

### Castor Domestic Market Fundamentals: -

Castor seed cash/ futures markets traded weak due to sluggish buying interests at higher level during the week under review. More dip from current level is expected in cash market. Futures may test 4260 level in December contract. Higher area, good production prospects and likely weak buying by importers have pressurized cash and futures market in last one week. All India area coverage has crossed 11 lakh ha till 08<sup>th</sup> Oct-2015. Sowing is now almost over. Main growing States like Gujarat & Rajasthan have covered 6.40 and 32.89 % higher area this year.

As mostly markets remained closed due to Diwali and a series of other festivals, fresh trading activities are expected this week. No quote was available for castor oil last week. It was quoted \$1300 per tonne last week. Castor oil commercial grade was being traded at 86000 per tonne in domestic market. It may move down as seed offtake by plants has slowed down considerably in last 5 to 6 days..

Castor oil export during week ending<sup>8</sup> Nov was registered higher by 41.1 % to 18139.4 tonne at an Average FoB price of \$1361.07 per T. India had exported 12675.93 tonne oil during the week ending 1<sup>st</sup> Nov-2015. However, price realization has decreased by 0.35 percent last week. As prices of seed are expected to increase, FoB quotes are bound to trade firm once again.

### Progressive Area Coverage: -

Area coverage during kharif 2015 till 8<sup>th</sup> 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 complete now.

Agriculture statistics Division, DES has released its 1<sup>st</sup> 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 1<sup>st</sup> 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 comment about the final size as sowing is just over.

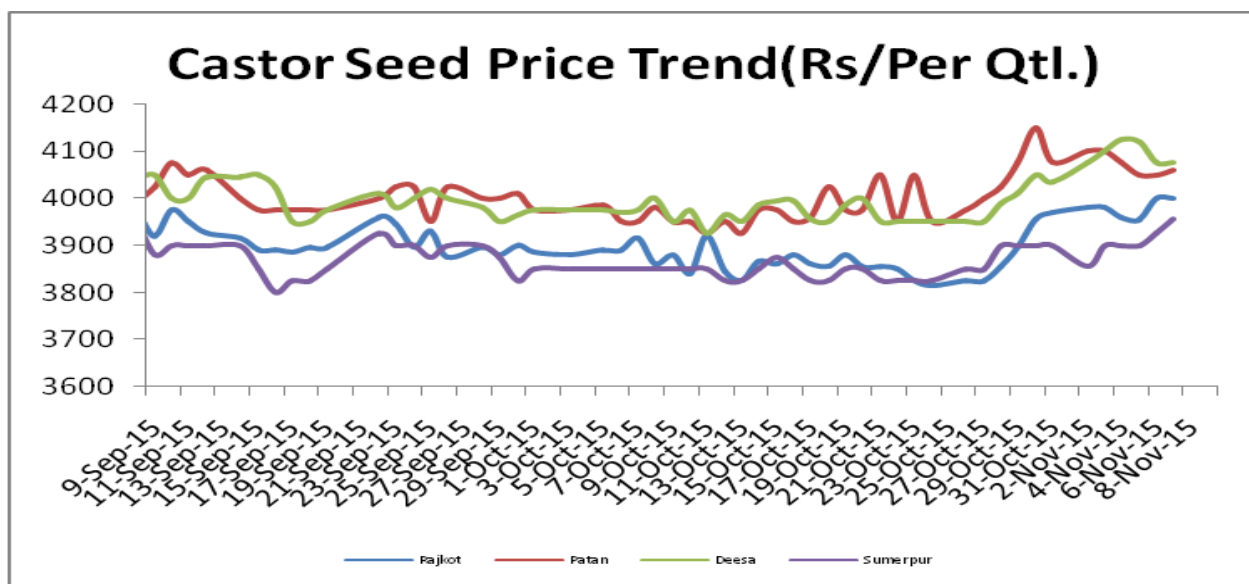
Castor seed meal export from Kandla port is being shipped out at an average price of \$158.71 per tonne. India exported 13336.74 tonne meal during the week ended 1<sup>st</sup> Nov-2015. It is 67.02 percent lower than previous week export. Yearly average meal price stayed steady at \$115 per tonne. Meal market is expected to move up in Nov as seed prices are hovering at higher level.

