

Castor Domestic Market Fundamentals: -

Castor seed cash and futures markets continued to extend its loss during the week under review taking clue from renewed hope for rains, weak demand for oil and higher area coverage(10.24lakh ha)till 11th Sep,2015..Recent rains in major growing belts have ensured better growth for the plant. However, any major dip is unlikely as stockists have retained stock until prices improve and it may support cash market in the short to medium term.

In decreasing markets, plants restricted their normal buying. Seed prices decreased by Rs 50 to Rs 75 per qtl. last week. It traded in the range of Rs 3850 to Rs 4025 per qtl., depending upon seed sourcing place and quality.

Progressive Area Coverage: -

Area coverage during kharif 2015 till 11th Sept, 2015 was reported at 10.24 lakh ha in comparison to 9.75 lakh ha during corresponding period last year. It is higher by 0.49 (up by 5.03 percent) lakh ha. Gujarat has covered 7.21 against 7.10 lakh ha,. Coverage area in Rajasthan is running ahead by 9.4 percent this year. It has covered 1.63 against 1.49 lakh ha. so far. Overall area coverage is up by 5.03 percent this year.

Agriculture statistics Division, DES has released its 1st Adv estimates of Production of food-grains for 2015-16 on 16.09.2015.It has estimated 19.44 lakh tonne seed production this year.The production target for 2015-16 has been fixed at 20.34 lakh ton. India has produced 19.63 lakh tonne castor seed in 2014-15 as per revised 1st Adv estimate. However private trade estimate for the year is much lower and is between 15 to 16 lakh tonne for 2015-16.

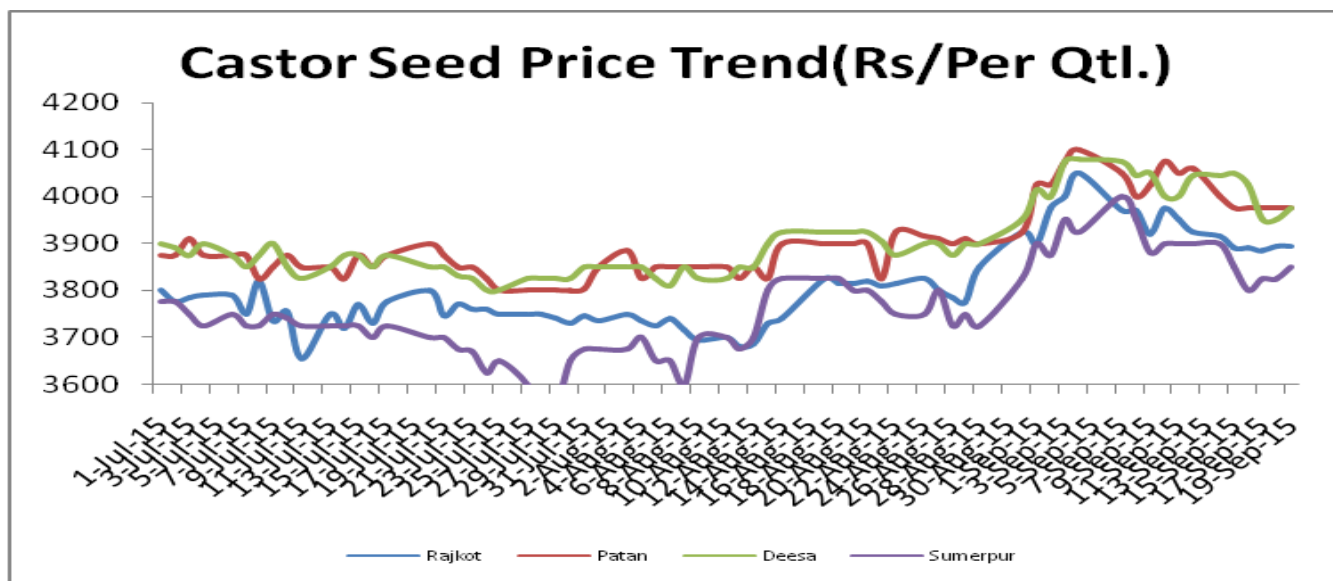
Castor seed meal export from Kandla port is being shipped out at \$111 per tonne on FoB basis. It is 1.63 percent lower than the price realized in the first week of Sept, 2014. Average meal price has been almost steady over the last four weeks at \$111 per tonne. Meal market is expected to move up in Sept end as seed prices are expected to move up. No fresh export deal for forward months in bulk quantity has been reported last week.

