

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 27<sup>th</sup> 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
<b>Total</b>	<b>1773</b>	<b>19001</b>	<b>60406</b>	<b>85335</b>	<b>166515</b>

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		30-Jan-16		29-Jan-16		
		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	Unch
	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
<b>Total Arrivals/Above Markets</b>		<b>4339</b>	<b>5292</b>	<b>-953</b>

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

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