

Report: Global wine shortage growing by the case

By Roberto A. Ferdman, Atlantic

It isn't only France that's suffering from a dearth of wine – it's the entire world, says a report released last week by Morgan Stanley Research.

And the shortage is only getting worse.

Last year, global supply for wine already barely exceeded demand. Adjusting the demand to include non-wine uses (such as making vermouth), there was actually an undersupply of about 300 million cases, marking the largest such shortfall in almost 50 years.

□Morgan Stanley Research

At the current pace, a global shortage of wine is fast approaching. "Data suggests there may be insufficient supply to meet demand in coming years, as current vintages are released," the report says.

The problem is something of a two-headed monster.

Global wine consumption has been on the rise almost without interruption (save for a short stint between 2008 and 2009) since the late 1990s.

The U.S. and China, in particular, have been drinking more. The U.S., which guzzles roughly 12 percent of the world's wine, has seen its per capita consumption double since the start of the century. And China, which is now the world's fifth largest import market, has doubled its consumption not once, but twice in the past five years.

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