



Castor Weekly Research Report

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Castor Domestic Market Fundamentals:

- Due to strong prices of edible oils, the prices of castor oil are expected to stay strong. The crushing meals have enough commitment from the side of DSO's. So millers are looking forward purchasing castor seeds.
- Due to imminent second wave of corona in Europe, the importing countries would stock castor seeds for any future issue in supply chain. And due to overstocking done by China of all agricultural products, there seems to a clear cut message that in coming months the prices of Castor would stay strong.
- Farmers are also aware of this that's why they are not ready to sell their produce below MSP and till the time they get good return.
- **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.

Castor Sowing Outlookin 2020-21

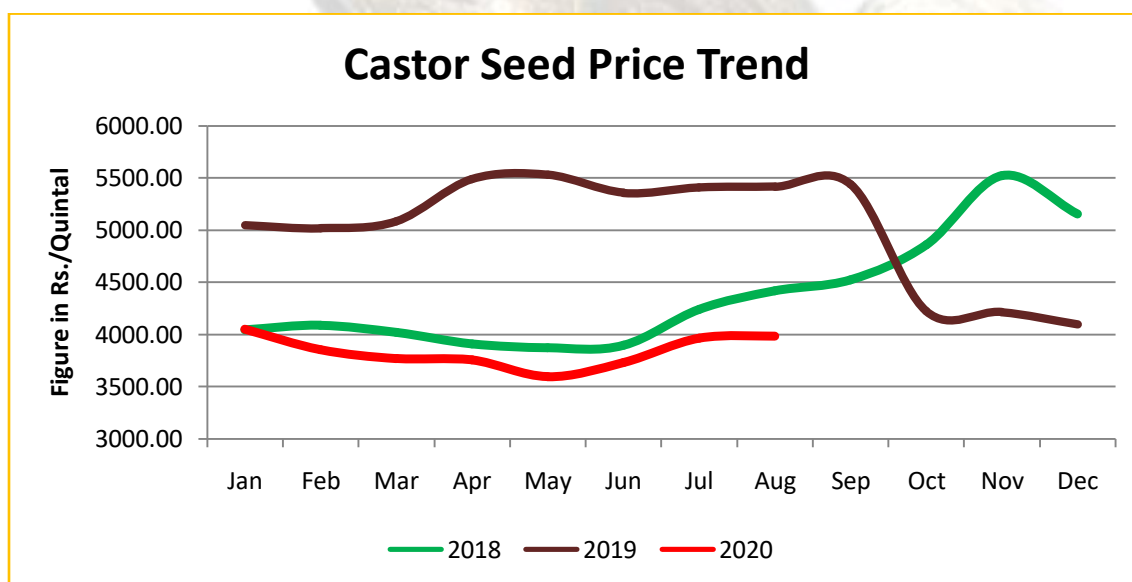
Castor sowing is at disadvantage due to all of the following reasons.

- 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.

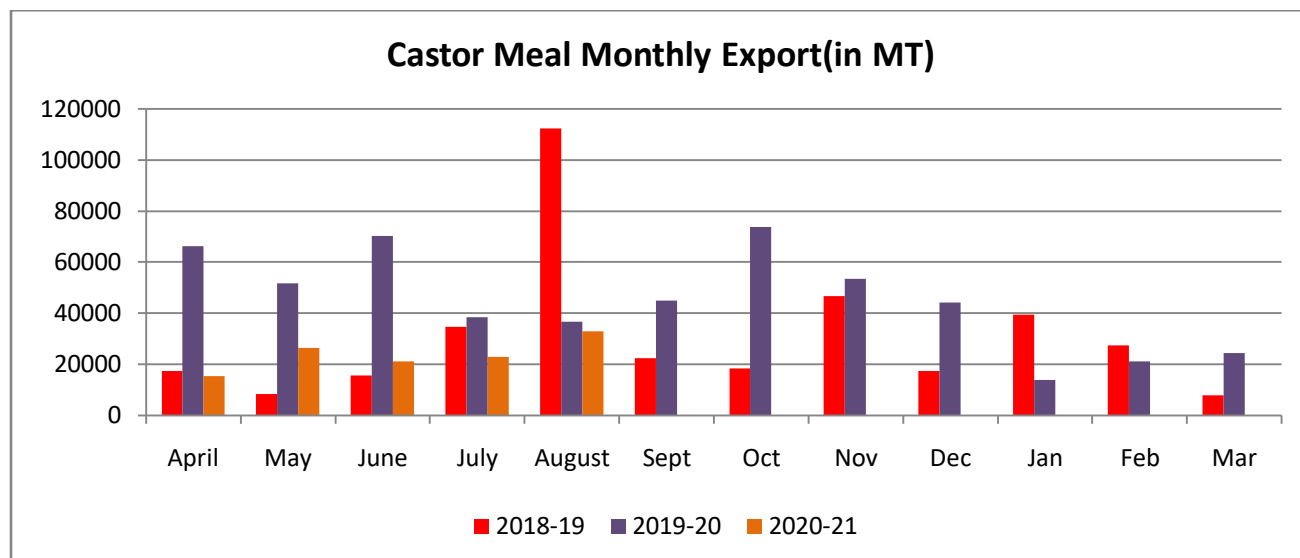
- Higher MSP declared by Govt for other cash and food crops.

