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Global demand for Scotch at record high

- New export records set in 2007
- Exports earn £90 every second for UK balance of trade
- Equivalent of over one billion bottles shipped overseas

Scotch Whisky exports earned £90 every second for the UK last year, with the value of shipments increasing by 14% to reach a new record of £2.8bn, according to figures published today by The Scotch Whisky Association (SWA).

The SWA revealed export volume was also at a historic high in 2007, growing 8%, with the equivalent of 1,135 million bottles of Scotch Whisky shipped overseas.

Bottled Blended Scotch Whisky exports broke the £2bn barrier for the first time, with shipment value up 15% (to £2.22bn). Bottled Malt exports also rose by 11% in value (to £454m).

Exports to most regions increased over the year, with shipments to Central & South America (+4% in value), Asia (+4.5%), North America (+5.5%) and the European Union (+27%) all growing. Tariff reform in the middle of 2007 gave exports to India - a key emerging market - a welcome boost, up 36% in value (to £33m). South Africa's rapid rise into the industry's top ten markets continued, with exports up a further 9% in value (to £91m).

SWA Chairman, Paul Walsh, said:

"This record export performance - generating £90 every second for the UK balance of trade - underscores just how important Scotch Whisky is to our economy. This is all the more impressive given the economic difficulties encountered in certain markets during the second half of 2007 and demonstrates that Scotch Whisky's international appeal can mitigate against individual market or regional fluctuations.

"Distillers continue to watch market developments carefully but the trends remain positive, with both mature and emerging markets performing well, and Scotch Whisky growing on a sustainable basis.



“Announcements of new capital investment of £400m across the industry last year were a public vote of confidence in Scotch Whisky’s prospects and are good news for the wider economy. Distillers look to government north and south of the border to continue to work with them to support future international competitiveness, tackling barriers to market access overseas, whilst also recognising the importance of a fair tax and regulatory environment at home.”

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Note to Editors:

1. The SWA figures are derived from HM Revenue & Customs data and are based on individual company declarations of the export value and volume of shipments to each market (which may not be the final destination of the consignment). The figures do not represent sales/consumption of Scotch Whisky in those markets.
2. A summary of Scotch Whisky shipments on a regional basis and a table showing the top ten export markets by shipment value and volume are attached.
3. For further information please contact Campbell Evans (0131 222 9231 and 07768 002 262) or David Williamson (0131 222 9230 and 07730 496 151)



Summary of Scotch Whisky shipments by value on a regional basis (2007)

Central & South America (+4% to £339m)

Regional growth was supported by a rise in exports to several markets, including Mexico (+17% to £21m) and Colombia (+21% to £17m). Exports to Brazil remained stable at £38m, whilst market access issues, including foreign exchange controls, in Venezuela continued to be problematic (-2% to £104m).

Asia (+4.5% to £571m)

Direct shipments to Singapore were up 84% (to £158m) making it, in simple export terms, the industry's fourth largest market. However, the vast majority of Scotch Whisky is subsequently shipped to other markets in South East Asia. For example, whilst direct shipments to China were down 28% (to £42m), this obscures continued growth in that market in 2007, with increasing exports being directed through the Singapore regional distribution hub.

North America (+5.5% to £482m)

Encouragingly, export value showed resilience in the face of the US economy's slowdown in the second half of the year and lower volumes. The US continues to be the industry's largest export market by value, growing 5% last year to £419m.

Africa (+13% to £129m)

South Africa now represents over 70% of exports to Africa and has grown significantly over the last five years, from £51m in 2002 to £91m in 2007.

Europe (+27% to £1.1bn)

Exports to a range of EU markets grew markedly, supported by the trend towards premium spirit drinks. Bottled Malts, for example, increased by 18% in value and bottled Blended Scotch Whisky exports grew by 32%. Germany's 62% growth reflects the pattern of routes to market and also increasing exports to Central & Eastern Europe.

Australasia (-2% to £52m)

Australia represents the vast majority of regional exports and was marginally down in 2007 (-2% to £46m).



**Top ten export markets by value
(Jan-Dec 2007, £million)**

	2007	2006	% change
USA	419.2	400.0	+5
Spain	307.5	195.4	+57
France	294.2	275.5	+7
Singapore	158.1	85.8	+84
South Korea	139.3	136.2	+2
Venezuela	104.2	106.7	-2
Greece	103.5	76.8	+35
Germany	96.3	59.4	+62
South Africa	90.9	83.5	+9
Taiwan	81.8	106.5	-23
Portugal	48.3	51.6	-6
Total Exports	2,818.1	2,478.6	+14

**Top ten export markets by volume
(Jan-Dec 2007, millions of bottles)**

	2007	2006	% change
France	173.0	170.3	+2
USA	120.7	127.2	-5
Spain	118.1	85.8	+38
Singapore	46.8	21.1	+121
South Africa	43.1	39.3	+10
Venezuela	41.4	38.4	+8
South Korea	40.1	36.8	+9
Thailand	39.7	40.5	-2
Germany	38.5	29.7	+30
Greece	31.0	23.6	+31
Total Exports	1,135.2	1,051.8	+8