



# Castor Weekly Research Report

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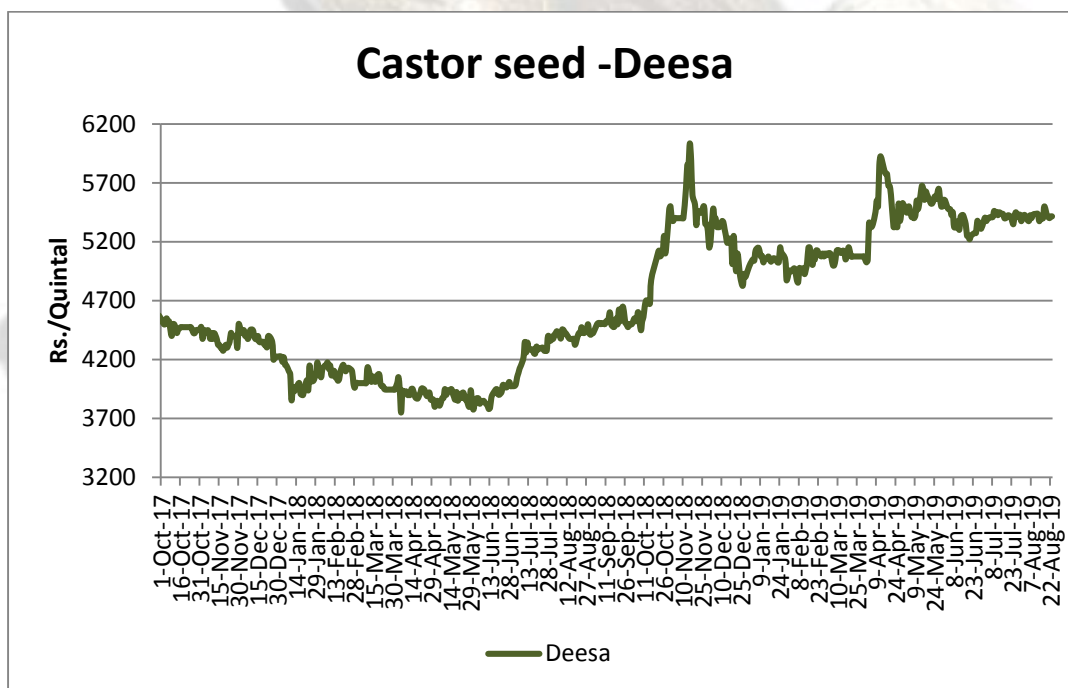
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**Castor Domestic Market Fundamentals:**

- All India weekly castor seed price traded firm by 1.32% from last week and currently moving in the range of Rs. 4950-4960/quintal, also up by 22.5% from last year price of Rs.4048/quintal. Castor seed prices is likely to trade up in coming weeks due to lower production aspects by Agriwatch.
- According to latest sowing report as on 14th August 2019, all India Castor sowing is reported at 3.828 lakh hectares in 2019 which is 23.04 per cent higher than last year acreage of 3.111 lakh hectares in the same time period. As expected, highest castor acreage is reported in Gujarat at 2.365 lakh hectares. According to the trade sources, all India castor sowing acreage this year might increase as compare to last year due to good prices of castor in domestic mandis throughout last year. Expectation of higher sowing acreage in the coming season might put downward pressure on the castor prices.
- Stocks of castor seed are lower than normal due to lower output in 2018/19. According to the market participants, at present castor seed stocks with stockiest are around 4 lakh tonnes which is lower than average stock of 5-6 lakh tonnes every year. New crop is expected to come from A.P.-Telangana in October-November. Till then, millers are dependent on the present lower stocks which might push the prices northward in the coming months.
- As per the Solvent Extractors' Association of India (SEA), all India castor seed production estimate for 2018-19 is 11.27 Lakh MT which is 21.35 per cent lower than the 2017-18 production estimate of 14.33 Lakh MT. However, according to the AGCON, castor production estimate is 9.13 Lakh MT for 2018-19.
- According to the AGMARK data, all India castor crop arrivals in the third week of August is reported at 4.35 Thousand MT which is 34.97 percent lower than last year arrivals of 6.69 thousand MT in the same time period. Lower arrivals in the domestic mandis may push the prices northward.
- According to the trade sources, castor oil exports in the month of July 2019 are 44.101 thousand MT which is 13 per cent lower than June exports of 50.577 thousand MT. On a cumulative basis, exports were 1.83 Lakh MT during the first four months of the financial year beginning from April which is 13.96 per cent lower than last year exports of 2.13 Lakh MT during the same period. Lower export is due to lower demand from traditional buyers like China.
- As per the Solvent Extractors' Association of India (SEA), castor meal exports in the month of July 2019 is 41.359 thousand MT which is 41.25 per cent lower than June 2019 exports of 70.405 MT. Total exports from April to July 2019 is reported at 2.29 Lakh MT which is 201.31 higher than last year exports of 0.76 lakh MT in the same time period.

