

Castor Domestic Fundamentals: -

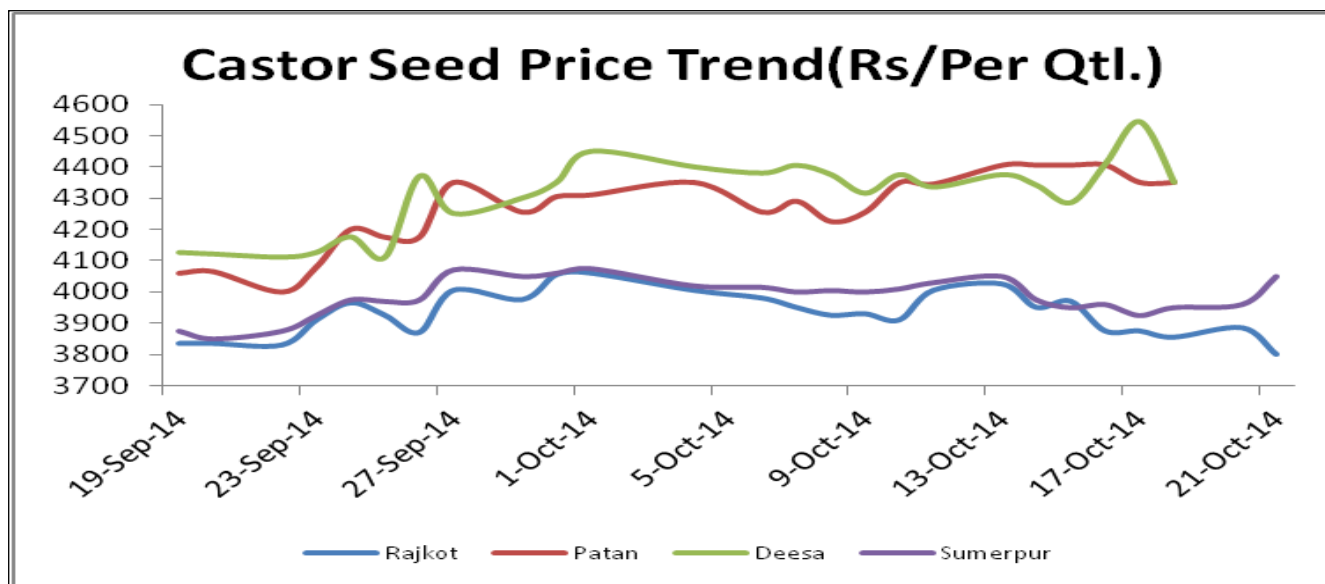
- **Mostly cash market remained closed due to Diwali.** Market's players expect upward move to continue in the near term. Arrivals in major market have decreased considerably due to impending holidays starting from Wednesday. Demand for castor products remains below normal level. However, it may firm up in the beginning of Nov. New crop from Andhra Pradesh may hit market by the end of Nov. However, it will not impact market sentiments as crop size of the state is lower.
- **Area under castor seed was recorded at 10.35 lakh ha. on 10th Oct ,2014** against 9.84 lakh ha covered in last year. It is 52 thousand ha higher than last year. Area in Gujarat was recorded at 7.33 lakh ha against 6.22 lakh ha last year. However, area has decreased in Rajasthan from 1.92 to 1.49 lakh ha this year. Area in Andhra Pradesh has increased slightly from 1000 ha to 45 thousand ha this year. However in Telengana it has decreased from 83 to 66 thousand ha. this year. In other states. There has been no major change in area. Higher area coverage hints higher production this year as weather has been favourable till now.
- Castor crop in Surender Nagar is in good condition as of now. However, heavy rainfall during resowing may delay arrivals by 15 to 20 days from normal time. Early sowed crop that did not get affected by heavy rainfall would be ready for harvest by December end.
- Maximum Farmers in Surender Nagar have sowed castor in guar field due to crop damage. They have proffered to sow castor as inter-cropping with cotton. Castor occupies 10 percent of total area in Surender Nagar. Farmers expect yield 10 to 12 qtl. per acre this year, slightly lower than last year.
- Pest infestation at early stage and during flowering stage may lower yield this year.
- Farmers have sold out last year crop and they donot hold it long as they need cash in the season. They sold it in the range of 3400 to 3600 per qtl in the season. They expect same price this year too.
- Mostly farmers in Surender nagar sell their produce through commission agent and so they get lower price from prevailing market price.
- **Castor meal FOR is being quoted at Rs 6550 per tonne, unchanged from previous week.** It is 13.32 percent higher than the price realized during Oct 2013. Castor meal export price for bulk quantity too has stayed steady at \$112 per tonne. However, it is higher by 20.43 percent from Oct, 2013.

