

Castor Domestic Fundamentals: -

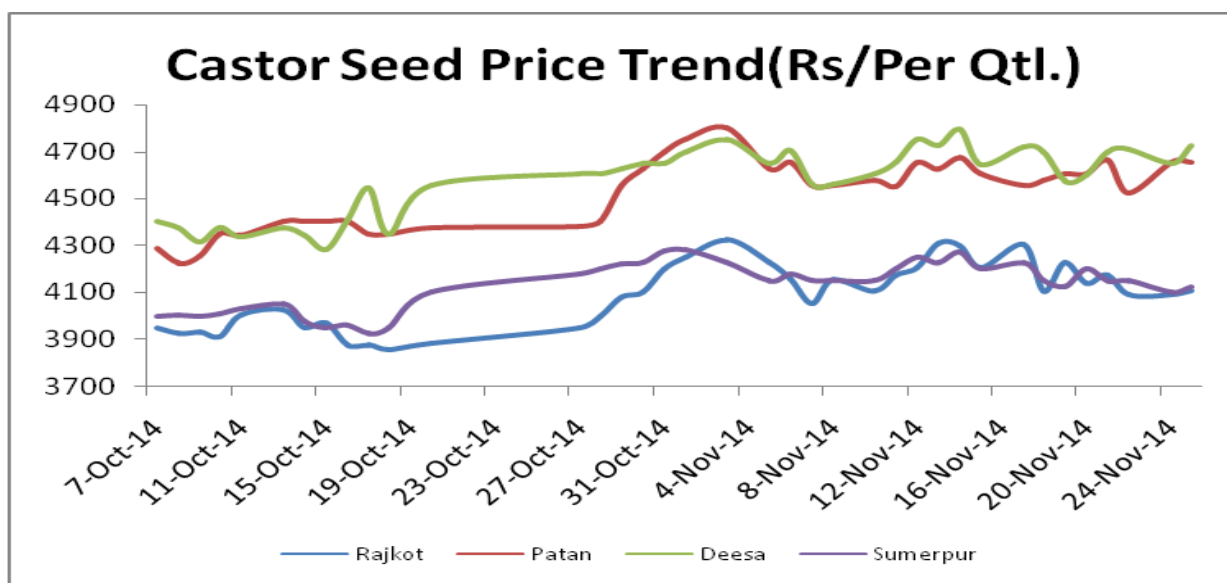
- **Cash castor seed market traded mixed during the third week** of Nov. Prices decreased in Rajkot, Patan and Deesa while some improvements were seen in other markets during the week under review. As futures market was ruling higher, downward correction was expected. Current dip is only a temporary correction and market may improve again from the first week of December. Inner tone remains firm.
- **Castor seed X Gujarat mandi is being traded at 45,750 per tonne**, almost Rs 250 per tonne higher than third week and may move slightly up from current level in the fourth week of Nov. It is 17.92 percent higher than the price registered in Nov 2013.
- **With increased seed price in recent weeks castor meal export (FAS), Ex -Kandla** increased by \$8 to \$130 per tonne last week. It is 25.38 percent higher from the price of Nov 2013. Market participants expect it to touch \$135/40 per tonne by mid January despite steady demand from overseas market.
- **Castor seed oil export price has decreased slightly in last two weeks** and it is now being quoted at \$1515 per tonne and may stay steady at \$1515/20 till 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 7500 per tonne**, Rs 250 higher 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 increased to \$130 per tonne.

International Market Update:

- **Buyers from EU, China and Japan are expected to enter into** the market for fresh buying from next month. Buyers are trying to analyse new crop size at this point of time.
- **Last week FOB quotes in Kandla hovered in the range** of \$1515-\$1520 per tonne. It may stay steady from current level.

