

Castor Domestic Fundamentals: Rajat

- **Buyers increased interest at lower level and restricted arrivals** helped market to recover once again on Thursday. However, inner tone remains weak and downward correction is expected once again. 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:19.03.2015 (Price taken at 5.00pm)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
15-Mar	-21	3659	3660	3651	3590	7200	-23200	8800	-41070
15-Apr	-9	3688	3768	3651	3659	12810	11840	158120	-13245
15-May	-6	3743	3870	3709	3707	7900	2475	42880	17,680

Spread	15-Mar	15-Apr	15-May	15-Jun
Spot/Deesa				
15-Mar	-40			
15-Apr		69		
15-May			48	

NCDEX Warehouse Stocks (in MT):- as on Mar 18, 2015			
Stocks	Demat	In- Process	Total
Bhabhar	1500	0	1500
Deesa	47598	50	47648
Kadi	224335	40	224375
Patan	170272	81	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 19 March 2015

Commodity	Center	Market	Price (Rs/Q)		Change
			19-Mar-15	18-Mar-15	
Castor Seed	Rajasthan	Sumerpur	3400	3375	25
		Jodhpur	3400	3400	Unch
	Gujarat	Rajkot	3505	3450	55
		Gondal	3555	3530	25
		Patan	3525	3550	-25
		Deesa	3550	3500	50
		Mehsana	3500	3475	25
		Kadi	3525	3500	25
		Harij	3525	3500	25
		Sabarkatha	3550	3525	25
		Gandhi Nagar	3550	3525	25
		Bhabar	3535	3490	45
		Halwad	3450	4000	-550
		Ahmedabad	3200	3175	25

Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			19-Mar-15	18-Mar-15	
Castor Seed	Rajasthan	Sumerpur	1200	1200	Unch
		Jodhpur	100	150	-50
	Gujarat	Rajkot	860	800	60
		Gondal	339	455	-116
		Patan	4500	6000	-1500
		Deesa	842	746	96
		Mehsana	400	560	-160
		Kadi	1360	2240	-880
		Harij	525	525	Unch
		Sabarkatha	375	375	Unch
		Gandhi Nagar	450	525	-75
		Bhabar	1184	1421	-237
		Halwad	300	375	-75
		Other Gujarat	31699	21199	10500
		Total Arrival		44134	36571

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

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