



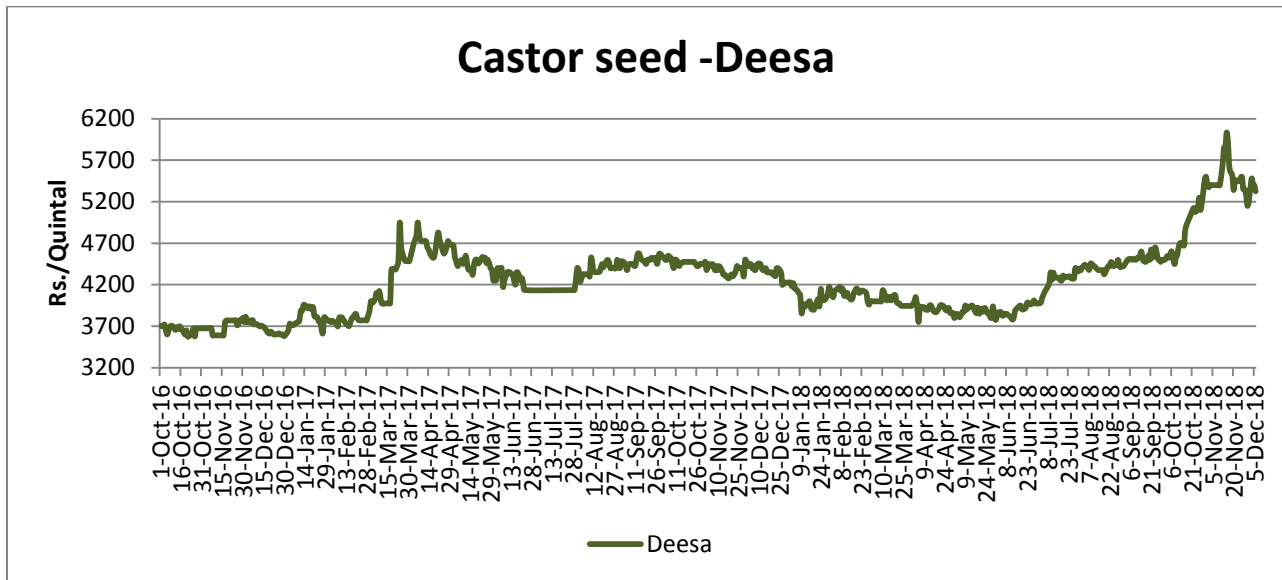
Castor Weekly Research Report

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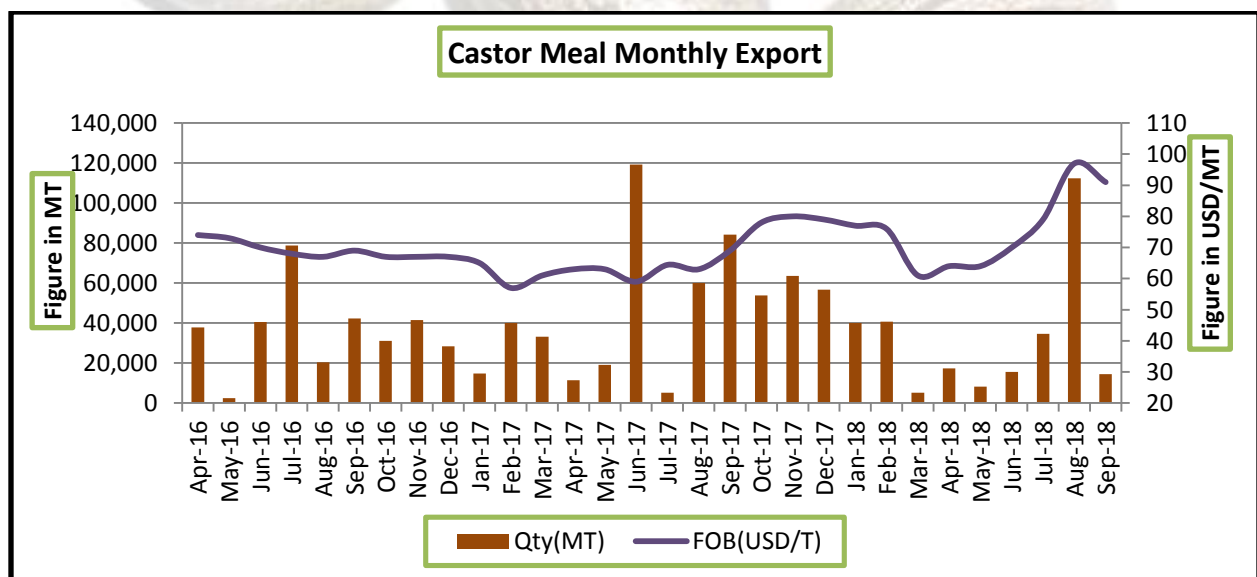
Castor Domestic Market Fundamentals:

- Castor seed prices showed declining trend from last couple of week as limited buying and selling activities were noted in most of the spot markets of Gujarat and Rajasthan.
- Castor seed price so far this calendar year rose by over 28 per cent and most of the gains were witnessed since October as drought looms over Castor crop in Gujarat.
- According to traders, Castor seed production for next season is expected to sharply down at around 8-9 lakh tonnes only. They also pegged present Castor stocks in the country to be around 3-4 lakh tonnes against 7-8 lakh tonnes in the same period last year.
- Castor seed may trade volatile in the near term, but long-term outlook is bullish as consumption demand is expected to remain strong ahead and lower crop unlikely to fulfil it.
- All India Castor seed acreage was in 2018 is 8.59 lakh hectares which is up by 5.15 per cent from last year area of 8.78 lakh hectares. Lower area is reported from the states of Telangana and Gujarat while higher acreage is only reported from Andhra Pradesh.
- As per the Ministry of Agriculture 1st Advance Estimates for 2018-19, Castor seed production in India is estimated at 15.17 lakh tonnes as compared to 15.68 lakh tonnes in 2017-18. The all India Castor seed production target for 2018-19 was 18.31 lakh tonnes.
- The final Kharif acreage under Castor in Gujarat declined to 5.33 lakh hectares as compared to 5.95 lakh hectares last year. The normal Kharif Castor acreage in Gujarat is 6.48 lakh hectares.
- Gujarat Agriculture Department in its first advance estimates for 2018-19 estimated Castor crop to decline more than 20 per cent to 11.73 lakh tonnes versus 14.84 lakh tonnes.
- During April to Sept'18, Vietnam imported 277,406 tonnes of oil meals (compared to 223,184 tonnes) consisting of 7,160 tonnes of soybean meal, around 94,559 tonnes of rapeseed meal and 175,687 tonnes of Rice Bran Extraction. South Korea imported 441,119 tonnes of oil meals (compared to 427,126 tonnes) consisting 280,292 tonnes of rapeseed meal, 10,832 tonnes of soybean meal and 149,995 tonnes of Castor meal. Thailand imported 167,101 tonnes of oil-meals (compared to 76,895 tonnes) consisting 4,747 tonnes of soybean meal, 10,253 tonnes of De-oiled Rice Bran Extraction, and 152,065 tonnes of rapeseed meal. France imported 76,704 tonnes of oil-meals consisting 74,499 tonnes of soybean meal and 2,205 tonnes of Castor meal.

Castor Price Trend Deesa Mandi:


Source: Agriwatch

Above price chart is of Deesa Mandi in Gujarat, which is a major mandi for castor seed. Price trend is showing some correction after firming from July-2018, as profit booking is likely to happen in which it is advise that traders can buy on every dips. Arrival or picking from January onwards puts some pressure on seed price.

Castor Meal Monthly Export:


Source: Sea of India

Castor Meal Export Summary:

The Solvent Extractors' Association of India has compiled the export data for export of oilmeals for the month of September 2018. The export of oilmeals during September 2018, provisionally reported at 81,511 tons compared to 298,182 tons in September 2017 i.e. down by 73%. The overall export during April to September 2018 is reported at 1,403,382 tons compared to 1,284,788 tons during the same period of last year i.e. up by 9%. The export of rapeseed meal is sharply increased to 601,105 (300,627) tons in first six months, almost doubled mainly exported to South Korea, Vietnam and Thailand. The ongoing trade dispute between USA and China has created a lot of uncertainty and forcing China to look out to other origins for their requirements of soybean and oilmeals. This has compelled China to relook its ban imposed for importing of oilmeals from India since 2012. We understand from Ministry of Commerce/Export Inspection Council of India that China will lift the ban very soon for import of Rapeseed Meal from India. Those units already approved by AQSIQ will be able to resume the export of Rapeseed Meal to China once notified by AQSIQ of Chinese Government. In case of resumption of export of Soybean Meal from India to China, may take some time as Chinese AQSIQ team likely to visit current month/next month to inspect/approve the units. Prior to ban in 2012, China used to import nearly half a million tons of oilmeals viz. Rapeseed meal 3.5 to 4.0 lakh tons and 1.0 lakh tons of soybean meal from India.

Castor oil exports drop 30% in October on poor offtake from China:

As per SEA latest report, India's castor oil exports plunged 30.5 per cent year-on-year to 36,669 tonnes in October, Slowdown in demand from China, which accounts for around 70 per cent of India's non-edible oil exports, dragged overall exports lower. Castor oil exports were 3 per cent lower month-on-month, the data showed. The outlook for exports is bearish as demand in the global market is unlikely to gather pace in the coming months. During April-October, India shipped 334,519 tonnes of castor oil compared with 386,330 tonnes a year ago. In 2017—18 (April-March), India's total exports were pegged at 651,326 tonnes as against 556,778 tonnes in the previous year. Japan, European countries, and the US are the prominent buyers of Indian castor oil besides China.



