

### Castor Domestic Fundamentals:

- **Castor seed market continues to trade lower on Tuesday despite lower arrivals** and sellers's unwillingness to sell at current price. Overall tone turns weak as major buyers remain sidelined. Demand for castor products like oil, meal is negligible at this point of time. Rains in major growing belts of Gujarat except Kutchh has encouraged sowing of castor seed. However, it is in initial stage.
- **It would be too early to say about area shift from castor to guar or vice -versa.** However, guar sowing activities have picked up in Gujarat and Rajasthan. Rainfall during next one month would remain crucial. There is a general view that castor production would be higher by 3 to 4 lakh tonne higher than last year, given the normal weather condition in August and Sept.
- **Despite market being in bears grip fundamental for seed market** remains strong in the medium term. 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 or may retain it for three –four months. 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.
- **No trade of oil/meal for export has been reported today.FOB Quote for Castor oil first grade at Kandla has decreased** from \$1475 to \$1460 per tonne last week., it is almost 14.31 percent higher than the price realised in July 2013. In local market commercial grade castor oil is being quoted at Rs 84500 per tonne, almost Rs 2000 per tonne lower than last week. In \$ term it comes to \$1448/1450 per tonne. It is 15.12 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 were quoted around \$ 1460 per tonne** for export last week. 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:** Market may trade steady to slightly weak .

NCDEX Castor Futures								Date: 22.07.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Aug-14</b>	<b>31</b>	4082	4149	4070	4136	131270	-30480	220260	11660
<b>Sept-14</b>	<b>20</b>	4208	4265	4184	4249	51200	-15000	110890	-5910
<b>Aug-14</b>	<b>8</b>	4335	4378	4287	4362	28260	-14980	75770	-12410

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/De esa				
Aug-14	91			
Sep-14		113		
Aug-14			113	

Stocks	Demat	In- Process	Total	FED
	<b>21.7.2014</b>	<b>21.7.2014</b>	<b>21.7.2014</b>	<b>21.7.2014</b>
Bhabhar	981	0	981	981
Deesa	35210	40	35250	35210
Kadi	59843	142	59985	59843
Patan	53029	251	53280	53029

### Castor Seed Daily Prices on 22 July 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			22-Jul-14	21-Jul-14	
Castor Seed	Rajasthan	Sumerpur	3875	3925	-50
		Jodhpur	3700	Closed	-
	Gujarat	Rajkot	3925	3945	-20
		Gondal	3930	3905	25
		Patan	4050	4075	-25
		Deesa	4045	4060	-15
		Mehsana	4010	4015	-5
		Kadi	4000	4015	-15
		Ahmedabad	4000	4025	-25

### Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			22-Jul-14	21-Jul-14	
Castor Seed	Rajasthan	Sumerpur	80	80	Unch
		Jodhpur	80	Closed	-
	Gujarat	Rajkot	110	458	-348
		Gondal	177	173	4
		Patan	1883	2454	-571
		Deesa	609	1010	-401
		Mehsana	400	560	-160
		Kadi	760	816	-56
		Other Gujarat	14861	14529	332
	Total Arrival		18960	20080	-1120

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

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