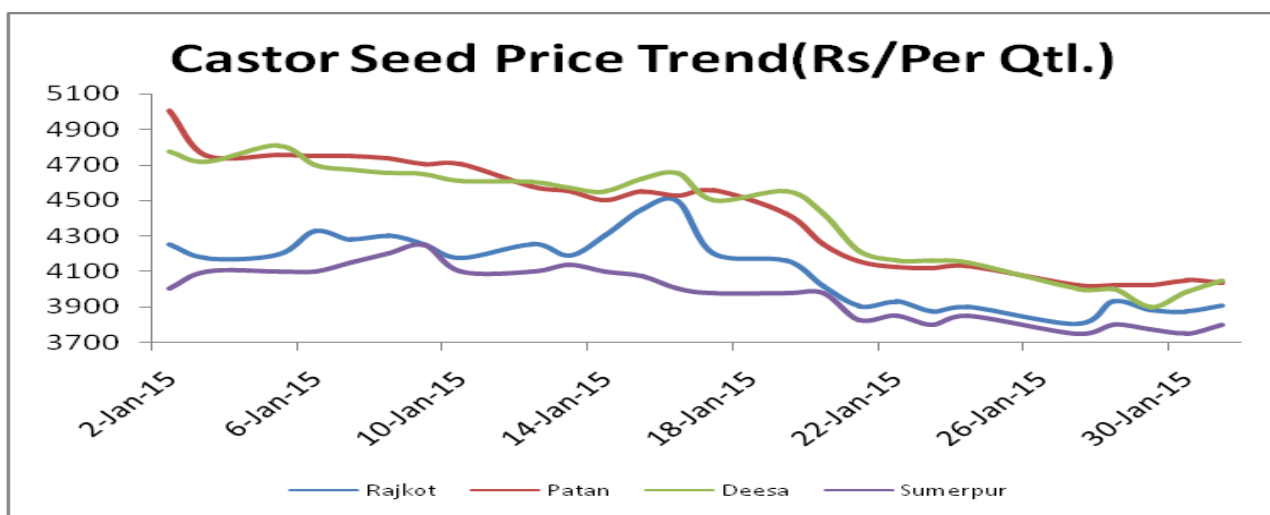


Castor Domestic Fundamentals:

