

Domestic Market Recap:

- Prices of guar gum and seed continue its southward movement. Weak M-O-M exports of guar gum and splits and increasing arrivals of new crop in the mandis become the major influencing factors which drive the prices downwards.
- Most of the guar seed Rajasthan markets closed today due to upcoming elections.
- Reportedly, around 18 lac tons of guar seed has been crushed in 2012-13.
- India has exported 11200 tons of guar seed in the third week of November 2013 as reported.
- Guar seed have started arriving in Bikaner district which is considered as a big trading hub of guar seed in Rajasthan. However, volume is still pretty less compared to prior year. Khajuwala mandi alone got 1200 bags daily followed by Bikaner mandi where 500-700 bags are arriving daily. According to reliable sources, large farmers are not willing to sell their produce at present prices which became a major factor for low arrivals in the APMC markets. In addition to it, villagers are engage in upcoming state elections which also restrict the arrivals of guar seed. However, arrivals of guar seed would pick up pace after state elections as per our expectations.
- Market is estimating 2.8-3 million tons of guar production for 2013-14.

Current Market Dynamics

Guar seed and gum prices are moving in a range with weak tone.. Prices of guar likely to remain weak in the coming week considering weak domestic as well as international demand followed by increasing supply pressure of guar seed in the market.

Meanwhile, Cumulative arrivals in the country of guar seed are reported to be around 560000 bags..

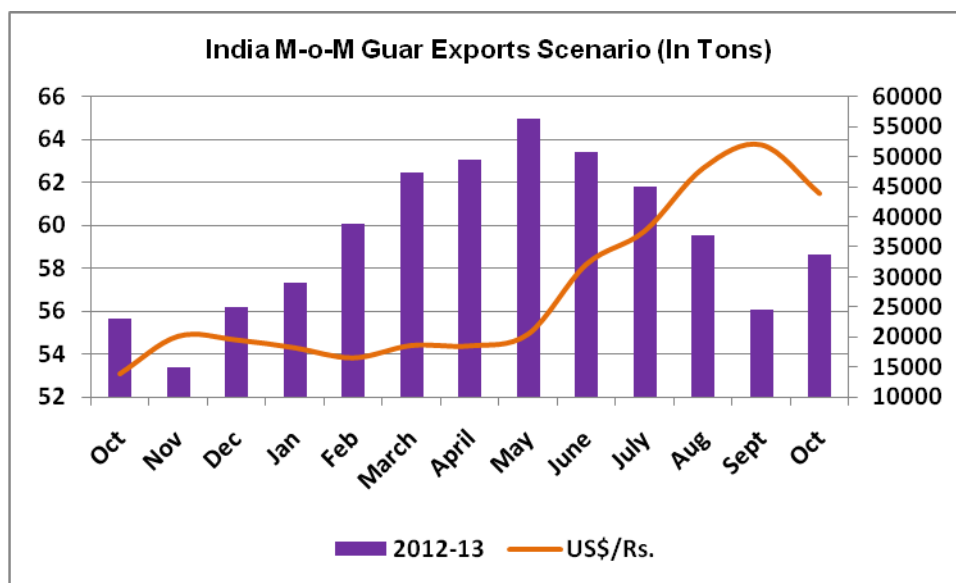
Export and Import Scenario

Presently, export demand from US and China remained consistent but not going to increase by huge volume as US has already huge stocks in Houston as reported.

Around 33723 tons of guar gum (Splits and powder) exported to various countries in October month 2013 as reported. It is notable that India has exported 24504 tons of guar gum (Splits and Powder) in September month 2013.

Demand Side of Guar and Guar Gum:

It is notable that guar prices are falling owing to weak domestic demand. Higher crop expectations of Summer crop led the prices downwards.

