

**Castor Domestic Fundamentals:**

- **Overall castor cash market trades firm on the back of fresh buying support** from plants and stockiests. Farmers are unwilling to release their entire crop at current price and this indicates lower arrivals in coming weeks. Lower than expected yield too remain supportive to the cash market fundamentals. There is good demand for oil from overseas market.
- **India exported 8494.36 T castor oil during week ended 6<sup>th</sup> March-2016** at an average price of \$1062.91 per tonne. It is lower by 54.88% from previous week. Price realization too decreased by 6.82 % from last week. The minimum and maximum prices were registered at \$1618 and 837.80 per tonne. Castor oil export would continue to grow as prices are lower and availability is higher. Even before arrival pressure.
- **Pressure from new crop is expected by the end of this month and this means** more supply for crushing. In 2013-14 India had exported 5.33 lakh tonne. Castor meal. In new season it can break the past record as seed prices are ruling lower with ample availability.
- **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 Decemeb-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 firm..

| 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 11, 2016 |       |             |       |
|---|-------|-------------|-------|
| Stocks  | Demat | In- Process | Total |
| Bhabhar   | 172   | 0           | 172   |
| Deesa   | 3733  | 0           | 3733  |
| Kadi  | 20302 | 0           | 20302 |
| Patan   | 25588 | 0           | 25588 |

| NCDEX Castor FED Wise Stock Position (Qty in MT) on March 7, 2016 |         |       |       |       |       |
|---|---------|-------|-------|-------|-------|
| FED   | Bhabhar | Deesa | Kadi  | Patan | Total |
| 5-Mar-16  | -       | -     | -     | -     | -     |
| 5-Apr-16  | 151     | 111   | 2555  | 2227  | 5044  |
| 5-May-16  | 192     | 1102  | 9731  | 7397  | 18422 |
| 5-Jun-16  | -       | 824   | 3517  | 3199  | 7540  |
| 5-Jul-16  | -       | 1614  | 7140  | 16137 | 24891 |
| 5-Aug-16  | 30      | 340   | 389   | 1133  | 1892  |
| Total   | 373     | 3991  | 23332 | 30093 | 57789 |

Castor Seed Prices at Key Spot Markets:

| Commodity/Center | Market             | Price (Rs/ Quintal) |      |           |      | Change |
|------------------|--------------------|---------------------|------|-----------|------|--------|
|                  |                    | 12-Mar-16           |      | 11-Mar-16 |      |        |
|                  | Castor Seed        | Low                 | High | Low       | High |        |
| Gujarat          | Patan              | 3025                | 3100 | 2900      | 3050 | 50     |
|                  | Harij              | 3060                | 3080 | 3025      | 3060 | 20     |
|                  | Rajkot             | 2640                | 2905 | 2585      | 2935 | -30    |
|                  | Gondal             | 2905                | 3105 | 2780      | 3055 | 50     |
|                  | Deesa              | 2925                | 3075 | 2900      | 3050 | 25     |
|                  | Bhabar             | 3050                | 3080 | 3000      | 3060 | 20     |
|                  | Mehsana            | 2975                | 3080 | 2950      | 3050 | 30     |
|                  | Kadi               | 2950                | 3085 | 2950      | 3030 | 55     |
|                  | Sabarkatha         | 3050                | 3075 | 3000      | 3035 | 40     |
|                  | Gandhi Nagar       | 3050                | 3125 | 3025      | 3100 | 25     |
|                  | Ahmedabad (Sanand) | 3000                | 3000 | 2975      | 2975 | 25     |
|                  | Halvad             | 2750                | 2950 | 2700      | 2850 | 100    |
|                  | Junagadh           | 2900                | 3090 | 2900      | 3050 | 40     |
|                  | Dhrol              | NR                  | NR   | 2600      | 2805 | -      |
| Rajasthan        | Jodhpur            | 2750                | 2750 | 2700      | 2700 | 50     |
|                  | Sumerpur           | 2975                | 2975 | 2900      | 2900 | 75     |

**Castor Seed Arrivals in Key Centers:**

| Center                       | Market             | Fig. in Quintal |           | Change |
|------------------------------|--------------------|-----------------|-----------|--------|
|                              |                    | 12-Mar-16       | 11-Mar-16 |        |
| Gujarat                      | Patan              | 4500            | 3750      | 750    |
|                              | Harij              | 1350            | 1200      | 150    |
|                              | Rajkot             | 200             | 195       | 5      |
|                              | Gondal             | 209             | 347       | -138   |
|                              | Deesa              | 544             | 590       | -46    |
|                              | Bhabar             | 1650            | 5025      | -3375  |
|                              | Mehsana            | 360             | 560       | -200   |
|                              | Kadi               | 1760            | 560       | 1200   |
|                              | Sabarkatha         | 375             | 450       | -75    |
|                              | Gandhi Nagar       | 338             | 338       | Unch   |
|                              | Ahmedabad (Sanand) | 10              | 8         | 2      |
|                              | Halvad             | 375             | 225       | 150    |
|                              | Junagadh           | 10              | 25        | -15    |
|                              | Dhrol              | NR              | 19        | -      |
| Rajasthan                    | Jodhpur            | 900             | 1875      | -975   |
|                              | Sumerpur           | 560             | 560       | Unch   |
| Total Arrivals/Above Markets |                    | 13140           | 15726     | -2586  |

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

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