

SD-04-2024_2025

18 July 2024

JULY RV PRICE for 2024/2025 SEASON

AVERAGE RV PRICE PER TON R 7 349,50

BASE PRICE OF CANE	
RV % CANE	AVG. PRICE Rand/Ton
9,5	698,20
10,0	734,95
10,5	771,70
11,0	808,45
11,5	845,19
12,0	881,94
12,5	918,69
13,0	955,44
13,5	992,18
14,0	1028,93
14,5	1065,68
15,0	1102,43

Industry Average RV % Cane	12,10%
"d" factor	0,496894
SASRI Extension Levy	R 1,30
SASRI Levy - LSG Research	R 1,00

The RV price payable at the end of **JULY 2024** in respect of **2024/2025** season cane deliveries up to the end of **JUNE 2024** was declared at **R7 349,50** per ton of RV. This represents an increase of **R38,57** per ton of RV when compared with the previous month declared RV Price of **R7 310,93** per ton of RV. The increase was driven by the higher weighted average No.11 world market price (US21,91c/lb. vs. US21,26c/lb) and the higher sugar: RV ratio (93,93% vs 93,54%). These dominated the firmer weighted average R/\$ exchange rate (R18,30 vs R18,60).

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	18 219 393	-184 133	18 403 526
Sugar: RV Ratio	93,93%	0,39%	93,54%
Gross Sugar Production	2 069 956	6 603	2 063 353
LMDE	1 499 045	0	1 499 045
RV Tons	2 203 777	-2 114	2 205 891
#11 World Price (wt avg)	21,91	0,65	21,26
R/US\$ Ex Rate (wt avg)	18,30	-0,30	18,60
RV Price	7 349,50	38,57	7 310,93
Change in Revenue	Latest	Difference	Previous
Rebates	241 510 346	11 067 437	230 442 909
Local Market Proceeds	20 361 496 966	-11 067 437	20 372 564 403
Export Proceeds	4 998 412 067	135 993 080	4 862 418 987
Molasses Proceeds	1 055 446 791	-15 093 550	1 070 540 342
Industrial Costs	942 142 784	1 627 513	940 515 271
Total Grower Revenue (64.3127% of NDP)	16 382 511 083	69 589 288	16 312 921 795
Grower Levy - Net	-185 849 815	-42 530	-185 807 285
Net Grower Revenue for RV price	16 196 661 268	69 546 758	16 127 114 510

Table 3 provides a range estimate for 2024/2025 final RV price. The most likely estimate is **R7 360** within a range of a low of **R7 209** and a high of **R7 563**.

Table 3: Range estimate for 2023/2024 RV Price

	Low Estimate	Most Likely Estimate	High Estimate
Gross Sugar Production	2 100 000	2 069 956	2 000 000
RV % Cane	10,00%	12,10%	12,20%
Sugar : RV Ratio	93,50%	93,93%	94,50%
LMDE	1 480 000	1 499 046	1 520 000
Rebates (R)	241 510 346	241 510 346	241 510 346
No.11 (% exposure)	64,2%	61,2%	53,9%
No.11 (wt.avg)	21,70	22,11	22,59
R/\$ (% uncovered)	76,57%	76,57%	76,57%
R/\$ (wt. Avg.)	17,8709	18,2537	18,6365
RV Price	7 208,68	7 359,73	7 563,26
Notional Price Change	0,00%	0,00%	0,00%
R/\$ Exchange Rate (Uncovered)	17,50	18,00	18,50
No.11 price (unpriced)	20,50	21,00	21,50