

WoSA export report shows positive growth of SA wine internationally

Despite 2018 being a challenging year for the industry with a low-yielding harvest due to the regional drought, Wines of South Africa (WoSA) reports a positive growth in the overall value of South African exports. The 4% increase in value to R9.06bn reflects the positive sentiments towards South African wine in international markets, despite the 6% decrease in volume to 420.2 million litres of wine sold internationally. This figure fits into WoSA's strategy for an increased value focus within packaged and bulk wine sales, following the lowest harvest yield since 2005, towards the latter part of the year.



Rodrigo Abreu via Unsplash

The value of packaged wine increased by 3% and that of bulk wine by a very respectable 7%.

Export markets saw good growth on the value of packaged wine to China at 7%, while the USA remained flat. The USA market was stronger in terms of their procurement of more premium-priced wine.

In the European focus markets, which have seen very little value growth of packaged wine for a number of years, there was a notable value increase on all fronts: Netherlands 1%, Sweden 10% and the United Kingdom unchanged.

The UK remains SA's top export market, realising a total value of R1,844m worth of exports, while Germany held its second place, at R1,329m of wine bought and once again the Netherlands in third position at R693m.

The African continent is showing mixed results, however Kenya, Tanzania and Zambia have shown strong growth with values of total exports growing by 73%, 35% and 33% respectively.

In terms of the top-rated varietals, red wine narrowly leads the pack with 15% of total value growth as opposed to that of 13% for white wine. While Shiraz leads the red wine in terms of export volumes, it was Chenin Blanc taking the top spot amongst the white wines.

WoSA CEO, Siobhan Thompson comments: "While 2018 proved to be a challenging year for the industry, we have managed to put our best foot forward and strive to continue along this trajectory. We have proven that we are indeed producers of world class, high quality wines and deserve to have this reflected in our bottom line."

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