



Castor Weekly Research Report

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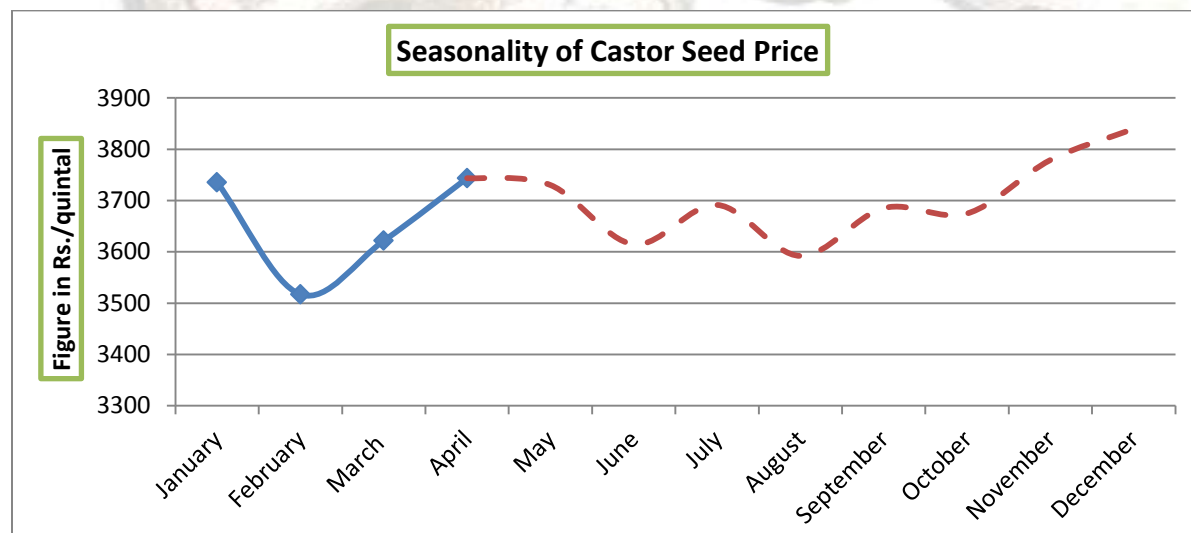
Castor Domestic Market Fundamentals:

- All India average castor price is around Rs.2610/quintal which is down from last week price of Rs.3922/quintal and down by 33.42% from same period last year price of Rs.3922/quintal.
- As per Agmarknet data, castor arrivals during the current calendar year are at 62,600 tons, down by 18.7% compared to last year arrivals. In Gujarat, the arrivals in February have been down by about 8.3% at 33,261 tons. Further, market is expecting castor seed crop higher by around 10-15 per cent over last year's production of 10.65 lakh tons due to higher acreage and supportive climatic conditions.
- According to the Solvent Extractors' Association of India (SEA), Castor seed production in 2017-18 is expected to stand up by around 34% to 14.3 lakh tons compared to 13.96 lakh tons of govt. estimates. The survey conducted by SEA revealed that the area under castor increased by a tad 2.9 per cent from 7, 99,540 hectares in 2016-17 to 8, 22,790 hectares as per the State governments' estimates for the 2017-18 kharif seasons.
- 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 04th Week of February-2018 even with higher arrival, all India castor seed arrival is 59381 quintals which is 67927 quintals lower than last week arrival of 59381 quintals.

