

### Domestic Market Update:

- **Castor-seed futures contracts recently hit fresh lows on India's biggest exchange for trading farm-produce derivatives** after the bourse's clearing house used the collateral of traders, who had failed to meet additional margin requirements, to settle outstanding payout obligations.
- **Due to fall in crude oil prices, castor oil and seed prices down drastically in future markets.**
- **Major mandis are closed due to corona virus .**
- **According to Government 02<sup>nd</sup> advance estimate, castor production in 2019-20 is estimated at 21.6 lakh tonnes.**
- **Castor seed production in India is expected to grow 88% to 20.36 lakh tonne in 2019-20 compared to the previous year,** according to a survey conducted by Agriwatch. Last year, the country produced 10.82 lakh tonne of castor seed. According to the survey conducted by 'Agriwatch' or Indian Agribusiness Systems, commissioned by the Solvent Extractors Association of India (SEA), castor seed production in Gujarat, a major producer of the commodity, is estimated to be 17.44 lakh tonne in 2019-20, 96% more than 8.89 lakh tonne produced last year.
- **Exports of castor oil from India to China may slow on concern the spread of corona virus will impact port logistics in the world's most populous country,** according to India's top shipper.
- **Some Chinese buyers of castor oil have go slow on shipments as they anticipate ports may be affected because of the spread of coronavirus.**
- **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.

NCDEX Castor Futures				Date: 29/04/2020			
Contract	+/-	Open	High	Low	Close	Volume	O. Int
20-Apr	-36	4080	4140	4040	4104	2935	10890
20-May	-28	4000	4076	4000	4042	2145	12975
20-Jun	-24	3926	3922	3922	3922		

## Castor Seed Prices in Key Centers:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		05-May-20		04-May-20		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3450	3550	3450	3550	Unch
	Harij	NR	NR	3475	3500	-
	Rajkot	NR	NR	3250	3475	-
	Gondal	Closed	Closed	Closed	Closed	-
	Deesa	3500	3575	3465	3540	35
	Bhabar	3500	3600	3525	3550	50
	Mehsana	3450	3500	3475	3550	-50
	Kadi	NR	NR	NR	NR	-
	Sabarkatha	3500	3550	3500	3600	-50
	Gandhi Nagar	3550	3600	3500	3550	50
	Ahmedabad (Sanand)	NR	NR	NR	NR	-
	Halvad	3475	3600	3400	3550	50
	Junagadh	NA	NA	NA	NA	-
	Dhrol	NA	NA	3000	3340	-
	Rajasthan	Jodhpur	3000	3300	3400	3500
Sumerpur		3450	3500	3550	3600	-100

## Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		5-May-20	4-May-20	
Gujarat	Patan	5250	5250	Unch
	Harij	NR	4500	-
	Rajkot	NR	880	-
	Gondal	Closed	Closed	-
	Deesa	4688	3939	749
	Bhabar	2400	6400	-4000
	Mehsana	450	525	-75
	Kadi	NR	NR	-
	Sabarkatha	560	480	80
	Gandhi Nagar	750	1500	-750
	Ahmedabad (Sanand)	NR	NR	-
	Halvad	1200	1125	75
	Junagadh	NA	NA	-
	Dhrol	NA	NA	-
Rajasthan	Jodhpur	248	188	60
	Sumerpur	3200	3200	Unch

Total Arrivals/Above Markets	18745	27987	-9242
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**Note: We have incorporated traded quantity of seed in particular mandis. It does not signify the total arrivals**

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