

Castor Domestic Fundamentals:

- **Castor seed traded slightly firm on Thursday on the back** of restricted arrivals in major bench mark markets. The highest rise was seen in Sumerpur and Deesa market. Seed price increased in the range of Rs 10 to Rs 50 per qtl. .Slight increase was also seen in Futures market .Inner tone remains bullish.
- **FoB quotes for commercial grade is hovering around \$1360/62** per Tonne from western port.In Maharastra it is being traded at Rs 8200 per qtl. Demand for oil continues to support market fundamentals. There is no report of meal export this week however, it is offered at Rs 550 per qtl. in Ahmedabad.
- **Agriwatch estimates 11.56 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 15.40 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 food-grains 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 11.5 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 once again. Castor oil commercial** is ruling at Rs 8200 per qtl. in Mumbai, Vashi market. Belgium too is active buyers. Domestic demand for oil has not been upto the mark and planters expect fresh demand from mid May. Price of castor oil in Rotterdam too have declined from \$1725 to \$1630 per metric tonne during last one and a half 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.

Domestic market Outlook: Market may trade firm in the short term.

NCDEX Castor Futures							Date: 08.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-14	15	4013	4025	3982	4083	38940	8290	61670	-4410
June-14	11	4070	4086	4041	4067	74440	46000	131530	4580
July-14	10	4175	4182	4138	4134	8040	-8500	4163	-93847

Spread	May-14	June-14	July-14	Aug-14
Spot/Deesa	-86			
May-14		44		
June-14			97	
July-14				-

Stocks	Demat	In- Process	Total	FED
	07.5.2014	07.5.2014	07.5.2014	05.5.2014
Bhabhar	2396	0	2396	2396
Deesa	30571	182	30753	30358
Kadi	46638	3998	50636	44612
Patan	51013	4442	55455	49839

Castor Seed Daily Prices on 8.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			8-May-14	7-May-14	
Castor Seed	Rajasthan	Sumerpur	3680	3625	55
	Gujarat	Rajkot	3790	3750	40
		Gondal	3756	3755	1
		Patan	3840	-	-
		Deesa	3825	3775	50
		Mehsana	3800	3750	50
		Kadi	3825	3800	25
		Ahmedabad	3900	3900	Unch

Commodity	Center	Market	Fig. in Quintal		Change
			8-May-14	7-May-14	
Castor Seed	Rajasthan	Sumerpur	800	1600	-800
	Gujarat	Rajkot	1850	2100	-250
		Gondal	1211	1340	-129
		Patan	21580		-
		Deesa	1880	4000	-2120
		Mehsana	1120	1200	-80
		Kadi	2192	3173	-981
		Other Gujarat	18167	44187	-26020
	Total Arrival		48800	57600	-8800

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

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