



Castor Weekly Research Report

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Castor Domestic Market Fundamentals:

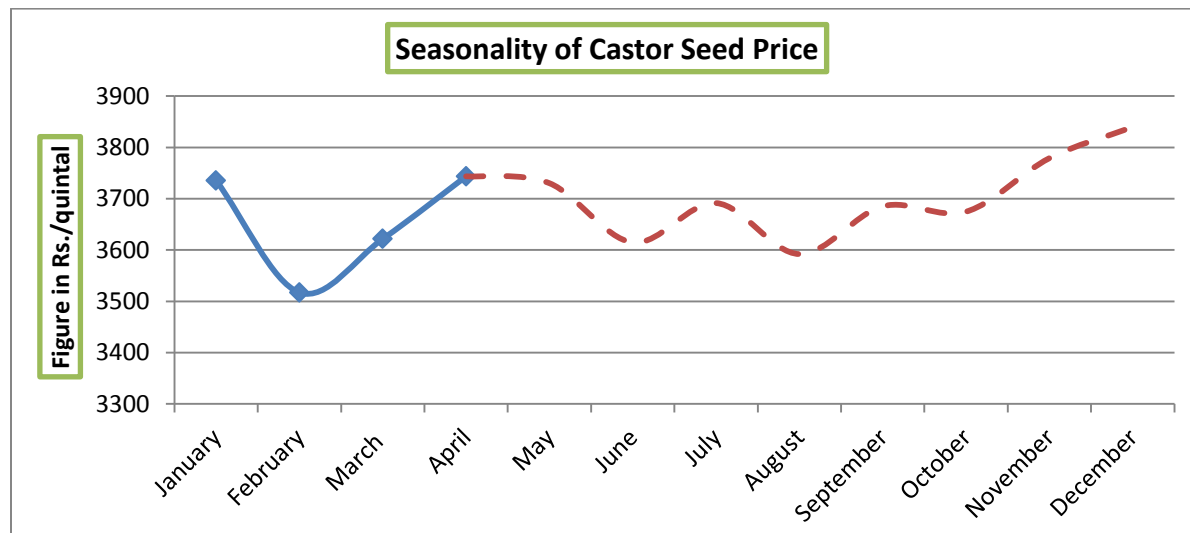
- With lower arrival in major castor spot markets, weekly price of castor seed remain firm in second week of May-2018.
- Rise in castor seed prices at futures trade was mostly attributed to rising of bets by participants, tracking a firm trend at the spot markets on strong demand from paint and other consuming industries against tight supplies in spot markets. In addition, pick up in export demand due to falling rupee against the greenback too influenced trading sentiments.
- Meanwhile weak spot markets sentiment due to weak demand for paint, soap and lubricant industries amid abundant availability of ready stocks in the market discouraged traders, resulting in fall in castor seed futures prices.
- All India castor seed weekly prices were traded firm in 02nd week of May with lower arrival, all India arrival of castor seed reported were 162867 quintals which was lower by 17755 quintals than last week arrivals of 180622 quintals.
- We expect that reducing of holdings by participants in tune with subdued trend in spot markets due to lack of buying support from soap, paint and lubricant industries, led to the fall in castor seed futures prices.