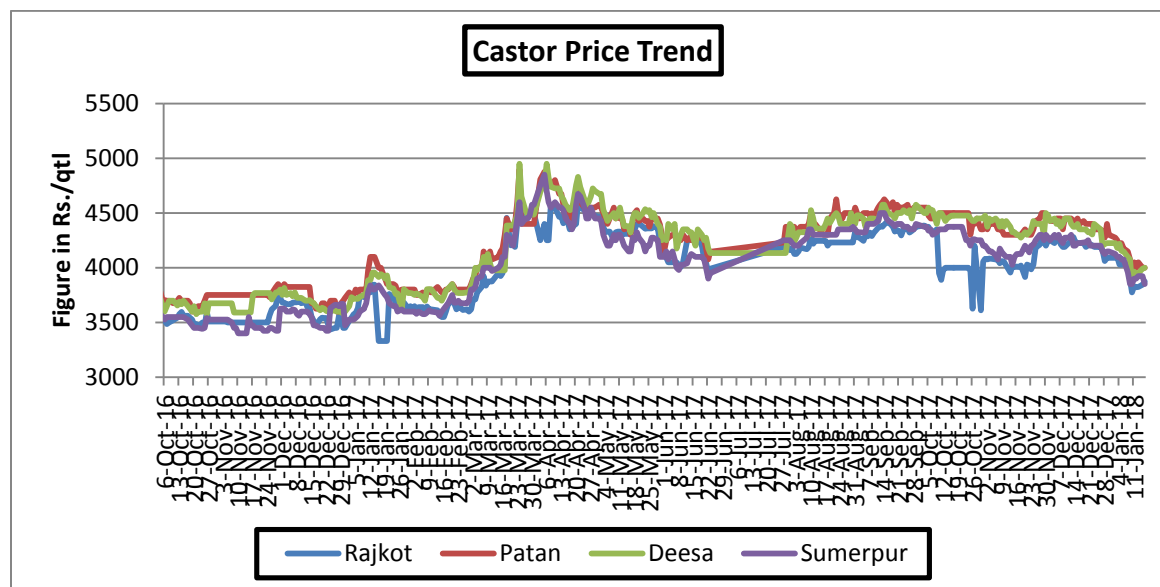
Castor Seed Sowing Updates as on 13th October September-2017 (in Lakh Hectare):

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


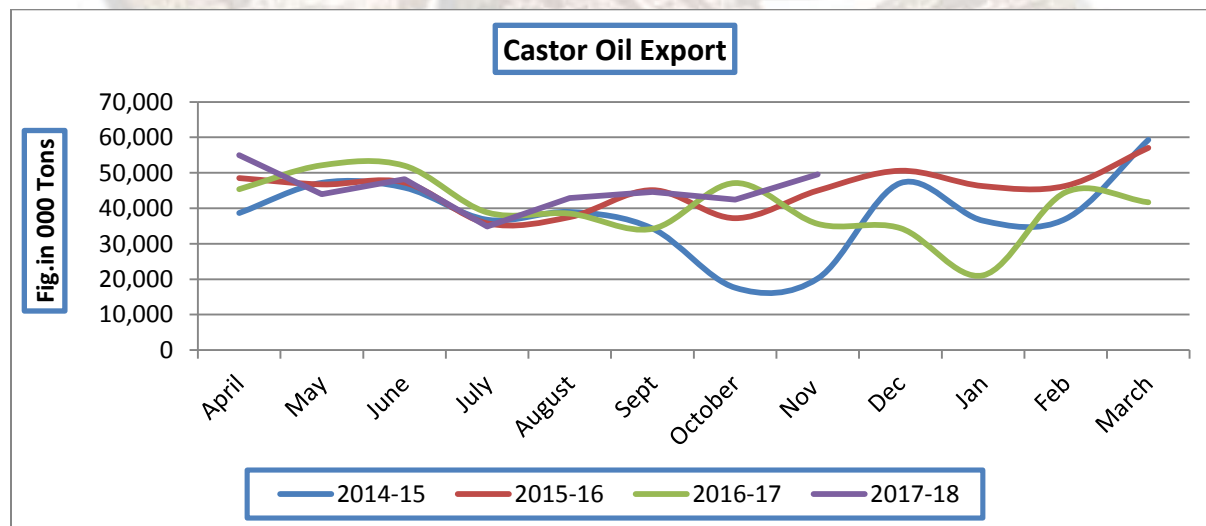
Castor Price Trend:



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:



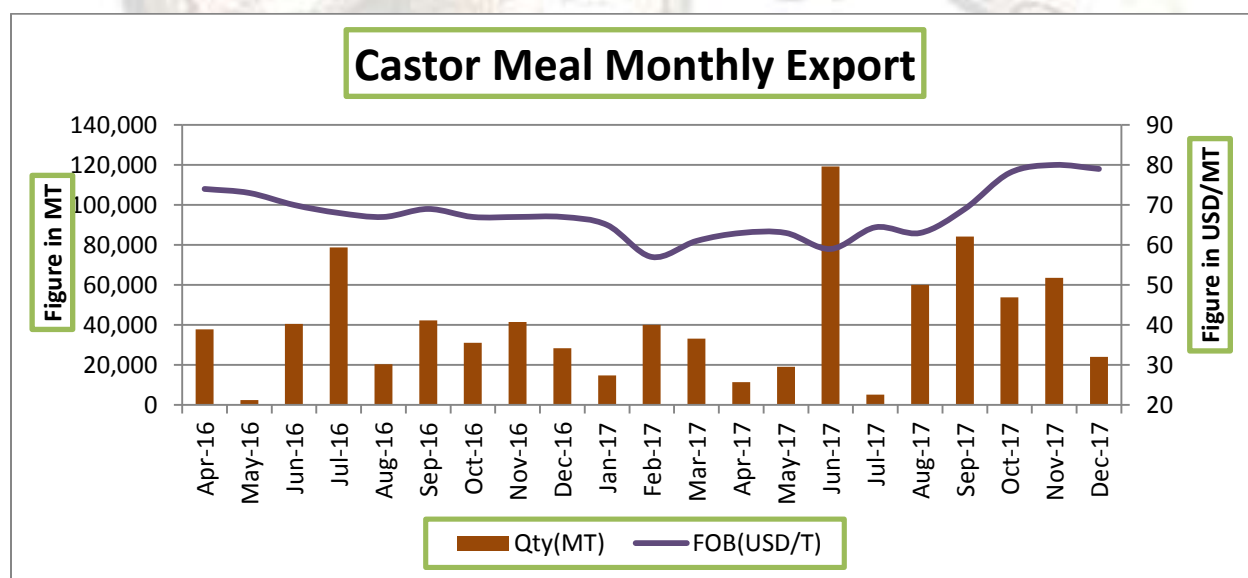
Source: Sea Of India

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 04th week February, 2018

Variety	Prices 24-28 Feb 2018	Prices 16-23 Feb 2018	Prices 24-28 Feb 2017	% Change(Over Previous Week)	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh						
Castor seed	3810.7	3810.7	3810.7	0	0	0

Other	3822.19	3822.19	3822.19	0	0	0
Gujarat						
Castor seed	4011.42	4012.9	4012.9	-0.04	-0.04	-0.04
Other	4021.5	4042.49	4042.49	-0.52	-0.52	-0.52
Caster	4039.93	4039.93	4039.93	0	0	0
Karnataka						
Castor seed	3400	3400	3400	0	0	0
Rajasthan						
Other			3612.39	—	—	—
Tamil Nadu						
Other			4719	—	—	—
Telangana						
Castor seed	4319.46	4319.46	4319.46	0	0	0
Other	3761.93	3855.42	3855.42	-2.42	-2.42	-2.42
Caster	3953.29	4105.52	4105.52	-3.71	-3.71	-3.71
Average	2610.97	3922.07	3922.07			

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'18	2nd January'18	2nd February' 17	CHANGE %
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 firm in coming week.
- Decrease in prices with lower volume and OI indicates short build up.


Strategy: Buy

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor	NCDEX	Feb	3850	3900	4074	4425	4705
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Feb	Buy	4240	4200	4180	4250

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.

