




Castor Weekly Research Report

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Castor Domestic Market Fundamentals:

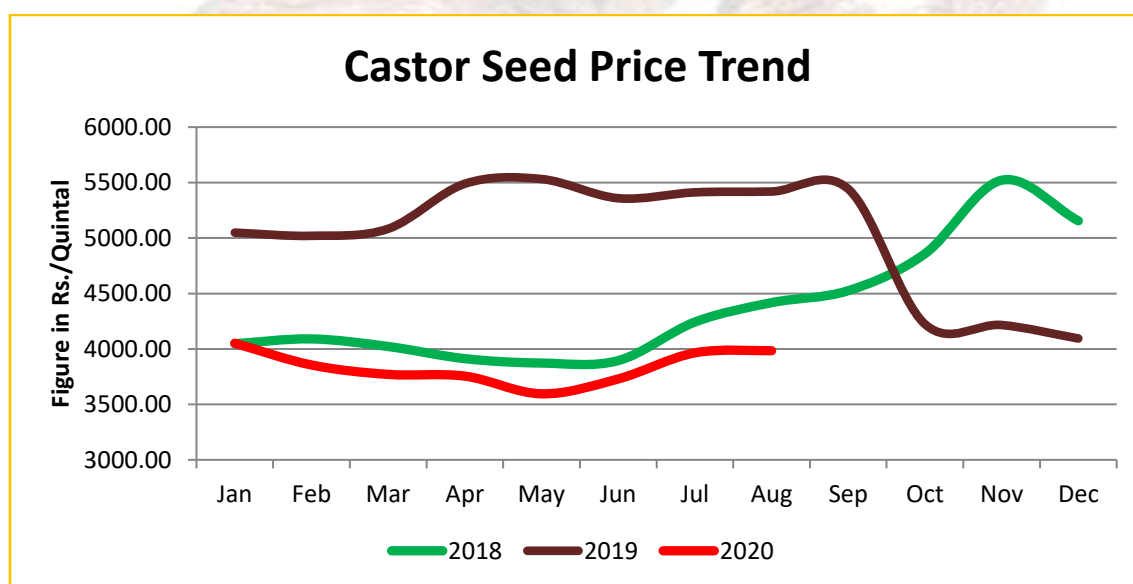
- Higher arrival in 01st week of February put pressure in castor seed price. All India castor seed arrival is 58927 quintal which is higher by 13840 quintal from previous week to 51243 quintal.
 - Picking is started in some district which is the reason for higher arrival, however prices will depend upon the export demand in coming weeks.
 - The acreage under Castor Crop has declined by 20-25 %. It is expected that the last Monsoonal rains damaged the castor crops by 5-10%. Besides this damage the acreage under Castor is also anticipated to go down. As per primary estimate, above two factors would lead to a decline of 4-5 lakh tonnes in the total production of Castor seeds. In 2019 total production of Castor Seeds was close to 20 lakh tonnes, which is anticipated to come down to 15 lakh tonnes in 2020.
 - Late sowing of Castor is a hot topic of discussion amongst the farmers and traders, but chances of sowing after 15th October is very less. In contrast in certain areas early sowing of Castor has also happened as arrival of Castor seed from current season has also commenced in certain mandis. Now at certain markets mix of new and old season castor seeds is very much visible.
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- A close-up photograph of several light brown, oval-shaped castor seeds with a textured surface.
- After 1st phase of Castor Harvest and seeds picking, the news of 2nd phase of picking castor seeds is also coming up. Though this has happened in very few areas. This year the exports of Castor Oil have grown by 15 % as compared to last year. Major chunk has been exported to China. There has been no enhancement in the export of castor seeds to Western Markets.
 - And with the news of Corona Vaccine coming up the economic activities would remain bullish so the export of Castor Oil is anticipated to be between the two export numbers achieved during 2019 & 2020. An estimated figure for export during 2021 is 6 lakh tonnes.
 - The prices of Castor seeds would go down is very unlikely. Apparently there would be a strong international demand. Chances of major jump in the prices of Castor seeds are very minimal due to current prevailing situation.
 - On a day today basis 45000 bags of Castor is arriving whereas 80000 bags of Castor is being crushed in mills every day. So the pipeline is getting shortened. Extra stock with traders is gradually coming down and getting exhausted. The castor oil exports in 2020 has grown up by 18%. The export to China has grown substantially as compared to other global markets.

