

Castor Domestic Fundamentals: -

- Castor seed prices traded weak during the week ended on 15th March, 2014. Arrivals during the week increased slightly. As arrivals are yet to increase, buyers offer lower price for the seed. Maximum price offered on Deesa and Mehsana at the week under review. Farmers were offered Rs 4050 to Rs 4055 per qtl. in these markets.
- Lowest prices were offered in Sumerpur and Rajkot. Arrivals increased 15 percent in Sumerpur in comparison to last week. The highest Increase has been witnessed in Patan where arrival increase by 33 percent from previous week. Arrival in Ahmedabad too increased by 21 percent.
- This year crop size is expected to be lower over 2 lakh tonne from previous year to 11.80 lakh tonne against last year's production of 14.04 lakh tonne. Trader's estimate is even lower at around 11 lakh tonne. This indicates that crop is lower from last year from every point of view. This will fuel prices in the months ahead as the new crop's pressure comes to an end.
- This year area under castor seed decreased sharply from 11.77 lakh ha. to 9.84 lakh ha, almost 1.93 lakh ha. lower than 2012-13. Considerable decrease in area has been seen in Gujarat and Andhra Pradesh. Total area collectively in both states is lower by 1.58 lakh ha.
- Total availability this year is expected to remain at 15.0 lakh tonne against the last year's availability of 17.84 lakh tonne including carryout. Against this our domestic demand is around 17 to 18 lakh tonnes. Sensing the overall deficit in seed supply major players would hold on seed for long time and it will continue to fuel market throughout the lean season.
- Demand for oil is good and planters to are active in higher seed crushing. Stockists interest and planters demand would not allow market to have any steep fall even at the time of peak arrivals. Buyers like China, European Union and US Are expected to start fresh buying by the end of this month.

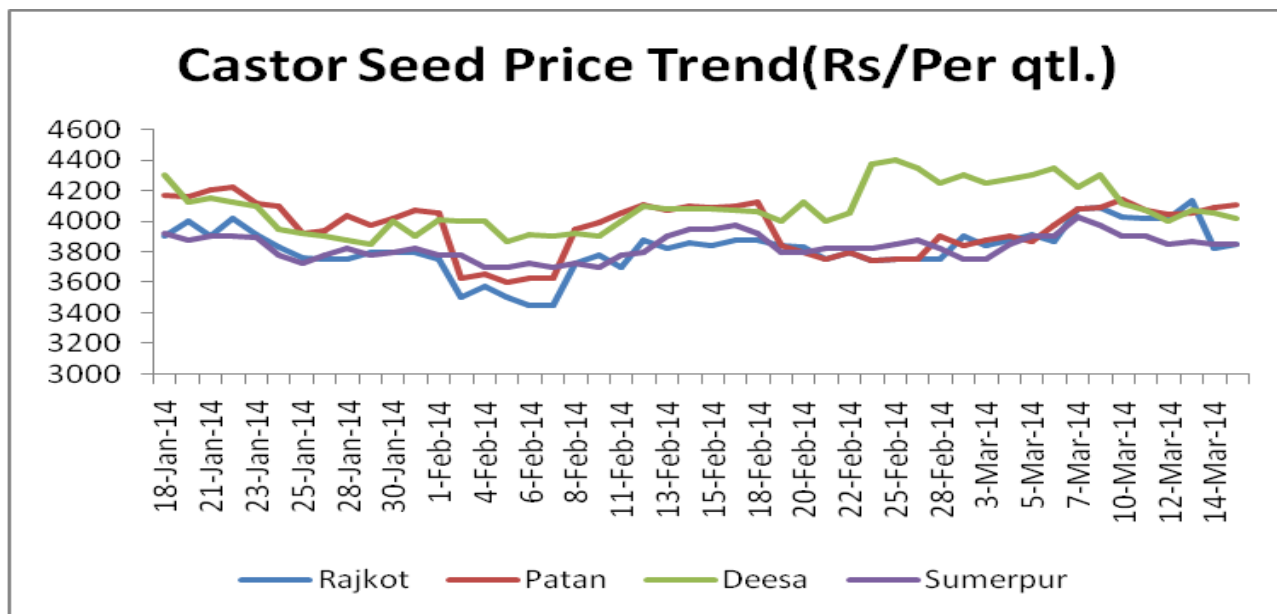
International Market Update:

