

Castor Domestic Fundamentals:

- **Castor seed market traded weak amid sluggish trading** activities and bearish inner tone. Sellers are unwilling to offload stock at this price. However, there is a buzz in the market that market might decrease by Rs 50 per qtl. and would stabilize thereafter for a week or two. Castor oil price is almost steady in Ahmedabad at Rs 8200 per qtl.
- **FoB quotes for commercial grade is hovering around \$1355/60** per Tonne from western port. In Maharashtra it is being traded at Rs 8150 per qtl. Lower demand for oil remains un-supportive to the current market fundamentals. For export meal is offered at Rs 520/530 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 \$1625 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 steady to slightly weak in the short term.

NCDEX Castor Futures							Date: 19.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-14	16	3875	3935	3875	3910	1260	-4600	3210	-890
June-14	23	3921	3984	3914	3963	48830	-15640	179250	-570
July-14	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
	17.5.2014	17.5.2014	17.5.2014	12.5.2014
Bhabhar	2396	0	2396	2396
Deesa	33729	444	34173	30722
Kadi	57090	1921	59011	48916
Patan	59347	81	59428	55433

Castor Seed Daily Prices on 19.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			19-May-14	17-May-14	
Castor Seed	Rajasthan	Sumerpur	3575	3600	-25
		Jodhpur	3550	3750	-200
	Gujarat	Rajkot	3675	3725	-50
		Gondal	NR	NR	-
		Patan	3900	3800	100
		Deesa	3725	3790	-65
		Mehsana	3790	3775	15
		Kadi	3800	3800	Unch
		Ahmedabad	3825	3850	-25

Castor Seed Daily Arrivals on 19.5.2014

Commodity	Center	Market	Fig. in Quintal		Change
			19-May-14	17-May-14	
Castor Seed	Rajasthan	Sumerpur	800	800	Unch
		Jodhpur	160	240	-80
	Gujarat	Rajkot	1750	1850	-100
		Gondal	NR	NR	-
		Patan	8493	9235	-742
		Deesa	2800	2174	626
		Mehsana	880	720	160
		Kadi	976	960	16
		Other Gujarat	37101	49061	-11960
		Total Arrival		52960	65040

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

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