



Domestic Market Update:

- **Mixed sentiments recorded in castor seed price on Monday, all India castor seed arrival is 21997 quintal which is down by 3806 quintal from last day arrival of 25803 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 lack bag arrived which increased to 1.10 lack 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: 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
		26-May-20		25-May-20		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	NR	NR	3400	3555	-
	Harij	3475	3525	NR	NR	-
	Rajkot	3125	3500	3150	3515	-15
	Gondal	3400	3550	Closed	Closed	-
	Deesa	3500	3550	3485	3530	20
	Bhabar	3500	3550	Closed	Closed	-
	Mehsana	3525	3550	3500	3535	15
	Kadi	3450	3530	3475	3525	5
	Sabarkatha	3500	3535	Closed	Closed	-
	Gandhi Nagar	3525	3575	3525	3575	Unch
	Ahmedabad (Sanand)	Closed	Closed	Closed	Closed	-
	Halvad	3200	3400	3300	3475	-75
	Junagadh	NA	NA	Closed	Closed	-

	Dhrol	NA	NA	NA	NA	-
Rajasthan	Jodhpur	3000	3300	3000	3260	40
	Sumerpur	3400	3450	3350	3400	50

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		26-May-20	25-May-20	
Gujarat	Patan	NR	15750	-
	Harij	5250	NR	-
	Rajkot	1075	1050	25
	Gondal	1000	Closed	-
	Deesa	938	806	131
	Bhabar	3680	Closed	-
	Mehsana	1125	750	375
	Kadi	4240	4000	240
	Sabarkatha	640	Closed	-
	Gandhi Nagar	900	600	300
	Ahmedabad (Sanand)	Closed	Closed	-
	Halvad	1500	1200	300
	Junagadh	NA	Closed	-
	Dhrol	NA	NA	-
Rajasthan	Jodhpur	50	47	3
	Sumerpur	1600	1600	Unch
Total Arrivals/Above Markets		21997	25803	-3806

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

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