

Castor Domestic Fundamentals:

- **Cash market trades mixed on Thursday amid uncertainty over private holdings**, incoming crop size and unstable local demands for castor products. The year (Jan to Dec) may end up with 4 lakh tonne oil export, lower by 15 percent from last year. Arrival pressure from new crop is awaited and production is expected to be higher by at least by 3 lakh tonne from previous year(as per trade figures). Private holding is higher than expectation and bearish outlook is a visible possibility in the weeks to come.
- **The main reason for current firmness is stock holding. Major portion of stock is** in strong hands and stake holders are dragging market up in their own interest. Overall sentiment remains bearish and market may dip after current month's settlement. Price is artificially at higher level and demand has decreased in the past weeks.
- **Castor oil export from India is bound to dip by 15 percent in comparison** to last year as major buyers like China has reduced its buying considerably in 2014. Market participants expect around 4 lakh tonne castor oil export in current MY while India has exported 4.79 lakh tonne oil last year(2013).
- **Castor Meal Export (FAS), Ex –Kandla traded up by \$5** to \$140 per tonne as compared to last week. It is 22.86 percent higher from the price of Dec 2013.
- **Castor seed oil export price has decreased slightly in last four weeks** and it is now being quoted at \$1470 per tonne. New castor crop would start hitting the market by the end of December but it would not impact the price due to lower volume of arrivals.
- **Area under castor seed was recorded at 10.35 lakh ha. on 10th Oct ,2014** against 9.84 lakh ha covered in last year. It is 52 thousand ha higher than last year. Area in Gujarat was recorded at 7.33 lakh ha against 6.22 lakh ha last year. However, area has decreased in Rajasthan from 1.92 to 1.49 lakh ha this year.

International Market Update:

- **In the month of Nov India exported 6839.27 MT castor seed cake** at an average price of \$145.11 per tonne. Taiwan emerged as a major buyer in the month of Nov.
- **Buyers from EU, China and Japan are expected to restrict their buyings** and only need based buying may be seen in the near term. Buyers are trying to analyse new crop size and improvement in arrivals at this point of time.
- **Last week FOB quotes in Kandla hovered at \$1470 per tonne.** It may stay steady from current level. No fresh trade was reported at this level today. Demand for oil has decreased considerably in last two months.

Domestic market Outlook: Market is expected to stay steady to slightly weak.

NCDEX Price Date:18.12.2014									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-14	22	4736	4760	4720	4738	8330	-11870	15400	-4250
Jan-15	28	4755	4794	4746	4772	48100	-91270	341130	-3300
Feb-15	25	4600	4600	4567	4595	5180	-22150	56120	

Spread	Dec-14	Jan-15	Feb-15	Mar-15
Spot/Deesa				
Dec-14	78			
Jan-15		36		
Feb-15			-177	

Stocks	Demat	In- Process	Total	FED
	17-Dec-14	17-Dec-14	17-Dec-14	15-Dec-14
Bhabhar	1199	0	1199	1199
Deesa	25497	494	25991	24756
Kadi	80301	3755	84056	76039
Patan	81513	4460	85973	72990

Castor Seed Daily Prices on 18 December 2014

Commodity	Center	Market	Price (Rs/Q)		Change
			18-Nov-14	17-Dec-14	
Castor Seed	Rajasthan	Sumerpur	4080	4050	30
		Jodhpur	4100	NR	-
	Gujarat	Rajkot	4250	4080	170
		Gondal	NR	4180	-
		Patan	4525	4580	-55
		Deesa	4660	4620	40
		Mehsana	4375	4350	25
		Kadi	4425	4450	-25
		Ahmedabad	4600	4650	-50

Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			18-Nov-14	17-Dec-14	
Castor Seed	Rajasthan	Sumerpur	212	100	112
		Jodhpur	160	NR	-
	Gujarat	Rajkot	265	250	15
		Gondal	NR	181	-
		Patan	5780	4477	1303
		Deesa	2002	1726	276
		Mehsana	560	400	160
		Kadi	1360	1200	160
		Other Gujarat	2033	6166	-4143
Total Arrival			12372	14500	-2128

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

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