



Castor Weekly Research Report

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Castor Domestic Market Fundamentals:

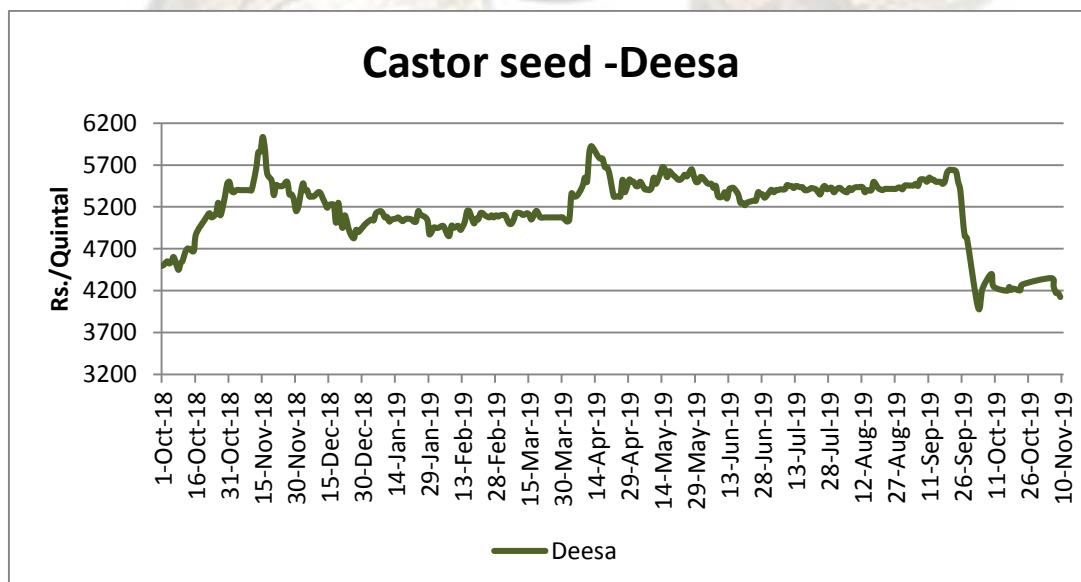
- According to the AGMARK data, all India castor crop arrivals in the third week of November is reported at 3.17 Thousand MT which is 55 percent higher than last year arrivals of 6.57 thousand MT in the same time period. Lower arrivals in the domestic mandis may push the prices upward.
- According to latest sowing report as on 27th September 2019, all India Castor sowing is reported 9.38 lakh hectares in 2019 which is 6.95 per cent higher than last year acreage of 8.77 lakh hectares in the same time period. Higher castor acreage is reported in Gujarat this year as compare to last year. However, in Rajasthan castor acreage has decreased to 1.54 lakh hectares from 2.64 lakh hectares last year.
- Gujarat castor acreage is reported at 7.40 lakh hectares which is 38.57 per cent higher than last year acreage of 5.34 lakh hectares. Farmers in Gujarat had re-sowed castor crop where damaged was observed due to rains. However, yield is expected to be lower than normal in those areas due to late sowing.
- According to Government 1st advance estimate, castor production in 2019-20 is estimated at 17.37 lakh tonnes.
- 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.
- Castor oil exports in the month of October 2019 are 37.092 thousand MT which is 10.33 per cent lower than September exports of 40.927 thousand MT. On a cumulative basis, exports were 4.55 Lakh MT from Jan to Oct 2019 which is 11.67 per cent lower than last year exports of 5.15 Lakh MT during the same period. Exports were lower this year due to high domestic market prices.
- As per the Solvent Extractors' Association of India (SEA), castor meal exports in the month of Oct'19 is reported at 36.335 lakh MT which is 19.05 per cent lower than the exports of Sept'19 of 44.886 lakh MT. On a cumulative basis, exports were 3.45 Lakh MT from Apr to Oct 2019 which is 1111 per cent higher than last year exports of 2.29 Lakh MT during the same period. Average Castor meal FoB prices in the month of Oct'19 was \$92 per tonnes which is lower than the average prices of Sept'19 month of \$102 per tonnes.

FUNDAMENTAL SUMMARY	
Price Drivers	Impact
Lower arrivals of castor in the domestic mandis	Bullish
Higher Sowing Acreage	Bearish
Lower production estimate in 2019-20	Bearish
Lower Demand of Castor Oil	Bearish
Based on Primary & Secondary Sources	

Comparative Castor seed Prices of major mandi (Rs./Qtl):

Location	Today(30/11/2019)	Week Ago(22/11/2019)	Month Ago(29/10/2019)	Year Ago(29/11/2018)
Patan	3975	4200	Closed	5350
Deesa	4000	4200	Closed	5290
Sumerpur	3900	4200	Closed	5100

