

## Castor Domestic Fundamentals:

- **Mostly markets remained closed on Monday** due to March closing. Fresh buying would start from the first week of April. Trading community expects prices to trade steady in the range of Rs 3750 to Rs 4000 per qtl., depending upon quality of the crop and sourcing markets.
- **Stake holders in future market are not building up** long position due to uncertainty of price in nearby months. April contract hinges in the range of 4142 to 4175. They expect more decline in April.
- **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 sees 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:

- Chinese buyers have started enquiry for fresh deal. Castor oil commercial is ruling at Rs 8350 per qtl. in Mumbai, Vashi market. Domestic demand for oil has not been upto the mark and planters expect fresh demand from mid April. Price of castor oil in Rotterdam to have declined from \$1725 to \$1650 per metric tonne during last one month.
- **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.

## Domestic market Outlook:

Castor seed market is likely to trade steady to slightly weak.

| NCDEX Castor Futures |     |      |      |      |       |        | Date: 31.03.2014 |        |        |
|----------------------|-----|------|------|------|-------|--------|------------------|--------|--------|
| Contract             | +/- | Open | High | Low  | Close | Volume | Change           | OI     | Change |
| April-14             | -20 | 4165 | 4178 | 4122 | 4138  | 60350  | -1540            | 115680 | -12000 |
| May-14               | -16 | 4223 | 4245 | 4191 | 4209  | 39950  | 12540            | 111900 | 15200  |
| June-14              | -21 | 4302 | 4316 | 4262 | 4276  | 7890   | -5350            | 37990  | 1120   |

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

| Stocks  | Demat     | In- Process | Total     | FED       |
|---------|-----------|-------------|-----------|-----------|
|         | 29.3.2014 | 29.3.2014   | 29.3.2014 | 24.3.2014 |
| Bhabhar | 2396      | 0           | 2396      | 2386      |
| Deesa   | 24208     | 191         | 24399     | 24078     |
| Kadi    | 41435     | 443         | 41878     | 38167     |
| Patan   | 42850     | 929         | 43779     | 42168     |

## Castor Seed Daily Prices on 31.3.2014

| Commodity   | Center    | Market    | Price (Rs/Q) |           | Change |
|-------------|-----------|-----------|--------------|-----------|--------|
|             |           |           | 31-Mar-14    | 29-Mar-14 |        |
| Castor Seed | Rajasthan | Sumerpur  | Closed       | Closed    | -      |
|             | Gujarat   | Rajkot    | Closed       | Closed    | -      |
|             |           | Gondal    | Closed       | Closed    | -      |
|             |           | Patan     | Closed       | Closed    | -      |
|             |           | Deesa     | Closed       | Closed    | -      |
|             |           | Mehsana   | Closed       | Closed    | -      |
|             |           | Kadi      | Closed       | Closed    | -      |
|             |           | Ahmedabad | Closed       | Closed    | -      |

## Castor Seed Arrivals on 31.3.2014

| Commodity   | Center        | Market        | Fig. in Quintal |           | Change |
|-------------|---------------|---------------|-----------------|-----------|--------|
|             |               |               | 31-Mar-14       | 29-Mar-14 |        |
| Castor Seed | Rajasthan     | Sumerpur      | Closed          | Closed    | -      |
|             | Gujarat       | Rajkot        | Closed          | Closed    | -      |
|             |               | Gondal        | Closed          | Closed    | -      |
|             |               | Patan         | Closed          | Closed    | -      |
|             |               | Deesa         | Closed          | Closed    | -      |
|             |               | Mehsana       | Closed          | Closed    | -      |
|             |               | Kadi          | Closed          | Closed    | -      |
|             |               | Other Gujarat | Closed          | Closed    | -      |
|             | Total Arrival |               | -               | -         | -      |

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

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