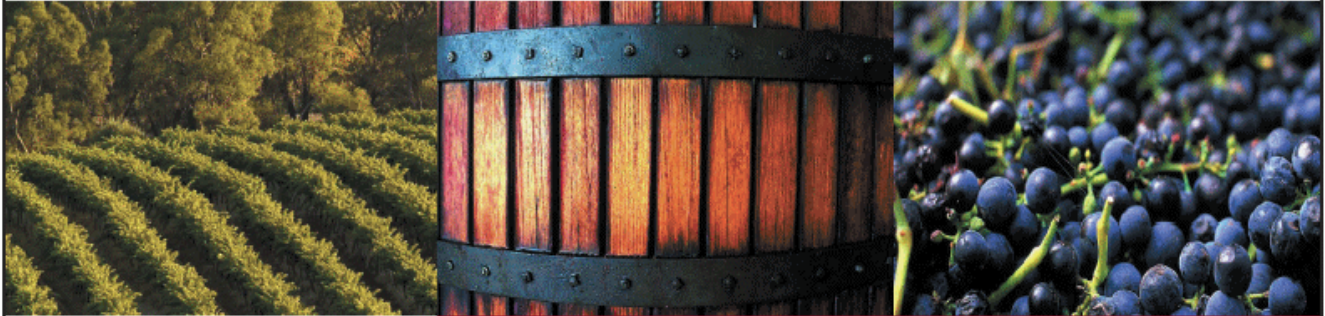




Australian Government

Australian Wine and Brandy Corporation



WINE EXPORT APPROVAL REPORT

July 2006

Highlights

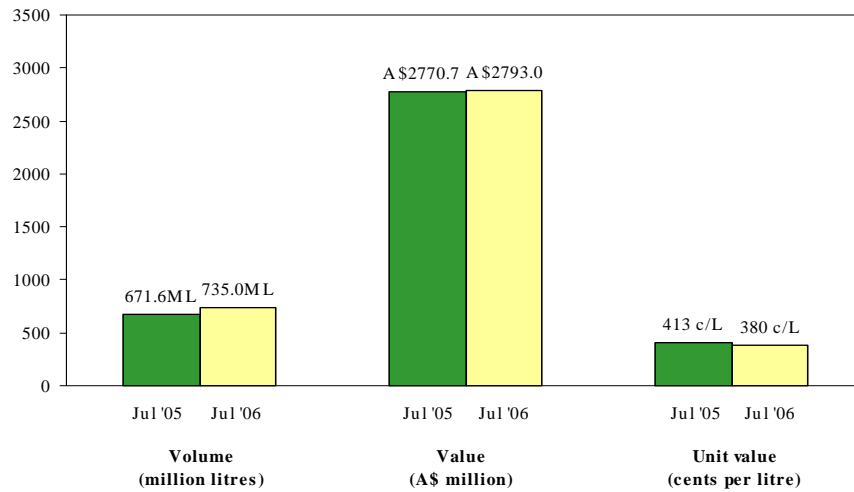
- Volume growth at 9%
- China growth in bulk
- Sweden a key contributor
- Bulk wine dominates growth
- Sparkling sparkles



Wine Export Approval Report - July 2006*

Export volumes for the year ended July 2006 grew 9% to 734 million litres. Value grew marginally to A\$2.79 billion, after an 8% decline in average price to A\$3.80 per litre.

Comparative MAT performances
MAT July 2006 compared with MAT July 2005



Note: MAT – Moving Annual Total

*The Wine Export Approval Report is prepared from information provided by exporters of Australian wine.

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The Corporation would like to acknowledge the support of the following
Australian Wine Export partners

Foundation Partner

O-I
(formerly ACI Glass Packaging)

Other Partners

JF Hillebrand
Collotype Labels Pty Ltd

Hyatt
Amcor Australasia
Travelex

Anthony Smith Australasia Pty Ltd
Qantas

Future release dates. Release time 2.00 pm on nominated days.

