



Castor Weekly Research Report

Contents

- ❖ Outlook and Review
- ❖ Castor Seed price Chart
- ❖ Export
- ❖ NCDEX Spot Price
- ❖ Outlook
- ❖ Future Chart
- ❖ Progressive Sowing
- ❖ Weekly Spot Price change
- ❖ International Market Update

Castor Domestic Market Fundamentals:

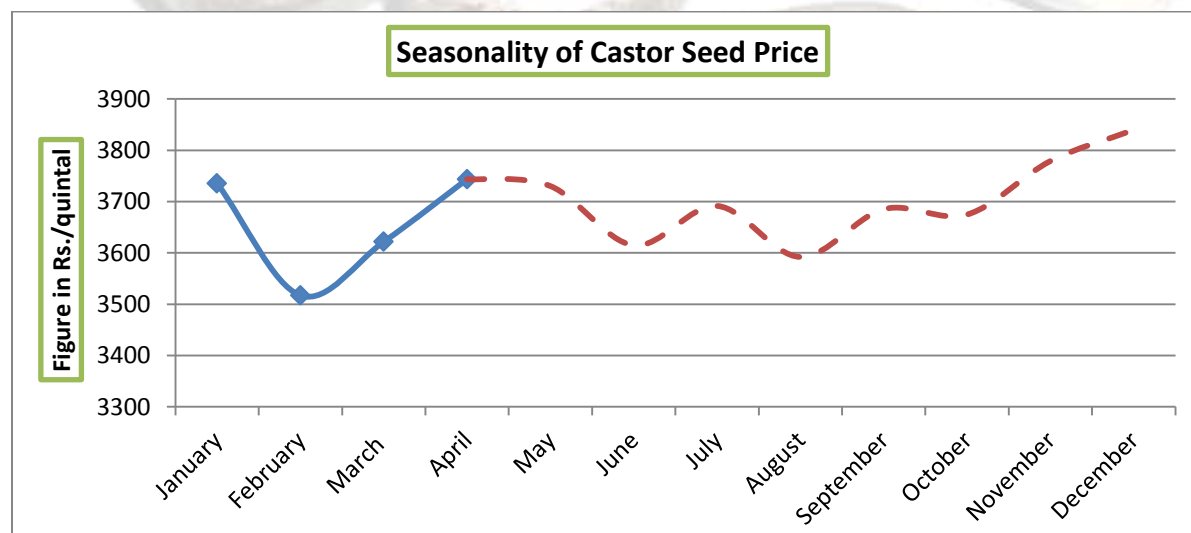
- All India average castor price is around Rs.3955/quintal which is up from last week price of Rs.3998/quintal and down by 0.32% from same period last year price of Rs.3968/quintal.
- Castor seed prices fall by Rs 61 to Rs 4,145 per quintal in futures trade recently as participants cut bets tracking weak physical market sentiments. It is expected that attributed the sharp fall in castor seed futures prices to ceaseless supplies from growing belts amid weak demand for paint, soap and lubricant industries in spot markets.
- According to the Solvent Extractors' Association of India (SEA), Castor seed production in 2016/17 is expected to stand down by around 25% to 10.55 lakh tons compared to 14 lakh tons in previous year. While, castor seed production for 2016/17 is placed down at 15.54 lakh tons against previous year record i.e. 17.52 lakh tons as per the second advance estimates by the ministry of agriculture department.
- As per the data from Agriculture Ministry, castor acreage in Gujarat increase by 5.67% till Oct-13, 2017 to 5.96 lakh hectares as compared to 5.64 lakh hectares last year while Rajasthan recorded a down of 6.98% in area to 1.6 lakh hectares in the same time frame. Overall area is slightly down from last year which may not affect the production much but late sowing in major growing states (Gujarat and Rajasthan) could affect the final yield to some extent.
- Castor weekly cast market is traded firm in 02nd Week of February-2018 even with lower arrival, all India castor seed arrival is 62078 quintals which is 793 quintals lower than last week arrival of 62871 quintals.

