

Castor Domestic Fundamentals:

- **Castor cash market extended it previous loss on Saturday** as buyers preferred to stay away from markets in declining trend. Bear operators short their position in futures market on Friday while in physical market stockists sold 15 to 20 percent stock to avail the benefit of higher price. Besides, ample stock from warehouses is expected to be delivered in July and it helped market to have a downward correction.
- **However, it is considered temporary phase of downward correction.** Market would start improving from the third week of July. Stake holders in futures market would prefer to take fresh position in August as they are well aware of short supply of seed this year.
- **FOB Quote for Castor oil first grade at Kandla has decreased** from \$1510 to \$1500 per tonne. However it is almost 14 percent higher than the price realised in June 2013. As market sentiment remains firm with good back up by demand in the weeks ahead, it may cross \$1550 by the end of July. In local market commercial grade castor oil is being quoted at Rs 8700 per quintal, in \$ term it comes to \$1430/1435 per tonne. It is 15.3 percent higher than the price in June, 2013. Castor meal export price for bulk quantity stayed steady at \$115 per tonne. It is higher by 17.39 percent from June 2013.
- **Govt has released third adv. Estimate of foodgrains** for 2013-14 on 15, May, 2014. The govt. has estimated 16.64 lakh tonne production this year against the target of 15.81 lakh tonne. Market participants are surprised to see the inflated figure of castor seed production this year. Govt. Production target for 2014-15 has been set at 16.65 lakh tonne.

International Market Update:

- **Demand for castor meal and oil continues from EU, USA and China.** FOB quote from Kandla has been registered at \$1510 per tonne and it may go up further by mid July as seed price is getting firmer day by day. During last one week export quote from Kandla port has increased over 14 percent. Export quote for meal stayed steady at \$115 per tonne. China, EU and Belgium brought almost 4500, 5500 tonne meal in last two weeks.
- **Price of castor oil in Rotterdam too has increased from \$1685 to \$1830** per metric tonne during last one week. As castor oil prices are moving up in domestic market, oil price in Rotterdam is bound to increase. Brazil and China would remain oil importer as local production is much lower than their current demand.

Domestic market Outlook: Market is likely to trade steady to slightly firm on Monday.

| NCDEX Castor Futures | | | | | | | | Date: 04.07.2014 | |
|----------------------|-----------|------|------|------|-------|--------|--------|------------------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| July-14 | 6 | 4340 | 4384 | 4305 | 4355 | 52910 | -20250 | 123130 | -7275 |
| Aug-14 | 12 | 4476 | 4521 | 4441 | 4494 | 118110 | -26360 | 202060 | 4100 |
| Sept-14 | 5 | 4583 | 4635 | 4555 | 4609 | 52910 | 22760 | 43310 | 2850 |

| Spread | July-14 | Aug-14 | Sept-14 | Oct-14 |
|------------|---------|--------|---------|--------|
| Spot/Deesa | | | | |
| July-14 | 5 | | | |
| Aug-14 | | 139 | | |
| Sept-14 | | | 115 | |

| Stocks | Demat | In- Process | Total | FED |
|---------|-----------------|-----------------|-----------------|------------------|
| | 4.7.2014 | 4.7.2014 | 4.7.2014 | 30.6.2014 |
| Bhabhar | 1224 | 0 | 1224 | 1365 |
| Deesa | 36072 | 312 | 36384 | 35158 |
| Kadi | 65175 | 684 | 65859 | 64369 |
| Patan | 53350 | 493 | 53843 | 54071 |

Castor Seed Daily Prices on 5 July 2014

| Commodity | Center | Market | Price (Rs/Q) | | Change |
|-------------|-----------|-----------|--------------|----------|--------|
| | | | 5-Jul-14 | 4-Jul-14 | |
| Castor Seed | Rajasthan | Sumerpur | 4040 | 4050 | -10 |
| | | Jodhpur | 4000 | 3900 | 100 |
| | Gujarat | Rajkot | 4085 | 4165 | -80 |
| | | Gondal | 4130 | 4180 | -50 |
| | | Patan | 4245 | 4295 | -50 |
| | | Deesa | 4275 | 4300 | -25 |
| | | Mehsana | 4150 | 4200 | -50 |
| | | Kadi | 4150 | 4190 | -40 |
| | | Ahmedabad | NA | 4150 | - |

Castor Seed Daily Arrivals.

| Commodity | Center | Market | Fig. in Quintal | | Change |
|-------------|---------------|---------------|-----------------|----------|--------|
| | | | 5-Jul-14 | 4-Jul-14 | |
| Castor Seed | Rajasthan | Sumerpur | 240 | 280 | -40 |
| | | Jodhpur | 80 | 160 | -80 |
| | Gujarat | Rajkot | 700 | 800 | -100 |
| | | Gondal | 364 | 189 | 175 |
| | | Patan | 7829 | 12083 | -4254 |
| | | Deesa | 1960 | 3400 | -1440 |
| | | Mehsana | 1600 | 3200 | -1600 |
| | | Kadi | 2672 | 3640 | -968 |
| | | Other Gujarat | NA | 40688 | - |
| | Total Arrival | | 15445 | 64440 | -48995 |

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

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**Castor Daily Fundamental Report
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