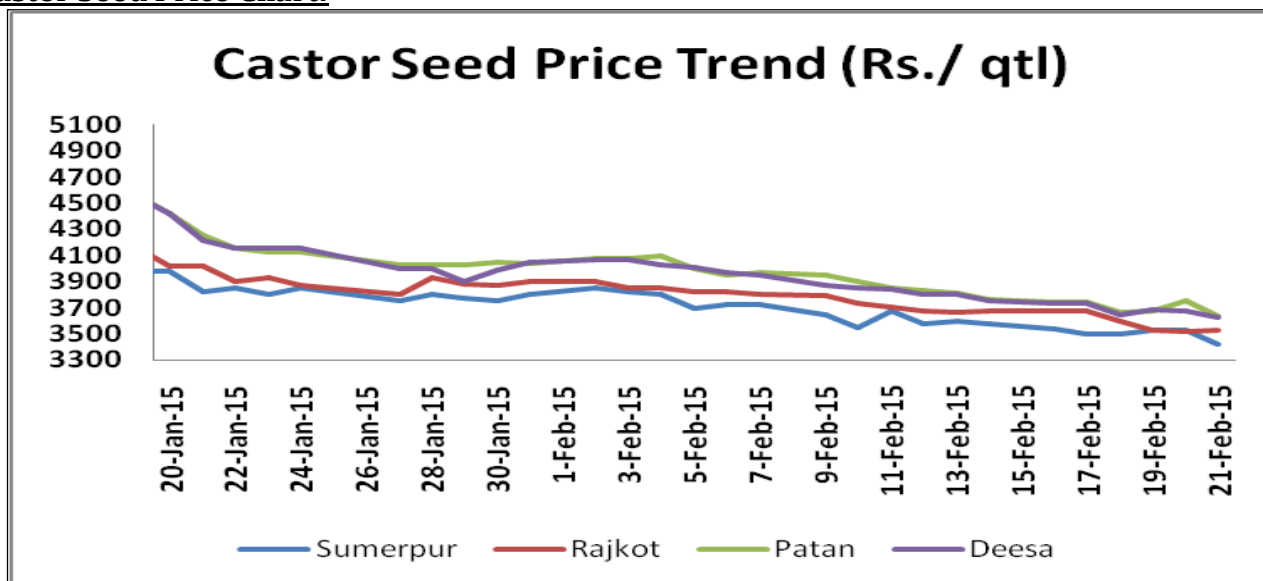


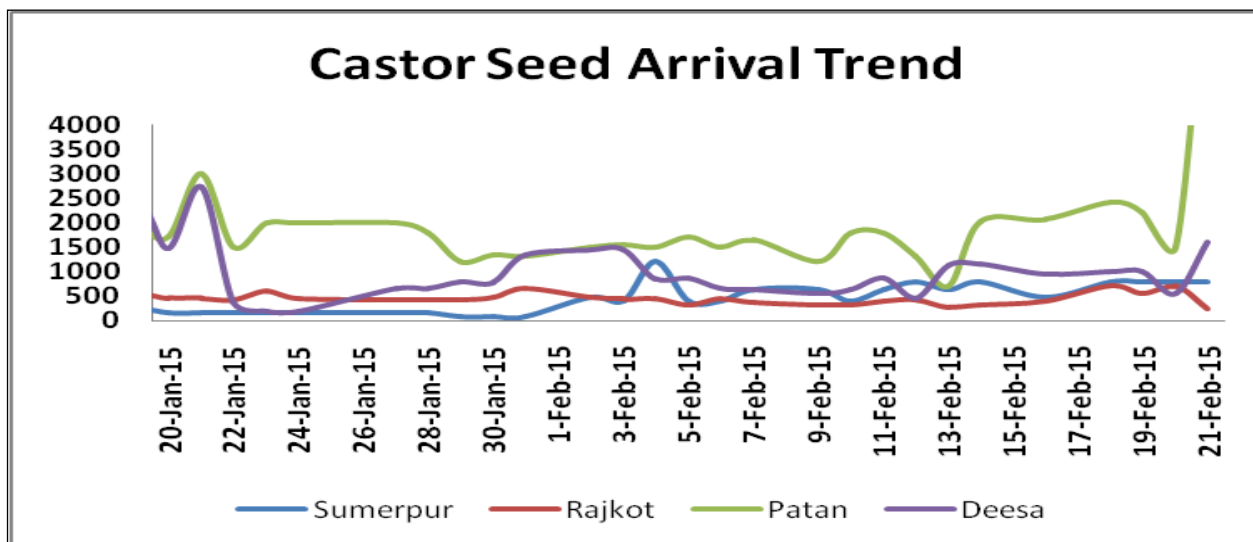
**Castor Domestic Fundamentals:**

- **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 be 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 1,250 per tonne in comparison to last week** from Rs 39000 to Rs 37750 per tonne. It is lower by Rs 3163 per tonne from the price realised on Feb, 2014. Castor meal in bulk volume for export at Kandla is being quoted at \$130 per tonne. It is 34.02 percent higher than price realised on Feb-2014. Meal price is being quoted at Rs 7400 per tonne at Kandla.
- **FOB quote at Kandla decreased considerably by \$35 per tonne from \$1310** per tonne to \$1275 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.