FUNDAMENTAL SUMMARY	
Price Drivers	Impact
Higher export demand of castor oil	Bullish
Lower export demand of castor meal	Bearish

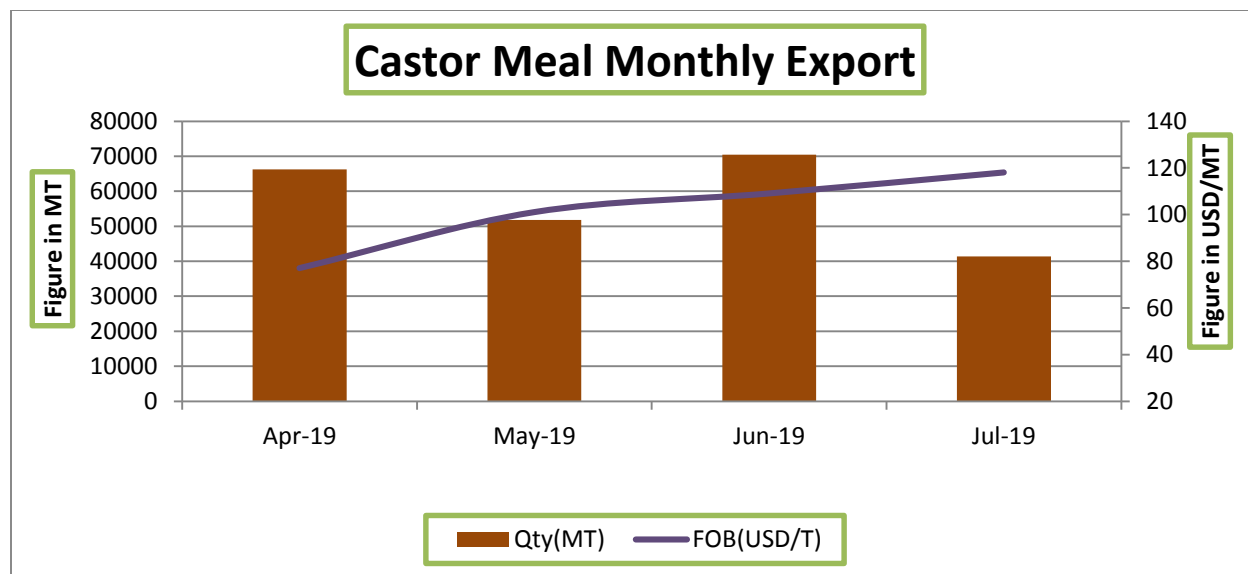
Expectation of lower arrivals in the coming days	Bullish
Higher demand from millers	Bullish
Lower production estimate in 2018-19	Bullish
Forecast of lower production in 2019-20	Bullish
Based on Primary & Secondary Sources	

**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 firm movement, however price is likely to trade steady to firm with lower arrival.

