

Castor Domestic Market Fundamentals: -

Castor seed cash and futures markets continued to trade under pressure taking clue from higher area coverage and better conditions for plant growth during the week under review. Lower export demand for oil, subdued demand for adhesive and soap - paint industries weighed on market fundamentals. Downward pressure is likely to continue. All India area coverage has crossed 11 lakh ha till 08th Oct-2015. Sowing is now almost over. Main growing States like Gujarat & Rajasthan have covered 6.40 and 32.89 % higher area this year than last year.

Castor Oil FoB quote stayed steady at \$1265 per tonne at Kandla port. FoB quote may stay steady in current month as seed prices are moving range bound. Castor oil commercial grade is being traded at 85500 per tonne in domestic market. It may stay steady to slightly firm as demand from local soap, paint industries continue.

Castor oil export during week ending 11th Oct was registered higher by 112.51% to 12291.7 tonne at an Average FoB price of \$1349.52.15 per T. India had exported 5784.11 tonne oil during the week ending 4th Oct-2015. However, price realization has decreased by 2.86 percent last week. As prices of seed are expected to decrease, FoB quotes are bound to go down this week.

Progressive Area Coverage: -

Area coverage during kharif 2015 till 8th Oct-2015 was reported at 11.02 lakh ha, 8.12 % higher in comparison to 10.19 lakh ha during same period last year. Major producing states like Gujarat and Rajasthan have covered 6.40 and 32.89 percent higher area this year. Sowing is almost complete 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.

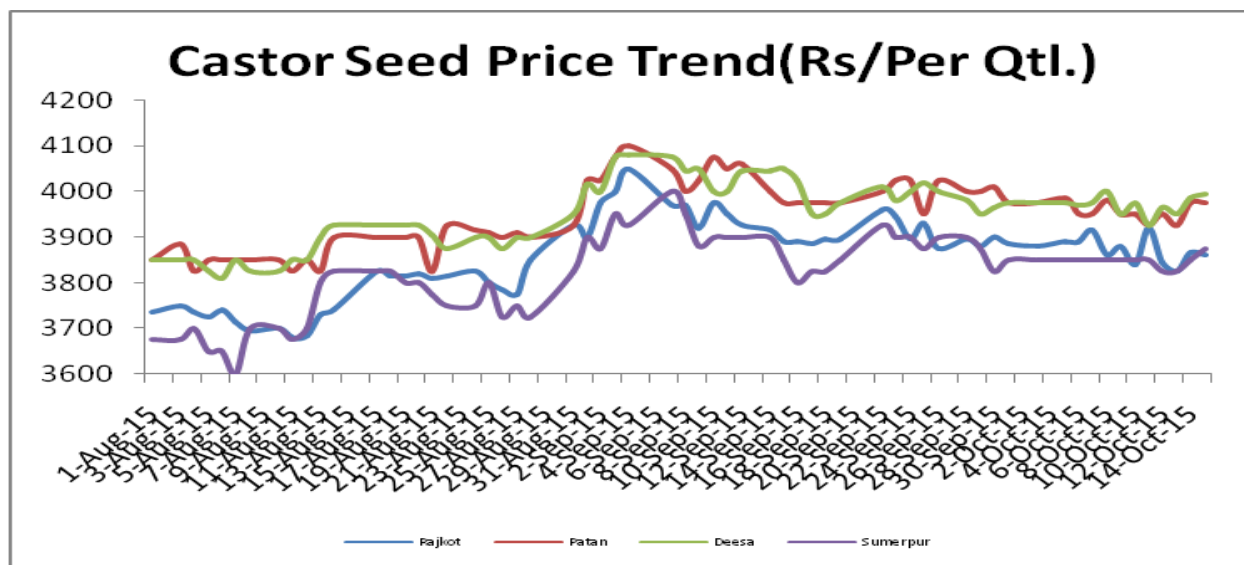
Castor seed meal export from Kandla port is being shipped out at an average price of \$179.2 per tonne. India exported 2521.03 tonne meal during the week ended 11th Oct-2015. It is 1.3 percent higher than previous week export. Average meal price stayed steady at \$114 per tonne. Meal market is expected to move up in the end of Oct as seed prices are expected to move up next month.

