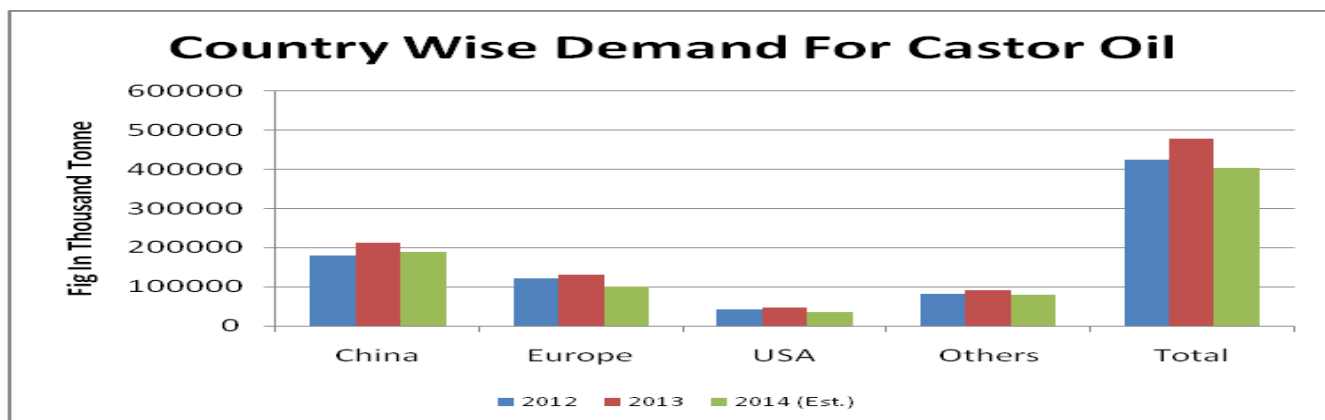


Castor Domestic Fundamentals: -

- **Downward pressure continued to dominate cash market** despite lower crop estimate. Arrivals have come down in recent weeks from old stock. However, pressure from new crop is expected by the end of this month. As prices are under pressure, well to do farmers may retain 20 percent new crop in anticipation of better price once again in the second half of the year. Overall sentiments remain bearish at this point of time.
- **As prices are ruling lower and more dip is expected in the market**, buyers for oil would wait for one more month to start bulk buying. China, E.U and US may enter into the market in March, by then price would stabilize. Buyer's interest might be seen around \$1350 per tonne and oil price may touch this level by the first week of March.
- **Major stock holders strategy might be to increase stock holding at lower level** and they would allow market to decrease in the peak arrival season. The condition may be same as seen in the last year. Arrival would comparatively lower in the month of May and market may start firming up slowly by then.
- **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 has 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 tonnes as export demand for oil was seen lower than normal expectation. Despite various estimates of lower crop size ranging from 11.5 to 13.8 lakh tonne, outlook remains bearish for seed in the short to 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. However, harvested area would be much lower than actual sowing. Agriwatch expects 12 to 14 percent area loss this year.
- **Castor seed in Gujarat decreased by 2000 per tonne in comparison to last week** from Rs41000 to Rs 39000 per tonne. Castor meal in bulk volume for export at Kandla is being quoted at \$131 per tonne. Meal price is being quoted at Rs 7600 per tonne at Kandla.
- **FOB quote at Kandla decreased considerably by \$60 per tonne from \$1370 per tonne to \$1310 per tonne** during the week under review. Major players would go for restricted buying until arrival gets its peak. We expect higher arrival from Feb end/Mid March.