State wise Wholesale Prices Weekly Analysis for Castor Seed 01st Week Dec, 2018

State	Prices 01-08 Dec 2018	Prices 24-30 Nov 2018	Prices 01-08 Dec 2017	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	4905.12	4835.4	3973.34	1.44	23.45
Chhattisgarh		800		---	---
Gujarat	5229.23	5252.9	4318.48	-0.45	21.09
Karnataka	4592	2683.17	4000	71.14	14.8
Madhya Pradesh	3655	4756.72		-23.16	---
Maharashtra	4200			---	---
Rajasthan	5298.68	5172.06	4041.49	2.45	31.11
Telangana			3853.71	---	---
Uttar Pradesh			3150	---	---
Average	4646.67	3916.71	3889.5		

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

Cash Market Price Outlook for Future Price

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	5100-5275	5300-5375
Medium Term (30 days)	5300-5500	5500-5720

Technical Analysis:
Castor – Technical Outlook
Technical Commentary:

- Prices are likely to move steady in coming week.
- Increase in prices with lower volume and OI indicates long build up.
- RSI is moving in neutral region which indicates firmness.


Strategy: Buy on Dips

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor	NCDEX	Dec	5205	5300	5348	6200	6500
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Dec	Buy	5450	5520	5580	5430

Castor Seed- Balance Sheet for 2018-19:

Production shows around 15.6% lower side this year against 2017-18 seasons due to damage of crop in major producing states like Gujarat as lower rainfall recorded during the growth phase. Over all area is slightly up from last from 8.170 lakh hectares to 8.59 lakh hectares but mostly area down in major producing states like Telangana, Gujarat and Haryana. Andhra Pradesh is facing the worst drought of recent times with crop in lakhs of hectares under stress including castor seed which may impact on yield. The failure of the northeast monsoon has hit farmers really hard. While a rainfall deficit of 73% was recorded in October — the first month of the northeast monsoon — there seems to be no letup in the second month recording a rainfall deficit of 64%. The estimate is based on data received from final kharif sowing progress by Ministry of Agriculture. Agriwatch expects below normal rainfall this year and hopes lower yield

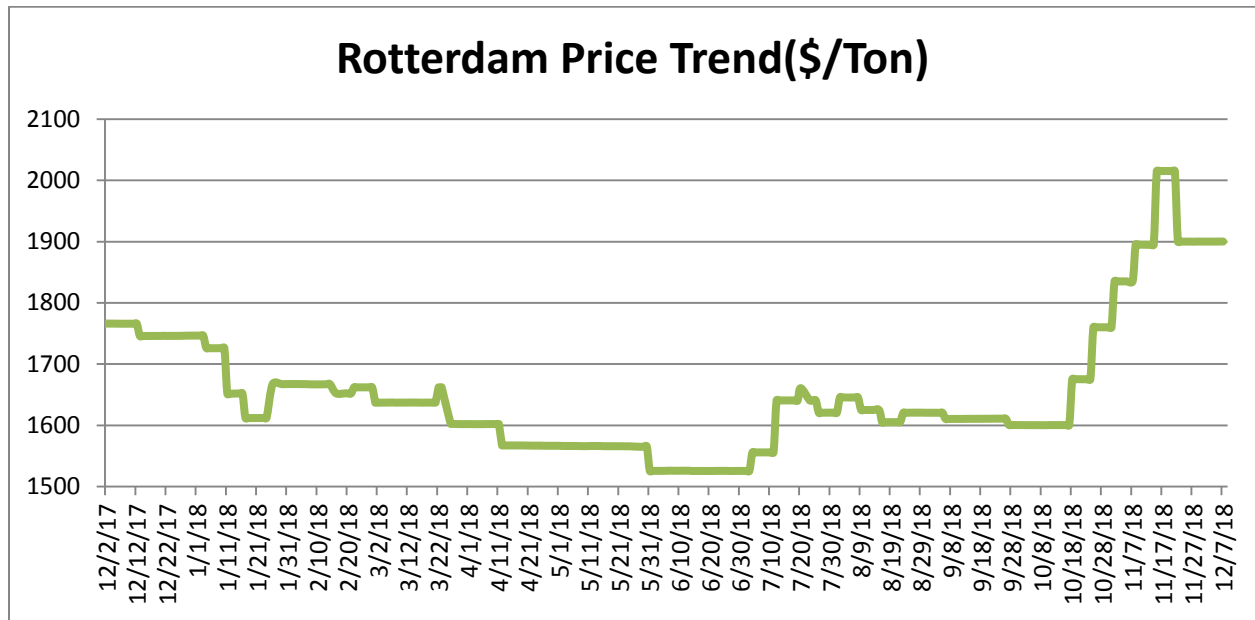
too. Based on lower yield realization seed production would decline from 12.5 to 10.55 lakh tons this year.

