

### Castor Domestic Fundamentals:

- **Castor seed cash and futures continued to trade lower even on Tuesday** and more dip is expected in the days ahead. Slackness in demand, higher area coverage and good crop condition at this point of time weigh on market fundamentals. Bears operators are active in futures. There is no support for any uptrend currently.
- **Area coverage till 30<sup>th</sup> August has been registered at 7.98 lakh ha.**, higher than last year (5.90 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.
- **Castor seed x-mandi price in Gujarat has declined from Rs 42000 per tonne to Rs 41500 per tonne on Monday.** Price of seed was hovering near 42500 per tonne in the fourth week of July. However, it was ruling at Rs 35114 per tonne in August, 2013, almost 16.92 percent lower than current price. As buyers are unwilling to buy, more dip seems possible this week.
- **Castor meal FOR is being quoted at Rs 6200 per tonne, moderately lower** (Rs 6250 per tonne) than previous week. It is - 0.79 percent lower than last week and 9.96 percent higher than the price realized during August 2014. FOB Quote for Castor oil first grade at Kandla has decreased from \$1430 to \$1420 per tonne in last two days. However, it is almost 18.18 percent higher than the price realised in August 2013. Castor meal export price for bulk quantity too has decreased slightly from \$108 to \$107 per tonne. It is higher by 11.46 percent from August, 2013.
- **Market is expected to face short supply of seed in Nov. Out of 15.8 lakh tonne seed available for crushing almost 9.2 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:

- **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 \$1 to \$107 per tonne today.
- **However, price of castor oil in Rotterdam too has decreased from \$1729 to \$1720 per metric tonne during last one week.** Buyers like EU, USA and China remain sidelined.

### Domestic market Outlook: Market is expected to trade weak.

| NCDEX Castor Futures |     |      |      |      |       |        |        | Date:02.09.2014 |        |
|----------------------|-----|------|------|------|-------|--------|--------|-----------------|--------|
| Contract             | +/- | Open | High | Low  | Close | Volume | Change | OI              | Change |
| <b>Sept-14</b>       | 17  | 4024 | 4100 | 3977 | 4049  | 127150 | 10850  | 101104          | -8280  |
| <b>Oct-14</b>        | 5   | 4065 | 4203 | 4034 | 4101  | 110170 | 15670  | 147750          | -2410  |
| <b>Nov-14</b>        | -4  | 4135 | 4249 | 4104 | 4166  | 26340  | -1200  | 85180           | -1325  |

| Spread     | Sept-14 | Oct-14 | Nov-9714 | Dec-14 |
|------------|---------|--------|----------|--------|
| Spot/Deesa |         |        |          |        |
| Oct-14     | 64      |        |          |        |
| Nov-14     |         | 52     |          |        |
| Dec-14     |         |        | 65       |        |

| Stocks  | Demat           | In- Process     | Total           | FED             |
|---------|-----------------|-----------------|-----------------|-----------------|
|         | <b>1.9.2014</b> | <b>1.9.2014</b> | <b>1.9.2014</b> | <b>1.9.2014</b> |
| Bhabhar | 202             | 0               | 202             | 202             |
| Deesa   | 22356           | 231             | 22387           | 22356           |
| Kadi    | 44865           | 90              | 44955           | 44865           |
| 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 02<sup>nd</sup> September 2014

| Commodity   | Center    | Market    | Price (Rs/Q) |           | Change |
|-------------|-----------|-----------|--------------|-----------|--------|
|             |           |           | 2-Sept-14    | 1-Sept-14 |        |
| Castor Seed | Rajasthan | Sumerpur  | 3750         | 3825      | -75    |
|             |           | Jodhpur   | 3700         | 3800      | -100   |
|             | Gujarat   | Rajkot    | 3755         | 3875      | -120   |
|             |           | Gondal    | 3780         | 3930      | -150   |
|             |           | Patan     | 4100         | 4085      | 15     |
|             |           | Deesa     | 3985         | 4050      | -65    |
|             |           | Mehsana   | 4025         | 4025      | Unch   |
|             |           | Kadi      | 4000         | 4000      | Unch   |
|             |           | Ahmedabad | NR           | NR        | -      |

### Castor Seed Daily Arrivals.

| Commodity   | Center               | Market        | Fig. in Quintal |            | Change      |
|-------------|----------------------|---------------|-----------------|------------|-------------|
|             |                      |               | 2-Sept-14       | 1-Sept-14  |             |
| Castor Seed | Rajasthan            | Sumerpur      | 32              | 80         | -48         |
|             |                      | Jodhpur       | 160             | 160        | Unch        |
|             | Gujarat              | Rajkot        | 225             | 150        | 75          |
|             |                      | Gondal        | 112             | 308        | -196        |
|             |                      | Patan         | 3500            | 3505       | -5          |
|             |                      | Deesa         | 285             | 480        | -195        |
|             |                      | Mehsana       | 388             | 320        | 68          |
|             |                      | Kadi          | 360             | Closed     | -           |
|             |                      | Other Gujarat | NA              | NA         | -           |
|             | <b>Total Arrival</b> |               |                 | <b>596</b> | <b>5062</b> |

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