



Castor Weekly Research Report

Contents

- ❖ Outlook and Review
- ❖ Castor Seed price Chart
- ❖ Export
- ❖ NCDEX Spot Price
- ❖ Outlook
- ❖ Future Chart
- ❖ Progressive Sowing
- ❖ Weekly Spot Price change
- ❖ International Market Update

**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

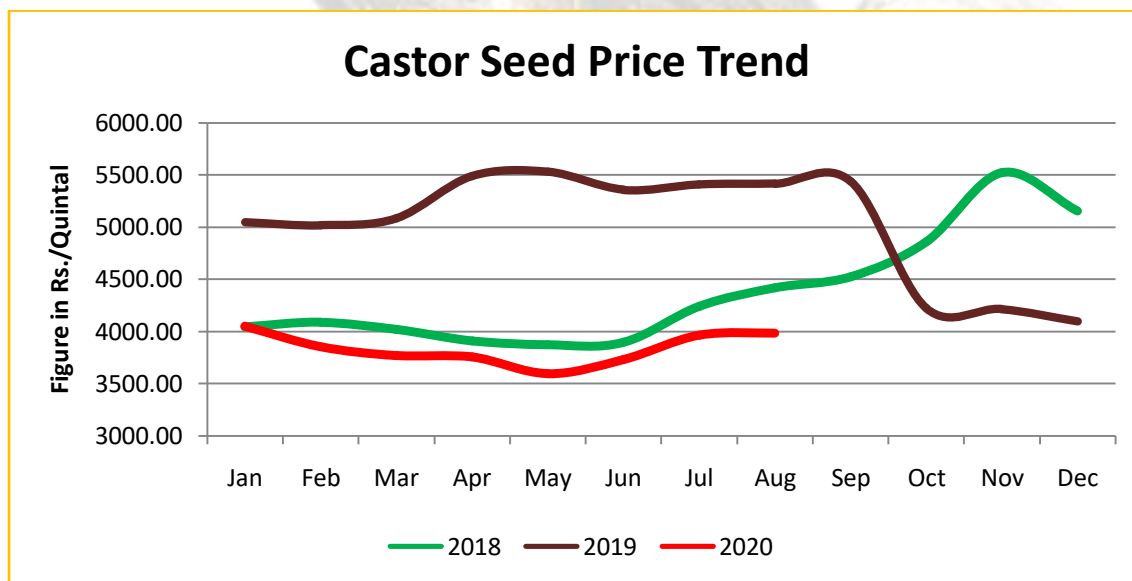
Castor sowing is at disadvantage due to all of the following reasons.

- 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.

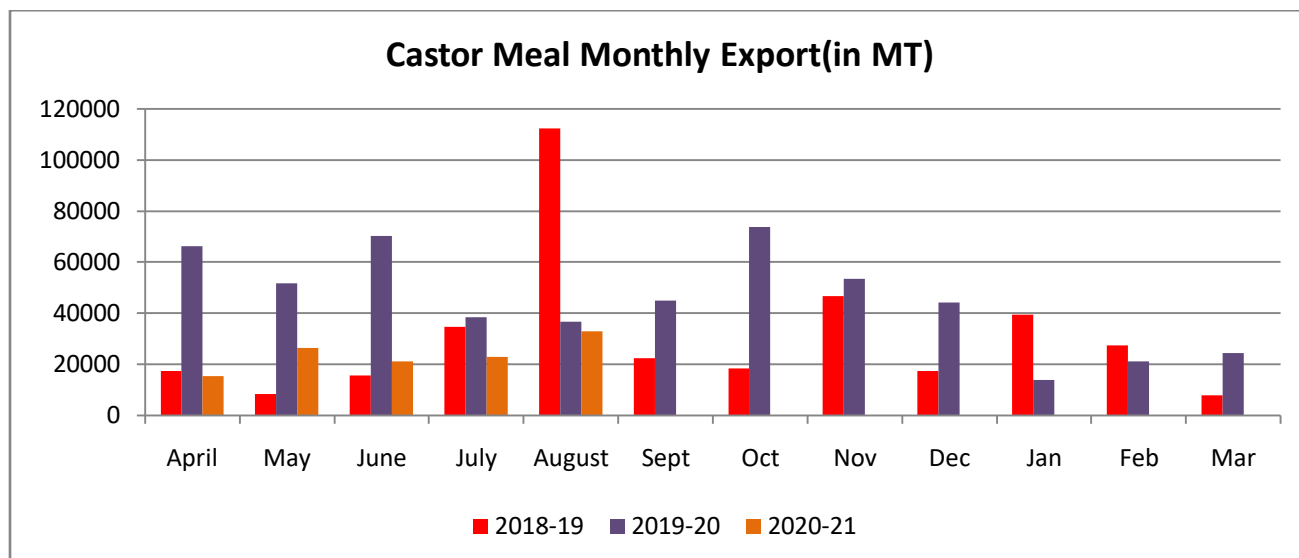
- Higher MSP declared by Govt for other cash and food crops.