Taiwan, France, Malaysia and Japan were active in buying meal last week. Oil buyers like EU, US, China and Malaysia are expected to buy and cover their short position in Nov-2015 too and it may continue to support cash market. However, one downward correction is expected in the market. Market participant should wait for correction and enter the market in the second week of November.

### Outlook & Recommendation: -

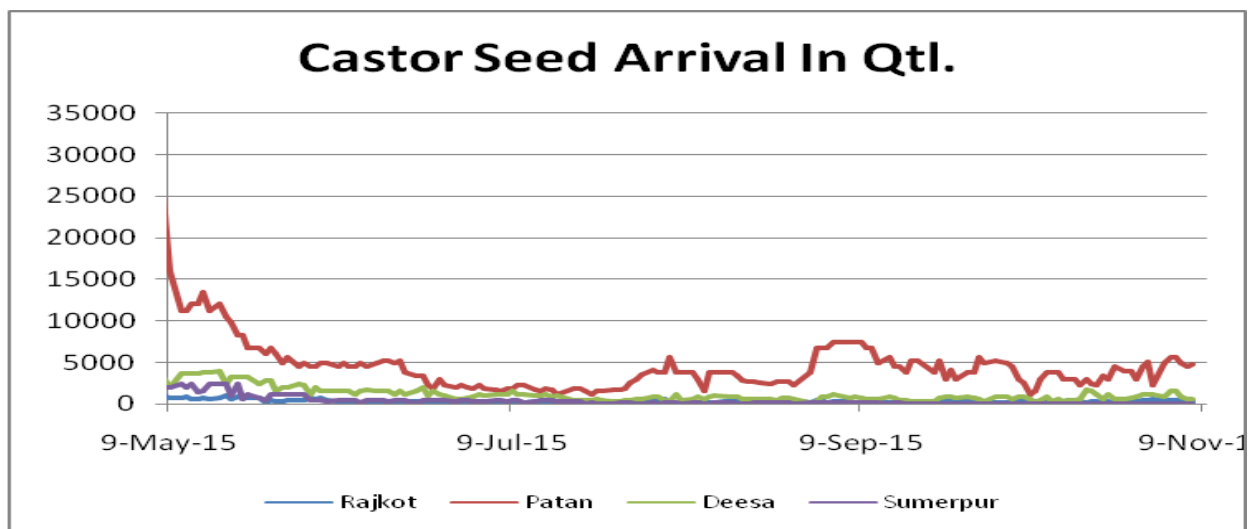
Overall market sentiment remains weak in the short term. Bulk buyers should wait for more correction in the market. Agriwatch expects market to move up by the end of Nov-2015. Castor oil importers may enter into the market once again at lower level. As new crop is five –six month away from now, stockists 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 4260 for the target of 4360 in Dec Contract.



