297,914
Malbec	40				34	6	\$74,520	\$1,840	5%	75	65%	116	\$213,217
Mataro/Mourvedre	510			26	289	196	\$990,403	\$1,940	2%	379	43%	889	\$1,725,324
Merlot	860			665	195		\$969,362	\$1,128	-1%	129	13%	989	\$1,115,354
Montepulciano	25			3	11	10	\$45,642	\$1,858	-9%	33	57%	57	\$106,672
Muscat Rouge a Petits Grain:	6			6						11	64%	17	\$17,272
Nero d'Avola	22				22		\$38,132	\$1,741	19%	12	34%	33	\$58,207
Petit Verdot	46			20	21	5	\$61,780	\$1,352	-1%	15	24%	61	\$81,812
Pinot Meunier	5			5							0%	5	\$6,786
Pinot Noir	122			122			\$97,902	\$805	-1%		0%	122	\$97,902
Sangiovese	227			206	8	13	\$318,231	\$1,402	1%	40	15%	267	\$373,909
Shiraz	14,893			4	4,747	10,138	\$34,479,136	\$2,315	2%	10,826	42%	25,718	\$59,542,856
Tempranillo	377			8	348	21	\$686,346	\$1,819	8%	88	19%	465	\$846,543
Other red	159			66	62	31	\$254,871	\$1,598	14%	84	35%	244	\$389,510
Red Total	22,567			1,389	9,009	12,161	\$48,511,181	\$2,150	3%	14,636	39%	37,203	\$81,021,416

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

Barossa

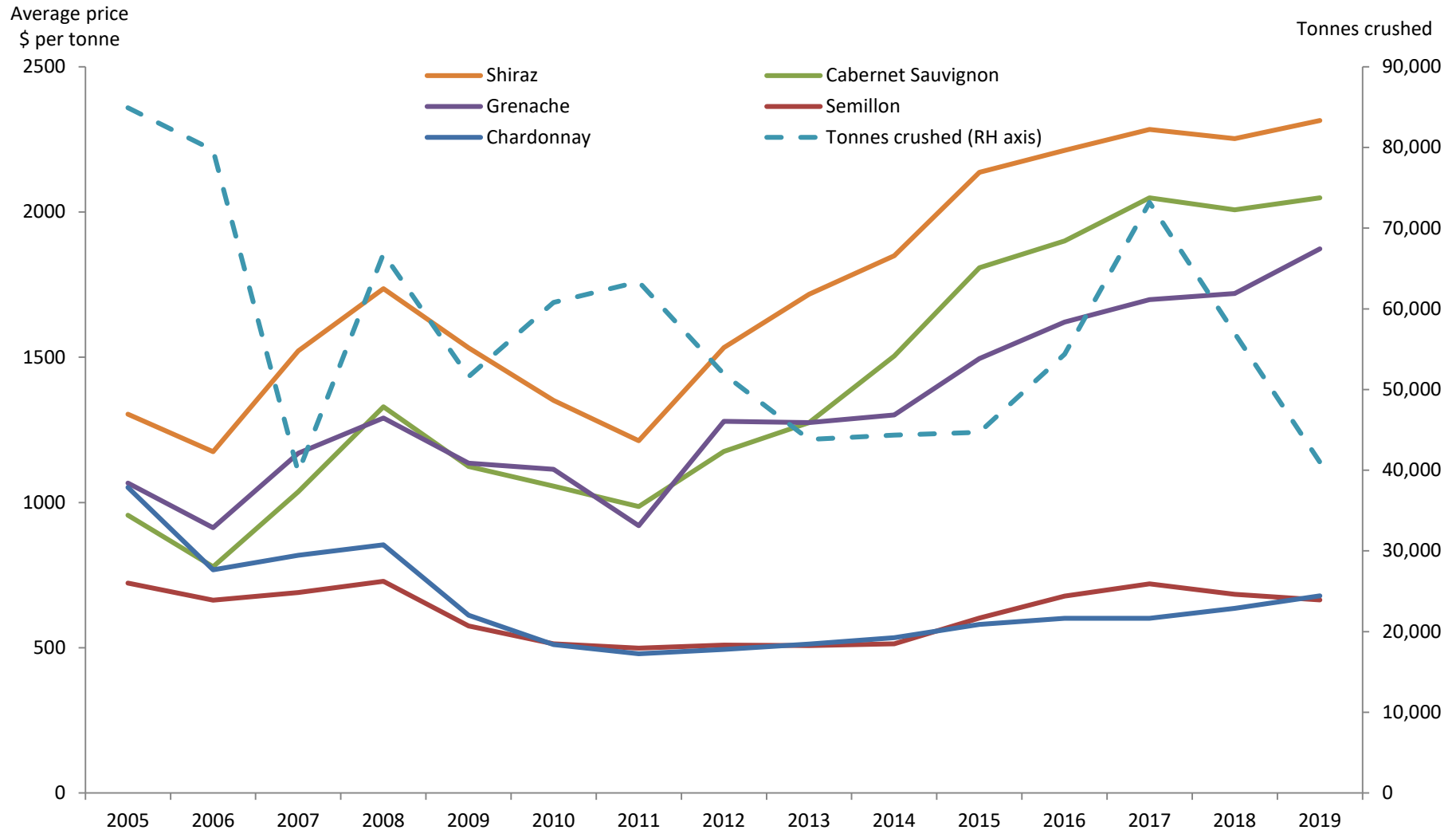
Winegrape intake summary table – Barossa Valley (white winegrapes)

