

Castor Domestic Fundamentals:

- **Castor seed trades lower in Rajkot and Gondal** market on Tuesday despite lower arrivals in other major trading centers too. Traders offered prices in the range of Rs 3700 to Rs 4000 per qtl. in various markets. Market inner tone remains weak as peak arrival season is yet to come. Major stake holders would prefer to wait till stabilization in the market gets established.
- **However, bulk and medium buyers say that any steep downfall from** current level is unlikely. Markets may 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 to trade weak in the short term.**

NCDEX Castor Futures							Date: 04.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	10	4045	4097	4032	4076	40,360	-8,900	102280	-12,030
Mar-14	14	4109	4165	4101	4143	37,410	3,295	129020	5,860
April-14	18	4192	4238	4177	4217	6450	-4,270	42120	1,050

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-76			
Feb-14		67		
March-14			80	
April-14				-

Stocks	Demat	In-Process	Total	FED
	3.02.2014	3.02.2014	3.02.2014	3.02.2014
Bhabhar	1415	00	1415	1415
Deesa	11478	40	11518	15616
Kadi	17581	1370	18951	17581
Patan	28382	1738	30120	28382

Castor Seed Daily Prices on 4.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			4-Feb-14	3-Feb-14	
Castor Seed	Gujarat	Rajkot	3770	3800	-30
		Gondal	3805	3855	-50
		Patan	Closed	3995	-
		Deesa	Closed	4000	-
		Mehsana	Closed	3875	-
		Kadi	3900	NR	-
		Ahmedabad	NR	4000	-
	Rajasthan	Sumerpur	3700	3700	Unch

Castor Seed Arrivals on 4.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			4-Feb-14	3-Feb-14	
Castor Seed	Gujarat	Rajkot	450	450	Unch
		Gondal	195	259	-64
		Patan	Closed	1172	-1172
		Deesa	Closed	2000	-2000
		Mehsana	Closed	150	-150
		Kadi	800	NR	800
	Rajasthan	Sumerpur	300	300	Unch
	Total Arrival		1745	4331	-2586

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