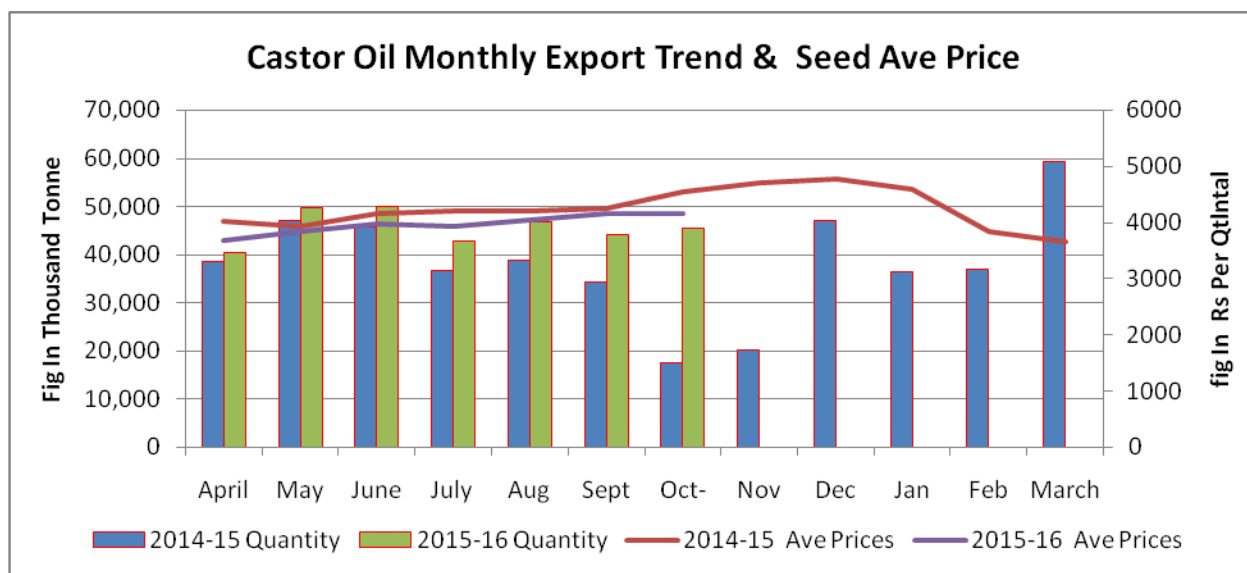
Mostly markets remained closed last week. Castor seed market traded weak in the second week of Nov-2015. Weakness was seen in all major benchmark markets. Uptrend is unlikely to continue in the short term. However, medium term outlook remains firm.. Majority of stock is in strong hands and they intend to retain it till December. However, higher area coverage and lower demand for oil from overseas market may restrict bull- run. Production prospect is good and stock is ample. Recent rains have ensured better growth for the standing crop.

#### Castor Seed Arrival Chart:



Due to closure of mandis chart has not been updated this week, Arrivals of seed increased in major market of Patan in Gujarat. Higher pace of arrival was also seen in Sumerpur. As prices are ruling higher, some improvement in arrival is expected in November from farmers and small traders. Besides, farmers need money for Rabi crop sowing; they would continue to release seed stock at regular intervals. Market participants say that arrival pace would increase in comparison to last week at higher level.

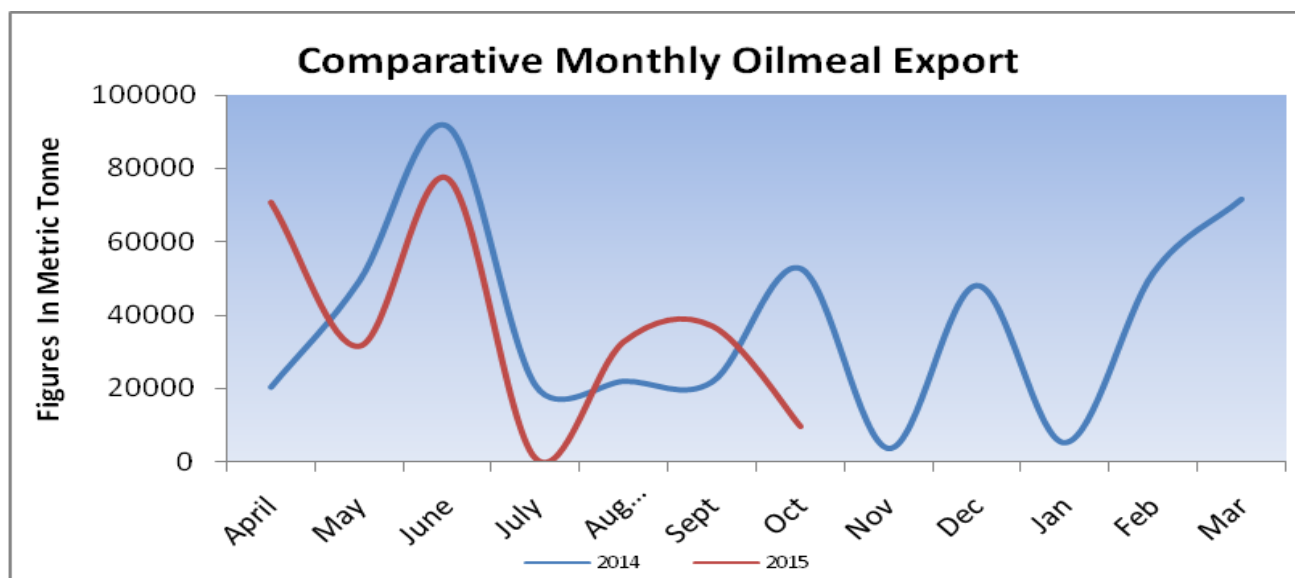
### Castor Oil Export Trend:



Source: IBIS/Agriwatch

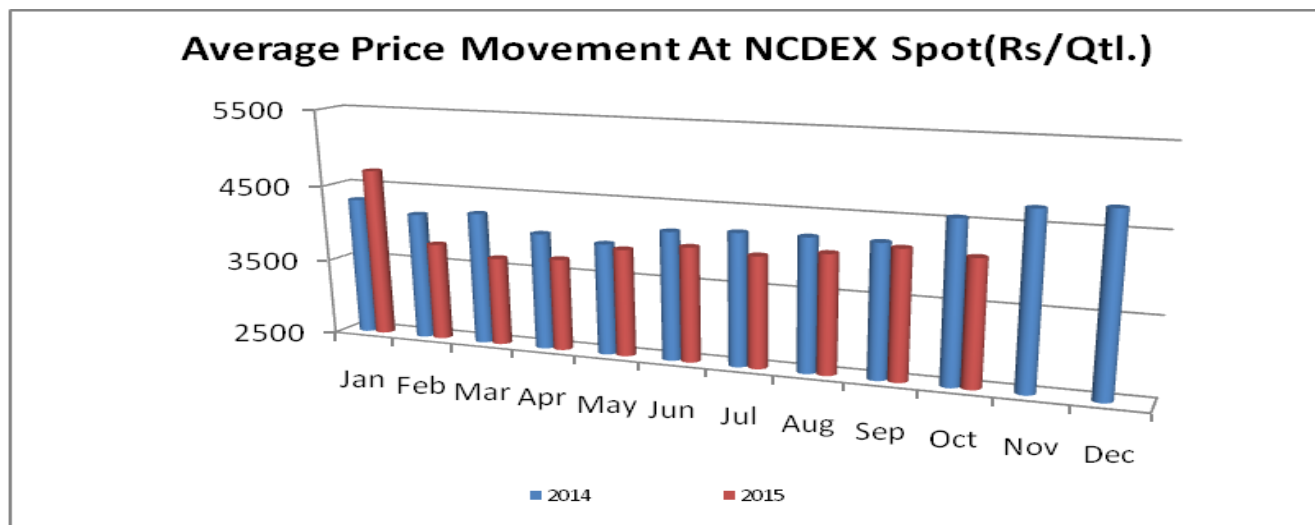
The above given bar chart shows that castor oil export volume continued to rise from the beginning of this MY in comparison to 2014-15. Castor oil export during week ending<sup>8</sup> Nov was registered higher by 41.1 % to 18139.4 tonne at an Average FoB price of \$1361.07 per T. India had exported 12675.93 tonne oil during the week ending 1st Nov-2015. However, price realization has decreased by 0.35 percent last week. As prices of seed are expected to increase, FoB quotes are bound to trade firm once again.