Castor Seed Sowing Updates as on 13th October September-2017 (in Lakh Hectare):

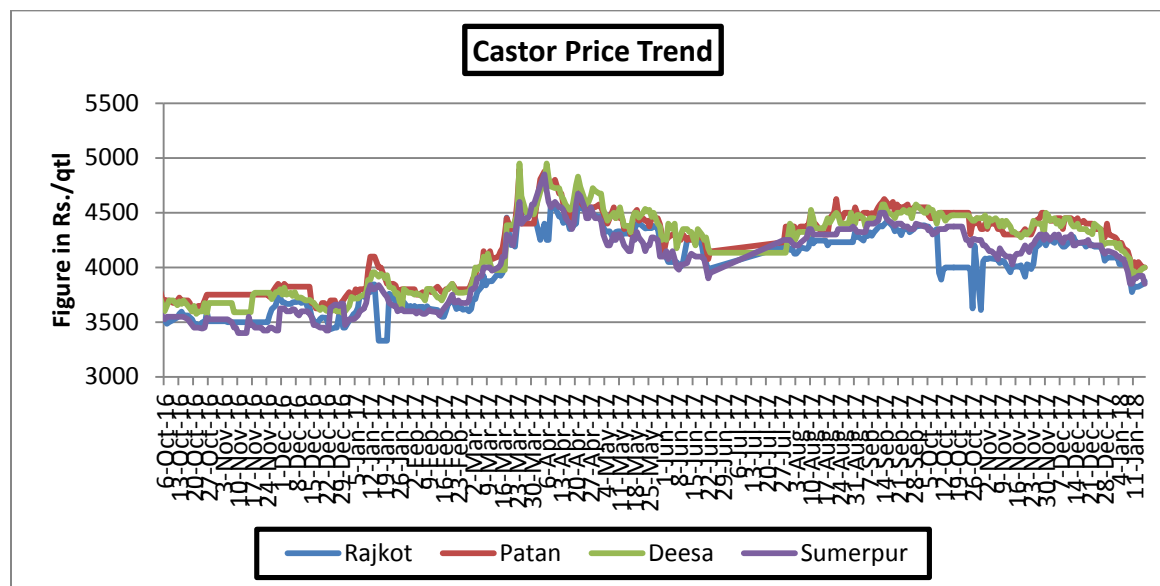
State	Area(2017)	Last Year(2016)	% Change	Normal Area
Gujarat	5.96	5.64	5.67	7.37
Rajasthan	1.6	1.72	-6.98	2.25
Telangana	0.31	0.43	-27.91	0.82
Andhra Pradesh	0.33	0.43	-23.26	0.89
Karnataka	0.07	0.11	-36.36	0.12
Maharashtra	0.07	0.12	-41.67	0.16
Others	0.38	0.33	15.15	0.23
Total	8.45	8.59	-1.63	11.84

Stake holders in cash market may opt for buying seed around Rs. 3900-3950 for profit purpose.

Seasonality of Castor Seed Price



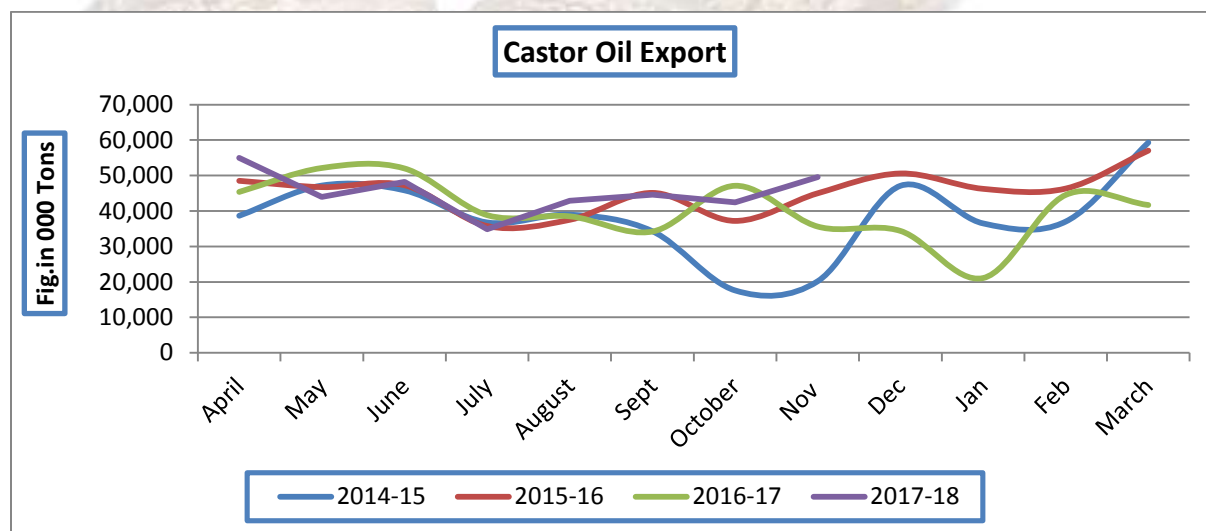
Castor Price Trend:



Source: Agriwatch

Indian castor seed market was in steady to weak trend during the period from Oct 2017 to Jan 2018, now prices are expected to trade steady in the arrival season.

Castor Oil Export Trend:

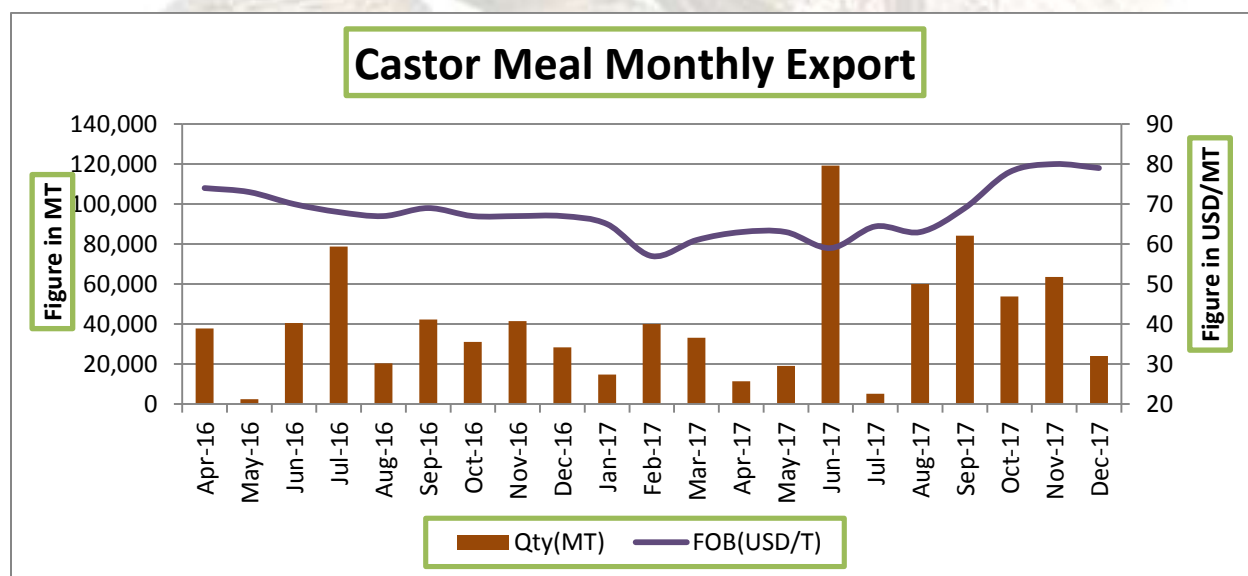


Source: Sea Of India

As per latest data released by SEA of India, Castor oil export in the month of November was 49574 thousand tons which is up by 17% from last month export of 42457 thousand tons and 39% up from corresponding period last year export of 35608 thousand tons. Higher demand from the international market due to lower prices of castor seed in domestic market led to higher exports. Meanwhile, in the first two month of FY2017-18, total castor oil exported was around 1 lakh tons, which is up by 2% Y/Y on higher consumption demand from US, Netherland, Russia and Japan

Castor Meal Export:

During April – Dec., 2017 oil meal imported by Vietnam from India reported at 331,654 tons compared to 209,476 tons; consisting of 23,157 tons of soybean meal, 54,922 tons of rapeseed meal and 253,575 tons of De-oiled Rice Bran Extraction. South Korea imported 597,252 tons compared to 460,764 tons; consisting 209,890 tons of rapeseed meal, 362,147 tons of castor meal and 25,215 tons of soybean meal. Bangladesh imported 120,675 tons compared to 132,588 tons; consisting 26,037 tons of rapeseed meal, 5,857 tons of De-oiled Rice Bran Extractions and 88,781 tons of soybean meal. Thailand imported 134,612 tons compared to 9,201 tons; consisting 96,358 tons of rapeseed meal, 9,454 tons of De-oiled Rice Bran Extractions and 28,765 tons of soybean meal. European countries were the major importer of Indian Soybean Meal. France imported 100,375 tons compared to 90,208 tons; consisting 95,710 tons of soybean meal and 4,665 tons of Castor meal and rest of European countries imported 329,340 tons of oil meals, mainly soybean meal.



Source: Sea of India

State wise Wholesale Prices Weekly Analysis for Castor Seed 02nd week February, 2018

State	Prices 09-15 Feb 2018	Prices 01-08 Feb 2018	Prices 09-15 Feb 2017	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	3785.42	3851.13	3851.13	-1.71	-1.71
Gujarat	4022.31	4089.59	4089.59	-1.65	-1.65
Karnataka	4101	4101	4101	0	0
Maharashtra		3337.5	3337.5	—	—

Rajasthan			3547.57	—	—
Tamil Nadu		5409	5409	—	—
Telangana	3914.47	3914.47	3914.47	0	0
Uttar Pradesh		3290	3500	—	—
Average	3955.8	3998.96	3968.78		

Source: Agmarket.net (Prices in Rs./Qtl)

Cash Market Price Outlook for Deesa Spot

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3900-4100	4100-4250
Medium Term (30 days)	3950-4300	4100-4440

Comparative Prices Of Castor Products Including Seed					
	2nd February' 18	25th January'1 8	2nd January'1 8	2nd February' 17	CHAN GE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	42900	41850	43700	38455	10.36
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	77.00	77.00	78	63.00	18.18
EXPORT (FOR) Ports (Rs./MT) Castor meal bulk Kandla	4800	4800	4900	4126	14.04
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1425	1395	1445	1213	14.88
Local rates for oil in domestic market (Rs./M.T.) for comm.	89500	87500	92000	82750	7.54

Source: SEA.

Technical Analysis:
Castor – Technical Outlook
Technical Commentary:

- Prices are likely to move steady to weak in coming week.
- Decrease in prices with lower volume and OI indicates short build up.


Strategy: Sell

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor	NCDEX	Feb	3850	3900	4120	4425	4705
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Feb	Sell	4195	4145	4130	4200

Castor Seed- Balance Sheet for 2017-18:

Agriwatch estimates for 2016/17 is remain same. Production shows around 14.42 percent lower side this year against 2015/16 season due to crop shifting from castor seed to other lucrative crops. Over all area would decline from 11.18(normal) to 9.90 lakh ha this year. The estimate is based on initial ground level survey and feedback received from farmers. Agriwatch expects above normal rainfall this year and hopes normal yield too. Based on normal yield realization seed production would decline from 15.12 to 12.69 lakh tons this year.

The season started with 5.91 lakh tons as carryout. Thus total availability for current marketing year comes to 18.6 lakh tons if estimated production of 12.69 lakh tons is included. Lower production would drag carryout down from 5.91 to 5.35 lakh tons. It would push seed price up in second and third quarter.