Oil buyers like EU, US, China and Malaysia may enter into the market once again to cover their short position in Nov-2015 and it may push cash market up. Market may trade weak in the short term.

Outlook & Recommendation: -

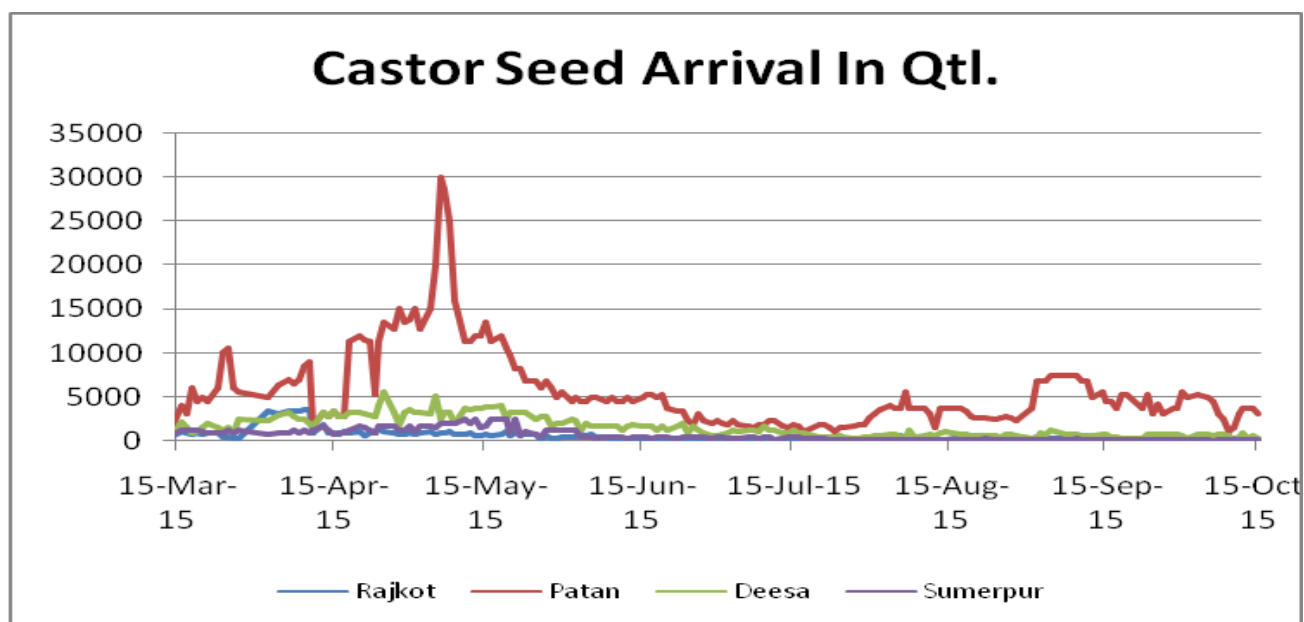
Overall market sentiment remains weak in the short term. However, stake holders should wait for stabilization in the market. As new crop is five –six month away, stockists may try to drag market in their own favour in the third quarter. Seed stock is considered to be lower by 20 to 25 percent in comparison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

Stake holders may go for buying around 4100 for the target of 4200 in Nov contract.