Thursday, 7 September 2006
Monday, 9 October 2006

Tuesday, 7 November 2006
Thursday, 7 December 2006

Monday, 8 January 2007
Wednesday, 7 February 2007

Summary of Australian wine exports

Volume, value, value per litre and per cent change,
MAT July 2006 compared with MAT July 2005

Table 1a: Exports by country

	Volume		Value		Value/Litre	
	MAT July 2006 Litres	Change %	MAT July 2006 A\$	Change %	MAT July 2006 A\$/L	Change %
United Kingdom	267 468 709	-0.9%	958 236 256	-2.9%	\$3.58	-2.0%
United States Of America	211 839 232	13.6%	899 094 510	0.4%	\$4.24	-11.6%
Canada	50 078 868	12.9%	244 456 280	-1.2%	\$4.88	-12.5%
Germany, Federal Republic	37 576 751	18.2%	75 609 084	3.8%	\$2.01	-12.1%
New Zealand	27 903 202	10.6%	90 614 502	-2.5%	\$3.25	-11.9%
Denmark	17 476 686	18.0%	48 186 387	11.3%	\$2.76	-5.7%
Sweden	15 385 165	34.4%	50 260 625	33.2%	\$3.27	-0.9%
Netherlands	15 308 267	12.8%	47 742 578	5.4%	\$3.12	-6.5%
China, Pr	14 268 745	520.9%	22 633 065	116.3%	\$1.59	-65.2%
Ireland	12 030 399	12.7%	55 377 003	3.6%	\$4.60	-8.0%
Japan	7 935 876	-16.2%	43 704 999	-10.5%	\$5.51	6.8%
France	7 611 625	-1.5%	13 128 141	-15.0%	\$1.72	-13.7%
Belgium	7 211 632	15.9%	21 678 418	-3.2%	\$3.01	-16.4%
Singapore	5 139 833	23.1%	37 117 874	9.0%	\$7.22	-11.4%
Switzerland	3 964 169	-12.6%	18 472 961	-2.1%	\$4.66	12.0%
Rest of World	33 759 011	16.3%	166 661 077	14.4%	\$4.94	-1.7%
World	734 958 171	9.4%	2 792 973 759	0.8%	\$3.80	-7.9%

Table 1b: Exports by region

	Volume		Value		Value/Litre	
	MAT July 2006 Litres	Change %	MAT July 2006 A\$	Change %	MAT July 2006 A\$/L	Change %
Europe - Eu	387 235 536	4.1%	1 296 013 713	-0.1%	\$3.35	-4.1%
North America	262 189 568	13.5%	1 144 778 091	0.1%	\$4.37	-11.8%
Oceania	29 733 455	10.2%	99 067 211	-2.4%	\$3.33	-11.4%
North East Asia	29 229 962	65.4%	109 461 170	14.0%	\$3.74	-31.1%
South East Asia	10 991 476	11.4%	73 339 703	4.0%	\$6.67	-6.7%
Europe-Other	9 118 811	-0.3%	39 537 968	5.0%	\$4.34	5.3%
Rest of World	6 459 364	26.0%	30 775 904	31.5%	\$4.76	4.4%
World	734 958 171	9.4%	2 792 973 759	0.8%	\$3.80	-7.9%

