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Italy’s wine prices fell 2.3% in September despite accelerating inflation

Istat said consumer prices rose 4.2% from a year earlier, leaving wineries squeezed by weaker demand and higher costs.

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Italy’s consumer prices rose sharply in September even as retail wine prices kept falling, deepening pressure on wineries that are already dealing with weaker demand and higher operating costs.

Preliminary inflation data released by Istat, Italy’s national statistics agency, showed the national consumer price index rose 0.7% from August and 4.2% from September 2025. That marked a clear acceleration from the 3.3% annual rate recorded in August.

At the same time, wine moved in the opposite direction. According to the same preliminary estimates cited by Unione Italiana Vini, or UIV, wine prices fell 0.3% from August and were down 2.3% from a year earlier.

UIV, the Italian wine trade association, said the gap between broad consumer inflation and declining wine prices had become a serious warning sign for the sector. In a statement published Thursday, the group said the trend raised the risk of deflation in wine at the retail level, meaning producers are forced to sell into a market where shelf prices are slipping even as many costs continue to rise.

The broader inflation increase in September was driven mainly by energy and food categories, according to Istat’s preliminary data. Regulated energy prices accelerated to 25.9% on an annual basis from 18.6% in August, while non-regulated energy rose to 22.2% from 17.0%. Unprocessed food also picked up, increasing 5.5% after a 3.8% rise the previous month.

Other parts of household spending also became more expensive. Prices for recreational, cultural and personal care services rose at a 2.9% annual pace, up from 2.6% in August. Transport-related services increased 1.6%, compared with 0.8% a month earlier.

Against that backdrop, the decline in wine prices stands out because it points to a sector that is not passing higher costs on to consumers. UIV said Italian wineries are seeing revenue pressured by lower prices and by the lasting effects of weaker consumption, which are weighing on volumes as well.

The association described the situation as potentially destabilizing for the wine industry. It said the combination of price declines and softer demand could squeeze margins across the supply chain and increase the risk of contraction in the sector. UIV also called for action from public institutions to prevent further deterioration, warning of possible job losses and the abandonment of agricultural land if conditions worsen.

The September figures add to a pattern that the association said has been building for months. While inflation has returned to the center of Italy’s economic debate, wine has continued to lose value on store shelves. For producers, that creates a difficult environment: labor, energy, logistics, packaging, and agricultural inputs may remain under pressure, but the final selling price does not reflect those increases.

That divergence is especially important in a country where wine is a major agricultural and export product, and where many producers are small or midsize businesses with limited room to absorb prolonged margin compression. A drop in shelf prices can support consumers in the short term, but if it persists while costs remain elevated, producers may have to cut investment, reduce output, or rethink pricing and promotional strategies.

The development also matters beyond wine. In the broader drinks market, a prolonged period of falling wine prices could intensify competition at retail and put pressure on commercial decisions across beer, spirits, and other beverage categories. If one major category keeps discounting while input costs remain high, it can affect margins, promotions, and brand positioning across the sector, even if the full impact is not yet clear.

UIV’s warning comes at a time when many European beverage producers are trying to balance cost inflation with cautious consumer spending. In that setting, the Italian data suggest wine may be entering a different phase from the rest of the consumer basket, with prices weakening instead of rising.

The association’s statement relied on Istat’s preliminary September estimates, which provide an early reading of inflation trends before final data are published. Even so, the contrast in the current numbers is sharp: consumer prices in Italy are rising faster again, but wine is becoming cheaper. For wineries, that means the usual inflation story does not apply in the same way to one of the country’s most important beverage industries.