

Castor Domestic Fundamentals:

- **Castor seed cash market trades up on increasing fear of 30 percent area decrease by the end of September.** Besides, fresh export demand from bulk buyers like China, EU and US has lent support to cash market fundamental. Farmers and stockiest have retained stock in anticipation of higher price. There is a common view that seed price may move up smartly in fourth quarter as crop size is lower and production may dip below 12 lakh tonne. Old accumulated stock now started drying out and 70 to 75 % crop from last year is available now.
- **This means total available stock is around 10 lakh tonne. Over one lakh tonne seed crushing would continue till March -next year.** Thus 7 to 7.5 lakh tonne seed would be crushed by the end of March-2017. It would drag down carry out below 3 lakh tonne. This would lend support to cash market fundamental.
- **India exported around 44710 tonne castor oil in the month of August, which is higher by 10.49 percent from July-2016.** During last three weeks castor oil export has been on higher side due to lower prevailing prices in domestic market. Prices of oil may move up as crop size is expected to be lower by 25 to 30 percent. Final Sowing status is awaited by the end of this month. As seed price is getting firmer, FoB quotes is likely to move up from current level.
- **Castor seed planting is lagging behind by 26.57 % to 6.54 lakh ha as on 02.09.2016.** Indian farmers had planted 8.90 lakh ha in corresponding period last year. It is lower by 27.65 % from the beginning of September normal planting of 9.04 lakh ha. Major decrease has been seen in Gujarat where area lags behind by 34 % to 4.73 lakh ha. It had covered 7.09 lakh ha last year till date.
- **Castor seed sowing area may decline by 24 to 30 per cent in the year 2016-17 as farmers are shifting towards groundnut, spices and pulses.** Since the beginning of the year (Feb) castor prices have been reeling under extreme pressure due to higher accumulated stock and steady almost steady demand for castor oil. As per latest update by agriculture department, as on August 28, total sowing area of castor seed has reached to 5.76 lakh hectares, down by 24 per cent from 7.73 lakh hectares in corresponding period last year. India's total planted area was about 1.13 million hectares in 2015-16.
- **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.

International Market Update:

- **China Remains the major buyers in July for castor oil buying 13914.15 tonne at an average FoB of \$1051.76 per tonne.** Netherland and France stand second and third position buying 1075 and 1020 tonne during the same period at an average FoB of \$1075 & 1019 per tonne. USA brought 5450 tonne castor oil at an average FOB of \$1117.83 per tonne.
- **Other countries brought 8792 tonne oil during July at an average price of \$1180.36 per tonne.** Major volume has been exported from Mundra and JNPT port.

Domestic market Outlook: Market is likely to trade steady to slightly firm in the short to medium 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 Sept, 2016			
Stocks	Demat	In- Process	Total
Bhabhar	-	-	-
Deesa	-	-	-
Kadi	-	-	-
Patan	-	-	-

NCDEX Castor FED Wise Stock Position (Qty in MT) on Sept, 2016					
FED	Bhabhar	Deesa	Kadi	Patan	Total
5-Jul-16	-	-	-	-	-
5-Aug-16	-	-	-	-	-
Total	-	-	-	-	-

Castor Seed Prices at Key Spot Markets:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		8-Sep-16		7-Sep-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3530	3725	3540	3700	25
	Harij	3640	3700	3640	3725	-25
	Rajkot	3255	3550	3375	3525	25
	Gondal	3005	3580	3230	3580	Unch
	Deesa	3575	3670	3530	3640	30
	Bhabar	NR	NR	NR	NR	-
	Mehsana	3500	3625	3500	3600	25
	Kadi	3575	3660	3550	3600	60
	Sabarkatha	3675	3690	3550	3575	115
	Gandhi Nagar	3500	3600	3550	3625	-25
	Ahmedabad (Sanand)	3555	3555	NA	NA	-
	Halvad	3250	3500	3240	3400	100
	Junagadh	3250	3555	3250	3530	25
	Dhrol	NA	NA	2900	3125	-
	Rajasthan	Jodhpur	3400	3450	3450	3500
Sumerpur		3450	3525	3500	3540	-15

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		8-Sep-16	7-Sep-16	
Gujarat	Patan	8999	8810	189
	Harij	900	900	Unch
	Rajkot	230	330	-100
	Gondal	578	458	120
	Deesa	862	678	184
	Bhabar	NR	NR	-
	Mehsana	1500	1275	225
	Kadi	4160	2000	2160
	Sabarkatha	225	750	-525
	Gandhi Nagar	750	1500	-750
	Ahmedabad (Sanand)	2	NA	-
	Halvad	900	750	150
	Junagadh	100	250	-150
	Dhrol	NA	1	-
Rajasthan	Jodhpur	38	41	-4
	Sumerpur	240	240	Unch
Total Arrivals/Above Markets		19483	17982	1501

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

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