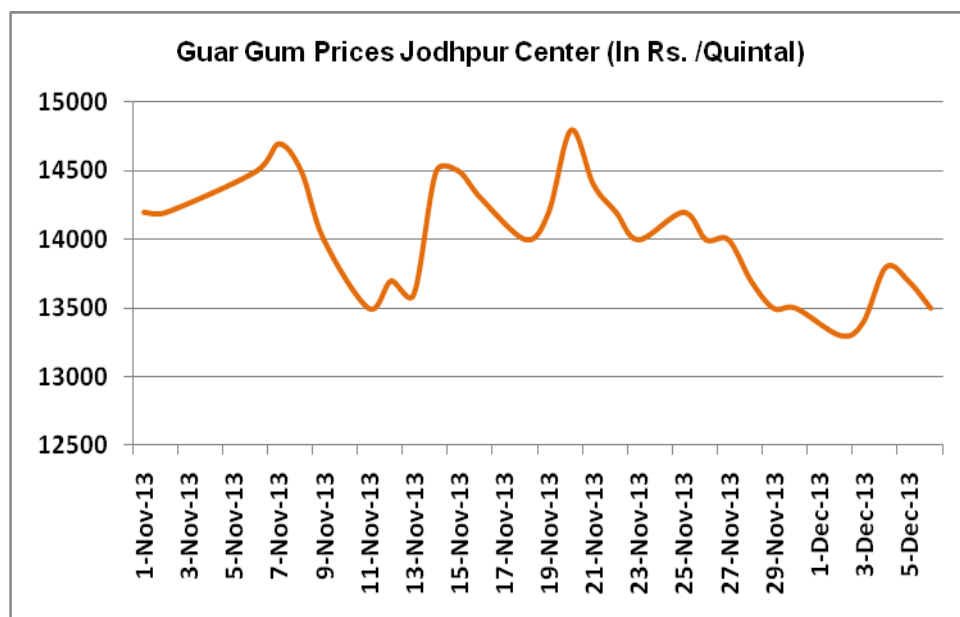
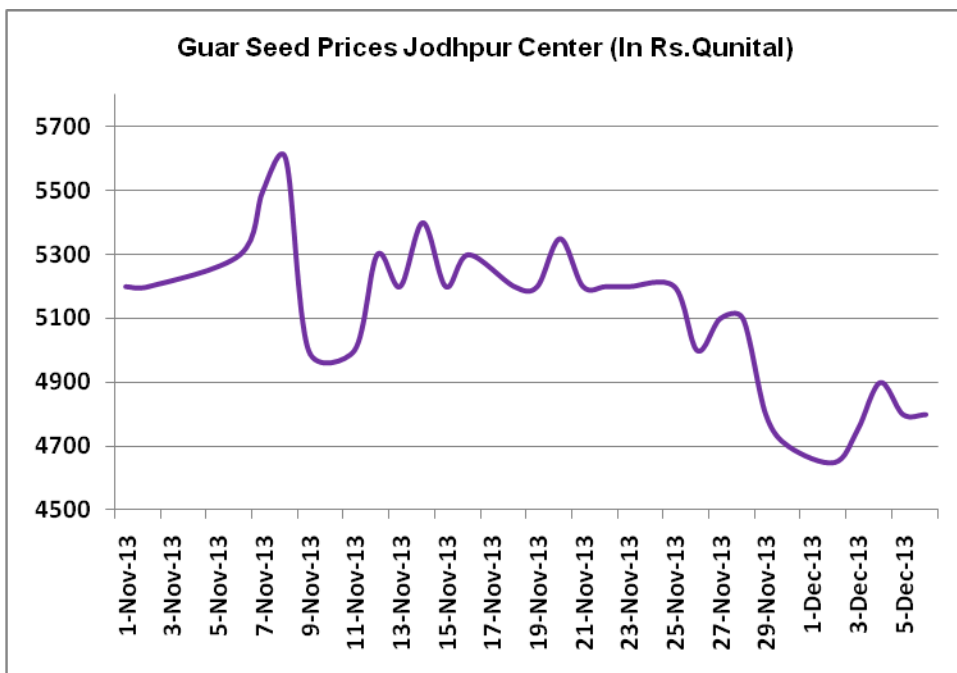