Castor oil export has increased slightly week on week Basis. In the second week of Sep, castor oil export increased from 6672 to 7576 tonne week on week basis. Average price was recorded at\$1350.6 per tonne including premium grade price too.

Outlook & Recommendation: -

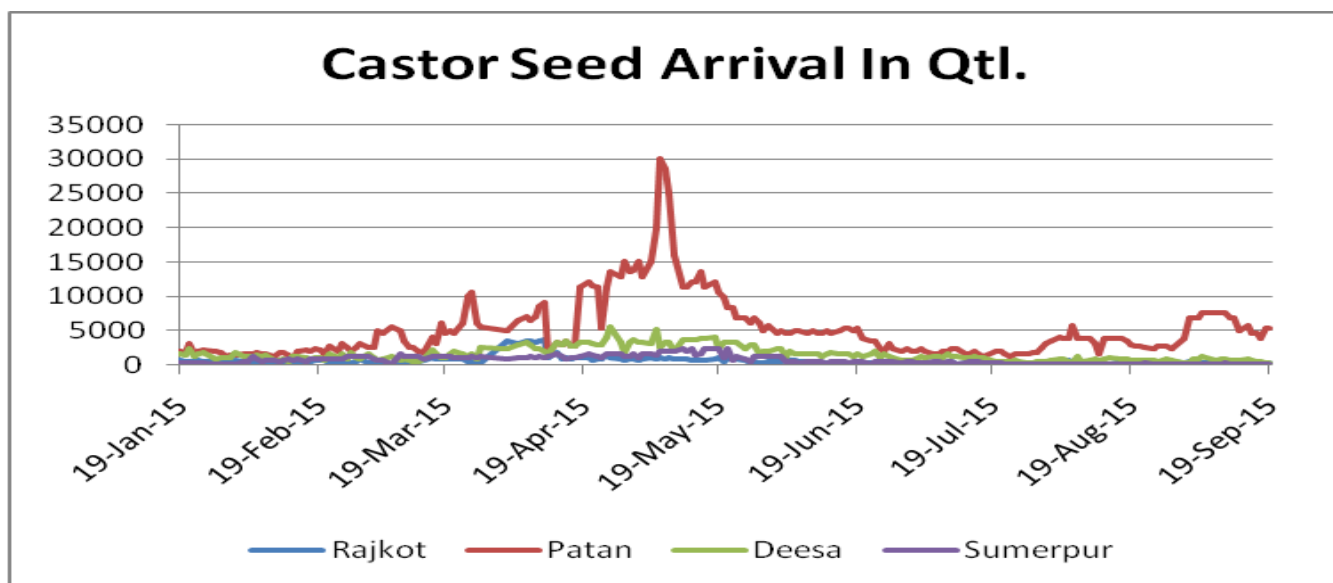
Overall market sentiment remains bearish in the short term. However, stake holders should wait for stabilization in the market.As new crop is five –six month away, stockists would try to drag market in their own favour in the third quarter. Seed stock is considered to be lower by 20 to 25 percent in comparison to last year. Major portion of stock is in strong hands. All these developments may lend support to castor seed market in the weeks ahead.

Stake holders may go for buying above 4075 for the target of 4150 in Oct contract.



Castor seed market could not sustain its uptrend as expected and continued to decrease in the third the week of Sep too. However, firmness in cash market is expected in the third quarter as major stockists have retained stock. Retention of stock may lend support to the cash market fundamental despite higher area coverage and better condition for plant growth. Other market fundamentals too remain supportive for uptrend from Oct. onward.