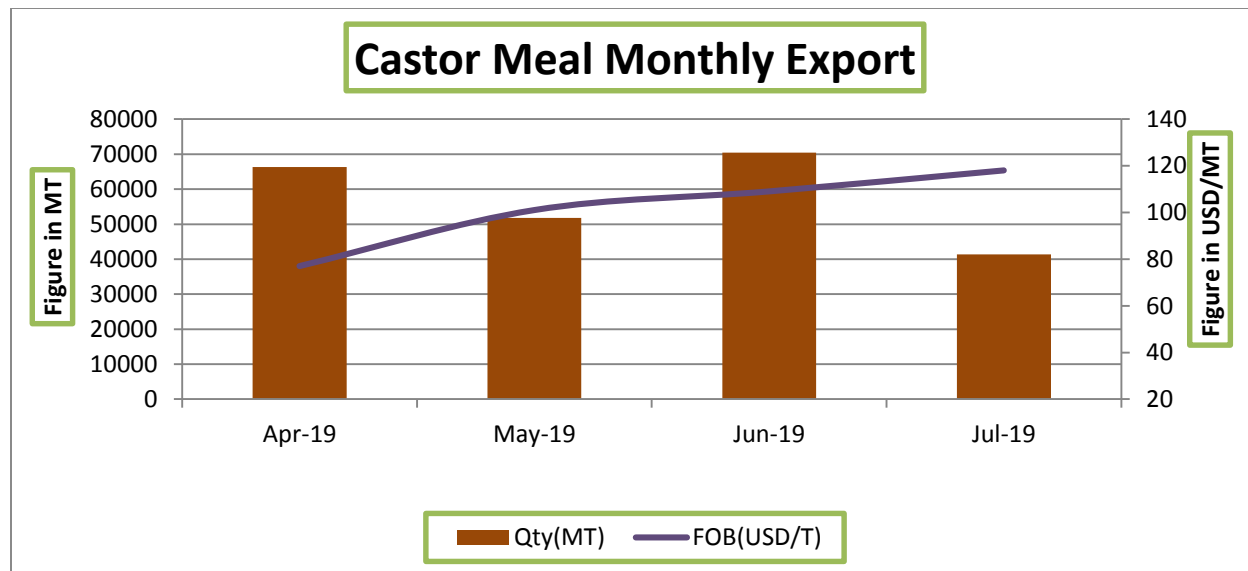
Castor Price Trend Deesa Mandi:



Source: Agriwatch

Above price chart is of Deesa Mandi in Gujarat, which is a major mandi for castor seed. Price trend is showing weak movement, however price is likely to trade steady with lower demand.

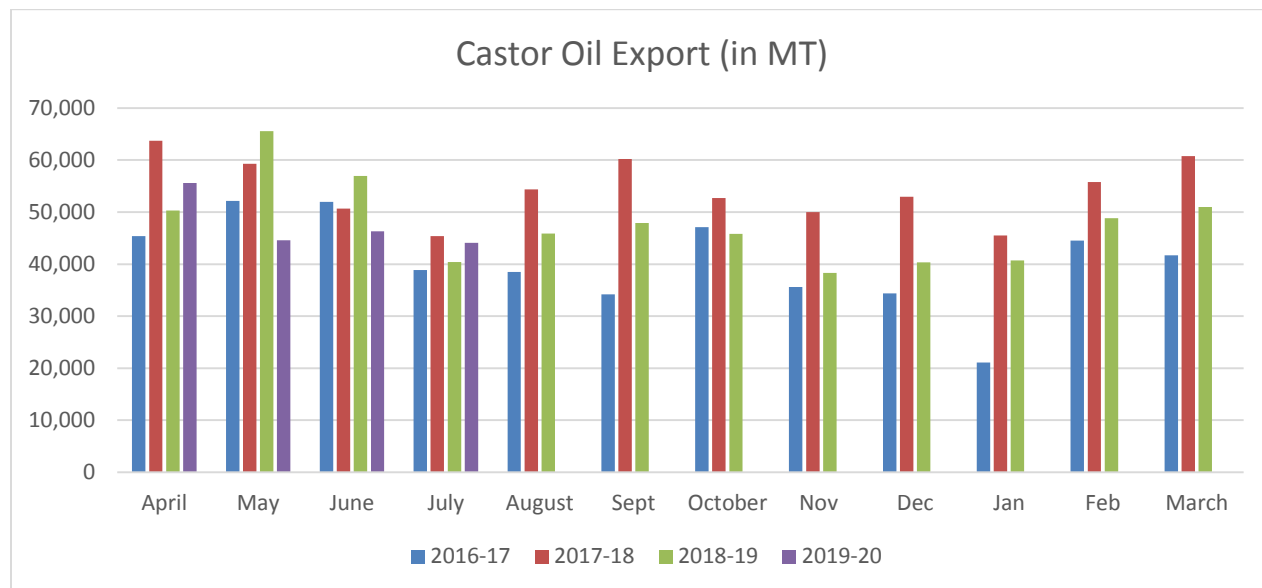
Castor Meal Monthly Export:



