

Castor Domestic Fundamentals:

- **Cash markets recover slightly on Saturday and may move further up** from current level as buyers may prefer to stock at this level. Arrival from new crop is expected to remain at lower ebb as farmers would not sell seed below Rs 600 per 20 kg. Overall sentiment remains firm.
- **SEBI has sought explanation from commodities derivative exchange NCDEX** in the matter of castor seed contracts, whose futures trading was suspended with immediate effect yesterday. NCDEX has been asked to explain what were the factors that led to suspension of trading and also the measures that were being taken by the exchange while positions were built up in that commodity. The Securities and Exchange Board of India has also sought details about the risk management measures in place at the commodity exchange.
- **Now farmers may avoid selling seed below Rs600 per 20 kg and it may support cash market to stay steady.** According to a senior Sebi official no issues existed at the broker level amid talks of fallout from client level default on a few exchange brokers. Cash market should stabilize around Rs 2800/ 2850 per qtl.
- **Castor oil export from India decreases by 39.22 % to 4026.41tonne during the week ended 25th Jan-2016.** Average FoB quote realized during the week is lower by 4.01% from previous week at \$1258.49 per tonne. The gap between the highest and the lowest quotes is higher by \$700 per tonne.
- **As Per Gujarat Agriculture Directorate latest update castor seed production in Gujarat may decrease by 13 % this year to 12.66 lakh tonne.** Gujarat had produced 14.56 lakh tonne seed last year. It is second advance estimate by agri state directorate. In first adv estimate production were pegged at 14.68 lakh tonne. Lower production estimate may hamper declining trend in seed price.
- **Agriculture statistics Division, DES has released its 1st Adv estimates of Production** of food-grains for 2015-16 on 16.09.2015. It has estimated 19.44 lakh tonne seed production this year. The production target for 2015-16 has been fixed at 20.34 lakh ton. India has produced 19.63 lakh tonne castor seed in 2014-15 as per revised 1st Adv estimate. Private trade estimate for the year is much lower and is between 15 to 16 lakh tonne for 2015-16. However, it is too early to talk about the final size as sowing is just over.

International Market Update:

- **China may plan to make inventory at current level while domestic farmers** would not sell seed at current price. Till then old stock might be used stored out in warehouses. So Agriwatch expects market to stay steady and it may move up April onward once again. Oil FoB quote may range \$950 to \$1000 per tonne in the near term.
- **India Castor oil in Rotterdam decreased from \$1345 to \$1284 per tonne** in last one week and may trade up in the weeks ahead. It was being traded at \$1530 per tonne in (Dec, 2nd week), 2015.

Domestic market Outlook: Market is likely to trade steady to slightly firm in the short term.

| NCDEX Castor Futures | | | | | | | Date: 27.01.2016 | | |
|----------------------|---------|---------|---------|---------|---------|--------|------------------|--------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| Feb-16 | -194.00 | 3264.00 | 3264.00 | 3051.00 | 3051.00 | 35000 | -24250 | 283600 | -13250 |
| Mar-16 | -196.00 | 3318.00 | 3181.00 | 3082.0 | 3082.0 | 43130 | -17650 | 103560 | 17250 |
| Apr-16 | -199.00 | 3503.00 | 3510.00 | 3375.00 | 3375.00 | 29300 | 2450 | 42190 | 12350 |

Note: Castor Seed Contracts suspended on 27th Jan-2016

| Spread | 16-Jan | 16-Feb | 16-Mar |
|--------|--------|--------|--------|
| Patan | | | |
| Feb-16 | | | |
| Mar-16 | | | |
| Apr-16 | | | |

| NCDEX Warehouse Stocks (in MT):- as on Jan 29, 2016 | | | |
|---|-------|-------------|-------|
| Stocks | Demat | In- Process | Total |
| Bhabhar | 1702 | 0 | 1702 |
| Deesa | 16212 | 31 | 16243 |
| Kadi | 58091 | 468 | 58559 |
| Patan | 82124 | 130 | 82254 |

