

Castor Domestic Fundamentals:

- **No major trading activities were seen in** cash markets at the weekend. Arrivals at various centers declined sharply except Kadi in comparison to previous day. Weak sentiments continue as peak arrival season is round the corner.
- **Overall arrivals in major markets have** improved from Thursday. Major buyers are waiting for peak arrivals. Futures markets too have improved slightly. However, overall sentiment remains bearish as prices of castor oil too have decreased in last three –four days.
- **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:

- **Market inner tone remains weak.**

NCDEX Castor Futures							Date:08.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	45	4034	4097	4024	4077	36020	-8060	65360	-11220
Mar-14	52	4096	4165	4086	4144	76110	7,230	162050	1175
April-14	50	4171	4237	4163	4213	13310	1075	51560	6000

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-102			
Feb-14		67		
March-14			79	
April-14				-

Stocks	Demat	In-Process	Total	FED
	7.02.2014	7.02.2014	7.02.2014	3.02.2014
Bhabhar	1415	0	1415	1415
Deesa	11679	10	11689	15616
Kadi	19798	924	20722	17581
Patan	30520	833	31353	28382

Castor Seed Daily Prices on 8.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			8-Feb-14	7-Feb-14	
Castor Seed	Gujarat	Rajkot	3725	3750	-25
		Gondal	3780	3805	-25
		Patan	3950	3925	25
		Deesa	3925	3910	15
		Mehsana	3900	3900	Unch
		Kadi	3900	3500	400
		Ahmedabad	3850	3800	50
	Rajasthan	Sumerpur	3700	3725	-25

Castor Seed Arrivals on 8.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			8-Feb-14	7-Feb-14	
Castor Seed	Gujarat	Rajkot	235	600	-365
		Gondal	170	178	-8
		Patan	1173	1436	-263
		Deesa	1968	2116	-148
		Mehsana	200	250	-50
		Kadi	1200	800	400
		Rajasthan	Sumerpur	300	300
	Total Arrival			5246	5680

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