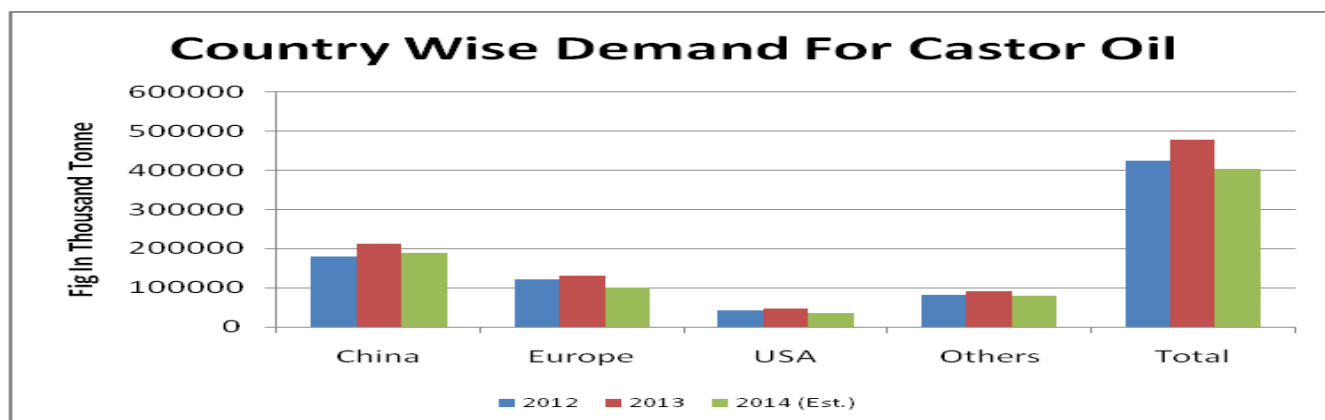
**Castor Seed Price Chart:**



**Castor Seed arrival Chart:**

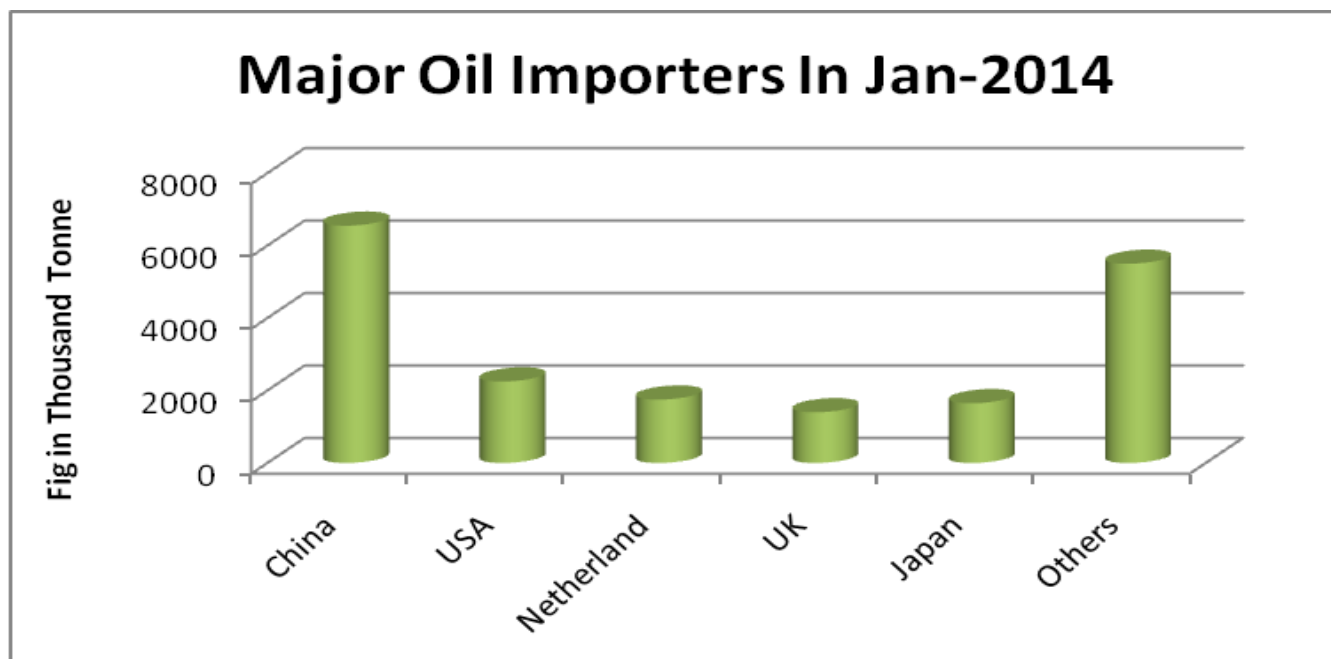