- Latest booking of castor oil has been reported \$1250 to \$1255 per Tonne. Prices of oil are unlikely to dip from current level.
- China, France, European Union and Australia remain the major buyers for Indian castor oil. However, domestic users like soap and paints industries would continue to buy for their normal needs. Some sluggishness in buying is visible at this point of time as importers are waiting for stabilization in the market. Castor oil is being exported from India at \$1240 to \$1250 per T while Rotterdam quotes \$1530-1540 per T.

Domestic market Outlook:

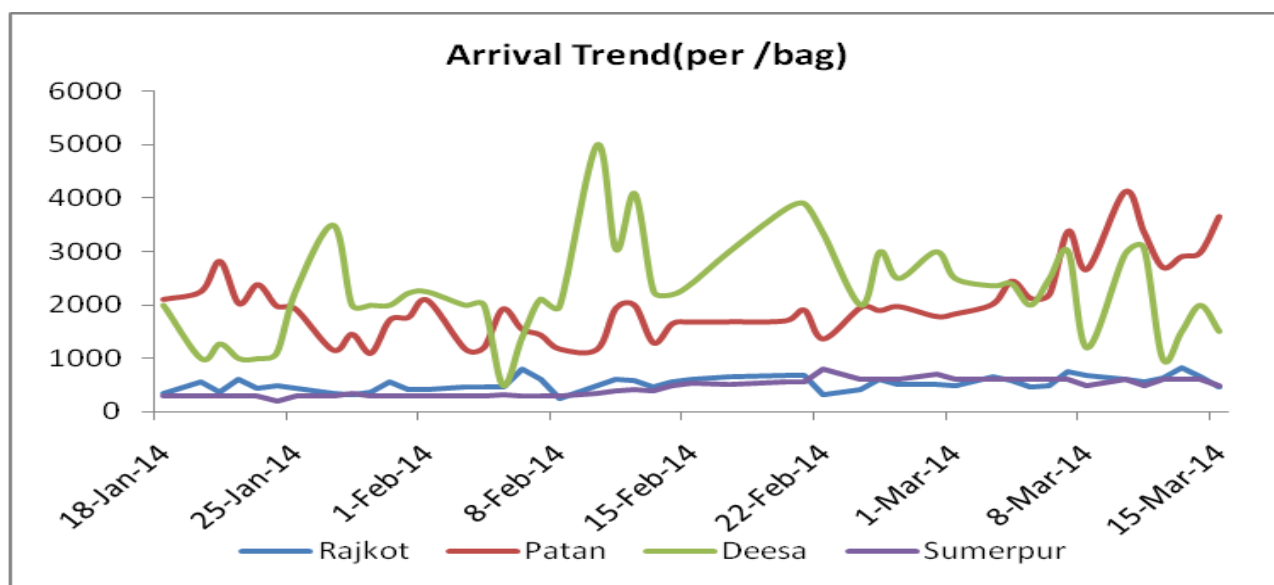
Market is likely to trade steady to slightly weak this week.

