

## Castor Domestic Fundamentals:

- Castor seed markets traded mixed on Tuesday. Weak sentiments prevailed in major markets except Patan and Sumerpur. New crop entered in Mehsana mandi today. Out of 400 bags arrival from new crop registered at around 100 bags. Traders offered prices in the range of Rs 3900 to Rs 3950 per qtl. for new crop. However, prices in Patan and Sumerpur gained by Rs 50 to Rs 60 per qtl. on the back of restricted arrivals and stockists increased interest.
- Major market participants expect more downward correction in domestic markets in the short term. Traders expect prices to stabilize near Rs 3700 to Rs 3800 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 has decreased 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 Rs 3700 to 3800 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: 27.01.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	-55	4165	4197	4063	4108	110800	-4000	139060	42345
Mar-14	-59	4243	4275	4121	4181	57970	-4675	106220	17230
April-14	-58	4323	4362	4207	4258	18010	-11775	38590	9600

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-233			
Feb-14		74		
March-14			79	
April-14				-

Stocks	Demat	In-Process	Total	FED
	28.01.2014	28.01.2014	28.01.2014	28.01.2014
Bhabhar	1415	00	1415	1415
Deesa	10823	222	11045	10823
Kadi	15242	1360	16602	15242
Patan	24533	2062	26595	24533

## Castor Seed Daily Prices on 28.01.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			28.01.2014	27.01.2014	
Castor Seed	Gujarat	Rajkot	3750	3755	-5
		Gondal	3855	3930	-75
		Patan	4035	3935	100
		Deesa	3875	3900	-25
		Mehsana	3950	3885	65
		Kadi	4025	-	-
	Rajasthan	Sumerpur	3825	3775	50

## Castor Seed Arrivals on 28.01.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			28.01.2014	27.01.2014	
Castor Seed	Gujarat	Rajkot	300	332	-32
		Gondal	154	595	-441
		Patan	1449	1151	298
		Deesa	4000	2527	1473
		Mehsana	400	470	-70
		Kadi	1200	-	-
	Rajasthan	Sumerpur	300	300	Unch
Total Arrival per bags			7803	5375	2428

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