The impact of weather conditions on the quality and the price of wines has been shown in numerous papers. For Bordeaux wines, Ashenfelter et al. (1995) consider vintage and weather conditions that prevailed during the growing season, and show that these variables alone explain more than 80% of the price variation in their sample. The meteorological data they use are average data over the season and the whole region. Ginsburgh et al. (1994) use monthly data and show that climatic variations occurring within a season are important in explaining the price of Medoc wines: technology and weather conditions explain two thirds of the price variation. Though their data are not averaged over the season, they are still averaged over the region. In this paper, we argue that weather conditions may be very different from one place to another even in a same region, and that such a spatial variability may help to explain the price dispersion.

We use monthly data collected from approximately 15 meteorological stations located in the Bordeaux growing region (temperature, rainfall, hours of sunshine, number of days of frost and hail, etc...). The data set covers the whole 1993-2002 period. The prices we use are *en primeur* prices and come from the archives of one of the largest broker in Bordeaux. The full sample contains the prices of all the 375 Bordeaux châteaux traded by this broker during the period 1993-2002, but we restrict ourselves to the 242 châteaux that were traded in each year. Our data therefore contain *en primeur* prices for 2420 wines produced by 242 châteaux between 1993 and 2002 (see Hadj Ali et al., 2005). Each château is described by its (region) appellation group and its ranking, and each price is expressed in euros per bottle of 75cl.