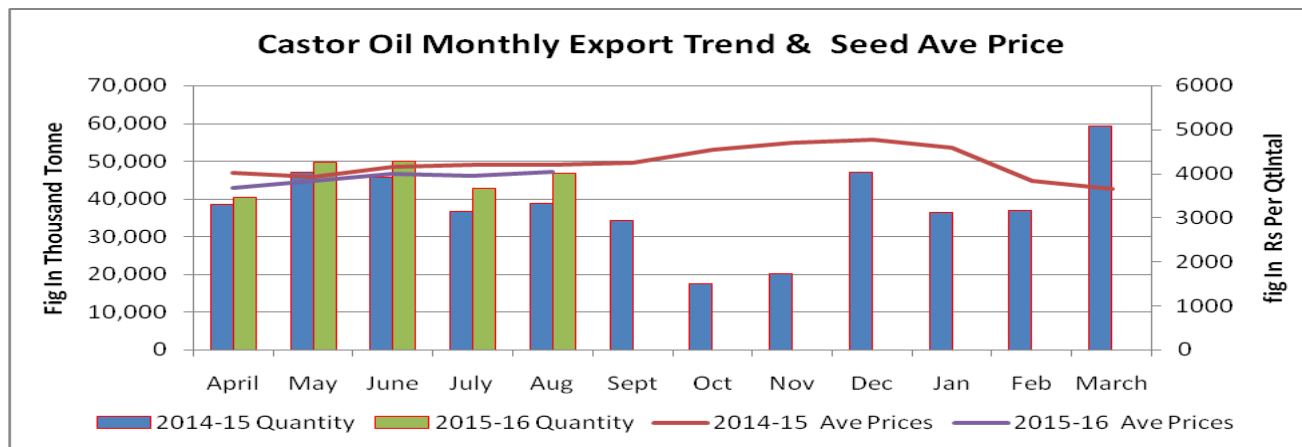
Castor Seed Arrival Chart:



Arrivals of seed have decreased with declining prices. Considerable decrease was seen in Patan last week. Overall arrival pace for seed may decrease in the fourth week of Sept as inner tone remains weak in the short term. Farmers and stockists may restrict releasing of stock as prices have decreased much more than expectation..



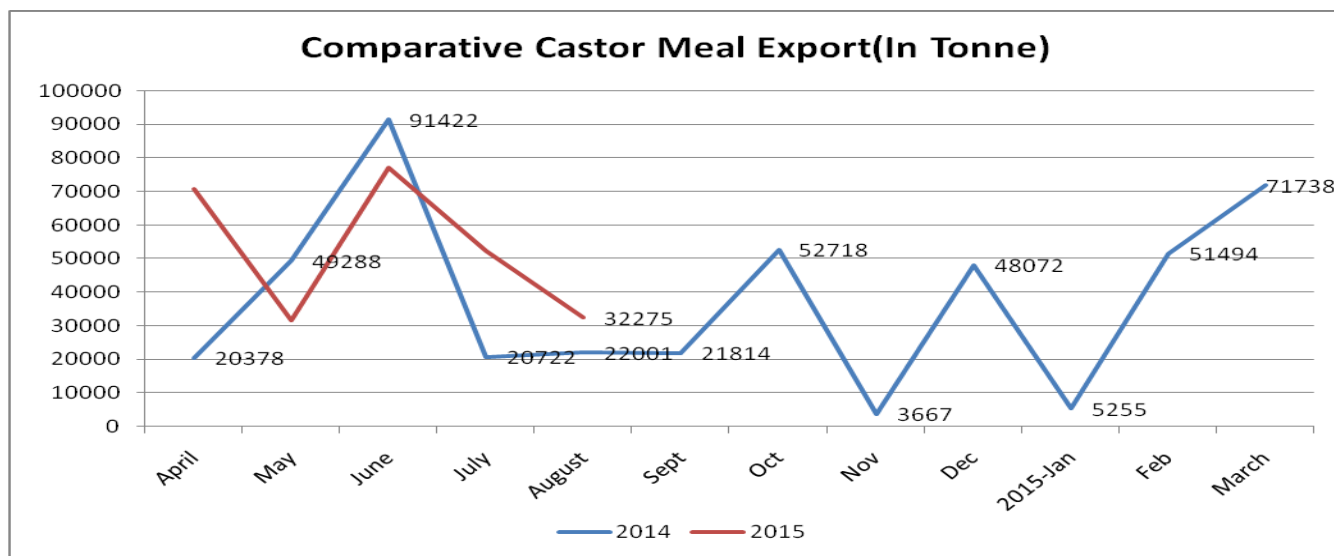
Castor Oil Export Trend:



Source: IBIS/Agriwatch

The above given bar chart shows that castor oil export volume continued to rise from Apr-June in comparison to 2014-15. Export volume was expected to decrease from July onwards. However, higher export volume was registered in July and August this year. Seed ave prices are ruling lower by 5 to 7 percent this year from last year.