Crop Outlook

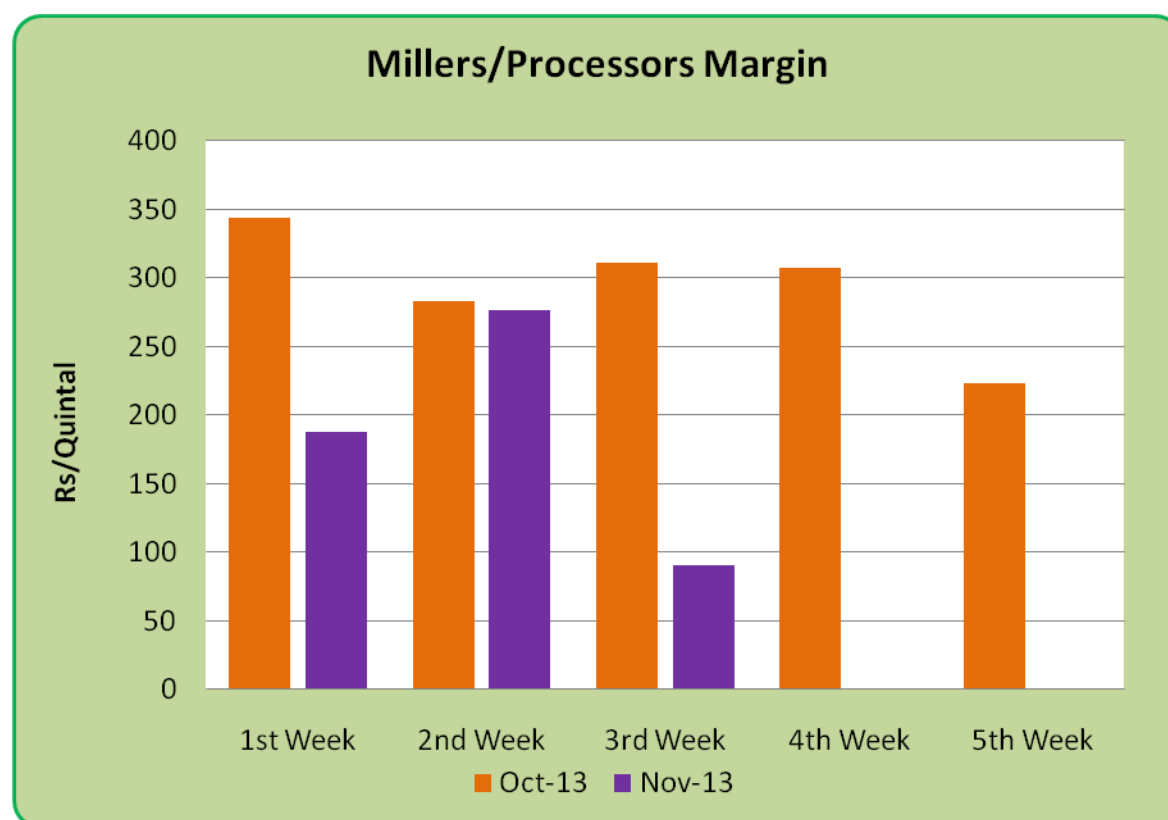
Haryana and Rajasthan are expected to cover higher area. As monsoon remains favorable bumper production is once again on the card. Sowing is over in Gujarat and it is under way in Rajasthan and Haryana. Crop condition in Gujarat is satisfactory so far. Farmers from Bikaner and Ganga Nagar would grow more guar this year as per feedback received from farmers so far.

Price Scenario

Guar seed weekly average prices declined during the week. In the first week, the average price of guar seed declined by 5.9% to Rs.4766/Qtl compared to prior week. Also, guar gum prices declined last week by 2.6% to Rs.13533/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.



Millers/Processors Margin



As seen in the chart above, the average crushing margin of guar seed improved compared to previous week. In the third week of November 2013, average crush margin stood at Rs. 90.9/Quintal which was 276.66 per quintal last week. Decrease in korma prices led the margin down this week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	30thNov-6th Nov	23th-29th Nov	Change
Churi	Jodhpur	875	950	-75
Korma	Jodhpur	1233	1250	-17
Churi	Sri-Ganganagar	875	908	-33
Korma	Sri-Ganganagar	1342	1325	17
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	30thNov-6th Nov	23th-29th Nov	Change
Guargum Split		2368	2366	2
Guargum Powder	200 Mesh 5000 CPS	3006	3004	2