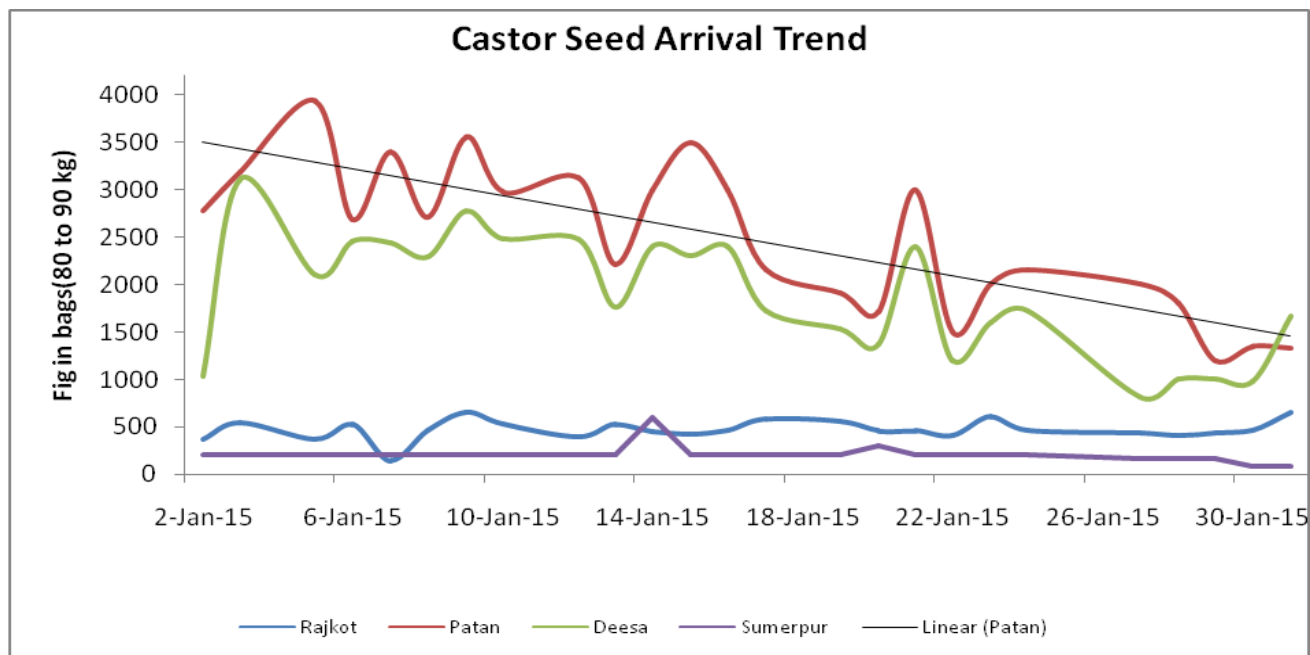
- **Cash market improved slightly at the weekend on buying support at lower level.** Buyers quoted higher prices at weekend to cover their immediate requirements. However, current uptrend is unlikely to continue as actual buyers/planters are not active for bulk buying. It may weigh on market fundamentals. Some farmers (around 20 %) may retain stock and would prefer to sell cumin and mustard stock retained from last year. They are getting better price for these commodities at this point of time.
- **At lower level some buying interest was seen by the weekend and fresh** position in futures helped market to recover from last Thursday session. Cash and futures markets improved and continued buying may support markets for sometimes. However, expected new arrivals by the end of the month and higher carry out may restrict current uptrend.
- **Major stock holders would not allow market to dip below 4000 in near month** futures. Financially strong farmers too may wait for better price and retain stock upto 6 /7 months as they are well aware of the fact that crop size is below expectation and major players are not going to release old stock in bulk quantity.
- **The latest survey report suggests that harvested area would be lower by 10 to 12 percent** in Gujarat in comparison to sowed area this year. Average yield too is expected to decrease in major rainfed growing districts of Gujarat. Besides , incidence of pest attack too have affected the total size of the crop. Irrespective of all these negative factors, overall crop size would be higher by 1.5 to 2 lakh tonne from last year and it may affect seed price negatively in the weeks ahead.
- **Stock is said to be more than assumed trade estimate. Total stock** of seed could be over 6.5 lakh tones at this point of time. Market experts assume that this year total crushing up to December has not been more than 10 lakh tones as export demand for oil was seen lower than normal expectation. Despite various estimates of lower crop size ranging from 12.5 to 14.5 lakh tonne, outlook remains bearish for seed in the medium term.
- **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.
- **Castor seed in Gujarat decreased by 1750 per tonne in comparison to last week** from Rs 43000 to Rs 41250 per tonne. It is lower by Rs 1208 per tonne from the price realised on Jan 2014. Castor meal in bulk volume for export at Kandla is being quoted at \$132 per tonne. It is 18.94 percent higher than price realised on Jan-2014. Meal price is being quoted at Rs 7700 per tonne at Kandla.
- **FOB quote at Kandla decreased considerably from \$1410** per tonne to \$1395 per tonne during the week under review. It is likely to rule in the range of \$1390 to \$1400 in the month of February. Demand from China, EU, US and Japan is expected to remain weak till mid February. Major players would go for restricted buying until arrival gets its peak. We expect peak up in arrivals from Mid March.

