
MARKET NOTICEJohannesburg
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Relates to: Equity Market
 Equity Derivatives
 Commodity Derivatives
 Interest Rate and Currency Derivatives
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SUBJECT: FINAL LOCATION DIFFERENTIALS FOR SUNFLOWER SEEDS FOR THE 2019-20 MARKETING SEASON

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Dear Market Participant,

1. Final Sunflower Seeds Location Differentials for 2019/20 Marketing Season

Subsequent to market notice 50A/2019 of 21 February 2019, this notice serves to release the final location differentials for sunflower seeds for the 2019/20 marketing season. As mentioned before, we have adopted a formula-based approach to determine location differentials for wheat as follows:

$$RPT = \frac{Distance * RLF * RPK}{Payload}$$

Where: Distance is distance in km's to the reference point,
RLF is the return load factor,
RPK is Rand per km based on the contributions received from the market, and
Payload is in tons and in this case is 30 tons

The provisional results published last week remain unchanged. We continue to encourage market participants to contribute road rates when requested in order to assist in determining accurate rates at the time of publishing. It is also important to note that the JSE does not take into account any forward looking scenarios in these calculations and therefore only considers transport rates as currently quoted.

The final list of location differentials for sunflower seeds for 2019/20 marketing season is attached. Below are the final RPK rates and return load factors (RLF) used in our model for 2019/20 season:

2019/20		2019/20		Distance	RLF		
KM	RPK	KM	RPK	<325 km			
0-10 km	374.92	221-230 km	18.53	326-350 km	1.9		
11-20 km	160.80	231-240 km	18.43	351-375 km	1.8		
21-30 km	111.31	241-250 km	18.39	376-400 km	1.7		
31-40 km	84.31	251-260 km	18.13			>400 km	1.6
41-50 km	54.39	261-270 km	18.11				
51-60 km	48.32	271-280 km	17.98				
61-70 km	37.91	281-290 km	17.96				
71-80 km	33.25	291-300 km	17.92				
81-90 km	29.16	301-310 km	17.91				
91-100 km	27.65	311-320 km	17.93				
101-110 km	25.49	321-330 km	17.76				
111-120 km	23.38	331-340 km	17.76				
121-130 km	21.22	341-350 km	17.76				
131-140 km	20.11	351-360 km	17.76				
141-150 km	19.16	361-370 km	17.71				
151-160 km	19.05	371-380 km	17.71				
161-170 km	18.88	381-390 km	17.71				
171-180 km	18.79	391-400 km	17.71				
181-190 km	18.69	401-410 km	17.71				
191-200 km	18.73	411-420 km	17.71				
201-210 km	18.73	421-430 km	17.71				
211-220 km	18.61	>430 km	17.71				

2. Standard Storage Rates for delivery in completion of a sunflower seed futures contract

The standard storage rate for the marketing season 1 March 2019 – 29 February 2020 will increase based on the PPI rate as published in December 2018, namely 6.8% and so the standard storage rate applied to outstanding storage in completion of a futures contract will increase to **R1.62 per ton per day**.

Please ensure that when making delivery of JSE silo receipts issued in the previous marketing season, all storage must be paid up to and including 28 February 2019.

Should you have any queries please contact Commodities team on 011 520 7039 or e-mail commodities@jse.co.za

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