South African Farmers Development Association
170 Flanders Drive | Mount Edgecombe
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SD-11-2024_2025

20 February 2025

FEBRUARY RV PRICE for 2024/2025 SEASON

AVERAGE RV PRICE PER TON **R 7 754,14**

BASE PRICE OF CANE	
RV % CANE	**AVG. PRICE Rand/Ton**
9,5	736,64
10,0	775,41
10,5	814,18
11,0	852,95
11,5	891,73
12,0	930,50
12,5	969,27
13,0	1008,04
13,5	1046,81
14,0	1085,58
14,5	1124,35
15,0	1163,12

Industry Average RV % Cane	**12,22%**
"d" factor	**0,505855**
SASRI Extension Levy	**R 1,41**
SASRI Levy - LSG Research	**R 1,09**

The RV price payable at the end of **FEBRUARY 2025** in respect of **2024/2025** season cane deliveries up to the end of **JANUARY 2025** was declared at **R7 754,14** per ton of RV. This represents an increase of **R9,04** per ton of RV when compared to the previous month's declared RV Price of **R7 745,10** per ton of RV. The increase was driven by the higher weighted average No.11 world market price (US22,53c/lb vs US22,32c/lb) which dominated the firmer weighted average R/$ exchange rate (R18,61 vs R18,75). There is a potential of including the carry-over on the final RV Price declaration depending on the gazetting of the amended SIA. Currently, the carry-over is estimated to be 116 182 tons. This will lead to the increase of the LMDE to 1 614 492 tons.

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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	16 471 728	4	16 471 724
Sugar: RV Ratio	93,05%	0,17%	92,88%
Gross Sugar Production	1 872 226	3 771	1 868 455
LMDE	1 498 309	0	1 498 309
RV Tons	2 012 166	452	2 011 714
#11 World Price (wt avg)	22,53	0,21	22,32
R/US$ Ex Rate (wt avg)	18,61	-0,13	18,75
RV Price	**7 754,14**	**9,04**	**7 745,10**
Change in Revenue	**Latest**	**Difference**	**Previous**
Rebates	256 753 915	0	256 753 915
Local Market Proceeds	20 558 976 227	-1 797 590	20 560 773 817
Export Proceeds	3 412 881 591	30 219 283	3 382 662 308
Molasses Proceeds	1 015 439 202	-3 423 818	1 018 863 020
Clause 175 Levy - Partial Recovery	436 685 560	0	436 685 560
Industrial Costs	872 452 753	-8 723 090	881 175 843
Total Grower Revenue (64.3127% of NDP)	**15 789 751 723**	**21 686 863**	**15 768 064 860**
Grower Levy - Net	-187 143 969	-26	-187 143 943
Net Grower Revenue for RV price	**15 602 607 754**	**21 686 837**	**15 580 920 917**

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Table 3 provides a range estimate for 2024/2025 final RV price. The most likely estimate is ***R7 754*** within a range of a low of ***R7 725*** and a high of ***R7 781.***

Table 3: Range estimate for 2023/2024 RV Price

	Low Estimate	**Most Likely Estimate**	**High Estimate**
Gross Sugar Production	1 872 226	1 872 226	1 872 226
RV % Cane	12,22%	12,22%	12,22%
Sugar: RV Ratio	93,05%	93,05%	93,05%
LMDE	1 490 000	1 498 310	1 506 626
Rebates (R)	256 753 915	256 753 915	256 753 915
No.11 (% exposure)	36,6%	35,2%	33,8%
No.11 (wt.avg)	22,26	22,49	22,70
R/$ (% uncovered)	37,60%	37,60%	37,60%
R/$ (wt. Avg.)	18,5325	18,6127	18,6829
RV Price	**7 725,14**	**7 754,14**	**7 781,35**
Notional Price Change (September 2024)	2,50%	2,50%	2,50%
Notional Price Change (March 2025)	1,75%	1,75%	1,75%
R/$ Exchange Rate (Uncovered)	18,30	18,51	18,70
No.11 price (unpriced)	20,00	20,50	21,00

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Table 4 provides a range estimate of the opening RV price for 2025/2026 season. The most likely estimate is ***R7 714*** within a range of a low of ***R7 674*** and a high of ***R7 730.***

Opening RV Price forecast for 2025/2026 season

	Low Estimate	Most Likely Estimate	High Estimate
Gross Sugar Production	2 030 000	1 988 889	1 950 000
RV % Cane	11,80%	12,00%	12,20%
Sugar: RV Ratio	92,00%	92,50%	93,00%
LMDE	1 480 000	1 503 232	1 520 000
Rebates (R)	275 000 000	250 000 000	225 000 000
RV Price	**7 673,81**	**7 713,60**	**7 729,99**
R/$ Exchange Rate (Uncovered)	17,5	18	18,5
No.11 price (unpriced)	20	20,5	21