### Castor Meal Monthly Export:



Source: Sea of India

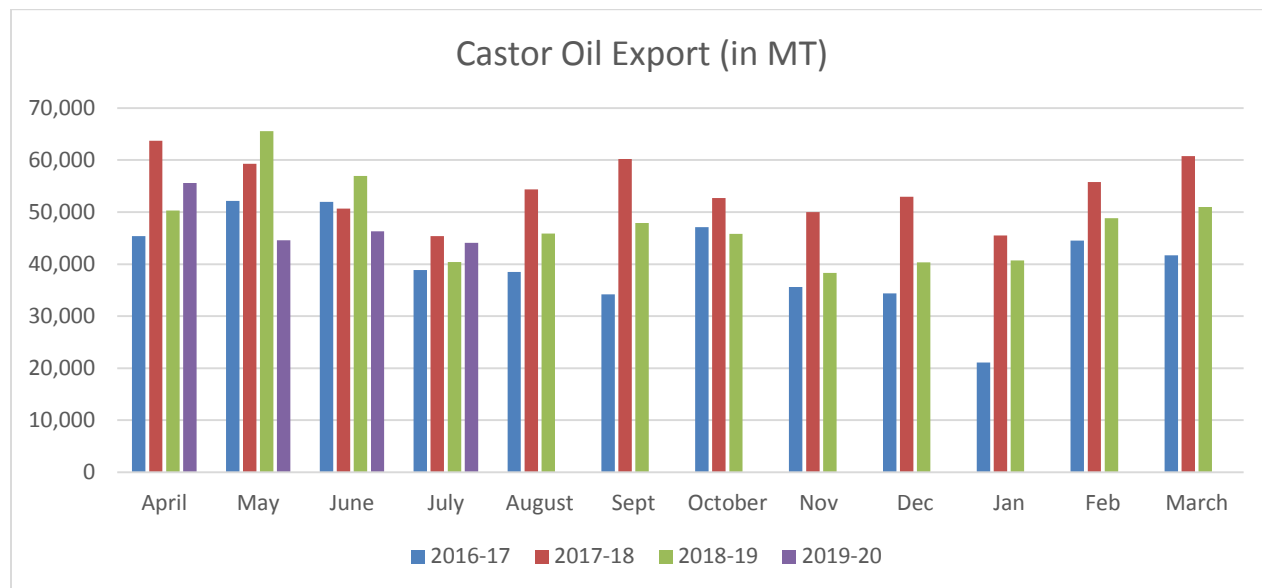
### Castor Meal Export Summary:

The Solvent Extractors' Association of India has compiled the export data for export of oilmeals for the month of July 2019. The export of oilmeals during July 2019 is provisionally reported at 166,301 tons compared to 215,716 tons in July, 2018 i.e. down by 23%. The overall export of oilmeals during April-July 2019 is reported at 851,070 tons compared to 966,874 tons in April-July 2018 i.e. down by 12%. The export of castorseed meal has increased to 229,820(75,597) tons, being mainly exported to South Korea. During April-July 2019 Vietnam imported 120,889 tons of oilmeals (compared to 228,627 tons); consisting of 1,892 tons of soybean meal, 71,683 tons of rapeseed meal and 47,314 tons of De-oiled Rice Bran Extraction. South Korea imported 365,652 tons of oilmeals (compared to 198,304 tons) ; consisting 13,282 tons of soybean meal, 162,487 tons of rapeseed meal and 189,883 tons of castorseed meal. Thailand imported 107,607 tons of oilmeals (compared to 129,661 tons) consisting 88,595 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 1,431 tons of soybean meal.

