

Castor Domestic Fundamentals:

- **Castor seed markets traded lower at major trading hubs** on Monday amid sluggish trading activities. Actually cash market is following futures trend and fluctuation continues in cash market. 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 31st 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 31st 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 \$1445 to \$1465 per tonne** in last three 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 6125 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 weak.

NCDEX Castor Futures								Date: 04.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	-121	4250	4250	4136	4147	84770	12470	108160	-10850
Sept-14	-124	4320	4333	4212	4226	113360	26000	152910	-2910
Oct-14	-131	4447	4447	4298	4316	24670	90	94030	1110

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Aug-14				
Sep-14				
Oct-14				

Stocks	Demat	In- Process	Total	FED
	2.8.2014	2.8.2014	2.8.2014	28.7.2014
Bhabhar	587	0	587	849
Deesa	33414	151	33565	34487
Kadi	55583	232	55815	58663
Patan	51873	131	52004	51331

Castor Seed Daily Prices on 4August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			4-Aug-14	2-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3903	3970	-67
		Jodhpur	3800	3800	Unch
	Gujarat	Rajkot	3950	4005	-55
		Gondal	3955	4000	-45
		Patan	4140	4160	-20
		Deesa	4105	4175	-70
		Mehsana	4075	4125	-50
		Kadi	4050	4100	-50
		Ahmedabad	4050	4075	-25

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			4-Aug-14	2-Aug-14	
Castor Seed	Rajasthan	Sumerpur	56	NA	-
		Jodhpur	160	240	-80
	Gujarat	Rajkot	305	320	-15
		Gondal	173	232	-59
		Patan	2065	4010	-1945
		Deesa	286	320	-34
		Mehsana	280	480	-200
		Kadi	960	1280	-320
		Other Gujarat	11931	5358	6573
	Total Arrival		16216	12240	3976

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.