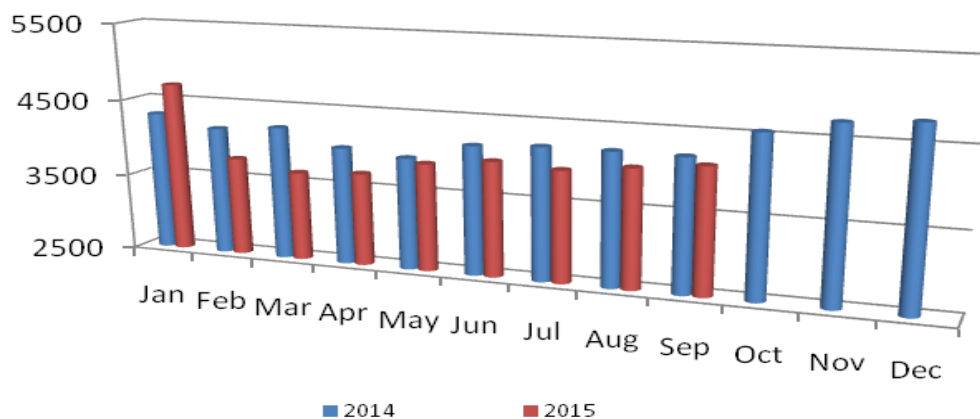
Castor Meal Export:



Castor meal export volume continued to decrease from June to August and is likely to follow sept-2014 trend this month too. FOB quotes for meal has increased slightly this week from \$110 to \$112 per tonne.

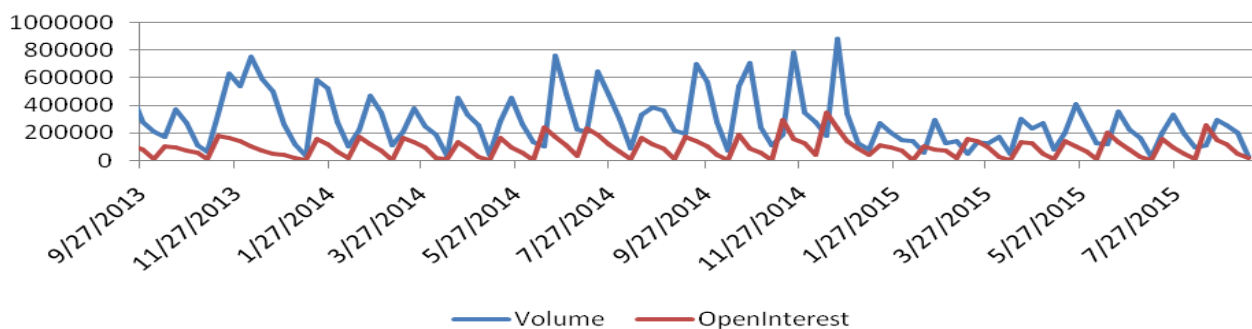
Yearly Average Price Variations At NCDEX Spot :

Average Price Movement At NCDEX Spot(Rs/Qtl.)

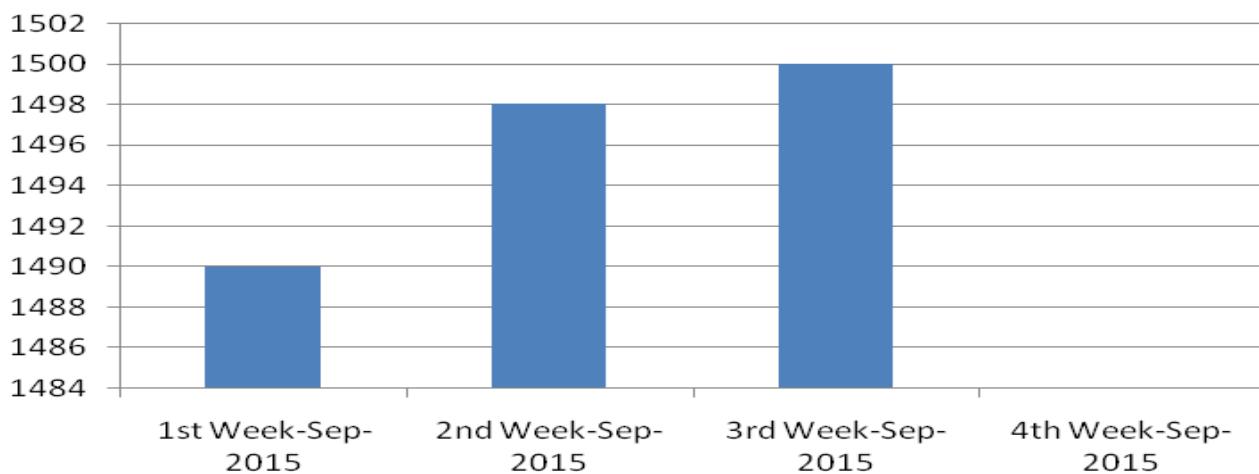


Note: First 15 days Sept Average

NCDEX OI & Volume Trend



Castor Oil Ave Weekly Quote Rotterdam(\$/per Ton)

