



Castor Weekly Research Report

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Castor Domestic Market Fundamentals:

- **Price:** All India average prices of castor seed traded mixed in second week of October as buyers are waiting to fall in price. Castor seed price was around Rs.3877/quintal against last week price of Rs.3686/Quintal.
- **Outlook:** This year, stockiest don't have stock in their hand; Processors and millers are working from hand to mouth. Most of the estimated stocks of 9-10 lakh tonnes in the market is with the farmers. Thus, farmers would play the price driver in this season. We expect that Castor seed price will gradually increase in coming weeks.
- **Arrival:** All India Castor seed arrival is increasing slowly with demand coming from lubricant and Paint industries which generally picks up before Diwali. Seed arrival reported in last week of September was 82011 quintal against last week's arrival of 79330 quintal.
- **Sowing:** According to the last sowing report as on 18th September 2020, all India Castor acreage is reported at 7.74 lakh hectares which is 14.92% lower than last year acreage of 9.10 lakh hectares in the same time period. Castor acreage in Gujarat this year is 5.80 lakh hectares against 6.79 lakh hectares, last year. Meanwhile acreage under castor seed is also reported down in other major producing states like Rajasthan, A.P. & Telangana.
- According to Government 1st advance estimate, castor production in 2020-21 is estimated at 17.24 lakh tonnes. Last year total production of seed was reported 18.49 lakh tonnes which was a record in decade.
- **Export:** India's castor oil exports gained by 35% from 48,589 tonnes to 65,682 tons in July, 2020, according to data by The Solvent Extractors' Association of India. For Apr-July-2020, exports of the castor oil were at 195,478 tonnes, compared with 198,440 during the year-ago period.
- As per the Solvent Extractors' Association of India (SEA), castor meal exports in the month of Aug'20 is reported at 32,825 tonnes which is 25% higher than the exports of July'20 of 22,786 tonnes. On a cumulative basis, exports were 118,432 tonnes from Apr to Aug 2020 which is lower than last year exports of 263,520 tonnes during the same period.

Castor Sowing Outlookin 2020-21

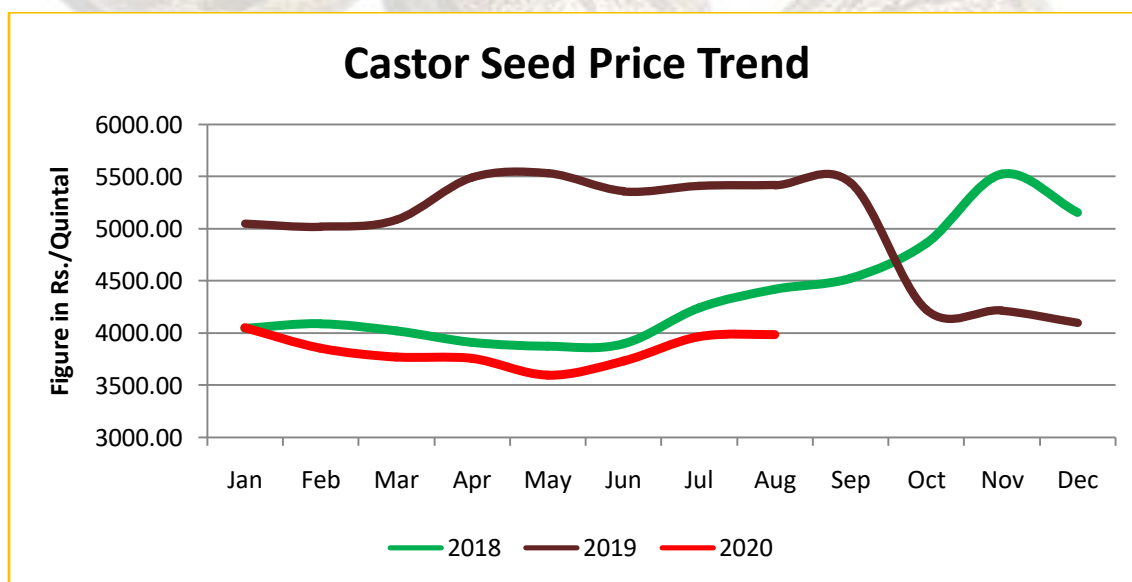
Castor sowing is at disadvantage due to all of the following reasons.

- IMD & other forecasted the monsoon during 2020 as timely & good.
- Monsoon already commenced in Gujarat on 14th June, 2020.
- Farmers generally sow Castor when rainfall is lower than average
- Pre-Monsoon rains helped early sowing for other crops.
- Water levels are high which is not suitable for castor crop.
- Lower realization of prices by Castor farmers at the time of sowing.
- Good prices of competing crops.
- Higher MSP declared by Govt for other cash and food crops.