- In 2020 bumper castor crop was expected. This anticipation by Castor Oil importing countries led to decline in their inventory of Castor Seeds and oil, this lead to decline in export numbers. The estimated production of Castor in 2020-21 is 15.10 lakh tonnes and the carry forward stock of Castor would be 3.29 lakh tonnes. In the current prevailing situation when Corona Vaccination has begun in some of the western countries the global economic activities are expected to remain bullish in 2021. This indicates that the demand of Castor Seeds and oil in the international market would remain strong.
- The export numbers to China has remained substantially good. Though during the Lunar New Year the demand for Castor might slow down, but once that gets over the demand would again pick up. And in western market especially US and West European markets the demand for Castor Oil has started picking up after Christmas.

Sowing Updates:

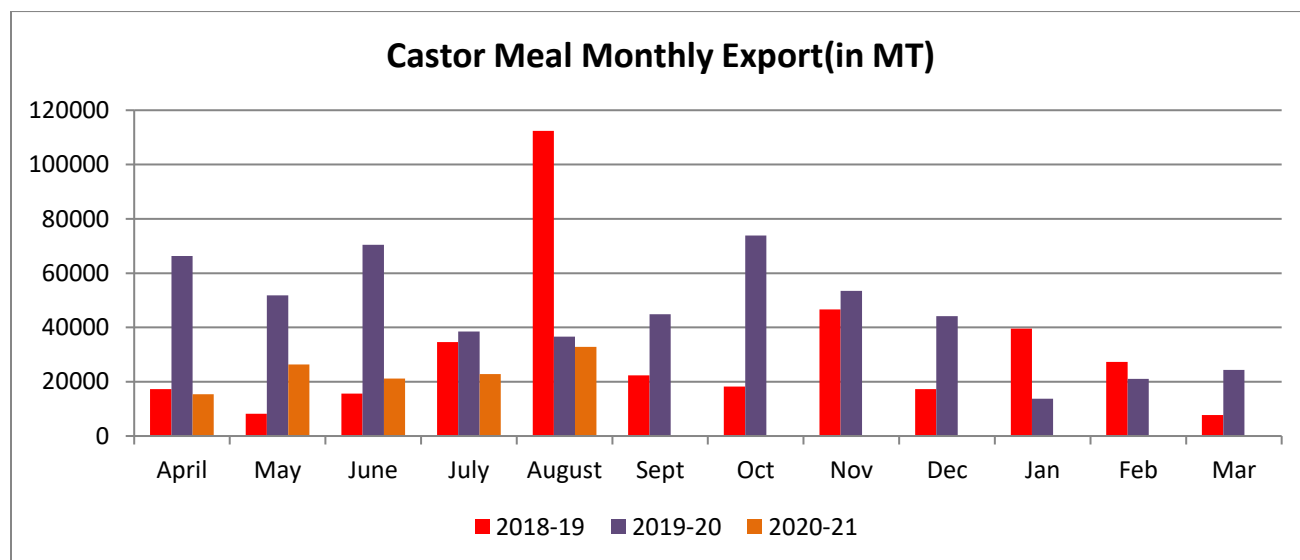
State	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	0.40	0.18	44.89	0.33	-0.15
Gujarat	6.15	5.80	94.24	6.79	-0.99
Rajasthan	1.69	1.40	82.77	1.54	-0.15
Telangana	0.38	0.14	35.78	0.23	-0.09
All-India	9.07	7.74	85.4	9.10	-1.36

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 December, 2020

State	Prices 16-23 Dec 2020	Prices 09-15 Dec 2020	Prices 16-23 Nov 2019	% Change(Over Change(Over	% Change(Over Previous Year)
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				Previous Week)	
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

