

Castor Domestic Fundamentals:

- **Castor seed cash market continued to post smart gains on Tuesday** as buyers started building up position in futures contracts in long month at lower level. Besides, importers have struck castor oil deal at \$1420 per tonne FOB Kandla basis. Quantity in question has not been specified. Last week FOB quote for oil had decreased to \$1405 per tonne. Fresh buying, Report of crop loss from Gujarat too have lent support to castor seed market in cash and future markets. However, uptrend is unlikely to sustain.
- **Area under castor may touch 10 lakh ha this year. 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 increased from Rs 40750 per tonne** to Rs 40900 per tonne from previous trading session. More buying at this level is expected and it may support price to some extent.
- **Castor meal FOR is being quoted at Rs 6400 per tonne, moderately higher** (Rs 6350 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 increased from \$1405 to \$1420 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 \$108 to \$109 per tonne. It is higher by 11.46 percent from Sept, 2013.
- **Market is expected to face short supply of seed mid of Oct. 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. No fresh meal trade has been reported this week.
- **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 steady to slightly firm.

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-14	108	4126	4222	4126	4230	140100	14200	178540	31700
Nov-14	98	4210	4305	4194	4290	33250	9590	89680	21570
Dec-14	92	4300	4379	4272	4366	8720	-	62660	-

Spread	Sept-14	Oct-14	Nov-9714	Dec-14
Spot/Deesa				
Oct-14	185			
Nov-14		60		
Dec-14			76	

Stocks	Demat	In- Process	Total	FED
	15.9.2014	15.9.2014	15.9.2014	15.9.2014
Bhabhar	10	0	10	10
Deesa	20183	20	20203	20183
Kadi	41869	0	41869	41869
Patan	42287	10	42297	42287

Castor Seed Daily Prices on 16 September 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			16-Sep-14	15-Sep-14	
Castor Seed	Rajasthan	Sumerpur	3825	3750	75
		Jodhpur	3800	3750	50
	Gujarat	Rajkot	3780	3745	35
		Gondal	3905	3805	100
		Patan	4010	3915	95
		Deesa	4045	3950	95
		Mehsana	3965	3900	65
		Kadi	3950	Closed	-
		Ahmedabad	4000	3850	150

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			16-Sep-14	15-Sep-14	
Castor Seed	Rajasthan	Sumerpur	24	160	-136
		Jodhpur	400	360	40
	Gujarat	Rajkot	650	335	315
		Gondal	324	283	41
		Patan	890	495	395
		Deesa	1472	320	1152
		Mehsana	240	240	Unch
		Kadi	380	Closed	-
		Other Gujarat	8044	8727	-683
	Total Arrival			12424	10920

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

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