	Total tonnes purchased	Price dispersion - number of tonnes in each price range					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
		< \$300	\$300 to <\$600	\$600 to <\$1500	\$1500 to <\$2000	\$2000+							
White													
Chardonnay	962		26	936			\$653,620	\$679	7%	282	23%	1,244	\$845,076
Chenin blanc	10			6	5				-100%		0%	10	\$11,659
Fiano										20	100%	20	\$31,089
Gewurztraminer	55			55							0%	55	\$41,385
Marsanne	17			5	8	4	\$27,286	\$1,598	28%	23	58%	40	\$64,660
Muscadelle (Tokay)	12			12					-100%		0%	12	\$13,288
Muscat Blanc a Petits Grains	129			129			\$121,150	\$941	11%	42	25%	171	\$160,664
Pinot Gris/Grigio	74			74					-100%	55	43%	129	\$135,117
Riesling	428			428			\$365,770	\$854	-2%	42	9%	471	\$402,049
Roussanne	12				12				-100%	1	6%	13	\$20,912
Sauvignon Blanc	319		15	304			\$273,736	\$857	2%	21	6%	340	\$291,400
Semillon	700		230	464	5	2	\$465,770	\$665	-3%	170	20%	871	\$579,121
Vermentino	50			50					-100%	4	8%	54	\$49,614
Viognier	209			199	5	4	\$279,266	\$1,338	3%	34	14%	243	\$324,771
Other white	28			16	1	11	\$39,952	\$1,420	23%	81	74%	109	\$154,796
White Total	3,007		271	2,678	37	21	\$2,435,283	\$810	4%	777	21%	3,784	\$3,125,602
Grand Total	25,574		271	4,067	9,045	12,182	\$50,946,464	\$1,992	3%	15,412	38%	40,986	\$84,147,017

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

Barossa

Historical weighted average price vs tonnes crushed – Barossa Valley



Barossa

Vintage overview – Eden Valley

VINTAGE REPORT – EDEN VALLEY

Similar to the Barossa Valley, vintage 2019 in Eden Valley was not without its challenges. Wines produced are of outstanding quality but from lower than average yields.

Rainfall throughout winter totalled 166 mm - just 62 per cent of the long-term average. The dry conditions continued into early spring with September and October being 22 per cent drier than average. Some welcome rain fell on 22 November which pushed the spring rainfall total up to 127 mm but was scarce following this with a total of 36 mm falling during the summer period (44 per cent of the average). Autumn had not provided any major relief up until May with a mere 9.6 mm recorded.

Days and nights were cooler than average in September, delaying budburst in most varieties. However, October days were warmer than average which accelerated vine growth. Vines started utilising soil moisture throughout November as a result of the drier soil profiles and consequently vine growth slowed as flowering approached. A hailstorm, as part of the 22 November rain event, caused shoot damage and adversely affected the number of bunches that would go on to fruit set, particularly in Chardonnay and Riesling, contributing to the lower yields.

