

### Castor Domestic Fundamentals: -

- **Castor seed markets traded with weak tone in the beginning** of last week of the month and improved slightly thereafter despite several holidays. More downtrend is unlikely in the coming weeks as demand for oil, meal and seed from concerned sectors remains normal. Market participants expect market to trade range bound during first/second week of May.
- **Average price in Sumerpur market improved From Rs3637 to Rs 3688** per qtl as prices improved by the end of April. Average price of seed in Mehsana mandi improved from RS 3819 to Rs 3856 per qtl. Average prices in Deesa and Rajkot improved considerably Rs 10 to Rs 30 per qtl. in last one week.
- **As per IBIS data castor oil export reached at 437.35 thousand tonne** in the month of April against 357.73 thousand tonne in March. Average FoB from Mundra Port registered at \$1365 per tonne against \$1357 per tonne in March. Average Fob price is bound to increase in the month of May and may touch \$1372 to \$1375 per tonne.
- **Carryout stock around 3.84 lakh tonne has been crushed by the end of March** this year as export of oil has been over 45 thousand per month from Jan up to March. In April, it may exceed 50,000 tonne. This means crushing of seed would continue at the rate of 80 to 90 thousand tonne per month till June. Against this arrival in mandis are around 75 to 80 thousand tonne.
- **Agriwatch estimates 11.56 lakh tonne seed production in 2013-14 against 14.04 lakh tonne** last year. As per Agriwatch estimate the season started with 3.84 lakh tonne carry out. Thus total availability comes to 15.4 lakh tonne. Trade estimates production near 11.8 lakh tonne. This means India has lower seed availability than actual demand. India needs 16 to 17 lakh tonne seed to meet global and domestic oil demand.
- **Govt has released second adv. estimate of foodgrains production** for 2013-14 on 14, Feb, 2014. Market participants are surprised to see the inflated figure of castor seed production this year. Govt. has estimated 16.46 lakh tonne castor seed production this year against the set target of 15.81 lakh tonne. Market expert see production at around 11 lakh tonne.
- **This year area under castor seed decreased sharply from 11.1 lakh ha. to 9.84 lakh ha**, almost 1.97 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. It is going to impact the final size of the crop to near 12 lakh T against the last year production of around 14 lakh T.

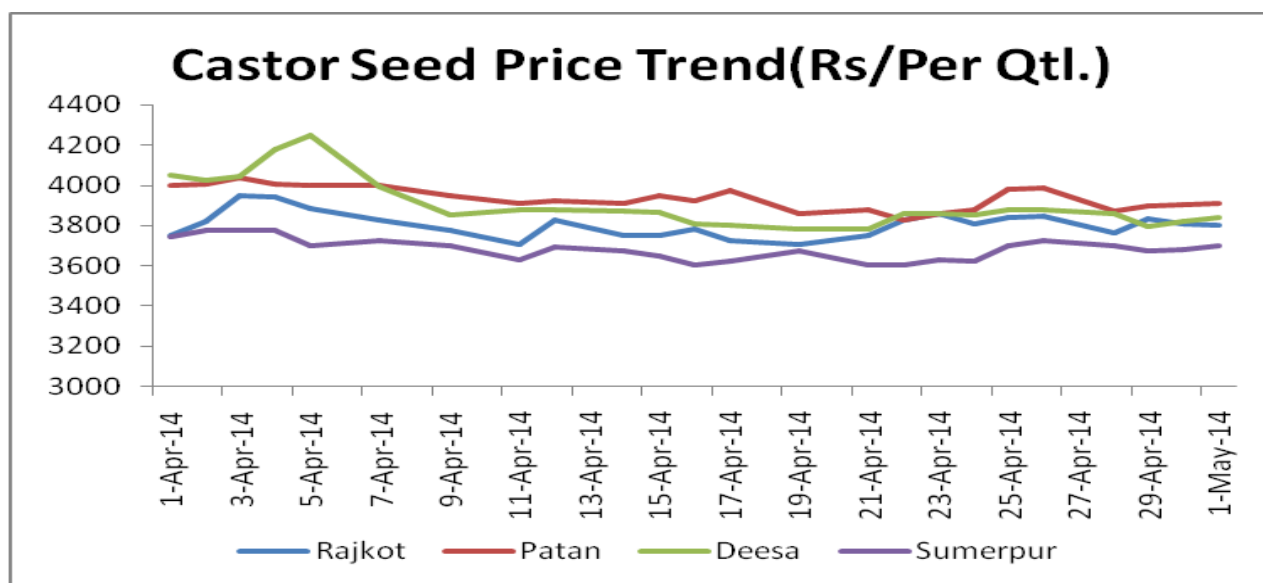
### International Market Update:

- **China, EU and USA remained the active buyers among others in the month** of April, China brought around 13,168 metric tonne, EU brought 16,912 metric tonne followed by USA 6,396 metric tonne during the month. Total export in April increased by 26 percent from March. In May it may increase considerably given the ongoing business deal.
- **Quote in Rotterdam for castor oil has slightly increased from \$1705 to \$1706** per metric tonne in last two days. However, it has decreased by \$38 per tonne in last three weeks. More downward move is unlikely at this point of time as demand in the global market remains supportive to the market fundamentals.
- **Indian FOB quote by the end of April based on Mundra Port registered** at \$1371 per tonne. Fresh buying at this level has been reported. However, quantity in question is not more than 3500 tonne.

### Domestic market Outlook:

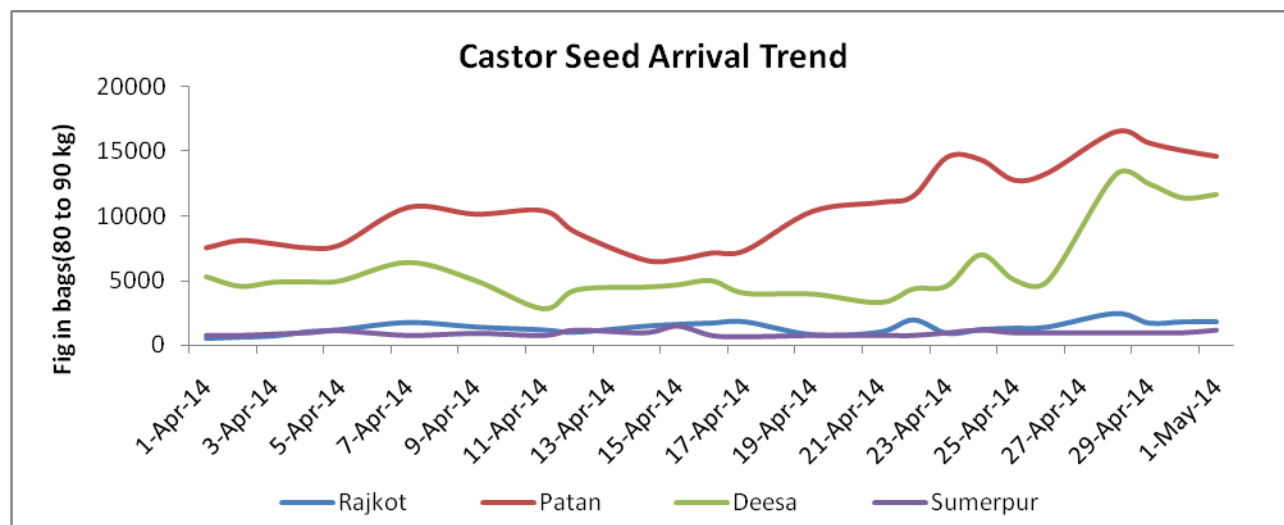
**Market is likely to trade steady to slightly firm in the second week of May.**