International Market Update:

- **Major buyers like China, EU and US may increase buying in increasing market.** Last week FOB quotes in Kandla hover in the range of \$1435 per tonne.

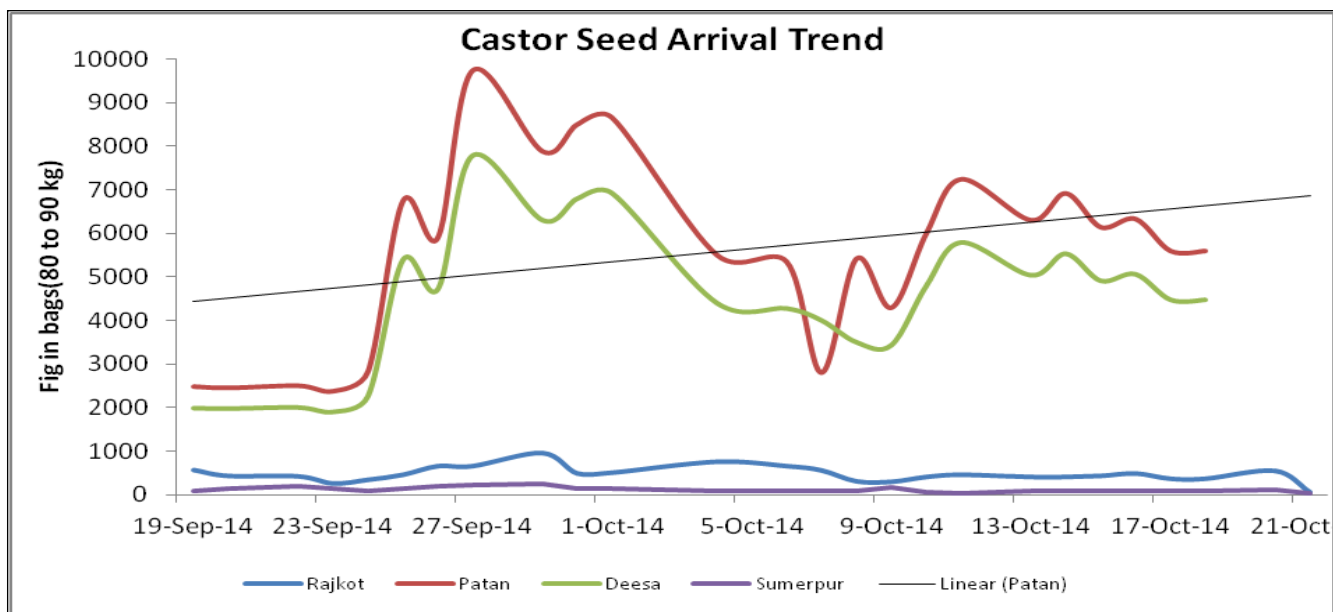
Domestic market Outlook: Market may trade steady to slightly firm.

Castor Seed Price Chart:



Castor cash markets were closed most of the time due to Diwali festival. Overall sentiment remains bullish in the medium term.