Maximum daily temperatures exceeded the average during summer, putting pressure on irrigation systems to ensure adequate leaf health moving into veraison. There were 10 days in January that exceeded 35 °C, while 24 January 2019 was the hottest day on record at 43.7°C. Water allocations became a concern throughout summer with many dams coming close to dry and irrigation prioritised onto individual blocks.

Warmer than average nights during December and January hastened the ripening period. Thankfully, night-time temperatures throughout February were slightly cooler than average, providing perfect conditions for berry ripening and acid retention. Harvest of white varieties in Eden Valley began in late February through to late March.

Due to the seasonal challenges, growers experienced significantly lower than average yields. However, an absence of disease in a dry season and small berries allowed for concentrated flavour and sound fruit quality.

Despite the challenges, the wines that were made are of high quality. Whites have delicate flavours and surprisingly high balanced natural acids. Reds have strong colours and show the perfume we expect from this region.

Louisa Rose, Yalumba

OVERVIEW OF VINTAGE STATISTICS

The reported harvest from Eden Valley in 2019 was 5,477 tonnes, 53 per cent below last year's vintage of 11,652 tonnes.

The five-year average crush for Eden Valley from 2014-2018 is 9,935 tonnes, making the 2019 harvest 45 per cent below the average and the lowest ever recorded (since 1996).

The estimated value of fruit from the region in 2019 was just over \$10 million, roughly half that of last year, reflecting the lower tonnage and a small decrease in the region's overall average grape value. The region's largest variety, Riesling, increased by 2 per cent to \$1645 per tonne and Shiraz increased by 4 per cent to \$2,755 per tonne.

There were 66 hectares of new plantings in Eden Valley in the 2018 planting season, with 45 being Shiraz. This reflects a 3 per cent new planting rate, higher than in most regions. However, despite the new plantings, the total planted area as at 30 April 2019 declined slightly to 2,333 hectares, compared with 2,335 hectares in 2018, reflecting net removals of older vines.

Barossa

Winegrape intake summary table – Eden Valley

	Total tonnes purchased	Price dispersion - number of tonnes in each price range					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
		< \$300	\$300 to <\$600	\$600 to <\$1500	\$1500 to <\$2000	\$2000+							
Red													
Barbera										1	100%	1	\$980
Cabernet Franc	17					17				5	21%	21	\$50,317
Cabernet Sauvignon	270			1	66	203	\$677,362	\$2,505	6%	263	49%	533	\$1,335,378
Grenache	11				5	7	\$28,718	\$2,509	-8%	3	23%	15	\$37,159
Mataro/Mourvedre	5					5				12	71%	17	\$37,795
Merlot	131			46	85		\$174,998	\$1,334	6%	52	28%	183	\$244,591
Montepulciano										5	100%	5	\$8,661
Nero d'Avola	3				3						0%	3	\$5,281
Petit Verdot										27	100%	27	\$32,700
Pinot Meunier										19	100%	19	\$29,057
Pinot Noir	88			77	6	5	\$108,876	\$1,244	5%	37	30%	125	\$155,166
Shiraz	634			1	102	531	\$1,746,301	\$2,755	4%	476	43%	1,110	\$3,057,634
Tempranillo	14				14				-100%	8	36%	22	\$41,289
Other red	6			2		4				6	52%	12	\$23,903
Red Total	1,179			126	281	771	\$2,829,981	\$2,401	1%	914	44%	2,093	\$5,059,909
White													
Chardonnay	329			238	87	4	\$468,863	\$1,426	15%	397	55%	726	\$1,035,025
Gewurztraminer	24			24						12	35%	36	\$41,440
Gruener Veltliner										2	100%	2	\$3,590
Muscat Blanc a Petits Grains	15			13	2				-100%	1	5%	16	\$14,398
Pinot Gris/Grigio	51			44	7		\$68,436	\$1,350	4%	92	64%	142	\$192,203
Riesling	852			367	328	157	\$1,401,982	\$1,645	2%	1,188	58%	2,040	\$3,356,128
Roussanne	17			17						8	32%	25	\$33,629
Sauvignon Blanc	59			59			\$57,544	\$979	8%	69	54%	128	\$124,975
Semillon	62		5	57			\$43,802	\$711	-3%	10	14%	72	\$51,192
Viognier	74				62	12	\$145,857	\$1,969	25%	64	46%	138	\$271,805
Other white	12			12						48	79%	60	\$81,122
White Total	1,494		5	831	486	173	\$2,266,918	\$1,518	9%	1,890	56%	3,384	\$5,205,505
Grand Total	2,672		5	957	766	944	\$5,096,899	\$1,907	-1%	2,804	51%	5,477	\$10,265,414

