



Castor Weekly Research Report

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**Castor Domestic Market Fundamentals:**

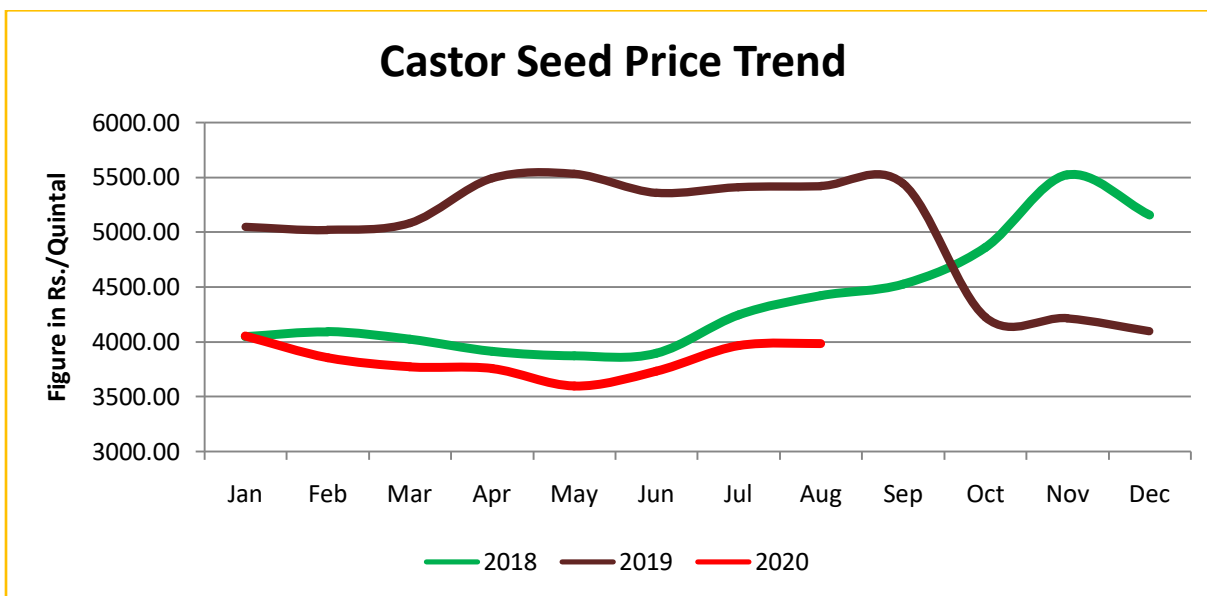
- Weekly castor price traded with bearish tone with higher arrival.
- All India average price of castor seed traded Rs. 3900/quintal against Rs.3949/quintal last week.
- Castor seed arrival in second week of September recorded at 71341 quintal against last week arrival of 79330 quintal, thus 7989 quintal is less arrived in the mandi.
- 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.
- 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.

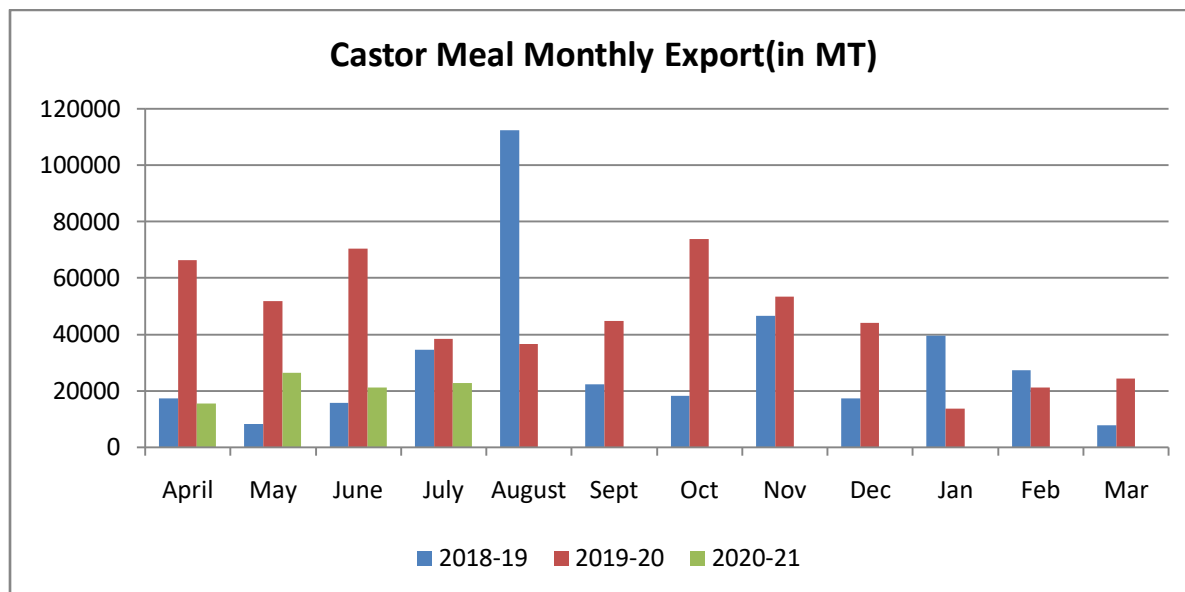
- Lower realization of prices by Castor farmers at the time of sowing.
- Good prices of competing crops
- Higher MSP declared by Govt for food crops.

