

Castor Domestic Fundamentals:

- **Pressure on cash market continues despite lower arrivals** in major trading markets on Thursday. Buyers remained sidelined due to weak inner tone. There is a buzz in the market that cash market might decrease by Rs 50 per qtl. more in this week. Even futures may dip around Rs 100. However, seller are unwilling to sell at this level.
- **FoB quotes for commercial grade is hovering around \$1355/60** per Tonne from western port. In Maharashtra it is being traded at Rs 8100 per qtl. Lower demand for oil remains un-supportive to the current market fundamentals. There is no report of meal export this week however, it is offered at Rs 540/545 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.
- **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 weak in the short term.

NCDEX Castor Futures							Date: 15.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-14	-45	3926	3944	3890	3892	5430	460	4400	-5070
June-14	-52	3980	4008	3934	3938	63710	-5640	180380	3570
July-14	-58	4076	4103	4026	4131	15770	-60	113720	3420

Spread	May-14	June-14	July-14	Aug-14
Spot/Deesa	30			
May-14		46		
June-14			193	
July-14				-

Stocks	Demat	In- Process	Total	FED
	14.5.2014	14.5.2014	14.5.2014	12.5.2014
Bhabhar	2396	0	2396	2396
Deesa	31459	2714	34173	30722
Kadi	52722	3449	56171	48916
Patan	56171	2276	58447	55433

Castor Seed Daily Prices on 15.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			15-May-14	13-May-14	
Castor Seed	Rajasthan	Sumerpur	3660	3670	-10
		Jodhpur	3600	3700	-100
	Gujarat	Rajkot	NR	3840	-
		Gondal	NR	NR	-
		Patan	3855	3865	-10
		Deesa	3860	3840	20
		Mehsana	3775	3825	-50
		Kadi	3800	3800	Unch
		Ahmedabad	3850	3875	-25

Castor Seed Daily Arrivals on 15.5.2014

Commodity	Center	Market	Fig. in Quintal		Change
			15-May-14	13-May-14	
Castor Seed	Rajasthan	Sumerpur	800	800	Unch
		Jodhpur	80	160	-80
	Gujarat	Rajkot	NR	2500	-
		Gondal	NR	NR	-
		Patan	13900	13118	782
		Deesa	4822	2396	2426
		Mehsana	1600	960	640
		Kadi	3382	1927	1455
		Other Gujarat	24296	35099	-10803
	Total Arrival		48880	56160	-7280

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

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