## Castor Seed & Oil Weekly Report

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**Castor oil exports drop 30% in October on poor off take from China:**



### State wise Wholesale Prices Weekly Analysis for Castor Seed 03<sup>rd</sup> Week Aug, 2019

State	Prices 16-23 Aug 2019	Prices 09-15 Aug 2019	Prices 16-23 Aug 2018	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	5182.92	5172.96	4186.23	0.19	23.81
Gujarat	5371	5368.83	4382.44	0.04	22.56
Karnataka	5800	4088.89	3800	41.85	52.63
MP	3302.71		4160	—	-20.61
Maharashtra			3500	—	—
Rajasthan	5229.08	5294.9	4356.34	-1.24	20.03
Tamil Nadu			3778	—	—
Telangana	4866.74	4542.86	4215.35	7.13	15.45
Average	4958.74	4893.69	4047.3		

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

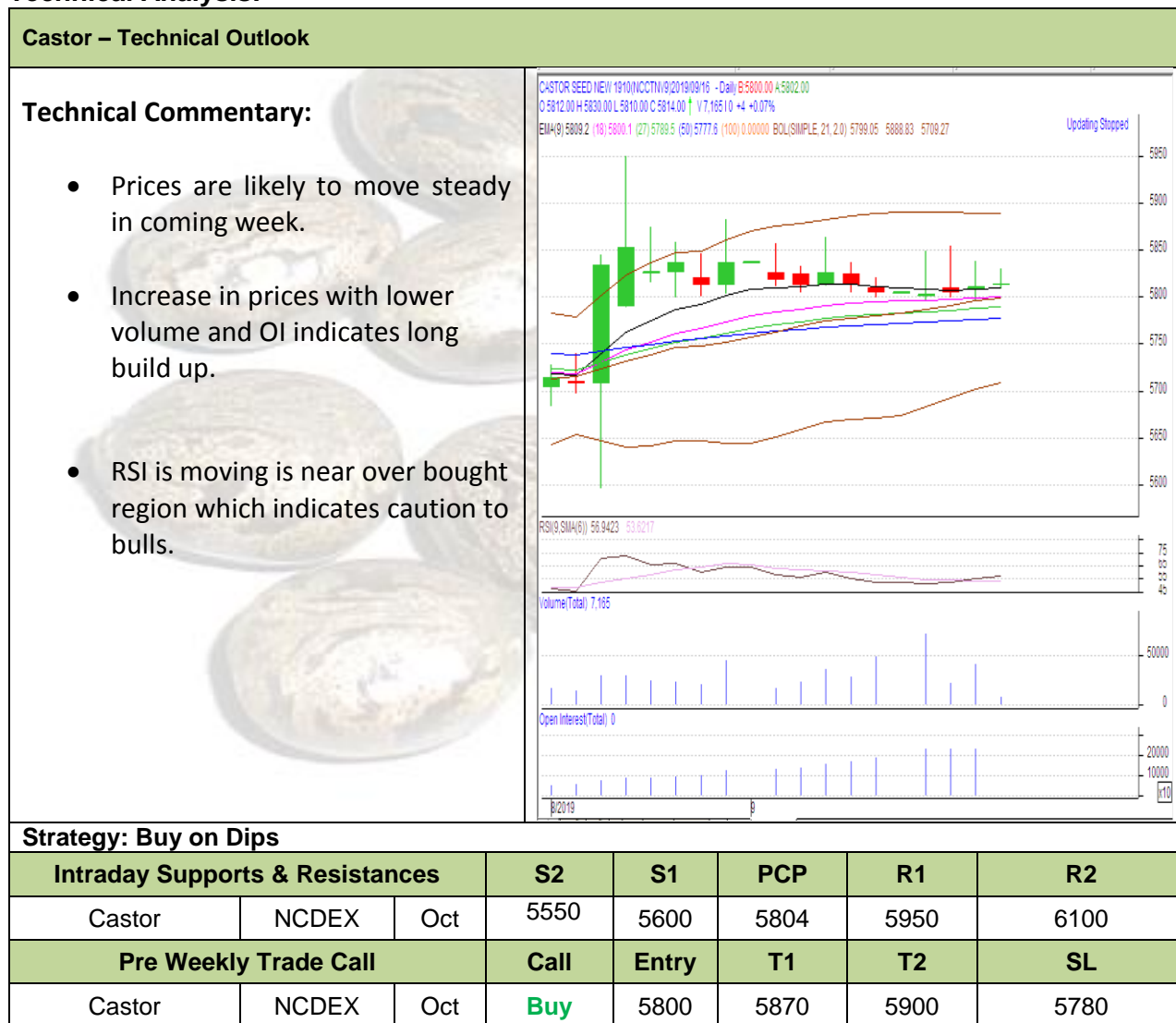
## Castor Seed & Oil Weekly Report

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#### Cash Market Price Outlook for Spot Price

