

Castor Domestic Fundamentals: -nnnnnn

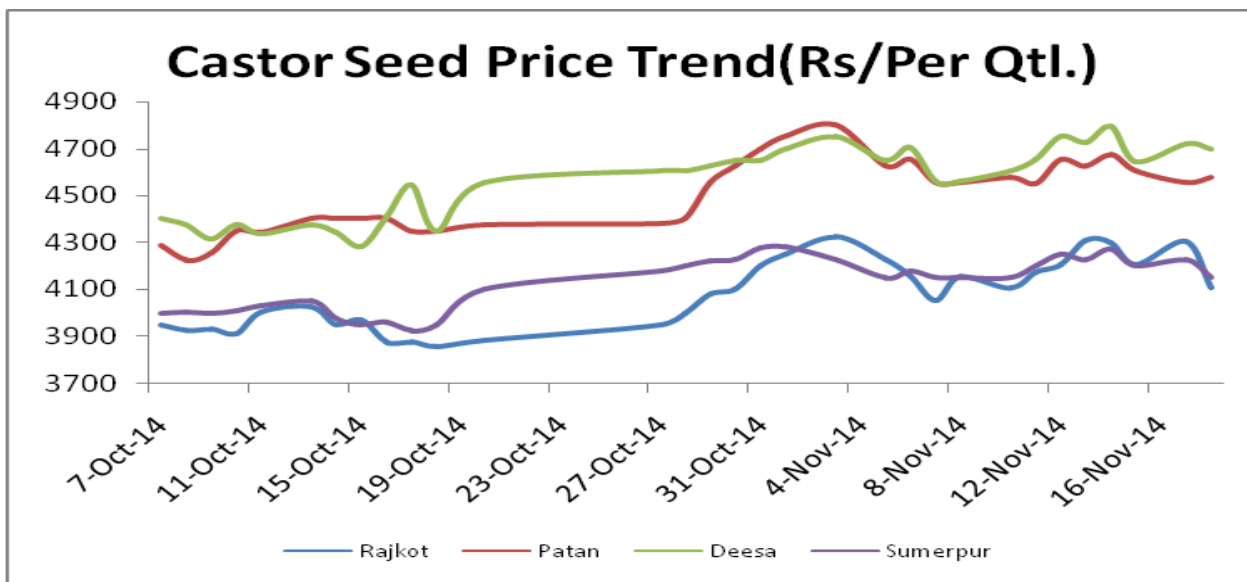
- **Cash castor seed market traded mixed during the second week** of Nov. despite sluggish oil demand last week. However, market is expected to trade higher in the weeks ahead. New arrivals in Gujarat may be delayed by 15 days due to late sowing in some major growing region. The overall scenario of the remaining week hints towards uptrend.
- **Castor seed X Gujarat mandi is being traded unchanged at 45,500 per tonne**, same as last week and may move slightly up from current level in the third week of Nov. However, it is higher than the price realised (Rs 37553 per tonne) in the second week of Nov. 2013 .
- **Castor Meal Export (FAS),Ex -Kandla increased by \$5 to \$122 per tonne last week**. However, it is \$5 higher from the price of Nov first week . Market participants expect it to touch \$125 by the end of the month despite steady demand from overseas market.
- **Castor seed oil export price has increased considerably in last one** month and it is now being quoted at \$1520 per tonne and may move up to \$1525/30 by the end of the month. New castor crop would start hitting the market by the end of December but it would not impact the price due to lower volume of arrivals.
- **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 meal FOR is being quoted at Rs 7300 per tonne, unchanged from previous** week. It is 10.93 percent higher than the price realized during second week of Nov, 2013. Castor meal export price for bulk quantity too has stayed steady at \$122 per tonne.

