

Castor Domestic Fundamentals:

- **Overall prices declined in the cash market of castor seeds due to lackluster demand.** However exporters are active to sell castor oil to bulk buyers like Italy, China, EU and US which has lent support to cash market fundamentally. 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.
- **Castor seed planting is lagging behind by 27.24 % to 7.45 lakh ha as on 09.09.2016.** Indian farmers had planted 10.24 lakh ha in corresponding period last year. It is lower by 14.37% from the beginning of September normal planting of 9.83 lakh ha against 11.48. Major decrease has been seen in Gujarat states. Sowing is likely to be completed in mid September 2016.
- **According to the Solvent Extractors' Association of India (SEA), planting area of castor crop may decline by 40 per cent this year as farmers are shifting to other crops like pulses and groundnut significantly the belts of Gujarat and Rajasthan.** 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. India is growing castor crop in between 1.3-1.5 million tonnes every year.
- **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. India's total planted area was about 1.13 million hectares in 2015-16.
- **Total arrivals in Gujarat is recorded at 6289 quintal with a decline of 8560 quintal** as on 16th Sep 2016 against 14842 quintal of previous day record. Average castor seed prices in Gujarat slumped by 5.39% to 3466.25 per quintal as on 16th Sep 2016 from 3663.75 per quintal in previous day.

International Market Update:

- **South Korea imported 173,460 tons of castor meal during April-August 2016.** While, Taiwan bought total - 3403 tonnes of castor meal during April-August 2016.
- **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 bought 5450 tonne castor oil at an average FOB of \$1117.83 per tonne.

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
		17-Sep-16		16-Sep-16		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3675	3775	Closed	Closed	-
	Harij	NR	NR	3725	3790	-
	Rajkot	3355	3565	3405	3630	-65
	Gondal	3205	3580	3375	3600	-20
	Deesa	3650	3680	Closed	Closed	-
	Bhabar	NR	NR	NR	NR	-
	Mehsana	3625	3675	Closed	Closed	-
	Kadi	3625	3730	3730	3765	-35
	Sabarkatha	3700	3750	3750	3790	-40
	Gandhi Nagar	3675	3725	Closed	Closed	-
	Ahmedabad (Sanand)	3605	3605	3615	3615	-10
	Halvad	3515	3635	3450	3660	-25
	Junagadh	3300	3560	3230	3625	-65
	Dhrol	3225	3475	3065	3450	25
	Rajasthan	Jodhpur	NA	NA	3500	3600
Sumerpur		3575	3575	3600	3625	-50

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		17-Sep-16	16-Sep-16	
Gujarat	Patan	3000	Closed	-
	Harij	NR	750	-
	Rajkot	390	245	145
	Gondal	274	495	-221
	Deesa	277	Closed	-
	Bhabar	NR	NR	-
	Mehsana	1875	Closed	-
	Kadi	1920	2948	-1028
	Sabarkatha	300	300	Unch
	Gandhi Nagar	900	Closed	-
	Ahmedabad (Sanand)	5	2	2
	Halvad	1350	1200	150
	Junagadh	165	160	5
	Dhrol	8	16	-8
Rajasthan	Jodhpur	NA	15	-
	Sumerpur	160	160	Unch
Total Arrivals/Above Markets		10624	6291	4332

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

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