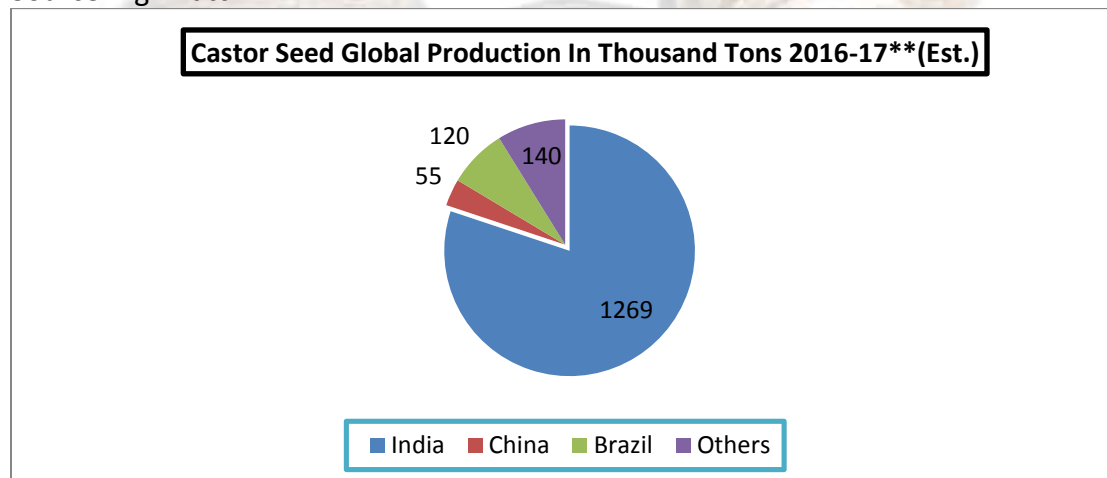
The season started with 5.91 lakh tons as carryout. Thus total availability for current marketing year comes to 18.6 lakh tons if estimated production of 12.69 lakh tons is included. Lower production would drag carryout down from 5.91 to 5.35 lakh tons. It would push seed price up in second and third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

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

Preliminary Forecast For 2017-18								
All units in lakh tons	2014-15	2015-16	2016-17	2017-18	Apr-Jun	July-Sep	Oct-Dec	Jan-Mar
Carry in	7.88	7.08	6.58	6.95	6.95	13.69	9.04	5.94
Production	11.7	13	15.12	12.94	12.94	0	0	0
Imports	0	0	0	0	0	0	0	0
Total Availability	19.58	20.08	21.70	19.89	19.89	13.69	9.04	5.94
Consumption	12.5	13.5	14.75	15.5	6.2	4.65	3.1	1.55
Exports	0	0	0	0	0	0	0	0
Total Usage	12.5	13.5	14.75	15.5	6.2	4.65	3.1	1.55
Carry out	7.08	6.58	6.95	4.39	13.69	9.04	5.94	4.39
Av Monthly Consumption	1.04	1.13	1.23	1.29	2.07	1.55	1.03	0.52
Stock to Month Use	6.80	5.85	5.65	3.40	6.62	5.83	5.75	8.50
Stock to Consumption Ratio	0.57	0.49	0.47	0.28	2.21	1.94	1.92	2.83

Castor Seed Global Production share:

Source: Agriwatch

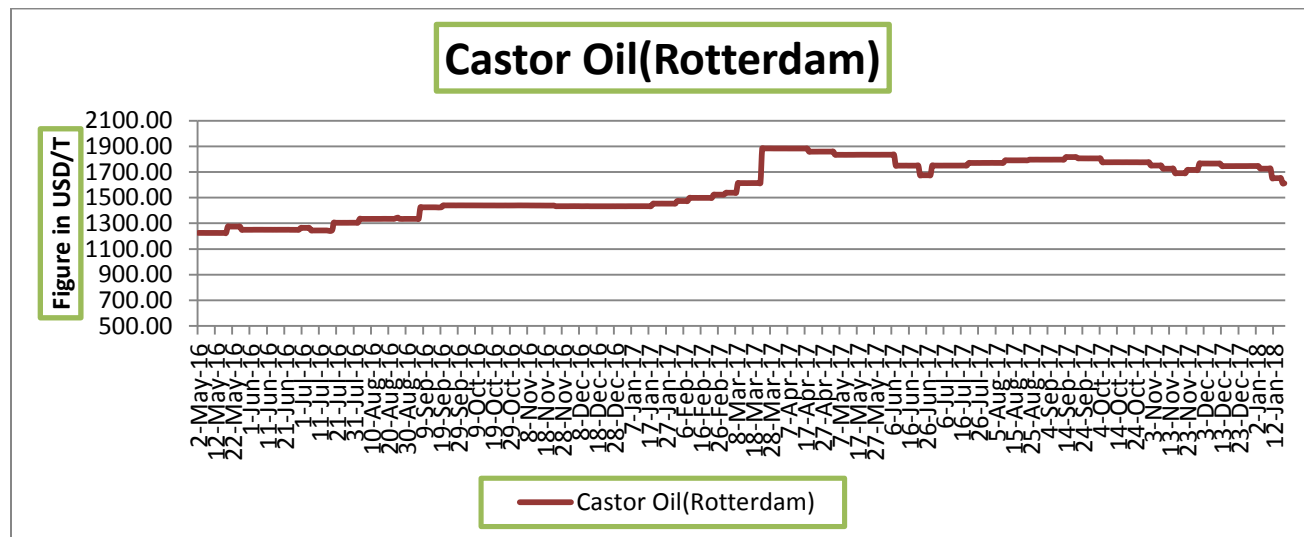


International market update:

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
		17th to 23rd February 2018	10th to 16th February 2018	
Gujarat	Patan	4100	4095	5
	Harij	4117	4043	74
	Rajkot	3988	3890	98
	Gondal	NA	NA	-
	Deesa	4127	4055	72
	Bhabar	4095	4057	38
	Mehsana	4104	4022	82
	Kadi	4126	4059	67
	Sabarkatha	4083	4010	73
	Gandhi Nagar	4083	4060	23
	Ahmedabad (Sanand)	4027	3967	60
	Halvad	3995	4005	-10
	Junagadh	NA	4000	-
	Dhrol	3810	3685	125
Rajasthan	Jodhpur	4112	4133	-22
	Sumerpur	4034	3979	55



Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		23-Feb-18	16-Feb-18	23-Jan-18	23-Feb-17
Gujarat	Patan	4075	4100	3975	3800
	Harij	4125	4025	3975	3725
	Rajkot	4025	3875	3840	3635
	Gondal	NR	NR	3830	3580
	Deesa	4130	4035	3940	3770
	Bhabar	4110	4035	4005	3720
	Mehsana	4350	4000	3925	3725
	Kadi	4155	4065	3970	3850
	Sabarkatha	4100	3975	3925	3750
	Gandhi Nagar	4100	4050	3950	3775
	Ahmedabad (Sanand)	4055	3925	NA	3735
	Halvad	4000	3975	3900	3675
	Junagadh	NR	NA	3750	3675
	Dhrol	NA	3650	NA	3470
Rajasthan	Jodhpur	4130	4130	4000	3710
	Sumerpur	4070	4000	3950	3700

Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	17th to 23rd February 2018	10th to 16th February 2018	Change
Gujarat	Patan	12000	13350	-1350
	Harij	3750	3975	-225
	Rajkot	1947	1965	-18
	Gondal	NA	NA	-
	Deesa	4345	4413	-68
	Bhabar	7720	7210	510
	Mehsana	2475	2963	-488
	Kadi	22320	13720	8600
	Sabarkatha	1280	1080	200
	Gandhi Nagar	3150	2513	638
	Ahmedabad (Sanand)	74	85	-10
	Halvad	1710	1425	285
	Junagadh	NA	95	-
	Dhrol	11	26	-15



Rajasthan	Jodhpur	585	323	263
	Sumerpur	6560	6240	320
Total Arrivals/Above Markets		67927	59381	8547

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