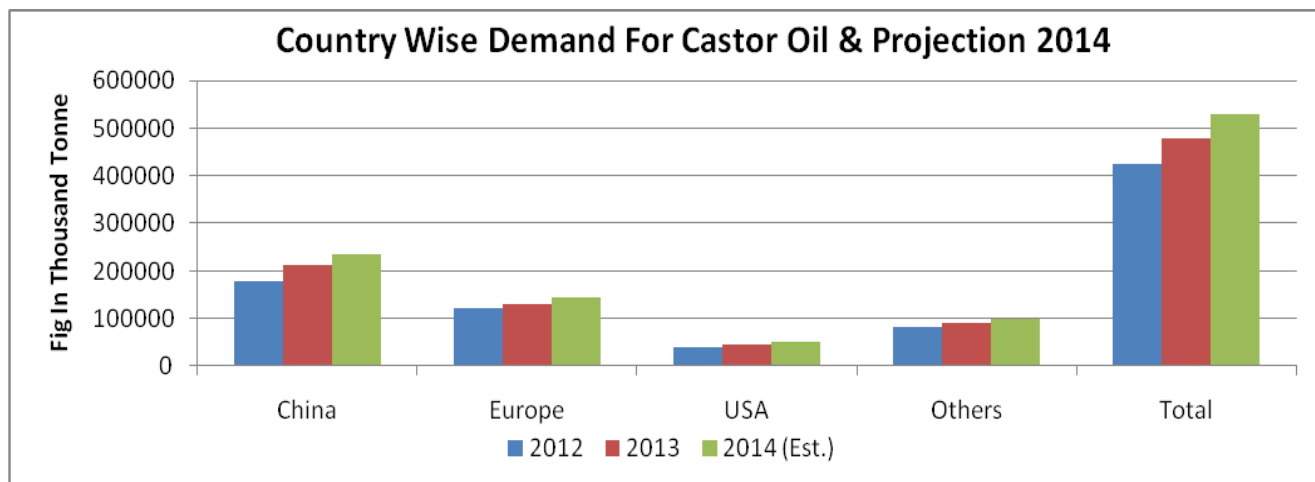
Castor Seed arrival Chart:



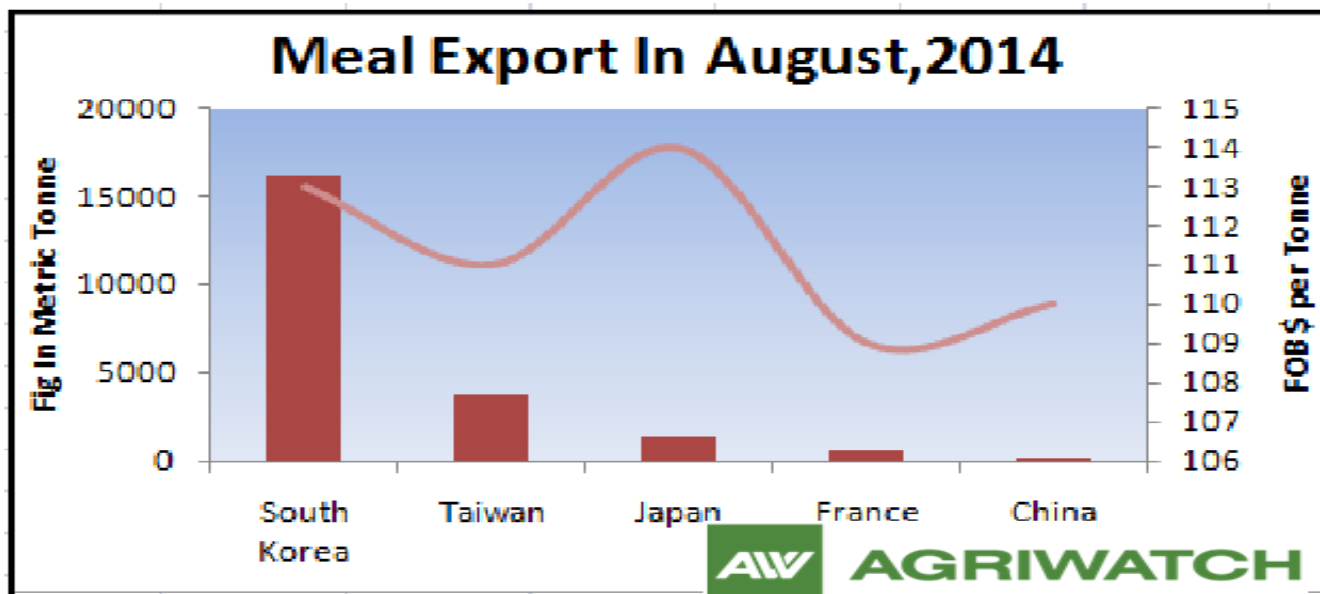
Castor seed arrivals in major markets have decreased last week due to festive season.

