

SD-03-2024_2025

20 June 2024

JUNE RV PRICE for 2024/2025 SEASON

AVERAGE RV PRICE PER TON R 7 310,93

BASE PRICE OF CANE	
RV % CANE	AVG. PRICE Rand/Ton
9,5	694,54
10,0	731,09
10,5	767,65
11,0	804,20
11,5	840,76
12,0	877,31
12,5	913,87
13,0	950,42
13,5	986,98
14,0	1023,53
14,5	1060,08
15,0	1096,64

Industry Average RV % Cane	11,99%
"d" factor	0,496748
SASRI Extension Levy	R 1,30
SASRI Levy - LSG Research	R 0,98

The RV price payable at the end of **JUNE 2024** in respect of 2024/2025 season cane deliveries up to the end of **MAY 2024** was declared at **R7 310,93** per ton of RV. This represents a decrease of **R28,08** per ton of RV when compared with the previous month declared RV Price of **R7 339,01** per ton of RV. The decrease was driven by the firmer weighted average R/\$ exchange rate (R18,60 vs R18,74), the lower weighted average No.11 world market price (US21,26c/lb. vs. US21,50c/lb) and the lower sugar: RV ratio (93,54% vs 93,75%)

The changes in monthly RV input variables and corresponding changes in revenue are detailed in Table 2 below:

Table 2: Change in RV price input variable and revenue.

RV Price - Change in input variables	Latest	Difference	Previous
Cane Production	18 403 526	-170 988	18 574 514
Sugar: RV Ratio	93,54%	-0,21%	93,75%
Gross Sugar Production	2 063 353	-19 227	2 082 580
LMDE	1 499 045	11 916	1 487 129
RV Tons	2 205 891	-15 561	2 221 452
#11 World Price (wt avg)	21,26	-0,23	21,50
R/US\$ Ex Rate (wt avg)	18,60	-0,14	18,74
RV Price	7 310,93	-28,08	7 339,01
Change in Revenue	Latest	Difference	Previous
Rebates	230 442 909	10 368 945	220 073 964
Local Market Proceeds	20 372 564 403	157 469 172	20 215 095 231
Export Proceeds	4 862 418 987	-415 046 664	5 277 465 651
Molasses Proceeds	1 070 540 342	13 164 158	1 057 376 184
Industrial Costs	940 515 271	29 734 403	910 780 868
Total Grower Revenue (64.3127% of NDP)	16 312 921 796	-176 311 811	16 489 233 607
Grower Levy - Net	-185 807 285	169 749	-185 977 034
Net Grower Revenue for RV price	16 127 114 511	-176 142 062	16 303 256 573

Table 3 provides a range estimate for 2024/2025 final RV price. The most likely estimate is **R7 321** within a range of a low of **R7 168** and a high of **R7 495**.

Table 3: Range estimate for 2023/2024 RV Price

	Low Estimate	Most Likely Estimate	High Estimate
Gross Sugar Production	2 100 000	2 063 353	2 000 000
RV % Cane	11,95%	11,99%	12,30%
Sugar: RV Ratio	93,25%	93,54%	93,75%
LMDE	1 480 000	1 499 046	1 520 000
Rebates (R)	230 442 909	230 442 909	230 442 909
No.11 (% exposure)	70,2%	67,3%	61,5%
No.11 (wt.avg)	20,89	21,35	21,88
R/\$ (% uncovered)	80,86%	80,86%	80,86%
R/\$ (wt. Avg.)	18,2337	18,6381	19,0424
RV Price	7 168,17	7 321,02	7 495,48
Notional Price Change	0,00%	0,00%	0,00%
R/\$ Exchange Rate (Uncovered)	18,00	18,50	19,00
No.11 price (unpriced)	19,50	20,00	20,50