International Market Update:

- **No major trade has been reported this week so far.**Major buyers like China, EU and US may increase buying in increasing market. Last week FOB quotes in Kandla hover in the range of \$1515 per tonne. It may move up further from current level.
- **Higher quote may restrict buying by major exporters.** Only need based buying may be seen in the market.
- **FOB price at Kandla may hover in the range** of \$15020 to \$1525 per tonne this week

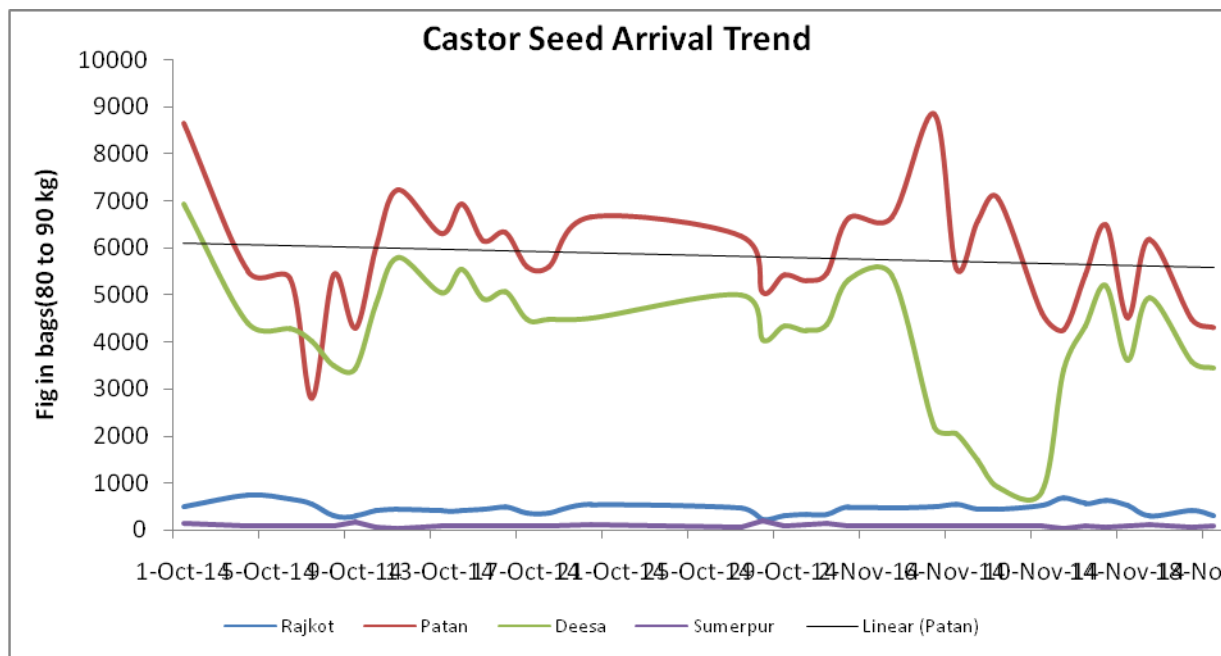
Domestic market Outlook: Market may trade steady to slightly firm.

Castor Seed Price Chart:



Castor seed price traded weak during the week under review on sluggish demand from retail market. However, market is expected to trade firm in the weeks ahead. Overall sentiment remains bullish in the medium term.

