

Castor Domestic Fundamentals:

- **Cash markets traded firm on Friday 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 steady to slightly weak.**

NCDEX Castor Futures							Date: 28.03.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
April-14	-53	4194	4207	4133	4137	61440	-15590	138860	
May-14	-55	4258	4275	4200	4204	26580	-13540	92360	
June-14	-53	4313	4346	4270	4275	12770	-3350	36290	

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

Stocks	Demat	In- Process	Total	FED
	27.3.2014	27.3.2014	27.3.2014	24.3.2014
Bhabhar	2396	0	2396	2386
Deesa	24188	121	24309	24078
Kadi	39789	1930	41719	38167
Patan	42799	263	43062	42168

Castor Seed Daily Prices on 27.3.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			28-Mar-14	27-Mar-14	
Castor Seed	Rajasthan	Sumerpur	Closed	3750	-
	Gujarat	Rajkot	Closed	Closed	-
		Gondal	Closed	Closed	-
		Patan	Closed	Closed	-
		Deesa	Closed	4175	-
		Mehsana	Closed	Closed	-
		Kadi	Closed	4000	-
		Ahmedabad	Closed	Closed	-

Castor Seed Arrivals on 27.3.2014

Commodity	Center	Market	Fig. in Quintal		Change
			28-Mar-14	27-Mar-14	
Castor Seed	Rajasthan	Sumerpur	Closed	560	-
	Gujarat	Rajkot	Closed	Closed	-
		Gondal	Closed	Closed	-
		Patan	Closed	Closed	-
		Deesa	Closed	7921	-
		Mehsana	Closed	Closed	-
		Kadi	Closed	1440	-
		Other Gujarat	Closed	9921	-
	Total Arrival		-	19842	-

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

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