




Castor Weekly Research Report

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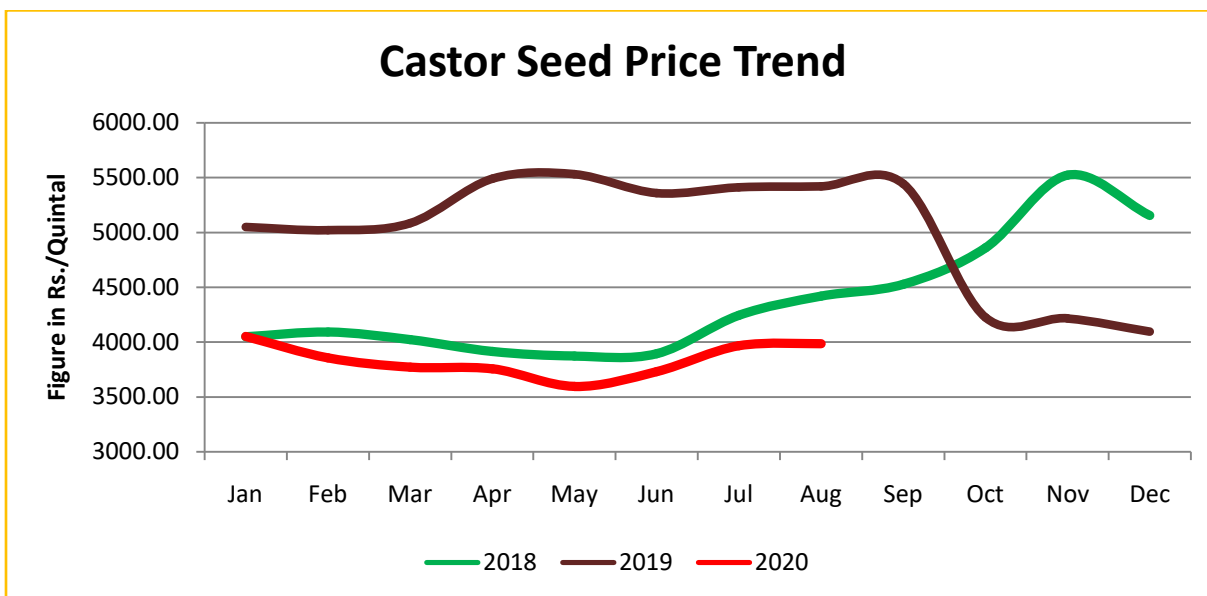
**Castor Domestic Market Fundamentals:**

- With higher stock of castor seed with farmers in Gujarat, prices would like to trade in the range bound in near term.
 - As per trade sources, In the on-going season, around 12 lakh tons of castor seed is available against 8.5 lakh tons of total requirement.
 - Castor oil exports from January to July were increased and around 3.67 lakh tons were exported in this period, which was 3.3 lakh tons during corresponding period last year.
 - Meanwhile, in the remaining months, export of castor oil is likely to fall down due to logistic problem and demand destruction.
 - Current sowing of Castor seed in Gujarat was reported around 3.8 lakh hectares, which was 3.4 lakh hectares last year. In Rajasthan, sowing reported was around 1.9 lakh ha, same as last year.
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- Last year sowing in A.P and Telangana was reported 1 lakh ha. But now it is reported tat area would like to decline by 15-20%.
 - Overall sowing in Gujarat is also like to fall by 10%.

Castor Sowing Outlook in 2020-21

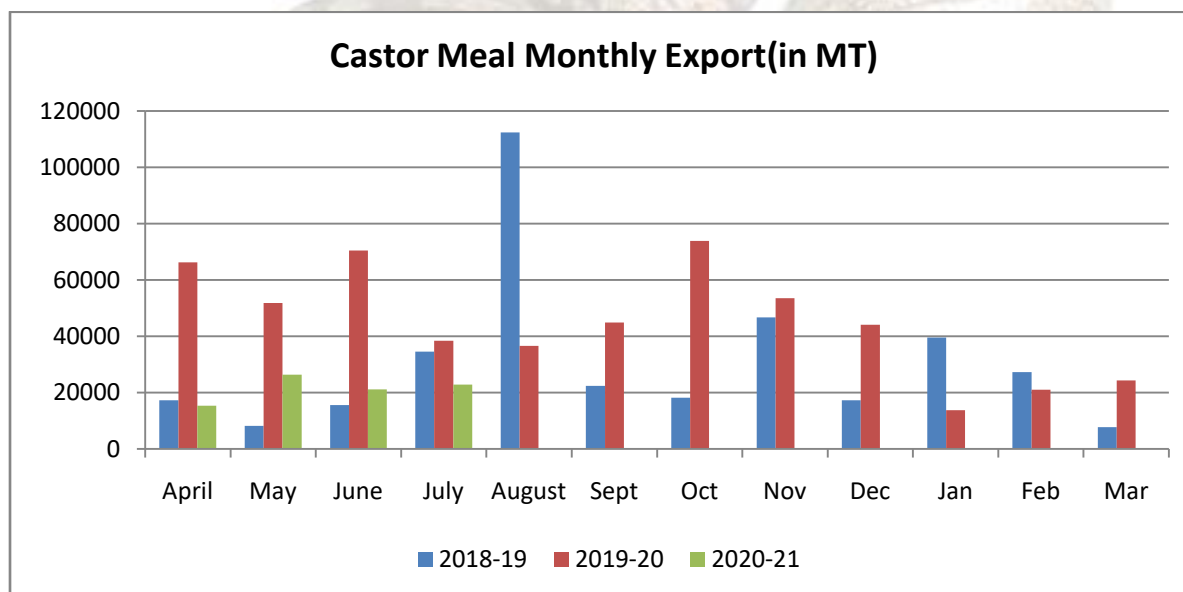
Castor sowing is at disadvantage due to all the Following reasons.