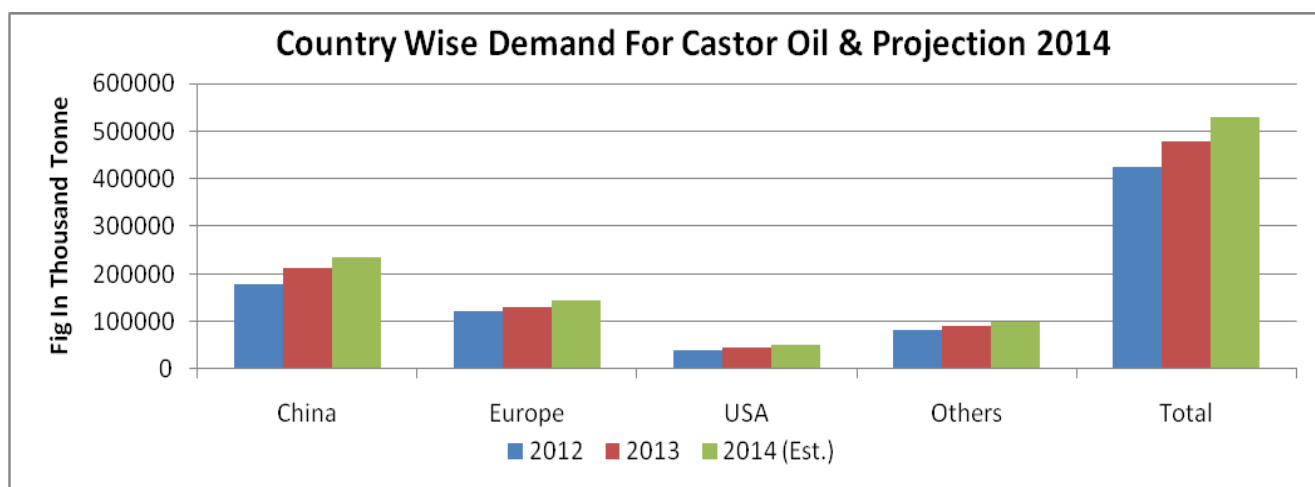
Castor Seed arrival Chart:



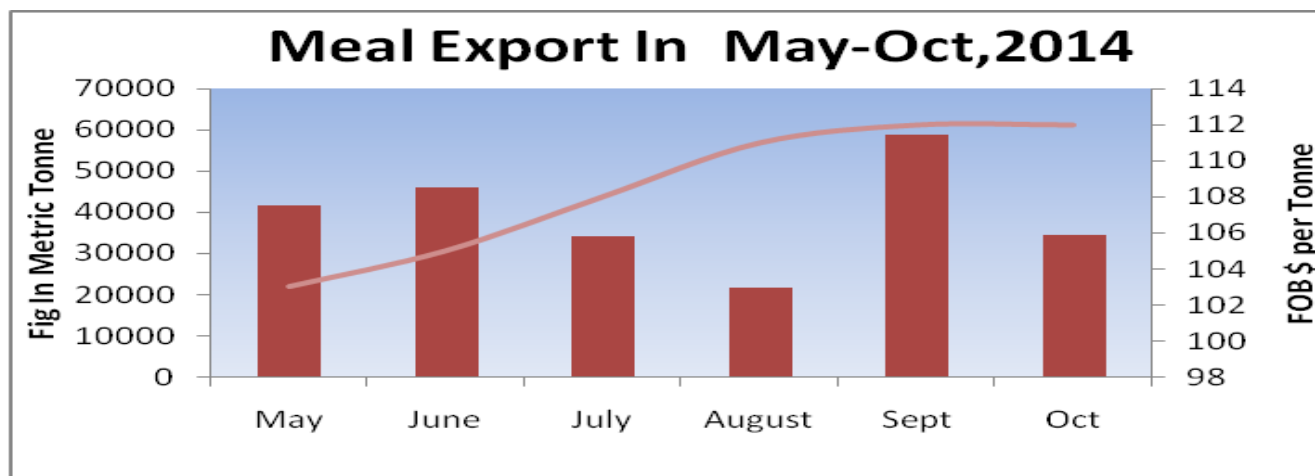
With declining market arrivals of seed dropped considerably as stockists are hopeful to get better price in the weeks ahead. Current crop status is not very encouraging and total production may differ from current expectation. Arrival may dip more in the coming weeks.

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.

