

## MARKET NOTICE

**Number:** 264A/2024

**Relates to:**

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

**Date:** 02 September 2024

**SUBJECT:** PROPOSED WHEAT LOCATION DIFFERENTIALS FOR 2024-25 MARKETING SEASON

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**Designation:** Head - Commodities

Dear Client,

The JSE is pleased to present proposed location differentials for the Wheat 2024/25 marketing season. We adopted the same approach in updating the Wheat differentials as we did for the 2023/24 Wheat marketing season, which entails using 2024/25 maize differentials as the baseline adjustment for all registered wheat delivery points.

The proposed differentials consider a weighted average of diesel price changes between March and August 2024 and a CPI adjustment. During the review period, diesel prices fell by 9.09% and CPI declined to 5.2% in May. The combination of the two factors resulted in a 4,31% decrease on differentials on a maize equivalent basis.

For delivery points that are not Maize registered and are exclusively Wheat registered, the Wheat location differential is calculated using the Maize differential of locations of equivalent distance.

The differentials for the Western Cape silos are based on a survey of a diverse group of participants involved in moving product on this route. After careful consideration of all the proposals, the JSE proposes to leave the Wheat differential unchanged at R800 per ton. We made efforts to ensure that, as the distance from the reference point increases, so does the location differential.

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## 1. MAXIMUM OUTSTANDING STANDARD STORAGE RATES

The maximum outstanding storage rate for the marketing season 1 October 2024 – 30 September 2025 will increase based on the June PPI (Producer Price Index) rate for final manufactured goods of 4.6%, as published in July. The maximum outstanding storage rate applied to storage in completion of a futures contract will therefore increase from R1.3 to **R1.36** per ton per day.

When making delivery of JSE silo receipts issued in the previous marketing season, please ensure that all storage is paid up to and including 30 September 2024.

## 2. WHEAT GRADE AND ORIGIN DISCOUNTS

These discounts rely on inputs that run from 15 March to 15 September of the period under review. The JSE will therefore publish the updated list of accepted foreign origins and origin discounts with the final location differentials.

Please review the proposed location differentials and send any comments to [commodities@jse.co.za](mailto:commodities@jse.co.za) by Monday, 16 September 2024.

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](#)