vinetur

Tuscany Takes Top Spot in Wine Market

Economic Factors and Consumer Preferences Fuel Market Transformation

Tuesday, January 7, 2025



The international fine wine market is undergoing a notable regional shift as Tuscany gains prominence over Bordeaux. Once the undisputed leader, Bordeaux's share of the market has declined sharply in 2024, making way for Tuscany to emerge as a preferred choice for investors and collectors. This shift is driven by economic and commercial factors, along with evolving consumer preferences in key markets like the United

States.

Data from Liv-ex, the leading fine wine trading platform, shows a significant drop in Bordeaux transactions, despite a brief recovery in 2023. Bordeaux has historically been seen as a safe investment, supported by a robust classification system and high production volumes. However, those advantages are no longer enough to maintain its dominance. The region faces challenges in pricing strategies, particularly during the release of new vintages, which has caused a growing disconnect between supply and demand.

Bordeaux's pricing has been a sticking point. Many châteaux have continued to release new vintages at elevated prices, creating an imbalance in the market. The bid:offer ratio, which measures buying interest relative to selling offers, has reached historic lows throughout 2024. Distributors are left holding unsold stock, which ties up capital and increases costs. The problem is most acute for post-2015 vintages, which have lost value and are now trading below their initial release prices. In contrast, older vintages from before 2009 remain more stable, benefiting from scarcity and long-term demand from collectors.

While Bordeaux struggles, Tuscany's fine wine market is experiencing steady growth. Although the Italy 100 index has fallen by 6% in 2024, it has outperformed other regional indices within the Liv-ex 1000. Italian wine trade volumes rose 17.6%, with the total number of bottles traded increasing by 17.3% and the value of those transactions up by 9.8%.

The U.S. has played a critical role in this trend, with a 69.3% increase in the value of Italian wines purchased compared to 2023. Tuscany, in particular, has outpaced Piedmont, which previously led Italian sales thanks to its famous Barolos and Barbarescos. In 2024, the commercial value of Tuscan wines rose by 16.1%, while Piedmont's wines saw a 5.2% drop.

Tuscany's growth isn't limited to Super Tuscans like Ornellaia, Tignanello, and Sassicaia. Brunello di Montalcino has seen increased demand, particularly exclusive labels like Soldera Case Basse, known for its limited production and high market value. Both Masseto and Soldera have seen significant price gains this year, reflecting

heightened buyer interest in rare, high-quality wines.

Sassicaia, a more widely available wine within the luxury segment, has also performed well. The 2021 and 2020 vintages were the two most-traded Italian wines by value in 2024. The 2021 vintage, released at £2,500 per 12-bottle case, has maintained steady trading levels, indicating strong market acceptance of the price. This stability is unusual in a typically volatile market and highlights Sassicaia's enduring appeal.

Tuscany's rise reflects a broader market adjustment to new economic realities and changing consumer tastes. The region has succeeded by offering competitive prices, diverse options, and a balance of quality and quantity. Bordeaux, on the other hand, faces the challenge of rethinking its pricing strategies to win back buyers and prevent further erosion of its market share in the coming years.