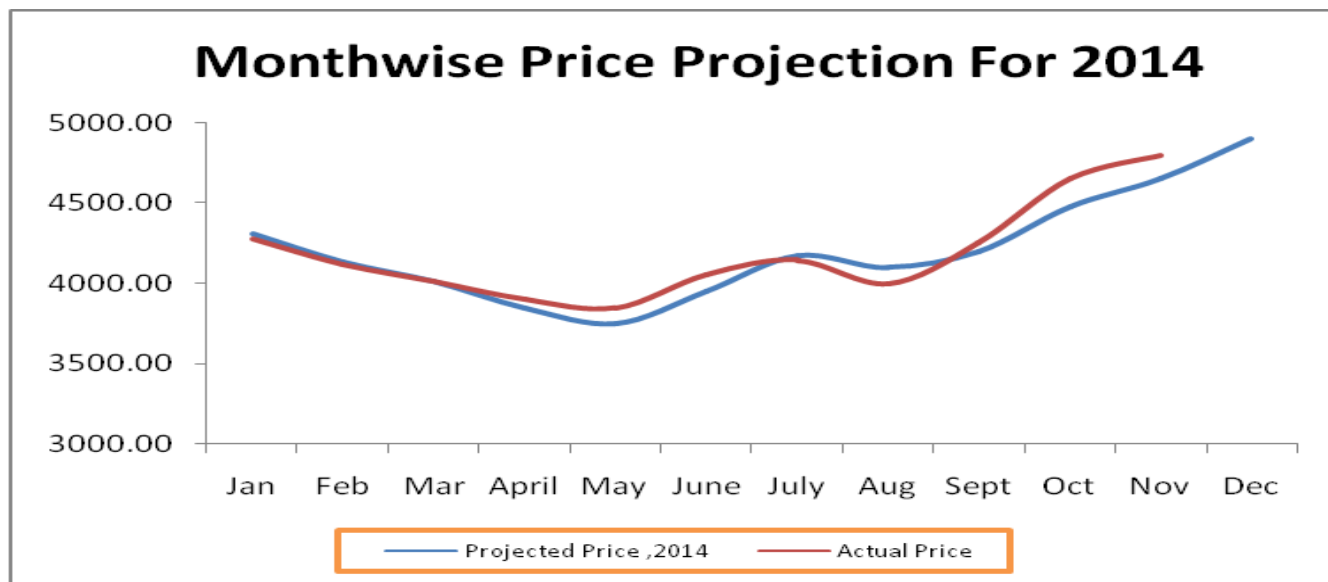


Castor Meal Export:



Meal export in Oct was registered at around 36000 tonne against 60,000 tonne in Sept, 2014 at an average fob price of \$112 per tonne. Demand of meal is lower and prices are likely to reel under pressure in Nov. too. major buyers may wait for stabilization in the market.

Expected Price In Nov. For Seed:

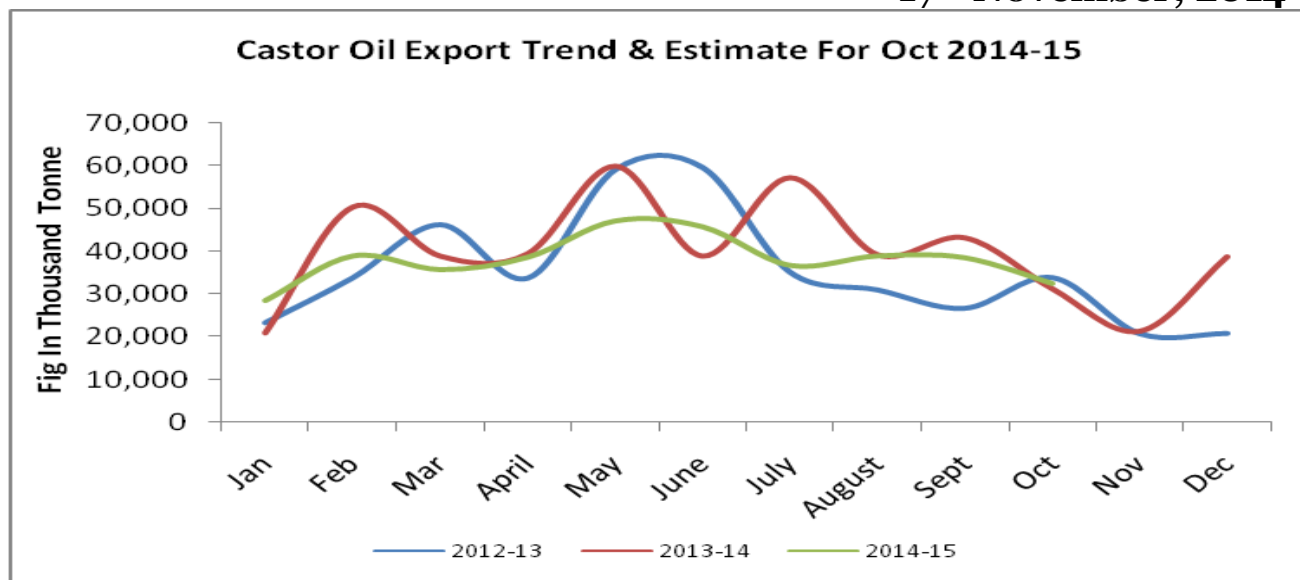


Blue line indicates projected price for seed based on seasonality and demand –supply factors concluded by Agriwatch. Red line indicates actual price movement in the market so far. Seed price may hover in the range of Rs 4650 to Rs 4750 per qtl. in Deesa market.

Cash Market Price Outlook For Deesa Spot:

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	4670-4700	4700-4750
Medium Term (30 days)	4750-4775	4775-4800

Castor Oil Export Trend:



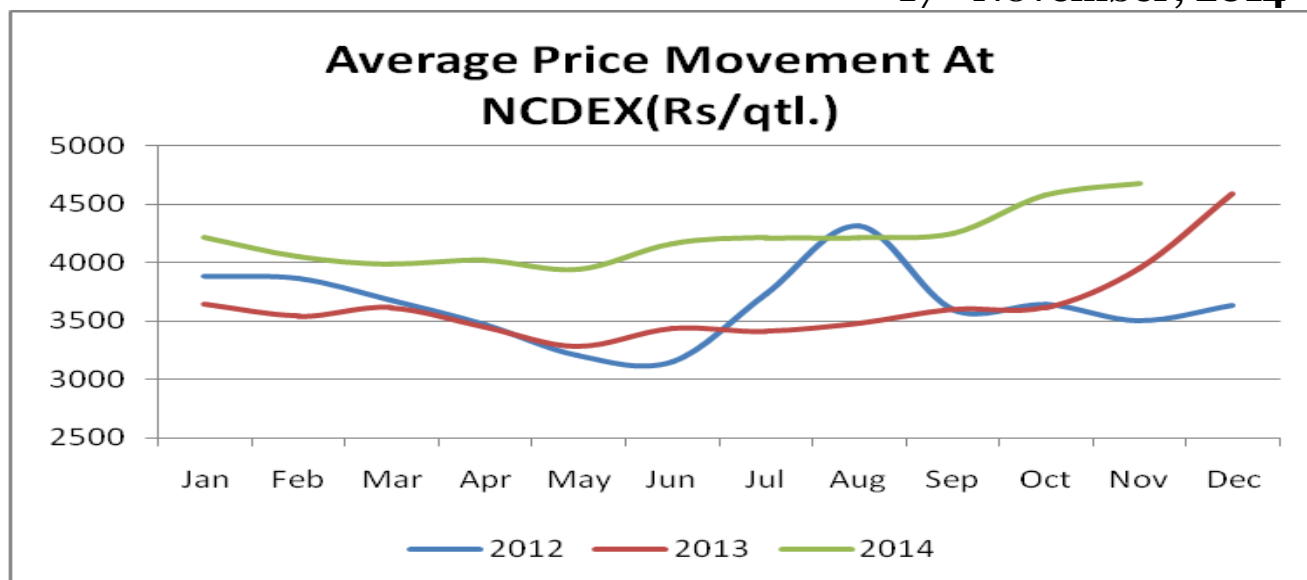
Castor oil export declined unexpectedly from June to Oct. However, it is likely to rebound Dec onward as stock with major importers has declined and fresh buying is expected from mid Dec. Price of seed is expected to stabilize in Dec. The reason of lower export is attributed mainly to higher seed price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