Country Wise Demand For Castor Oil:

Big buyers like China, EU and US would continue to buy oil with higher pace. Total import by China may cross 2.2 lakh tonne this year. This hints monthly average buying by China at 18000 tonnes. EU countries would buy 10,000 tonnes of oil on an average monthly basis. China has brought over 60,000 tonnes of oil from April. EU buying in last three months up to June has touched 28550 tonne. US monthly buying has been steady at 4250 tonne.

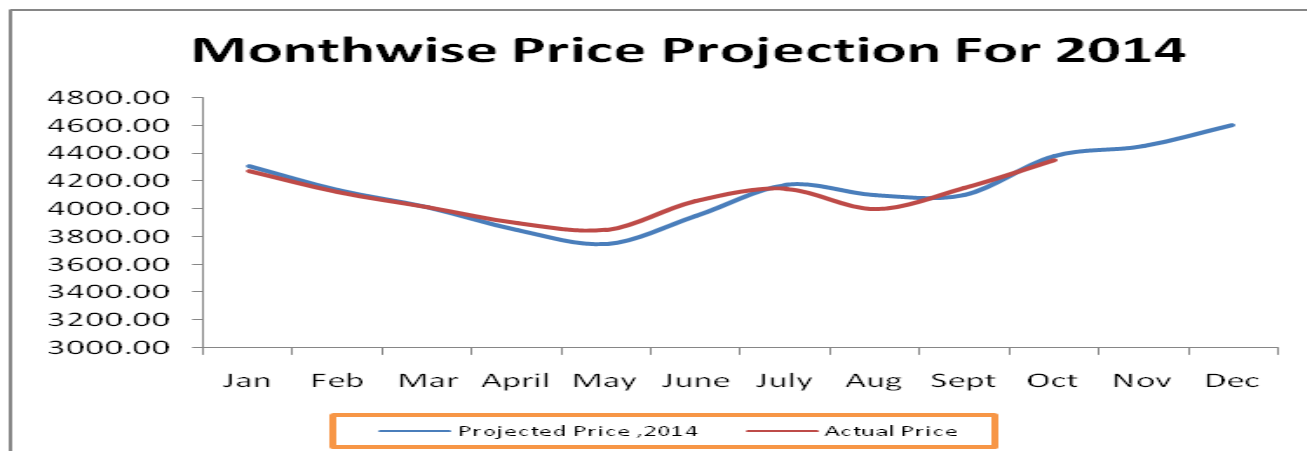


Castor Meal Export:



Meal export in August was registered at 2.3 lakh tonne against 2.45 lakh tonne in August, 2013 at an average fob price of \$107 per tonne. Demand of meal is lower and prices are likely to reel under pressure in Sept. too. major buyers may wait for stabilization in the market.