## Castor Seed Price Chart:



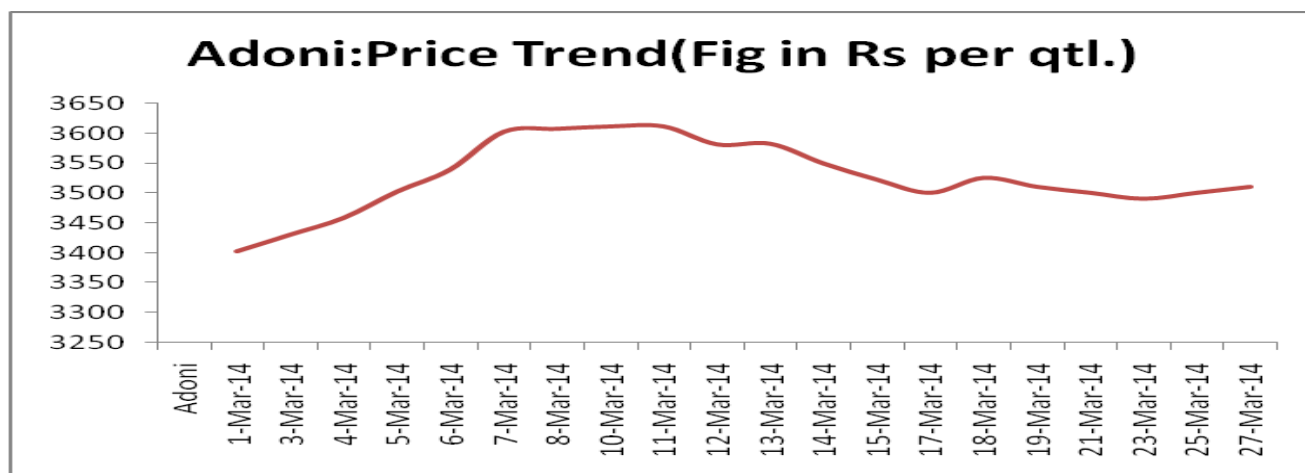
Cash market traded slightly firm during the last week of April after considerable dip in the beginning of the week due to fresh demand at lower level. Market participants expect that market should stabilize on current level, fresh buying interest is expected from this week once again. Due to phased manner election and holidays trading activities remains sluggish. However, from second week of May market is expected to improve once again.

## Castor Seed arrival Chart:



Castor seed arrivals have decreased slightly in the week under review and market expects arrivals to improve slightly by mid May. However, higher expectation of arrivals would not impact prices as good demand would help market to consolidate in the weeks ahead.

