

Castor Domestic Fundamentals:

- **Castor cash market traded weak on Thursday due to weak inner** tone and lower demand for oil. Higher availability of stock for delivery in July and short sale by bear operators have pressurized cash market. Market expects more dip at around Rs 50 per quintal in next two-three days. Almost all major cash markets decreased in the range of Rs 10 to Rs 45 per qtl. However, overall sentiments for seed remains strong.
- **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 \$1500 to \$1495 per tonne. However it is almost 14.5 percent higher than the price realised in July 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 \$1500 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 Friday.

NCDEX Castor Futures								Date: 10.07.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
July-14	7	4174	4198	4140	4192	45690	7220	56890	66240
Aug-14	9	4330	4352	4291	4347	129010	-10900	252220	-50160
Sept-14	6	4447	4475	4415	4467	22580	30330	55830	-12520

Spread	July-14	Aug-14	Sept-14	Oct-14
Spot/Deesa				
July-14	43			
Aug-14		155		
Sept-14			120	

Stocks	Demat	In- Process	Total	FED
	9.7.2014	9.7.2014	9.7.2014	7.7.2014
Bhabhar	981	0	981	981
Deesa	33109	272	33381	32485
Kadi	62220	554	62774	60637
Patan	48552	855	49407	49243

Castor Seed Daily Prices on 10 July 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			10-Jul-14	9-Jul-14	
Castor Seed	Rajasthan	Sumerpur	4000	4000	-
		Jodhpur	-	3900	-
	Gujarat	Rajkot	4035	4070	-35
		Gondal	4055	4055	-
		Patan	4285	4255	30
		Deesa	4235	4275	-40
		Mehsana	4200	4225	-25
		Kadi	4205	4200	5
		Ahmedabad	4150	4200	-

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			10-Jul-14	9-Jul-14	
Castor Seed	Rajasthan	Sumerpur	80	120	-40
		Jodhpur	NA	160	-
	Gujarat	Rajkot	160	480	-320
		Gondal	282	399	-117
		Patan	2726	2755	-29
		Deesa	795	341	454
		Mehsana	640	720	-80
		Kadi	1280	960	320
		Other Gujarat	36117	34345	-
	Total Arrival		42080	64440	-22360

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

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