Expected Price In Sept. For Seed:

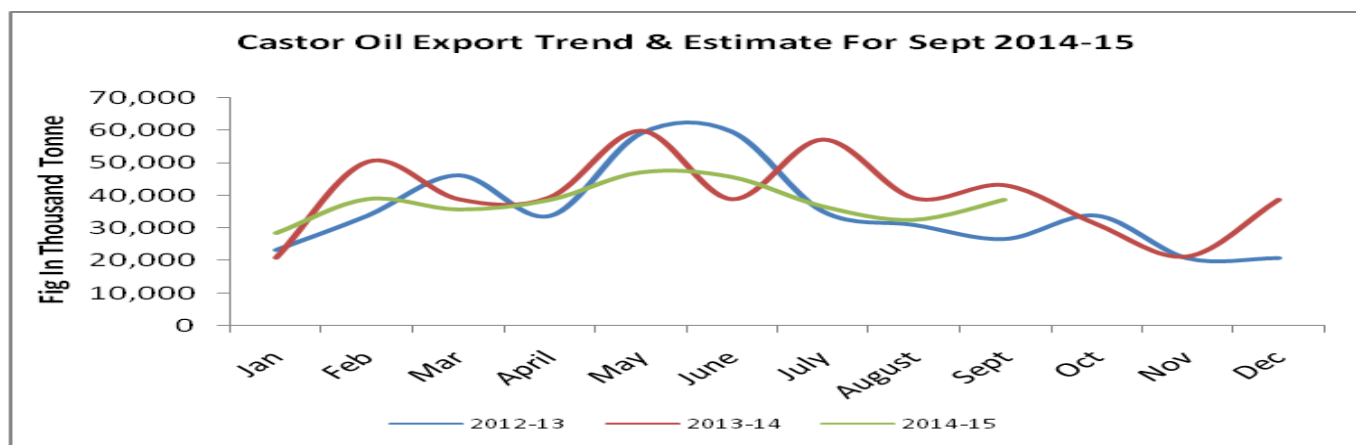


Blue line indicates projected price for seed based on seasonality and demand –supply factors concluded by Agriwatch. Red line indicates actual price movement in the market so far. Seed price may hover in the range of Rs 4250 to Rs 4400 per qtl. in Deesa market.

Cash Market Price Outlook For Deesa Spot:

Expected Range	Rs/Qt.(Low)	Rs /Qt.(High)
Short term (15 days)	4250-4300	4350-4400
Medium Term (30 days)	4425-4450	4500-4550

Castor Oil Export Trend:



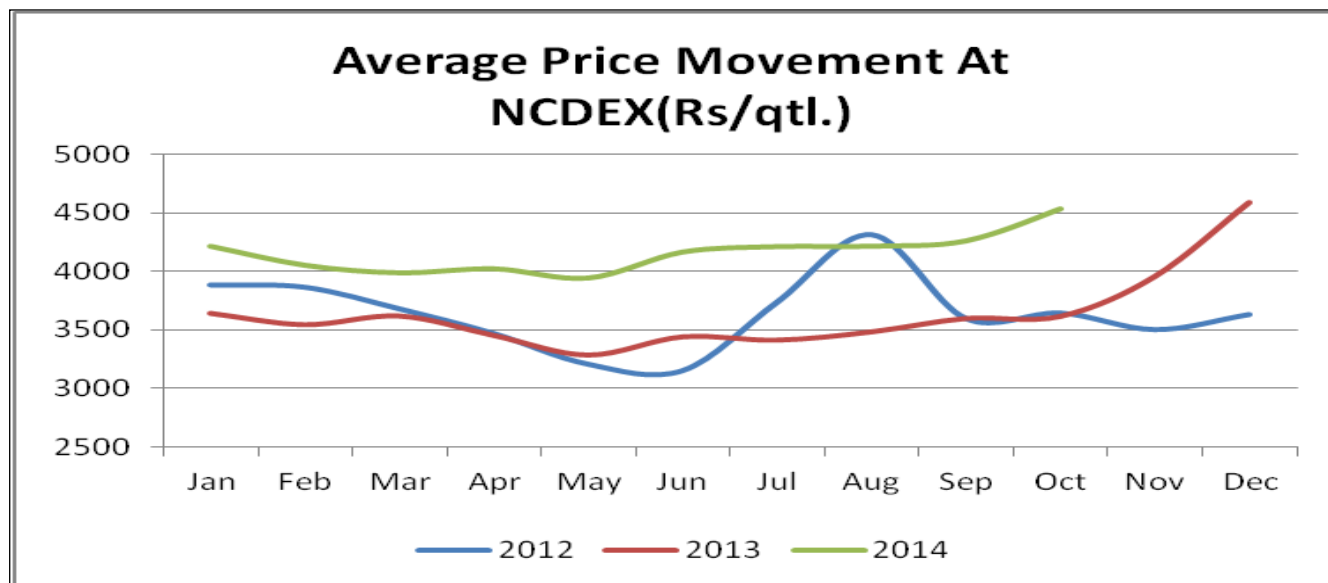
Castor oil export declined unexpectedly from June to August. However, it is likely to rebound in Sept as stock with major importers has declined and fresh buying is expected from mid Sept. Price of seed is expected to stabilize in Sept. The reason of lower export is attributed mainly to higher seed price this year. Uptrend in castor seed is expected October onward.

