

### Castor Domestic Fundamentals:

- **Castor seed markets traded mixed at major trading hubs** on Friday amid sluggish trading activities. Improved rainfall status has encouraged sowing activities in major producing states like Rajasthan, Gujarat and Andhra Pradesh. However, it is lagging behind by 29.03 percent from last year till 31<sup>st</sup> of July. Arrivals in major markets have declined considerably. Sellers seem unwilling to release stock at current level.
- **Castor coverage area lags behind by 29.03 percent so far from last year.** Total area coverage till 31<sup>st</sup> July was recorded at 2.03 lakh ha. against 2.86 lakh ha last year till the end of July. Overall normal area for the whole year is 10.37 lakh ha. As weather remains favourable from sowing point of view now, market participants expect production to go up by 3 to 4 lakh T than last year, given the normal weather condition in August and Sept. Despite higher production prospects short supply of seed seems very much in the sight as new crop would hit market January onward.
- **FOB Quote for Castor oil first grade at Kandla has increased from \$1430 to \$1445 per tonne** in last two days. Castor meal export price for bulk quantity increased slightly from \$107 to \$108 per tonne. More dip for meal quote is unlikely from current level. Castor seed in Gujarat (good quality) is being traded at Rs 4200 per qtl. Castor meal for bulk deal ex-Kandla is being done at Rs 6200 per qtl. Castor oil commercial grade was traded at Rs 8450 per qtl. Good demand from overseas market and buyers interest at higher price may lend support to seed in local market.
- **Market is expected to face short supply of seed August onward. Out of 15.8 lakh tonne seed** available for crushing almost 7.5 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 food grains** 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:

- **Fresh export deal for oil has been executed at \$1445 per tonne.** Chinese and European buyers are said to be active in the market. Last week deal of around 1000 tonne had been executed at \$1430 per tonne. However, price could not sustain at that level. Improved demand for oil and stockist's unwillingness to release stock at current price remains supportive to the seed market.
- **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 firm.

NCDEX Castor Futures								Date: 01.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Aug-14</b>	-27	4280	4303	4251	4251	72300	45400	119010	15180
<b>Sept-14</b>	-29	4352	4385	4330	4331	87360	17150	155820	-10580
<b>Oct-14</b>	-28	4443	4470	4425	4425	24580	2390	92920	-840--

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Aug-14	51			
Sep-14		91		
Oct-14			94	

Stocks	Demat	In- Process	Total	FED
	<b>31.7.2014</b>	<b>31.7.2014</b>	<b>31.7.2014</b>	<b>28.7.2014</b>
Bhabhar	839	0	839	849
Deesa	34699	20	34719	34487
Kadi	57696	60	57756	58663
Patan	52025	20	52045	51331

## Castor Seed Daily Prices on 1 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			1-Aug-14	31-Jul-14	
Castor Seed	Rajasthan	Sumerpur	3980	3950	30
		Jodhpur	3850	3850	Unch
	Gujarat	Rajkot	3930	3970	-40
		Gondal	4055	4080	-25
		Patan	4210	4180	30
		Deesa	4200	4100	100
		Mehsana	4150	4125	25
		Kadi	-	4045	-
		Ahmedabad	4100	4100	Unch

## Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			1-Aug-14	31-Jul-14	
Castor Seed	Rajasthan	Sumerpur	-	-	-
		Jodhpur	240	240	Unch
	Gujarat	Rajkot	410	612	-202
		Gondal	196	252	-56
		Patan	3880	2582	1298
		Deesa	480	400	80
		Mehsana	560	240	320
		Kadi	-	82	-
		Other Gujarat	6474	7832	-1358
	Total Arrival		12240	12240	Unch

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

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