



### Domestic Market Update:

- **Mixed sentiments recorded in castor seed price on Friday, all India castor seed arrival is 19111 quintal which is down by 17720 quintal from last day arrival of 36831 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
		23-May-20		22-May-20		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	NR	NR	3400	3500	-
	Harij	3450	3525	NR	NR	-
	Rajkot	3200	3550	3150	3555	-5
	Gondal	3380	3530	3405	3580	-50
	Deesa	3450	3500	3475	3515	-15
	Bhabar	3500	3560	3475	3510	50
	Mehsana	3450	3515	3450	3500	15
	Kadi	3450	3520	3400	3475	45
	Sabarkatha	3550	3575	3500	3525	50
	Gandhi Nagar	3450	3500	3475	3525	-25
	Ahmedabad (Sanand)	Closed	Closed	Closed	Closed	-
	Halvad	3275	3425	3250	3400	25
	Junagadh	3500	3800	3250	3500	300
	Dhrol	NA	NA	NA	NA	-

<b>Rajasthan</b>	Jodhpur	Closed	Closed	Closed	Closed	-
	Sumerpur	Closed	Closed	Closed	Closed	-

**Castor Seed Arrivals in Key Centers:**

Center	Market	Fig. in Quintal		Change
		23-May-20	#####	
<b>Gujarat</b>	Patan	NR	23250	-
	Harij	6000	NR	-
	Rajkot	950	1100	<b>-150</b>
	Gondal	800	900	<b>-100</b>
	Deesa	750	444	<b>306</b>
	Bhabar	3840	4160	<b>-320</b>
	Mehsana	1050	1125	<b>-75</b>
	Kadi	3200	2960	<b>240</b>
	Sabarkatha	240	480	<b>-240</b>
	Gandhi Nagar	1125	1050	<b>75</b>
	Ahmedabad (Sanand)	Closed	Closed	-
	Halvad	1125	1350	<b>-225</b>
	Junagadh	31	12	<b>19</b>
	Dhrol	NA	NA	-
<b>Rajasthan</b>	Jodhpur	Closed	Closed	-
	Sumerpur	Closed	Closed	-
<b>Total Arrivals/Above Markets</b>		<b>19111</b>	<b>36831</b>	<b>-17720</b>

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

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