Castor Seed Price Chart:



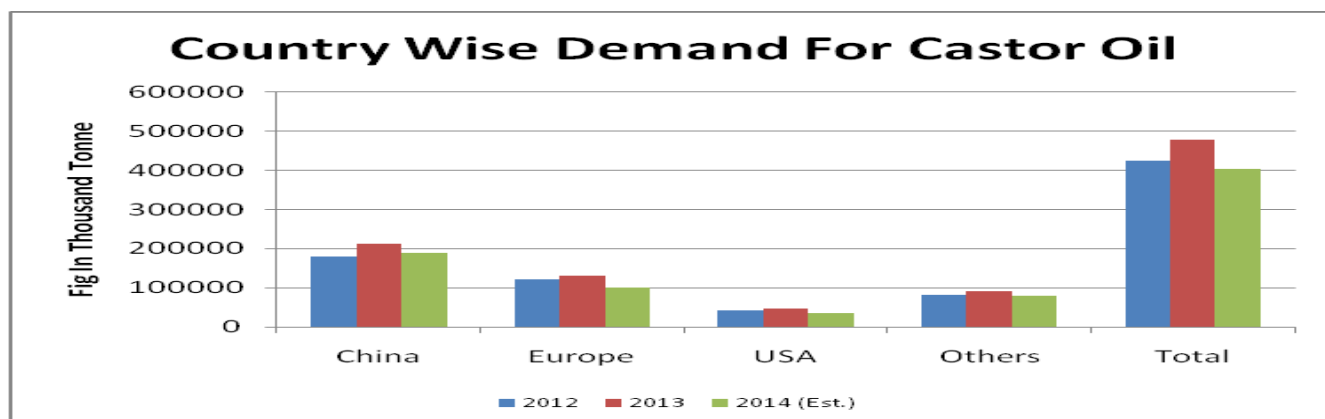
With new crop approaching near and arrivals are bound to increase in the weeks ahead, pressure on price is seen. However, in last one week prices have improved slightly on fresh buying interest at lower level. Planters too have started buying to some extent. Uptrend is unlikely to continue as old stock is believed to be over 6 lakh tonne. Supply would increase despite lower crop estimates.

Castor Seed arrival Chart:



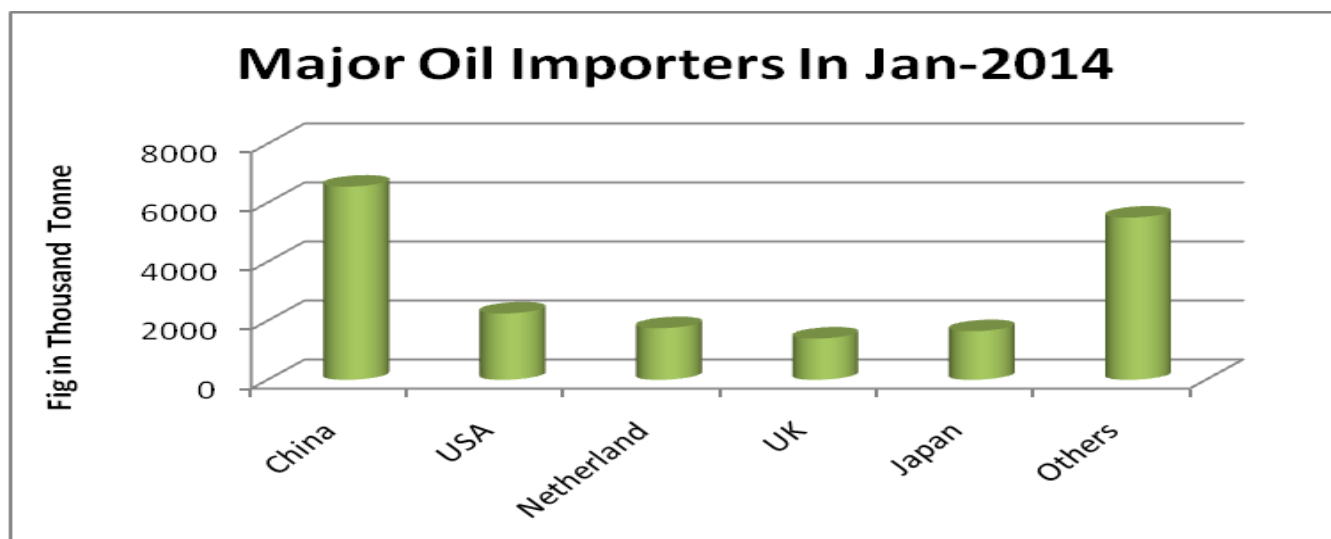
With decreasing price arrivals in various mandis have decreased considerably however it increased in Deesa mandi last week. Arrival pressure is expected by the end of Feb. Crop size is being pegged in between 12 to 14.0 lakh tonne by private trades. However, Agriwatch differs from this figure. Based on current field survey total production may touch 14 lakh tonne this year.