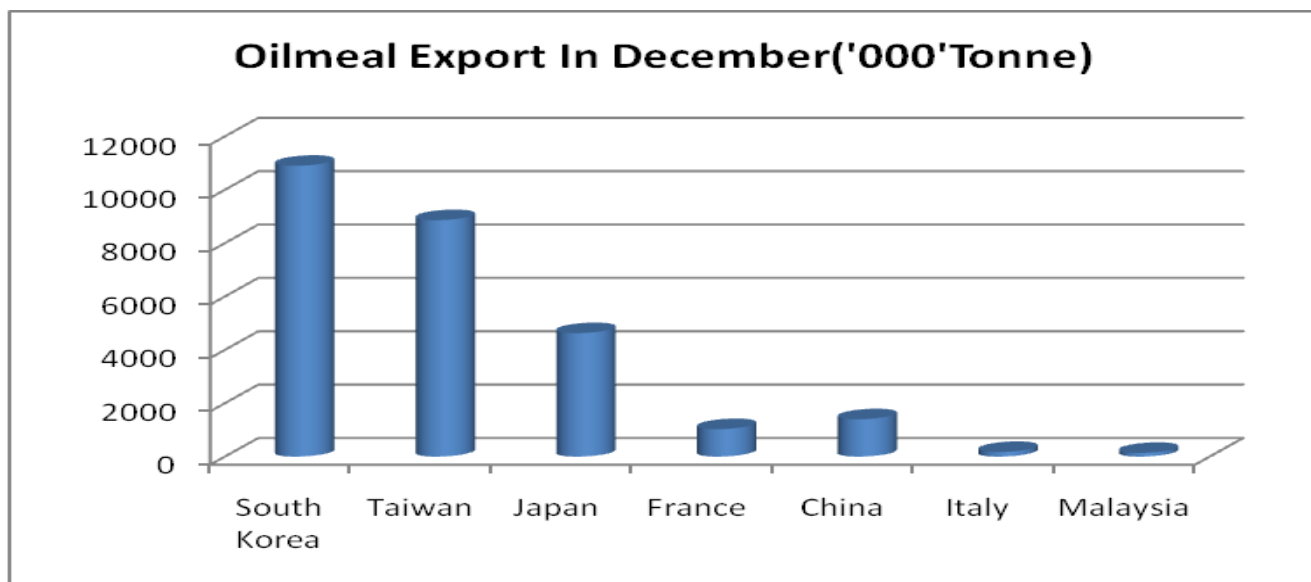
Country Wise Demand For Castor Oil:



Source: IBIS/Agriwatch

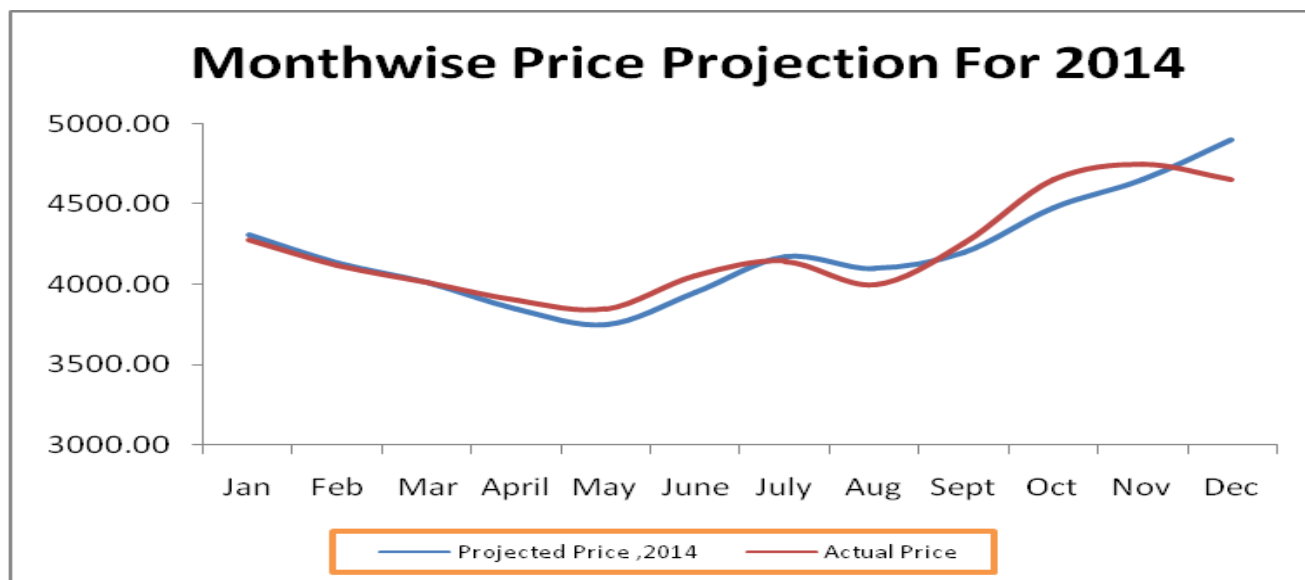
Big buyers like China, EU and US would reduce their buying due to high oil price and total export would be around 4 lakh tonne, almost 75,000 tonne lower than last year. Fresh entry is expected in Feb, 2015. China, Europe and US has decreased their buying at this point of time. Local demand is below 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.

Castor Meal Export:



Castor meal export has decreased considerably in the first week of January and demand for meal is likely to decrease further as prices are ruling higher. Only need based buying is on the card. Bulk buying is expected in March –April, the peak arrival season and likely lower price.