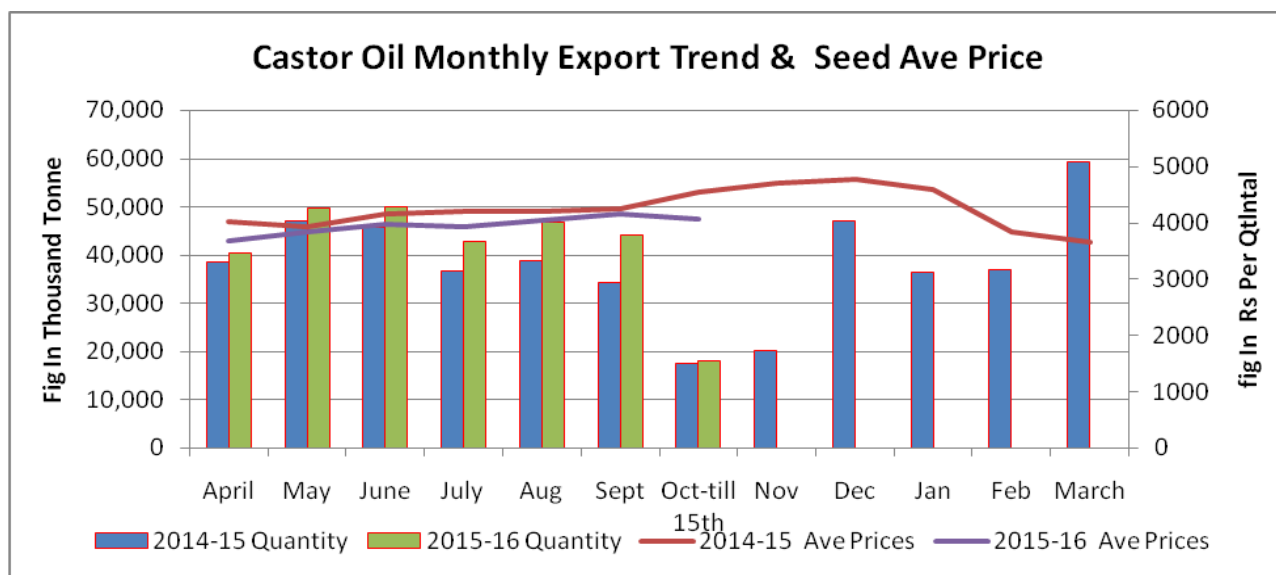
As expected, Castor seed market traded mixed in the second week of Oct-2015. However, it decreased in Patan and Sumerpur. Higher arrivals and lower demand for oil from overseas market may pressurize cash markets to some extent this week. Higher area coverage and better condition for plant growth have weakened inner tone.

Castor Seed Arrival Chart:



Arrivals of seed continue to decrease in major market of Patan in Gujarat. No major improvement is expected in the weeks ahead. Overall arrival pace for seed may decrease in the third week of Oct. as inner tone remains weak in the short term. Farmers and stockists may wait for recovery in price.

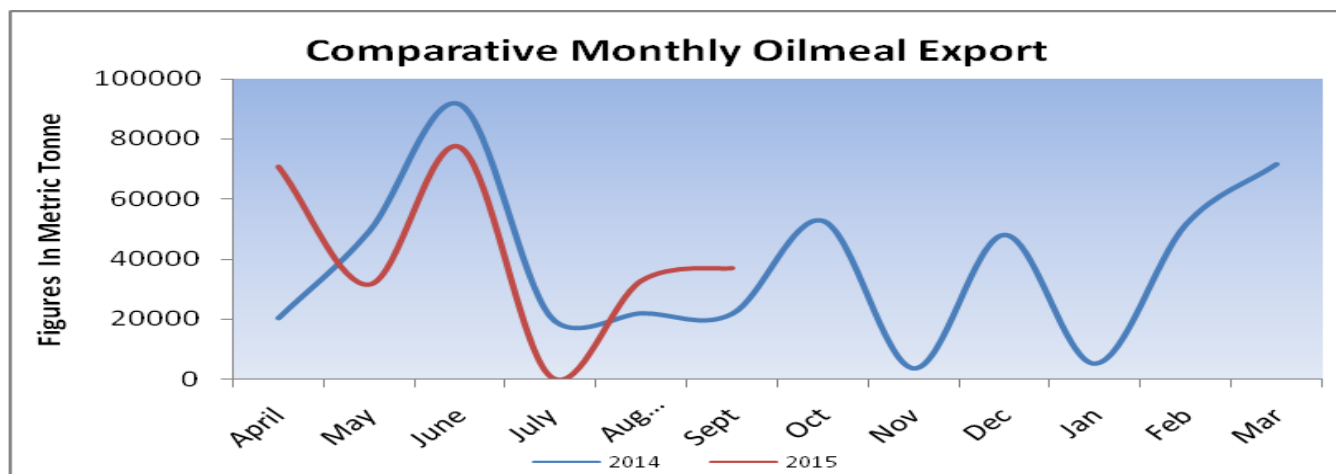
Castor Oil Export Trend:



Source: IBIS/Agriwatch Note: Oct. 2015 data is till 15th.

