



Domestic Market Update:

- **Mixed sentiments recorded in castor seed price on Friday, all India castor seed arrival is 28542 quintal which is higher by 6827 quintal from last day arrival of 21715 quintal.**
- Difficulty for Indian Domestic Castor Oil Industry after Domestic & International demand for Castor Oil gone down drastically. Due to slowdown in global economy as the aftereffects of Covid-19, the manufacturing & trading activities have gone down. This lead to drastic dedine in the International exports of Castor Oil. In 2018-19 we exported 5.7 lakh tons of Castor Oil, whereas this export came down to 5 lakh tons.
- During this current year reports of exports is not very encouraging. It is very remarkable that India is the largest producer of Castor in the world. And India is also the largest exporter of Castor in the international market. So in one sense India has established its near monopoly in International Castor Market.
- According to industry analyst the exports in April compared to March declined by 2.5% to 30000 tons. On the similar line there is very strong probability that exports would decline in May as well.
- According to market source, the export of castor oil in the month of May is likely to decline by 50% as compared to last month. According to director of SEA, the major reason for decline in export is slow down in the automobile sector.
- During the period of lockdown, drastically fall in oil production and trade has been observed. Basically castor oil is used to produce sebacic acid which is thereby use in plastic, lubricant, cosmetic, candles, paint Industry as raw material.
- Due to undergoing lockdown in many countries, manufacturing sector has been hit hard. Since the demand of castor oil amongst the major importing countries like China, Japan, USA and many European countries has weakened so in the coming months the export shipment would be impacted very harshly.
- India export almost 50% of its castor oil to China. But good news for castor farmers is that, the demand by pharmaceutical industry pretty much normal.
- The production of castor oil in indigenous crushing and processing units has declined to 35-40% of its total capacity which earlier used to be 70-80% of total capacity.
- In the domestic market also, the demand for castor oil has come down by 40-45% during the lockdown.
- On the other side, the arrival of Castor seed is increasing day by day in the mandis. In the largest producing state Gujarat, on 4 May, one lakh bag arrived which increased to 1.10 lakh bag on 5 May (75kg of each bag). In the Deesa Mandi, the price of Castor seed reduced to Rs.3600/qtl.

- According to Government 02nd advance estimate, castor production in 2019-20 is estimated at 21.6 lakh tonnes.
- 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: 15/05/2020			
Contract	+/-	Open	High	Low	Close	Volume	O. Int
20-May	-36	4080	4140	4040	4104	2935	10890
20-Jun	-28	4000	4076	4000	4042	2145	12975
20-Jul	-24	3926	3922	3922	3922		

Castor Seed Prices in Key Centers:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		15-May-20		14-May-20		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	3450	3550	NR	NR	-
	Harij	NR	NR	3475	3560	-
	Rajkot	NR	NR	3200	3545	-
	Gondal	NR	NR	3405	3605	-
	Deesa	3535	3600	3500	3575	25
	Bhabar	3490	3590	3500	3600	-10
	Mehsana	3500	3540	3475	3525	15
	Kadi	3550	3600	3500	3595	5
	Sabarkatha	3550	3600	3525	3565	35
	Gandhi Nagar	3550	3600	3500	3550	50
	Ahmedabad (Sanand)	NR	NR	NR	NR	-
	Halvad	3300	3425	3300	3450	-25
	Junagadh	3000	3565	3000	3415	150
	Dhrol	NA	NA	NA	NA	-
	Rajasthan	Jodhpur	Closed	Closed	Closed	Closed

	Sumerpur	Closed	Closed	Closed	Closed	-
--	----------	--------	--------	--------	--------	---

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		15-May-20	14-May-20	
Gujarat	Patan	16500	NR	-
	Harij	NR	6000	-
	Rajkot	NR	750	-
	Gondal	NR	1000	-
	Deesa	2623	4500	-1877
	Bhabar	3200	3840	-640
	Mehsana	1125	1350	-225
	Kadi	2400	1920	480
	Sabarkatha	480	480	Unch
	Gandhi Nagar	600	675	-75
	Ahmedabad (Sanand)	NR	NR	-
	Halvad	1500	1125	375
	Junagadh	114	75	39
	Dhrol	NA	NA	-
Rajasthan	Jodhpur	Closed	Closed	-
	Sumerpur	Closed	Closed	-
Total Arrivals/Above Markets		28542	21715	6827

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.