The season started with 6.10 lakh tons as carryout. Thus total availability for current marketing year comes to 16.65 lakh tons with estimated production of 10.55 lakh tons is included. Lower production would drag carryout down from 6.10 to 3.10 lakh tons. It would push seed price up in coming month of year 2018.

Castor Seed Supply & Demand for MY-2018-19:

Preliminary Forecast For 2018-19					
All units in lakh tons	2014-15	2015-16	2016-17	2017-18	2018-19*
Carry in	6.65	7.8	9.3	6.80	5.60
Production	13.5	14	10.5	12.5	10.55
Imports	0	0	0	0	0
Total Availability	20.15	21.8	19.8	18.8	16.1
Consumption	12.6	13	13.25	13.4	13.5
Exports	0	0	0	0	0
Total Usage	12.35	12.50	13.00	13.20	13.25
Carry out	7.80	9.30	6.80	5.60	2.85
Av Monthly Consumption	1.05	1.08	1.10	1.12	1.13
Stock to Month Use	7.43	8.58	6.16	5.01	2.53
Stock to Consumption Ratio	0.08	0.08	0.08	0.08	0.08



Rotterdam Price:


Source: Agriwatch

Source: SEA.

Comparative Prices Of Castor Products Including Seed					
	30th Nov '18	23rd Nov '18	30th Oct '18	30th Nov '17	CHANGE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	52450	NQ	56450	44460	15.23
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	93.00	NQ	94.00	80.00	13.98
EXPORT (FOR) Ports (Rs./MT) Castor meal bulk Kandla	6450	NQ	6900	5100	20.93
Castor Oil (First Grade) FOB Kandla (Export)\$/Tonne	1605	NQ	1565	1453	9.47
Local rates for oil in domestic market (Rs./M.T.) for comm.	112000	NQ	116000	93892	16.17

Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		7-Dec-18	30-Nov-18	6-Nov-18	7-Dec-17
Gujarat	Patan	5250	5125	5500	4450
	Harij	5325	5200	5450	4325
	Rajkot	5280	5065	5450	4215
	Gondal	5205	5055	5430	4280
	Deesa	Closed	5150	5400	4375
	Bhabar	5300	5250	5475	NA
	Mehsana	5275	5125	5500	4400
	Kadi	5160	5120	Closed	4465
	Sabarkatha	5375	5150	5450	4400
	Gandhi Nagar	5300	5225	5450	4400
	Ahmedabad (Sanand)	5150	5070	Closed	NA
	Halvad	5350	5100	4900	4100
	Junagadh	4870	5000	5275	NA
	Dhrol	4975	NA	Closed	NA
Rajasthan	Jodhpur	Closed	5200	5300	4350
	Sumerpur	Closed	5100	5450	4250

Castor Seed Weekly Prices at Key Spot Markets:

Commodity	Market	Price (Rs/ Quintal)		Change
Center		01st Dec to 07th Dec 2018	24th Nov to 30th Nov 2018	
Gujarat	Patan	5288	5396	-108
	Harij	5306	5421	-115
	Rajkot	5243	5213	29
	Gondal	5272	5297	-25
	Deesa	5359	5348	11
	Bhabar	5271	5363	-92
	Mehsana	5319	5363	-44
	Kadi	5253	5370	-117
	Sabarkatha	5358	5342	17
	Gandhi Nagar	5363	5379	-17
	Ahmedabad (Sanand)	5162	5190	-28
	Halvad	5258	5392	-133
	Junagadh	5132	5221	-89
	Dhrol	4988	4898	90
Rajasthan	Jodhpur	5334	5307	27
	Sumerpur	5220	5217	3

Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	01st Dec to 07th Dec 2018	24th Nov to 30th Nov 2018	Change
Gujarat	Patan	6150	4725	1425
	Harij	1763	1650	113
	Rajkot	2270	1055	1215
	Gondal	1095	1364	-269
	Deesa	2314	2590	-275
	Bhabar	7532	7966	-434
	Mehsana	1065	1800	-735
	Kadi	5594	5486	108
	Sabarkatha	360	600	-240
	Gandhi Nagar	1200	1013	188
	Ahmedabad (Sanand)	37	20	17
	Halvad	720	653	68
	Junagadh	1157	216	941
	Dhrol	3	2	1
Rajasthan	Jodhpur	439	555	-116
	Sumerpur	1600	1240	360
Total Arrivals/Above Markets		33298	30934	2364

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