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

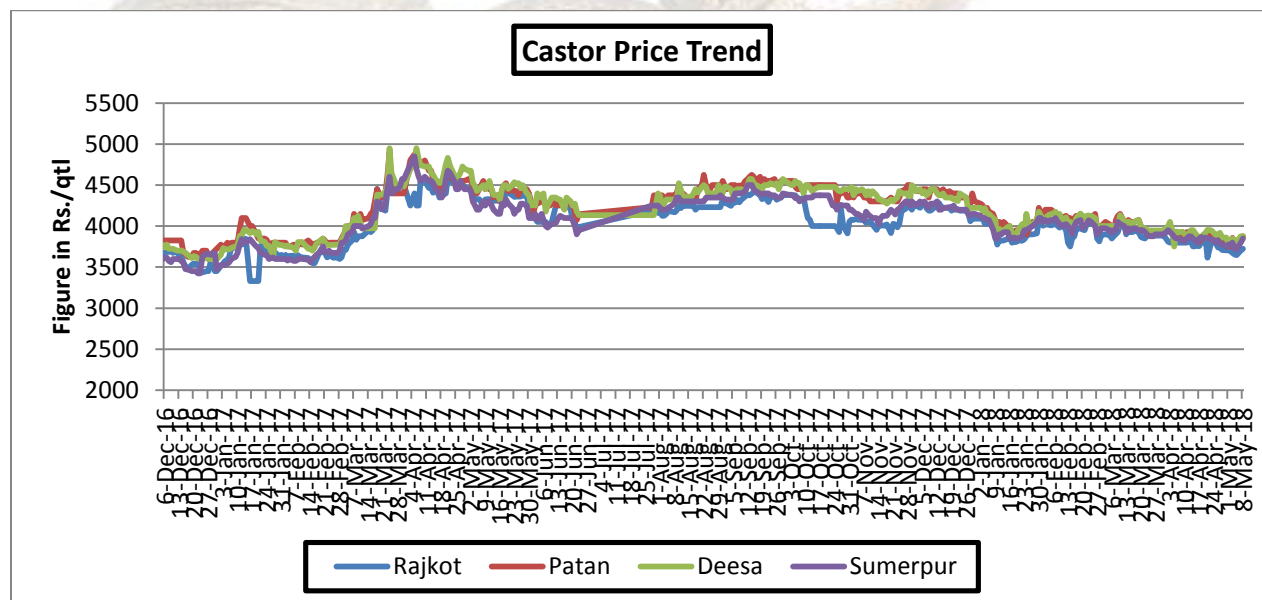
State	Area(2017)	Last Year(2016)	% Change	Normal Area
Gujarat	5.96	5.64	5.67	7.37
Rajasthan	1.6	1.72	-6.98	2.25
Telangana	0.31	0.43	-27.91	0.82
Andhra Pradesh	0.33	0.43	-23.26	0.89
Karnataka	0.07	0.11	-36.36	0.12
Maharashtra	0.07	0.12	-41.67	0.16
Others	0.38	0.33	15.15	0.23
Total	8.45	8.59	-1.63	11.84

Stake holders in cash market may opt for buying seed around Rs. 3850-3950 for profit purpose.

Seasonality of Castor Seed Price



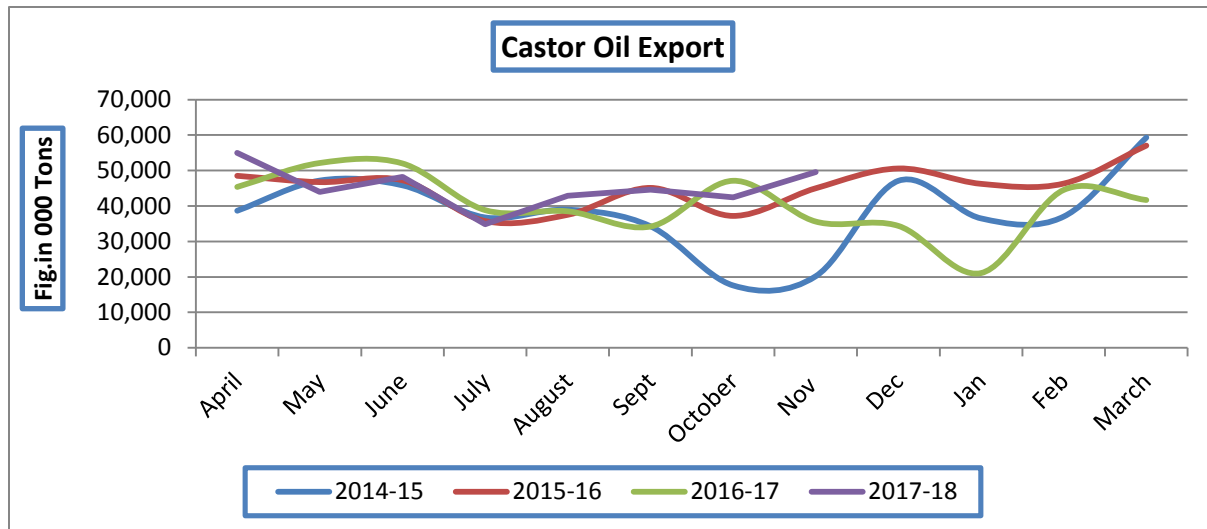
Castor Price Trend:



Source: Agriwatch

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

Castor Oil Export Trend:

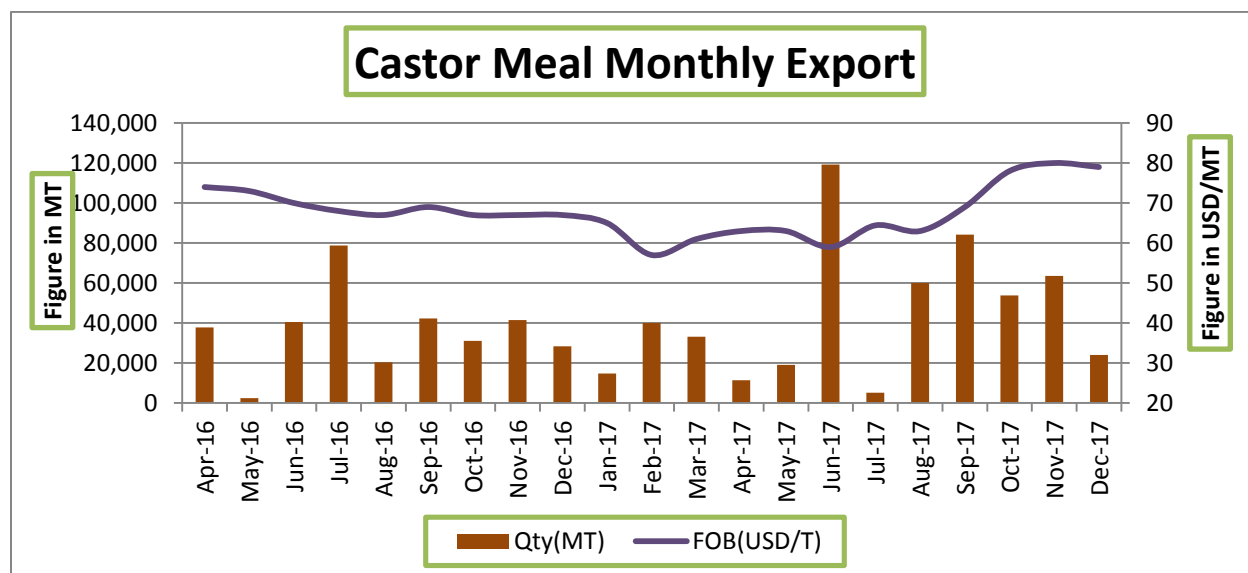


Source: Sea Of India

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 May, 2018

State	Prices 01-08 May 2018	Prices 24-30 Apr 2018	Prices 16-23 Apr 2018	Prices 01-08 May 2017	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
Andhra Pradesh				3938.62	—	—	—
Gujarat	3776.54	3841.61	3841.61	4466.91	-1.69	-1.69	-15.46
Karnataka	4053.75	4053.75	4053.75	4053.75	0	0	0
Maharashtra	3068.18	3075	3453.75	3593.03	-0.22	-11.16	-14.61
Rajasthan		3691.35	3691.35	4221.43	—	—	—
Tamil Nadu			3600	3600	—	—	—
Telangana	3708.67	3772.92	3784.24	3998.76	-1.7	-2	-7.25
Uttar Pradesh		3414.29	3414.29	3414.29	—	—	—
Average	3651.78	3641.49	3691.28	3910.85			

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)	3800-3850	3850-3950
Medium Term (30 days)	3950-4100	3950-4200

Source: SEA.

Comparative Prices Of Castor Products Including Seed					
	13th April'18	6th April'18	13th March'18	13th April'17	CHANG E %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	40900	41000	41250	47876	-17.06
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	63	66	72	63	Unch
EXPORT (FOR) Ports (Rs./MT) Castor meal bulk Kandla	4100	4200	4550	4071	0.71
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1310	1325	1355	1587	-21.15
Local rates for oil in domestic market (Rs./M.T.) for comm.	86500	86500	87500	103292	-19.41



Technical Analysis:

Castor – Technical Outlook

Technical Commentary:

- Prices are likely to move steady 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	May	3650	3700	4029	4250	4300
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	May	Buy	3900	3930	3955	3880

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.

