

**MARKET NOTICE**

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**Number:** 652A/2020  
**Relates to:**  Equity Market  
 Equity Derivatives Market  
 Commodity Derivatives Market  
 Interest Rate Derivatives Market  
 Currency Derivatives Market  
 Bond Market  
 Bond ETP Market

**Date:** 9 December 2020

**SUBJECT:** **REQUEST FOR INFORMATION TO ASSIST WITH DETERMINATION OF LOCATION DIFFERENTIALS (LD) FOR SUNS AND SOYA FOR 2021/2022 MARKETING SEASON**

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**Designation:** Head - Commodities

Dear JSE Stakeholder,

Please feel free to distribute to any interested parties.

The new marketing season for oilseeds (**SUNS & SOYA**) commencing 01 March 2021 is approaching and we kindly request all interested participants to provide input in order to ensure the published location differentials most accurately reflect the cost of transport from the registered delivery point to Randfontein.

We are attaching a separate spreadsheet with all registered suns & soya delivery points with a special column provided for you to enter your road rates to Randfontein. The latest January 2021 rates are requested.

Once required information is received we will then proceed and use the formula below to determine rand per ton (RPT):

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

Where:

Distance is distance in km to the reference point,  
 RLF is the return load factor,  
 RPK is Rand per km, and  
 Payload is in tons.

Note that rail transport is not considered when calculating location differentials for sunflower seeds and soybeans since we have not seen product move via this medium. It is also imperative that market participants refer to the published distances of each registered delivery point to Randfontein to ensure these remain accurate as the distance travelled is critical in ensuring the accuracy of the calculation. The distances are also provided in the attached spreadsheet

In the absence of rail component in our calculation, the aggregate rand per ton (RPT) road component obtained above will be the actual Location Differential rates for sunflower seeds and soybeans.

Our commitment stands that we always treat your submitted information with utmost confidentiality. Only aggregated information of all participants combined will be used as inputs in our model to determine the LD for sunflower seeds.

Please forward all your input to [commodities@jse.co.za](mailto:commodities@jse.co.za) or contact us on 011 5207039. All contributions should reach the JSE no later than **Friday, 22 January 2021**.

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notice-and-circulars>