

### Castor Domestic Fundamentals: Rajat

- **Report of crop loss did not lend any support to cash market and it dipped once again on Friday as expected earlier.** Inner tone still remains weak and downward correction is expected once again. Trading activities will remain weak as most of the traders are busy in March closing. 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 21<sup>st</sup> 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 to 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: 21.03.2015 (Price taken at 5.00pm)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
15-Mar	53	3618	3660	3618	3660	7200	-23200	8800	-41070
15-Apr	31	3655	3693	3651	3690	12810	11840	158120	-13245
15-May	27	3712	3760	3712	3738	7900	2475	42880	17,680

Spread	15-Mar	15-Apr	15-May	15-Jun
Spot/Deesa				
15-Mar	-185			
15-Apr		30		
15-May			48	

NCDEX Warehouse Stocks (in MT):- as on Mar 19, 2015			
Stocks	Demat	In- Process	Total
Bhabhar	1500	0	1500
Deesa	47598	80	47678
Kadi	224345	231	224576
Patan	170282	101	170383

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 20 March 2015

Commodity	Center	Market	Price (Rs/Q)		Change
			20-Mar-15	19-Mar-15	
Castor Seed	Rajasthan	Sumerpur	3400	3400	Unch
		Jodhpur	3400	3400	Unch
	Gujarat	Rajkot	3545	3505	40
		Gondal	3530	3555	-25
		Patan	3500	3525	-25
		Deesa	3525	3550	-25
		Mehsana	3500	3500	Unch
		Kadi	3525	3525	Unch
		Harij	3530	3525	5
		Sabarkatha	3525	3550	-25
		Gandhi Nagar	3525	3550	-25
		Bhabar	3535	3535	Unch
		Halwad	3500	3450	50
		Ahmedabad	3500	3200	300

## Castor Seed Daily Arrivals

Commodity	Center	Market	Fig. in Quintal		Change
			20-Mar-15	19-Mar-15	
Castor Seed	Rajasthan	Sumerpur	1120	1200	-80
		Jodhpur	1120	100	1020
	Gujarat	Rajkot	750	860	-110
		Gondal	343	339	4
		Patan	5000	4500	500
		Deesa	1200	842	358
		Mehsana	400	400	Unch
		Kadi	2452	1360	1092
		Harij	450	525	-75
		Sabarkatha	375	375	Unch
		Gandhi Nagar	525	450	75
		Bhabar	1578	1184	394
		Halwad	225	300	-75
		Other Gujarat	33855	31699	2156
	Total Arrival		49393	44134	5259

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

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