	200 Mesh 3500 CPS	2846	2844	2
Guargum Meal	40%	267	260	7
	50%	340	361	-21
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
		30thNov-6th Nov	23th-29th Nov	
Rajasthan	Jodhpur (Loose)	4467	4717	-250
	Jodhpur(Delivery)	4767	5067	-300
	Sri-Ganganagar(Loose)	4542	4746	-204
	Sri-Ganganagar (Delivery)	4742	4925	-183
	Nagaur (Loose)	4490	4683	-193
	Alwar (loose)	4360	4483	-123
	Churu (Delivery)	4820	4950	-130
	Bikaner (Loose)	4590	4765	-175
	Bikaner (Delivery)	4760	5100	-340
	Khajuwala Bikaner (Loose)	4547	4695	-148
	Khajuwala Bikane(Delivery)	4729	4883	-155
	Nokha(Loose)	4500	4669	-169
	Nokha (Delivery)	4679	4846	-167
	Hanumangarh (Loose)	4575	4675	-100
	Hanumangarh (Delivery)	4794	4900	-106
Haryana	Adampur (Loose)	4675	4792	-117
	Adampur (Delivery)	4850	4987	-137
	Sirsa (Loose)	4708	4967	-259
	Bhiwani (Delivery)	4717	4917	-200
	Dhabwali (Loose)	4525	4809	-284
	Dhabwali (Delivery)	4725	5020	-295
	Siwani (Loose)	4771	4892	-121
	Ellanabad (Loose)	4656	4814	-158
Gujarat	Deesa (Loose)	4366	4731	-365
	Patan (Loose)	4285	4584	-299
	Rajkot (Loose)	4713	5204	-492
Madhya pradesh	Dabra (Loose)	4083	4750	-667
Guar Gum				
Rajasthan	Jodhpur	13533	14117	-584
	Alwar	13620	13917	-297
Haryana	Sirsa	12650	13783	-1133

	Bhiwani	13575	13883	-308
	Dhabwali	13675	14300	-625
	Ellanabad	13883	14110	-227

Week on Week Price: Scenario of Guarseed and Guargum:					
Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	6-Dec-13	29-Nov-13	6-Nov-13	6-Dec-12
Rajasthan	Jodhpur (Loose)	4500	4500	4700	14800
	Jodhpur(Delivery)	4800	4800	5300	14500
	Sri-Ganganagar(Loose)	4700	4500	5350	13500
	Sri-Ganganagar (Delivery)	4850	4650	5450	14000
	Nagaur (Loose)	4500	4250	5200	12000
	Alwar (loose)	4500	4300	5000	NR
	Churu (Delivery)	4800	4700	5500	NR
	Bikaner (Loose)	4650	NR	5200	14500
	Bikaner (Delivery)	4850	NR	5400	15000
	Khajuwala Bikaner (Loose)	4600	4500	5200	NR
	Khajuwala Bikane(Delivery)	4784	4680	5408	NR
	Nokha(Loose)	4600	4400	5200	15000
	Nokha (Delivery)	4765	4558	5390	15540
	Hanumangarh (Loose)	4650	4600	5400	13500
	Hanumangarh (Delivery)	4825	4800	5600	13700
Haryana	Adampur (Loose)	4700	4600	5200	15000
	Adampur (Delivery)	4900	4800	5400	15250
	Sirsa (Loose)	4600	4900	5400	15000
	Bhiwani (Delivery)	4800	4700	5300	15000
	Dhabwali (Loose)	NR	4645	5000	15000
	Dhabwali (Delivery)	NR	4800	5200	15250
	Siwani (Loose)	4800	4700	5200	NR
	Ellanabad (Loose)	4730	4700	5150	NR
Gujarat	Deesa (Loose)	4545	4410	Closed	8500
	Patan (Loose)	4305	NR	Closed	14250
	Rajkot (Loose)	4425	5100	Closed	NR
Madhya pradesh	Dabra (Loose)	3500	4500	NA	14000
Guar Gum					
Rajasthan	Jodhpur	13500	13500	14500	41000
	Alwar	14000	13500	14500	NR

Haryana	Sirsa	12800	13000	14000	34000
	Bhiwani	13650	13400	14500	42700
	Dhabwali	NR	13800	14500	42000
	Ellanabad	14000	14000	14800	NR

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		30thNov-6th Nov	23th-29th Nov	
Rajasthan	Jodhpur	29000	67000	-38000
	Sri-Ganganagar	26000	33000	-7000
	Nagaur	3050	2550	500
	Alwar	2900	7600	-4700
	Churu	5000	7600	-2600
	Bikaner	3700	500	3200
	Khajuwala Bikaner	8700	8700	Unch
	Nokha	1000	1250	-250
	Hanumangarh	4500	5100	-600
Haryana	Adampur	27000	41000	-14000
	Sirsa	17000	22000	-5000
	Bhiwani	4600	4200	400
	Dhabwali	1500	4200	-2700
	Siwani	17500	11000	6500
	Ellanabad	9400	9000	400
Gujarat	Deesa	5874	5128	746
	Patan (Loose)	4460	2866	1594
	Rajkot	6895	6495	400
Madhya pradesh	Dabra	1850	500	1350
Total Arrival		179929	239689	-59760

Commodity: Guar Seed
Contract: January

Exchange: NCDEX
Expiry: Jan 20, 2013

Guar Seed (Weekly january Contract Chart)



Technical Commentary:

- Guar prices are trying to breach the consolidation phase towards lower side.
- Last candlestick depicts bearishness.
- Prices are leading towards 100% retracement level.