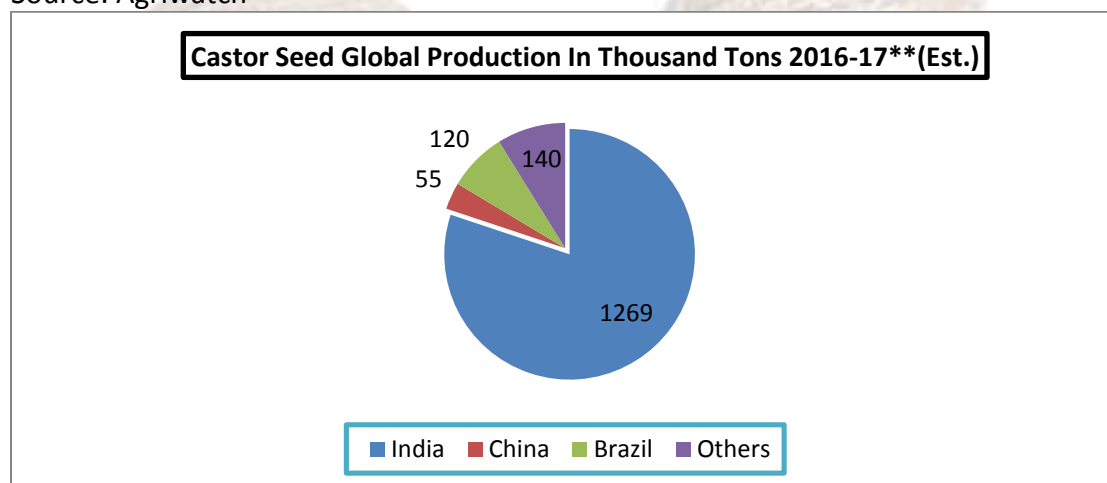
Castor Seed Supply & Demand for MY-2017-18:

Preliminary Forecast For 2017-18

All units in lakh tonss	2013-14	2014-15	2015-16	2016-17	2017-18	Apr-Jun	July-Sep	Oct-Dec	Jan-Mar
Carry in	6.84	6.04	5.54	5.91	5.35	5.35	9.65	5	1.9
Production	11.7	13	15.12	12.94	10.5	10.5	0	0	0
Imports	0	0	0	0	0	0	0	0	0
Total Availability	18.54	19.04	20.66	18.85	15.85	15.85	9.65	5	1.9
Consumption	12.5	13.5	14.75	13.5	15.5	6.2	4.65	3.1	1.55
Exports	0	0	0	0	0	0	0	0	0
Total Usage	12.5	13.5	14.75	13.5	15.5	6.2	4.65	3.1	1.55
Carry out	6.04	5.54	5.91	5.35	0.35	9.65	5	1.9	0.35
Av Monthly Consumption	1.04	1.13	1.23	1.13	1.29	2.07	1.55	1.03	0.52
Stock to Month Use	5.8	4.92	4.81	4.76	0.27	4.67	3.23	1.84	0.68
Stock to Consumption Ratio	0.483	0.41	0.4	0.4	0.02	1.56	1.08	0.61	0.23

Castor Seed Global Production share:

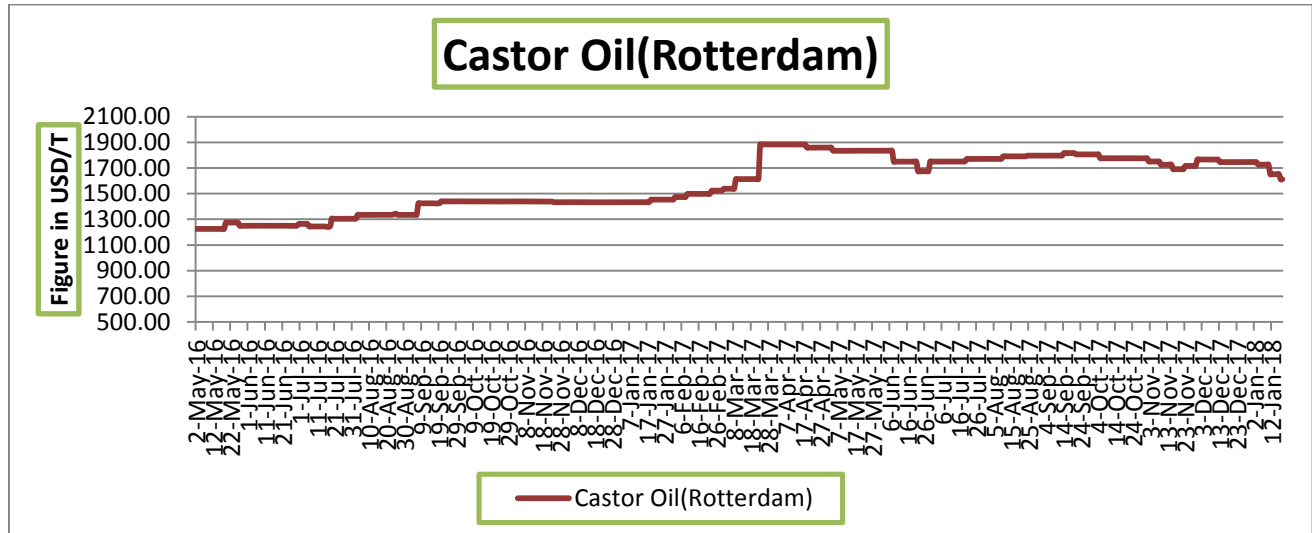
Source: Agriwatch



International market update:

There is no change in Global Castor Seed supply –demand side. Production is expected to decrease from 18.37 lakh tons to 15.84 lakh tons in 2016-17 due to lower crop size expected in India this year. Total availability for seed would decrease to 20 lakh tons including Indian carryout stock of 5.91 lakh tons. Normal demand for oil and decreasing seed stock in India would continue to push seed price up in India. India dominates global market in seed production with 90 percent contribution. The given diagram shows production contribution of

various countries. As production in India is likely to decrease, availability for seed would contract in the third quarter of the year.

Rotterdam Price:


Source: Agriwatch

Castor Seed Weekly Prices at Key Spot Markets:

Commodity	Market	Price (Rs/ Quintal)		Change
Center		3rd to 9th February 2018	27th to 2nd February 2018	
Gujarat	Patan	4150	4133	17
	Harij	4110	4125	-15
	Rajkot	4008	3995	13
	Gondal	4005	3997	8
	Deesa	4150	4083	67
	Bhabar	4118	4110	8
	Mehsana	4112	4083	29
	Kadi	4160	4117	43
	Sabarkatha	4108	4092	16
	Gandhi Nagar	4138	4121	17
	Ahmedabad (Sanand)	4073	4019	54
	Halvad	4087	4000	87
	Junagadh	4015	3956	59
	Dhrol	3540	NA	-
Rajasthan	Jodhpur	4132	4078	54
	Sumerpur	4063	4063	-1



Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		9-Feb-18	2-Feb-18	9-Jan-18	9-Feb-17
Gujarat	Patan	4075	4200	4075	3800
	Harij	4075	4125	4000	3750
	Rajkot	3980	4020	3890	3645
	Gondal	4005	3980	NR	3630
	Deesa	4150	4050	4075	3805
	Bhabar	4090	4130	3975	3630
	Mehsana	4025	4125	4025	3750
	Kadi	4085	4170	4050	3825
	Sabarkatha	4050	4125	4025	3750
	Gandhi Nagar	4075	4175	4050	3800
	Ahmedabad (Sanand)	4055	4030	NA	3450
	Halvad	4100	4125	4110	3725
	Junagadh	4010	4100	3900	3600
	Dhrol	3540	NA	NA	3340
Rajasthan	Jodhpur	4100	4130	4050	3700
	Sumerpur	4025	4075	3850	3611

Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	3rd to 9th February 2018	27th to 2nd February 2018	Change
Gujarat	Patan	13069	13725	-656
	Harij	1725	1200	525
	Rajkot	2245	2635	-390
	Gondal	350	1593	-1243
	Deesa	4305	3937	368
	Bhabar	8110	8560	-450
	Mehsana	2565	2123	442
	Kadi	20520	20240	280
	Sabarkatha	680	1040	-360
	Gandhi Nagar	2063	1875	188
	Ahmedabad (Sanand)	45	66	-21
	Halvad	1223	1343	-121
	Junagadh	160	190	-30
	Dhrol	2	NA	-
Rajasthan	Jodhpur	638	525	113



	Sumerpur	4380	3820	560
Total Arrivals/Above Markets		62078	62871	-793

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2018 Indian Agribusiness Systems Pvt. Ltd.

