

Castor Domestic Market Fundamentals: -

Castor seed cash and futures markets recovered once again after steep slide during the week under review taking clue from higher export sales, demand for adhesive, soap and paint industries. Market has already factored out the impact of higher area coverage. Total area coverage was reported at 10.82 lakh ha so far, higher by 9.29 percent from last year. Inner tone remains bullish for cash and futures market in the short to medium term

As export demand for oil is higher, plants are buying seed at higher price. Arrivals have decreased and stockists prefer to retain stock in expectation of higher price in the third quarter. Seed may trade in the range of Rs 4000 to 4100 per qtl in the first fortnight of Oct, depending on seed sourcing place and quality.

Progressive Area Coverage: -

Area coverage during kharif 2015 till 16th Sept, 2015 was reported at 10.82 lakh ha in comparison to 9.90 lakh ha during corresponding period last year. It is higher by 0.92 (up by 9.29 percent) lakh ha. Gujarat has covered 7.67 against 6.93 lakh ha,. Coverage area in Rajasthan is running ahead by 32.89 percent this year. It has covered 1.98 against 1.49 lakh ha. so far. Overall area coverage is up by 9.29 percent this year. Sowing is almost over now.

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. Private trade estimate for the year is much lower and is between 15 to 16 lakh tonne for 2015-16. However, it is too early to talk about the final size as sowing is just over.

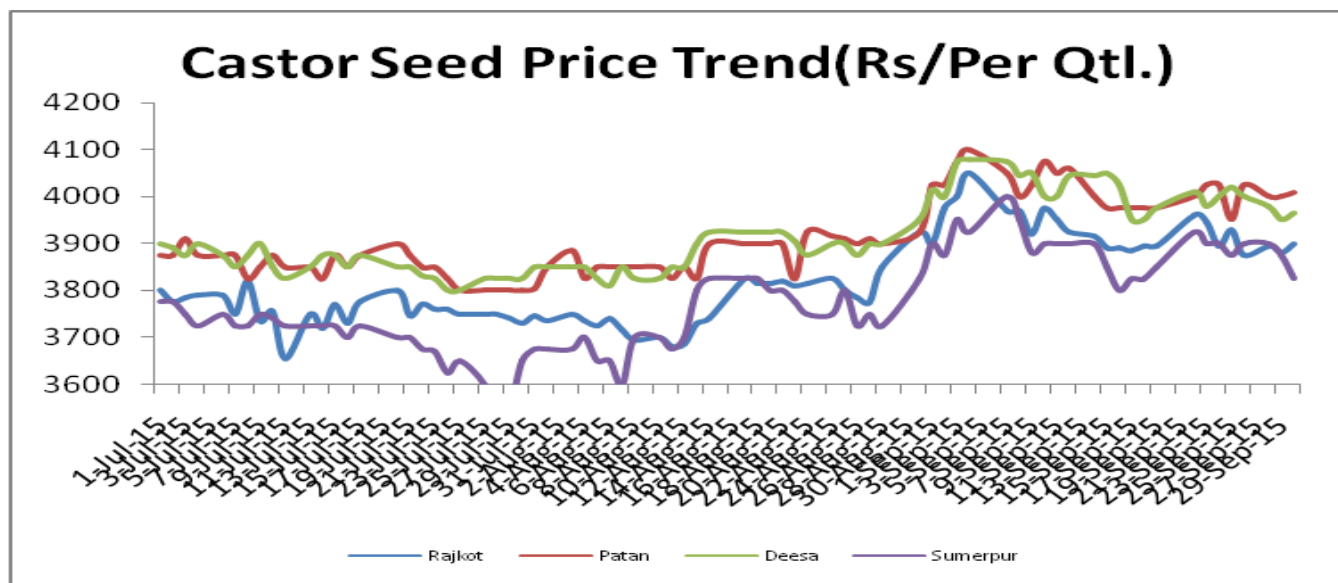
Castor seed meal export from Kandla port is being shipped out at \$114 per tonne on FoB basis. It is 1.36 percent lower than the price realized in the first week of Oct, 2014. Average meal price has increased by \$3 per tonne to \$114 per tonne. Meal market is expected to move up in the end of Sept as seed prices are expected to move up. India exported 108.9 tonne meal last week at an Ave price of 4164.65 per tonne. France brought castor meal at higher price

Castor oil export has increased considerably last week. In the fourth week of Sep, castor oil export increased from 7576 tonne to 21762.51 tonne last week. Average price was recorded at \$1334.78 per tonne including premium grade price too. Higher export and demand for oil may push castor seed price up.

