

Castor Domestic Fundamentals:

- **Castor cash markets continued its northward journey** on Wednesday on buyers fresh buying spree on higher prices. Prices improved in all major markets except Patan. The highest price was offered in Deesa market today. Castor seed traded in the range of Rs 3875 to Rs 4110 per qtl. depending upon the quality of seeds and arrivals.
- **Higher arrivals in Deesa market were registered today** at 4000 bags, almost 1000 bags higher than previous trading session. However, futures market could not sustain its uptrend and decreased considerably as stake holders assuming weakness in the market released their holding in near months contract.
- **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 is expected to stay steady in the short term..**

NCDEX Castor Futures							Date:12.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	-21	4275	4310	4230	4252	9680	-21275	26230	-6000
Mar-14	-30	4340	4372	4281	4308	120890	-12286	193780	1375
April-14	-34	4413	4447	4359	4380	22880	1200	56680	2000

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-142			
Feb-14		56		
March-14			74	
April-14				-

Stocks	Demat	In-Process	Total	FED
	11.02.2014	11.02.2014	11.02.2014	3.02.2014
Bhabhar	1415	0	1415	1415
Deesa	11709	50	11759	15616
Kadi	20772	693	21465	17581
Patan	31444	1899	33343	28382

Castor Seed Daily Prices on 12.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			12-Feb-14	11-Feb-14	
Castor Seed	Gujarat	Rajkot	3875	3700	175
		Gondal	3900	3830	70
		Patan	3900	4050	-150
		Deesa	4110	4000	110
		Mehsana	4000	3900	100
		Kadi	4075	4000	75
		Ahmedabad	4025	4000	25
	Rajasthan	Sumerpur	3900	3800	100

Castor Seed Arrivals on 12.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			12-Feb-14	11-Feb-14	
Castor Seed	Gujarat	Rajkot	580	600	-20
		Gondal	309	191	118
		Patan	1987	1937	50
		Deesa	4092	3040	1052
		Mehsana	200	250	-50
		Kadi	1500	1300	200
	Rajasthan	Sumerpur		400	-400
	Total Arrival		8668	7718	950

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