### Country Wise Demand for Castor Oil:



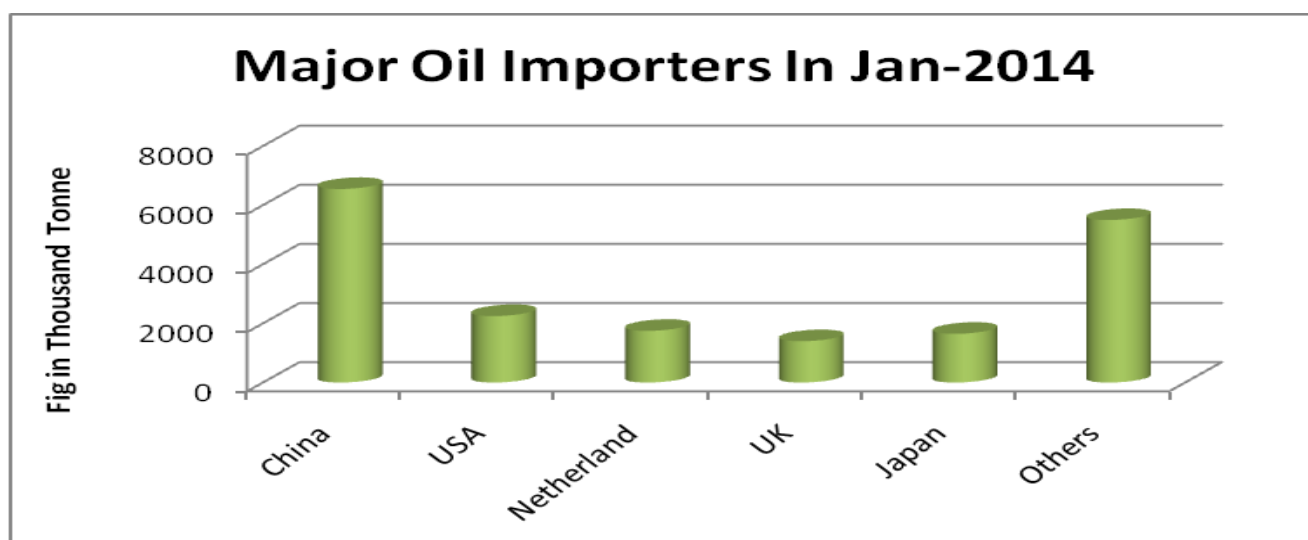
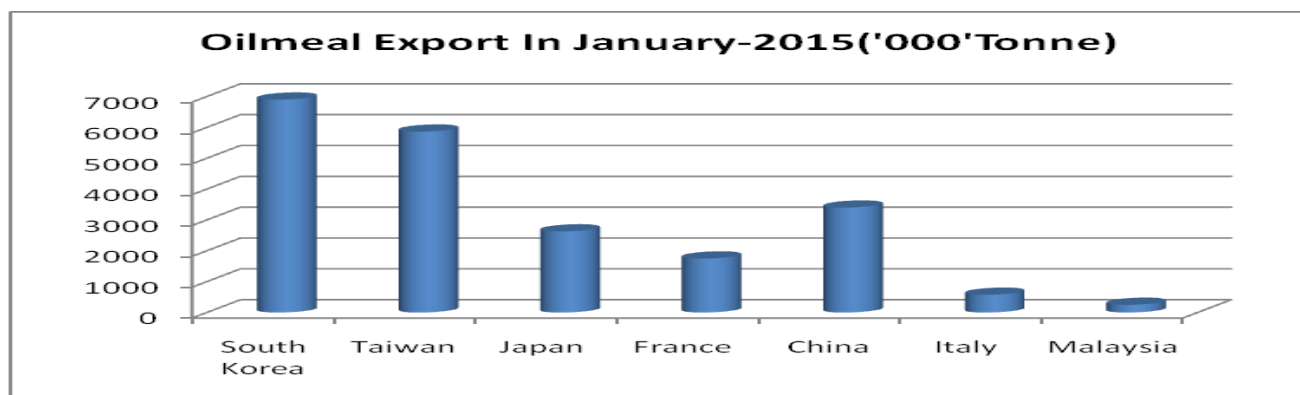
Source: IBIS/Agriwatch

