

Castor Domestic Fundamentals:

- **With restricted buying by castor oil importers and pressure from newly harvested** crop seed price in cash market decreases by Rs 30 To Rs 40 per qtl. To Rs 3015-40 in Gujarat. More downside correction is unlikely as stockiest remain active. Arrival in Gujarat have touched at 1lakh bags. Lower seed price affected castor oil price too and it slipped to Rs 6350/6400 per qtl. Cash market is likely to trade stable to weak in the short term.
- **Castor seed market in Sumerpur located in region of Rajasthan traded unchanged.** Stockiest remained active as arrival is being reported at 600/700 bags per day. As price is ruling lower, buyers have started accumulating stock in anticipation of higher price in second half of the year. Currently seed price is ruling at Rs 2925/2950 per qtl. Stock in the region is said to 2 lakh bags. As arrival has started decreasing, stock would not increase above 3 lakh bags this year.
- **Prospects for good rainfall this year may encourage farmers to reduce** castor area and shift to other lucrative crops. Total area under castor may decrease below 10 lakh ha due to lower price this year. Castor area of around 25,000 ha in Rajasthan and around 50000 ha in Gujarat might be use for other crops. Planting intention of farmers in growing region hints castor lower acreage. It may push price up.
- **Castor oil export has been on higher side this year and almost 90 % old** accumulated seed has been consumed so far. So stock remains from new crop only. The season started with 5 lakh tonne carry out and if area decreases, pressure on stock would be felt by Nov this year. It may fuel seed price. In July end seed price may hover in the range of Rs 3500/3600 per qtl. in normal condition.
- **All India average price for castor seed increased by 4.79 % from Rs 3124.28 to Rs 3274.1 per qtl** during the week ended 14th May-2016. It is lower by 9.14 % from the price registered during the second week of May-2015.
- **India exported 9992.98 tonne castor oil during week ended 15th May-2016** at an average price of \$1130.19 per MT. It is lower by 0.35.% from previous week. India had exported 9628.55MT oil previous week. The maximum and minimum prices were registered at \$4051.89 and 687.45 per MT. Castor oil export would continue to stay steady as prices are lower than normal expectation and availability is higher.

International Market Update:

- **China brought 6332.16 tonne castor oil at an average FoB of \$978.66 per tonne** last week. USA brought 529.18 tonne oil at an average FoB price of \$1118.17 per tonne..belgium and Japan brought 474 and 469 tonne oil during the same period.
- **Ave castor oil FoB quote increased slightly from \$1079 to \$1098 last week.** China and U.S remained active at current price level.
- **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 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 27th Jan-2016

Spread	16-Jan	16-Feb	16-Mar
Patan			
Feb-16			
Mar-16			
Apr-16			

NCDEX Warehouse Stocks (in MT):- as on May 18, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	0	0	0
Deesa	463	0	463
Kadi	3890	0	3890
Patan	1805	0	1805

NCDEX Castor FED Wise Stock Position (Qty in MT) on May 16, 2016					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-Jun-16	-	20	1161	674	1855
5-Jul-16	-	323	2630	1009	3962
5-Aug-16	-	121	99	201	421
Total	-	464	3890	1884	6238

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		19-May-16		18-May-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3000	3075	3050	3100	-25
	Harij	3050	3100	3050	3080	20
	Rajkot	2850	3150	2850	3125	25
	Gondal	NR	NR	2755	3055	-
	Deesa	3070	3130	3050	3090	40
	Bhabar	NR	NR	3070	3100	-
	Mehsana	3050	3100	3050	3075	25
	Kadi	3100	3150	3050	3140	10
	Sabarkatha	3100	3135	3100	3125	10
	Gandhi Nagar	3100	3150	3050	3100	50
	Ahmedabad (Sanand)	3040	3060	3000	3085	-25
	Halvad	2925	3090	2940	3105	-15
	Junagadh	3000	3120	2900	3165	-45
	Dhrol	2750	2915	2500	2770	145
Rajasthan	Jodhpur	2900	3000	2850	2950	50
	Sumerpur	2975	3000	2950	3000	Unch

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		19-May-16	18-May-16	
Gujarat	Patan	10500	10500	Unch
	Harij	2850	2850	Unch
	Rajkot	320	440	-120
	Gondal	NR	391	-
	Deesa	1510	1704	-194
	Bhabar	NR	4040	-
	Mehsana	1125	1125	Unch
	Kadi	4000	3600	400
	Sabarkatha	375	600	-225
	Gandhi Nagar	825	750	75
	Ahmedabad (Sanand)	8	56	-48
	Halvad	3375	600	2775
	Junagadh	100	200	-100
	Dhrol	2	6	-4
Rajasthan	Jodhpur	97	15	82
	Sumerpur	800	1200	-400
Total Arrivals/Above Markets		25887	28077	-2189

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

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