Country Wise Demand For Castor Oil:



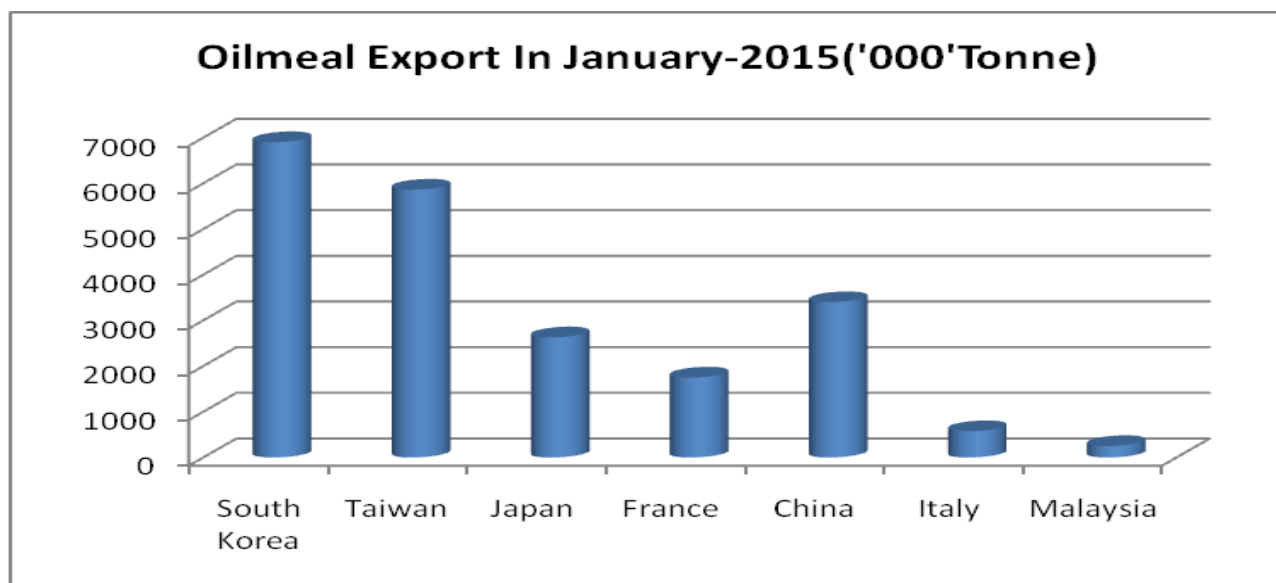
Source: IBIS/Agriwatch

Big buyers like China, EU and US would reduce their buying due to high oil price and total export would be around 4 lakh tonne, almost 75000 tonne lower than last year. Fresh entry is expected in Feb, 2015. China, Europe and US has decreased their buying at this point of time. Local demand is below normal. However, it has improved slightly in last two-three weeks. The season (Jan to Dec) may end with around 4 lakh tonne oil export.



