Why are Plant and Machinery Valuations required?

New Costs and market values of productive plant, machinery and productive equipment assets are continually spiralling in our volatile market due to South African instability. This affects all projects, be it planning for a New Capital Project, Machinery and Plant Modifications or Upgrades. Consulting Asset and Technical Valuations offer a spectrum of services, from Asset Register Compilation, Asset Identification, Bar Coding, Valuations and Due Diligence.

Be it for Insurance Renewals or Company Balance Sheets, one needs to undertake considerable amount of research in order to obtain and form an opinion of the asset. As such, this requires an intimate understanding of the productive asset as well as current markets and their values.

Carlos dos Santos, managing member of Consulting Asset and Technical Valuations, has over thirty years of experience in valuation and consultancy of specialised plant, machinery and productive assets. He has acted as a consultant as regards to mergers and acquisitions, company relocation and disposals.

Carlos is internationally accredited and is a member of the Royal Institute of Chartered Surveyors. He has carried out valuations in Southern Africa and Europe. His knowledge of Portuguese has enabled him to carry out valuations in Angola and Mozambique.

Consulting Asset and Technical Valuations are in position to assess and identify a wide spectrum of productive assets in relation to mergers, acquisitions, finance bridging, disposals and all asset related queries.

Rand Instability can throw a spanner in the works when it comes to plant and machinery costs

The South African Rand reached an all-time low of R11.32 to the US dollar recently, hitting its lowest point in 5 years. Economists are of the view that the rand could stay around its current level for a while, settling at around R11.50 by the end of the year.

The general opinion for this is the widening trade deficit and of course the strong US Dollar being mainly responsible.

This problem will likely continue, as South Africa's imports far outweigh its exports. Reuters reported that economists had expected an R8 billion gap, but the number is volatile and therefore hard to forecast. Furthermore, the continuous industrial strikes and political antics do little to increase international confidence.

The South African Government is offering a range of incentives in order to maximise the value on business investments. Dube Trade Port and Coega springs immediately to mind, multi-million rand investments that need to expand. However, until the labour laws are addressed in order maintain stability and confidence, investors will continue look at other options for safer investment.

Getting more Value for your Rand

According to economists, there is no easy fix for the current situation. Changes in policy, leadership and productivity need to be addressed for the rand to recover. On a good note, this is an excellent opportunity to increase our productivity and exports.

India, China and the Middle East offer discounted rates for a diverse range of capital equipment and products. However, we have to be selective in ensuring that we are buying quality at the correct price.

South African producers in general, are not upgrading their plant and machinery facilities, which has a negative and domino effect on production costs.

We need to modernise our plant machinery and equipment in order to increase our productivity and maintain our productive costs effectively.

CATVAL are in position to offer you a spectrum of consultancy services and an unbiased opinion on the value of your productive assets.