



Domestic Market Update

- Weak sentiments recorded today with higher arrival. All India castor seed arrival is 8553 quintal which is up by up by 1049 quintal from last day arrival of 7504 quintal.
- Due to lower availability of old stock of Castor seeds, panic selling could be seen as the new season starts from March-2021. Castor seeds price is likely to go down in the month of March when new picking would start. Demand of Castor Oil from China and Europe has slowed down in last couple of weeks is expected to go up gradually in coming week. Meanwhile, as per trade sources, around 15 -16 Lakh tons of Castor seeds will be produced in this season where as Carry over stock of Castor seeds is approx 4 lakh Tons as on 1 January-2021.
- After 1st phase of Castor Harvest and seeds picking, the news of 2nd phase of picking castor seeds is also coming up. Though this has happened in very few areas. This year the exports of Castor Oil have grown by 15 % as compared to last year. Major chunk has been exported to China. There has been no enhancement in the export of castor seeds to Western Markets.
- And with the news of Corona Vaccine coming up the economic activities would remain bullish so the export of Castor Oil is anticipated to be between the two export numbers achieved during 2019 & 2020. An estimated figure for export during 2021 is 6 lakh tonnes.
- The prices of Castor seeds would go down is very unlikely. Apparently there would be a strong international demand. Chances of major jump in the prices of Castor seeds are very minimal due to current prevailing situation.
- On a day today basis 45000 bags of Castor is arriving whereas 80000 bags of Castor is being crushed in mills every day. So the pipeline is getting shortened. Extra stock with traders is gradually coming down and getting exhausted. The castor oil exports in 2020 has grown up by 18%. The export to China has grown substantially as compared to other global markets.
- During Rabi season, since the prices of other crops is higher than castor, so farmers would prefer to shift to crops other than castor. If this happens the sowing area of Castor might go down by 20-25%.
- Moreover, since there has been increased in Castor exports along with reduction in sowing area by 16% so the castor prices would stay strong till the arrival of new castor crop. In coming 2 months, the prices of Castor might go up to Rs.4300/ to Rs. 4500/quintal.
- The castor export between January to September has gone up by 10-12%. In the overall export data for castor, exports to China has gone up by 17%, to Europe it has gone down by 1-2%.
- According to Government 1st advance estimate, castor production in 2020-21 is estimated at 17.24 lakh tonnes. Last year total production of seed was reported at 18.49 lakh tonnes which was a record in the decade.

- The estimated production of Castor in current year was 22 Lakh tonnes, out of which 13 Lakh tonnes has already arrived in market. So by the time new Castor crop arrival after February, the total availability of Castor for Industries is only 8.5-9 Lakh tonnes.

NCDEX Castor Futures							
Contract	+/- (%)	Open	High	Low	Close	Volume	O. Int
21-Jan		4436	4524	4430	4512	8320	23170
21-Feb		4500	4592	4500	4576	5970	13375
21-Mar		-	-	-	-	-	-

Castor Seed Prices in Key Centers:

Castor Seed Prices in Key Centers						
Commodity/Center	Market	Price (Rs/ Quintal)				Change
		29-Jan-21		28-Jan-21		
	Castor Seed	Low	High	Low	High	
Gujarat	Patan	4300	4375	4275	4375	Unch
	Harij	4360	4390	4325	4360	30
	Rajkot	4075	4270	4035	4260	10
	Gondal	4205	4280	4205	4255	25
	Deesa	4300	4350	Closed	Closed	-
	Bhabar	4300	4350	Closed	Closed	-
	Mehsana	4325	4375	4300	4350	25
	Kadi	4315	4350	4260	4310	40
	Sabarkatha	4400	4425	4300	4350	75
	Gandhi Nagar	4350	4375	4325	4375	Unch
	Ahmedabad (Sanand)	NA	NA	o	o	-
	Halvad	4375	4450	4325	4450	Unch
	Junagadh	3500	4235	o	o	4235
	Dhrol	NA	NA	o	o	-
Rajasthan	Jodhpur	4300	4350	4250	4320	30
	Sumerpur	4225	4250	4225	4250	Unch

Castor Seed Arrivals in Key Centers:

Center	Market	Fig. in Quintal		Change
		29-Jan-21	28-Jan-21	
Gujarat	Patan	3000	3000	Unch
	Harij	750	450	300

	Rajkot	330	198	132
	Gondal	600	600	Unch
	Deesa	225	Closed	-
	Bhabar	300	Closed	-
	Mehsana	640	960	-320
	Kadi	984	656	328
	Sabarkatha	320	280	40
	Gandhi Nagar	450	450	Unch
	Ahmedabad (Sanand)	NA	0	-
	Halvad	750	750	Unch
	Junagadh	44	0	44
	Dhrol	NA	0	-
Rajasthan	Jodhpur	NA	0	-
	Sumerpur	160	160	Unch
Total Arrivals/Above Markets		8553	7504	1049

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.