

Castor Domestic Fundamentals:

- **Cash markets traded firm on Thursday amid lower arrivals** in various markets. Trading activities remain sluggish due to March closing and fresh buying activities are expected from the first week of April. Some markets like Rajkot, Patan, Mehsana, Ahmedabad and Gondal remained closed and would start trading activities from the 1st April.
- **Futures market too gets firmer on increased buying interest** as market participants feel that market should start consolidating at this level. However, cash market traders expect market to dip and should stabilize near Rs 3800 to Rs 3900 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 Rs3700 to 3850 per qtl.

Domestic market Outlook:

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

NCDEX Castor Futures							Date: 27.03.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
April-14	49	4135	4198	4135	4196	77030	145340	12575	2060
May-14	50	4214	4265	4209	4265	40120	90650	90650	7740
June-14	47	4284	4335	4284	4335	16120	5740	35180	6480

Spread	Apr-14	May-14	June-14	July-14
Spot/Deesa	21			
March-14		69		
April-14			70	
May-14				-

Stocks	Demat	In- Process	Total	FED
	26.3.2014	26.3.2014	26.3.2014	24.3.2014
Bhabhar	2386	10	2396	2386
Deesa	24078	170	24248	24078
Kadi	39023	2575	41598	38167
Patan	42799	202	43001	42168

Castor Seed Daily Prices on 27.3.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			27-Mar-14	26-Mar-14	
Castor Seed	Rajasthan	Sumerpur	3750	3720	30
	Gujarat	Rajkot	Closed	Closed	-
		Gondal	Closed	Closed	-
		Patan	Closed	4000	-
		Deesa	4175	4050	125
		Mehsana	Closed	Closed	-
		Kadi	4000	3970	30
		Ahmedabad	Closed	3950	-

Castor Seed Arrivals on 27.3.2014

Commodity	Center	Market	Fig. in Quintal		Change
			27-Mar-14	26-Mar-14	
Castor Seed	Rajasthan	Sumerpur	560	480	80
	Gujarat	Rajkot	Closed	Closed	-
		Gondal	Closed	Closed	-
		Patan	Closed	7025	-
		Deesa	7921	3588	4333
		Mehsana	Closed	Closed	-
		Kadi	1440	1600	-160
		Other Gujarat	9921	12563	-2642
	Total Arrival			25126	

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

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