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

Barossa

Current plantings by variety and year planted – Barossa Valley (red winegrapes)

Includes Barossa Zone other (238 hectares)

Variety	Year planted				Total area	% planted in 2018
	Pre-2016	2016	2017	2018		
Red winegrapes						
Cabernet Franc	29	0	2	0	30	0%
Cabernet Sauvignon	1,537	38	37	29	1,641	2%
Durif (Petite Sirah)	19	0	0	0	19	2%
Grenache	617	5	3	5	630	1%
Malbec	24	1	4	2	30	5%
Mataro (Mourvedre)	257	10	11	2	280	1%
Merlot	302	1	2	0	305	0%
Petit Verdot	19	0	0	0	19	0%
Pinot Noir	36	0	0	0	36	0%
Sangiovese	27	0	0	0	27	0%
Shiraz	7,024	143	133	88	7,388	1%
Tempranillo	99	1	0	0	100	0%
Zinfandel	11	0	0	0	12	0%
Other Red	101	3	5	1	110	1%
TOTAL RED WINEGRAPES	10,102	202	197	127	10,627	1%

*Source:
Vinehealth
Australia*

Barossa

Current plantings by variety and year planted – Barossa Valley (white winegrapes)

Includes Barossa Zone other (238 hectares)

Variety	Year planted				Total area	% planted in 2018
	Pre-2016	2016	2017	2018		
White winegrapes						
Chardonnay	290	1	0	0	291	0%
Chenin Blanc	11	0	0	0	11	0%
Marsanne	8	0	0	1	9	6%
Muscadelle (Tokay)	12	0	0	0	12	0%
Muscat a Petits Grains Blanc (White Frontignac)	47	0	0	0	47	0%
Pedro Ximenez	4	0	0	0	4	0%
Pinot Gris/Grigio	16	0	0	0	16	0%
Riesling	149	0	0	0	149	0%
Sauvignon Blanc	50	0	0	0	50	0%
Semillon	301	0	0	0	301	0%
Vermentino	7	0	0	0	8	6%
Viognier	52	0	0	0	52	0%
Other White	45	0	0	1	46	2%
TOTAL WHITE WINEGRAPES	992	1	0	2	996	0%
Unknown variety	79	0	0	0	79	0%
TOTAL ALL VARIETIES	11,173	203	197	129	11,702	1%

*Source:
Vinehealth
Australia*

Barossa

Current plantings by variety and year planted – Eden Valley

Variety	Year planted				Total area	% planted in 2018
	Pre-2016	2016	2017	2018		
Red winegrapes						
Cabernet Franc	5	1	0	0	6	0%
Cabernet Sauvignon	318	14	7	16	356	5%
Grenache	20	0	0	0	20	0%
Mataro (Mourvedre)	16	0	0	0	16	0%
Merlot	56	1	0	0	57	0%
Petit Verdot	7	0	0	0	7	0%
Pinot Noir	51	0	3	0	53	0%
Shiraz	720	38	14	45	816	5%
Tempranillo	12	0	0	0	12	0%
Other Red	13	2	3	0	18	0%
TOTAL RED WINEGRAPES	1218	56	27	61	1361	4%
White winegrapes						
Chardonnay	244	0	0	0	244	0%
Muscat a Petits Grains Blanc (White Frontignac)	7	0	0	0	7	0%
Pinot Gris/Grigio	40	0	0	0	40	0%
Riesling	527	0	0	5	532	1%
Sauvignon Blanc	42	0	0	0	42	0%
Semillon	17	0	0	0	17	0%
Traminer (Gewurztraminer)	17	0	0	0	17	0%
Viognier	33	0	0	0	33	0%
Other White	20	0	0	0	21	0%
TOTAL WHITE WINEGRAPES	947	0	0	5	953	1%
Unknown variety	19	0	0	0	19	0%
TOTAL ALL VARIETIES	2184	56	27	66	2333	3%

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).

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

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Disclaimer

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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 88 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 receipt – 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 2019).

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. However the values are included in the calculation of totals for each 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 Australian National Vintage 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 2019 and include all plantings from the 2018-19 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 current 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.