

Castor Domestic Fundamentals:

- **All India average price for castor seed decreased by 3.25 % from Rs 3274.55 to Rs 3168.06 per qtl** during the week ended 21st May-2016. It is slightly higher from the price registered during the first week of May-2016. However, it is lower by 12.10 % from the price registered in May 2015. Buyers are in wait and watch mood and continue to buy at lower level. So any major dip from current level is unlikely. There is a common gossip in the market that this year castor area coverage would decrease by 15 to 20 percent due to better rainfall prospects and lower prevailing prices of seed in physical market despite good demand for oil.
- **Arrivals in Gujarat have touched at 1 lakh 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. Medium term outlook depends on planting beginning from July this year.
- **Castor seed market in Sumerpur located in region of Rajasthan traded unchanged.** Stockiest remained active as arrival is being reported at 750/850 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 2950/2975 per qtl. Stock in the region is said to be around 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 50,000 ha in Gujarat might be used for other crops.
- **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 9628.55 MT 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 21, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	0	0	0
Deesa	463	0	463
Kadi	3890	0	3890
Patan	1796	0	1796

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
		23-May-16		21-May-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3050	3100	3000	3100	Unch
	Harij	NR	NR	3100	3140	-
	Rajkot	2900	3150	2850	3135	15
	Gondal	2750	3130	2755	3130	Unch
	Deesa	3050	3075	Closed	Closed	-
	Bhabar	3100	3125	Closed	Closed	-
	Mehsana	3090	3110	3075	3125	-15
	Kadi	Closed	Closed	Closed	Closed	-
	Sabarkatha	3125	3150	3125	3150	Unch
	Gandhi Nagar	3100	3150	Closed	Closed	-
	Ahmedabad (Sanand)	3040	3060	2750	3050	10
	Halvad	3050	3100	2975	3060	40
	Junagadh	2850	3145	NR	NR	-
	Dhrol	NA	NA	2750	3050	-
Rajasthan	Jodhpur	2900	2900	2900	2950	-50
	Sumerpur	3025	3040	2975	3000	40

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		23-May-16	21-May-16	
Gujarat	Patan	13500	9750	3750
	Harij	NR	2625	-
	Rajkot	570	490	80
	Gondal	458	359	99
	Deesa	4000	Closed	-
	Bhabar	3375	Closed	-
	Mehsana	900	825	75
	Kadi	Closed	Closed	-
	Sabarkatha	375	300	75
	Gandhi Nagar	675	Closed	-
	Ahmedabad (Sanand)	12	20	-8
	Halvad	525	750	-225
	Junagadh	152	NR	-
	Dhrol	NA	95	-
Rajasthan	Jodhpur	60	NA	-
	Sumerpur	1200	800	400
Total Arrivals/Above Markets		25802	16014	9788

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

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