

Castor Domestic Fundamentals:

- **Buyer's interest at lower level and wide spread rainfall helped seed** price to recover from previous day on Friday. However, virtual trading/demand for seed products has not been up top the mark this week. Demand is expected from next week. Overall sentiment for cash market is strong and Agriwatch expects market to improve from current level. Stake holders have started building up position in nearby and long month.
- **Farmers in Gujarat, Karnataka, Andhra Pradesh and Telengana have started** sowing of castor seed with slow pace. However, it is 28 percent higher in Telengana/AP from last year till 10th July. It is lagging behind in Karnataka and Gujarat considerably. Overall sowing in the second week of July till 11th was recorded at 0.41 lakh ha.almost lower by 6.8 percent from previous year till corresponding date.
- **Despite market being in bears grip fundamental for seed market** remains strong. Market is expected to face short supply of seed August onward. Out of 15.8 lakh tonne seed available for crushing almost 7 lakh tonne seed has been crushed so far. Around 3 lakh tonne seed is available with big players who would prefer releasing seed in parts. So availability of seed for the rest of the year would fall short against actual monthly seed requirement of over one lakh tonne. It will push market up once again.
- **FOB Quote for Castor oil first grade at Kandla has decreased** from \$1475 to \$1460 per tonne in last two days. However, it is almost 14.31 percent higher than the price realised in July 2013.Firmness would depend on rainfall status in the month of July. In local market commercial grade castor oil is being quoted at Rs 86500 per tonne, almost Rs 500 per tonne lower from previous trading session. In \$ term it comes to \$1448/1450 per tonne. It is 17.16 percent higher than the price in June, 2013.Importers may wait for a week to start fresh deal.
- **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:

- **FoB quotes for castor oil at Kandla are being quoted around \$ 1460 per tonne** for export. Price has decreased almost \$25/30 per toone in last one week as seed prices declined much more than expectation. Seed availability for this month is ample as considerable quantity from NCDEX ware houses for delivery in July is due despite lower pace of delivered seed.
- **Buyers like EU, USA and China remain sidelined.** Export quote for meal decreased from \$110 to \$105 per tonne. Price of castor oil in Rotterdam too has decreased from \$1755to \$1750 per metric tonne in last three days.

Domestic market Outlook: Cash market is likely to trade steady to slightly firm.

| NCDEX Castor Futures | | | | | | | | Date: 18.07.2014 | |
|----------------------|------------|------|------|------|-------|--------|--------|------------------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| July-14 | -23 | 4152 | 4155 | 4103 | 4111 | 9150 | 7100 | 8190 | 4230 |
| Aug-14 | -17 | 4177 | 4204 | 4121 | 4163 | 162480 | -22225 | 234960 | 2475 |
| Sept-14 | -18 | 4300 | 3419 | 4240 | 4279 | 42950 | 32475 | 100190 | 9500 |

| Spread | July-14 | Aug-14 | Sept-14 | Oct-14 |
|-------------|---------|--------|---------|--------|
| Spot/De esa | | | | |
| July-14 | 61 | | | |
| Aug-14 | | 53 | | |
| Sep-14 | | | 111 | |

| Stocks | Demat | In- Process | Total | FED |
|---------|------------------|------------------|------------------|------------------|
| | 17.7.2014 | 17.7.2014 | 17.7.2014 | 14.7.2014 |
| Bhabhar | 981 | 0 | 981 | 981 |
| Deesa | 35039 | 131 | 35170 | 34085 |
| Kadi | 63627 | 433 | 64060 | 62530 |
| Patan | 51961 | 831 | 52792 | 50441 |

Castor Seed Daily Prices on 18 July 2014

| Commodity | Center | Market | Price (Rs/Q) | | Change |
|-------------|-----------|-----------|--------------|-----------|--------|
| | | | 18-Jul-14 | 17-Jul-14 | |
| Castor Seed | Rajasthan | Sumerpur | 3900 | 3900 | Unch |
| | | Jodhpur | 3800 | 3800 | Unch |
| | Gujarat | Rajkot | 3900 | 3860 | 40 |
| | | Gondal | 4100 | 4055 | 45 |
| | | Patan | 4085 | 4065 | 20 |
| | | Deesa | 4050 | 4045 | 5 |
| | | Mehsana | 4050 | 4005 | 45 |
| | | Kadi | 4035 | 4020 | 15 |
| | | Ahmedabad | 4050 | 4050 | Unch |

Castor Seed Daily Arrivals.

| Commodity | Center | Market | Fig. in Quintal | | Change |
|-------------|---------------|---------------|-----------------|-----------|--------|
| | | | 18-Jul-14 | 17-Jul-14 | |
| Castor Seed | Rajasthan | Sumerpur | 80 | 320 | -240 |
| | | Jodhpur | NA | NA | - |
| | Gujarat | Rajkot | 258 | 75 | 183 |
| | | Gondal | 144 | 106 | 38 |
| | | Patan | 2313 | 2701 | -388 |
| | | Deesa | 928 | 769 | 159 |
| | | Mehsana | 480 | 480 | Unch |
| | | Kadi | 800 | 1600 | -800 |
| | | Other Gujarat | 12677 | 14269 | -1592 |
| | Total Arrival | | 17680 | 20320 | -2640 |

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

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2014 Indian Agribusiness Systems Pvt Ltd.