

Castor Domestic Fundamentals:

- **Cash market continues to follow futures market and volatility in** futures has disrupted the normal trading course in physical markets. Unlike previous trading session, cash market declines on Thursday in the range of Rs 30 to Rs 75 per qtl. However, sellers/stockists are unwilling to release stock at current price. Market is awaiting for export demand, that may clear directional move for the weeks ahead. However, medium term outlook remains bullish.
- **Castor coverage area lags behind by 0.4 percent so far from last year.** Total area coverage till 18th July was recorded at 0.71 thousand ha. against the normal of 1.15 lakh ha. Overall normal area for the whole year is 10.37 lakh ha. Farmers had sowed 0.87 thousand ha last year till middle of July. Delayed rains have slowed down sowing progress this year. As rainfall status has improved sowing of castor seed is getting momentum now. Rainfall during next one month would remain crucial. There is a general view that castor production would be higher by 3 to 4 lakh T than last year, given the normal weather condition in August and Sept.
- **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 from now. 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 was reported today. FOB Quote for Castor oil first grade at Kandla has decreased** from \$1475 to \$1460 per tonne last week., it is almost 15.51 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 1500 per tonne lower than last week. In \$ term it comes to \$1445/1448 per tonne. It is 17.95 percent higher than the price in July, 2013. Importers may wait for a week to start fresh deal. Agriwatch expects price to stabilize near \$1445 to \$1450 per tonne.
- **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. 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 \$ 1455 per tonne** for export. However, no trade was reported today. Price has decreased almost \$25/30 per tonne 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 \$107 per tonne. Price of castor oil in Rotterdam too has decreased from \$1755 to \$1705 per metric tonne in last one week.

Domestic market Outlook: Market may stay steady to slightly weak .

NCDEX Castor Futures								Date: 24.07.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	10	4070	4095	4030	4086	137570	-4505	198630	-8470
Sept-14	-6	4192	4203	4126	4195	59280	-14750	118340	8120
Oct-14	-25	4295	4312	4249	4305	21580	-6180	90500	5410

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Aug-14	61			
Sep-14		109		
Aug-14			110	

Stocks	Demat	In- Process	Total	FED
	23.7.2014	23.7.2014	23.7.2014	21.7.2014
Bhabhar	981	0	981	981
Deesa	35331	191	35522	35210
Kadi	59863	212	60075	59843
Patan	53102	290	53392	53029

Castor Seed Daily Prices on 23 July 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			24-Jul-14	23-Jul-14	
Castor Seed	Rajasthan	Sumerpur	3825	3900	-75
		Jodhpur	3750	3700	50
	Gujarat	Rajkot	3920	3950	-30
		Gondal	3955	3930	25
		Patan	4055	4120	-65
		Deesa	4025	4075	-50
		Mehsana	4025	4055	-30
		Kadi	3990	4090	-100
		Ahmedabad	4100	4075	25

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			24-Jul-14	23-Jul-14	
Castor Seed	Rajasthan	Sumerpur	80	80	Unch
		Jodhpur	80	80	Unch
	Gujarat	Rajkot	296	410	-114
		Gondal	336	108	228
		Patan	845	1602	-757
		Deesa	520	470	50
		Mehsana	400	508	-108
		Kadi	320	560	-240
		Other Gujarat	9283	10742	-1459
	Total Arrival		12160	14560	-2400

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

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