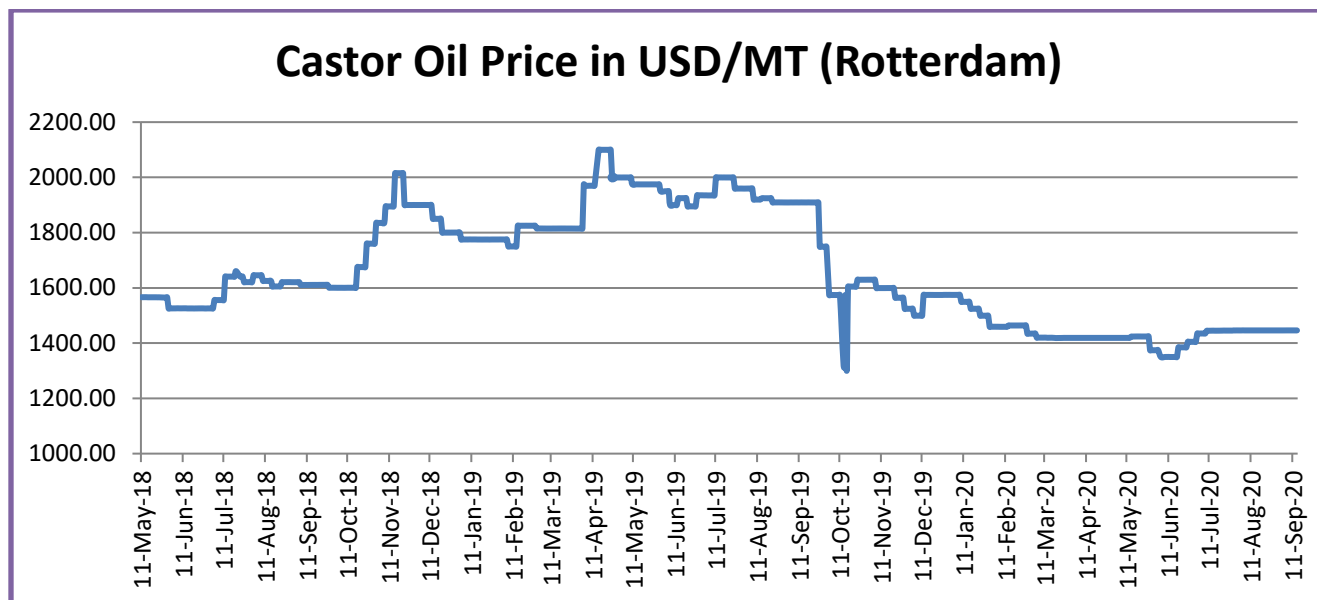
Technical Analysis:
Castor – Technical Outlook
Technical Commentary:

- 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	Jan	3800	3950	4208	4450	4500
Pre Weekly Trade Call			Call	Entry	T1	T2	SL
Castor	NCDEX	Jan	Buy	4200	4235	4265	4180

Rotterdam Price:



Source: Agriwatch

Comparative Prices Of Castor Products Including Seed					
	21stAu g'20	14thAu g'20	21stJu l'20	21stAu g'19	CHAN GE %
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
		08th Mar to 15 Mar 2021	01st Mar to 06th Mar 2021	
Gujarat	Patan	4658	4413	245
	Harij	4648	4394	253
	Rajkot	4618	4353	266
	Gondal	4609	4384	225
	Deesa	4642	4426	216
	Bhabar	4658	4464	194

	Mehsana	4621	4416	205
	Kadi	4708	4483	226
	Sabarkatha	4654	4475	179
	Gandhi Nagar	4679	4417	263
	Ahmedabad (Sanand)	4515	844	3671
	Halvad	4529	4381	148
	Junagadh	0	0	Unch
	Dhrol	639	678	-39
Rajasthan	Jodhpur	4534	4341	193
	Sumerpur	4508	4332	177

Castor Seed Cumulative Arrivals in Key Centers:				
Center	Market	08th Mar to 15 Mar 2021	01st Mar to 06th Mar 2021	Change
Gujarat	Patan	15900	14544	1356
	Harij	3375	3300	75
	Rajkot	1120	900	220
	Gondal	2500	2640	-140
	Deesa	2213	1805	408
	Bhabar	3000	2925	75
	Mehsana	3440	3360	80
	Kadi	10152	9632	520
	Sabarkatha	1680	2080	-400
	Gandhi Nagar	2625	3075	-450
	Ahmedabad (Sanand)	15	15	Unch
	Halvad	3900	4050	-150
	Junagadh	0	110	-110
	Dhrol	0	0	Unch
Rajasthan	Jodhpur	0	0	Unch
	Sumerpur	2080	1280	800
Total Arrivals/Above Markets		52000	49716	2284

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