

### Castor Domestic Fundamentals:

- **Castor cash market recovered on Wednesday after posting loss** at previous two consecutive days. Export trade interest at higher level at around \$1450 per tonne encouraged planters to offer higher price for seed. Futures market too remains supportive and posted smart gains today. However, one way uptrend is unlikely as arrivals have increased in various markets. Futures market (Sept contract) may test 4400 level and at this level downward correction is expected once again.
- **Castor meal FOR is being quoted at Rs 6100 per tonne, slightly higher** (Rs 6050 per tonne) than previous trading session. It is -1.25 percent lower than last week and 6.60 percent higher than the price realized during August 2014. FOB Quote for Castor oil first grade at Kandla has increased from \$1430 to \$1450 per tonne in last two days. However, it is almost 18.12 percent higher than the price realised in August 2013. Castor meal export price for bulk quantity too increased slightly from \$105 to \$106 per tonne. It is higher by 9.35 percent from August, 2013.
- **Area coverage till 8<sup>th</sup> August has been registered at 3.59 lakh ha., slightly higher** than last year(3.54 lakh ha.) till date. Normal area for whole kharif season is 10.37 lakh ha. 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.
- **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 increased from \$1430 to \$1450** for export in last two days. Price has increased almost \$20 per tonne today as seed traded higher by Rs 50 to Rs 75 per qtl. in various trading hubs. Buyers like China,EU and Japan may enter in to the market in second half of 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 increased slightly by \$1 to \$106 per tonne today.
- **Price of castor oil in Rotterdam too has decreased from \$1755to \$1705** per metric tonne during last two weeks. Buyers like EU, USA and China remain sidelined. Price of castor oil in Rotterdam too has decreased from \$1755to \$1705 per metric tonne in last one week.

**Domestic market Outlook:** Market may trade steady to slightly weak.

| NCDEX Castor Futures |     |      |      |      |       |        |        | Date: 13.08.2014 |        |
|----------------------|-----|------|------|------|-------|--------|--------|------------------|--------|
| Contract             | +/- | Open | High | Low  | Close | Volume | Change | OI               | Change |
| <b>Aug-14</b>        | 29  | 4270 | 4322 | 4260 | 4297  | 10740  | -1220  | 23100            | -6900  |
| <b>Sept-14</b>       | 17  | 4321 | 4367 | 4304 | 4333  | 115970 | 4700   | 180620           | -2260  |
| <b>Oct-14</b>        | 26  | 4395 | 4443 | 4378 | 4412  | 37540  | 3290   | 115370           | 4600   |

| Spread     | Aug-14 | Sept-14 | Oct-14 | Nov-14 |
|------------|--------|---------|--------|--------|
| Spot/Deesa |        |         |        |        |
| Sep-14     | 81     |         |        |        |
| Oct-14     |        | 36      |        |        |
| Nov-14     |        |         | 79     |        |

| Stocks  | Demat            | In- Process      | Total            | FED             |
|---------|------------------|------------------|------------------|-----------------|
|         | <b>12.8.2014</b> | <b>12.8.2014</b> | <b>12.8.2014</b> | <b>4.8.2014</b> |
| Bhabhar | 587              | 0                | 587              | 587             |
| Deesa   | 30729            | 20               | 30749            | 32518           |
| Kadi    | 52161            | 383              | 52544            | 55691           |
| Patan   | 47438            | 342              | 47780            | 51200           |

## Castor Seed Daily Prices on 13 August 2014

| Commodity   | Center    | Market    | Price (Rs/Q) |           | Change |
|-------------|-----------|-----------|--------------|-----------|--------|
|             |           |           | 13-Aug-14    | 12-Aug-14 |        |
| Castor Seed | Rajasthan | Sumerpur  | 3950         | 3900      | 50     |
|             |           | Jodhpur   | 4000         | 3900      | 100    |
|             | Gujarat   | Rajkot    | 3975         | 3950      | 25     |
|             |           | Gondal    | 4055         | 4005      | 50     |
|             |           | Patan     | 4205         | 4155      | 50     |
|             |           | Deesa     | 4215         | 4155      | 60     |
|             |           | Mehsana   | 4150         | 4100      | 50     |
|             |           | Kadi      | 4135         | 4055      | 80     |
|             |           | Ahmedabad | 4100         | 4000      | 100    |

## Castor Seed Daily Arrivals.

| Commodity   | Center        | Market        | Fig. in Quintal |           | Change |
|-------------|---------------|---------------|-----------------|-----------|--------|
|             |               |               | 13-Aug-14       | 12-Aug-14 |        |
| Castor Seed | Rajasthan     | Sumerpur      | 80              | 80        | Unch   |
|             |               | Jodhpur       | 240             | 160       | 80     |
|             | Gujarat       | Rajkot        | 385             | 380       | 5      |
|             |               | Gondal        | 999             | 231       | 768    |
|             |               | Patan         | 4650            | 3750      | 900    |
|             |               | Deesa         | 1355            | 1600      | -245   |
|             |               | Mehsana       | 560             | 368       | 192    |
|             |               | Kadi          | 816             | 908       | -92    |
|             |               | Other Gujarat | 4835            | 3163      | 1672   |
|             | Total Arrival |               | 13920           | 10640     | 3280   |

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

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