Outlook & Recommendation: -

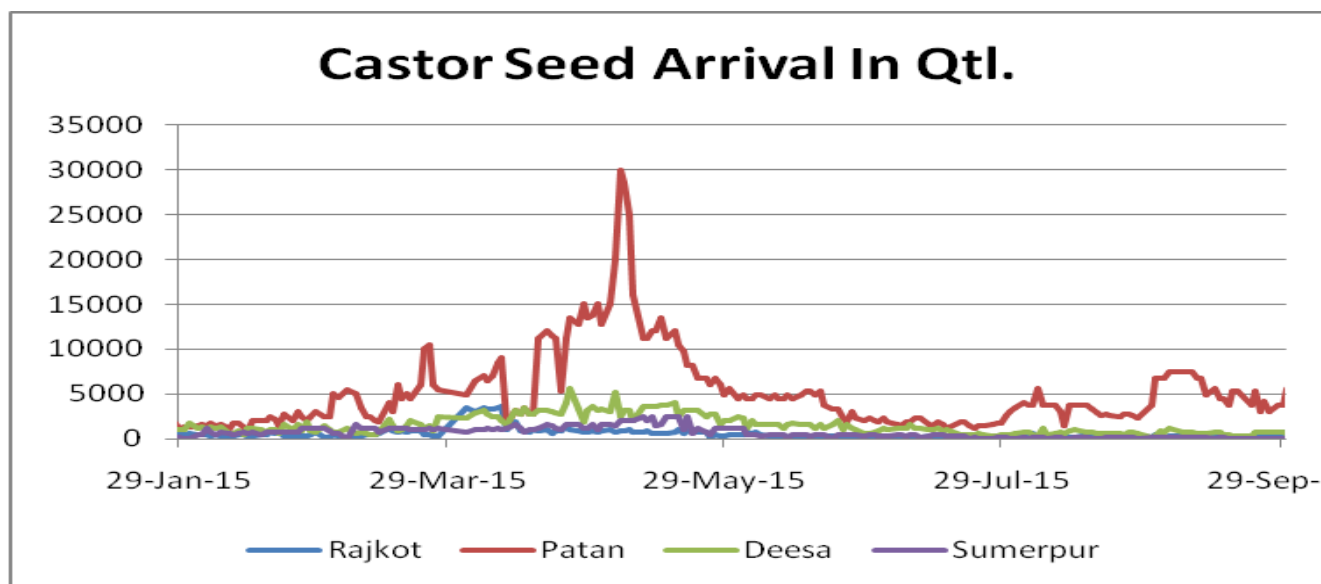
Overall market sentiment remains firm in the short term to medium term. However, stake holders should wait for stabilization in the market. As new crop is five –six month away, stockists would try to drag market in their own favour in the third quarter. Seed stock is considered to be lower by 20 to 25 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 around 4150 for the target of 4250 in Nov contract.