Figure 3: MAT export performance

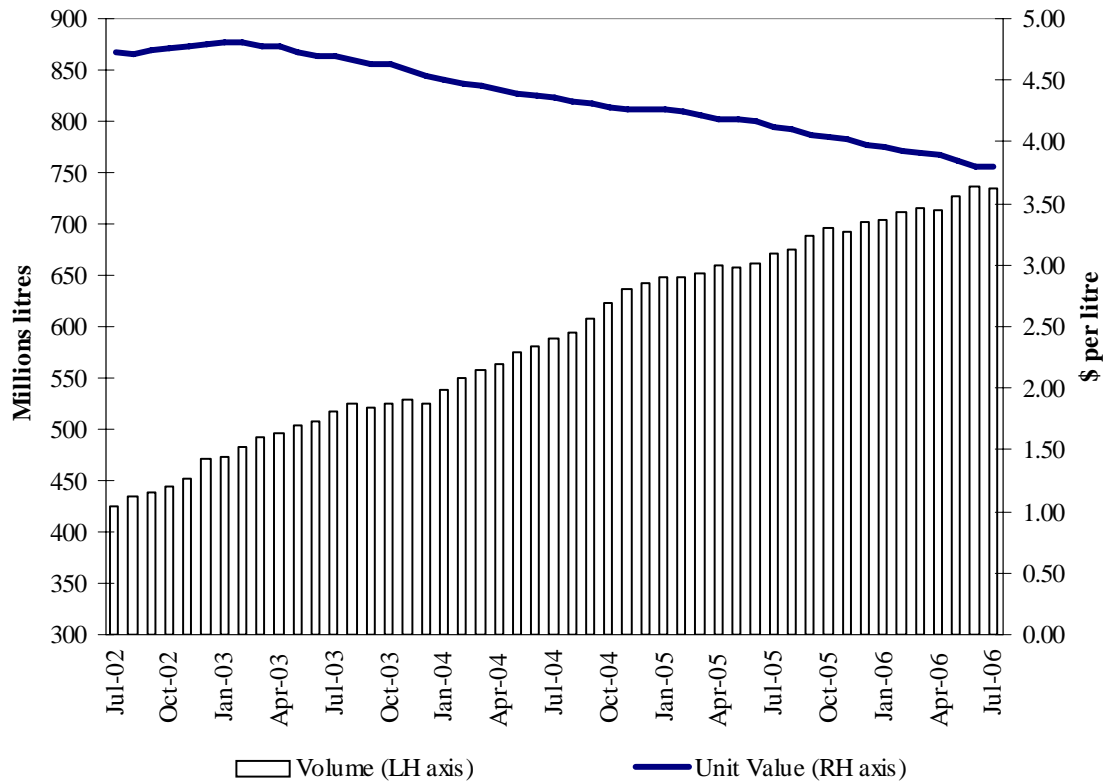
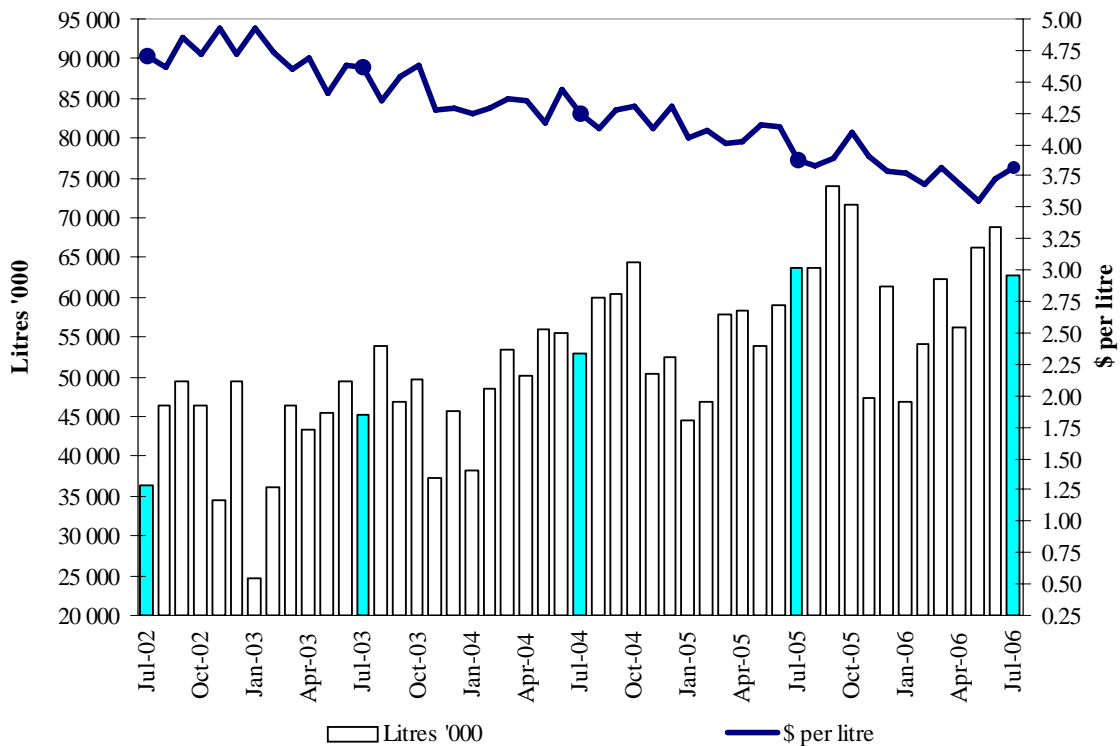