## Adoni Market (Andhra Pradesh):

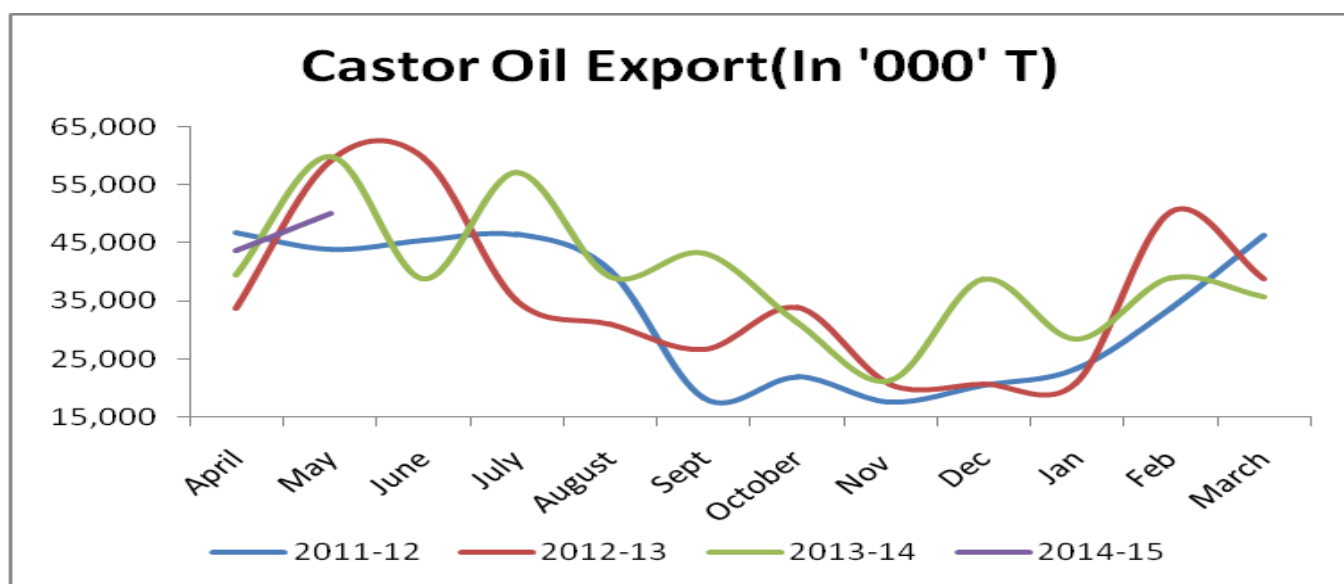


Prices in Adoni market have improved slightly getting support from other cash market. Market is expected to trade steady in the weeks ahead. Arrivals in Adoni too have decreased slightly. However it is higher than previous week.

## Cash Market Price Outlook:

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3750	3850
Medium Term (30 days)	3850	3950