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.

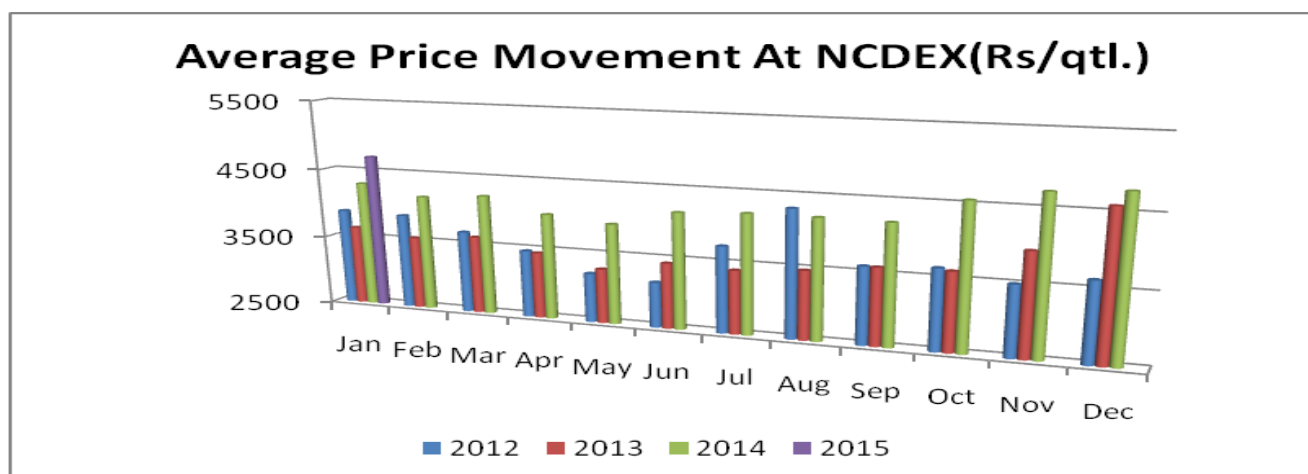


Around 20,000 tonne oil has been exported in the month of Jan and export volume would increase with decreasing seed prices. Major buyers may enter into the market from March, by then price of seed may stabilize.