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

State wise Wholesale Prices Weekly Analysis for Castor Seed 04th Week Nov, 2019

State	Prices 24-30 Nov 2019	Prices 16-23 Nov 2019	Prices 24-30 Nov 2018	% Change(Over Previous Week)	% Change(Over Previous Year)
Rajasthan	4222.8	3899.99	5172.06	8.28	-18.35
Andhra Pradesh	3518.5	3671.38	4835.4	-4.16	-27.23
Karnataka	3880	4259.64	2683.17	-8.91	44.61
Gujarat	4010.92	4280	5252.9	-6.29	-23.64
Telangana	3816.47	3893.04		-1.97	---
Madhya Pradesh		3692.64	4756.72	---	---
Chattisgarh			800	---	---
Average	3889.74	3949.45	3916.71		

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

Cash Market Price Outlook for Spot Price

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	41500-4300	4200-4350
Medium Term (30 days)	4180-4600	4200-4700

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 is near over bought region which indicates caution to bulls.



Strategy: Buy on Dips

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor	NCDEX	Dec	3900	4000	4148	4550	4600
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Dec	Buy	4160	4220	4250	4140

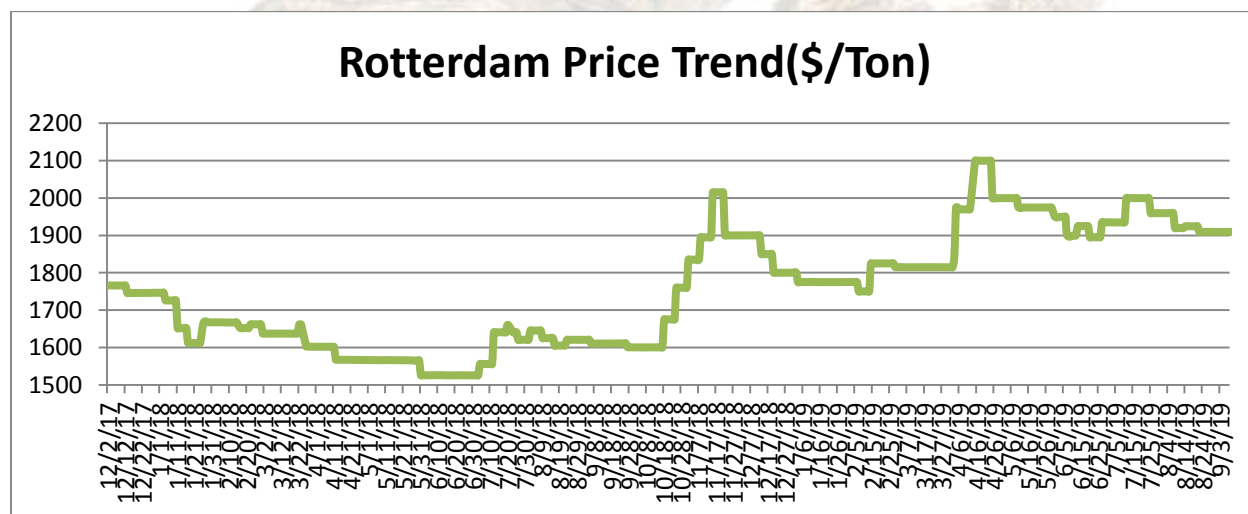
Castor Seed Supply & Demand for MY-2018-19:

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
Production	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
Carry out	6.79	4.39	5.49	4.19	5.04
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

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

Source: SEA.

Castor Seed Weekly Prices at Key Spot Markets:

Commodity	Market	Price (Rs/ Quintal)		Change
		02nd Dec to 06th Dec 2019	25th to 30th Nov 2019	
Gujarat	Patan	3870	4125	-255
	Harij	3965	4195	-230
	Rajkot	3710	3911	-201
	Gondal	3896	3954	-58
	Deesa	4030	4169	-139
	Bhabar	4015	4225	-210
	Mehsana	3835	4110	-275
	Kadi	3862	4091	-229
	Sabarkatha	0	0	0
	Gandhi Nagar	3980	4170	-190
	Ahmedabad (Sanand)	0	0	0
	Halvad	4575	4570	5
	Junagadh	0	0	0
	Dhrol	764	0	764
Rajasthan	Jodhpur	4034	4190	-156
	Sumerpur	3895	4080	-185

Castor Seed & Oil Weekly Report

Date-09th Dec 2019

Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	02 nd Dec to 06 th Dec 2019	25 th to 30 th Nov 2019	Change
Gujarat	Patan	894	915	-21
	Harij	1365	1238	128
	Rajkot	8	73	-65
	Gondal	138	145	-7
	Deesa	1463	1710	-248
	Bhabar	1200	858	342
	Mehsana	135	131	4
	Kadi	312	696	-384
	Sabarkatha	0	0	0
	Gandhi Nagar	150	180	-30
	Ahmedabad (Sanand)	0	0	0
	Halvad	878	375	503
	Junagadh	0	0	0
	Dhrol	218	0	218
Rajasthan	Jodhpur	0	0	0
	Sumerpur	200	200	0
Total Arrivals/Above Markets		6960	6521	439

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