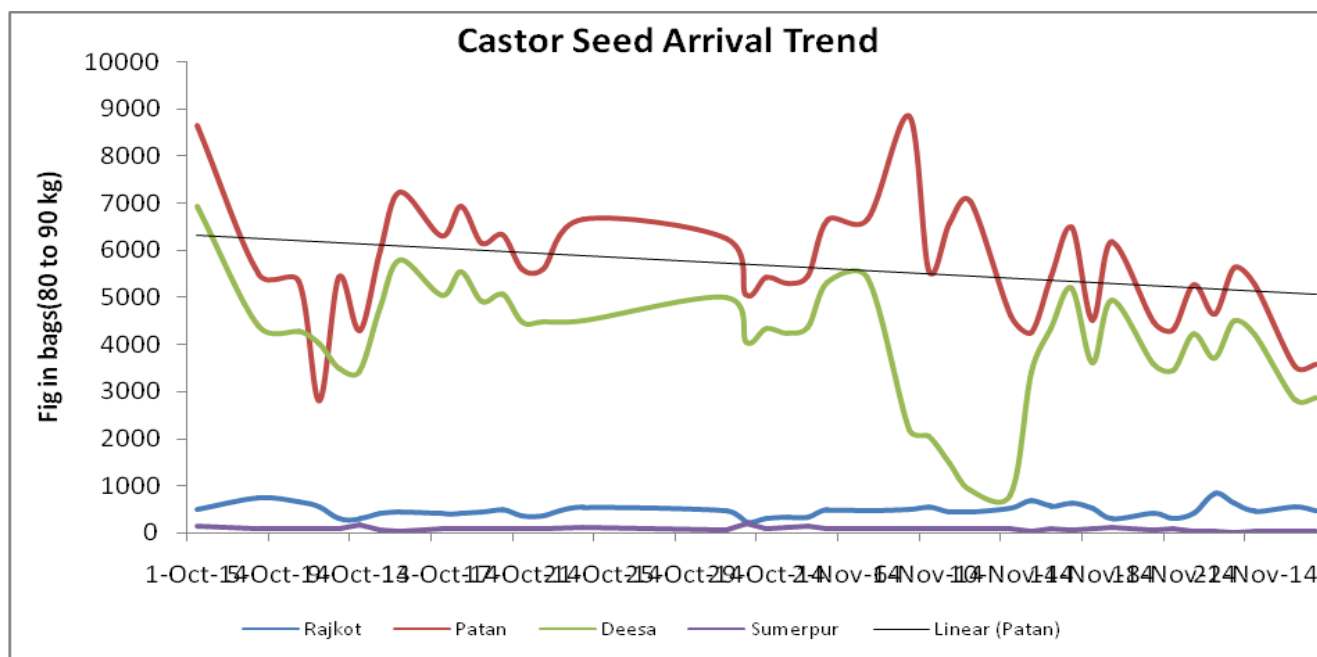
Domestic market Outlook: Market may trade steady to slightly weak

Castor Seed Price Chart:



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

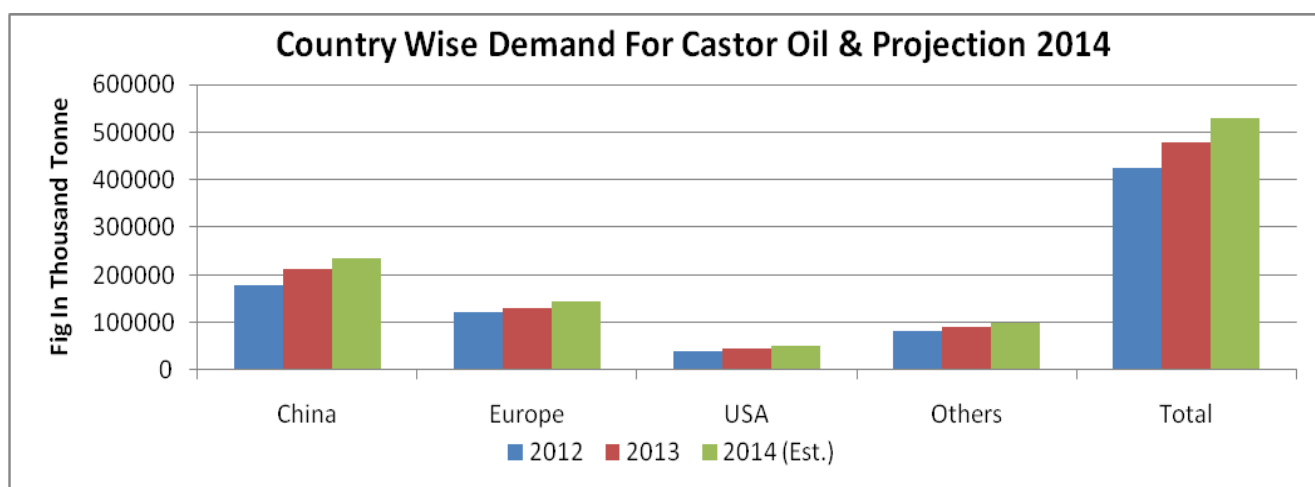
Castor Seed arrival Chart:



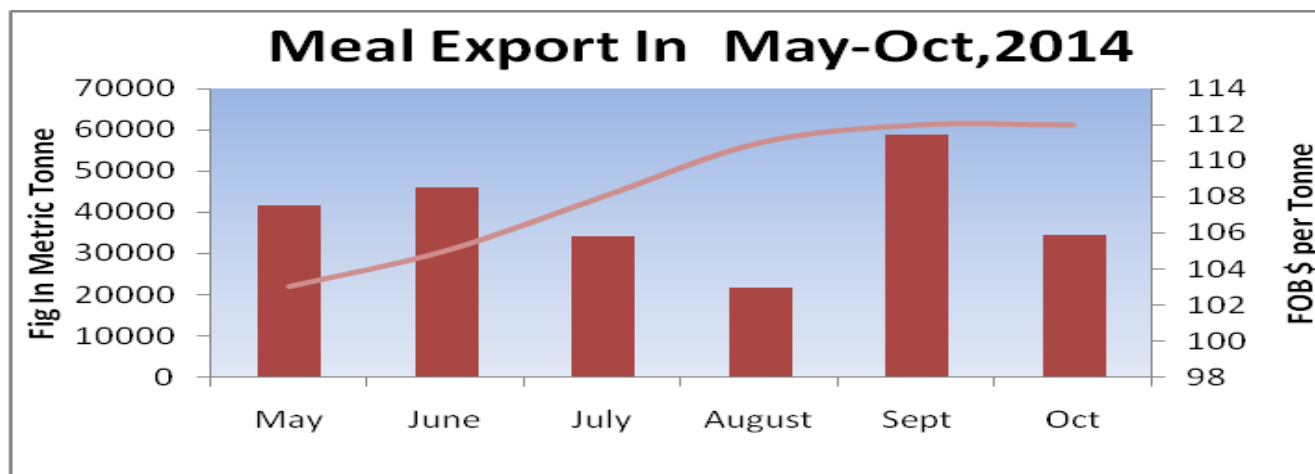
With declining market arrivals of seed dropped considerably as stockists are hopeful to get better price in the weeks ahead. Current crop status is not very encouraging and total production may differ from current expectation. Arrival may dip more in the coming weeks.

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.

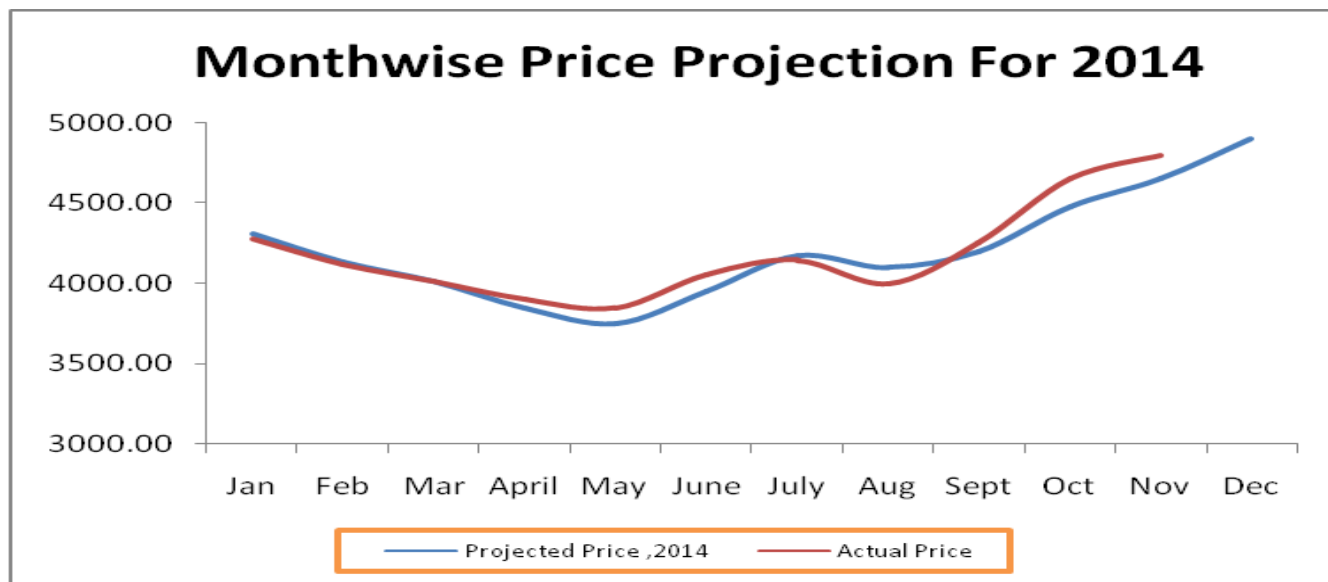


Castor Meal Export:



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:

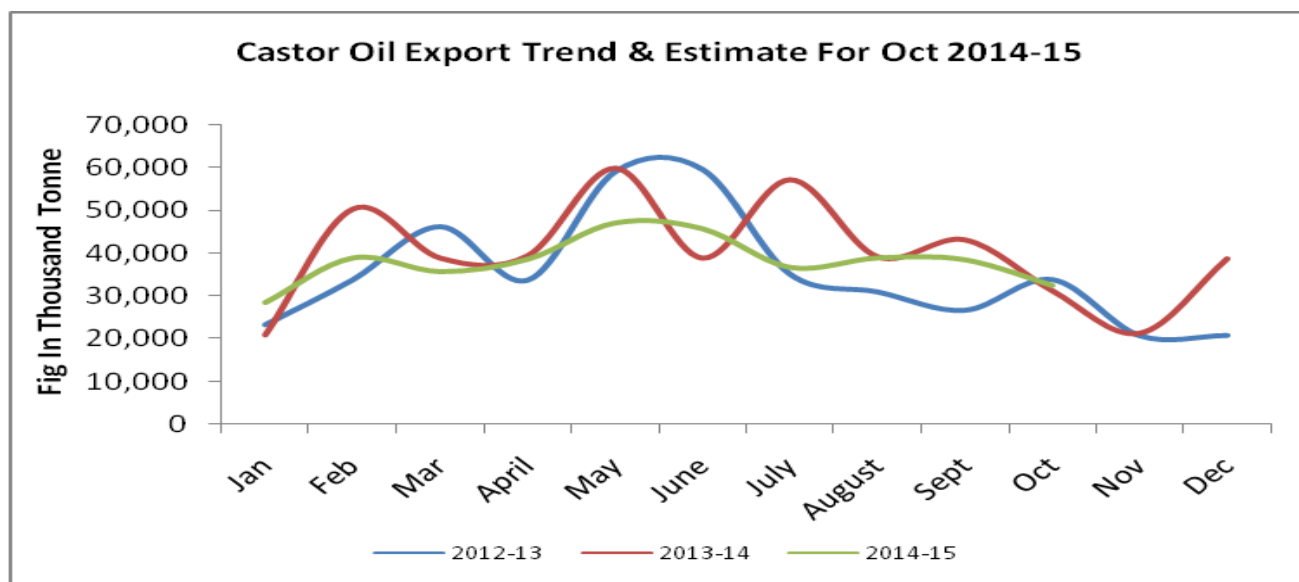


Blue line indicates projected price for seed based on seasonality and demand –supply factors concluded by Agriwatch. Red line indicates actual price movement in the market so far. Seed price may hover in the range of Rs 4650 to Rs 4750 per qtl. in Deesa market.

Cash Market Price Outlook For Deesa Spot:

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	4625-4650	4650-4675
Medium Term (30 days)	4700-4725	4725-4750

Castor Oil Export Trend:



