

Castor Domestic Fundamentals:

- **Southward journey continued in cash market and buyers offered lower prices for seed on the expectation of higher arrivals in the weeks ahead.** However, any steep fall from current level is unlikely due to lower crop size this year.
- **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 to slightly weak in the short term.**

NCDEX Castor Futures							Date:17.02.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	-112	4215	4221	4087	4110	4400	-2075	13910	-3000
Mar-14	-109	4268	4271	4139	4158	124380	-12286	187920	-8375
April-14	-115	4330	4340	4210	4225	19250	12000	60330	570

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot/Deesa	-148			
Feb-14		146		
March-14			73	
April-14				-

Stocks	Demat	In-Process	Total	FED
	15.02.2014	15.02.2014	15.02.2014	10.02.2014
Bhabhar	1415	0	1415	1415
Deesa	11950	362	12312	11689
Kadi	21969	1108	23077	20289
Patan	33494	1271	34765	28382

Castor Seed Daily Prices on 17.02.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			17-Feb-14	15-Feb-14	
Castor Seed	Gujarat	Rajkot	3885	3835	50
		Gondal	NR	3930	-
		Patan	4005	4085	-80
		Deesa	4025	4085	-60
		Mehsana	4025	4060	-35
		Kadi	Closed	4050	-
		Ahmedabad	4025	4050	-25
	Rajasthan	Sumerpur	3800	3900	-100

Castor Seed Arrivals on 17.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change
			17-Feb-14	15-Feb-14	
Castor Seed	Gujarat	Rajkot	550	490	60
		Gondal	NR	298	-
		Patan	1830	2237	-407
		Deesa	2012	2641	-629
		Mehsana	300	250	50
		Kadi	Closed	1300	-
	Rajasthan	Sumerpur	500	400	100
	Total Arrival		5192	7616	-2424

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