### Castor Meal Export:



Castor meal export volume decreased by 81.74 percent in Oct in comparison to Sept and is likely to decrease in the weeks ahead. . FOB quotes for meal has increased slightly this week from \$112 to \$114 per tonne. France bought 208.9 tonne meal last week at an ave price of \$164.65 per tonne.

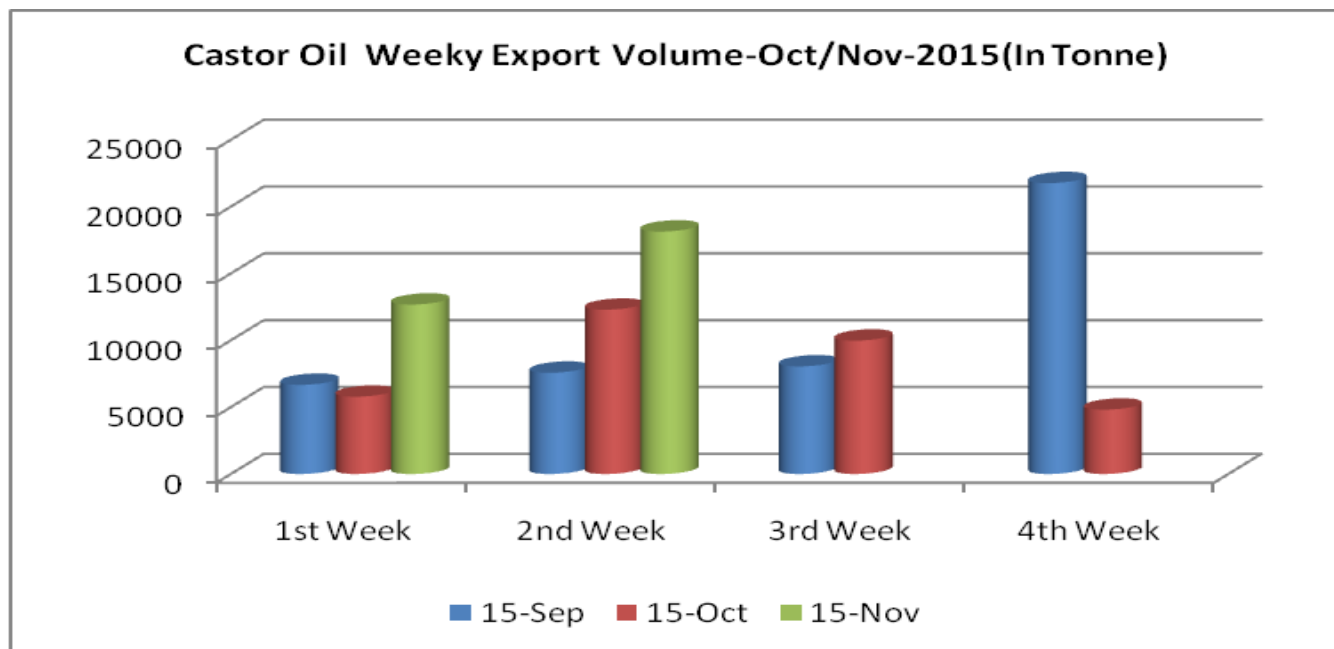
### Yearly Average Price Variations At NCDEX Spot :



Note: First 30 days Average Price: Oct-2015

Despite uptrend castor seed prices are ruling 1.18 percent lower than the price of Oct.2014.Trend shows upward momentum to continue. However, it would be difficult to cross 2014 level.