Comparative Prices Of Castor Products Including Seed					
	14th Nov'14	07th Nov'14	14th Oct'14	14th Nov '13	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	45500	45500	42750	37553	17.47
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	122	117	112	97	20.49
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7300	7100	6550	6,052	17.10
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1520	1515	1435	1275	16.12
Local rates for oil in domestic market(Rs./M.T.) for comm.	87000	86500	84500	77494	10.93

Source: SE

Castor seed price in all major mandis including Gujarat traded flat this week however, a correction at this stage is expected. Medium term outlook remains bullish. Commercial grade oil price traded at previous level at 86500 per tonne. Fob quote for castor oil at Kandla was quoted at \$1515 per tonne. Meal price too have increased by \$5 per tonne to \$117 per tonne during the week under review.

3. Yearly Average Price Variations At NCDEX :



Technical Analysis:

Castor Seed

CASTOR SEED NEW 1412(NCCTNZ4)2014/11/19 - Daily B:4765.00 A:4769.00

O 4784 H 4784 L 4747 C 4765 ↓ V 22,360 I O -22 -0.46%

SMA(9) 4819.7 (18) 4835.3 (27) 4768.0 (50) 4649.0 (100) 4649.0



Technical Commentary:

- Candlestick chart shows bearish tone in the futures market.
- RSI moving down in neutral zone cautions bulls.
- Prices closed above 9 and 18 days EMAs denotes firmness.

Strategy: Buy

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Dec	4642	4448	4765	4843	4968
Pre-Market Intraday Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Dec	Buy	Above 4675	4775	4840	4641
.							

Cash Markets Price Movement:

Commodity	Center	Market	Price (Rs/Q)		Change
			14-Nov-14	07-Nov-14	
Castor Seed	Rajasthan	Sumerpur	4170	4180	-10
		Jodhpur	4200	4200	Unch
	Gujarat	Rajkot	4305	4055	250
		Gondal	4205	4055	150
		Patan	4675	4655	20
		Deesa	4795	4705	90
		Mehsana	4400	4450	-50
		Kadi	4475	4555	-80
		Ahmedabad	4550	NR	-

Castor Price Weekly						
Commodity	Center	Market	Price (Rs/Q)			
			Today	Week Ago	Month Ago	6 Month Ago
			14.Nov.14	07.Nov.14	14.Oct.14	14-May-14
Castor Seed	Rajasthan	Sumerpur	4170	4180	3975	3670
		Jodhpur	4200	4200	3900	3700
	Gujarat	Rajkot	4305	4055	3950	3840
		Gondal	4205	4055	4055	NA
		Patan	4675	4655	4405	3865
		Deesa	4795	4705	4340	3840
		Mehsana	4400	4450	4300	3825
		Kadi	4475	4555	4155	3800
		Ahmedabad	4550	NR	4175	3875

Commodity	Center	Market	Fig. in Quintal		Change %
			14-Nov-14	07-Nov-14	
Castor Seed	Rajasthan	Sumerpur	416	360	56
		Jodhpur	1040	840	200
	Gujarat	Rajkot	3345	2745	600
		Gondal	1320	1377	-57
		Patan	32336	27700	4636
		Deesa	19065	15212	3853
		Mehsana	5261	10800	-5539
		Kadi	9186	11158	-1972
		Ahmedabad	132000	NR	-
	Total Arrival		203969	48295	133777

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