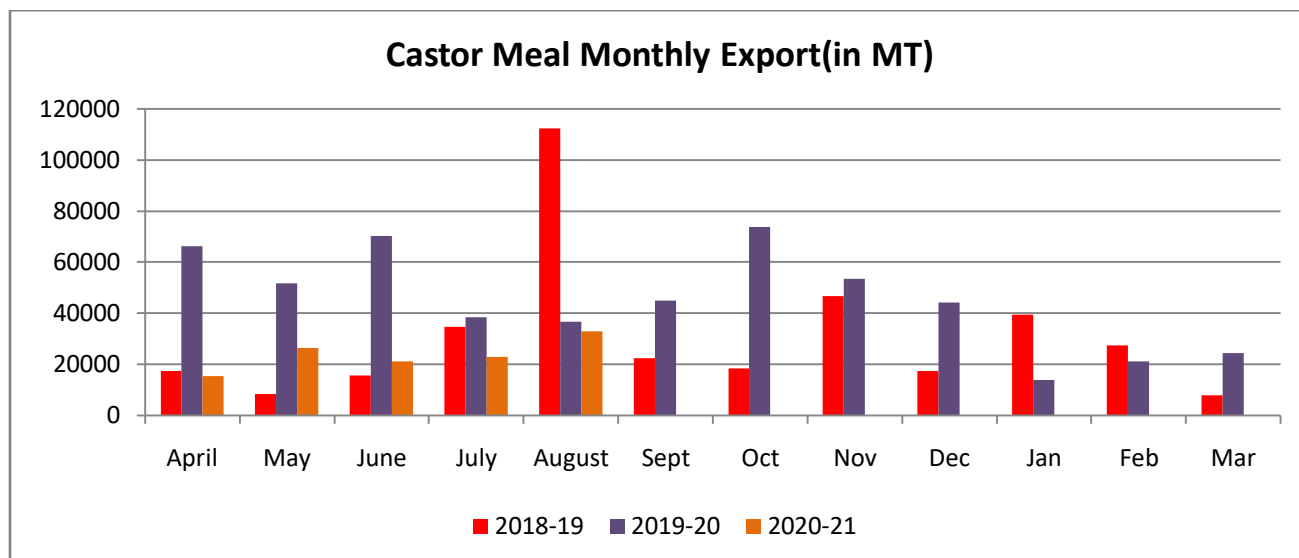
Sowing Updates:

State	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	0.40	0.18	44.89	0.33	-0.15
Gujarat	6.15	5.80	94.24	6.79	-0.99
Rajasthan	1.69	1.40	82.77	1.54	-0.15
Telangana	0.38	0.14	35.78	0.23	-0.09
All-India	9.07	7.74	85.4	9.10	-1.36

Castor Price TrendDeesaMandi:



Source: Agriwatch

Castor Meal Monthly Export:


Source: Sea of India

Meal Export Summary:

The Solvent Extractors' Association of India has compiled the export data for export of oil meals for the month of August 2020 and provisionally reported at 171,515 tons compared to 228,484 tons in August, 2019 i.e. down by 25%. The overall export of oil meals during April to August 2020 is provisionally reported at 1,013,177 tons compared to 1,146,295 tons during the same period of previous year i.e. down by 12%. The Solvent Extractors' Association of India has compiled the export data for export of oil meals for the month of August 2020 and provisionally reported at 171,515 tons compared to 228,484 tons in August, 2019 i.e. down by 25%. The overall export of oil meals during April to August 2020 is provisionally reported at 1,013,177 tons compared to 1,146,295 tons during the same period of previous year i.e. down by 12%.

State wise Wholesale Prices Weekly Analysis for Castor Seed Last Week of Sept, 2020

State	Prices 24-30 Sep 2020	Prices 16-23 Sep 2020	Prices 24-30 Sep 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	3687.07	3737.68	4366.2	-1.35	-15.55
Gujarat	4042.95	4005.07	5258.54	0.95	-23.12
Telangana	3782.64	3372.79	4302.11	12.15	-12.07
Karnataka	3810.03	3553.72	5000	7.21	-23.8
Rajasthan	3895.56	3856.92	4976.32	1	-21.72
Madhya			3000	--	--

Pradesh					
Maharashtra		3650		---	---
Average	3843.65	3696.03	4483.86		

Prices in Rs/Quintal

Cash Market Price Outlook for Spot Price

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3800-3950	3900-4150
Medium Term (30 days)	4000-4300	4100-4600

Technical Analysis:

Castor – Technical Outlook

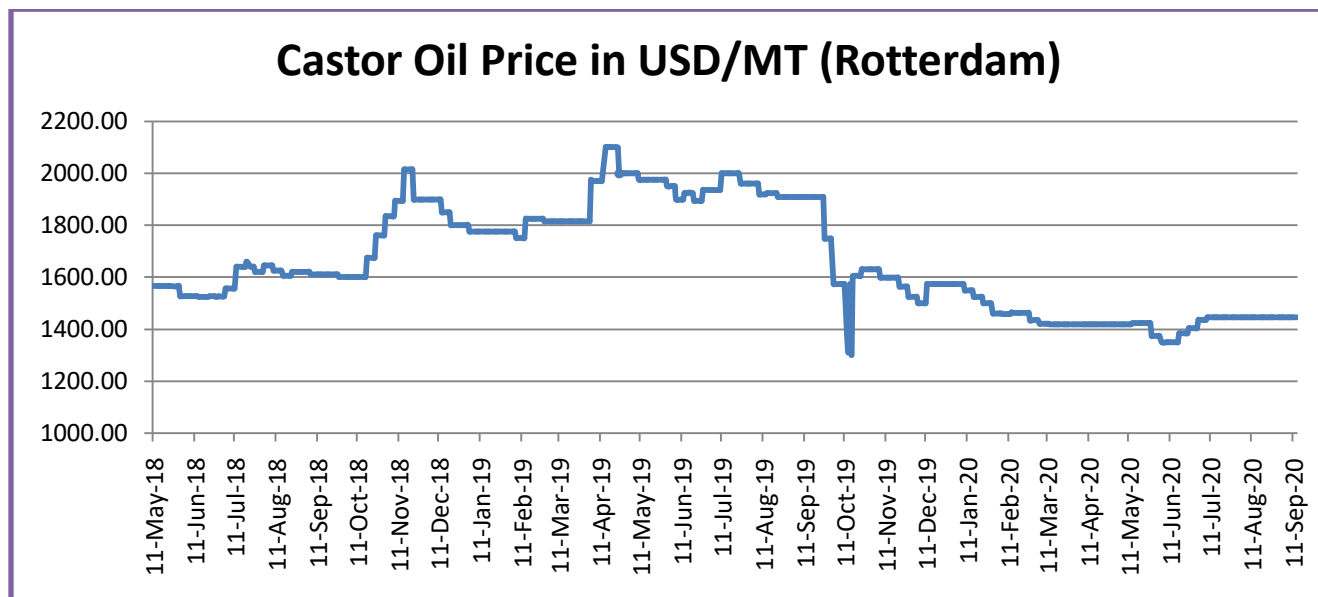
Technical Commentary:

- Major sentiments are more likely to be firm even as it trades below 4208 per 100 kg. Meanwhile, prices firmly retained the support of 3970 levels.
- This could be a good level for bargain buying targeting towards 4400-4500 and if breaks the resistance of 4400 aiming further higher to 4460-4590 levels.
- The weekly RSI is trading at 74 with over bought bias.
- On lower side, a fall below 3990 could intensify the correction further to 3970-3800 levels.



Strategy: Buy

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Castor	NCDEX	Oct	3800	3950	4208	4450	4500
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Oct	Buy	4200	4235	4265	4180

Rotterdam Price:


Comparative Prices Of Castor Products Including Seed					
	21stAu g'20	14thAu g'20	21stJul '20	21stAu g'19	CHANG E %
Castorseed (Gujarat)((Rs./M.T) Ex-Mandi	40150	40350	40500	55712	-38.76
Castor Meal Export (FAS) (US\$ / MT),Ex Kandla	71.00	71.00	52.00	108.00	-52.11
EXPORT (FOR) Ports (Rs./MT)Castor meal bulk Kandla	4850	5150	3650	7459	-53.79
Castor Oil (First Grade) FOB Kandla (Export)\$ /Tonne	1150	1150	1165	1621	-40.96
Local rates for oil in domestic market(Rs./M.T.) for comm.	85500	85500	86000	115570	-35.17

Source: SEA.
Castor Seed Weekly Prices at Key Spot Markets:

Commodity	Market	Price (Rs/ Quintal)	Change
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Center		12 Oct to 17 Oct 2020	05 Oct to 11 Oct 2020	
Gujarat	Patan	4158	4163	-4
	Harij	4088	4090	-3
	Rajkot	3956	3952	4
	Gondal	4033	4037	-3
	Deesa	4113	4116	-3
	Bhabar	4111	4117	-6
	Mehsana	4118	4119	-1
	Kadi	4138	4138	1
	Sabarkatha	4118	4117	2
	Gandhi Nagar	4108	4102	7
	Ahmedabad (Sanand)	4002	1599	2403
	Halvad	4004	4029	-25
	Junagadh	3863	3875	-13
	Dhrol	1274	465	809
Rajasthan	Jodhpur	3962	3917	45
	Sumerpur	3980	3975	5

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	12 Oct to 17 Oct 2020	05 Oct to 11 Oct 2020	Change
Gujarat	Patan	15731	17250	-1519
	Harij	8138	9075	-938
	Rajkot	1935	2130	-195
	Gondal	5550	3750	1800
	Deesa	2063	3647	-1585
	Bhabar	2000	2160	-160
	Mehsana	5925	5775	150
	Kadi	20840	17800	3040
	Sabarkatha	1360	1440	-80
	Gandhi Nagar	4875	4688	188
	Ahmedabad (Sanand)	26	18	9
	Halvad	10350	14250	-3900
	Junagadh	247	149	98
	Dhrol	12	2	11
Rajasthan	Jodhpur	0	0	Unch
	Sumerpur	1280	2080	-800
Total Arrivals/Above Markets		80332	84213	-3881

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