

Castor Domestic Fundamentals:

- Mixed trend featured in cash market on Tuesday. Prices of seed decreased in Gondal and Rajkot while uptrend continued in Patan, Deesa, Mehsana and other markets. Prices declined in Gondal and Rajkot by Rs 75 to 80 per qtl. Traders offered Rs 3700 and Rs 3830 per qtl. today in both major markets. However, prices increased considerably in Deesa and Ahmedabad.
- Overall arrivals in major markets have improved except Deesa.** Major buyers have shown interest at higher prices. Futures market gained sharply today as stake holders see uptrend in the months ahead.
- 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:

- Traders expect market to trade steady in the short term.**

NCDEX Castor Futures							Date:10.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	120	4152	4286	4130	4276	27830	-27275	32270	12245
Mar-14	108	4218	4348	4197	4336	50130	52286	192720	13275
April-14	108	4290	4423	4275	4412	29380	3200	54520	1400

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-275			
Feb-14		59		
March-14			77	
April-14				-

Stocks	Demat	In-Process	Total	FED
	10.02.2014	10.02.2014	10.02.2014	3.02.2014
Bhabhar	1415	0	1415	1415
Deesa	11689	30	11719	15616
Kadi	20289	715	21004	17581
Patan	31032	1480	32512	28382

Castor Seed Daily Prices on 11.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			11-Feb-14	10-Feb-14	
Castor Seed	Gujarat	Rajkot	3700	3780	-80
		Gondal	3830	3905	-75
		Patan	4050	3990	60
		Deesa	4000	3900	100
		Mehsana	3900	3875	25
		Kadi	4000	-	-
		Ahmedabad	4000	3800	200
	Rajasthan	Sumerpur	3800	3775	25

Castor Seed Arrivals on 11.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			11-Feb-14	10-Feb-14	
Castor Seed	Gujarat	Rajkot	600	470	130
		Gondal	191	120	71
		Patan	1937	1164	773
		Deesa	3040	5000	-1960
		Mehsana	250	200	50
		Kadi	1300		1300
	Rajasthan	Sumerpur	400	350	50
	Total Arrival		7718	7304	414

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