

RIVERINA WINE GRAPES MARKETING BOARD

For the City of Griffith and the local government areas of
Leeton, Carrathool and Murrumbidgee



MEDIA RELEASE

15 August 2018

GRAPE PRICE RECOVERY

The Wine Grapes Marketing Board is pleased to see a positive change in the district average winegrape prices for the Riverina in 2018. Results recently released by Wine Australia for industry show an improvement to farm gate returns that is providing a relief for many growers that have struggled in recent years to make viable returns in their business.

The highest average price increases from the prior year are across most red winegrape varieties which have been strengthened by increased exports, notably into China. The table below shows the extent of a price recovery for major varieties grown in the region.

Riverina (Average Prices)	2018	2017	% Change
Cabernet Sauvignon	\$480	\$366	31.15%
Chardonnay	\$352	\$321	9.66%
Colombard	\$274	\$240	14.17%
Durif	\$545	\$487	11.91%
Merlot	\$460	\$324	41.98%
Pinot Gris	\$490	\$474	3.38%
Ruby Cabernet	\$426	\$312	36.54%
Sauvignon Blanc	\$402	\$388	3.61%
Semillon	\$302	\$267	13.11%
Shiraz	\$465	\$344	35.17%
All Whites	\$348	\$333	4.50%
All Reds	\$464	\$353	31.44%
All Varieties	\$399	\$333	19.82%

Source: Winegrape Purchases: Price Dispersion Report 2018 & 2017 Wine Australia

While the figures indicate a movement toward a healthier return for growers it is important that note that from 2017 to 2018 the growers average yields for the region declined which would effectively provide an overall of only around 10% in monetary terms to regional growers.

CEO Brian Simpson stated, "Growers are fortunate to now be in a position after 10 years to be able to look to commence open negotiations with wineries about the future. Based on the growth in the export market we are now seeing wineries come out and opening talk with their growers about the price offers for the 2019 vintage".

I urge growers to have the conversation with your current buyer if possible. There has been some very positive signs and new buyers that are seeking to purchase your fruit. Growers that are not bound by a contract are ideally placed to capitalise on this, he concluded.

END

ENQUIRIES:

Brian Simpson
Chief Executive Officer
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