

Castor Domestic Fundamentals:

- **Overall steady to weak sentiments witnessed in major spot markets of castor on Monday.**
- 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 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 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: 11.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	- 17.00	4250.00	4264.0 0	4197.0 0	4228.0 0	35070	-29420	47060	-16020
Sept-14	- 47.00	4327.00	4339.0 0	4255.0 0	4275.0 0	91430	-41700	187810	8960
Oct-14	- 53.00	4408.00	4409.0 0	4326.0 0	4345.0 0	33360	3290	103610	4300

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Sep-14	-43			
Oct-14		47		
Nov-14			70	

Stocks	Demat	In- Process	Total	FED
	10.8.2014	10.8.2014	10.8.2014	4.8.2014
Bhabhar	587	0	587	587
Deesa	30928	40	30968	32518
Kadi	51838	252	52090	55691
Patan	46876	240	47116	51200

Castor Seed Daily Prices on 11 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			11-Aug-14	9-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3950	3960	-10
		Jodhpur	3900	3900	Unch
	Gujarat	Rajkot	3960	3960	Unch
		Gondal	4055	4055	Unch
		Patan	4195	4200	-5
		Deesa	4185	4250	-65
		Mehsana	4125	4125	Unch
		Kadi	Closed	4075	-
		Ahmedabad	4000	4100	-100

Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			11-Aug-14	9-Aug-14	
Castor Seed	Rajasthan	Sumerpur	24	16	8
		Jodhpur	240	320	-80
	Gujarat	Rajkot	430	418	12
		Gondal	350	215	135
		Patan	3635	2935	700
		Deesa	1631	320	1311
		Mehsana	440	320	120
		Kadi	Closed	680	-
		Other Gujarat	5514	11112	-5598
	Total Arrival		12264	16336	-4072

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

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