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 Third week October, 2020

State	Prices 16-23 Oct 2020	Prices 09-15 Oct 2020	Prices 16-23 Oct 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Karnataka	3785.37	3433.18	5000	10.26	-24.29
Gujarat	4111.1	4038.08	4287.36	1.81	-4.11
Maharashtra				—	—
Rajasthan	3921.09	3889.91	4105.34	0.8	-4.49

Andhra Pradesh	3599.19	3262.61	4086.16	10.32	-11.92
Tamil Nadu		4709		---	---
Telangana			4122.94	---	---
Average	3854.19	3866.56	4320.36		

Prices in Rs/Quintal

Cash Market Price Outlook for Spot Price

Expected Range	Rs/Qtl.(Low)	Rs /Qtl.(High)
Short term (15 days)	3850-3950	3900-4350
Medium Term (30 days)	4200-4300	4400-4600

Technical Analysis:

Castor – Technical Outlook

Technical Commentary:

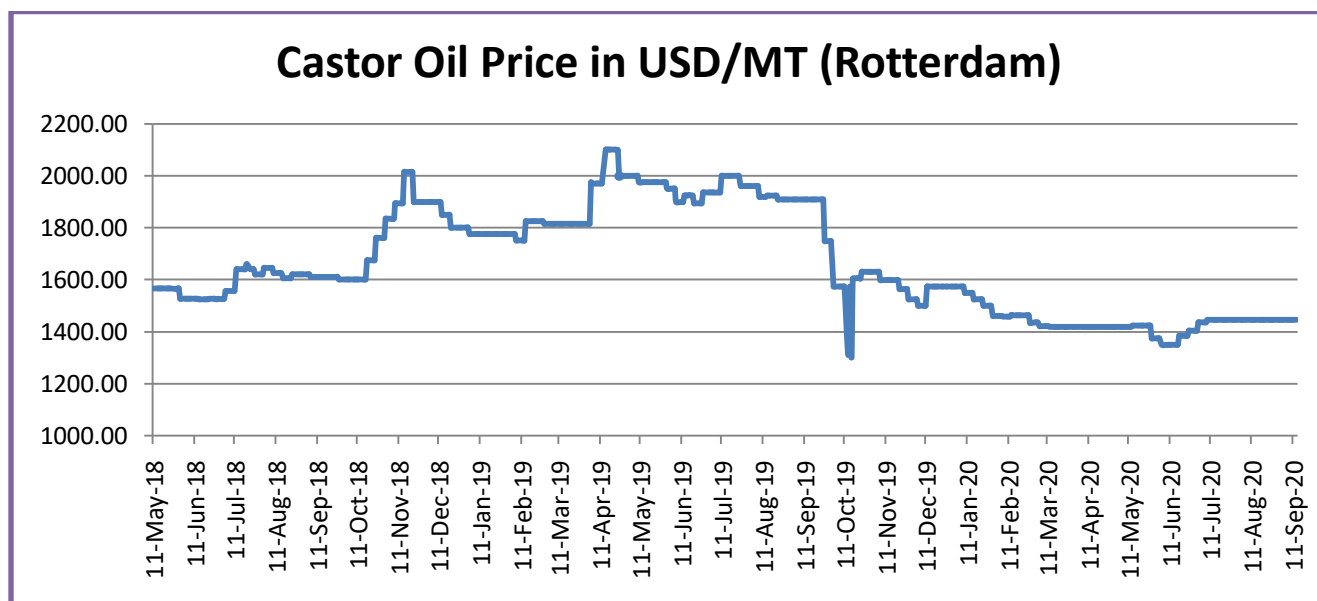
- Major sentiments are more likely to be firm even as it trades below 4208 per 100 kg. Meanwhile, prices firmly retained the support of 3970 levels.
- This could be a good level for bargain buying targeting towards 4400-4500 and if breaks the resistance of 4400 aiming further higher to 4460-4590 levels.
- 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:


Source: Agriwatch

Comparative Prices Of Castor Products Including Seed					
	21stAug'20	14thAug'20	21stJul'20	21stAug'19	CHANGE %
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 Center	Market	Price (Rs/ Quintal)		Change
		16 Nov to 23 Nov 2020	07 Nov to 13 Nov 2020	
Gujarat	Patan	4583	4544	40
	Harij	4627	4558	68
	Rajkot	4439	4373	66
	Gondal	4549	4437	112
	Deesa	4610	3338	1273
	Bhabar	4600	3356	1244
	Mehsana	4604	4515	89
	Kadi	4590	4470	120
	Sabarkatha	4594	4500	94
	Gandhi Nagar	4600	4475	125
	Ahmedabad (Sanand)	1075	4330	-3255
	Halvad	4515	4385	130
	Junagadh	4365	4356	9
	Dhrol	605	2535	-1930
Rajasthan	Jodhpur	4425	4378	48
	Sumerpur	4458	4394	64

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	16 Nov to 23 Nov 2020	07 Nov to 13 Nov 2020	Change
Gujarat	Patan	7875	12450	-4575
	Harij	2775	8625	-5850
	Rajkot	2390	2400	-10
	Gondal	2350	2321	29
	Deesa	188	638	-450
	Bhabar	1360	1040	320
	Mehsana	2400	4125	-1725
	Kadi	7500	8880	-1380
	Sabarkatha	720	840	-120
	Gandhi Nagar	600	2475	-1875
	Ahmedabad (Sanand)	6	10	-3
	Halvad	12375	13275	-900
	Junagadh	225	278	-53
	Dhrol	1	7	-6

Rajasthan	Jodhpur	0	0	Unch
	Sumerpur	1040	1120	-80
Total Arrivals/Above Markets		41805	98609	-56805

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