

## Beer, Wine and Spirits

November U.S. domestic beer industry;  
shipments down -6.9% year to date

Industry Overview

## Monthly Beer data download

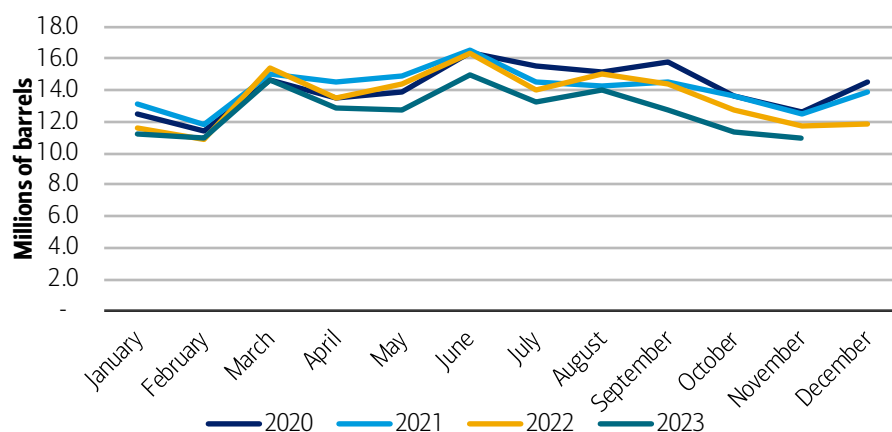
Below we provide key takeaways from the Beer Institute's monthly data release which includes domestic tax paid shipments (U.S. beer production) and imports (beers produced out of the U.S.). In addition, we provide a link to access our complete [beer data repository](#) (see excel) which includes data from the Beer Institute going back to 1991 and category/brewer/brand performance data from Nielsen for the week ending 12/30/2023.

## November domestic tax paid shipments down -6.8% YoY

Beer Institute estimates domestic tax paid shipments for November, 2023 were 11.0mm barrels, which is a decrease of -6.8% versus last year and down -6.9% year to date. On an absolute basis November shipments were 0.4mm barrels less than the prior month. Beer Institute believes that the November decrease was on trend for the year and the worst is now behind the beer industry. **Including all imports, U.S. total beer shipments were down -4.3% in November and -5.7% YTD.** If beer shipments are flat for December, it implies U.S. industry 2023 volumes down -5.3% versus last year which is not within the industry's usual range of -1% to +1%, worse than last year's decline of -3.0% and well below pre-pandemic levels. In our view volume weakness this year is attributed to 1) 1Q weather, 2) consumer shift to spirits (and increasingly pre-mixed), 3) decline in hard seltzer and 4) potential Bud Light controversy impacted overall beer demand.

## Exhibit 1: Monthly domestic tax paid shipments from 2020 to 2023

November domestic tax paid shipments were down -6.8% year over year



Source: Beer Institute

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## November Mexican imports up +9.2% YoY

Beer Institute estimates that imports from Mexico (83% of total imported shipments) for November, 2023 were 2.5mm barrels, which is +9.2% higher versus last year.

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Timestamp: 11 January 2024 05:00AM EST

