



### Domestic Market Update:

- **Mixed sentiments recorded in castor seed price on Wednesday, all India castor seed arrival is 23035 quintal which is up by 6707 quintal from last day arrival of 16328 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/ql.

- According to Government 02<sup>nd</sup> 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: 20/05/2020			
Contract	+/-	Open	High	Low	Close	Volume	O. Int
20-Jun	-36	4080	4140	4040	4104	2935	10890
20-Jul	-28	4000	4076	4000	4042	2145	12975
20-Aug	-24	3926	3922	3922	3922		

### Castor Seed Prices in Key Centers:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		21-May-20		20-May-20		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	NR	NR	NR	NR	-
	Harij	3475	3525	NR	NR	-
	Rajkot	3200	3555	NR	NR	-
	Gondal	3425	3580	3425	3575	5
	Deesa	3400	3550	3600	3700	-150
	Bhabar	3475	3550	3500	3575	-25
	Mehsana	3475	3515	3475	3525	-10
	Kadi	3450	3525	3500	3575	-50
	Sabarkatha	3500	3550	3525	3575	-25
	Gandhi Nagar	3525	3575	3550	3625	-50
	Ahmedabad (Sanand)	NR	NR	NR	NR	-
	Halvad	3300	3450	3200	3400	50

<b>Rajasthan</b>	Junagadh	3000	3425	3000	3525	<b>-100</b>
	Dhrol	NA	NA	2975	3325	-
	Jodhpur	Closed	Closed	Closed	Closed	-
	Sumerpur	Closed	Closed	Closed	Closed	-

**Castor Seed Arrivals in Key Centers:**

Center	Market	Fig. in Quintal		Change
		21-May-20	#####	
<b>Gujarat</b>	Patan	NR	NR	-
	Harij	7500	NR	-
	Rajkot	940	NR	-
	Gondal	1000	1200	<b>-200</b>
	Deesa	655	2475	<b>-1820</b>
	Bhabar	6400	4800	<b>1600</b>
	Mehsana	1500	750	<b>750</b>
	Kadi	2560	4160	<b>-1600</b>
	Sabarkatha	480	560	<b>-80</b>
	Gandhi Nagar	750	750	<b>Unch</b>
	Ahmedabad (Sanand)	NR	NR	-
	Halvad	1200	1500	<b>-300</b>
	Junagadh	50	45	<b>5</b>
	Dhrol	NA	88	-
<b>Rajasthan</b>	Jodhpur	Closed	Closed	-
	Sumerpur	Closed	Closed	-
<b>Total Arrivals/Above Markets</b>		<b>23035</b>	<b>16328</b>	<b>6707</b>

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

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.