

Castor Domestic Fundamentals:

- **Castor seed traded mixed as expected on Thursday. Prices** in seed market decreased 2.5 to 3 percent in last two days. No major trade has been reported. Bears operators are active. 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:04.09.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-14	-22	4065	4065	4018	4043	40420	-13850	91550	-4280
Oct-14	-23	4119	4119	4069	4096	63580	-6250	138820	-10100
Nov-14	-24	4181	4188	4139	4163	20630	-300	84400	-40

Spread	Sept-14	Oct-14	Nov-9714	Dec-14
Spot/Deesa				
Oct-14	43			
Nov-14		53		
Dec-14			67	

Stocks	Demat	In- Process	Total	FED
	3.9.2014	3.9.2014	3.9.2014	1.9.2014
Bhabhar	202	0	202	202
Deesa	22587	0	22587	22356
Kadi	44905	10	44915	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
			4-Sept-14	3-Sept-14	
Castor Seed	Rajasthan	Sumerpur	3700	3650	50
		Jodhpur	3800	3800	Unch
	Gujarat	Rajkot	3795	3780	15
		Gondal	3630	3580	50
		Patan	4000	4025	-25
		Deesa	4000	NR	-
		Mehsana	3950	4000	-50
		Kadi	4000	3975	25
		Ahmedabad	4050	4025	25

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			4-Sept-14	3-Sept-14	
Castor Seed	Rajasthan	Sumerpur	NA	NA	-
		Jodhpur	160	160	Unch
	Gujarat	Rajkot	480	265	215
		Gondal	300	319	-19
		Patan	3960	3510	450
		Deesa	400	NR	-
		Mehsana	400	160	240
		Kadi	160	480	-320
		Other Gujarat	72	NA	-
		Total Arrival		596	5932

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