

Castor Domestic Fundamentals:

- **As expected cash and future market continued to decline and more dip is expected in the weeks ahead.** Area under castor may cross 10 lakh ha this year. Some damage report from Gujarat is not going to influence price as seed stock is said to be ample at this point of time. Weak demand in domestic and international market remains unsupportive to the cash market fundamentals.
- **Almost 90 percent area under castor seed has been covered so far. As on 5th sept**, area was recorded at 9.27 lakh ha. against 7.55 lakh ha last year till corresponding period. Overall area so far is around 1.7 lakh ha. higher than last year in sept first week. Sowing of castor seed is continues in Gujarat and Andhra Pradesh and some parts of Rajasthan.
- **Castor seed x-mandi price in Gujarat has declined from Rs 40900 per tonne to Rs 40500 per tonne** at previous trading session. Fresh buying at this level is expected and it may support price to some extent. Despite decline in prices, it is still higher from the price prevalent in Sept, 2013, almost 17.82 percent lower than current price.
- **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 \$1415 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 increased slightly from \$107 to \$108 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:

- **Major buyers of meal includes South Korea, Taiwan, Japan, France and China.** They collectively brought 22001 tonne castor meal in August at an average Fob price of \$107 per tonne. In August total meal export declined by 28.80 percent in comparison to August last year. 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 down.

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-14	-13	3985	4009	3910	3980	8070	-43400	9200	-9100
Oct-14	-32	4060	4065	3956	4026	157270	33560	174859	-8570
Nov-14	-35	4130	4133	4024	4097	40250	-19630	90210	720

Spread	Sept-14	Oct-14	Nov-9714	Dec-14
Spot/Deesa				
Oct-14	30			
Nov-14		46		
Dec-14			62	

Stocks	Demat	In- Process	Total	FED
	11.9.2014	11.9.2014	11.9.2014	8.9.2014
Bhabhar	10	0	10	10
Deesa	20163	20	20183	20072
Kadi	41849	20	41869	41829
Patan	43880	311	44191	44745

Castor Seed Daily Prices on 12 September 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			12-Sept-14	11-Sept-14	
Castor Seed	Rajasthan	Sumerpur	3780	3800	-20
		Jodhpur	3700	3700	Unch
	Gujarat	Rajkot	3760	3785	-25
		Gondal	3855	3855	Unch
		Patan	3825	3865	-40
		Deesa	3950	4000	-50
		Mehsana	3925	3950	-25
		Kadi	3875	3900	-25
		Ahmedabad	3425	3900	-475

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			12-Sept-14	11-Sept-14	
Castor Seed	Rajasthan	Sumerpur	NA	NA	-
		Jodhpur	160	160	Unch
	Gujarat	Rajkot	125	380	-255
		Gondal	280	92	188
		Patan	26	70	-44
		Deesa	200	800	-600
		Mehsana	160	160	Unch
		Kadi	240	200	40
		Other Gujarat	9369	7898	1471
	Total Arrival		10560	9760	800

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

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