

Castor Domestic Fundamentals:

- **Castor seed cash market traded mixed on Wednesday.** Trading activities remained sluggish throughout the day. Price of seed decreased in Rajkot by Rs 20 per qtl. to Rs 3750 per qtl. However, prices increased in Rajasthan from Rs 3700 to Rs 3725 per qtl. Market inner tonne remains weak.
- **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 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:05.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	-83	4080	4105	3997	4000	40,360	-8,900	102280	-12,030
Mar-14	-83	4148	4174	4061	4070	37,410	3,295	129020	5,860
April-14	-84	4223	4246	4137	4137	6450	-4,270	42120	1,050

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-1			
Feb-14		67		
March-14			70	
April-14				-

Stocks	Demat	In-Process	Total	FED
	4.02.2014	4.02.2014	4.02.2014	3.02.2014
Bhabhar	1415	00	1415	1415
Deesa	11478	212	11690	15616
Kadi	18065	1400	19465	17581
Patan	28443	2228	30671	28382

Castor Seed Daily Prices on 5.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			5-Feb-14	4-Feb-14	
Castor Seed	Gujarat	Rajkot	3750	3770	-20
		Gondal	3805	3805	Unch
		Patan	3950	Closed	-
		Deesa	4000	Closed	-
		Mehsana	3875	Closed	-
		Kadi	3900	3900	Unch
		Ahmedabad	3950	NR	-
	Rajasthan	Sumerpur	3725	3700	25

Castor Seed Arrivals on 5.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			5-Feb-14	4-Feb-14	
Castor Seed	Gujarat	Rajkot	465	450	15
		Gondal	156	195	-39
		Patan	1920	Closed	1920
		Deesa	500	Closed	500
		Mehsana	200	Closed	200
		Kadi	1000	800	200
	Rajasthan	Sumerpur	NA	300	-300
	Total Arrival		4241	1745	2496

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