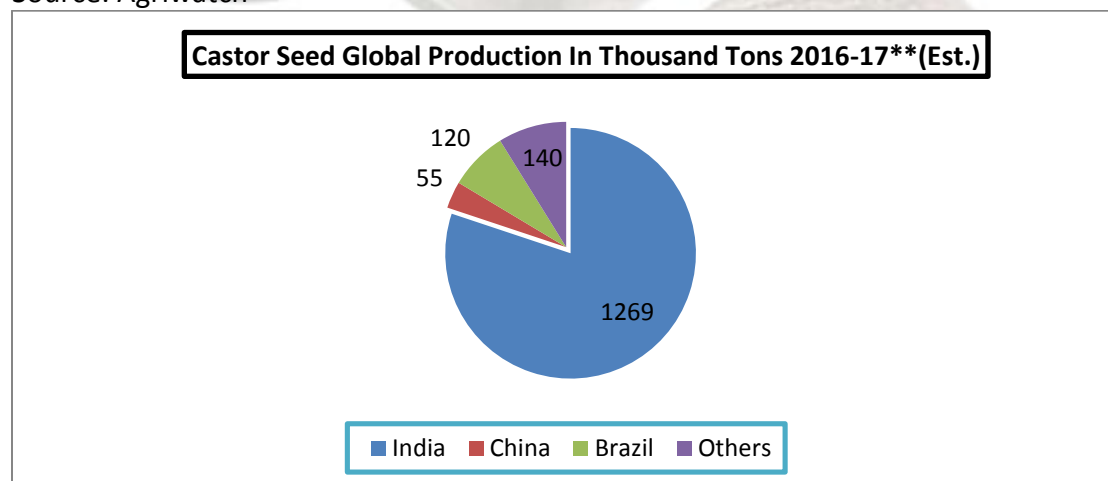
The season started with 5.91 lakh tons as carryout. Thus total availability for current marketing year comes to 18.6 lakh tons if estimated production of 12.69 lakh tons is included. Lower production would drag carryout down from 5.91 to 5.35 lakh tons. It would push seed price up in second and third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

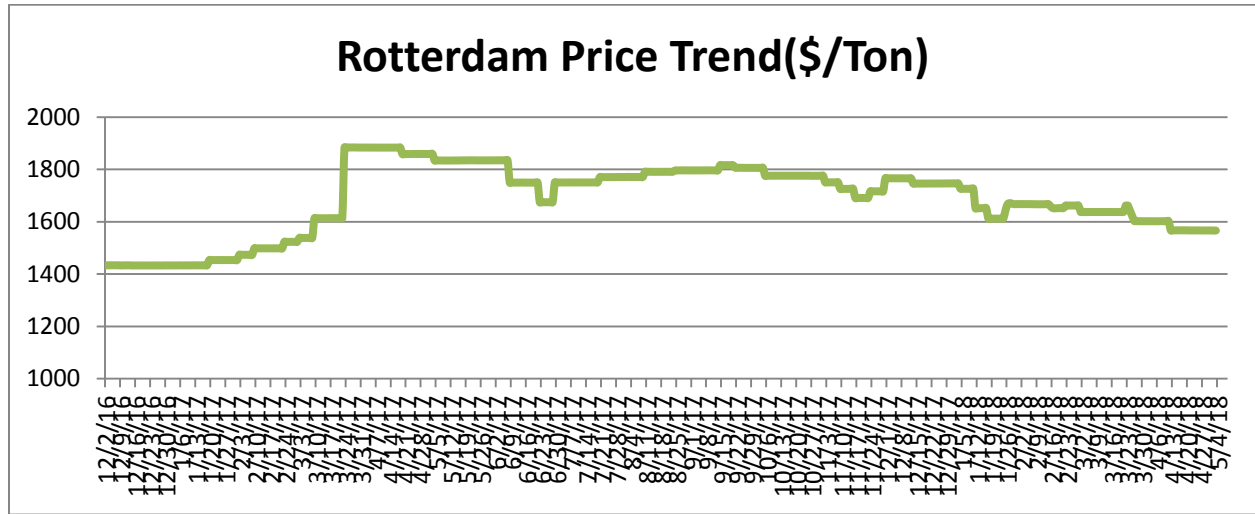
Source: Agriwatch



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
		28th April to 04th May 2018	21th to 27th April 2018	
Gujarat	Patan	3801	3871	-70
	Harij	3813	3883	-70
	Rajkot	3691	3758	-67
	Gondal	3963	4305	-342
	Deesa	3832	3921	-89
	Bhabar	3786	3860	-74
	Mehsana	3812	3888	-76
	Kadi	3823	3897	-74
	Sabarkatha	3850	3925	-75
	Gandhi Nagar	3850	3908	-58
	Ahmedabad (Sanand)	3741	3836	-95
	Halvad	3775	3833	-58
	Junagadh	3703	3814	-112
	Dhrol	3489	3664	-175
Rajasthan	Jodhpur	3900	3960	-60
	Sumerpur	3767	3823	-57

Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		4-May-18	27-Apr-18	4-Apr-18	4-May-17
Gujarat	Patan	3750	3850	3950	4450
	Harij	3750	3890	3950	4500
	Rajkot	3655	3740	3825	4325
	Gondal	4255	NR	NR	4305
	Deesa	3830	3920	3940	4485
	Bhabar	3760	3825	3910	NA
	Mehsana	3765	3900	3925	4450
	Kadi	3800	3885	4050	4515
	Sabarkatha	3825	3925	3975	4450
	Gandhi Nagar	3800	3925	3950	4500
	Ahmedabad (Sanand)	3700	3825	3850	4350
	Halvad	Closed	3875	3950	4450
	Junagadh	3660	3830	3810	4190
	Dhrol	3450	NA	NA	4095
Rajasthan	Jodhpur	NA	3950	3950	4500
	Sumerpur	3725	3800	3900	4250

Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	28th April to 04th May 2018	21th to 27th April 2018	Change
Gujarat	Patan	69750	82125	-12375
	Harij	13125	10500	2625
	Rajkot	3985	6962	-2977
	Gondal	2547	965	1582
	Deesa	6424	9951	-3527
	Bhabar	30880	38320	-7440
	Mehsana	9375	12375	-3000
	Kadi	25536	35160	-9624
	Sabarkatha	3760	6000	-2240
	Gandhi Nagar	6450	7800	-1350
	Ahmedabad (Sanand)	164	272	-108
	Halvad	300	13125	-12825

	Junagadh	405	985	-580
	Dhrol	168	472	-304
Rajasthan	Jodhpur	113	473	-360
	Sumerpur	7640	8800	-1160
Total Arrivals/Above Markets		180622	234285	-53663

Castor Seed Weekly Prices at Key Spot Markets:

Commodity	Market	Price (Rs/ Quintal)		Change
Center		05th May to 11th May 2018	28th April to 04th May 2018	
Gujarat	Patan	3854	3801	53
	Harij	3864	3813	52
	Rajkot	3742	3691	51
	Gondal	3761	3963	-202
	Deesa	3900	3832	68
	Bhabar	3877	3786	91
	Mehsana	3853	3812	42
	Kadi	3914	3823	92
	Sabarkatha	3896	3850	46
	Gandhi Nagar	3902	3850	52
	Ahmedabad (Sanand)	3822	3741	81
	Halvad	3833	3775	58
	Junagadh	3745	3703	43
	Dhrol	3512	3489	23
Rajasthan	Jodhpur	NA	3900	-
	Sumerpur	3815	3767	48

Week on Week Price: Scenario of Castor Seed :

Commodity	Market	Today	Week ago	Month ago	Year ago
Center		11-May-18	4-May-18	11-Apr-18	11-May-17
Gujarat	Patan	3900	3750	3925	4450
	Harij	3875	3750	3950	4525



	Rajkot	3775	3655	3800	4330
	Gondal	NR	4255	3855	4405
	Deesa	3935	3830	3900	4550
	Bhabar	3910	3760	3925	0
	Mehsana	3875	3765	3900	4525
	Kadi	3900	3800	3945	4525
	Sabarkatha	3900	3825	3925	4575
	Gandhi Nagar	3900	3800	NR	4550
	Ahmedabad (Sanand)	3855	3700	NR	4355
	Halvad	3825	Closed	3800	4400
	Junagadh	3735	3660	3740	4385
	Dhrol	3420	3450	3690	4100
Rajasthan	Jodhpur	NA	NA	3980	4530
	Sumerpur	3825	3725	3850	4300

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	05th May to 11th May 2018	28th April to 04th May 2018	Change
Gujarat	Patan	57750	69750	-12000
	Harij	15000	13125	1875
	Rajkot	3206	3985	-779
	Gondal	2898	2547	351
	Deesa	7055	6424	631
	Bhabar	29360	30880	-1520
	Mehsana	7050	9375	-2325
	Kadi	20864	25536	-4672
	Sabarkatha	2960	3760	-800
	Gandhi Nagar	5850	6450	-600
	Ahmedabad (Sanand)	201	164	37
	Halvad	750	300	450
	Junagadh	865	405	460
	Dhrol	98	168	-70
Rajasthan	Jodhpur	NA	113	-113
	Sumerpur	8960	7640	1320
Total Arrivals/Above Markets		162867	180622	-17755

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