

### Castor Domestic Fundamentals:

- **Downward pressure continued to dominate cash market on Wednesday.** Lower demand in declining market and 49.18 percent higher area coverage till 22, August against last years' corresponding period drove market down. With considerable improvement in area inner tone has weakened and pressure is likely to continue this week too..
- **Area coverage till 22<sup>nd</sup> 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: 27.08.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Sept-14</b>	7	4170	4191	4150	4166	80610	-27700	162020	-4280
<b>Oct-14</b>	6	4237	4255	4215	4235	44000	-450	123480	-2410
<b>Nov-14</b>	3	4317	4328	4390	4314	33100	18000	69280	6725

Spread	Sept-14	Oct-14	Nov-9714	Dec-14
Spot/Deesa				
Oct-14	16			
Nov-14		69		
Dec-14			79	

Stocks	Demat	In- Process	Total	FED
	<b>26.8.2014</b>	<b>26.8.2014</b>	<b>26.8.2014</b>	<b>25.8.2014</b>
Bhabhar	223	0	223	273
Deesa	25582	110	25692	28590
Kadi	45146	161	45307	45147
Patan	43880	311	44191	44745

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

### Castor Seed Daily Prices on 27 August 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			27-Aug-14	26-Aug-14	
Castor Seed	Rajasthan	Sumerpur	3850	3875	-25
		Jodhpur	3800	3850	-50
	Gujarat	Rajkot	3895	3905	-10
		Gondal	3930	3905	25
		Patan	4110	4090	20
		Deesa	4150	NA	-
		Mehsana	4070	4075	-5
		Kadi	3995	4020	-25
		Ahmedabad	NA	NA	-

### Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			27-Aug-14	26-Aug-14	
Castor Seed	Rajasthan	Sumerpur	48	80	-32
		Jodhpur	160	160	Unch
	Gujarat	Rajkot	602	175	427
		Gondal	175	171	4
		Patan	3960	3030	930
		Deesa	690	NA	-
		Mehsana	800	320	480
		Kadi	1600	657	943
		Other Gujarat	NA	NA	-
	Total Arrival		8035	4593	3442

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