

**Castor Domestic Fundamentals:**

- **Overall castor cash markets traded steady to weak on Saturday.** Uptrend is unlikely in the short term.
- **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.
- **All India average price for castor seed decreased by 3.25 % from Rs 3274.55 to Rs 3168.06 perqtl** during the week ended 21<sup>st</sup> 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 likelv to trade ranee 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 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 27, 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
		28-May-16		27-May-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3050	3100	3075	3125	-25
	Harij	3075	3100	3100	3150	-50
	Rajkot	2720	3085	NR	NR	-
	Gondal	2755	3130	2750	3155	-25
	Deesa	3025	3095	3025	3150	-55
	Bhabar	NR	NR	NR	NR	-
	Mehsana	3035	3075	3050	3100	-25
	Kadi	3075	3140	3000	3125	15
	Sabarkatha	3100	3125	3075	3125	Unch
	Gandhi Nagar	3075	3125	3100	3150	-25
	Ahmedabad (Sanand)	NR	NR	3035	3035	-
	Halvad	2910	3035	2900	3025	10
	Junagadh	2800	3060	2750	3100	-40
	Dhrol	NR	NR	NR	NR	-
	Rajasthan	Jodhpur	2900	2900	2950	2950
Sumerpur		3050	3050	2980	3000	50

**Castor Seed Arrivals in Key Centers:**

Center	Market	Fig. in Quintal		Change
		28-May-16	27-May-16	
Gujarat	Patan	9000	8250	750
	Harij	2100	900	1200
	Rajkot	305	NR	-
	Gondal	378	288	90
	Deesa	1638	2000	-362
	Bhabar	NR	NR	-
	Mehsana	1125	750	375
	Kadi	3200	2640	560
	Sabarkatha	300	375	-75
	Gandhi Nagar	675	600	75
	Ahmedabad (Sanand)	NR	10	-
	Halvad	2625	2400	225
	Junagadh	100	40	60
	Dhrol	NR	NR	-
Rajasthan	Jodhpur	38	75	-38
	Sumerpur	640	800	-160
Total Arrivals/Above Markets		22124	19128	2996

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