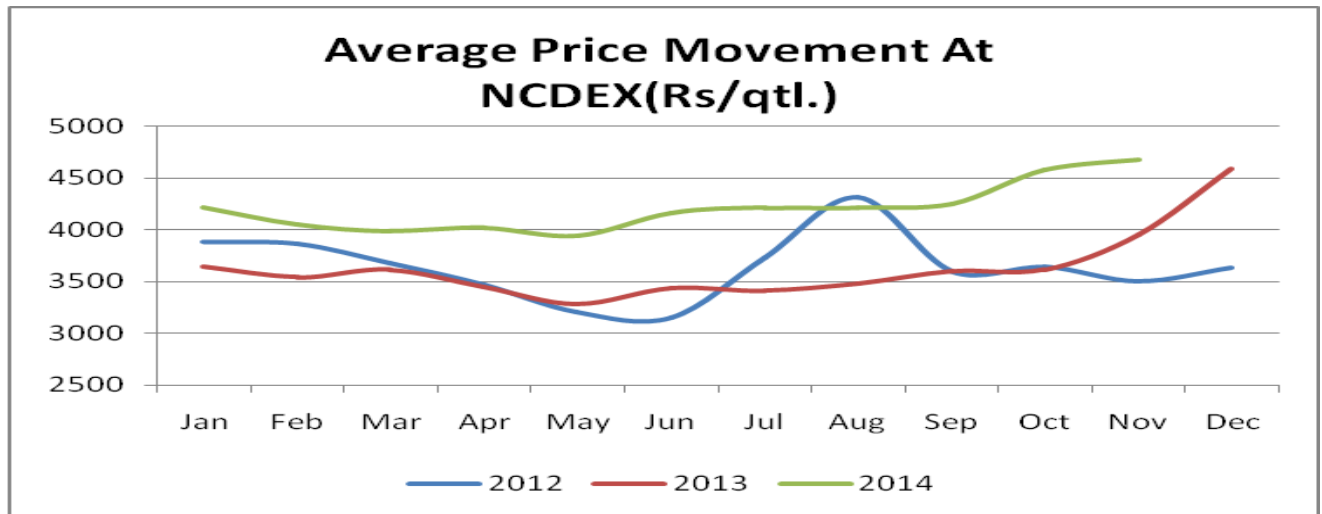
Castor oil export declined unexpectedly from June to Oct. However, it is likely to rebound Dec onward as stock with major importers has declined and fresh buying is expected from mid Dec. Price of seed is expected to stabilize in Dec. The reason of lower export is attributed mainly to higher seed price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

Comparative Prices Of Castor Products Including Seed					
	21th Nov'14	14th Nov'14	21th Oct'14	21th Nov '13	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	45750	45500	NQ	37553	17.92
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	130	122	112	97	25.38
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7500	7300	6550	6052	19.31
Castor Oil (First Grade) FOB Kandla (Export)\$/Tonne	1515	1520	1435	1275	15.84
Local rates for oil in domestic market(Rs./M.T.) for comm.	87000	87000	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:



Technical Commentary:

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

Strategy: Sell

Intraday Supports & Resistances

			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Dec	4473	4567	4827	4949	5030

Pre-Market Intraday Trade Call*

			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Dec	Sell	Below 4834	4674	4594	4930

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Cash Markets Price Movement:

Commodity	Center	Market	Price (Rs/Q)		Change
			21-Nov-14	14-Nov-14	
Castor Seed	Rajasthan	Sumerpur	4150	4170	-20
		Jodhpur	4200	4200	Unch
	Gujarat	Rajkot	4175	4305	-130
		Gondal	4210	4205	5
		Patan	4655	4675	-20
		Deesa	4750	4795	-45
		Mehsana	4475	4400	75
		Kadi	4505	4475	30
		Ahmedabad	4600	4550	50

Castor Price Weekly

Commodity	Center	Market	Price (Rs/Q)			
			Today	Week Ago	Month Ago	6 Month Ago
			21-Nov-14	14-Nov-14	21-Oct-14	21-May-14
Castor Seed	Rajasthan	Sumerpur	4150	4170	4050	3580
		Jodhpur	4200	4200	3900	3550
	Gujarat	Rajkot	4175	4305	3800	3705
		Gondal	4210	4205	4005	3805
		Patan	4655	4675	4355	3855
		Deesa	4750	4795	4350	3810
		Mehsana	4475	4400	4150	3785
		Kadi	4505	4475	3000	3790

		Ahmedabad	4600	4550	4200	3850
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Castor Seed Weekly Arrivals Scenario on 21.11.2014

Commodity	Center	Market	Fig. in Quintal		Change %
			21-Nov-14	14-Nov-14	
Castor Seed	Rajasthan	Sumerpur	318	416	-53.85
		Jodhpur	960	1040	-33.33
	Gujarat	Rajkot	2880	3345	2.51
		Gondal	323	1320	-32.38
		Patan	30480	32336	1.63
		Deesa	16262	19065	-41.55
		Mehsana	3300	5261	-37.92
		Kadi	8679	9186	-35.8
		Other Gujarat	140800	132000	-12.37
	Total Arrival		204002	203969	-15.88

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