

Castor Domestic Fundamentals:

- **India exported 11996.83 MT castor oil during week ended 24th May-2016 at an average price of \$1138.30 per MT.** It is higher by 20.05 % from previous week. The maximum and minimum prices were registered at \$8158.7 and 488 per MT. Castor oil export would continue to stay steady as prices are lower than normal expectation.
- **SEBI has turned up the heat on the senior management of NCDEX** for their alleged role in the recent failure/malpractices in castor seed futures trading. It has asked the board of NCDEX to examine the senior management's involvement in the issue and report to the regulator by the month-end the action it plans to take. The matter relates to 13 clients, who held long or outstanding buy positions worth Rs 540 crore or 10 per cent of the country's annual production of castor seed, defaulting on their pay in obligations to four brokers, after a crash in the castor seed February contract price.
- **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.
- **Arrivals 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. 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 50000 ha in Gujarat might be use for other crops.

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.
- **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 24, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	0	0	0
Deesa	463	0	463
Kadi	3880	0	3880
Patan	1786	0	1786

NCDEX Castor FED Wise Stock Position (Qty in MT) on May 23, 2016					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-Jun-16	-	20	1161	585	1766
5-Jul-16	-	323	2620	1009	3952
5-Aug-16	-	121	99	191	411
Total	0	464	3880	1785	6129

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		25-May-16		24-May-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	2975	3025	3000	3050	-25
	Harij	3025	3060	3040	3080	-20
	Rajkot	2850	3100	2750	3100	Unch
	Gondal	2755	3155	2750	3155	Unch
	Deesa	2900	3045	3030	3055	-10
	Bhabar	3025	3050	3040	3075	-25
	Mehsana	3000	3050	3025	3075	-25
	Kadi	3000	3105	3000	3120	-15
	Sabarkatha	3050	3075	3050	3100	-25
	Gandhi Nagar	3050	3085	3075	3110	-25
	Ahmedabad (Sanand)	3000	3050	3030	3040	10
	Halvad	2800	2975	2990	3090	-115
	Junagadh	2950	3115	2825	3140	-25
	Dhrol	NA	NA	NA	NA	-
Rajasthan	Jodhpur	2850	2850	2895	2895	-45
	Sumerpur	3000	3000	3025	3025	-25

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		25-May-16	24-May-16	
Gujarat	Patan	11250	15000	-3750
	Harij	3000	2850	150
	Rajkot	440	450	-10
	Gondal	760	239	521
	Deesa	2117	1233	884
	Bhabar	3992	5699	-1708
	Mehsana	1500	975	525
	Kadi	3600	3600	Unch
	Sabarkatha	675	450	225
	Gandhi Nagar	600	750	-150
	Ahmedabad (Sanand)	40	60	-20
	Halvad	2250	3000	-750
	Junagadh	135	200	-65
	Dhrol	NA	NA	-
Rajasthan	Jodhpur	23	23	Unch
	Sumerpur	800	960	-160
Total Arrivals/Above Markets		31181	35489	-4308

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.