- IMD & other forecasted the monsoon during 2020 as timely & good.
- Monsoon already commenced in Gujarat on 14th June, 2020.
- Pre-Monsoon rains helped early sowing.
- Water levels are high.
- Lower realization of prices by Castor farmers at the time of sowing.
- Good prices of competing crops
- Higher MSP declared by Govt for food crops.

Castor Price Trend Deesa Mandi:


Source: Agriwatch

Above price chart is of Deesa Mandi in Gujarat, which is a major mandi for castor seed. Castor seed price traded weak in the starting of this year due to higher seed availability and impact of corona virus also push the prices downwards.

Castor Meal Monthly Export:


Source: Sea of India

State wise Wholesale Prices Weekly Analysis for Castor Seed Second week Aug, 2020

State	Prices 09-15 Aug 2020	Prices 01-08 Aug 2020	Prices 09-15 Aug 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh		3698.66	5025.84	---	---
Maharashtra				---	---
Gujarat	3902.81	3927.08	5437.46	-0.62	-28.22
Karnataka	3529	2937.81	5300	20.12	-33.42
Rajasthan	3842.75	3803.55	5057.92	1.03	-24.03
Telangana			4827.79	---	---
Madhya Pradesh			4576.92	---	---
Average	3758.19	3591.77	5037.66		

*Report Generation: As per the data reported by APMCs

Prices in Rs/Quintal

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)	3500-3700	3500-3800
Medium Term (30 days)	4000-4300	3900-4600

Technical Analysis:
Castor – Technical Outlook
Technical Commentary:

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


Strategy: Buy

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor	NCDEX	Sept	3200	3300	4018	4250	4400
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Sept	Buy	3980	4000	4100	3960

Castor Seed Supply & Demand for MY-2019-20:

All units in lakh tonnes	2017-18	2018-19	2019-20*
Carry in	4.29	5.04	2.30
Production	14.00	11.25	19.6
Imports	0.00	0.00	0
Total Availability	18.29	16.29	21.90
Consumption (crushing)	13.25	14.00	14.5
Exports	0.00	0.00	0
Total Usage	13.25	14.00	14.50
Carry out	5.04	2.30	7.40
Av Monthly Consumption	1.10	1.13	1.15

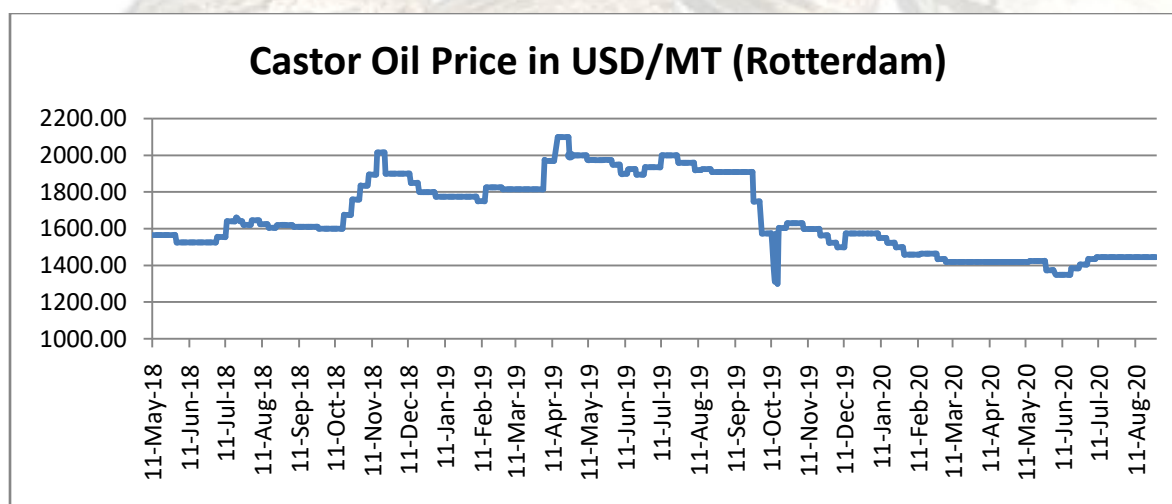
Supply and Demand: MY 2019-20 started with lower carryout of 2.30 lakh tons. As production was higher in on-going MY (Marketing Year), availability increased from 16.29 to 21.90 lakh tons. Higher availability in domestic market, lock-down situation started impacting prices. Lower

