

### Castor Domestic Fundamentals:

- **Castor seed markets traded mixed at major trading hubs** on Wednesday. Prices increased in Gondal by Rs 25 to Rs 4055 per qtl. while it decreased considerably in Rajkot. Futures posted smart gains today and closed at 4232, higher by 1.8 percent from previous close. Stockists' seem reluctant to release stock at current price as they expect market to move up from current level. Medium term outlook remains bullish.
- **Castor meal FOR is being quoted at Rs 6225 per tonne, slightly lower** (Rs 6250 per tonne) than last week. However, it is 15.04 percent higher than the price realized during 25th July 2013. FOB Quote for Castor oil first grade at Kandla has decreased from \$1460 to \$1430 per tonne in last one week. However, it is almost 11.61 percent higher than the price realised in 25th July 2013. Firmness would depend on rainfall status in the month of August. Castor meal export price for bulk quantity increased slightly from \$107 to \$108 per tonne. It is higher by 12.04 percent from 25th 2013. More dip is unlikely from current level.
- **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.
- **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 \$ 1430 per tonne** for export last week. 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.
- **Price of castor oil in Rotterdam too has decreased from \$1755 to \$1705** per metric tonne during last two weeks.
- **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: 30.07.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Aug-14</b>	75	4162	4264	4142	4232	147900	6130	152020	-5160
<b>Sept-14</b>	71	4240	4345	4224	4315	98100	23830	128990	8610
<b>Oct-14</b>	66	4411	4509	4396	4496	3560	2560	97640	-225

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/De esa				
Aug-14	157			
Sep-14		113		
Oct-14			173	

Stocks	Demat	In- Process	Total	FED
	<b>29.7.2014</b>	<b>29.7.2014</b>	<b>29.7.2014</b>	<b>28.7.2014</b>
Bhabhar	849	0	849	849
Deesa	34759	81	34840	34487
Kadi	58663	744	59407	58663
Patan	51331	783	52114	51331

**Castor Seed Daily Prices on 30 July 2014**

Commodity	Center	Market	Price (Rs/Q)		Change
			30-Jul-14	28-Jul-14	
Castor Seed	Rajasthan	Sumerpur	3950	Closed	-
		Jodhpur	3800	3800	Unch
	Gujarat	Rajkot	3860	4015	-155
		Gondal	4055	4030	25
		Patan	-	4135	-
		Deesa	4075	4075	Unch
		Mehsana	4100	4100	Unch
		Kadi	-	4080	-
		Ahmedabad	-	4100	-

**Castor Seed Daily Arrivals**

Castor Seed - Daily Arrivals					
Commodity	Center	Market	Fig. in Quintal		Change
			30-Jul-14	28-Jul-14	
Castor Seed	Rajasthan	Sumerpur	-	Closed	-
		Jodhpur	80	80	Unch
	Gujarat	Rajkot	60	294	-234
		Gondal	299	152	147
		Patan	-	1970	-
		Deesa	1600	1200	400
		Mehsana	80	320	-240
		Kadi	-	412	-
		Other Gujarat	-	10052	-
	Total Arrival		2119	14480	-12361

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

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