

Castor Domestic Fundamentals:

- **All India average price for castor seed decreased by 2.63 % from Rs 3074.44 to Rs 2993.32 per qtl** during the week ended 02nd July-2016. It is lower by 11.28 % from the price registered in the fourth week of June, 2015. As prices are ruling lower, buyers remain active. Arrivals are comparatively 30 % lower this year due to unattractive price. Lower prevailing price of seed has discouraged farmers from releasing entire stock and they have preferred to retain 40 to 45 % crop in anticipation of price hike, generally seen in third and 4th quarter of the year.
- **Castor cash markets continue to trade range bound as uncertainty prevails** on planting front due to uncertain rainfall status so far. Castor sowing has barely taken off this season due to slow monsoon. Given the low prices in the past season farmers are waiting for rainfall. If rains picks up in first half of July, farmers may shift 15 % castor area to other cash crops. In opposite case (if rains picks up in second half of the month, castor area may be same as last year despite lower prevailing price. As rains in growing regions start, Agriwatch expects a fall in acreage up to 15 to 20 %.
- **Farmers may shift castor area to moong, moth, turmeric, cotton, chilly, peanuts and Urad** as prices of these commodities rule considerably higher this year. Govt. has fixed MSP for Pulses and it would buy it to make a buffer stock. So farmers are sure to get MSP for these crops.
There is a common gossip in the market that area in Gujarat may decline by 30 percent while it may increase by 4/5 % in Rajasthan. It will decrease in Telangana/AP by 4 % this year as farmers intend to grow pulses, cotton and turmeric due to attractive price.
- **Castor oil export increases by 2.16 % to 12545.18 tonnes during the week ended 26th June, 2016.** Price realization too has increased by 3.41 % from previous week to \$1146.68. India had exported 12280 tonne oil previous week. As prices of seed is ruling lower, export volume is expected to remain at higher level next week too. Cash market is expected to firm up due to lower arrivals.
- **Castor seed market in Sumerpur located in region of Rajasthan traded unchanged.** Stockiest remained active as arrival is being reported at 250/350 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.

International Market Update:

- **Demand for castor oil continues from major buyers like China, EU and USA,** China may buy around 2 lakh tonne during current year. It has brought around 45,000 tonne during last three months. This year castor oil export is bound to increase by 10 percent as price of seed has been ruling 11 percent lower from last year.
- **Average FoB quote for export for the month of June till date comes to \$1120 per tonne.** In coming months export volume may decrease as buyers have brought 15 % higher stock than normal volume. If prices increase, buying for import may decrease.

Domestic market Outlook: Market is likely to trade range bound 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 July01, 2016 | | | |
|---|-------|-------------|-------|
| Stocks | Demat | In- Process | Total |
| Bhabhar | - | - | - |
| Deesa | - | - | - |
| Kadi | - | - | 110 |
| Patan | 20 | 0 | 20 |

| NCDEX Castor FED Wise Stock Position (Qty in MT) on June 27, 2016 | | | | | |
|---|---------|-------|------|-------|-------|
| FED | Bhabhar | Deesa | Kadi | Patan | Total |
| 5-Jul-16 | - | 252 | 491 | 131 | 874 |
| 5-Aug-16 | - | 121 | 0 | 20 | 141 |
| Total | - | 373 | 491 | 151 | 1015 |

Castor Seed Prices at Key Spot Markets:

| Commodity/Center | Market | Price (Rs/ Quintal) | | | | Change |
|------------------|--------------------|---------------------|------|----------|------|--------|
| | | 2-Jul-16 | | 1-Jul-16 | | |
| | Castor Seed | Low | High | Low | High | |
| Gujarat | Patan | 3150 | 3200 | 3150 | 3200 | Unch |
| | Harij | 3150 | 3225 | 3200 | 3250 | -25 |
| | Rajkot | 2875 | 3190 | 2855 | 3205 | -15 |
| | Gondal | 3055 | 3280 | 3055 | 3330 | -50 |
| | Deesa | 3105 | 3210 | 3010 | 3215 | -5 |
| | Bhabar | 3100 | 3200 | 3125 | 3215 | -15 |
| | Mehsana | 3150 | 3190 | 3175 | 3225 | -35 |
| | Kadi | 3150 | 3270 | 3175 | 3275 | -5 |
| | Sabarkatha | 3200 | 3250 | 3225 | 3250 | Unch |
| | Gandhi Nagar | 3175 | 3250 | 3200 | 3275 | -25 |
| | Ahmedabad (Sanand) | NA | NA | 3100 | 3150 | - |
| | Halvad | 3060 | 3245 | 3045 | 3245 | Unch |
| | Junagadh | 3075 | 3225 | 3100 | 3250 | -25 |
| | Dhrol | 2750 | 3020 | 2500 | 2800 | 220 |
| | Rajasthan | Jodhpur | 2925 | 2975 | 2950 | 3000 |
| Sumerpur | | 3225 | 3241 | 3200 | 3225 | 16 |

Castor Seed Arrivals in Key Centers:

| Center | Market | Fig. in Quintal | | Change |
|------------------------------|--------------------|-----------------|----------|--------|
| | | 2-Jul-16 | 1-Jul-16 | |
| Gujarat | Patan | 3000 | 3000 | Unch |
| | Harij | 825 | 825 | Unch |
| | Rajkot | 72 | 110 | -38 |
| | Gondal | 147 | 215 | -68 |
| | Deesa | 150 | 500 | -350 |
| | Bhabar | 1545 | 1349 | 197 |
| | Mehsana | 750 | 900 | -150 |
| | Kadi | 2560 | 2400 | 160 |
| | Sabarkatha | 75 | 38 | 38 |
| | Gandhi Nagar | 225 | 338 | -113 |
| | Ahmedabad (Sanand) | NA | 20 | - |
| | Halvad | 225 | 225 | Unch |
| | Junagadh | 30 | 40 | -10 |
| | Dhrol | 2 | 5 | -3 |
| Rajasthan | Jodhpur | 75 | 38 | 38 |
| | Sumerpur | 240 | 240 | Unch |
| Total Arrivals/Above Markets | | 9921 | 10241 | -320 |

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

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