

### Castor Domestic Fundamentals:

- **Cash market continues to extend loss on sluggish trading** activities and higher arrivals ahead of week end and election result. 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. mor 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 Maharastra 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: 16.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>May-14</b>	16	3875	3935	3875	3910	1260	-4600	3210	-890
<b>June-14</b>	23	3921	3984	3914	3963	48830	-15640	179250	-570
<b>July-14</b>	27	4030	4077	4006	4149	13880	-1360	117250	5420

Spread	May-14	June-14	July-14	Aug-14
Spot/Deesa	110			
May-14		53		
June-14			76	
July-14				84

Stocks	Demat	In- Process	Total	FED
	15.5.2014	15.5.2014	15.5.2014	12.5.2014
Bhabhar	2396	0	2396	2396
Deesa	32641	1532	34173	30722
Kadi	53733	3145	56878	48916
Patan	57772	1585	59357	55433

## Castor Seed Daily Prices on 16.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			16-May-14	15-May-14	
Castor Seed	Rajasthan	Sumerpur	3590	3660	-70
		Jodhpur	3600	3600	Unch
	Gujarat	Rajkot	3750	NR	-
		Gondal	NR	NR	-
		Patan	3850	3855	-5
		Deesa	3800	3860	-60
		Mehsana	3800	3775	25
		Kadi	3750	3800	-50
		Ahmedabad	3900	3850	50

## Castor Seed Daily Arrivals on 16.5.2014

Commodity	Center	Market	Fig. in Quintal		Change
			16-May-14	15-May-14	
Castor Seed	Rajasthan	Sumerpur	960	800	160
		Jodhpur	240	80	160
	Gujarat	Rajkot	1650	NR	-
		Gondal	NR	NR	-
		Patan	9865	13900	-4035
		Deesa	4822	4822	Unch
		Mehsana	1200	1600	-400
		Kadi	800	3382	-2582
		Other Gujarat	41423	24296	17127
	Total Arrival		60960	48880	12080

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

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