

Castor Domestic Fundamentals:

- **Cash markets traded lower on Wednesday on the back** of weak sentiment prevailing in the market. Arrivals have increased considerably in last four –five days. Buyers offered Rs 4050 per qtl. in Deesa while Patan it was traded at Rs 4000 per qtl.
- **Prices in future market April contract decreased Rs 8 from previous** close to Rs 4125. Sellers remained active players and They expect a decrease of Rs 30 to Rs 50 in the near term. However, volume has increase considerably for April contract. Profit booking on weak market is mainly attributed to southward market. Castor seed in spot market traded in the range of Rs 3750 to Rs 4050 per qtl.
- **Agriwatch estimates 11.49 lakh tonne seed production in 2013-14** against 14.04 lakh tonne last year. As per Agriwatch estimate the season started with 3.84 lakh tonne carry out.
- Thus total availability comes to 15.33 lakh tonne. At 46 percent oil recovery the total oil availability would be around 7.00 lakh tonne against the expected total global and domestic demand of 7.5 lakh tonne of oil. It clearly indicates short supply in the medium term.
- **Govt has released second adv. estimate of foodgrains production** for 2013-14 on 14, Feb, 2014. Market participants are surprised to see the inflated figure of castor seed production this year. Govt. has estimated 16.46 lakh tonne castor seed production this year against the set target of 15.81 lakh tonne. Market expert see production at around 11 lakh tonne.
- **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:

- **Castor derivatives volume too is expected to go up from 1.2 lakh tonne** to 1.25 lakh tonne. China would continue to maintain its previous position as major importer. Its import volume may go up from 2.11 lakh tonne (2013) to 2.35 lakh tonne in 2014. Europe would remain second next to China with expected import of 1.45 lakh tonne in 2014. It had exported 1.3 lakh tonne in 2013.
- **Major importers of castor oil are buying only to fulfil** their immediate requirements. They would start fresh buying during peak arrival season in end March as they expect correction in the market in the near term. By the time price of castor seed is expected to stabilize near Rs 3700 to 3850 per qtl.

Domestic market Outlook:

- **Castor seed market is likely to trade weak.**

NCDEX Castor Futures							Date: 26.03.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
April-14	7	4138	4149	4111	4140	43460	-260	163230	2060
May-14	9	4207	4227	4178	4208	34880	28020	79150	-4740
June-14	5	4275	4296	4250	4282	5460	2740	30180	4480

Spread	Apr-14	May-14	June-14	July-14
Spot/Deesa	75			
March-14		65		
April-14			76	
May-14				-

Stocks	Demat	In- Process	Total	FED
	25.3.2014	25.3.2014	25.3.2014	24.3.2014
Bhabhar	2386	10	2396	2386
Deesa	24078	130	24208	24078
Kadi	38741	2686	41427	38167
Patan	42799	202	43001	42168

Castor Seed Daily Prices on 26.3.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			26-Mar-14	25-Mar-14	
Castor Seed	Rajasthan	Sumerpur	3720	3750	-30
	Gujarat	Rajkot	Closed	3885	-
		Gondal	Closed	Closed	-
		Patan	4000	4000	Unch
		Deesa	4050	4000	50
		Mehsana	Closed	3940	-
		Kadi	3970	4030	-60
		Ahmedabad	3950	3950	Unch

Castor Seed Arrivals on 26.3.2014

Castor Seed Arrivals on 26.3.2014					
Commodity	Center	Market	Fig. in Quintal		Change
			26-Mar-14	25-Mar-14	
Castor Seed	Rajasthan	Sumerpur	480	640	-160
	Gujarat	Rajkot	Closed	350	
		Gondal	Closed	Closed	
		Patan	7025	6710	315
		Deesa	3058	1768	1290
		Mehsana	Closed	640	
		Kadi	2000	1920	80
		Other Gujarat	12563	17412	
	Total Arrival		25126	29440	-4314

Note: We have incorporated traded quantity of seed in particular mandis. It does not signify the total arrivals.

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