Castor Seed Price Chart:



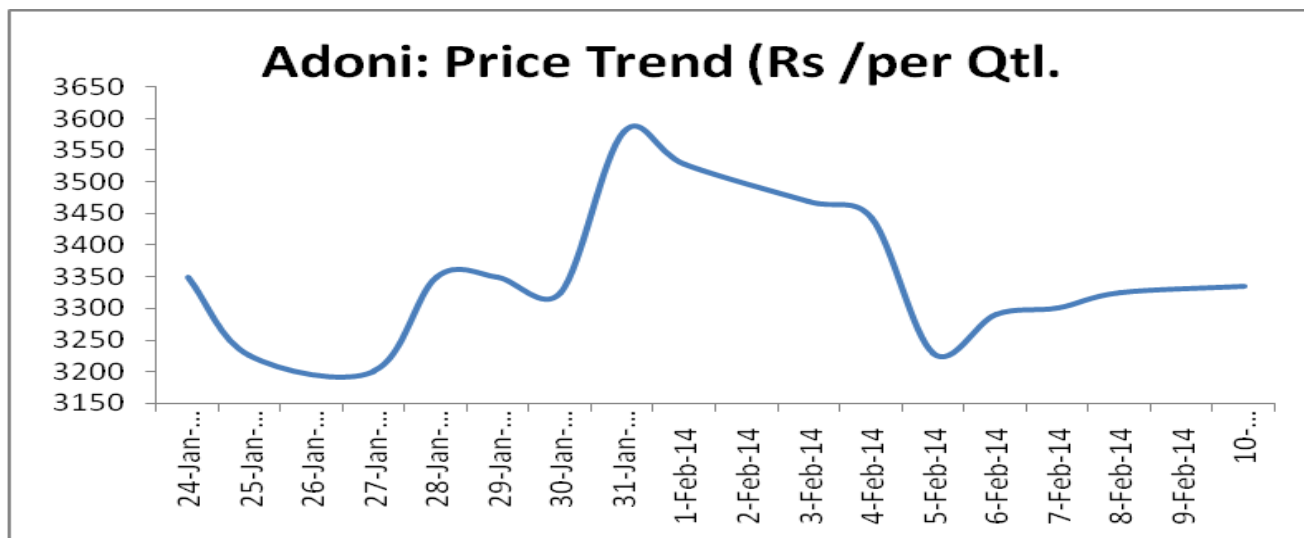
Prices of castor seed decreased slightly from previous week on higher arrivals. However, price increased in Patan. Stockists are engaged in building up stock in anticipation of higher prices this year as crop size is lower and demand for castor oil remains encouraging.

Castor Seed arrival Chart:



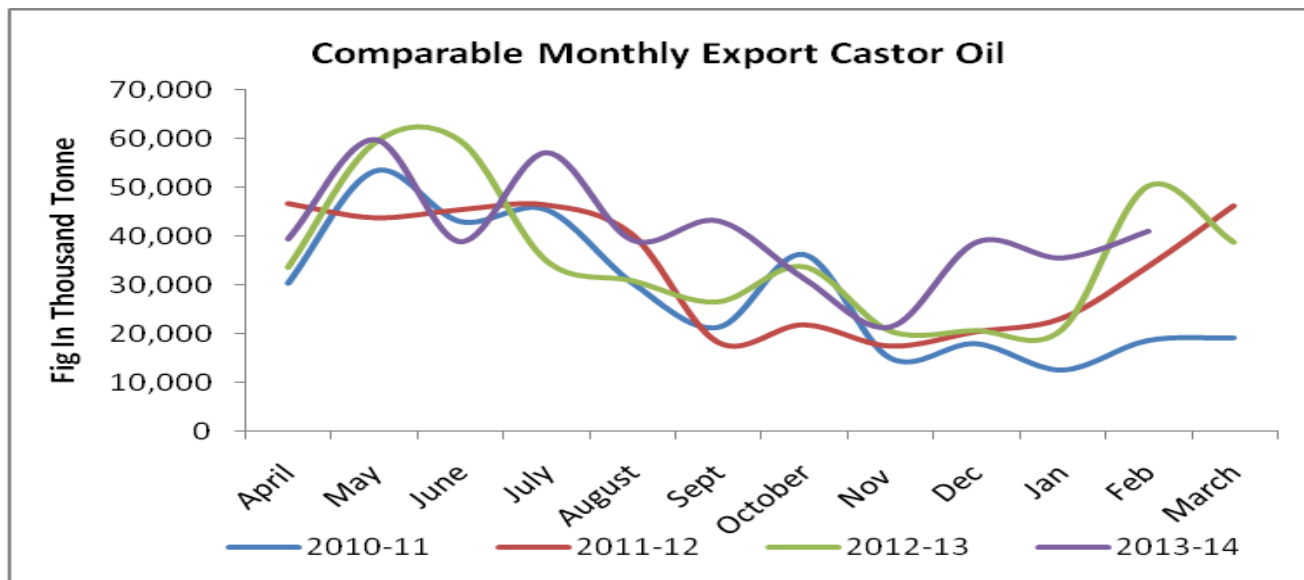
Castor Seed arrival in Patan has been on the rise during the week under review. Arrivals are expected to improve in the weeks ahead. However, in other markets it decreased considerably during the week.

