

Castor Domestic Fundamentals:

- **Weak sentiment prevails in the cash markets.**Seed market may trade slightly lower in the weeks ahead due to improved arrivals from newly harvested crop. Pressure may be felt by the third week of March. Seed price may slip by Rs 75 to Rs100 per qtl. At this level buyers should start procuring seed for stock purpose. Future prospect for good return seems in the second half of the year. As oil export has been higher than normal pace, almost 80 percent old stock seems to be consumed so far.
- **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
- **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 Decemebre-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 .

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

**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 29, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	604	0	604
Deesa	4873	0	4873
Kadi	27592	0	27592
Patan	35475	0	35475

NCDEX Castor FED Wise Stock Position (Qty in MT) on February 29, 2016					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-Mar-16	151	461	3435	2999	7046
5-Apr-16	221	241	2806	2961	6229
5-May-16	202	1182	10034	7820	19238
5-Jun-16	-	904	3637	3269	7810
5-Jul-16	-	1745	7291	17293	26329
5-Aug-16	30	340	389	1133	1892
Total	604	4873	27592	35475	68544

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		1-Mar-16		29-Feb-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	2850	2900	2800	3025	-125
	Harij	2925	2950	2950	2990	-40
	Rajkot	2600	2880	2505	2965	-85
	Gondal	2705	3030	2855	3080	-50
	Deesa	2950	3000	2950	3000	Unch
	Bhabar	2885	2930	2925	2950	-20
	Mehsana	2900	3000	2950	2990	10
	Kadi	2850	2900	2925	2980	-80
	Sabarkatha	2900	2950	2950	3000	-50
	Gandhi Nagar	2925	3000	2975	3050	-50
	Ahmedabad (Sanand)	2835	2850	2750	2915	-65
	Halvad	2850	2950	2850	3000	-50
	Junagadh	2800	2970	NA	NA	-
	Dhrol	2665	2850	2630	2740	110
Rajasthan	Jodhpur	NR	NR	3150	3150	-
	Sumerpur	2875	2900	2950	2950	-50

**Castor Seed Arrivals in Key Centers:**

Center	Market	Fig. in Quintal		Change
		1-Mar-16	29-Feb-16	
Gujarat	Patan	3750	3000	750
	Harij	1350	900	450
	Rajkot	200	125	75
	Gondal	370	225	145
	Deesa	327	327	Unch
	Bhabar	3000	2250	750
	Mehsana	320	240	80
	Kadi	2720	1600	1120
	Sabarkatha	300	375	-75
	Gandhi Nagar	375	338	38
	Ahmedabad (Sanand)	36	95.2	-59
	Halvad	300	300	Unch
	Junagadh	40	NA	-
	Dhrol	11	15	-4
Rajasthan	Jodhpur	NR	16	-
	Sumerpur	320	400	-80
Total Arrivals/Above Markets		13419	10206	3213

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

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