

Domestic Fundamentals:

- *The number of rigs drilling for oil in US as on 3rd June'16 has increased by 4 to 408 and drilled uncompleted wells in US alone are around 4000. Therefore with increasing rig count in US accompanied with low are sowed and carry over stock of less than one million metric tonnes, prices of guar gum are expected to remain firm in the coming week as guar gum is used in hydraulic fracturing.*
- *According to IBIS (provisional data) for first week of June, Export of all guar seed products i.e. powder, Split and meal has decreased as compared to last week. India has exported 3690 metric tonnes of guar gum powder, 1562 metric tonnes of guar split at an average fob of \$926.27/tonne and 1009 metric tonnes of guar meal at an average fob of \$498.08/tonne. The main countries to which guar seed products were exported are USA, Germany and china.*
- *According to IBIS (provisional data) for May, Export of guar seed products i.e. powder, Split and meal has fallen by 1140.25 metric tonnes as compared to last month. India has exported 12815.2 metric tonnes of guar gum powder, 3811 metric tonnes of guar split and 5452.79 metric tonnes of guar meal in the month of May.*
- *Export demand of guar seed since January 2015-16 has been low as compared to export demand last year. Guar is sown in 40 lakh hectares in India and Key guar sowing states are Rajasthan, Haryana and Gujarat. All three states are seeing a dip in guar acreage by 20-25% as farmers are shifting to other remunerative crops like pulses and cotton*
- *According to trade sources, guar stock of around 2.5 lakh quintals is in lunkaransar region, which is higher as compared to last year stock of around 1.25 lakh quintals. Currently the prices of guar are moving range bound, if the prices go up traders may sell their stock at high, which in turn may pressurize prices to move down.*
- *According to the ministry of commerce and industry, guar gum worth Rs 234.17 crores has been exported in the month of April for financial year 2016-17 as compared to Rs 373.02 crores in financial year 2015-16 for the same month. Guar gum is used in hydraulic fracturing for extracting oil and gas, therefore as the prices of crude oil crashed demand for guar gum also declined.*
- *Decline in export demand for guar gum accompanied with higher stocks of guar seed of major producing states, prices for both guar seed and guar gum have dropped to lowest level in last five years. For Jodhpur mandi prices of both guar seed and guar gum have declined and are moving near 5100/Qtl and 3100/Qtl respectively.*

Outlook: Prices are likely to move from range bound to firm in coming weeks.

Guar Seed 10Mt									
Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-16	1	3125	3156	3088	3111	27410	8,940	6800	-8,990
July-16	5	3172	3209	3135	3164	132960	54,870	77580	7,620

Guar Gum									
Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-16	190	5460	5680	5410	5660	8815	2,411	4776	-3,325
July-16	180	5570	5800	5510	5760	31252	11,740	38507	4,337

Guar Seed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	9-June-16	9-June-16	9-June-16	6-June-16
Bikaner	18267	0	18267	18267
Deesa	2991	170	3161	2701
Sri Ganganagar	7919	0	7919	7919
Jodhpur	1459	0	1459	1459
Nokha	30	0	30	30

Guar Gum Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	9-June-16	9-June-16	9-June-16	6-June-16
Deesa	322	0	322	322
Bikaner	5523	70	5593	5434
Jodhpur	15814	80	15894	15692
Nokha	3296	0	3296	3435
Sri Ganganagar	12703	30	12733	12593

Churi and Korma Prices: As On 10.June, 2016		
Commodity	Center	Rs/75kg
Churi	Jodhpur	1550
Korma	Jodhpur	1925
Churi	Sri Ganganagar	1600
Korma	Sri Ganganagar	2000

Guar Export Prices: As On 10.June, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		55	823
Guargum Powder	200 Mesh 5000 CPS	75	1123
	200 Mesh 3500 CPS	70	1048
Guargum Meal	Meal 40%	22	329
	Meal 50%	29	434

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			10-Jun-16	9-Jun-16	
Guar Seed	Jodhpur	Jodhpur (Loose)	3200	3200	Unch
		Jodhpur(Delivery)	3350	3350	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3100	3100	Unch
		Sri-Ganganagar (Delivery)	3250	3250	Unch
		Rawla (Loose)	2960	2970	-10
		Gharsana (Loose)	2950	2970	-20
		Raisinghnagar (Loose)	3050	3060	-10
	Bikaner	Bikaner (Loose)	3000	3025	-25
		Bikaner (Delivery)	3150	3175	-25
		Nokha(Loose)	3000	3030	-30
		Nokha (Delivery)	3108	3139	-31
		Khajuwala (Loose)	2950	3000	-50
		Khajuwala (Delivery)	3068	3120	-52
		Lunkaransar (Loose)	3000	3000	Unch
	Hanumangarh	Hanumangarh (Loose)	2945	3000	-55
		Hanumangarh (Delivery)	3095	3150	-55
		Nohar (Loose)	3000	3000	Unch
		Pilibanga (Loose)	2900	2870	30
	Nagaur	Nagaur (Loose)	3100	3100	Unch
	Churu	Churu (Delivery)	3150	3150	Unch
	Alwar	Alwar (Loose)	3000	3000	Unch
Haryana	Hisar	Adampur (Loose)	3100	3000	100
		Adampur (Delivery)	3250	3150	100
	Bhiwani	Bhiwani (Delivery)	3150	3150	Unch
		Siwani (Loose)	3100	3110	-10
	Sirsa	Sirsa (Loose)	3000	3000	Unch
		Dhabwali (Loose)	3000	3000	Unch
		Dhabwali (Delivery)	3150	3150	Unch
		Ellanabad (Loose)	3040	3050	-10

	Fatehabad	Fatehabad (Loose)	3100	3000	100
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	2870	3005	-135
	Rajkot	Rajkot (Loose)	3020	3050	-30
	Jamnagar	Dhrol (Loose)	2810	2750	60
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5700	5700	Unch
	Alwar	Alwar	5600	5600	Unch
	Hanumangarh	Nohar	5400	5500	-100
Haryana	Bhiwani	Bhiwani	5500	5450	50
	Sirsa	Sirsa	5650	5650	Unch
		Dhabwali	5550	5425	125
		Ellanabad	5550	5500	50
	Fatehabad	Fatehabad	5700	5500	200

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			10-Jun-16	9-Jun-16	
Rajasthan	Jodhpur	Jodhpur	30	100	-70
	Sri-Ganganagar	Sri-Ganganagar	500	500	Unch
		Rawla	250	250	Unch
		Gharsana	200	125	75
		Raisinghnagar	1000	800	200
	Bikaner	Bikaner	1000	1000	Unch
		Nokha	200	200	Unch
		Khajuwala	1000	500	500
		Lunkaransar	400	300	100
	Hanumangarh	Hanumangarh	225	223	2
		Nohar	800	700	100
		Pilibanga	218	400	-182
	Nagaur	Nagaur	150	250	-100
	Churu	Churu	900	600	300
Alwar	Alwar	400	500	-100	
Haryana	Hisar	Adampur	700	800	-100
	Bhiwani	Bhiwani	5000	4000	1000
		Siwani	800	800	Unch
	Sirsa	Sirsa	400	400	Unch
		Dhabwali	100	200	-100

		Ellanabad	200	300	-100
	Fatehabad	Fatehabad	10	10	Unch
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	54	67	-13
	Rajkot	Rajkot	400	400	Unch
	Jamnagar	Dhrol	4	2	2
Madhya pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			14941	13427	1514

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