

Castor Domestic Fundamentals:

- **Castor cash market extended its loss on Tuesday despite gains in futures.** Market may trade up in next trading session as buyer's renewed interest remains supportive to the cash market fundamentals. Castor seed x-mandi price in Gujarat stayed steady at Rs 43000 per tonne during the week. Price of seed was hovering near 4325 per tonne in the first week of July. However, it was ruling at Rs35135 per tonne in August 2013. As market is well aware of impending short supply, prices of seed might rule steady to firm in the days ahead.
- **Castor meal FOR is being quoted at Rs 6050 per tonne, slightly lower** (Rs 6150 per tonne) than last week. It is -1.33 percent lower than last week and 6.65 percent higher than the price realized during August 2014. FOB Quote for Castor oil first grade at Kandla has decreased from \$1460 to \$1430 per tonne in last one week. It has decreased 2.05 percent. However, it is almost 18.08 percent higher than the price realized in August 2013. Castor meal export price for bulk quantity too decreased slightly from \$108 to \$105 per tonne. It is higher by 9.38 percent from August, 2013.
- **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 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.
- **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. 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:

- **FoB quote for castor oil at Kandla has decreased from** \$1460 to \$1430 for export in last one week. Price has decreased almost \$30 per tonne in last one week as seed decreased despite lower arrivals at major trading hubs. Buyers like China, EU and Japan may enter in to the market from mid August for bulk buying.
- **Demand for castor meal continues from EU, USA and China. However,** recent dip has slowed down fresh deal for the same. As buyers remain inactive FOB price is bound to stay steady in the third week of August. Export quote for meal decreased slightly by \$3 to \$105 per tonne from last week.
- **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 firm.

NCDEX Castor Futures								Date: 12.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	39	4220	4277	4210	4273	14830	-29420	31170	-16020
Sept-14	42	4276	4328	4251	4324	111030	-41700	182350	8960
Oct-14	40	4342	4398	4321	4395	37540	3290	107350	4300

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Sep-14	118			
Oct-14		51		
Nov-14			71	

Stocks	Demat	In- Process	Total	FED
	11.8.2014	11.8.2014	11.8.2014	4.8.2014
Bhabhar	587	0	587	587
Deesa	30928	131	31059	32518
Kadi	51919	433	52352	55691
Patan	46946	633	47579	51200

Castor Seed Daily Prices on 12 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			12-Aug-14	11-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3900	3950	-50
		Jodhpur	3900	3900	Unch
	Gujarat	Rajkot	3950	3960	-10
		Gondal	4005	4055	-50
		Patan	4155	4195	-40
		Deesa	4155	4185	-30
		Mehsana	4100	4125	-25
		Kadi	4055	NA	-
		Ahmedabad	4000	4000	Unch

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			12-Aug-14	11-Aug-14	
Castor Seed	Rajasthan	Sumerpur	80	24	56
		Jodhpur	160	240	-80
	Gujarat	Rajkot	380	430	-50
		Gondal	231	350	-119
		Patan	3750	3635	115
		Deesa	1600	1631	-31
		Mehsana	368	440	-72
		Kadi	908	NA	-
		Other Gujarat	3163	5514	-2351
		Total Arrival		10640	12264

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

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