## Castor Oil Export Trend:

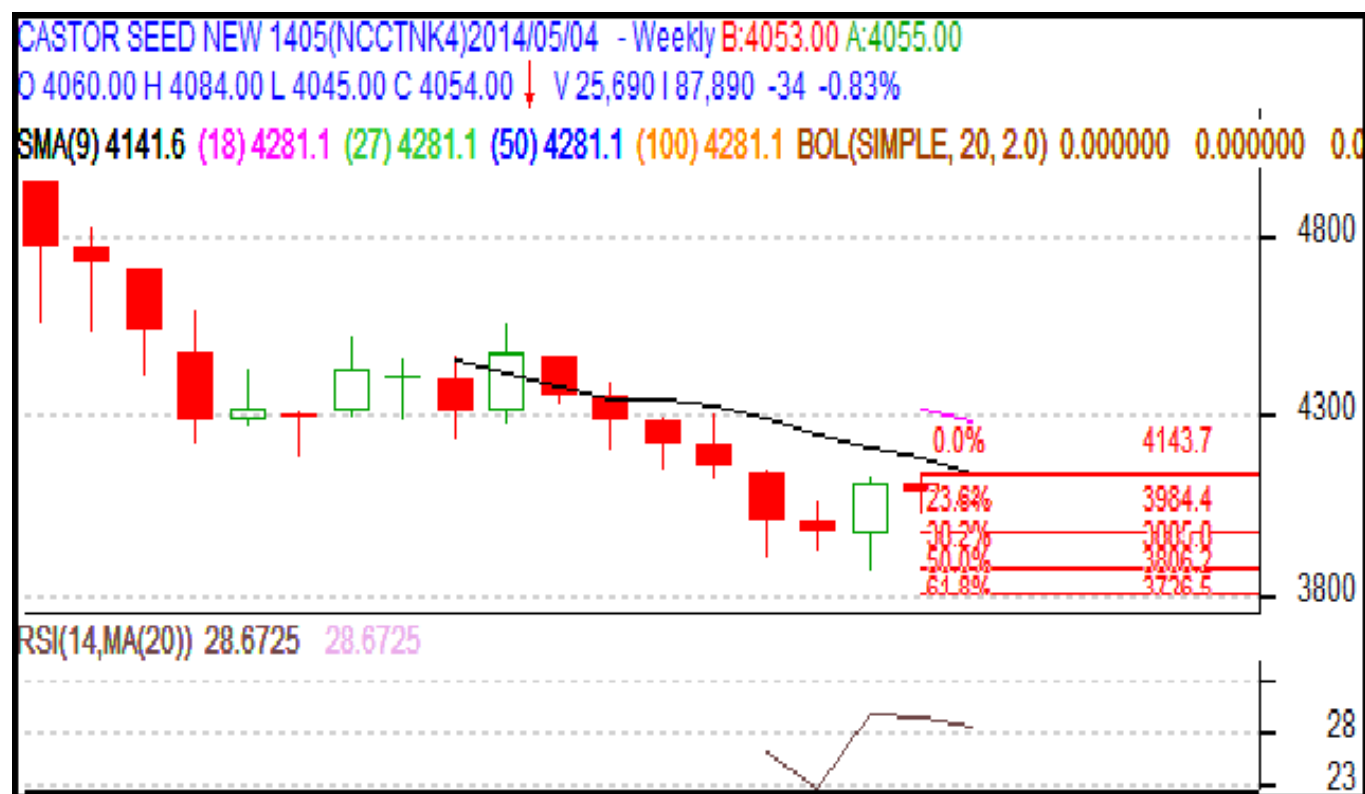


Castor oil export has followed seasonality as usual. As Dec-Jan are considered lean season and prices are higher, Export volumes come down generally in these months.. However it starts increasing from Feb. as arrival pressure starts building up. Export in April registered at 437,35 tonne. It will increase in the month of May as per IBIS Data.

**Comparative Prices Of Castor Products Including Seed**

	25TH APR'14	17TH APR'14	25TH MAR'14	25TH APR'13	Change % from last year
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	40,000	40,000	41,000	34,961	14.41
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	97	99	98	90	7.78
<b>EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla</b>	5700	5750	5750	4771	19.47
Castor Oil (First Grade) FOB Kandla (Export)	1365	1390	1420	1393	-2.01
<b>Local rates in domestic market(Rs./M.T.) for comm.</b>	82,000	82,500	83,000	73,596	11.42

### Technical Analysis:



## Technical Commentary:

- Castor prices are still hovering in downtrend; Pressure continues.
- Nearest by support is 3983 while the first resistance is 4143.
- Last candlestick depicts slight weakness.
- Players are advised to buy above 3984 maintaining stop loss strictly at 3950.

**Strategy: Buy On Dlp**

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor seed	NCDEX	May	3945	3983	4042	4143	4175
Intraday Trade Call			Call	Entry	T1	T2	SL
Castor seed	NCDEX	May	Buy	above 3984	4075	4130	3850

## Castor Seed Weekly Prices on 02.05.2014

Commodity	Center	Market	Price (Rs/Q)		Change
			2-May-14	24-Apr-14	
Castor Seed	Rajasthan	Sumerpur	3700	3625	75
	Gujarat	Rajkot	3825	3855	-30
		Gondal	3830	3755	75
		Patan	Closed	3850	-
		Deesa	Closed	3855	-
		Mehsana	Closed	3785	-
		Kadi	Closed	3750	-
		Ahmedabad	3900	3800	100

Castor Price Weekly					
Commodity	Center	Market	Price (Rs/Q)		
			Today	Week Ago	Month Ago
			2-May-14	24-Apr-14	2-Apr-14
Castor Seed	Rajasthan	Sumerpur	3700	3625	3775
	Gujarat	Rajkot	3825	3855	3950
		Gondal	3830	3755	3955
		Patan	Closed	3850	4035
		Deesa	Closed	3855	4025
		Mehsana	Closed	3785	4025

		Kadi	Closed	3750	Closed
		Ahmedabad	3900	3800	4000

### Castor Seed Weekly Arrivals Scenario on 02.05.2014

Commodity	Center	Market	Fig. in Quintal		Change %
			2-May-14	25-Apr-14	
Castor Seed	Rajasthan	Sumerpur	4960	4800	3.33
	Gujarat	Rajkot	9475	7450	27.18
		Gondal	5591	9116	-38.67
		Patan	46610	74345	-37.31
		Deesa	14693	22631	-35.08
		Mehsana	2880	4720	-38.98
		Kadi	15193	14532	4.55
		Other Gujarat	151158	167206	-9.60
	Total Arrival		250560	304800	-17.80

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