

SD-01-2024_2025

18 April 2024

APRIL RV PRICE for 2024/2025 SEASON

AVERAGE RV PRICE PER TON R 7 475,54

BASE PRICE OF CANE	
RV % CANE	AVG. PRICE Rand/Ton
9,5	710,18
10,0	747,55
10,5	784,93
11,0	822,31
11,5	859,69
12,0	897,06
12,5	934,44
13,0	971,82
13,5	1009,20
14,0	1046,58
14,5	1083,95
15,0	1121,33

Industry Average RV % Cane	11,90%
"d" factor	0,526326
SASRI Extension Levy	R 1,18
SASRI Levy - LSG Research	R 0,94

The RV price payable at the end of **APRIL 2024** in respect of 2024/2025 season cane deliveries up to the end of **MARCH 2024** was declared at **R7 475,54** per ton of RV. This represents an increase of **R45,78** per ton of RV when compared with the previous season (2023/24) final RV Price of **R7 429,76** per ton of RV. The increase was driven by the higher sugar: RV ratio (94,19 % vs 92,74%), the higher volume of cane production estimate by 700 163 tons, which yielded an increase of 84 995 tons in sugar production and the increase in Local Market Proceeds by R1,2 billion. The positives dominated the firmer weighted average R/\$ exchange rate (R18,81 vs R19,31) and the lower weighted average No.11 world market price (US22,70c/lb. vs. US27,56c/lb).

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	18 643 695	700 163	17 943 532
Sugar: RV Ratio	94,19%	1,45%	92,74%
Gross Sugar Production	2 090 203	84 995	2 005 208
LMDE	1 487 129	-23 772	1 510 901
RV Tons	2 219 152	56 954	2 162 198
#11 World Price (wt avg)	22,70	-4,86	27,56
R/US\$ Ex Rate (wt avg)	18,81	-0,49	19,31
RV Price	7 475,54	45,78	7 429,76
Change in Revenue	Latest	Difference	Previous
Rebates	220 052 398	822 756	219 229 642
Local Market Proceeds	20 215 116 797	1 245 684 799	18 969 431 998
Export Proceeds	5 716 900 766	-361 744 701	6 078 645 467
Molasses Proceeds	1 058 857 321	107 385 973	951 471 348
Industrial Costs	907 130 373	162 595 334	744 535 039
Total Grower Revenue (64.3127% of NDP)	16 775 160 356	532 979 114	16 242 181 242
Grower Levy - Net	-185 810 322	-8 231 650	-177 578 672
Net Grower Revenue for RV price	16 589 350 034	524 747 464	16 064 602 570

Table 3 provides a range estimate for 2024/2025 final RV price. The most likely estimate is

R7 489 within a range of a low of **R7 324** and a high of **R7 716**.

Table 3: Range estimate for 2023/2024 RV Price

	Low Estimate	Most Likely Estimate	High Estimate
Gross Sugar Production	2 080 000	2 090 203	2 000 000
RV % Cane	11,80%	11,90%	12,00%
Sugar: RV Ratio	93,50%	94,00%	94,50%
LMDE	1 460 000	1 487 130	1 500 000
Rebates (R)	220 052 398	220 052 398	220 052 398
No.11 (% exposure)	80,8%	80,3%	76,2%
No.11 (wt.avg)	22,02	22,84	23,76
R/\$ (% uncovered)	89,86%	89,86%	89,86%
R/\$ (wt. Avg.)	18,5795	19,0288	19,4781
RV Price	7 324,44	7 489,16	7 716,45
R/\$ Exchange Rate (Uncovered)	18,50	19,00	19,50
No.11 price (unpriced)	21,00	22,00	23,00
Refined %	59,05%	59,05%	59,05%