

Castor Domestic Fundamentals:

- **Castor cash market recovered once again on Friday after posting** three consecutive days loss. Sellers remained sidelined. Planters offered higher price to meet their immediate demand and resultantly prices moved up. Futures market too posted a healthy gain. However, firmness is unlikely to continue as warehouses have enough stock. Firmness is not possible until the stock gets exhausted.
- **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 is likely to decrease on weak inner tone.

NCDEX Castor Futures							Date: 23.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
June-14	-4	3932	3965	3870	3924	51190	-16180	173370	600
July-14	-5	4020	4058	3961	4015	28790	3130	134360	3650
Aug-14	-18	4097	4135	4038	4086	4330	770	22500	1610

Spread	June-14	July-14	Aug-14	Sept-14
Spot/Deesa				
June-14	174			
July-14		91		
Aug-14			71	

Stocks	Demat	In- Process	Total	FED
	22.5.2014	22.5.2014	22.5.2014	19.5.2014
Bhabhar	2295	0	2295	2396
Deesa	34554	574	35128	34154
Kadi	58312	748	59060	59000
Patan	55635	746	56381	55433

Castor Seed Daily Prices on 23.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			23-May-14	22-May-14	
Castor Seed	Rajasthan	Sumerpur	3550	3560	-10
		Jodhpur	3700	3600	100
	Gujarat	Rajkot	3695	3680	15
		Gondal	3805	NR	-
		Patan	3790	3815	-25
		Deesa	3750	3885	-135
		Mehsana	3750	3745	5
		Kadi	3750	3745	5
		Ahmedabad	3775	3825	-50

Castor Seed Daily Arrivals on 23.5.2014

Commodity	Center	Market	Fig. in Quintal		Change
			23-May-14	22-May-14	
Castor Seed	Rajasthan	Sumerpur	800	800	Unch
		Jodhpur	160	320	-160
	Gujarat	Rajkot	1250	1550	-300
		Gondal	814	NR	-
		Patan	6443	7882	-1439
		Deesa	2400	1681	719
		Mehsana	800	952	-152
		Kadi	1586	874	712
		Other Gujarat	38707	44661	-5954
		Total Arrival		58720	52960

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

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