

Castor Domestic Fundamentals:

- **Castor seed and its products continued to reel under pressure due to** offloading of seed by stockists and release of stock in futures contact on bearish outlook. Pressure started building up with increasing coverage area that has reached now at 7.81 lakh ha. The normal area coverage for the whole year is 10.37 lakh ha.. However this year area is likely to increase by 10 percent under normal condition. Seed price should stabilize near Rs 3850-3900 per qtl. in the weeks ahead..
- **Area coverage till 30th 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:03.09.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-14	9	4048	4075	4014	4052	53470	-57850	95940	-8280
Oct-14	14	4099	4128	4066	4108	73240	-37250	141750	-6410
Nov-14	18	4149	4196	4127	4176	19770	-1200	84400	-2325

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
	2.9.2014	2.9.2014	2.9.2014	1.9.2014
Bhabhar	202	0	202	202
Deesa	22557	30	22587	22356
Kadi	44825	80	44905	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 03rd September 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			3-Sept-14	2-Sept-14	
Castor Seed	Rajasthan	Sumerpur	3650	3750	-100
		Jodhpur	3800	3700	100
	Gujarat	Rajkot	3780	3755	25
		Gondal	3580	3780	-200
		Patan	4025	4100	-75
		Deesa	NR	3985	-
		Mehsana	4000	4025	-25
		Kadi	3975	4000	-25
		Ahmedabad	NR	NR	-

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			3-Sept-14	2-Sept-14	
Castor Seed	Rajasthan	Sumerpur	NA	32	-
		Jodhpur	160	160	Unch
	Gujarat	Rajkot	265	225	40
		Gondal	319	112	207
		Patan	3510	3500	10
		Deesa	NR	285	-
		Mehsana	160	388	-228
		Kadi	480	360	20
		Other Gujarat	NA	NA	-
		Total Arrival		596	4894

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