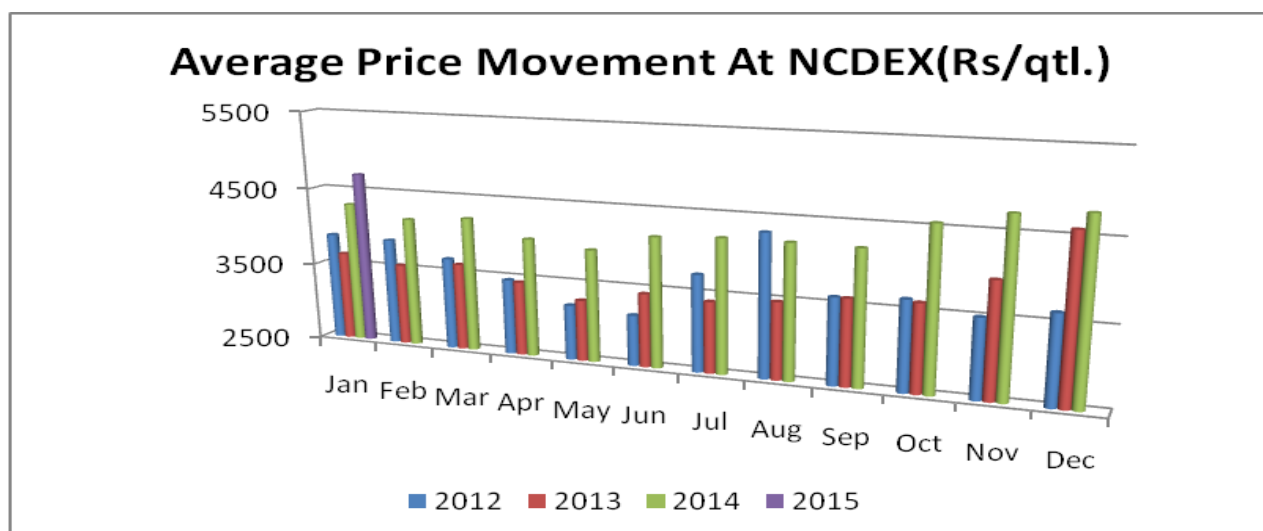
Around 20,000 tonne oil has been exported in the month of Jan and export volume would increase with decreasing seed prices. Major buyers may enter into the market from March, by then price of seed may stabilize.

Castor Meal Export:



Castor meal export has decreased considerably in the first week of January and ended at 21000 tonne due to higher price. Demand for meal is likely to increase once again with increasing availability of seed from old and new crop. Bulk buying is expected in March –April, the peak arrival season and likely lower price. Export quote is \$ 132 per tonne at Kandla while in INR term it is being traded at Rs 7700 per tonne.

Seed Price In Jan At NCDEX:

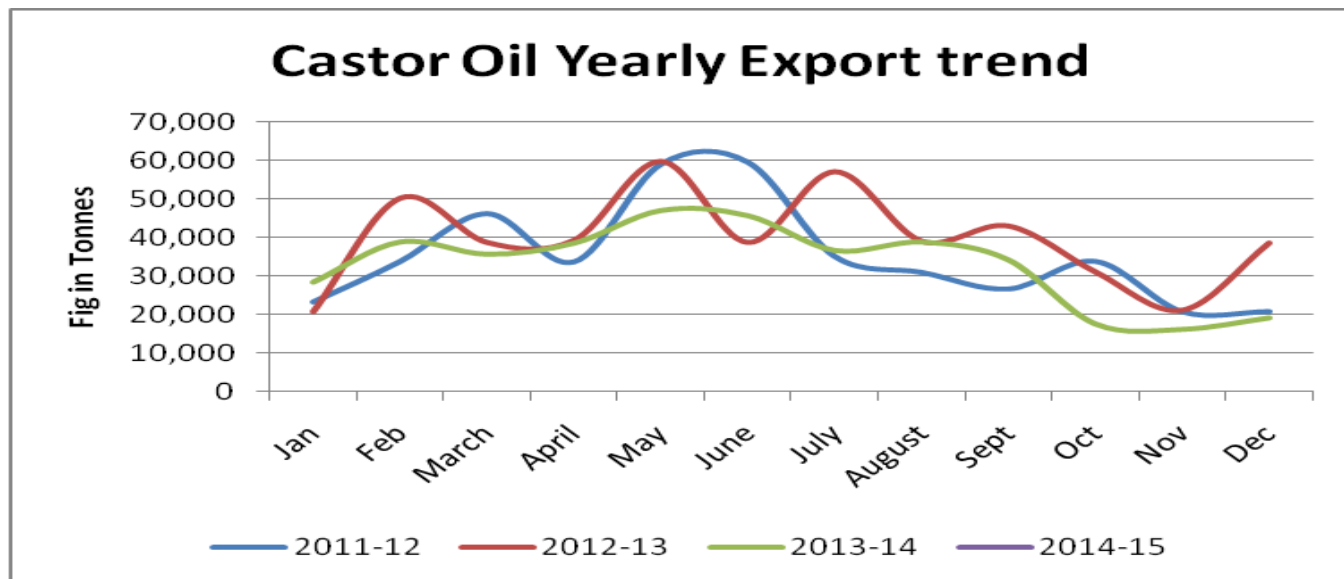


Average price is bound to dip more in the month of February as seed prices in last three weeks have decreased considerably.

Cash Market Price Outlook For Deesa Spot:

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3900-3950	3950-4000
Medium Term (30 days)	3850-3900	3900-3950

Castor Oil Export Trend:

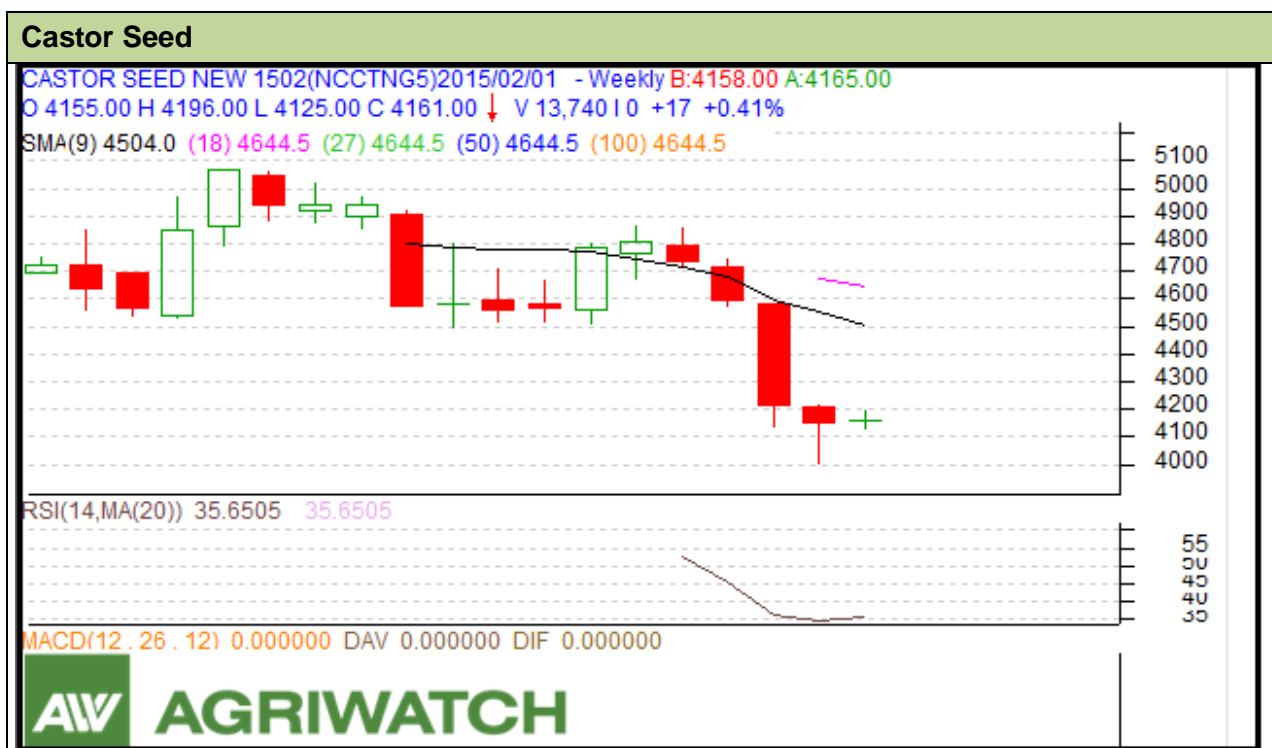


Castor oil export trend shows sluggish demand June onward and continued under pressure till December. Total export during last 12 months was registered at 382298 tonne and Agriwatch expect 18000 tonne export in December. Thus total export from Jan to Dec-2014 would be around 400000 tonne.

Comparative Prices Of Castor Products Including Seed					
	30th Jan'15	23 th Jan'15	30th Dec'14	30th Jan '14	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	41250	43000	45300	42458	-2.93
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	132	132	135	107	18.94
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7700	7700	8100	6,352	17.51
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1395	1410	1450	1416	-1.51
Local rates for oil in domestic market(Rs./M.T.) for comm.	85500	87500	88500	85920	-0.49

Source: SE A

Technical Analysis:



Technical Commentary:

- Candlestick chart shows bearish tone in the futures market.
- RSI moving down in neutral zone hints caution to the bulls..
- Prices closed down 9 and 18 days EMAs denotes weakness in the short term.

Strategy: Sell on Rise

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Feb	4125	4050	4161	4225	4300
Pre-Market Intraday Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Feb	Sell	above 4201	4150	4125	4225

Cash Markets Price Movement:

Castor Seed Weekly Prices on 30.1.2015

Center	Market	Price (Rs/Q)		Change
		30-Jan-15	23-Jan-15	
Rajasthan	Sumerpur	3750	3800	-50
	Jodhpur	3800	3800	Unch
Gujarat	Rajkot	3875	3930	-55

Castor Weekly Report 02nd Feb, 2015

	Gondal	3930	3905	25
	Patan	4050	4125	-75
	Deesa	3985	4160	-175
	Mehsana	3875	3950	-75
	Kadi	4030	4020	10
	Ahmedabad	3750	4000	-250

Castor Price Weekly						
Commodity	Center	Market	Price (Rs/Q)			
			Today	Week Ago	Month Ago	6 Month Ago
			30-Jan-15	23-Jan-15	30-Dec-14	30-Jul-14
Castor Seed	Rajasthan	Sumerpur	3750	3800	4050	3950
		Jodhpur	3800	3800	4100	3800
	Gujarat	Rajkot	3875	3930	4300	3860
		Gondal	3930	3905	4255	4055
		Patan	4050	4125	4700	4135
		Deesa	3985	4160	5055	4075
		Mehsana	3875	3950	4375	4100
		Kadi	4030	4020	4550	4080
		Ahmedabad	3750	4000	4700	4100

Castor Seed Weekly Arrivals Scenario on 30.1.2015

Center	Market	Fig. in Quintal		Change %
		30-Jan-15	23-Jan-15	
Rajasthan	Sumerpur	640	1040	-38.46
	Jodhpur	NR	NR	-
Gujarat	Rajkot	2200	2620	-16.03
	Gondal	1185	1255	-5.58
	Patan	6350	12287	-48.32
	Deesa	2230	8658	-74.24
	Mehsana	736	600	22.67
	Kadi	4348	5520	-21.23
	Other Gujarat	20551	37060	-44.55
Total Arrival		38240	69040	-44.61

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> © 2015 Indian Agribusiness Systems Pvt Ltd.