### Castor Oil Weekly Export Volume Sep/ Oct-2015



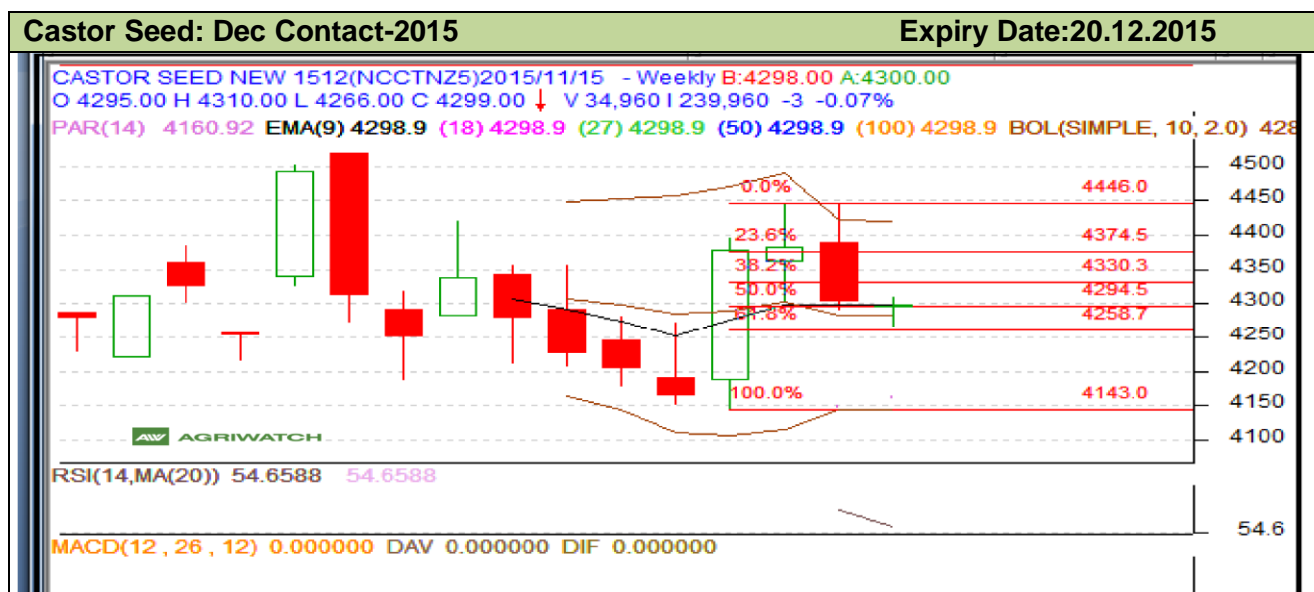
### Cash Market Price Outlook For Deesa Spot

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	4050-4075	4075-4100
Medium Term (30 days)	4100-4150	4150-4200

Comparative Prices Of Castor Products Including Seed					
	10th Nov '15	3th Nov '15	09th Oct'15	10th Nov '14	Change
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	NA	42000	40750	45313	-
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	NA	103	108	125	-
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	NA	6450	6800	7513	-
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	NA	1295	1265	1506	-
Local rates for oil in domestic market(Rs./M.T.) for comm.	NA	86000	84500	86565	-

Source: SEA latest update is not available .

### Technical Analysis:



### Technical Commentary:

- Candlestick chart shows firmness in the market.
- RSI moving up in neutral zone hints caution to the bears.

- Prices closed above 9 and 18 days EMAs denotes firm market.
- Stake holders may go for buying above 4265
- The nearest by support is 4256 and first resistance 4375.

**Strategy:** Buy on dip

**Intraday Supports & Resistances**

			<b>S1</b>	<b>S2</b>	<b>PCP</b>	<b>R1</b>	<b>R2</b>
Castor Seed	NCDEX	Dec	4256	4233	4302	4375	4446

**Pre-Market Weekly Trade Call\***

			<b>Call</b>	<b>Entry</b>	<b>T1</b>	<b>T2</b>	<b>SL</b>
Castor Seed	NCDEX	Dec	Buy above	4265	4300	4325	4255

