

SD-09-2024_2025

12 December 2024

DECEMBER RV PRICE for 2024/2025 SEASON

AVERAGE RV PRICE PER TON R 7 790,80

BASE PRICE OF CANE	
RV % CANE	AVG. PRICE Rand/Ton
9,5	740,13
10,0	779,08
10,5	818,03
11,0	856,99
11,5	895,94
12,0	934,90
12,5	973,85
13,0	1012,80
13,5	1051,76
14,0	1090,71
14,5	1129,67
15,0	1168,62

Industry Average RV % Cane	12,18%
"d" factor	0,506105
SASRI Extension Levy	R 1,43
SASRI Levy - LSG Research	R 1,10

The RV price payable at the end of **DECEMBER 2024** in respect of **2024/2025** season cane deliveries up to the end of **NOVEMBER 2024** was declared at **R7 790,80** per ton of RV. This represents an increase of **R69,30** per ton of RV when compared with the previous month declared RV Price of **R7 721,51** per ton of RV. The increase was driven by the higher weighted average No.11 world market price (US23,10c/lb. vs. US23,04c/lb) and the weaker weighted average R/\$ exchange rate (R18,47 vs R18,37).

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	16 490 064	-264 705	16 754 769
Sugar: RV Ratio	93,04%	0,42%	92,62%
Gross Sugar Production	1 868 783	-19 442	1 888 225
LMDE	1 498 309	0	1 498 309
RV Tons	2 008 684	-30 047	2 038 731
#11 World Price (wt avg)	23,10	0,06	23,04
R/US\$ Ex Rate (wt avg)	18,47	0,10	18,37
RV Price	7 790,80	69,30	7 721,51
Change in Revenue	Latest	Difference	Previous
Rebates	251 201 319	-355 072	251 556 391
Local Market Proceeds	20 610 701 597	355 069	20 610 346 528
Export Proceeds	3 457 804 659	-149 458 024	3 607 262 683
Molasses Proceeds	1 007 394 475	4 750 997	1 002 643 478
Clause 175 Levy - Partial Recovery	436 685 560	0	436 685 560
Industrial Costs	889 573 354	-531 594	890 104 948
Total Grower Revenue (64.3127% of NDP)	15 835 724 441	-92 494 759	15 928 219 200
Grower Levy - Net	-186 461 966	-314 508	-186 147 458
Net Grower Revenue for RV price	15 649 262 475	-92 809 267	15 742 071 742

Table 3 provides a range estimate for 2024/2025 final RV price. The most likely estimate is **R7 791** within a range of a low of **R7 729** and a high of **R7 851**.

Table 3: Range estimate for 2023/2024 RV Price

	Low Estimate	Most Likely Estimate	High Estimate
Gross Sugar Production	1 880 000	1 868 783	1 860 000
RV % Cane	12,18%	12,18%	12,18%
Sugar: RV Ratio	93,04%	93,04%	93,04%
LMDE	1 480 000	1 498 310	1 520 000
Rebates (R)	251 201 319	251 201 319	251 201 319
No.11 (% exposure)	38,6%	33,8%	27,9%
No.11 (wt.avg)	22,79	23,07	23,30
R/\$ (% uncovered)	39,18%	39,18%	39,18%
R/\$ (wt. Avg.)	18,3673	18,4848	18,6024
RV Price	7 729,37	7 791,03	7 850,69
Notional Price Change (September 2024)	2,50%	2,50%	2,50%
R/\$ Exchange Rate (Uncovered)	17,90	18,20	18,50
No.11 price (unpriced)	21,50	22,00	22,50