

Castor Domestic Fundamentals:

- **Smart recovery in cash market was witnessed on Monday as expected.** Bueyrs interest at lower level supported market to recover once again. However, current recovery is not the sign of uptrend at this point of time. Area under castor may touch 10 lakh ha this year. Some damage report from Gujarat is not going to influence price. Market has tried just to recover earlier loss. Overall sentiment still remains bearish.
- **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 also in some parts of Rajasthan.
- **Castor seed x-mandi price in Gujarat has declined from Rs 40750 per tonne to Rs 40900 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 6350 per tonne, moderately higher** (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 \$1415 to \$1405 per tonne in last two days. However, it is almost 17.18 percent higher than the price realised in Sept 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 Sept, 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 increased from \$1720 to \$17209** per metric tonne during last one week. Buyers like EU, USA and China remain sidelined.

Domestic market Outlook: Market is expected to trade steady to slightly down.

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-14	108	3980	4089	3980	4078	4380	-4200	7500	-1700
Oct-14	107	4040	4137	4028	4125	118590	-32590	174330	-570
Nov-14	100	4103	4206	4100	4192	24000	-14630	174330	83240

Spread	Sept-14	Oct-14	Nov-9714	Dec-14
Spot/Deesa				
Oct-14	128			
Nov-14		47		
Dec-14			67	

Stocks	Demat	In- Process	Total	FED
	13.9.2014	13.9.2014	13.9.2014	8.9.2014
Bhabhar	10	0	10	10
Deesa	20183	20	20203	20072
Kadi	41869	0	41869	41829
Patan	42186	111	42297	44745

Castor Seed Daily Prices on 15 September 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			15-Sep-14	13-Sep-14	
Castor Seed	Rajasthan	Sumerpur	3750	3760	-10
		Jodhpur	3750	3700	50
	Gujarat	Rajkot	3745	3745	Unch
		Gondal	3805	3755	50
		Patan	3915	3885	30
		Deesa	3950	3900	50
		Mehsana	3900	3875	25
		Kadi	Closed	3885	-
		Ahmedabad	3850	3840	10

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			15-Sep-14	13-Sep-14	
Castor Seed	Rajasthan	Sumerpur	160	NA	-
		Jodhpur	360	160	200
	Gujarat	Rajkot	335	360	-25
		Gondal	283	150	133
		Patan	495	320	175
		Deesa	320	120	200
		Mehsana	240	200	40
		Kadi	Closed	248	-
		Other Gujarat	8727	6602	2125
		Total Arrival		10920	8160

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

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