realisation in current season and normal monsoon this year will influence farmer to opt for other crops like Cotton and Groundnut.

Export demand: Despite higher export in May-2020 at 54257MT against 44615 MT in May 2019, export prospect seems bleak due to various issues from producing to importing countries. Major importing countries like China, EU and US are struggling with their own problems such as border tension, spread of COVID-19 and its impact and weakening buying power of retail customer would continue to impact demand for export in the near to medium term. But, low prices may attract stocking interest at consuming countries.

Domestic Demand: Right now domestic demand remains depressed due to disturbed course of trading activities due to COVID-19 impact. Brokers and sellers are avoiding visiting markets as threats are looming large. However, it should improve in coming month as paints and pharmaceutical industries may back on production track soon.

Rotterdam Price:



Source: Agriwatch

Comparative Prices Of Castor Products Including Seed					
	15thMa y'20	8th May'20	15thAp r'20	15thMa y'19	CHAN GE %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	36000	36750	40000	56637	-57.33
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	55.00	55.00	NQ	101.00	-83.64
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	4000	4000	NQ	6771	-69.28
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	NQ	NQ	NQ	1696	-
Local rates for oil in domestic market(Rs./M.T.) for comm.	82500	86000	94000	118415	-43.53

Source: SEA.

Castor Seed Weekly Prices at Key Spot Markets:

Commodity Center	Market	Price (Rs/ Quintal)		Change
		23 Aug to 29 Aug 2020	16 Aug to 22 Aug 2020	
Gujarat	Patan	3981	4003	-22
	Harij	3913	4000	-88
	Rajkot	3834	3863	-29
	Gondal	3880	3912	-32
	Deesa	4010	3958	52
	Bhabar	3950	3956	-6
	Mehsana	3953	3966	-14
	Kadi	3986	3950	36
	Sabarkatha	3971	3995	-24
	Gandhi Nagar	3967	3970	-3
	Ahmedabad (Sanand)	0	0	Unch
	Halvad	3895	3825	70
	Junagadh	3770	3860	-90
	Dhrol	3585	3651	-66
Rajasthan	Jodhpur	3650	3806	-156
	Sumerpur	3863	3833	30

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	23 Aug to 29 Aug 2020	16 Aug to 22 Aug 2020	Change
Gujarat	Patan	7399	20030	-12631
	Harij	4125	10275	-6150
	Rajkot	3375	3395	-20
	Gondal	2600	3550	-950
	Deesa	1990	4124	-2134
	Bhabar	3440	23520	-
	Mehsana	4050	5175	-1125
	Kadi	12520	22560	-10040
	Sabarkatha	1280	1880	-600
	Gandhi Nagar	4763	2925	1838
	Ahmedabad (Sanand)	0	0	Unch
	Halvad	4875	8475	-3600
	Junagadh	60	75	-15

	Dhrol	1	112	-111
Rajasthan	Jodhpur	0	152	-152
	Sumerpur	320	2400	-2080
Total Arrivals/Above Markets		50797	108647	-57850

Week on Week Price: Scenario of Castor Seed :					
Commodity	Market	Today	Week ago	Month ago	Year ago
Center		29-Aug-20	22-Aug-20	29-Jul-20	30-Aug-19
Gujarat	Patan	3945	Closed	3980	5500
	Harij	Closed	Closed	3925	5525
	Rajkot	3835	3780	3800	5400
	Gondal	3905	Closed	3910	5405
	Deesa	3955	Closed	3935	5410
	Bhabar	3900	Closed	3875	5525
	Mehsana	3940	Closed	3985	5535
	Kadi	3900	Closed	3900	5500
	Sabarkatha	3975	Closed	Closed	5525
	Gandhi Nagar	3950	Closed	Closed	5475
	Ahmedabad (Sanand)	NA	0	0	5395
	Halvad	3900	3850	3950	5400
	Junagadh	NA	3810	3855	5290
	Dhrol	NA	3600	3650	0
Rajasthan	Jodhpur	3600	3800	3825	5200
	Sumerpur	3850	Closed	3900	5450

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