

Castor Domestic Fundamentals:

- **Downward pressure continues on cash seed markets ahead** of new crop. Arrivals have started. However buyers are unwilling to buy as inner tone remains weak. Major buyers expect market to come down by Rs 200 per qtl more from current level. However, it remains to be seen whether farmers release stock at lower price. Pressure may continue on market and it may trade lower in the rest of weeks
- **Traders/stockiests are waiting for production and demand data to be released** in Ahmadabad on 13 February-2016 in global castor conference. Production is expected to increase this year from 13 to 15 lakh tonne this year.
- **In a latest move NCDEX has banned atleast four members to take any fresh position till ongoing investigation about their role in manipulation in castor seed contracts.** These are trading members of Mid India Commodities, Investsmart Commodities, Neer-Ocean Multitrade and Leo Global Commodities. NCDEX has suspended trading in all castor seed contracts last week and decided to settle them on the closing price of January 27. If any members and its firm are found guilty of violations of regulations of the exchange shall be strictly dealt with in accordance with the provisions.
- **India exported 10014.14 tonne castor oil during the week ended 7th Feb -2016.** Average price realized at the rate of \$1193.83 per tonne. Price realization has decreased 1.8% in comparison to last week. However, volume remains almost same as last week. Export demand is likely to continue as prices are ruling at lower level. Buyers are taking advantage of emerging scenario, as crop too is higher this year.
- **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 weak 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 Feb 8, 2016 | | | |
|----------------------------------------------------|-------|-------------|-------|
| Stocks | Demat | In- Process | Total |
| Bhabhar | 946 | 0 | 946 |
| Deesa | 10101 | 0 | 10101 |
| Kadi | 39734 | 0 | 39734 |
| Patan | 55268 | 0 | 55268 |

| NCDEX Castor FED Wise Stock Position (Qty in MT) on February 8, 2016 | | | | | |
|----------------------------------------------------------------------|---------|-------|-------|-------|--------|
| FED | Bhabhar | Deesa | Kadi | Patan | Total |
| 5-Mar-16 | 393 | 2042 | 9483 | 8839 | 20757 |
| 5-Apr-16 | 221 | 291 | 3951 | 4467 | 8930 |
| 5-May-16 | 302 | 3239 | 12663 | 12755 | 28959 |
| 5-Jun-16 | 30 | 1045 | 4071 | 5064 | 10210 |
| 5-Jul-16 | | 3134 | 8707 | 22790 | 34631 |
| 5-Aug-16 | | 350 | 859 | 1353 | 2562 |
| Total | 946 | 10101 | 39734 | 55268 | 106049 |

Castor Seed Prices at Key Spot Markets:

| Commodity/Center | Market | Price (Rs/ Quintal) | | | | Change |
|------------------|--------------------|---------------------|------|----------|------|--------|
| | | 9-Feb-16 | | 8-Feb-16 | | |
| | Castor Seed | Low | High | Low | High | |
| Gujarat | Patan | 2975 | 3050 | 3050 | 3250 | -200 |
| | Harij | 3025 | 3060 | 3000 | 3060 | Unch |
| | Rajkot | NA | NA | NA | NA | - |
| | Gondal | 2705 | 3030 | 2250 | 3180 | -150 |
| | Deesa | 2965 | 3040 | 3000 | 3000 | 40 |
| | Bhabar | 2975 | 3050 | 3000 | 3060 | -10 |
| | Mehsana | 2975 | 3025 | 3000 | 3025 | Unch |
| | Kadi | 2900 | 3050 | 3000 | 3070 | -20 |
| | Sabarkatha | 3050 | 3100 | 3075 | 3125 | -25 |
| | Gandhi Nagar | 3025 | 3085 | 3025 | 3125 | -40 |
| | Ahmedabad (Sanand) | 2880 | 2975 | NR | NR | - |
| | Halvad | 2925 | 3000 | 3000 | 3050 | -50 |
| | Junagadh | 2900 | 3155 | 3000 | 3090 | 65 |
| | Dhrol | NA | NA | 2920 | 3000 | - |
| Rajasthan | Jodhpur | 3000 | 3000 | 3050 | 3050 | -50 |
| | Sumerpur | 2850 | 2900 | 2850 | 2900 | Unch |

Castor Seed Arrivals in Key Centers:

| Center | Market | Fig. in Quintal | | Change |
|------------------------------|--------------------|-----------------|----------|--------|
| | | 9-Feb-16 | 8-Feb-16 | |
| Gujarat | Patan | 600 | 975 | -375 |
| | Harij | 675 | 675 | Unch |
| | Rajkot | NA | NA | - |
| | Gondal | 150 | 210 | -60 |
| | Deesa | 873 | 800 | 73 |
| | Bhabar | 975 | 1050 | -75 |
| | Mehsana | 80 | 80 | Unch |
| | Kadi | 1600 | 1320 | 280 |
| | Sabarkatha | 187.5 | 150 | 38 |
| | Gandhi Nagar | 263 | 338 | -75 |
| | Ahmedabad (Sanand) | 25 | NR | - |
| | Halvad | 225 | 188 | 38 |
| | Junagadh | 25 | 20 | 5 |
| | Dhrol | NA | 12 | - |
| Rajasthan | Jodhpur | 20 | 8 | 12 |
| | Sumerpur | 40 | 160 | -120 |
| Total Arrivals/Above Markets | | 5738 | 5985 | -247 |

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

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