

Castor Domestic Fundamentals:

- Castor seed markets trades under pressure on improved arrivals and weak inner tone in the physical markets. Major buyers quotes lower price for seed on Friday.it was traded at Rs 3835 per qtl. in Rajkot mandi, almost Rs 75 per qtl. from previous day price. Buyers interest in Patan was seen at Rs 4100 per qtl, lower by Rs 20 per qtl. from previous day. Seed was traded at Rs 3775 per qtl. in Sumerpur market in Rajasthan almost lower by Rs 115 per qtl.
- Market participants expect more downward correction in domestic markets in the short and medium term. Traders expect prices to stabilize near Rs 3600 to Rs 3700 per qtl. Notably peak arrival season is March and April. However, short supply of seed this year would fuel prices in the medium and long term.
- Castor seed farmers in Gujarat want MSP for this crop like other crops in India. They complain that prices in open market are not remunerative for farmers and their interest to grow castor crop is diminishing fast. That's why area under this crop is r seed this year.
- This year area under castor seed decreased sharply from 11.1 lakh ha. to 9.84 lakh ha, almost 1.97 lakh ha. lower than 2012-13. Considerable decrease in area has been seen in Gujarat and Andhra Pradesh. Total area collectively in both states is lower by 1.58 lakh ha. It is going to impact the final size of the crop to near 12 lakh T against the last year production of around 14 lakh T.

International Market Update

- Major importers of castor oil are buying only to fulfil their immediate requirements. They would start fresh buying during peak arrival season in March as they expect correction in the market in the near term. By the time price of castor seed is expected to stabilize near Rs3600 to 3700 per qtl.
- China, France, European Union and Australia remain the major buyers for Indian castor oil. Castor oil is being exported from India at \$1250 to \$1260 per T while Rotterdam quotes \$1550 per T. This means Indian exporters have opportunity to get more price in the international market. it would support cash market once again in the medium term.

Domestic market Outlook:

- **Cash market is likely trade range bound with weak bias likely to continue in the short term.**

NCDEX Castor Futures							Date:24.01.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	-163	4131	4190	4019	4019	143280	+73225	160530	-27,275
Mar-14	-160	4216	4260	4162	4090	71,420	+44000	91550	+85000
April-14	-138	4286	4322	4162	4165	8690	+1200	26750	+13000

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-119			
Feb-14		71		
March-14			75	
April-14				64

Stocks	Demat	In-Process	Total	FED
23.01.2014				
Bhabhar	1415	00	1415	0
Deesa	10823	20	10843	0
Kadi	14739	726	15655	0
Patan	24361	2128	26489	0

Castor Seed Daily Prices on 22.01.2014

Commodity	Center	Price (Rs/Q)		Change
		24.01.2014	23.01.2014	
Castor Seed				
	Rajkot	3835	3910	-75
	Patan	4100	4120	-20
	Deesa	3900	4075	-175
	Sumerpur	3775	3890	-115

Castor Seed Arrivals on 11.01.2014

Commodity	Center	Price (Rs/Q)		Change
		24.01.2014	23.01.2014	
Castor Seed				
	Patan	2812	2021	789
	Deesa	1000	2000	1000
	Rajkot	595	350	245
	Sumerpur	300	300	0
	Total Arrival	4702	4671	

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