



Domestic Market Update:

- **Mixed sentiments recorded in castor seed price on Tuesday, all India castor seed arrival is 20765 quintal which is up by 10137 quintal from last day arrival of 34050 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.

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 Centres:

Commodity/Center	Market	Price (Rs/ Quintal)				Change
		02-Jun-20		01-Jun-20		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	NR	NR	3400	3600	-
	Harij	3475	3525	NR	NR	-
	Rajkot	NR	NR	3060	3600	-
	Gondal	Closed	Closed	3400	3580	-
	Deesa	3510	3535	3525	3575	-40
	Bhabar	3525	3560	3500	3560	Unch
	Mehsana	3475	3515	3475	3550	-35
	Kadi	3450	3510	3450	3530	-20
	Sabarkatha	3500	3560	3500	3550	10
	Gandhi Nagar	3500	3550	3500	3560	-10
	Ahmedabad (Sanand)	NA	NA	NA	NA	-
	Halvad	3150	3425	3200	3350	75
	Junagadh	3250	3525	NA	NA	-
	Dhrol	NA	NA	NA	NA	-
	Rajasthan	Jodhpur	3400	3400	3480	3500
Sumerpur		3450	3475	3480	3500	-25

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal	Change
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		2-Jun-20	1-Jun-20	
Gujarat	Patan	NR	15000	-
	Harij	4500	NR	-
	Rajkot	NR	1000	-
	Gondal	Closed	1300	-
	Deesa	2250	2250	Unch
	Bhabar	4800	6400	-1600
	Mehsana	750	1125	-375
	Kadi	4000	3680	320
	Sabarkatha	800	720	80
	Gandhi Nagar	900	975	-75
	Ahmedabad (Sanand)	NA	NA	-
	Halvad	1125	900	225
	Junagadh	40	NA	-
	Dhrol	NA	NA	-
Rajasthan	Jodhpur	NA	NA	-
	Sumerpur	1600	1600	Unch
Total Arrivals/Above Markets		20765	34950	-14185

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

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