

## Castor Domestic Fundamentals:

- **Castor cash market could not sustain its upward trend on Wednesday.** Buyers remain sidelined. Overall sentiment remains bearish. Demand for oil was seen at low ebb. Buyers have preferred to wait for a week, by then direction would be clear. Firmness in the near term is unlikely as warehouses have enough stock. Uptrend is not possible until the stock stored in warehouses gets exhausted.
- **FoB quotes for commercial grade is hovering around \$1345/50** per Tonne from western port. In Maharashtra it is being traded at Rs 8000 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 recover slightly despite weak inner tonne in the short term.

NCDEX Castor Futures							Date: 28.05.2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
June-14	-50	3848	3853	3796	3813	49340	-2320	164610	-1175
July-14	-37	3935	3955	3903	3920	30800	-9200	150150	3480
Aug-14	-25	4005	4031	3981	4001	1930	-1925	24980	2575

Spread	June-14	July-14	Aug-14	Sept-14
Spot/Deesa				
June-14	127			
July-14		113		
Aug-14			79	

Stocks	Demat	In- Process	Total	FED
	26.5.2014	26.5.2014	26.5.2014	26.5.2014
Bhabhar	1921	0	1921	1921
Deesa	34347	212	34559	34347
Kadi	55974	1665	57639	55974
Patan	53480	202	53682	55433

## Castor Seed Daily Prices on 28.5.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			28-May-14	27-May-14	
Castor Seed	Rajasthan	Sumerpur	3525	3600	-75
		Jodhpur	3600	3700	-100
	Gujarat	Rajkot	3700	3750	-50
		Gondal	3755	3830	-75
		Patan	3825	3850	-25
		Deesa	3785	3825	-40
		Mehsana	3725	3760	-35
		Kadi	3745	3760	-15
		Ahmedabad	3650	3850	-200

## Castor Seed Daily Arrivals on 28.5.2014

Commodity	Center	Market	Fig. in Quintal		Change
			28-May-14	27-May-14	
Castor Seed	Rajasthan	Sumerpur	800	960	-160
		Jodhpur	240	80	160
	Gujarat	Rajkot	1300	1750	-450
		Gondal	535	770	-235
		Patan	7120	6841	279
		Deesa	2235	2245	-10
		Mehsana	960	520	440
		Kadi	3480	1600	1880
		Other Gujarat	32370	46274	-13904
	Total Arrival		44880	49040	61040

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

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