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 also in 2nd fortnight of Oct. Last week oil export volume increased by 112 percent and Malaysia-China emerged as major buyers for castor oil last week, buying more than 12000 tonnes out of 18075 tonne.

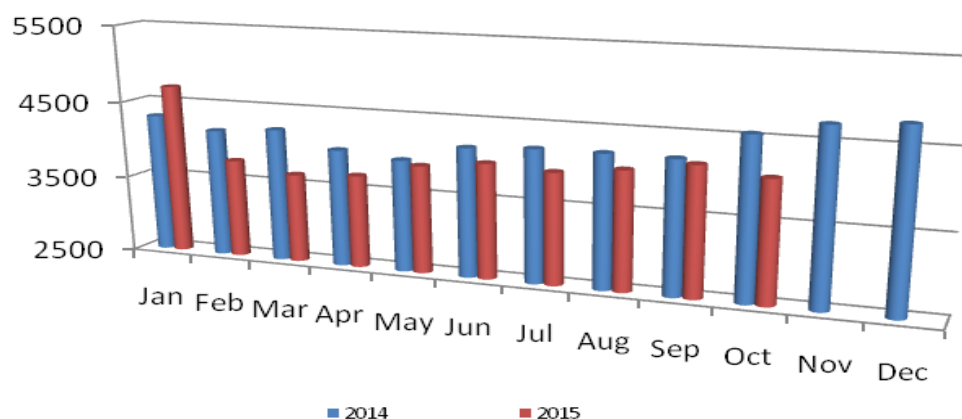
Castor Meal Export:



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 bought 108.9 tonne meal last week at an ave price of \$164.65 per tonne.

Yearly Average Price Variations At NCDEX Spot :

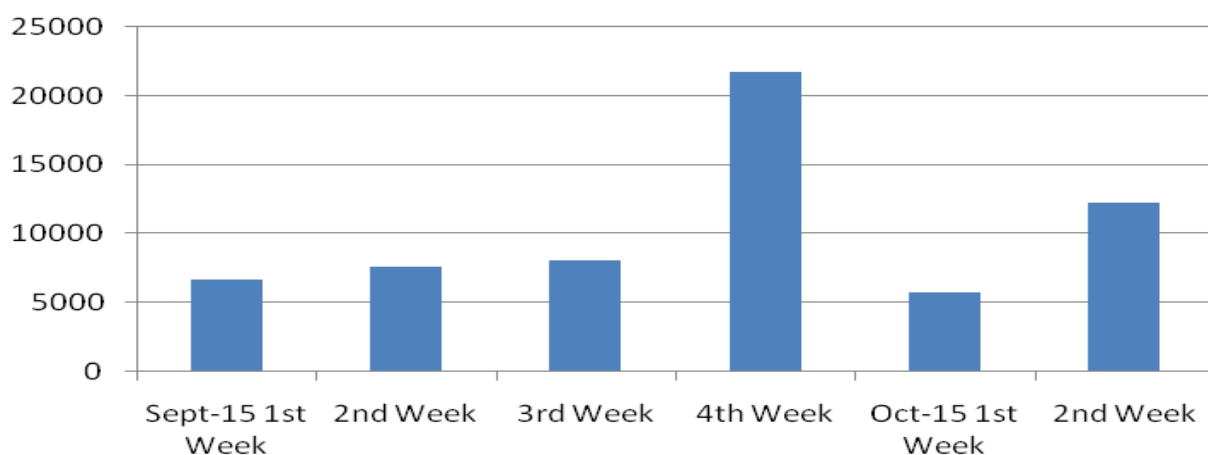
Average Price Movement At NCDEX Spot(Rs/Qtl.)