Figure 4: Monthly export performance



Notes & Definitions

<i>Export approvals</i>	Wine approved by the Australian Wine and Brandy Corporation (AWBC) for export on specified dates. Exports reported in this document refer to the date wine is shipped and not the date of approval. Note that the A\$ FOB value of wine reported in this document may differ from export values reported by the Australian Bureau of Statistics (ABS). The divergence between the two values derives from differences between the AWBC and ABS in the method of converting the value of exports denominated in foreign currency to A\$. In the case of the AWBC, the exporter makes the conversion when submitting wine for export approval while the ABS converts the value on the day of shipment, at the daily conversion rate. With the AWBC method, it is expected that some of the conversions will occur at hedged rates while this does not occur with the ABS method. When the Australian exchange rate is moving significantly the alternative methods will result in diverging valuations. Volumes reported by the AWBC and ABS differ only marginally due to the “approval” versus “shipment” basis of reporting as well as marginal differences in scope and definition.
<i>MAT</i>	Moving Annual Total - refers to the twelve months ending with the nominated month.
<i>MAT % Change</i>	Is calculated as the percentage change in the MAT for the immediate past 12 months compared to the preceding 12 months. Formula: $MAT \% \text{ Change} = ((\text{current MAT} - \text{preceding MAT}) / \text{preceding MAT}) \times 100$
<i>Value/Litre (\$ per litre)</i>	Value/litre is calculated by dividing value (A\$ FOB) by volume (litres).
<i>ML</i>	Millions of litres
<i>A\$</i>	Australian dollars
<i>FOB</i>	‘Free on board’ value of the wine, where the point of valuation is where goods are placed on board the international carrier, at the border of the exporting country. The FOB value includes production and other costs up until placement on the international carrier but excludes international insurance and transport costs.
<i>Country</i>	In most instances, this indicates where the wine is consumed. In some instances, it may be the country at which the wine is off-loaded for bottling and/or trans-shipment to the country of final consumption.
<i>Regions</i>	Between reports written from November 2000 onward and those prepared prior to this time, marginal changes have occurred in allocation of countries to regions meaning there will be a break in the series of regional totals.
<i>Still wine</i>	Still wine in bottles, casks, flagons or bulk containers.
<i>Bulk</i>	Wine shipped for repackaging elsewhere. This may involve containers with a capacity of 20 litres or more but will most often mean large shipping containers of size ranging between 10 000 and 24 000 litres.
<i>Casks or Soft Packs</i>	Plastic containers within cardboard outers usually carrying between 2 and 20 litres.
<i>Flagons</i>	Glass containers holding 2 litres or more.
<i>Bottles</i>	Glass containers holding less than 2 litres.
<i>Red wine</i>	Still red wine. Amounts reported may or may not include both dry red wine and rose – footnotes and the reporting context should be consulted for interpretation.
<i>White wine</i>	Still white wine. Amounts reported may or may not include both dry and sweet white wine – footnotes and the reporting context should be consulted for interpretation.
<i>Fermented Sparkling</i>	Sparkling wine in which the effervescence is produced naturally through secondary fermentation in the bottle.

Detailed reports

Reference code	Breakdown of information	Period		
AWBC1	Summary of volumes approved, by container type and wine style	Current month	Financial year to date	Last 12 months
AWBC2	Volumes and values approved, by country	Current month	Financial year to date	Last 12 months
AWBC3	Total volumes approved, by country and region	Financial year to date	Calendar year to date	Last 12 months
AWBC4	Volumes approved, by country, by container type and wine style	Current month	Financial year to date	Last 12 months
AWBC5	Volumes approved, by region, by container type and wine style	Current month	Financial year to date	Last 12 months