

Castor Domestic Fundamentals: Rajat

- **As expected castor seed market could not maintain its upward** momentum and finally decreased towards previous level. Major buyers too would not allow market to go up and they may restrict themselves from any aggressive buying at this point of time. Buyers say that market should stabilize around Rs 3500 per qtl. in April.
- **Bearish phase is likely to continue till May as crop size is higher** this year by 2 lakh tonne to around 13.5 lakh tonne. If we add carryout of around 6 lakh tonne, it brings total availability to 19.5 lakh tonne against the actual annual crushing requirement of 12 lakh tonne. It hints ample surplus for the whole year.
- **Likely arrival pressure, stockists unwillingness to buy for stock** purpose at current level and planters need based buying remain unsupportive to the cash market fundamentals for seed. Major importers like China,EU and US are not in a hurry to go for bulk buying as they are well aware of the emerging market scenario.
- **All India production estimates for the year 2014-15 range between** 12. 95 to 13.78 lakh tonne as was presented in the castor conference, Ahmedabad on 21st Feb,2015. This clearly indicates that production would be over 13 lakh tonne and with 5.5 to 6 lakh tonne carry out total availability would be around 18.5 to 19 lakh tonne this year. Agriwatch projects 14 lakh tonne seed production this year, over 2 lakh tonne higher than previous year.
- **Even bull operators would allow market to decrease around Rs 3000 per qtl.** so that they drive market up in the second half of the year. With all these developments bearish phase is likely continue till mid May. Market participants may expect recovery in the second half of the year.
- **Castor Oil FoB Kandla was traded at \$1190 per tonne and more** dip is expected in the month of March. During last one month it has decreased from \$1410 to \$1190 per tonne, almost \$220 lower than Jan quote. In Feb 2014 it was ruling at \$1355 per tonne, higher by 12.88 percent from Feb 2015 price.

International Market Update:

- **The weak economic scenario in China and Europe has reflected** in castor oil export volume in 2014. China imported 24 percent lower oil in 2014 in comparison to 2013. This year Chinese buying may decrease further and import volume may touch 1.5 lakh tonne under normal condition. Even Europe may end up with 1.10 lakh tonne oil import in 2015. Some recovery is expected from US, however it would be lower than the import of 2013.
- **Castor oil in Rotterdam decreased from \$1700 to \$1525 per tonne in last** one month and may touch \$1500 per tonne in the month of March. Pressure on Indian market and decreasing trend continue to impact global market in the weeks ahead.

Domestic market Outlook: Market is likely to trade steady to weak.

NCDEX Price Date:18.03.2015 (Price taken at 5 .00pm)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
15-Mar	-5	3660	3682	3654	3665	26840	-3200	158000	30070
15-Apr	-10	3725	3735	3710	3721	4620	-22840	42700	-23245
15-May	-4	3759	3775	3753	3770	2050	-1475	18230	17,680

Spread	15-Mar	15-Apr	15-May	15-Jun
Spot/Patan				
15-Mar	-115			
15-Apr		56		
15-May			49	

NCDEX Warehouse Stocks (in MT):- as on Mar 17, 2015			
Stocks	Demat	In- Process	Total
Bhabhar	1500	0	1500
Deesa	47557	40	47597
Kadi	224205	161	224366
Patan	170222	131	170353

NCDEX Castor FED Wise Stock Position (Qty in MT) on Mar 16, 2015					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-Mar-15	-	-	19859	22282	42141
5-Apr-15	765	11246	28497	23379	63887
5-May-15	434	7246	33334	37343	78357
5-Jun-15	-	7186	129375	78538	215099
5-Jul-15	129	17639	10506	7095	35369
5-Aug-15	121	2652	-	-	2773
5-Sep-15	51	1478	2634	1484	5647
Total	1500	47447	224205	170121	443273

Castor Seed Daily Prices on 18 March 2015

Commodity	Center	Market	Price (Rs/Q)		Change
			18-Mar-15	17-Mar-15	
Castor Seed	Rajasthan	Sumerpur	3375	3375	Unch
		Jodhpur	3400	3400	Unch
	Gujarat	Rajkot	3450	3545	-95
		Gondal	3530	3605	-75
		Patan	3550	3650	-100
		Deesa	3500	3555	-55
		Mehsana	3475	3500	-25
		Kadi	3500	3550	-50
		Harij	3500	3525	-25
		Sabarkatha	3525	3550	-25
		Gandhi Nagar	3525	3550	-25
		Bhabar	3490	3525	-35
		Halwad	4000	3400	600
		Ahmedabad	3175	3300	-125

Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			18-Mar-15	17-Mar-15	
Castor Seed	Rajasthan	Sumerpur	1200	1200	Unch
		Jodhpur	150	200	-50
	Gujarat	Rajkot	800	840	-40
		Gondal	455	409	46
		Patan	6000	3000	3000
		Deesa	746	1215	-469
		Mehsana	560	400	160
		Kadi	2240	2400	-160
		Harij	525	525	Unch
		Sabarkatha	375	450	-75
		Gandhi Nagar	525	450	75
		Bhabar	1421	1633	-212
		Halwad	375	525	-150
		Other Gujarat	21199	31736	-10537
	Total Arrival		36571	44983	-8412

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

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