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	5200-5300	5300-5400
Medium Term (30 days)	5300-5500	5500-5720

#### Technical Analysis:



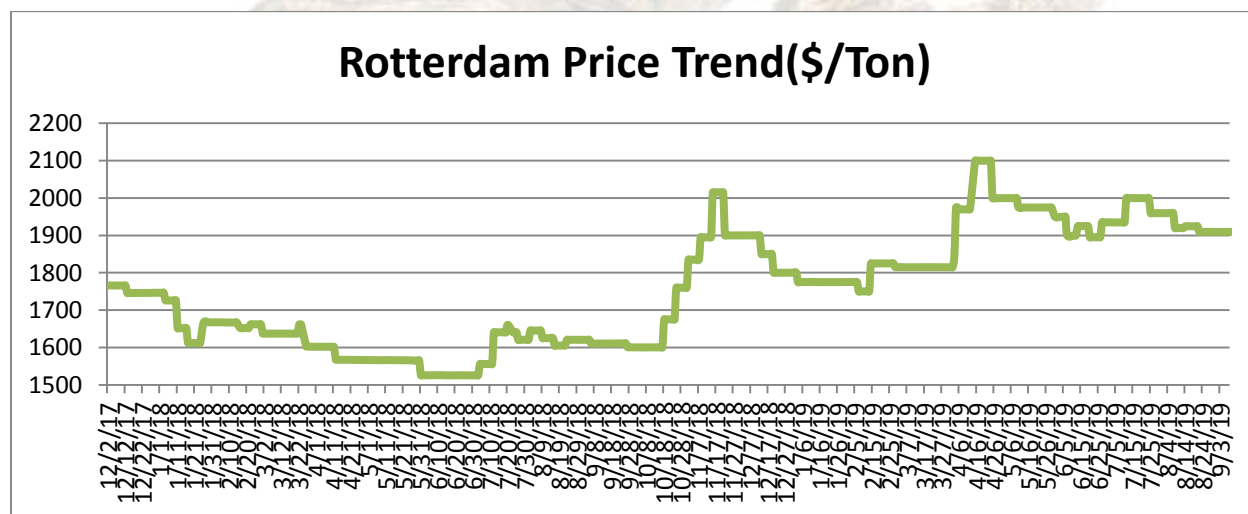
### Castor Seed Supply & Demand for MY-2018-19:

Preliminary Forecast For 2019-20*					
All units in lakh tons	2015-16	2016-17	2017-18	2018-19	2019-20*
Carry in	5.54	6.79	4.39	5.49	4.19
<b>Production</b>	14.00	10.60	14.30	11.20	14.05
Imports	0.00	0.00	0.00	0.00	0
Total Availability	19.54	17.39	18.69	16.69	18.24
Consumption	12.75	13.00	13.20	13.00	13.2
Exports	0.00	0.00	0.00	0.00	0
Total Usage	12.75	13.00	13.20	12.50	13.20
<b>Carry out</b>	<b>6.79</b>	<b>4.39</b>	<b>5.49</b>	<b>4.19</b>	<b>5.04</b>
Av Monthly Consumption	1.06	1.08	1.10	1.08	1.10
Stock to Month Use	6.39	4.05	4.99	3.87	4.58
Stock to Consumption Ratio	1.06	1.08	1.10	1.08	1.10

### Castor Seed- Balance Sheet for 2019-20\*(AW preliminary estimates)

Agriwatch is estimating that castor seed production is likely to up in this crop year-2019-20, as area is increasing in Gujarat which is one of the major producing state, however area is down in other states like Andhra Pradesh, Telangana and Rajasthan. This year it is estimated around 14 lakh tons of castor seed production which is up by 25% from last year production of 11.20 lakh tons. Prices is likely to down once picking starts in producing states and likely to trade steady as carry over stock expected to up in next season.