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 Sept, 2020

State	Prices 09-15 Sep 2020	Prices 01-08 Sep 2020	Prices 09-15 Sep 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	3454.56	3604.41	5173.69	-4.16	-33.23
Gujarat	3899.22	3866.46	5419.82	0.85	-28.06
Karnataka	3558.54	3440.53		3.43	---
Maharashtra		3425		---	---
Odisha			3600	---	---
Rajasthan	3827.61	4559.32	5305.44	-16.05	-27.85
Tamil Nadu			5363	---	---
Telangana	3763.02	3603.6	4901.93	4.42	-23.23
Average	3700.59	3749.89	4960.65		

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

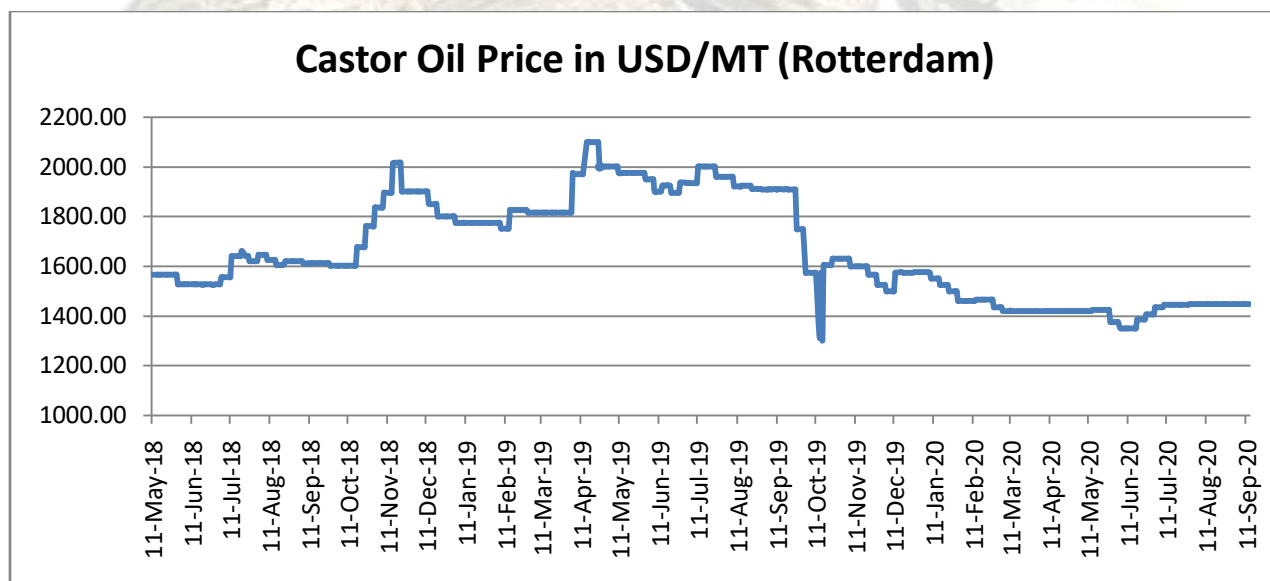
Supply and Demand: MY 2019-20 started with lower carryout of 2.30 lakh tons. As production was higher in on-going MY (Marketing Year), availability increased from 16.29 to 21.90 lakh tons. Higher availability in domestic market, lock-down situation started impacting prices. Lower

realization 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

Castor Seed Weekly Prices at Key Spot Markets:

Commodity Center	Market	Price (Rs/ Quintal)		Change
		07 sept to 12 Sept 2020	31 Aug to 05 Sept 2020	
Gujarat	Patan	3982	4144	-163
	Harij	3954	4088	-133
	Rajkot	3811	3921	-110
	Gondal	3849	3963	-114
	Deesa	3986	4084	-98
	Bhabar	4017	4067	-50
	Mehsana	3933	4074	-141
	Kadi	3967	4131	-164
	Sabarkatha	3963	4129	-167
	Gandhi Nagar	3933	4096	-163
	Ahmedabad (Sanand)	0	0	Unch
	Halvad	3894	3996	-102
	Junagadh	2547	3753	-1206
	Dhrol	1436	2480	-1044
Rajasthan	Jodhpur	3825	3985	-160
	Sumerpur	3842	3960	-118

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	07 sept to 12 Sept 2020	31 Aug to 05 Sept 2020	Change
Gujarat	Patan	13875	13650	225
	Harij	9075	5700	3375
	Rajkot	3110	3520	-410
	Gondal	3350	3860	-510
	Deesa	1950	1511	439
	Bhabar	2328	1760	568
	Mehsana	4725	3488	1238
	Kadi	15328	26312	-10984
	Sabarkatha	2880	2560	320
	Gandhi Nagar	4650	4500	150
	Ahmedabad (Sanand)	0	0	Unch
	Halvad	7425	10425	-3000
	Junagadh	233	192	41
	Dhrol	12	12	-1
Rajasthan	Jodhpur	0	0	Unch

	Sumerpur	2400	1840	560
Total Arrivals/Above Markets		71341	79330	-7989

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