Comparative Prices Of Castor Products Including Seed					
	17 th Oct,14	10 th Oct'14	17 th Sept,'14	17 th Oct 2013	Change % from last year
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	49500	42500	48000	48310	2.40
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	112	112	110	93	16.96
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	6550	6550	6350	5780	11.76
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1430	1430	1430	1415	1.05
Local rates for oil in domestic market(Rs./M.T.) for comm.	85000	84500	84000	73296	13.77

Source: SE Note update not available

Castor seed price in all major mandis including Gujarat have increased considerably this week however,a correction at this stage is expected. Medium term outlook remains bullish. However commercial grade oil price has decreased slightly this week from Rs 86000 to Rs 84500 per tonne. Fob quote for castor oil at Kandla has decreased from \$1435 to \$ 1430 per tonne.Meal price too have increased by \$2 per tonne to \$112 per tonne during the week under review.

3. Yearly Average Price Variations At NCDEX :



Technical Analysis:

Technical Commentary:

- Candlestick chart shows bullish tone in the futures market.
- RSI moving up in neutral zone.
- Prices closed above 9 and 18 days EMAs.

Strategy: Buy

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	NOV	4480	4238	4723	4852	4982
Pre-Market Intraday Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	NOV	Buy	ABOVE 4620	4770	4845	4530

Cash Markets Price Movement:

Commodity	Center	Market	Price (Rs/Q)		Change
			22-Oct-14	17-Oct-14	
Castor Seed	Rajasthan	Sumerpur	4160	3925	235
		Jodhpur	3900	3800	100
	Gujarat	Rajkot	3800	3875	-75
		Gondal	4005	4055	-50
		Patan	4355	4350	5
		Deesa	4350	4645	-295
		Mehsana	4150	4160	-10
		Kadi	4055	4125	-70
		Ahmedabad	4200	4200	Unch

Castor Price Weekly						
Commodity	Center	Market	Price (Rs/Q)			
			Today	Week Ago	Month Ago	6 Month Ago
			22.Oct.14	17.Oct.14	22-Sep-14	22-Apr-14
Castor Seed	Rajasthan	Sumerpur	4160	3925	3875	3600
		Jodhpur	3900	3800	3800	NR
	Gujarat	Rajkot	3800	3875	3830	3750
		Gondal	4005	4055	3855	3705
		Patan	4355	4350	4060	3825
		Deesa	4350	4645	4110	3780
		Mehsana	4150	4160	4050	3725
		Kadi	4055	4125	Closed	3775
		Ahmedabad	4200	4200	4150	3800

Commodity	Center	Market	Fig. in Quintal		Change %
			22.Oct.14	17.Oct.14	
Castor Seed	Rajasthan	Sumerpur	300	528	-228
		Jodhpur	560	960	-400
	Gujarat	Rajkot	1430	1740	-310
		Gondal	830	1712	-882
		Patan	11924	25735	-13811
		Deesa	6032	6252	-220
		Mehsana	720	4080	-3360
		Kadi	5012	9120	-4108
		Ahmedabad	14052	77761	-63709
	Total Arrival		40860	127888	-87028

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