

Castor Domestic Fundamentals:

- **Overall firm sentiments witnessed in major spot markets of castor seed on Wednesday.**
- There is a clear indication that castor crop loss in Gujarat is more than 25/30 percent due to excessive rains last week and it has lent strong support to cash market fundamentals. A chance of resowing is very remote as farmers would prefer to sow mustard crop in that area. If it happens so firmness in castor market may continue. Cash and future markets are on Bull Run. However, clear picture would emerge by the fourth week of Sept.
- **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 firm.

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-14	- 39.00	4190.00	4203.00	4150.00	4150.00	9190	720	12750	1010
Oct-14	- 37.00	4225.00	4230.00	4182.00	4188.00	128700	-11420	174250	-5320
Nov-14	- 39.00	4291.00	4292.00	4244.00	4251.00	35170	1920	90010	490

Spread	Sept-14	Oct-14	Nov-14	Dec-14
Spot/Deesa				
Oct-14	-80			
Nov-14		38		
Dec-14			63	

Stocks	Demat	In- Process	Total	FED
	16.9.2014	16.9.2014	16.9.2014	15.9.2014
Bhabhar	10	0	10	10
Deesa	18367	0	18367	20183
Kadi	40807	20	40827	41869
Patan	41215	142	41357	42287

Castor Seed Daily Prices on 17 September 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			17-Sep-14	16-Sep-14	
Castor Seed	Rajasthan	Sumerpur	3850	3825	25
		Jodhpur	3800	3800	Unch
	Gujarat	Rajkot	3825	3780	45
		Gondal	3880	3905	-25
		Patan	4070	4010	60
		Deesa	4070	4045	25
		Mehsana	4050	3965	85
		Kadi	4025	3950	75
		Ahmedabad	4050	4000	50

Castor Seed Daily Arrivals.

Commodity	Center	Market	Fig. in Quintal		Change
			17-Sep-14	16-Sep-14	
Castor Seed	Rajasthan	Sumerpur	48	24	24
		Jodhpur	160	400	-240
	Gujarat	Rajkot	320	650	-330
		Gondal	434	324	110
		Patan	2470	890	1580
		Deesa	920	1472	-552
		Mehsana	320	240	80
		Kadi	480	380	100
		Other Gujarat	6256	8044	-1788
		Total Arrival		11408	12424

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

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