11 January 2024

Equity  
United States  
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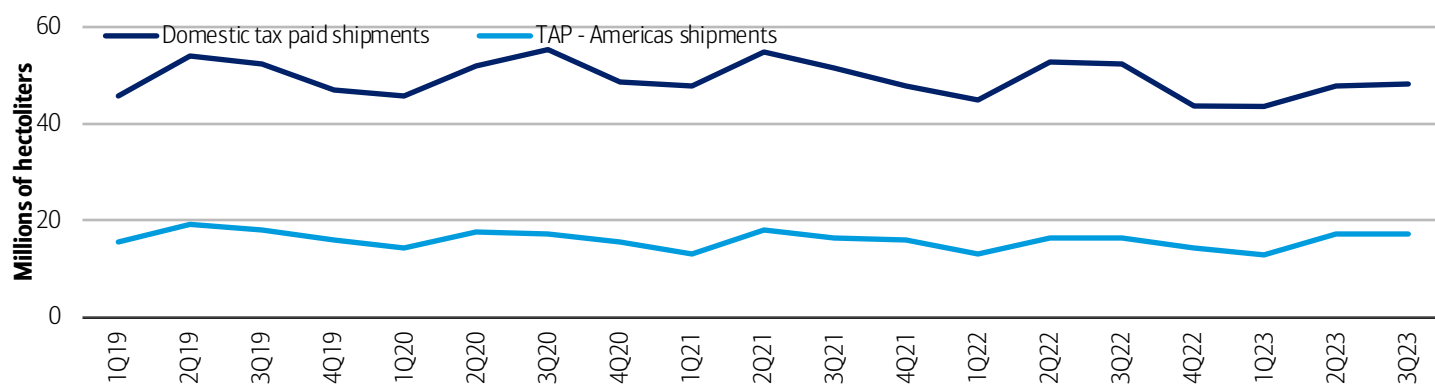
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## Key charts

### Exhibit 2: Quarterly (December year end basis) domestic tax paid shipments and TAP's Americas shipments

TAP's America shipments are highly correlated to U.S. taxpaid shipments

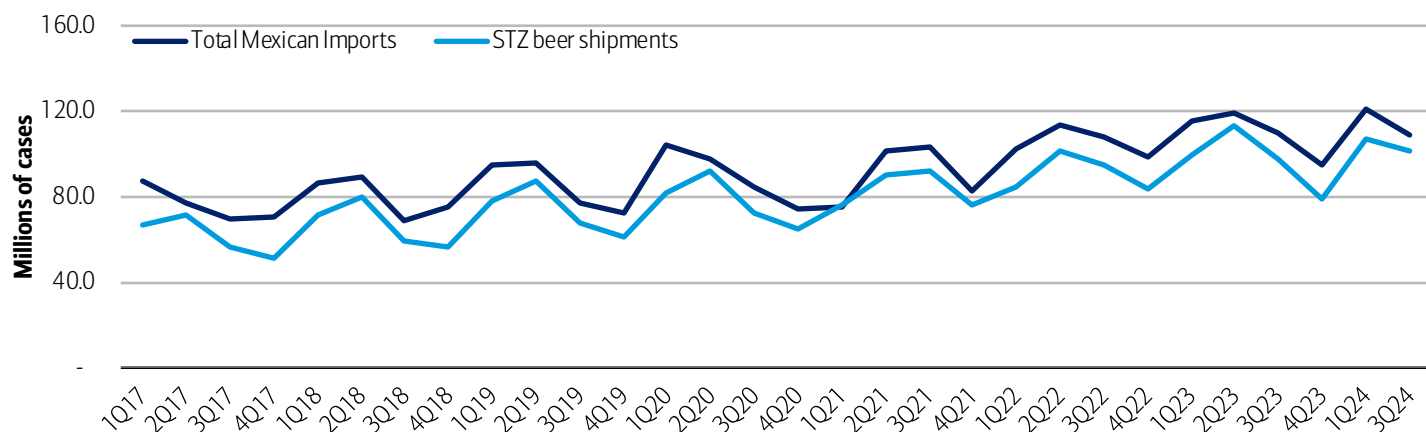


Source: Beer Institute, Company filings

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### Exhibit 3: Quarterly (February year end basis) total Mexican imports and STZ's beer shipments