Note: First 15 days Average Price: Oct-2015

Castor Oil Export in week ending 11th Oct-2015

Castor Oil Export:Quantity MT



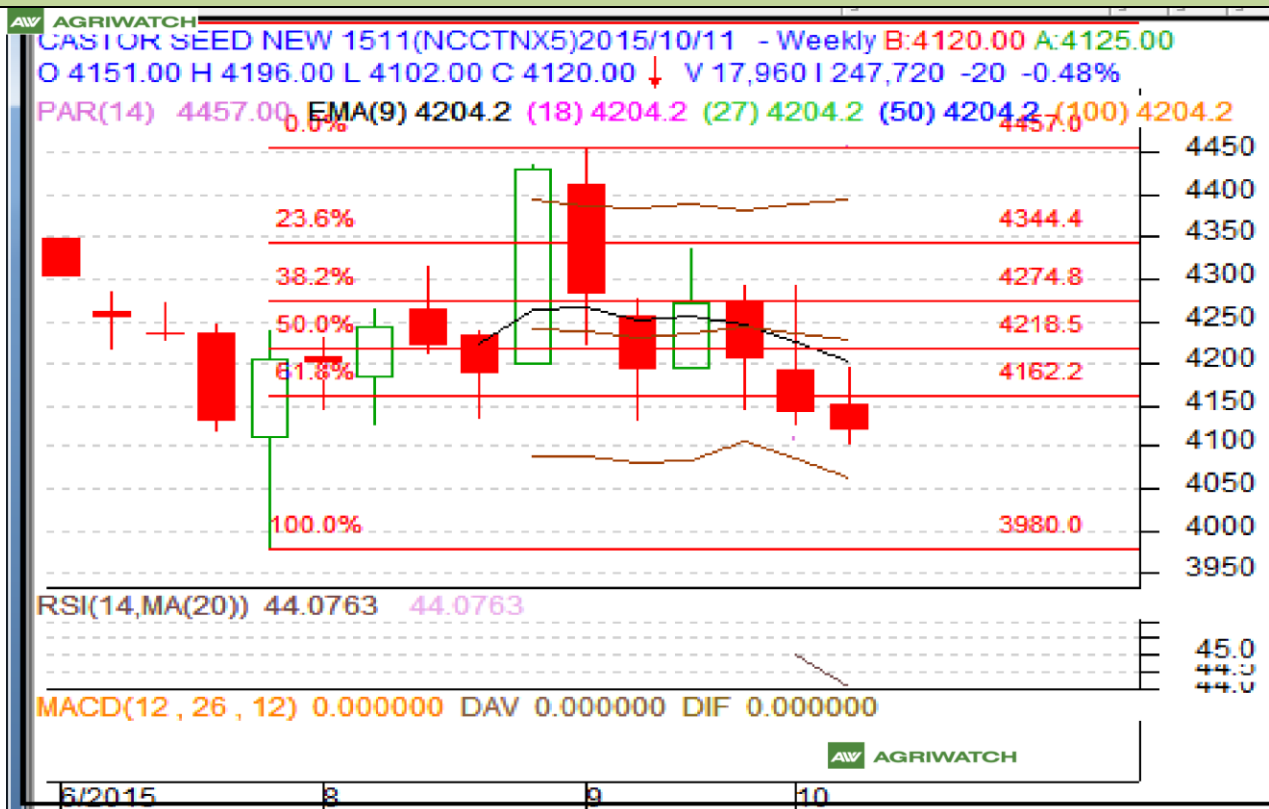
Cash Market Price Outlook For Deesa Spot

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

	16th Oct '15	09th Oct '15	16th Sep'15	16th Oct '14	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	40750	40750	41000	43150	-5.89
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	107	108	110	112	-4.67
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	6700	6800	7050	6576	1.85
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1265	1265	1260	1453	-14.86
Local rates for oil in domestic market(Rs./M.T.) for comm.	84000	84500	85500	85071	-1.28

Source: SEA latest update is not available .

Technical Analysis:
Castor Seed: Nov Contact-2015
Expiry Date:20.11.2015

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 buying above 4100
- The nearest by support is 4050 and first resistance 4218.