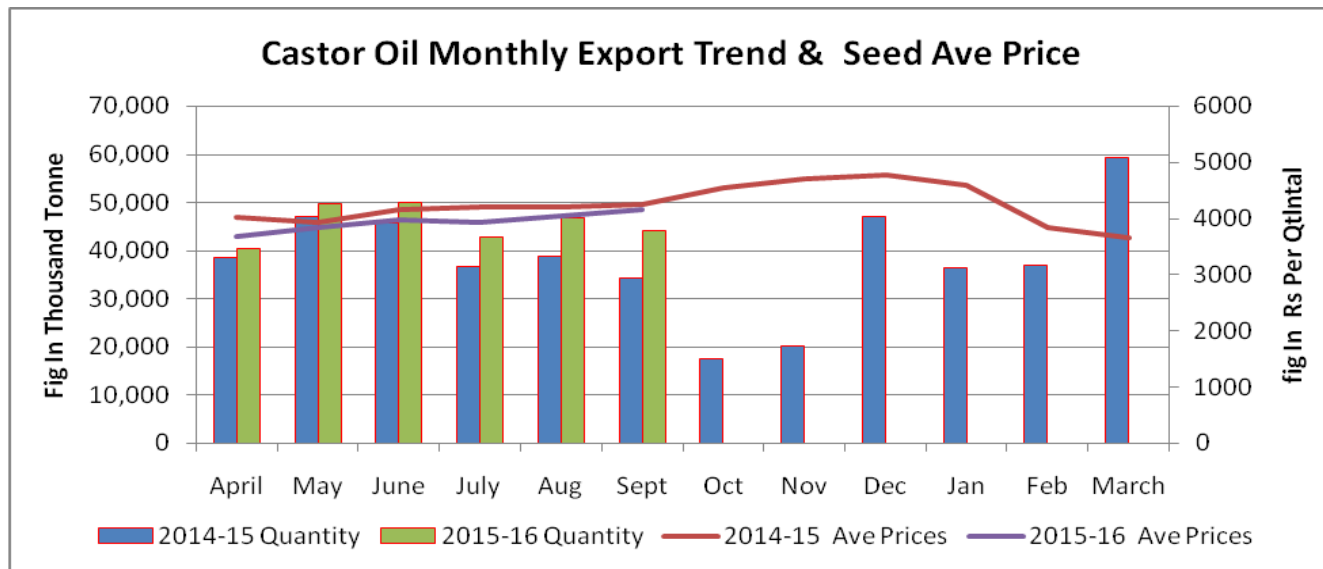
As expected, Castor seed market recovered once again in the fourth the week of September. However, it decreased in Sumerpur. Retention of stock and higher demand for oil from overseas market may lend support to the cash market fundamental despite higher area coverage and better condition for plant growth. Other market fundamentals too remain supportive for uptrend in Oct..

Castor Seed Arrival Chart:



Arrivals of seed continue to decrease except at Patan. No major improvement is expected in the weeks ahead. Overall arrival pace for seed may decrease in the first week of Oct. as inner tone remains firm in the short term. Farmers and stockists may restrict releasing of stock as prices have started recovering.

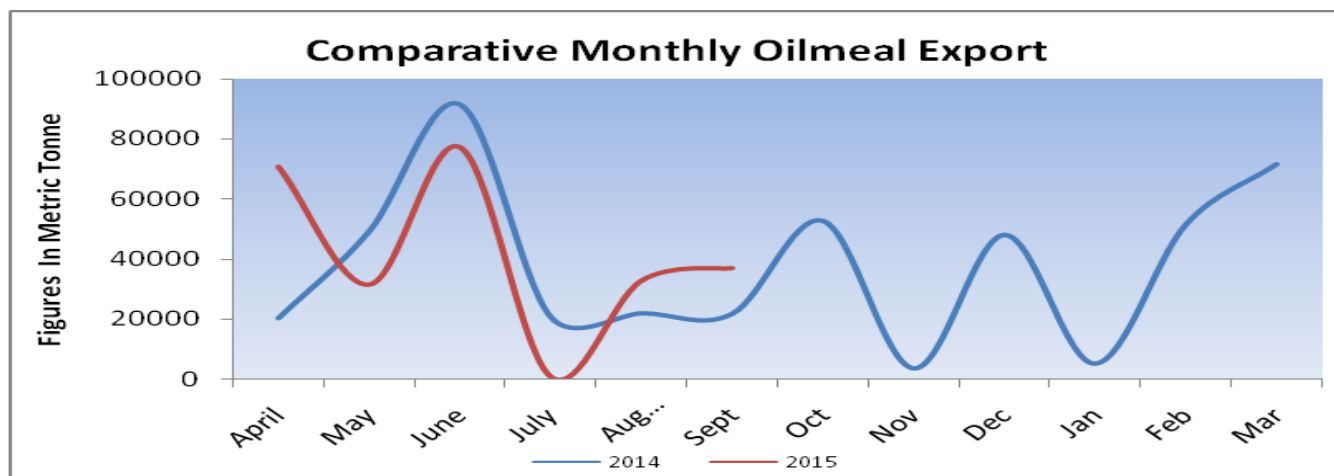
Castor Oil Export Trend:



Source: IBIS/Agriwatch

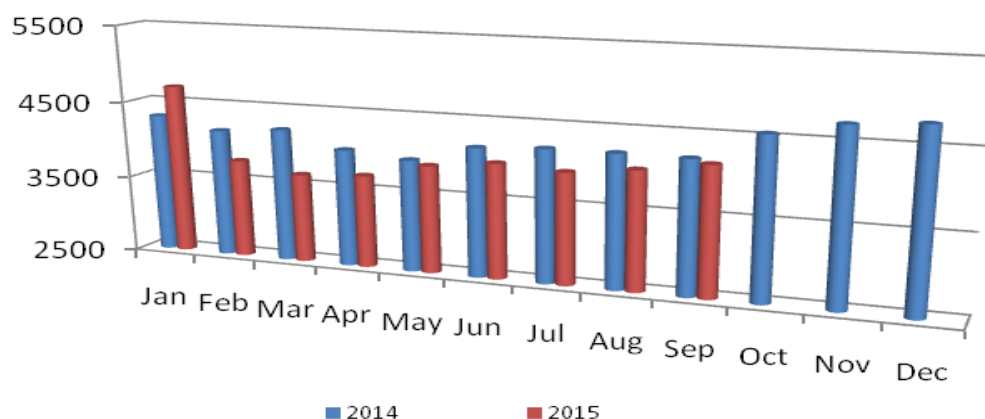
The above given bar chart shows that castor oil export volume continued to rise from the beginning of this MY in comparison to 2014-15. However, average prices ruled lower from last year. As prices are ruling lower export volume is expected to improve even in Oct. Last week oil export volume increased by 170 percent and Malaysia emerged as major buyer for castor oil last week, buying more than 8000 tonnes.

Castor Meal Export:

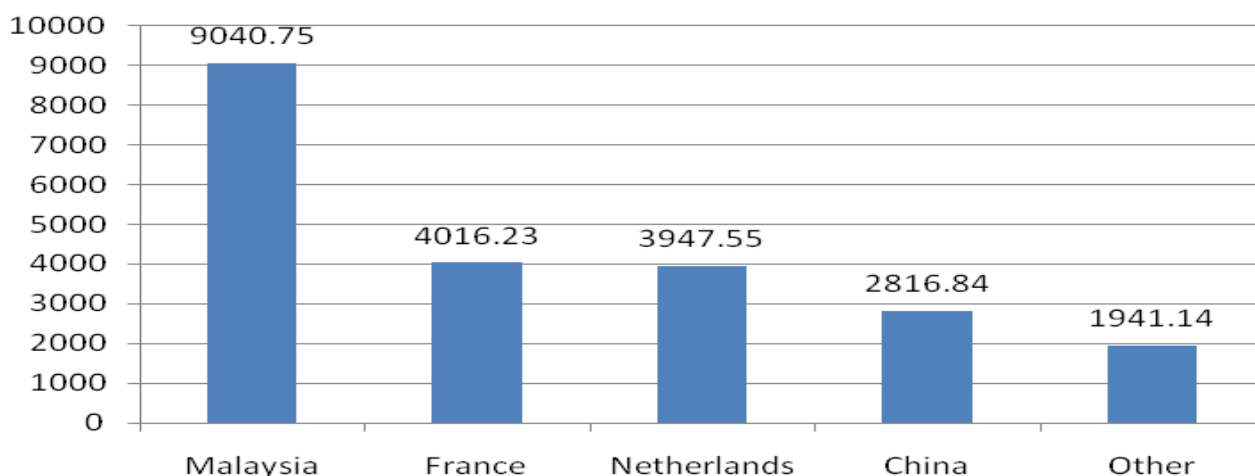


Castor meal export volume increased from August to Sept and is likely to follow the previous year trend. . FOB quotes for meal has increased slightly this week from \$112 to \$114 per tonne. France brought 108.9 tonne meal last week at an ave price of \$164.65 per tonne.

Yearly Average Price Variations At NCDEX Spot :

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


Note: First 29 days Sept Average

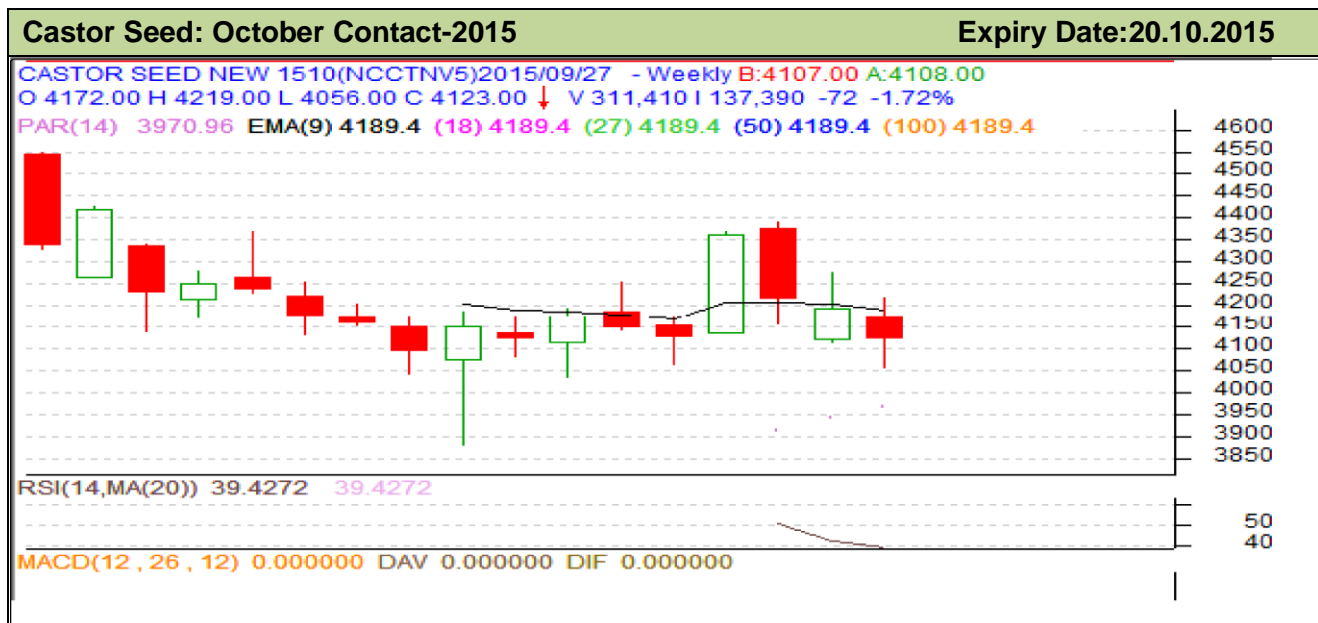
Castor Oil Export in week ending 27th Sep-2015
Castor Oil Weekly Export-21 To 27 Sep-2015(In Tonne)

Cash Market Price Outlook For Deesa Spot

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3950-3975	3975-4000
Medium Term (30 days)	4000-4050	4050-4100

Comparative Prices Of Castor Products Including Seed					
	24th Sep '15	18th Sep '15	24th Aug'15	24th Sep '14	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	41000	41000	40250	41417	-1.02
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	110	110	110	110	0.00
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7050	7050	7000	6442	8.62
Castor Oil (First Grade) FOB Kandla (Export)\$/Tonne	1265	1260	1230	1419	-12.17
Local rates for oil in domestic market(Rs./M.T.) for comm.	86000	85500	83500	84333	1.94

Source: SEA latest update is not available .

