

Castor Domestic Fundamentals:

- **Castor seed markets traded lower at major trading hubs** on Tuesday 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: 05.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	43	4157	4205	4136	4190	57630	-27140	101270	-6890
Sept-14	311	4242	4271	4207	4257	91330	-22030	163480	10570
Oct-14	23	4319	4350	4281	4342	13210	-11460	94590	560

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

Stocks	Demat	In- Process	Total	FED
	4.8.2014	4.8.2014	4.8.2014	4.8.2014
Bhabhar	587	0	587	587
Deesa	32518	111	32629	32518
Kadi	55691	312	56003	55691
Patan	51200	243	51443	51200

Castor Seed Daily Prices on 5 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			5-Aug-14	4-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3850	3903	-53
		Jodhpur	3775	3800	-25
	Gujarat	Rajkot	3875	3950	-75
		Gondal	3855	3955	-100
		Patan	4090	4140	-50
		Deesa	4125	4105	20
		Mehsana	4050	4075	-25
		Kadi	4020	4050	-30
		Ahmedabad	4000	4050	-50

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			5-Aug-14	4-Aug-14	
Castor Seed	Rajasthan	Sumerpur	40	56	-16
		Jodhpur	160	160	Unch
	Gujarat	Rajkot	205	305	-100
		Gondal	77	173	-96
		Patan	2370	2065	305
		Deesa	193	286	-93
		Mehsana	360	280	80
		Kadi	800	960	-160
		Other Gujarat	11995	11931	64
	Total Arrival		16200	16216	-16

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

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