Strategy: Buy on dip

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Castor Seed	NCDEX	Nov	4100	3980	4123	4219	4274
Pre-Market Weekly Trade Call*			Call	Entry	T1	T2	SL
Castor Seed	NCDEX	Nov	Buy above	4100	4162	4218	3979

Progressive Sowing Coverage Till 8th Oct,2015:

Progressive Castor Seed Area In Lakh Ha. Till 8th Oct, 2015			
	2015	2014	% Ch
Andhra Pradesh	0.48	0.45	6.67
Telangana	0.4	0.5	-20.00
Arunachal Pradesh			
Assam			
Bihar	0.01	0	
Chhattisgarh			
Gujarat	7.81	7.34	6.40
Haryana	0.02	0.01	100.00
Himachal Pradesh			
Jammu & Kashmir			
Jharkhand			
Karnataka	0.1	0.12	-16.67
Kerala			
Madhya Pradesh			
Maharashtra	0.12	0.17	-29.41
Odisha	0.07	0.07	0.00
Punjab			
Rajasthan	1.98	1.49	32.89
Tamil Nadu	0.03	0.04	-25.00
Uttar Pradesh			
Uttarakhand			
West Bengal			
Others			
Total – All India	11.02	10.19	8.15

Source:DES

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

Commodity	Market	Price (Rs/ Quintal)		Change
Center		09th to 15th Oct. 15	03th to 08th Oct. 15	
Rajasthan	Sumerpur	3845	3850	-5
	Jodhpur	4020	4010	10
Gujarat	Ahmedabad	NA	3915	-
	Halvad	3900	3920	-20
	Rajkot	3859	3886	-27

	Gondal	3872	3892	-20
	Patan	3950	3959	-9
	Harij	3968	3975	-7
	Mehsana	3976	3992	-16
	Kadi	3993	4006	-13
	Deesa	3966	3974	-8
	Bhabar	3968	3976	-8
	Sabarkatha	3967	4005	-38
	Gandhi Nagar	3971	3980	-9
	Junagadh	3820	3862	-42
	Dhrol	3675	3621	54

Week on Week Price: Scenario of Castor Seed :

Commodity	Market	Today	Week ago	Month ago	Year ago
Center		15-Oct-15	8-Oct-15	15-Sep-15	15-Oct-14
Rajasthan	Sumerpur	3875	3850	3850	3950
	Jodhpur	4050	4000	4050	3900
Gujarat	Ahmedabad	NA	NA	NA	4250
	Halvad	3950	3925	3875	NA
	Rajkot	3860	3880	3915	3950
	Gondal	3930	3805	3955	4055
	Patan	3975	3950	4000	4505
	Harij	3990	3960	4000	NA
	Mehsana	4000	3975	4000	4175
	Kadi	4005	4000	4010	4130
	Deesa	3995	3950	NA	4285
	Bhabar	3985	3960	4000	NA
	Sabarkatha	4000	4000	4025	NA
	Gandhi Nagar	4000	3950	4020	NA
	Junagadh	3870	NA	NA	3915
	Dhrol	NA	NA	NA	NA

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	Weekly Arrivals (Quintal)		Change
		09th to 15th Oct. 15	03th to 08th Oct. 15	
Rajasthan	Sumerpur	480	360	120
	Jodhpur	488	264	224
Gujarat	Halvad	863	638	225
	Rajkot	1710	1030	680
	Gondal	2126	732	1394
	Patan	18750	13500	5250
	Harij	3750	3600	150

	Mehsana	5680	5760	-80
	Kadi	9840	9280	560
	Deesa	2608	3680	-1072
	Bhabar	4403	4050	353
	Sabarkatha	1275	1050	225
	Gandhi Nagar	4350	4875	-525
	Junagadh	210	202	8
	Dhrol	18	5	13
	Other Gujarat	NA	24402	-
Total Arrivals/Above Markets		56551	73428	-16877

Outlook & Recommendation:

Castor seed market is expected to stay steady to slightly weak in the weeks ahead led by higher area coverage and subdued demand. Stake holders should wait till market stabilizes.

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