

### Castor Domestic Fundamentals:

- **Cash market continued to trade up on Thursday despite dip in futures contract.** Buyers remained sideline as they expect price to cool down in the short term. Inner tonne remains weak due to sluggish demands for end products at this point of time. Despite slower start, area under castor seed is likely to increase by 9 to 10 percent from 9.83 to 10.54 lakh ha. However, it would not impact price much in the third quarter, as new crop would hit market in Jan-Feb, 2015.
- **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 \$1460 per tonne** in last one week. Castor meal export price for bulk quantity stayed steady at \$108 per tonne. More dip for meal quote is unlikely from current level. Castor seed in Gujarat (good quality) is being traded at Rs 4400 per qtl. Castor meal for bulk deal ex-Kandla is being traded at Rs 6150 per qtl. Castor oil commercial grade was traded at Rs 8550 per qtl. Slight dip is expected from current level before mid August.
- **Market is expected to face short supply of seed Sept 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 \$1460 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: 07.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Aug-14</b>	-29	4257	4274	4219	4222	36300	-12470	92680	-9850
<b>Sept-14</b>	-45	4302	4320	4261	4264	78470	-26000	166120	910
<b>Oct-14</b>	-56	4383	4394	4332	4332	18870	-6120	95540	1010

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Aug-14	122			
Sep-14		42		
Oct-14			68	

Stocks	Demat	In- Process	Total	FED
	<b>6.8.2014</b>	<b>6.8.2014</b>	<b>6.8.2014</b>	<b>4.8.2014</b>
Bhabhar	587	0	587	587
Deesa	30747	201	30948	32518
Kadi	51675	313	51988	55691
Patan	45447	323	45770	51200

### Castor Seed Daily Prices on 7 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			7-Aug-14	6-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3930	3925	5
		Jodhpur	3900	3800	100
	Gujarat	Rajkot	3960	3940	20
		Gondal	4005	3955	50
		Patan	4180	4125	55
		Deesa	4100	4150	-50
		Mehsana	4150	4075	75
		Kadi	4090	4020	70
		Ahmedabad	4085	4075	10

### Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			7-Aug-14	6-Aug-14	
Castor Seed	Rajasthan	Sumerpur	-	24	-
		Jodhpur	80	80	Unch
	Gujarat	Rajkot	410	300	110
		Gondal	280	115	165
		Patan	2097	2943	-846
		Deesa	320	224	96
		Mehsana	320	400	-80
		Kadi	480	640	-160
		Other Gujarat	8893	8978	-85
	Total Arrival		12880	13704	-824

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

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