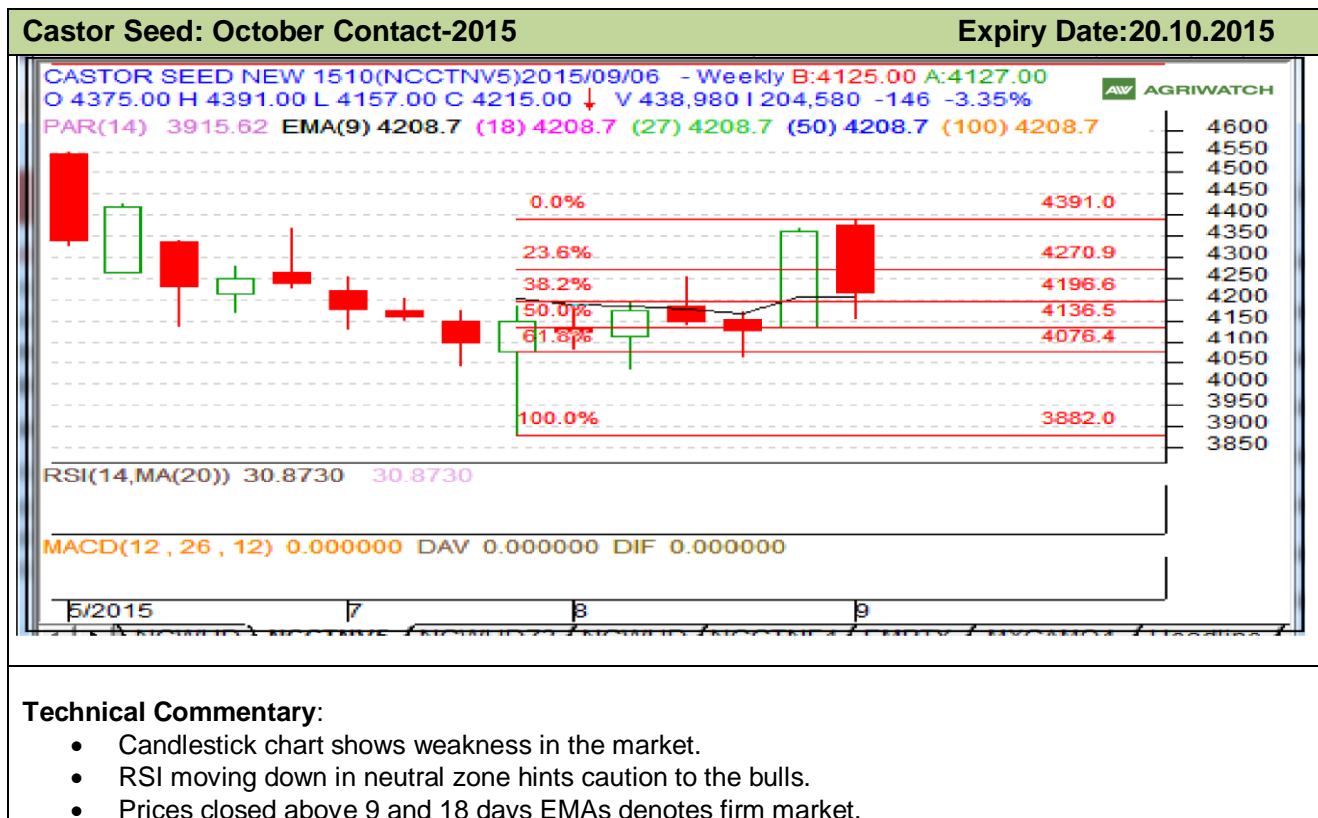


Cash Market Price Outlook For Deesa Spot

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3850-3875	3875-3900
Medium Term (30 days)	3900-3950	3950-4000

Comparative Prices Of Castor Products Including Seed					
	11th Sep '15	4th Sep '15	11th Aug'15	11th Sep '14	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	41250	41500	39750	41417	-0.40
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	110	110	111	110	0.00
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7100	7000	7200	6442	9.27
Castor Oil (First Grade) FOB Kandla (Export)\$/Tonne	1265	1270	1245	1419	-12.17
Local rates for oil in domestic market(Rs./M.T.) for comm.	86000	85200	82000	84333	1.94

Source: SEA latest update is not available .