Adoni Market(Andhra Pradesh):



Prices in Adoni market have improved slightly getting support from other cash market. Market is expected to trade steady in the weeks ahead. Arrivals in these market too have increased slightly.

Castor Oil Export Trend:



Castor oil export have followed seasonality as usual. As Dec-Jan are considered lean season and prices rules higher, Export volumes come down generally in these months.. However it starts increasing from Feb. as arrival pressure starts building up. In the month of dec-2013 total export registered at around 20,000 tonne against last year's(2012-Dec)/ 20,235 tonne .In February total oil export registered at 41,000 tonne. Volume may increase in March 2014.

Technical Analysis:



Technical Commentary:

- Castor prices are still hovering in downtrend and market may test support level of 3817 in near term.
- Prices are hovering at neutral region.
- Last candlestick depicts slight weakness.
- Players are advised to sell above the given level maintaining stop loss strictly at 4050.

Strategy: **Sell**

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor seed	NCDEX	April	4000	4150	4250	4354	4375
Intraday Trade Call			Call	Entry	T1	T2	SL
Castor seed	NCDEX	April	Sell	Above 4300	4200	4150	4355

Castor Seed Weekly Prices on 14.03.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			14-Mar-14	7-Mar-14	
Castor Seed	Rajasthan	Sumerpur	3850	4025	-175
	Gujarat	Rajkot	3925	4080	-155
		Gondal	3980	3955	25
		Patan	4090	4230	-140
		Deesa	4055	4225	-170
		Mehsana	4050	4200	-150
		Kadi		4150	-4150
		Ahmedabad	3950	4150	-200

Castor Price Weekly					
Commodity	Center	Market	Price (Rs/Q)		
			Today	Week Ago	Month Ago
			14-Mar-14	7-Mar-14	14-Feb-14
Castor Seed	Rajasthan	Sumerpur	3850	4025	3925
	Gujarat	Rajkot	3925	4080	3855
		Gondal	3980	3955	3830
		Patan	4090	4230	4095
		Deesa	4055	4225	-
		Mehsana	4050	4200	4050
		Kadi		4150	4075
		Ahmedabad	3950	4150	4075

Castor Seed Weekly Arrivals on 28.02.2014

Commodity	Center	Market	Fig. in per bags(80kg)		Change %
			14-Mar-14	7-Mar-14	
Castor Seed	Rajasthan	Sumerpur	3400	3600	-5.56
	Gujarat	Rajkot	3925	3395	15.61
		Gondal	1685	3181	-47.03
		Patan	18728	13988	33.89
		Deesa	11729	14763	-20.55
		Mehsana	3950	3800	3.95
		Kadi	1700	10600	-83.96
		Ahmedabad	200000	165000	21.21
	Total Arrival		243417	207727	17.18

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 <http://www.agriwatch.com/Disclaimer.php> © 2014 Indian Agribusiness Systems Pvt Ltd.