

## Castor Domestic Fundamentals:

- **Weak tren continues in major castor seed markets except Rajkot despite lower arrivals.** Stockists were seen inactive at higher level amid weak sentiments in the major cash markets. However, some buying in Rajkot by brokers for M.K,Adani and Rucchi continues at prevailing price. Buyers offered in the range of Rs 4000 to Rs 3700 per qtl depending on quality, arrivals and markets.
- **Bulk and medium buyers say that any steep downfall from** current level is unlikely. Markets may stablize 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 Rs3700 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 weak in the short term.**

NCDEX Castor Futures							Date:30.01.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Feb-14</b>	-54	4085	4110	4047	4117	45,780	-3,900	126590	15,030
<b>Mar-14</b>	-56	4143	4187	4113	4180	41380	8,295	42370	-60,860
<b>April-14</b>	-69	4218	4256	4180	4051	9660	4,270	42370	-2,040

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/De esa	-51			
Feb-14		66		
March- 14			63	
April-14				-

Stocks	Demat	In- Process	Total	FED
	1.02.2014	1.02.2014	1.02.2014	27.01.2014
Bhabhar	1415	00	1415	1415
Deesa	11216	181	11477	10823
Kadi	17450	1300	18750	15242
Patan	28000	1576	29576	24533

## Castor Seed Daily Prices on 3.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			3-Feb-14	1-Feb-14	
Castor Seed	Gujarat	Rajkot	3800	3750	50
		Gondal	3855	3905	-50
		Patan	3995	4055	-60
		Deesa	4000	4010	-10
		Mehsana	3875	3950	-75
		Kadi	-	3900	-
		Ahmedabad	4000	4000	Unch
	Rajasthan	Sumerpur	3700	3775	-75

## Castor Seed Arrivals on 3.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			3-Feb-14	1-Feb-14	
Castor Seed	Gujarat	Rajkot	450	400	50
		Gondal	259	141	118
		Patan	1172	2084	-912
		Deesa	2000	2227	-227
		Mehsana	150	250	-100
		Kadi		1500	-1500
	Rajasthan	Sumerpur	300	300	Unch
	Total Arrival		4331	6902	-2571

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