

### Castor Domestic Fundamentals:

- **Castor seed cash market continues to reel under pressure due** to weak inner tone and plants restricted buying despite lower arrival and release by farmers. As oil importers have covered their three months need, they are unwilling to strike fresh deal at higher price. It may put pressure on cash seed market. Agriwatch expects market to hover near current level till June.
- **Likely good rainfall this year is expected to reduce castor area in Gujarat and Rajasthan** and farmer's would prefer to shift from castor to other lucrative crops. Despite intention of lower area coverage, depending on good rainfall, yield would increase and it would compensate lower area coverage. However, higher than normal rainfall may affect crop under growth and flowering stages and may reduce crop size.
- **Cash market is expected to stabilize near Rs 2900/3000 per qtl.** June onward rainfall would be the major price driving factor. Old seed stock is almost consumed and farmer's retention due to lower price this year would not allow market to crash from current level.
- **India exported 8931.40 MT castor oil during week ended 1<sup>st</sup> May-2016** at an average price of \$1187.98 per MT. It is lower by 26.50% from previous week. However, price realization has increased by 3.59% from last week. The maximum and minimum prices were registered at \$4417.01 and 508.08 per MT. Castor oil export would continue to stay steady as prices are lower than normal expectation and availability is higher. Major importers like China followed by USA and Netherlands are stocking oil taking advantage of lower price.
- **All India average price for castor seed decreased by 7.20 % from Rs 3558.35 to Rs 3301.88 per qtl** during the week ended on 30th April-2016. However, it is higher by 9.44% from the price registered during the second week of April. When we compare average price of seed from April-2015, it rules lower by 5.35 % from current average price (Rs3301.88 per qtl.). Decrease in demand for seed at higher level restricted firm tone during the week under review. However, more dip is unlikely as pace for seed arrivals in markets has declined.
- 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.

### International Market Update:

- **Ave castor oil FoB quote increased slightly from \$1079 to \$1052 last week.** China and U.S remained active at current price level. **Castor oil in Rotterdam decreased from \$1204 to \$1200 per tonne** in last one month and may trade down in the weeks ahead.
- **Castor oil importers have made inventory this year taking advantage of** lower price and higher availability and they are in no hurry to buy oil in bulk quantity as they are aware of higher stock. So firmness is unlikely in the short to medium term.

**Domestic market Outlook:** Market is likely to trade range bound 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 May 05, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	0	0	0
Deesa	463	0	463
Kadi	3920	0	3920
Patan	3352	0	3352

NCDEX Castor FED Wise Stock Position (Qty in MT) on May 02, 2016					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-May-16	-	130	1882	1158	3170
5-Jun-16	-	20	1191	1145	2356
5-Jul-16	-	323	2922	2648	5893
5-Aug-16	-	121	99	201	421
Total	-	594	6094	5152	11840

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		6-May-16		5-May-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3000	3180	3150	3225	-45
	Harij	3100	3150	3125	3175	-25
	Rajkot	2750	3200	2775	3190	10
	Gondal	2905	3205	2755	3205	Unch
	Deesa	3050	3150	3080	3190	-40
	Bhabar	3125	3170	3125	3155	15
	Mehsana	3100	3150	3125	3175	-25
	Kadi	3075	3170	3110	3180	-10
	Sabarkatha	3150	3200	3150	3200	Unch
	Gandhi Nagar	3100	3165	3125	3200	-35
	Ahmedabad (Sanand)	2790	3100	2885	3105	-5
	Halvad	2900	3150	3000	3165	-15
	Junagadh	2540	3200	2500	3200	Unch
	Dhrol	2680	3050	2660	2750	300
Rajasthan	Jodhpur	2900	2985	3100	3150	-165
	Sumerpur	3050	3100	3100	3125	-25

**Castor Seed Arrivals in Key Centers:**

Center	Market	Fig. in Quintal		Change
		6-May-16	5-May-16	
Gujarat	Patan	20935	13500	7435
	Harij	3000	3150	-150
	Rajkot	500	550	-50
	Gondal	375	770	-395
	Deesa	2696	5010	-2314
	Bhabar	3260	6064	-2804
	Mehsana	1200	1500	-300
	Kadi	3228.8	3920	-691.2
	Sabarkatha	1125	1125	Unch
	Gandhi Nagar	975	1125	-150
	Ahmedabad (Sanand)	55	55	Unch
	Halvad	1000	1000	Unch
	Junagadh	200	100	100
	Dhrol	225	2	223
Rajasthan	Jodhpur	286	210	76
	Sumerpur	800	800	Unch
Total Arrivals/Above Markets		39861	38880	980

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

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