

### Castor Domestic Fundamentals:

- **Steady to firm sentiments witnessed in major spot markets of castor on Saturday.**
- Despite slackness in sowing activities, area under castor seed is likely to increase at least by 9 to 10 percent from 9.83 to 10.54 lakh ha. in 2014-15. However, it would not impact price much in the third quarter, as new crop would hit market next year in January.
- **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 \$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 Rs6125 per qtl. Castor oil commercial grade was traded at Rs8450 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: 09.08.2014 |        |
|----------------------|-----|------|------|-----|-------|--------|--------|------------------|--------|
| Contract             | +/- | Open | High | Low | Close | Volume | Change | OI               | Change |
| Aug-14               | -   | -    | -    | -   | -     | -      | -      | -                | -      |
| Sept-14              | -   | -    | -    | -   | -     | -      | -      | -                | -      |
| Oct-14               | -   | -    | -    | -   | -     | -      | -      | -                | -      |

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

| Stocks  | Demat    | In- Process | Total    | FED      |
|---------|----------|-------------|----------|----------|
|         | 8.8.2014 | 8.8.2014    | 8.8.2014 | 4.8.2014 |
| Bhabhar | 587      | 0           | 587      | 587      |
| Deesa   | 30928    | 40          | 30968    | 32518    |
| Kadi    | 51777    | 192         | 51969    | 55691    |
| Patan   | 46274    | 852         | 47126    | 51200    |

## Castor Seed Daily Prices on 9 August 2014

| Commodity   | Center    | Market    | Price (Rs/Q) |          | Change |
|-------------|-----------|-----------|--------------|----------|--------|
|             |           |           | 9-Aug-14     | 8-Aug-14 |        |
| Castor Seed | Rajasthan | Sumerpur  | 3960         | 3900     | 60     |
|             |           | Jodhpur   | 3900         | 3900     | Unch   |
|             | Gujarat   | Rajkot    | 3960         | 3955     | 5      |
|             |           | Gondal    | 4055         | 4005     | 50     |
|             |           | Patan     | 4200         | 4160     | 40     |
|             |           | Deesa     | 4250         | 4200     | 50     |
|             |           | Mehsana   | 4125         | 4100     | 25     |
|             |           | Kadi      | 4075         | 4075     | Unch   |
|             |           | Ahmedabad | 4100         | 4075     | 25     |

## Castor Seed Daily Arrivals.

| Commodity   | Center        | Market        | Fig. in Quintal |          | Change |
|-------------|---------------|---------------|-----------------|----------|--------|
|             |               |               | 9-Aug-14        | 8-Aug-14 |        |
| Castor Seed | Rajasthan     | Sumerpur      | 16              | 56       | -40    |
|             |               | Jodhpur       | 320             | 160      | 160    |
|             | Gujarat       | Rajkot        | 418             | 430      | -12    |
|             |               | Gondal        | 215             | 256      | -41    |
|             |               | Patan         | 2935            | 2762     | 173    |
|             |               | Deesa         | 320             | 370      | -50    |
|             |               | Mehsana       | 320             | 320      | Unch   |
|             |               | Kadi          | 680             | 720      | -40    |
|             |               | Other Gujarat | 11112           | 11142    | -30    |
|             | Total Arrival |               | 16336           | 16216    | 120    |

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

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