

Castor Domestic Fundamentals:

- **Castor seed cash market traded flat to weak on Tuesday in lack** of clear cut direction. Inner tone remains weak and buyers are unwilling to buy at current level. Improved area coverage (49.18 percent higher area coverage till 22, August against last years' corresponding period) and sluggish demand for oil drove market down. Pressure is likely to continue in ongoing week.
- **Area coverage till 22nd August has been registered at 7.31 lakh ha.,** higher than last year (4.90 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. Almost 70 percent of normal area has been covered so far.
- **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, almost same (Rs 6310 per tonne) than previous week. 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 slightly from \$1440 to \$1445 per tonne in last one week. 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 \$107 to \$108 per tonne. It is higher by 9.35 percent from August, 2013.
- **Market is expected to face short supply of seed in Sept. Out of 15.8 lakh** tonne seed available for crushing almost 8.5 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 fourth adv. Estimate of food grains for 2013-14 on 14, August, 2014. The govt. has estimated 16.89 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** \$1440 to \$1445 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 increased from \$1705 to** \$1725 per metric tonne during last one week. Buyers like EU, USA and China remain sidelined.
- **No major export trade was reported on Thursday** and buyers are waiting for a clear directional clue.

Domestic market Outlook: Market is expected to trade weak.

NCDEX Castor Futures								Date: 26.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-14	6	4187	4189	4113	4172	94610	14100	153740	-7230
Oct-14	5	4249	4256	4181	4240	44620	620	125050	3410
Nov-14	-1	4327	4330	4267	4318	19880	13000	74760	25260

Spread	Sept-14	Oct-14	Nov-9714	Dec-14
Spot/Patan				
Oct-14	78			
Nov-14		58		
Dec-14			78	

Stocks	Demat	In- Process	Total	FED
	25.8.2014	25.8.2014	25.8.2014	25.8.2014
Bhabhar	273	0	273	273
Deesa	28590	130	28720	28590
Kadi	45147	383	45530	45147
Patan	44745	363	45108	44745

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

Castor Seed Daily Prices on 26 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			26-Aug-14	25-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3875	3870	5
		Jodhpur	3850	3800	50
	Gujarat	Rajkot	3905	NA	-
		Gondal	3905	NA	-
		Patan	4090	4065	25
		Deesa	NA	NA	-
		Mehsana	4075	4100	-25
		Kadi	4020	NA	-
		Ahmedabad	NA	NA	-

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			26-Aug-14	25-Aug-14	
Castor Seed	Rajasthan	Sumerpur	80	56	24
		Jodhpur	160	240	-80
	Gujarat	Rajkot	175	NA	-
		Gondal	171	NA	-
		Patan	3030	1566	1464
		Deesa	NA	NA	-
		Mehsana	320	320	Unch
		Kadi	657	NA	-
		Other Gujarat	NA	NA	-
		Total Arrival		4593	2182

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