

## MARKET NOTICE

**Number:** 054A/2024

**Relates to:**

- ☐ Equity Market
- ☐ Equity Derivatives Market
- ☒ Commodity Derivatives Market
- ☐ Currency Derivatives Market
- ☐ Interest Rate Derivatives Market
- ☐ Bond Market
- ☐ Bond ETP Market

**Date:** 20 February 2024

**SUBJECT:** REVISED 2024-25 PROPOSED LOCATION DIFFERENTIALS FOR SUNFLOWER SEED

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**Designation:** Head - Commodities

Dear Client,

With reference to [Market Notice 026A/2024](#) the JSE received feedback during the comment period from various industry participants highlighting that the proposed adjustment of 2% was not representative of current transport costs. As market participants are aware the JSE relies on this feedback period to consider feedback and reflect on the comments made. The JSE ultimately makes the final decision considering all the information at its disposal.

Following the comments received to review the base differential rate, the JSE proceeded to collect contributions from transporters, who accounted for transporting about 70% of the underlying crop. Participants are reminded the previous adjustment was made using the existing base rate and only adjusting for fuel and inflationary increases. We observed variances between the transporters in the submissions, indicating competitiveness not only in routes but across various sites. After careful consideration and weighting the contributions based on the tonnages moved by each transporter, the JSE has decided to amend the differentials as published with a further 3% increase.

As a result, the net effect of the increase will be 5%, which will be reflected in the updated location differentials.

The JSE has been able to collect sufficient transporter contributions to make this informed decision however if there are any further comments to the proposed 5% increase market participants are encouraged to send this by no later than close of business on Friday, 23 February 2024. A final Market Notice including location differentials will be published following the final comment period.

Should you have any queries regarding this Market Notice, please e-mail: [commodities@jse.co.za](mailto:commodities@jse.co.za)

This Market Notice is available on the JSE website at: [JSE Market Notices](#)