

**Domestic Market Update:**

- **Castor seed markets are closed from last few weeks due to sluggish trading activity, traders are waiting to firming in prices.**
- **Government orders to investigate heavy lifting in castor seed in NCDX; In view of the difficulties in NCDX, BSC has made 03 new contracts available for trading in castors, whose delivery center will be Patan {Gujarat}.** Castor seed prices fell again in last couple of day's trading session. For the last few days or so, in only 7 trading sessions, castor seed has dropped 30 percent from its upper level. On the other hand, on the day when the castor seed futures were launched on the BSE, the purchase of castors on NCDEX was seen, but yesterday once again on the third trading day of the week, the castor has started the reverse. In such a situation, traders say that the exchange changed the rules repeatedly, imposed margins and then removed, which created a panic situation in the market, which broke the price and also had an impact on the spot business. It has caused a huge loss to businessmen and farmers. They say that if they estimate, there is a loss of about 500-600 crores. The traders have accused the officials of the exchange of collusion.
- **On the other hand "this year the area of castor seed is higher than last year and good rain is expected to be a bumper crop in the country's largest castor seed producing state Gujarat in the last round of monsoon season.** There is also a reason that selling pressure has increased. "According to the recent report of the Union Ministry of Agriculture, the acreage of castor seed nationwide is 9.36 lakh hectares this year, which is seven per cent higher than last year's acreage of 8.77 lakh hectares.
- **Despite the imposition of special 20 per cent margin on short position, prices are moving downwards due to technical selling.** Some brokers had failed to pay additional mark-to-market margins after downward movement in October-December contracts over three trading sessions, compelling the exchange's clearing house to use these traders' collaterals to settle their pay-out obligations.
- **However, according to the market participants, at present all India castor stock is lower than the average stocks which might give support to the falling prices.**
- **As per the Ministry of Agriculture, current Kharif castor acreage as on 27<sup>th</sup> September 2019 up by 6.96 per cent** at 9.38 lakh hectares as compared to 8.77 lakh hectares last year same period. Andhra Pradesh, Telangana, Haryana and Rajasthan castor area is down from last year on the other hand major producing state Gujarat area under castor seed up by 34.48% to 7.02 lakh hectares till date.
- **Cash Castor oil and seed markets dropped on Friday due to speculation in future markets.** All India castor seed arrival today is 348 quintals which is down by 276 quintals from last day arrival of 624 quintals.
- **Banaskantha, Patan, Mehsana, Sabarkantha, Gandhinagar and Aravalli in north Gujarat region account for 3.51 lh** of castor acreage this season. That is more than half of the entire crop area in the state. Kutch region, which is a single district but have geographical features distinct from other regions of the state, is second with 1.33 lh under castor cultivation this year. With 1.03 lh, Saurashtra, the region formed by 11 districts, is third. Patan has emerged as the single largest castor district with farmers having sown this long-duration crop in 94,800 hectare. It is followed by Banaskantha with 93,300 ha and Mehsana (87,100 ha). Surendranagar in Saurashtra has reported castor sowing in 69,700 ha, the fourth highest in the state. Morbi (22,900 ha) is the other Saurashtra district which has seen significant sowing of the oilseed.
- **As per the Solvent Extractors' Association of India (SEA), all India castor seed production estimate for 2018-19 is 11.27 Lakh MT** which is 21.35 per cent lower than the 2017-18 production estimate of 14.33 Lakh MT. However, according to the AGCON, castor production estimate is 9.13 Lakh MT for 2018-19.



NCDEX Castor Futures				Date: 17.10.2019			
Contract	+/-	Open	High	Low	Close	Volume	O. Int
19-Oct	+18	4360	4380	4352	4376	630	685
19-Nov	+24	4418	4458	4418	4456	8320	71340
19-Dec	+18	4482	4516	4482	4510	2230	12185

### Castor Seed Prices in Key Centers:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		17-Oct-19		15-Oct-19		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	4250	4300	4250	4400	-100
	Harij	NA	NA	NA	NA	-
	Rajkot	NA	NA	NA	NA	-
	Gondal	3955	4305	4090	4105	200
	Deesa	4245	4245	NA	NA	-
	Bhabar	4350	4400	4425	4425	-25
	Mehsana	4300	4355	4200	4300	55
	Kadi	4255	4255	4255	4255	Unch
	Sabarkatha	NA	NA	NA	NA	-
	Gandhi Nagar	4250	4300	4250	4300	Unch
	Ahmedabad (Sanand)	NA	NA	NA	NA	-
	Halvad	4350	4550	4350	4650	-100
	Junagadh	NA	NA	NA	NA	-
	Dhrol	NA	NA	NA	NA	-
Rajasthan	Jodhpur	4000	4000	4000	4000	Unch
	Sumerpur	4200	4200	4200	4200	Unch

### Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		17-Oct-19	15-Oct-19	
Gujarat	Patan	398	225	173
	Harij	NA	NA	-
	Rajkot	NA	NA	-
	Gondal	10	1	9
	Deesa	28	NA	-
	Bhabar	80	NA	-

	Mehsana	15	113	<b>-98</b>
	Kadi	6	6	<b>Unch</b>
	Sabarkatha	NA	NA	-
	Gandhi Nagar	23	15	<b>8</b>
	Ahmedabad (Sanand)	NA	NA	-
	Halvad	143	75	<b>68</b>
	Junagadh	NA	NA	-
	Dhrol	NA	NA	-
<b>Rajasthan</b>	Jodhpur	1	1	<b>Unch</b>
	Sumerpur	40	80	<b>-40</b>
<b>Total Arrivals/Above Markets</b>		<b>742</b>	<b>515</b>	<b>227</b>

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

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