

Castor Domestic Fundamentals:

- **Cash castor market could not sustain at previous level** despite smart gains in futures contract on Wednesday. Prices in major markets declined in the range of RS 20 to Rs 65 oer qtl. As Sept cutting is due market may rule lower on next trading session. Crop loss in Gujarat may remain supportive for the cash market in the weeks ahead. Market participant says that loss be in the range of 30 percent and farmers in these area may prefer to sow mustard seed. However, resowing opportunity is still there. Market participant need have a close eye on it.
- **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 steady to slightly down.

| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
|----------------|-----|------|------|------|-------|--------|--------|--------|--------|
| Sept-14 | 90 | 4161 | 4296 | 4150 | 4262 | 7430 | -620 | 10080 | 3100 |
| Oct-14 | 66 | 4190 | 4295 | 4173 | 4266 | 168700 | 7625 | 178930 | 3570 |
| Nov-14 | 62 | 4258 | 4350 | 4236 | 4323 | 40950 | 330 | 89510 | 320 |

| Spread | Sept-14 | Oct-14 | Nov-9714 | Dec-14 |
|------------|---------|--------|----------|--------|
| Spot/Deesa | | | | |
| Oct-14 | 195 | | | |
| Nov-14 | | 4 | | |
| Dec-14 | | | 57 | |

| Stocks | Demat | In- Process | Total | FED |
|---------|-----------|-------------|-----------|-----------|
| | 17.9.2014 | 17.9.2014 | 17.9.2014 | 15.9.2014 |
| Bhabhar | 10 | 0 | 10 | 10 |
| Deesa | 18117 | 20 | 18137 | 20183 |
| Kadi | 39813 | 50 | 39863 | 41869 |
| Patan | 40489 | 142 | 40631 | 42287 |

Castor Seed Daily Prices on 18 September 2014

| Commodity | Center | Market | Price (Rs/Q) | | Change |
|-------------|-----------|-----------|--------------|-----------|--------|
| | | | 18-Sep-14 | 17-Sep-14 | |
| Castor Seed | Rajasthan | Sumerpur | 3850 | 3850 | Unch |
| | | Jodhpur | 3800 | 3800 | Unch |
| | Gujarat | Rajkot | 3760 | 3825 | -65 |
| | | Gondal | 3880 | 3880 | Unch |
| | | Patan | 4025 | 4070 | -45 |
| | | Deesa | 4050 | 4070 | -20 |
| | | Mehsana | 3990 | 4050 | -60 |
| | | Kadi | 4000 | 4025 | -25 |
| | | Ahmedabad | 4050 | 4050 | Unch |

Castor Seed Daily Arrivals.

| Commodity | Center | Market | Fig. in Quintal | | Change |
|-------------|---------------|---------------|-----------------|-----------|--------|
| | | | 18-Sep-14 | 17-Sep-14 | |
| Castor Seed | Rajasthan | Sumerpur | NA | 48 | - |
| | | Jodhpur | 160 | 160 | Unch |
| | Gujarat | Rajkot | 560 | 320 | 240 |
| | | Gondal | 367 | 434 | -67 |
| | | Patan | 1695 | 2470 | -775 |
| | | Deesa | 560 | 920 | -360 |
| | | Mehsana | 200 | 320 | -120 |
| | | Kadi | 280 | 480 | -200 |
| | | Other Gujarat | 6738 | 6256 | 482 |
| | Total Arrival | | 10560 | 11408 | -848 |

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

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