### Rotterdam Price:



Source: Agriwatch



<b>Comparative Prices Of Castor Products Including Seed</b>					
	<b>26th July'19</b>	<b>19th July'19</b>	<b>26<sup>th</sup> June'19</b>	<b>26th July'18</b>	<b>CHANGE %</b>
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	55150	55650	55250	43717	<b>20.73</b>
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	118.00	118.00	110.00	79.00	<b>33.05</b>
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	7950	7950	7450	5440	<b>31.57</b>
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1640	1660	1645	1323	<b>19.33</b>
Local rates for oil in domestic market(Rs./M.T.) for comm.	115000	115000	114000	91115	<b>20.77</b>

**Source: SEA.**

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

<b>Commodity</b>	<b>Market</b>	<b>Price (Rs/ Quintal)</b>		<b>Change</b>
		<b>09th Sept to 14th Sep 2019</b>	<b>02nd Sept to 07th Sept 2019</b>	
<b>Gujarat</b>	Patan	5487	5495	<b>-8</b>
	Harij	5490	5500	<b>-10</b>
	Rajkot	5400	5416	<b>-16</b>
	Gondal	5465	5430	<b>35</b>
	Deesa	5525	5458	<b>67</b>
	Bhabar	5498	5500	<b>-2</b>
	Mehsana	5540	5524	<b>16</b>
	Kadi	5529	5532	<b>-3</b>
	Sabarkatha	5555	5545	<b>10</b>
	Gandhi Nagar	5495	5500	<b>-5</b>
	Ahmedabad (Sanand)	#DIV/o!	5364	<b>-</b>
	Halvad	5450	5380	<b>70</b>
	Junagadh	5325	5256	<b>69</b>
	Dhrol	4634	4500	<b>134</b>
<b>Rajasthan</b>	Jodhpur	5347	5312	<b>35</b>
	Sumerpur	5445	5420	<b>25</b>



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Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	09th Sept to 14th Sep 2019	02nd Sept to 07th Sept 2019	Change
Gujarat	Patan	4688	8925	12750
	Harij	2813	0	2625
	Rajkot	415	905	1070
	Gondal	1642	225	1254
	Deesa	2680	2520	1593
	Bhabar	8320	9792	16000
	Mehsana	1800	1688	3413
	Kadi	2464	5760	4520
	Sabarkatha	1040	1680	960
	Gandhi Nagar	1688	1650	2250
	Ahmedabad (Sanand)	0	0	10
	Halvad	630	263	458
	Junagadh	196	22	293
	Dhrol	14	0	5
Rajasthan	Jodhpur	570	180	248
	Sumerpur	640	800	400
Total Arrivals/Above Markets		29599	34409	47847

Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		13-Sep-19	6-Sep-19	14-Aug-19	13-Sep-18
Gujarat	Patan	5510	4546.667	5400	4525
	Harij	5525	4535	5400	0
	Rajkot	5400	4396	5320	0
	Gondal	5405	4425	5330	0
	Deesa	5525	4529.167	5400	0
	Bhabar	5500	4511.667	5360	#VALUE!
	Mehsana	5550	4501.667	5415	0
	Kadi	5550	4508.333	5550	0
	Sabarkatha	5550	4505.833	5475	4525
	Gandhi Nagar	5500	4512.5	5475	0
	Ahmedabad (Sanand)	NA	#DIV/o!	5250	0
	Halvad	5475	4454.167	5385	4515

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	Junagadh	5205	4367.5	5225	4355
	Dhrol	5170	4200	4800	3895
Rajasthan	Jodhpur	5300	4485	5300	4300
	Sumerpur	5425	4421.667	5350	4425

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