Technical Analysis:



Technical Commentary:

- Candlestick chart shows weakness in the market.
- RSI moving down in neutral zone hints caution to the bulls.
- Prices closed above 9 and 18 days EMAs denotes firm market.
- Stake holders may go for selling below 4200
- The nearest by support is 4076 and first resistance 4232.

Strategy: Sell on rise

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Oct	4076	3882	4123	4232	4270
Pre-Market Weekly Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Oct	Sell Below	4200	4110	4080	4230

Progressive Sowing Coverage Till 10th Sep,2015:

Progressive Castor Seed Area In Lakh Ha.Till 16th 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	7.67	6.93	4.73
Haryana	0.02	0.01	100
Himachal Pradesh			#DIV/0!
Jammu & Kashmir			#DIV/0!
Jharkhand			#DIV/0!
Karnataka	0.1	0.12	-9.09
Kerala			#DIV/0!
Madhya Pradesh			#DIV/0!
Maharashtra	0.11	0.17	-42.1052632
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	10.82	9.9	5.03

Source:DES

Cash Markets Price Movement:
Castor Seed Weekly Prices at Key Spot Markets:

Commodity	Market	Price (Rs/ Quintal)		Change
Center		25th to 01st Oct. 15	18th to 24th Sept. 15	
Rajasthan	Sumerpur	3867	3879	-12
	Jodhpur	NA	4082	-
Gujarat	Ahmedabad	653	NA	-
	Halvad	3913	3894	19
	Rajkot	3891	3918	-27
	Gondal	3910	3915	-5
	Patan	3988	4013	-26
	Harij	3988	4009	-21

	Mehsana	3997	4016	-19
	Kadi	3987	4017	-30
	Deesa	3967	3998	-31
	Bhabar	3982	4006	-24
	Sabarkatha	3963	4029	-67
	Gandhi Nagar	3992	4024	-32
	Junagadh	3933	3972	-40
	Dhrol	3718	3753	-35

Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		1-Oct-15	24-Sep-15	1-Sep-15	1-Oct-14
Rajasthan	Sumerpur	3850	3875	3900	4060
	Jodhpur	NA	NA	4110	3900
Gujarat	Ahmedabad	3915	NA	NA	4250
	Halvad	3925	3825	3800	NA
	Rajkot	3880	3895	3925	4050
	Gondal	3905	3955	3980	4105
	Patan	3975	4025	4025	4375
	Harij	3980	4015	4025	NA
	Mehsana	4000	4015	4000	4250
	Kadi	3985	4025	4025	4200
	Deesa	3975	NA	4015	4550
	Bhabar	3980	NA	4025	NA
	Sabarkatha	3975	4000	4050	NA
	Gandhi Nagar	4025	4025	4025	NA
	Junagadh	3900	3995	NA	3950
	Dhrol	NA	NA	NA	NA

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	Weekly Arrivals (Quintal)		Change
		25th to 01st Oct. 15	18th to 24th Sept. 15	
Rajasthan	Sumerpur	480	480	Unch
	Jodhpur	NA	344	-
Gujarat	Halvad	863	503	360
	Rajkot	2070	1466	604
	Gondal	1165	998	167
	Patan	26250	25125	1125
	Harij	4275	5775	-1500
	Mehsana	3520	4640	-1120
	Kadi	8480	9920	-1440
	Deesa	1840	2560	-720

	Bhabar	3825	5603	-1778
	Sabarkatha	675	863	-188
	Gandhi Nagar	3750	2063	1687
	Junagadh	440	530	-90
	Dhrol	3	43	-41
	Other Gujarat	30	NA	-
Total Arrivals/Above Markets		57665	60913	-3248

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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