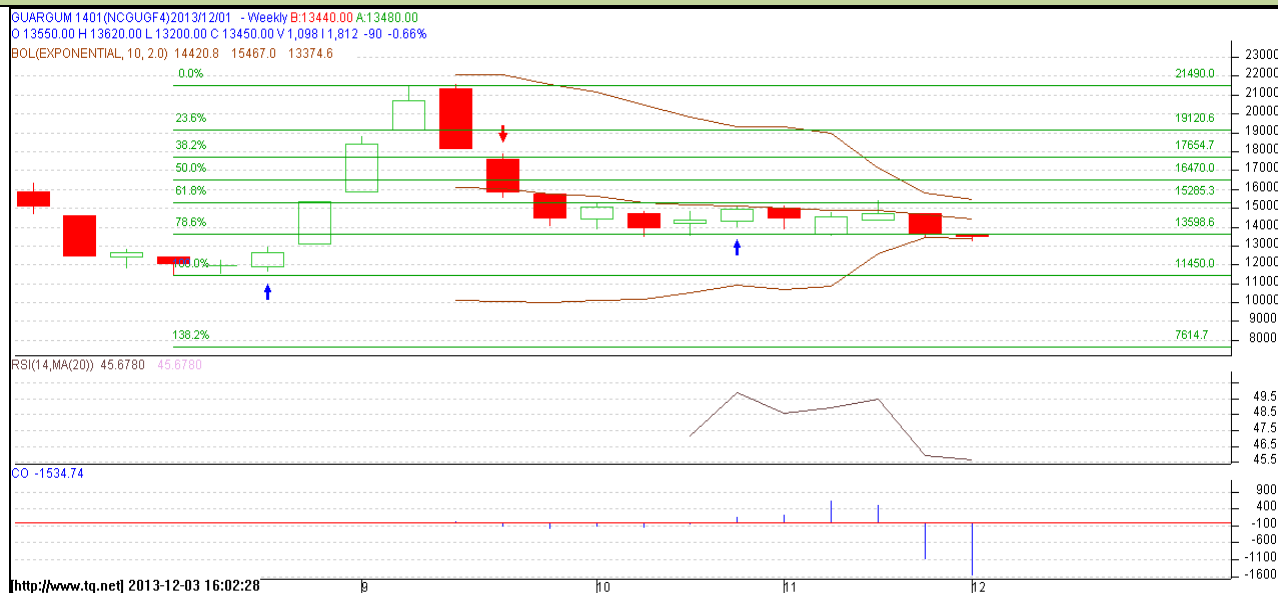
Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	Jan	3970	4000	4870	5450	5890
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jan	Sell	Below 4900	4500	4300	5140

Commodity: Guar Gum
Contract: Jan

Exchange: NCDEX
Expiry: Jan 20, 2013

Guar Gum (Jan Weekly Chart)



Technical Commentary:

- Gur prices are hovering in a downtrend as chart depicts.
- However, RSI is hovering at neutral region.
- Last candlesticks depict bearishness.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Jan	7614	11450	13630	15290	16470
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jan	Sell	Below 13600	13200	13000	13840

Spot Market Technical Analysis of Guar seed & Guar gum



Fig-1 – Guar Seed Weekly Spot Prices (Jodhpur)

Guar seed prices are moving in a weak tone as chart depicts. Guar seed prices recently tested its trend line support level i.e. 5000, breach of the mentioned level would take the prices down to Rs 3320 per quintal.



Fig-2 – Guar Gum Weekly Spot Prices (Jodhpur)

Guar gum prices are moving in downward channel as chart depicts. Prices should move down upto its support level i.e. 10000, if breach 13500 level.

Prices are likely to move towards Rs.10000/Qtl levels in the short –term.

Spot Market Outlook:

Guar prices are moving in a southward direction due to consistent supply pressure of the newly guar crop. In addition to it, dull demand of guar gum splits and powder from International markets also spread bearishness in the market.

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