

Castor Domestic Fundamentals:

- **Rajkot Castor seed future June Contract improves in the early trades due to speculative buying and lower pace of arrival.** Arrival in Rajkot market was registered at 94/95 thousand bags. It is lower by 10,000 bags from previous day. Castor seed ready price was quoted at Rs 580/621 per 20kg. Range bound movement is expected in the short term in futures and cash market.
- **India exported 11996.83 MT castor oil during week ended 22nd 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 payin obligations to four brokers, after a crash in the castor seed February contract price.
- **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 26, 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
		27-May-16		26-May-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3075	3125	3000	3075	50
	Harij	3100	3150	3000	3100	50
	Rajkot	NR	NR	2750	2980	-
	Gondal	2750	3155	2905	3130	25
	Deesa	3025	3150	3025	3085	65
	Bhabar	NR	NR	NR	NR	-
	Mehsana	3050	3100	3025	3075	25
	Kadi	3000	3125	3000	3085	40
	Sabarkatha	3075	3125	3050	3085	40
	Gandhi Nagar	3100	3150	3025	3075	75
	Ahmedabad (Sanand)	3035	3035	2970	3035	Unch
	Halvad	2900	3025	2800	2990	35
	Junagadh	2750	3100	2750	3070	30
	Dhrol	NA	NA	NA	NA	-
Rajasthan	Jodhpur	2950	2950	2850	2850	100
	Sumerpur	2980	3000	2980	2980	20

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		27-May-16	26-May-16	
Gujarat	Patan	8250	9000	-750
	Harij	900	1500	-600
	Rajkot	NR	335	-
	Gondal	288	324	-36
	Deesa	2000	1600	400
	Bhabar	NR	NR	-
	Mehsana	750	825	-75
	Kadi	2640	2400	240
	Sabarkatha	375	450	-75
	Gandhi Nagar	600	600	Unch
	Ahmedabad (Sanand)	10	60	-50
	Halvad	2400	2250	150
	Junagadh	40	170	-130
	Dhrol	NA	NA	-
Rajasthan	Jodhpur	75	38	38
	Sumerpur	800	800	Unch
Total Arrivals/Above Markets		19128	20352	-1224

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