

Castor Domestic Fundamentals:

- **Castor seed market continued to reel under pressure due to** higher coverage area, lower demand and sluggish trading activities. Market remained closed due to continuous holidays last week and it's impact remains visible in cash and futures market .Short term outlook remains bearish and nearby futures contract may test 4100 soon. However, buyers may start buying at lower level and it would be supportive for the market August onward.
- **No major change in castor products price has been** witnessed from previous trading session. Castor meal FOR is being quoted at Rs 6300 per tonne, moderately 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 \$1440 per tonne in last three days. However, it is almost 18.12 percent higher than the price realised in August 2013. Castor meal export price for bulk quantity too has increased slightly from \$105 to \$108 per tonne. It is higher by 9.35 percent from August, 2013.
- **Area coverage till 14th August has been registered at 5.52 lakh ha.,** higher than last year (4.89 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 \$1440 for export in last three days. Price has increased almost \$10 per tonne today despite lower quotes for seed. 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 \$2 to \$108 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: 19.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	13	4124	4143	4114	4133	900	-11220	5640	-32900
Sept-14	9	4164	4186	4148	4173	35080	-43700	120560	-8260
Oct-14	8	4245	4249	4222	4245	11180	-3290	53860	-53400

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot/Deesa				
Sep-14	40			
Oct-14		37		
Nov-14			77	

Stocks	Demat	In- Process	Total	FED
	18.8.2014	18.8.2014	18.8.2014	4.8.2014
Bhabhar	587	0	587	587
Deesa	30457	0	30457	32518
Kadi	52388	0	52388	55691
Patan	48608	222	48830	51200

Castor Seed Daily Prices on 19 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			19-Aug-14	16-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3900	3950	-50
		Jodhpur	3800	4000	-200
	Gujarat	Rajkot	Closed	Closed	-
		Gondal	Closed	Closed	-
		Patan	4090	Closed	-
		Deesa	NR	4150	-
		Mehsana	4050	4100	-50
		Kadi	NR	Closed	-
		Ahmedabad	3925	4100	-175

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			19-Aug-14	16-Aug-14	
Castor Seed	Rajasthan	Sumerpur	80	80	Unch
		Jodhpur	240	400	-160
	Gujarat	Rajkot	Closed	Closed	-
		Gondal	Closed	Closed	-
		Patan	2290	Closed	-
		Deesa	NR	1600	-
		Mehsana	200	240	-40
		Kadi	NR	Closed	-
		Other Gujarat	15510	10160	5350
		Total Arrival		18320	12480

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

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