STZ's beer shipments are highly correlated to Mexican imports

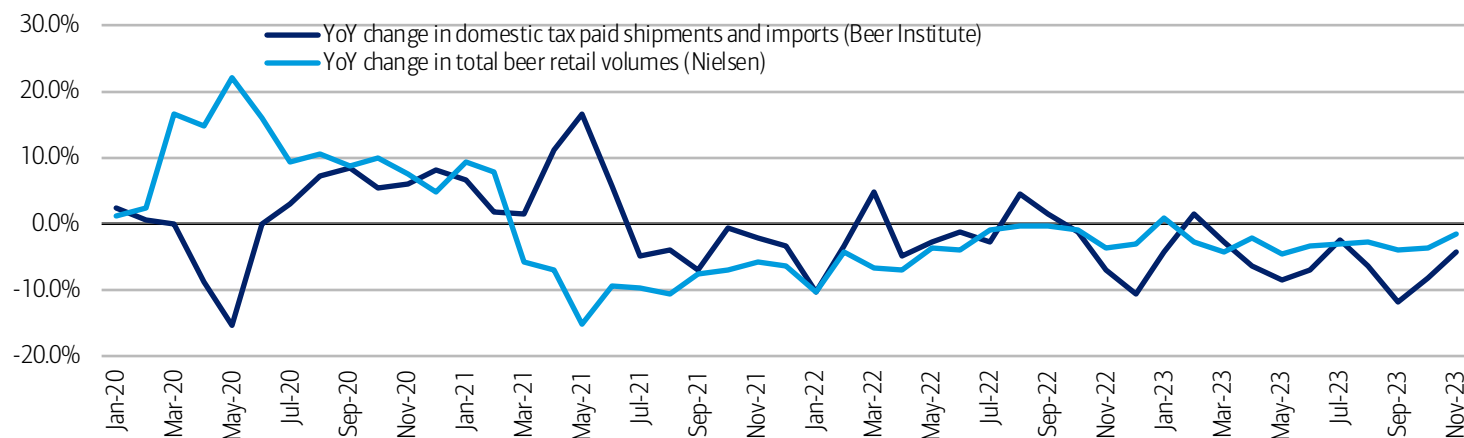


Source: Beer Institute, Company filings

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**Exhibit 4: Year over year change in beer shipments versus consumption**

Beer consumption is a leading indicator for shipments

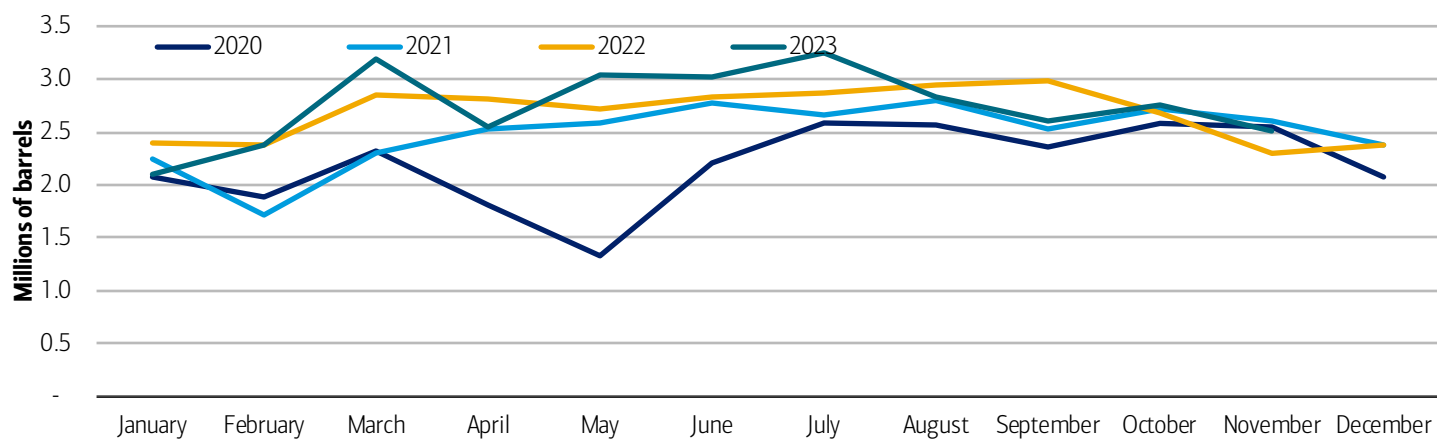


Source: Beer Institute, Nielsen

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**Exhibit 5: Monthly Mexican imports from 2020 to 2023**

November Mexican imports were up +9.2% year over year



Source: Beer Institute

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