

Castor Domestic Fundamentals:

- **Prices of castor seed decline today in key markets** due to higher arrivals. However, prices of castor seed increase in future platform due to profit booking. Also, market participants shifted their open position in July contract from June contract which can be seen in the PVO analysis box below.
- **FoB quotes for commercial grade is hovering around \$1350/55** 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. For export meal is offered at Rs 520/525 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 lower on weak inner tone..

NCDEX Castor Futures							Date: 22.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
June-14	36.00	3900.00	3940.00	3891.00	3930.00	51190	-16180	173370	600
July-14	29.00	4019.00	4029.00	3986.00	4020.00	28790	3130	134360	3650
Aug-14	23.00	4102.00	4111.00	4075.00	4097.00	4330	770	22500	1610

Spread	May-14	June-14	July-14	Aug-14
Spot/Deesa				
May-14				
June-14				
July-14				

Stocks	Demat	In- Process	Total	FED
	21.5.2014	21.5.2014	21.5.2014	12.5.2014
Bhabhar	2356	0	2356	2396
Deesa	33280	1264	34544	30722
Kadi	58403	859	59262	48916
Patan	55635	746	56381	55433

Castor Seed Daily Prices on 22.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			22-May-14	21-May-14	
Castor Seed	Rajasthan	Sumerpur	3560	3580	-20
		Jodhpur	3600	3550	50
	Gujarat	Rajkot	3680	3705	-25
		Gondal	NR	NR	-
		Patan	3815	3855	-40
		Deesa	3885	3810	75
		Mehsana	3745	3785	-40
		Kadi	3745	3790	-45
		Ahmedabad	3825	3850	-25

Castor Seed Daily Arrivals on 22.5.2014

Commodity	Center	Market	Fig. in Quintal		Change
			22-May-14	21-May-14	
Castor Seed	Rajasthan	Sumerpur	800	800	Unch
		Jodhpur	320	240	80
	Gujarat	Rajkot	1550	1350	200
		Gondal	NR	NR	-
		Patan	3815	8582	-4767
		Deesa	3885	2131	1754
		Mehsana	3745	800	2945
		Kadi	3745	1843	1902
		Other Gujarat	40860	37294	3566
	Total Arrival		58720	53040	5680

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

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