| NCDEX Castor FED Wise Stock Position (Qty in MT) on January 25, 2016 | | | | | |
|--|---------|-------|-------|-------|--------|
| FED | Bhabhar | Deesa | Kadi | Patan | Total |
| 5-Feb-16 | 60 | 2324 | 4809 | 5850 | 13043 |
| 5-Mar-16 | 958 | 3098 | 11256 | 14161 | 29473 |
| 5-Apr-16 | 292 | 534 | 5782 | 8526 | 15134 |
| 5-May-16 | 393 | 4665 | 17776 | 18313 | 41147 |
| 5-Jun-16 | 30 | 1448 | 5972 | 7141 | 14591 |
| 5-Jul-16 | 40 | 6500 | 13842 | 29840 | 50222 |
| 5-Aug-16 | | 432 | 969 | 1504 | 2905 |
| Total | 1773 | 19001 | 60406 | 85335 | 166515 |

Castor Seed Prices at Key Spot Markets:

| Commodity/Center | Market | Price (Rs/ Quintal) | | | | Change |
|------------------|--------------------|---------------------|------|-----------|------|--------|
| | | 30-Jan-16 | | 29-Jan-16 | | |
| | Castor Seed | Low | High | Low | High | |
| Gujarat | Patan | 2900 | 3075 | 2900 | 3000 | 75 |
| | Harij | 2975 | 3000 | 2950 | 2975 | 25 |
| | Rajkot | 2625 | 2910 | 2655 | 2945 | -35 |
| | Gondal | 3055 | 3105 | 2555 | 3005 | 100 |
| | Deesa | 2930 | 3015 | 2975 | 3000 | 15 |
| | Bhabar | 2950 | 3010 | 2975 | 3005 | 5 |
| | Mehsana | 2950 | 2985 | 2925 | 2960 | 25 |
| | Kadi | 2925 | 3015 | 2925 | 3010 | 5 |
| | Sabarkatha | 2950 | 3000 | 2950 | 2975 | 25 |
| | Gandhi Nagar | 2950 | 3025 | 3025 | 3075 | -50 |
| | Ahmedabad (Sanand) | 2935 | 3000 | 3050 | 3055 | -55 |
| | Halvad | 2950 | 3025 | 3000 | 3050 | -25 |
| | Junagadh | 2900 | 3020 | 2900 | 3070 | -50 |
| | Dhrol | 2765 | 3000 | NA | NA | - |
| | Rajasthan | Jodhpur | 3200 | 3200 | 3200 | 3200 |
| Sumerpur | | 2850 | 2850 | 2900 | 2900 | -50 |

Castor Seed Arrivals in Key Centers:

| Center | Market | Fig. in Quintal | | Change |
|------------------------------|--------------------|-----------------|-----------|--------|
| | | 30-Jan-16 | 29-Jan-16 | |
| Gujarat | Patan | 750 | 675 | 75 |
| | Harij | 375 | 675 | -300 |
| | Rajkot | 150 | 250 | -100 |
| | Gondal | 160 | 52 | 108 |
| | Deesa | 121 | 800 | -679 |
| | Bhabar | 1152 | 1192 | -40 |
| | Mehsana | 80 | 56 | 24 |
| | Kadi | 960 | 880 | 80 |
| | Sabarkatha | 150 | 37.5 | 113 |
| | Gandhi Nagar | 150 | 150 | Unch |
| | Ahmedabad (Sanand) | 8 | 16 | -8 |
| | Halvad | 187.5 | 300 | -113 |
| | Junagadh | 30 | 25 | 5 |
| | Dhrol | 2 | NA | - |
| Rajasthan | Jodhpur | 24 | 24 | Unch |
| | Sumerpur | 40 | 160 | -120 |
| Total Arrivals/Above Markets | | 4339 | 5292 | -953 |

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

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.