Technical Analysis:


- Stake holders may go for buying above 4075
- The nearest by support is 4076 and first resistance 4270.

Strategy: Buy On Dip
Intraday Supports & Resistances

			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Oct	4076	3888	4122	4270	4391

Pre-Market Weekly Trade Call*

			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Oct	Buy above	4075	4150	4195	4050

Progressive Sowing Coverage Till 10th Sep,2015:

Progressive Castor Seed Area In Lakh Ha.Till 10th Sep, ,2015			
	2015	2014	% Ch
Andhra Pradesh	0.43	0.45	-4.44
Telangana	0.4	0.62	-35.48
Arunachal Pradesh			#DIV/0!
Assam			#DIV/0!
Bihar	0.01	0	#DIV/0!
Chhattisgarh			#DIV/0!
Gujarat	7.09	6.77	4.73
Haryana	0.02	0.01	100
Himachal Pradesh			#DIV/0!
Jammu & Kashmir			#DIV/0!
Jharkhand			#DIV/0!
Karnataka	0.1	0.11	-9.09
Kerala			#DIV/0!
Madhya Pradesh			#DIV/0!
Maharashtra	0.11	0.19	-42.10
Odisha	0.07	0.07	0
Punjab			#DIV/0!
Rajasthan	1.98	1.49	32.89
Tamil Nadu	0.03	0.04	-25
Uttar Pradesh			#DIV/0!
Uttarakhand			#DIV/0!
West Bengal			#DIV/0!
Others			#DIV/0!
Total – All India	10.24	9.75	5.03

Source:DES

Cash Markets Price Movement:

Commodity Center	Market	Price (Rs/ Quintal)		Change
		11th to 17th Sept. 15	4th to 10th Sept. 15	

Rajasthan	Sumerpur	3863	3931	-69
	Jodhpur	4080	4120	-40
Gujarat	Ahmedabad	NA	NA	-
	Halvad	3886	3963	-77
	Rajkot	3926	3953	-27
	Gondal	3951	4022	-71
	Patan	4032	4050	-18
	Harij	4013	4063	-50
	Mehsana	4022	4060	-38
	Kadi	4023	4071	-49
	Deesa	4015	4025	-10
	Bhabar	4020	4037	-17
	Sabarkatha	4043	4087	-44
	Gandhi Nagar	4043	4067	-24
	Junagadh	3930	3957	-27
	Dhrol	3402	3695	-293

Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		17-Sep-15	10-Sep-15	17-Aug-15	17-Sep-14
Rajasthan	Sumerpur	3825	3900	3825	3850
	Jodhpur	Closed	4150	3600	3800
Gujarat	Ahmedabad	NA	NA	NA	4050
	Halvad	Closed	3975	3900	NR
	Rajkot	Closed	3920	NA	3825
	Gondal	3905	4030	NA	3880
	Patan	Closed	Closed	3900	4070
	Harij	Closed	Closed	3925	NR
	Mehsana	Closed	Closed	3900	4050
	Kadi	Closed	4030	NA	4025
	Deesa	Closed	Closed	3925	4070
	Bhabar	Closed	Closed	3915	NR
	Sabarkatha	4000	4060	3965	NR
	Gandhi Nagar	Closed	4050	3925	NR
	Junagadh	Closed	3950	NA	3880
	Dhrol	Closed	NA	NA	NR

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	Weekly Arrivals (Quintal)		Change
		11th to 17th Sept. 15	4th to 10th Sept. 15	
Rajasthan	Sumerpur	520	837	-317
	Jodhpur	392	408	-16
Gujarat	Halvad	536	188	348
	Rajkot	680	425	255
	Gondal	1953	1082	871
	Patan	28523	15000	13523
	Harij	5625	3825	1800
	Mehsana	5280	4800	480
	Kadi	6406	7040	-634
	Deesa	1978	1520	458
	Bhabar	6525	2550	3975
	Sabarkatha	1838	1463	375
	Gandhi Nagar	3300	2025	1275
	Junagadh	355	235	120
	Dhrol	6	8	-2
	Ahm (Sanand)	NA	NA	-
Total Arrivals/Above Markets		63917	41406	22511

Outlook & Recommendation:

Castor seed market is expected to stay steady to slightly firm in the weeks ahead despite higher area coverage, plants' fresh buying interest and stock retention would continue to lend support to the cash market fundamental. Stake holders should wait till market gets stabilized.

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