

Castor Domestic Fundamentals:

- **Castor seed cash markets continued its** southward journey except Gondal on Thursday. Arrivals have improved from last one week and traders expect more supplies from last week of Feb. Major dip in seed price was witnessed in Deesa market .It decreased from Rs 4000 to Rs 3870 per qtl. today due to higher arrivals. Modest decline(Rs 25 per qtl.) was seen in Mehsana, Sumerpur and Patan.
- **Market participants expect more decline as** peak arrival season (March-April) is not far away from now. However, any steep dip from current level is unlikely as market is well aware of lower crop size this year. Market is expected to stabilize In the range of Rs 3650 to Rs 3900 per qtl depending on quality and marketing centers of the seed.
- **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 \$1240 to \$1250 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:

- **Weakness in cash market is likely to continue.**

NCDEX Castor Futures							Date:06.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	-12	3992	4027	3966	4021	50760	10,100	82860	-18230
Mar-14	-13	4080	4096	4034	4089	73360	43,230	149930	13575
April-14	-19	4148	4166	4110	4160	11510	5575	44750	4500

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-150			
Feb-14		70		
March-14			71	
April-14				-

Stocks	Demat	In-Process	Total	FED
	5.02.2014	5.02.2014	5.02.2014	3.02.2014
Bhabhar	1415	00	1415	1415
Deesa	11518	172	11690	15616
Kadi	18437	1770	20207	17581
Patan	29273	1568	30841	28382

Castor Seed Daily Prices on 6.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			6-Feb-14	5-Feb-14	
Castor Seed	Gujarat	Rajkot	3700	3750	-50
		Gondal	3830	3805	25
		Patan	3915	3950	-35
		Deesa	3870	4000	-130
		Mehsana	3850	3875	-25
		Kadi	3875	3900	-25
		Ahmedabad	3950	3950	Unch
	Rajasthan	Sumerpur	3700	3725	-25

Castor Seed Arrivals on 6.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			6-Feb-14	5-Feb-14	
Castor Seed	Gujarat	Rajkot	800	465	335
		Gondal	126	156	-30
		Patan	1547	1920	-373
		Deesa	1377	500	877
		Mehsana	250	200	50
		Kadi	700	1000	-300
	Rajasthan	Sumerpur	300		300
	Total Arrival		5100	4241	859

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