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:

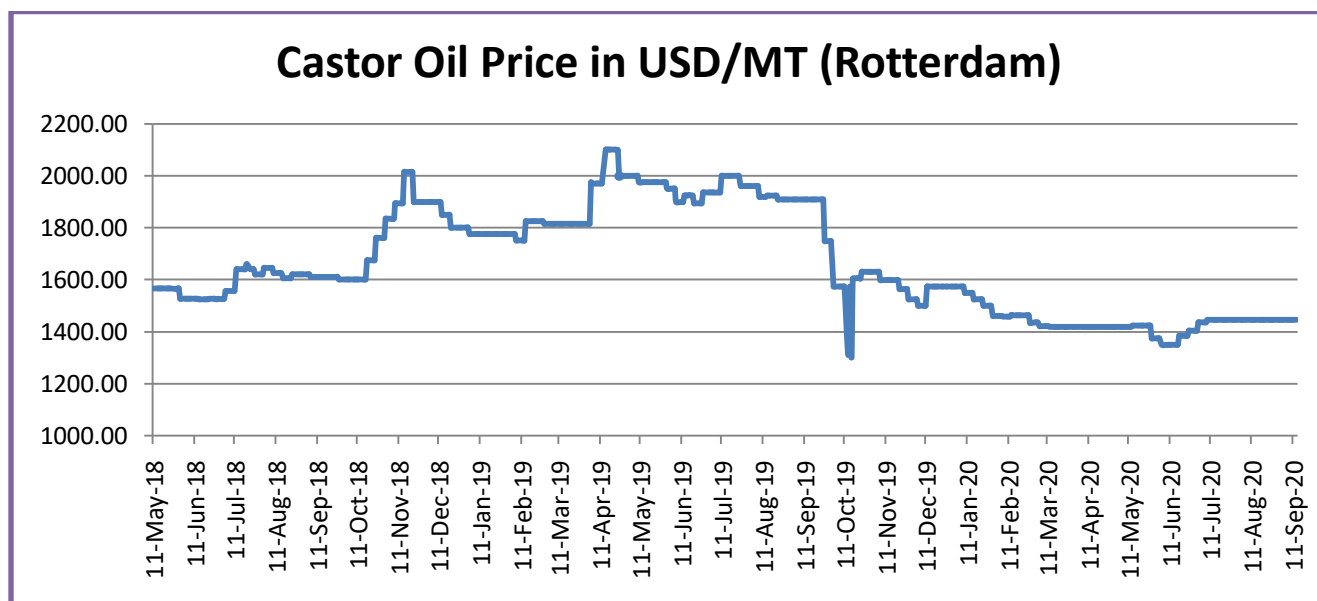
- Major sentiments are more likely to be firm even as it trades below 4208 per 100 kg. Meanwhile, prices firmly retained the support of 3970 levels.
- This could be a good level for bargain buying targeting towards 4400-4500 and if breaks the resistance of 4400 aiming further higher to 4460-4590 levels.
- 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
		24 Nov to 30 Nov 2020	16 Nov to 23 Nov 2020	
Gujarat	Patan	4555	4583	-28
	Harij	4610	4627	-17
	Rajkot	4398	4439	-41
	Gondal	4434	4549	-115
	Deesa	4575	4610	-35
	Bhabar	4540	4600	-60
	Mehsana	4542	4604	-62
	Kadi	4538	4590	-52
	Sabarkatha	4208	4594	-385
	Gandhi Nagar	4525	4600	-75
	Ahmedabad (Sanand)	0	1075	-1075
	Halvad	4492	4515	-23
	Junagadh	1745	4365	-2620
	Dhrol	683	605	78
Rajasthan	Jodhpur	4448	4425	23
	Sumerpur	4374	4458	-84

Castor Seed Cumulative Arrivals in Key Centers:

Center	Market	24 Nov to 30 Nov 2020	16 Nov to 23 Nov 2020	Change
Gujarat	Patan	12750	7875	4875
	Harij	6975	2775	4200
	Rajkot	4900	2390	2510
	Gondal	3050	2350	700
	Deesa	1613	188	1425
	Bhabar	1840	1360	480
	Mehsana	5550	2400	3150
	Kadi	11160	7500	3660
	Sabarkatha	1200	720	480
	Gandhi Nagar	2925	600	2325
	Ahmedabad (Sanand)	0	6	-6
	Halvad	14100	12375	1725
	Junagadh	54	225	-171
	Dhrol	2	1	1

Rajasthan	Jodhpur	0	0	Unch
	Sumerpur	1360	1040	320
Total Arrivals/Above Markets		67479	41805	25674

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2020 Indian Agribusiness Systems Pvt. Ltd.

