

### Castor Domestic Fundamentals:

- **Castor cash seed markets remained closed due to Maha Shivratri.** Inner tone in the markets remains weak. Arrival is expected to increase this week as farmers could not bring their produce into the market due to rough weather form last two-three days.
- **Pressure continues on seed market as inner tone remains weak.** However, fear of rains and hailstorm in castor producing region may delay harvesting activities and it may support cash market to some extent in short term. It's a temporary phenomenon. 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.
- **India exported 14035.49 T castor oil during week ended 28<sup>th</sup> 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.
- **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.
- **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 Decemembr-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 weak .

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
Patan			
Feb-16			
Mar-16			
Apr-16			

NCDEX Warehouse Stocks (in MT):- as on Feb 04, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	373	0	373
Deesa	4453	0	4453
Kadi	26273	0	26273
Patan	32388	0	32388

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
		7-Mar-16		5-Mar-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	Closed	Closed	2825	2900	-
	Harij	Closed	Closed	2850	2875	-
	Rajkot	Closed	Closed	2640	2875	-
	Gondal	Closed	Closed	2780	3030	-
	Deesa	Closed	Closed	2850	2900	-
	Bhabar	Closed	Closed	2850	2885	-
	Mehsana	Closed	Closed	2800	2850	-
	Kadi	Closed	Closed	2800	2915	-
	Sabarkatha	Closed	Closed	2850	2900	-
	Gandhi Nagar	Closed	Closed	2850	2925	-
	Ahmedabad (Sanand)	Closed	Closed	2755	2805	-
	Halvad	Closed	Closed	2825	2875	-
	Junagadh	Closed	Closed	2750	3005	-
	Dhrol	Closed	Closed	2495	2770	-
Rajasthan	Jodhpur	2700	2800	2700	2800	Unch
	Sumerpur	2800	2800	2800	2800	Unch

**Castor Seed Arrivals in Key Centers:**

Center	Market	Fig. in Quintal		Change
		7-Mar-16	5-Mar-16	
Gujarat	Patan	Closed	3750	-
	Harij	Closed	1350	-
	Rajkot	Closed	410	-
	Gondal	Closed	172	-
	Deesa	Closed	420	-
	Bhabar	Closed	3600	-
	Mehsana	Closed	440	-
	Kadi	Closed	1760	-
	Sabarkatha	Closed	225	-
	Gandhi Nagar	Closed	413	-
	Ahmedabad (Sanand)	Closed	90.4	-
	Halvad	Closed	188	-
	Junagadh	Closed	18	-
	Dhrol	Closed	24	-
Rajasthan	Jodhpur	140	120	20
	Sumerpur	560	560	Unch
Total Arrivals/Above Markets		700	13539	-12839

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

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