**Progressive Sowing Coverage Till 8th Oct,2015:**

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

Source:DES

**Cash Markets Price :**

**Castor Seed Weekly Prices at Key Spot Markets:**

<b>Commodity</b>	<b>Market</b>	<b>Price (Rs/ Quintal)</b>		<b>Change</b>
<b>Center</b>		<b>6th to 12th Nov. 15</b>	<b>30th to 05th Nov. 15</b>	

<b>Rajasthan</b>	Sumerpur	3942	3893	<b>49</b>
	Jodhpur	4097	4087	<b>10</b>
<b>Gujarat</b>	Ahmedabad	4000	NA	-
	Halvad	4025	3950	<b>75</b>
	Rajkot	3973	3969	<b>4</b>
	Gondal	3880	3960	<b>-80</b>
	Patan	4050	4100	<b>-50</b>
	Harij	4075	4095	<b>-20</b>
	Mehsana	4083	4083	<b>-1</b>
	Kadi	4125	4130	<b>-5</b>
	Deesa	4075	4084	<b>-9</b>
	Bhabar	4095	4086	<b>9</b>
	Sabarkatha	4088	4090	<b>-3</b>
	Gandhi Nagar	4113	4092	<b>21</b>
	Junagadh	3883	3925	<b>-43</b>
	Dhrol	NA	3730	-

<b>Week on Week Price: Scenario of Castor Seed :</b>					
<b>Commodity</b>	<b>Market</b>	<b>Today</b>	<b>Week ago</b>	<b>Month ago</b>	<b>Year ago</b>
<b>Center</b>		<b>12-Nov-15</b>	<b>5-Nov-15</b>	<b>12-Oct-15</b>	<b>12-Nov-14</b>
<b>Rajasthan</b>	Sumerpur	Closed	3900	3825	4250
	Jodhpur	Closed	4070	4000	4250
<b>Gujarat</b>	Ahmedabad	Closed	NA	NA	4600
	Halvad	Closed	4000	3925	NA
	Rajkot	Closed	3960	3845	4205
	Gondal	Closed	3955	3880	4280
	Patan	Closed	4075	3950	4655
	Harij	Closed	4110	3950	NR
	Mehsana	Closed	4090	3965	4500
	Kadi	Closed	4140	NA	4555
	Deesa	Closed	4120	3965	4750
	Bhabar	Closed	4125	3960	NR
	Sabarkatha	Closed	4125	3950	NR
	Gandhi Nagar	Closed	4110	3975	NR
	Junagadh	Closed	3972	3840	NR
	Dhrol	Closed	NA	3650	NR

**Castor Seed Cumulative Arrivals in Key Centers:**

Center	Market	Weekly Arrivals (Quintal)		Change
		6th to 12th Nov. 15	30th to 05th Nov. 15	
<b>Rajasthan</b>	Sumerpur	240	464	<b>-224</b>
	Jodhpur	248	528	<b>-280</b>
<b>Gujarat</b>	Halvad	300	525	<b>-225</b>
	Rajkot	825	2240	<b>-1415</b>
	Gondal	91	1588	<b>-1497</b>
	Patan	4875	22125	<b>-17250</b>
	Harij	900	4125	<b>-3225</b>
	Mehsana	2320	8800	<b>-6480</b>
	Kadi	5360	12960	<b>-7600</b>
	Deesa	640	7199	<b>-6559</b>
	Bhabar	1245	5201	<b>-3956</b>
	Sabarkatha	1200	3675	<b>-2475</b>
	Gandhi Nagar	1350	4950	<b>-3600</b>
	Junagadh	136	561	<b>-425</b>
	Dhrol	Na	26	-
	Ahmedabad(Sanand)	4	NA	-
<b>Total Arrivals/Above Markets</b>		<b>19734</b>	<b>74967</b>	<b>-55233</b>

**Outlook & Recommendation:**

Castor seed market is expected to trade firm in the weeks ahead led by bull operators' active buying strategy in futures and retention of stock. Stake holders should wait till market gets adjusted with current spike. Firmness would continue.

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