**Major Oil meal Importing Countries In January:**

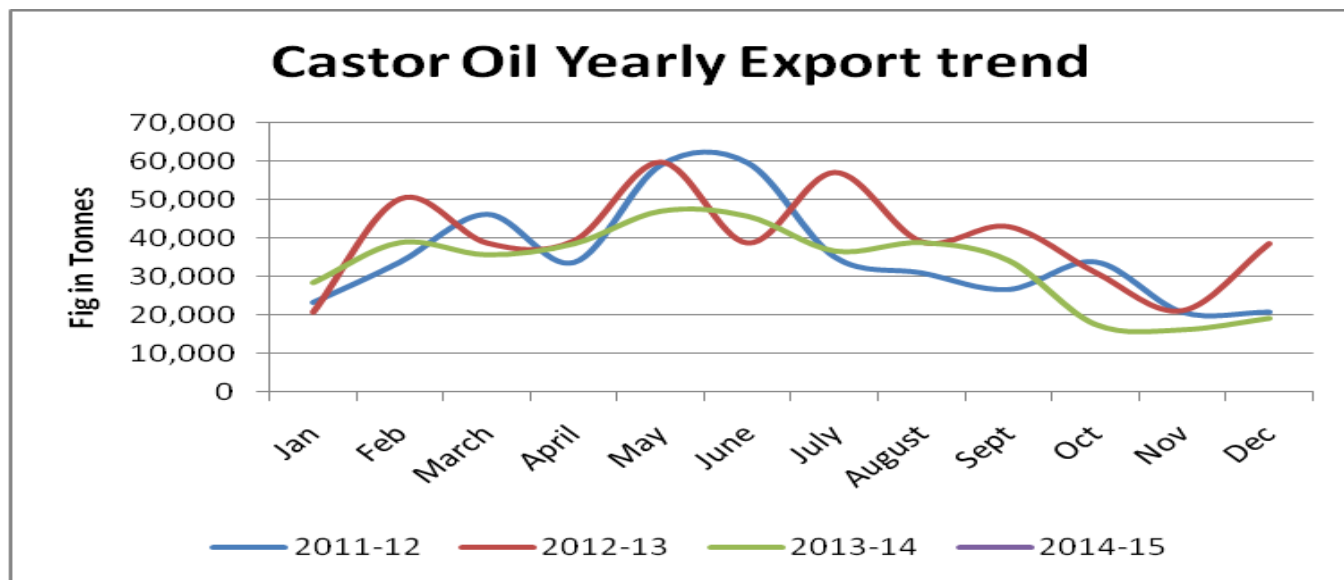


**Seed Price In Jan At NCDEX:**



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

### Castor Oil Export Trend:



Comparative Prices Of Castor Products Including Seed					
	20th feb '15	13th feb '15	20th Jan'15	20th Feb '14	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	37750	39000	44000	40913	-8.38
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	130	131	132	97	25.38
<b>EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla</b>	7400	7600	7800	5,700	22.97
Castor Oil (First Grade) FOB Kandla (Export)\$/Tonne	1275	1310	1425	1355	-6.27
<b>Local rates for oil in domestic market(Rs./M.T.) for comm.</b>	79000	82500	87500	81761	-3.49

Source: SE A

### Technical Analysis:



### Technical Commentary:

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

### Strategy: **Sell**

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Mar	3600	3520	3764	3875	3986
Pre-Market Intraday Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Mar	<b>Sell</b>	3750	3660	3615	3804

Cash Markets Price Movement:

Castor Seed Weekly Prices on 20.02.2015

Commodity	Center	Market	Price (Rs/Q)		Change
			20-Feb-15	14-Feb-15	
Castor Seed	Rajasthan	Sumerpur	3525	3575	-50
		Jodhpur	3600	3600	Unch
	Gujarat	Rajkot	3520	3675	-155
		Gondal	3580	NA	-
		Patan	3750	3760	-10
		Deesa	3680	3750	-70
		Mehsana	3625	3725	-100
		Kadi	3675	3775	-100
		Ahmedabad	3500	3930	-430

Castor Price Weekly						
Commodity	Center	Market	Price (Rs/Q)			
			Today	Week Ago	Month Ago	6 Month Ago
			20-Feb-15	14-Feb-15	20-Jan-15	20-Aug-14
Castor Seed	Rajasthan	Sumerpur	3525	3575	3975	3900
		Jodhpur	3600	3600	3900	3800
	Gujarat	Rajkot	3520	3675	4015	3960
		Gondal	3580	NA	4105	4030
		Patan	3750	3760	4425	4090
		Deesa	3680	3750	4425	4125
		Mehsana	3625	3725	4150	4100
		Kadi	3675	3775	4125	4050
		Ahmedabad	3500	3930	4350	4025

### Castor Seed Weekly Arrivals Scenario on 20.02.2015

Commodity	Center	Market	Fig. in Quintal		Change %
			20-Feb-15	14-Feb-15	
Castor Seed	Rajasthan	Sumerpur	4480	4560	-1.75
		Jodhpur	840	NA	-
	Gujarat	Rajkot	2675	2465	8.52
		Gondal	1083	1096	-1.19
		Patan	10207	10478	-2.59
		Deesa	4646	5409	-14.11
		Mehsana	1566	896	74.78
		Kadi	8132	10792	-24.65
		Other Gujarat	59691	NA	-
	Total Arrival		93320	35696	161.43

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