

Domestic Market Update:

- **Mostly castor mandi traded weak on Wednesday with** higher arrival. All India castor seed arrival today is 4501 quintals which is up by 363 quintals by last day arrivals of 4139 quintals.
- **Robust sowing, supported by increased water availability following extended rains, has brightened the castor crop** prospects in the largest growing States, Gujarat and Rajasthan.
- **According to farmers and trade sources, the current crop condition appears good and the output is likely to cross 17** lakh tonnes, a likely record in at least the past seven years. In 2011-12, castor crop output was recorded at 16.2 lakh tons.
- **Castor crop looks good at present and it is expected that the crop size will be much higher than last year's.** Farmers are estimating the crop to be between 17-19 lakh tonnes. Thanks to increased acreage and likely favorable climate, the crop will give a record output this year.
- **Gujarat is the largest producer of the oilseed, which is used by multiple industries. At 7, 40,484 hectares, the State saw a** nearly 39 per cent jump in castor sowing for kharif 2019, as against 5, 33,789 hectares in the previous year. Good castor prices last year have also encouraged farmers to take up the oilseed in a big way.
- **Rajasthan has also witnessed about 20 per cent rise in castor sowing at 1, 54,200 hectares, as against 1, 28,300 hectares** in the previous year.
- **The Solvent Extractors' Association of India (SEA) estimated castor output for the year 2018-19 at about 9.35 lakh tons.**
- **According to SEA officials, supportive monsoon and increased acreage will boost the prospects for the crop this year.** "As per SEA crop survey is under way and we will come out with crop projections in February. But at present, the crop looks good and if the climate remains favorable, we will have a better crop than last year's.
- **In this year the highest crop output in at least past 4-5 years. Domestic demand looks good, while in the international market,** multiple factors including US-China trade deal will hold the key to castor demand," said Rakesh Dhariwal of Maa Vankal Group, a leading trader in the commodity.
- **India is the largest producer of castor oil and feeds key markets, including China. International prices currently hover in** the range of \$1,310 per tonne FOB. In the domestic market, however, the prices have corrected by about 15-18 per cent to Rs 4,379 a quintal since December last year.
- **In what is being termed as the biggest locust swarm attack in over two decades,** several parts of North Gujarat have seen crops like castor, cumin and mustard take a major hit. According to the AGMARK data, all India castor crop arrivals in the third week of November is reported at 3.17 Thousand MT which is 55 percent higher than last year arrivals of 6.57 thousand MT in the same time period. Lower arrivals in the domestic mandi may push the prices upward.
- **Castor, cumin and mustard have seen the highest impact, being the major crops in North Gujarat. Of these, Banaskantha** district has seen most impact due to its proximity to Rajasthan's desert region from where the locusts have entered Gujarat. Meanwhile, despite witnessing presence of locusts, the Kutch district has seen little to no damage to the crop.
- **According to latest sowing report as on 27th September 2019, all India Castor sowing is reported 9.38 lakh hectares** in 2019 which is 6.95 per cent higher than last year acreage of 8.77 lakh hectares in the same time

period. Higher castor acreage is reported in Gujarat this year as compare to last year. However, in Rajasthan castor acreage has decreased to 1.54 lakh hectares from 2.64 lakh hectares last year.

- **Gujarat castor acreage is reported at 7.40 lakh hectares which is 38.57 per cent higher than last year acreage of 5.34 lakh hectares.** Farmers in Gujarat had re-sowed castor crop where damaged was observed due to rains. However, yield is expected to be lower than normal in those areas due to late sowing.
- **According to Government 1st advance estimate, castor production in 2019-20 is estimated at 17.37 lakh tonnes.**

| NCDEX Castor Futures | | | | Date: 03/2/2020 | | | |
|----------------------|-----|------|------|-----------------|-------|--------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | O. Int |
| 20-Feb | -40 | 3930 | 3934 | 3884 | 3884 | 3205 | 13895 |
| 20-Mar | -36 | 3960 | 3960 | 3896 | 3900 | 3345 | 17980 |
| 20-Apr | -90 | 3984 | 3960 | 3918 | 3928 | 295 | 3600 |

Castor Seed Prices in Key Centers:

| Commodity/Center | Market | Price (Rs/ Quintal) | | | | Change |
|------------------|--------------------|---------------------|------|----------|------|--------|
| | | 5-Feb-20 | | 4-Feb-20 | | |
| | Castor Seed | Low | High | Low | High | |
| Gujarat | Patan | 3800 | 3900 | 3750 | 3875 | 25 |
| | Harij | 3800 | 3850 | 3800 | 3850 | Unch |
| | Rajkot | 3500 | 3725 | 3500 | 3775 | -50 |
| | Gondal | 3100 | 3800 | 3105 | 3780 | 20 |
| | Deesa | 3850 | 3875 | 3850 | 3900 | -25 |
| | Bhabar | 3850 | 3925 | 3850 | 3950 | -25 |
| | Mehsana | 3750 | 3800 | 3800 | 3825 | -25 |
| | Kadi | 3850 | 3870 | 3850 | 3880 | -10 |
| | Sabarkatha | 3750 | 3850 | 3900 | 3925 | -75 |
| | Gandhi Nagar | NR | NR | 3850 | 3900 | - |
| | Ahmedabad (Sanand) | NA | NA | NA | NA | - |
| | Halvad | 3850 | 3950 | 3750 | 3925 | 25 |
| | Junagadh | NA | NA | NA | NA | - |
| | Dhrol | NA | NA | NA | NA | - |
| Rajasthan | Jodhpur | 3600 | 3700 | 3900 | 3936 | -236 |
| | Sumerpur | 3800 | 3825 | 3800 | 3825 | Unch |

Castor Seed Arrivals in Key Centers:

| Center | Market | Fig. in Quintal | | Change |
|------------------------------|--------------------|-----------------|----------|--------|
| | | 5-Feb-20 | 4-Feb-20 | |
| Gujarat | Patan | 1050 | 638 | 413 |
| | Harij | 450 | 338 | 113 |
| | Rajkot | 225 | 70 | 155 |
| | Gondal | 11 | 17 | -6 |
| | Deesa | 225 | 225 | Unch |
| | Bhabar | 1040 | 1120 | -80 |
| | Mehsana | 135 | 90 | 45 |
| | Kadi | 400 | 784 | -384 |
| | Sabarkatha | 40 | 40 | Unch |
| | Gandhi Nagar | NR | 53 | - |
| | Ahmedabad (Sanand) | NA | NA | - |
| | Halvad | 525 | 525 | Unch |
| | Junagadh | NA | NA | - |
| | Dhrol | NA | NA | - |
| Rajasthan | Jodhpur | NA | NA | - |
| | Sumerpur | 400 | 240 | 160 |
| Total Arrivals/Above Markets | | 4501 | 4139 | 363 |

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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2020 Indian Agribusiness Systems Ltd.