

**Castor Domestic Fundamentals:**

- **Market fundamentals and recent developments hint that the year will** remain favorable for castor oil consumers as upside potential is very limited in the short to medium term. Speculators have burnt their fingers and would prefer to remain sidelined in futures if futures contracts are re-launched. Under current condition castor business may revert to fundamental good demand -supply equations.
- **The recent events leading to the banning of the castor contracts by commodity** exchange has the potential to change the rules of the game. Price discovery would no longer be easy and transparent. Pressure may continue on seed and oil market.
- **Agricultural Statistics Division, Directorate of Economics & Statistics, India** has revised its Second Adv estimate for foodgrains and estimated 17.27 lakh tonne castor seed production for 2015-16 crop year, to be marketed in MY 2016-17. The production target for the year had been fixed at 20.34 lakh tonne. India had produced 18.70 lakh tonne castor seed last year as per final estimate by DES.. Against this private estimates hinges in the range of 14 to 15 lakh tonne for this year.
- **India exported 14035.49 T castor oil during week ended 21st Feb-2016** at an average price of \$1162.67 per tonne. It is higher by 35% from previous week. However price realization increased only by 0.96 % from last week. The minimum and maximum prices were registered at \$3374 and 679.80 per tonne. Castor oil export would continue to grow as prices are lower and availability is higher.
- **Total area under Castor crop in Gujarat for the year 2015-16 is 781,000** hectares as per the Government's estimates. It has increased by 6 % as compared to the previous year, which was 734,000 hectares according to Government's estimates.
- **Total area under Castor crop in India for the year 2015-16 is 1,136,300 hectares.** Estimated total production of Castor Seeds in India for the year 2015-16 would be 13,97,000 tonnes (Area as per Government Area Estimates) Average yield for the year 2015-16 is 1229 kg/hectare.

**International Market Update:**

- **Price Of Indian FSG castor oil to China main port decreased from \$1200 to \$960 per tonne** in a very short time, commencing from early Decemebr-2015. The present price level, the lowest in 8 years has encouraged use of castor oil in different ranges of applications. China may increase its application of castor oil in different products like sebacis acid, HCO/12HSA, adhesive ,printing ink etc.
- **Castor oil in Rotterdam decreased from \$1284 to \$1190 per tonne** in last one week and may trade down in the weeks ahead.

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

NCDEX Castor Futures							Date: 13.02.2016		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Feb-16</b>	-	-	-	-	-	-	-	-	-
<b>Mar-16</b>	-	-	-	-	-	-	-	-	-
<b>Apr-16</b>	-	-	-	-	-	-	-	-	-

**Note: Castor Seed Contracts suspended on 27<sup>th</sup> Jan-2016**

Spread	16-Jan	16-Feb	16-Mar
<b>Patan</b>			
<b>Feb-16</b>			
<b>Mar-16</b>			
<b>Apr-16</b>			

**NCDEX Warehouse Stocks (in MT):- as on Feb 23, 2016**

Stocks	Demat	In- Process	Total
Bhabhar	846	0	846
Deesa	5831	0	5831
Kadi	30856	0	30856
Patan	38901	0	38901

NCDEX Castor FED Wise Stock Position (Qty in MT) on February 22, 2016					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-Mar-16	393	1679	6470	6093	14635
5-Apr-16	221	241	2877	3482	6821
5-May-16	202	1293	10606	8552	20653
5-Jun-16	-	934	3637	3897	8468
5-Jul-16	-	1745	8214	17835	27794
5-Aug-16	30	340	539	1133	2042
Total	846	6232	32343	40992	80413

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		24-Feb-16		23-Feb-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	2800	3085	2900	3040	45
	Harij	3000	3025	3000	3025	Unch
	Rajkot	2595	2930	2600	2930	Unch
	Gondal	2780	3130	2830	3130	Unch
	Deesa	2950	3000	2975	3025	-25
	Bhabar	2975	3020	2950	3025	-5
	Mehsana	2975	3000	2950	3000	Unch
	Kadi	2950	3025	2950	3050	-25
	Sabarkatha	3000	3025	3000	3025	Unch
	Gandhi Nagar	3000	3050	3000	3075	-25
	Ahmedabad (Sanand)	2910	2945	2870	2950	-5
	Halvad	2950	3025	2900	3025	Unch
	Junagadh	2900	3000	2875	3040	-40
	Dhrol	2560	2885	2530	2690	195
Rajasthan	Jodhpur	NR	NR	NR	NR	-
	Sumerpur	2900	2900	2900	2900	Unch

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		24-Feb-16	23-Feb-16	

<b>Gujarat</b>	Patan	2445	1875	570
	Harij	900	750	150
	Rajkot	230	308	-78
	Gondal	270	243	27
	Deesa	640	667	-27
	Bhabar	1800	1425	375
	Mehsana	280	240	40
	Kadi	1440	2008	-568
	Sabarkatha	225	150	75
	Gandhi Nagar	338	375	-38
	Ahmedabad (Sanand)	14	6.4	7
	Halvad	188	225	-38
	Junagadh	50	80	-30
	Dhrol	22	3	19
<b>Rajasthan</b>	Jodhpur	NR	NR	-
	Sumerpur	320	400	-80
<b>Total Arrivals/Above Markets</b>		<b>9161</b>	<b>8756</b>	<b>405</b>

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

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