Price In Dec. For Seed:

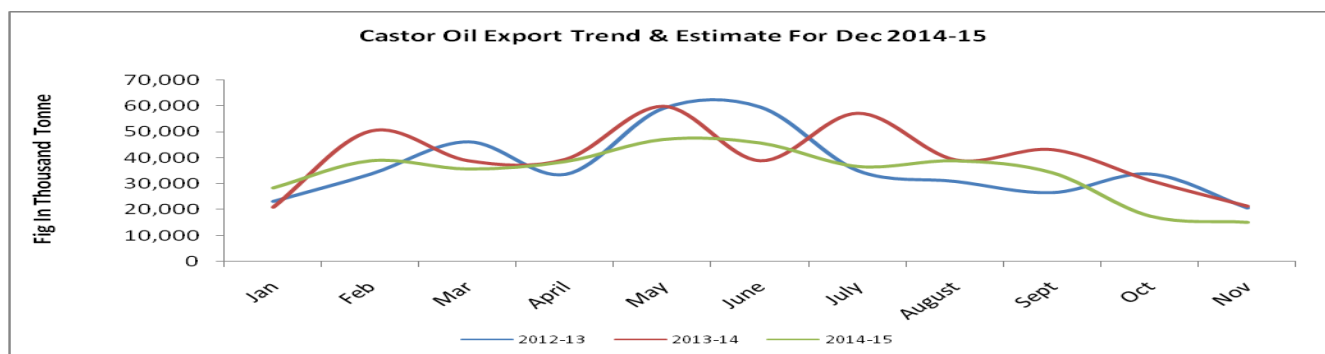


Blue line indicates projected price for seed based on seasonality and demand –supply factors concluded by Agriwatch. Red line indicates actual price movement in the market so far. Seed price may hover in the range of Rs 4600 to Rs 4650 per qtl. in Deesa market.

Cash Market Price Outlook For Deesa Spot:

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3850-3900	3900-3925
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					
	13th feb '15	6th feb '15	13th Jan'14	14th Feb '14	CHANGE %
Castor seed (Gujarat)((Rs./M.T) Ex-Mandi	39000	41000	44750	40913	-4.91
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	131	132	133	97	25.95
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7600	7700	8000	5700	25.00
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1310	1370	1440	1355	-3.44
Local rates for oil in domestic market(Rs./M.T.) for comm.	82500	84500	89000	81761	0.90

Source: SE A

Technical Analysis:



Technical Commentary:

- Candlestick chart shows bearish tone in the futures market.
- RSI moving down in oversold region.
- Prices closed down 9 and 18 days EMAs denotes weakness in the short term.

Strategy: Sell

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	March	3661	3510	3886	4036	4187
Pre-Market Intraday Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	March	Sell	Below 3924	3784	3714	4008

Cash Markets Price Movement:

Castor Seed Weekly Prices on 14.2.2015

Commodity	Center	Market	Price (Rs/Q)		Change
			14-Feb-15	6-Feb-15	
Castor Seed	Rajasthan	Sumerpur	3575	3725	-150
		Jodhpur	3600	3800	-200
	Gujarat	Rajkot	3675	3825	-150
		Gondal	NA	3930	-
		Patan	3760	3950	-190
		Deesa	3750	3965	-215
		Mehsana	3725	3925	-200
		Kadi	3775	3975	-200
		Ahmedabad	3930	3900	30

Castor Price Weekly						
Commodity	Center	Market	Price (Rs/Q)			
			Today	Week Ago	Month Ago	6 Month Ago
			14-Feb-15	6-Feb-15	14-Jan-15	14-Aug-14
Castor Seed	Rajasthan	Sumerpur	3575	3725	4100	3975
		Jodhpur	3600	3800	4100	4000
	Gujarat	Rajkot	3675	3825	Closed	3960
		Gondal	NA	3930	Closed	4030
		Patan	3760	3950	Closed	Closed
		Deesa	3750	3965	Closed	4220
		Mehsana	3725	3925	Closed	4160
		Kadi	3775	3975	Closed	4145
		Ahmedabad	3930	3900	NA	4125

Castor Seed Weekly Arrivals Scenario on 14.2.2015

Commodity	Center	Market	Fig. in Quintal		Change %
			14-Feb-15	6-Feb-15	
Castor Seed	Rajasthan	Sumerpur	4560	2960	-53.85
		Jodhpur	NA	312	-33.33
	Gujarat	Rajkot	2465	2790	2.51
		Gondal	1096	1847	-32.38
		Patan	10478	9075	1.63
		Deesa	5409	5135	-41.55
		Mehsana	896	680	-37.92
		Kadi	10792	11543	-35.8
		Other Gujarat	NA	4930	-12.37
	Total Arrival		35696	39272	-15.88

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