

Domestic Fundamentals:

- *Mostly weak sentiments reported in spot market on Saturday amid lower arrivals.*
- *With increasing price as well as production of crude oil in global market, export demand for guar gum is expected to increase as it is used in hydraulic fracturing. USA, a major export destination for guar gum from India, has shown an increase in number of oil rigs drilling for oil by 10 to 424 compared to last week. Increase in export of guar gum from India will also lend support to domestic guar seed cash market.*
- *According to IBIS (provisional data) for second week of June, Export of all guar seed products i.e. powder, Split and meal has decreased marginally compared to last week. India has exported 3762 metric tonnes of guar gum powder, 1000 metric tonnes of guar split at an average fob of \$828.7/tonne and 1457 metric tonnes of guar meal at an average fob of \$562.81/tonne. The main countries to which guar seed products were exported are USA, Germany, China, Russia and Norway*
- *According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) in the week (06-12 June) was around 6219 metric tonnes. The exports have marginally decreased by around 0.67% as compared to last week.*
- *The wholesale price index of guar seed has fallen marginally from 237.2 in April 2016 to 236.2 in May 2016. The WPI for May 2016 is down by 103.2 as compared to last year for the same month and by 129.6 as compared to May 2014.*
- *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 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 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.*

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

Guar Seed 10Mt

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-16	-60	2984	3011	2979	2987	270	170	400	-210
July-16	-38	3075	3075	3013	3027	72720	-15,740	83350	1,180

Guar Gum

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-16	-120	5300	5520	5190	5190	431	259	600	-222
July-16	-120	5370	5410	5240	5270	21063	874	39859	-464

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	17-June-16	17-June-16	17-June-16	17-June-16
Bikaner	17948	0	17948	18267
Deesa	3588	128	3716	2991
Sri Ganganagar	7919	0	7919	7919
Jodhpur	1519	0	1519	1459
Nokha	30	0	30	30

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	17-June-16	17-June-16	17-June-16	17-June-16
Deesa	322	0	322	322
Bikaner	5552	140	5692	5527
Jodhpur	15431	493	15924	15528
Nokha	2991	0	2991	3066
Sri Ganganagar	12952	30	12982	12792

Churi and Korma Prices: As On 18 June, 2016

Commodity	Center	Rs/75kg
Churi	Jodhpur	1500
Korma	Jodhpur	1950
Churi	Sri Ganganagar	1425
Korma	Sri Ganganagar	1875

Guar Export Prices: As On 18 June, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		58	865
Guargum Powder	200 Mesh 5000 CPS	78	1163
	200 Mesh 3500 CPS	73	1088
Guargum Meal	Meal 40%	21	313
	Meal 50%	28	417

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			18-Jun-16	17-Jun-16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3050	3075	-25
		Jodhpur(Delivery)	3200	3225	-25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	2950	2950	Unch
		Sri-Ganganagar (Delivery)	3050	3050	Unch
		Rawla (Loose)	2935	2935	Unch
		Gharsana (Loose)	2930	2960	-30
		Raisinghnagar (Loose)	2900	2900	Unch
	Bikaner	Bikaner (Loose)	2925	2950	-25
		Bikaner (Delivery)	3075	3100	-25
		Nokha(Loose)	2950	2940	10
		Nokha (Delivery)	3056	3046	10
		Khajuwala (Loose)	2880	2870	10
		Khajuwala (Delivery)	2995	2985	10
		Lunkaransar (Loose)	NR	2940	-
	Hanumangarh	Hanumangarh (Loose)	2970	2950	20
		Hanumangarh (Delivery)	3120	3100	20
		Nohar (Loose)	2850	2950	-100
		Pilibanga (Loose)	2850	2860	-10
	Nagaur	Nagaur (Loose)	3000	3050	-50
	Churu	Churu (Delivery)	3000	3050	-50
	Alwar	Alwar (Loose)	2800	2900	-100
Haryana	Hisar	Adampur (Loose)	2920	2900	20
		Adampur (Delivery)	3070	3050	20
	Bhiwani	Bhiwani (Delivery)	3000	3000	Unch
		Siwani (Loose)	2975	3040	-65
	Sirsa	Sirsa (Loose)	2875	2900	-25
		Dhabwali (Loose)	2850	2900	-50

		Dhabwali (Delivery)	3000	3050	-50
		Ellanabad (Loose)	2950	2950	Unch
	Fatehabad	Fatehabad (Loose)	2900	3000	-100
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	2855	2930	-75
	Rajkot	Rajkot (Loose)	3000	3005	-5
	Jamnagar	Dhrol (Loose)	NR	2740	-
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5400	5450	-50
	Alwar	Alwar	5400	5400	Unch
	Hanumangarh	Nohar	5400	5600	-200
Haryana	Bhiwani	Bhiwani	5300	5350	-50
	Sirsa	Sirsa	5300	5400	-100
		Dhabwali	5350	5450	-100
		Ellanabad	5500	5550	-50
	Fatehabad	Fatehabad	5450	5550	-100

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			18-Jun-16	17-Jun-16	
Rajasthan	Jodhpur	Jodhpur	151	105	46
	Sri-Ganganagar	Sri-Ganganagar	400	500	-100
		Rawla	200	150	50
		Gharsana	250	300	-50
		Raisinghnagar	600	1000	-400
	Bikaner	Bikaner	500	1000	-500
		Nokha	200	250	-50
		Khajuwala	400	500	-100
		Lunkaransar	NR	113	-
	Hanumangarh	Hanumangarh	49	210	-161
		Nohar	500	1000	-500
		Pilibanga	NA	40	-
	Nagaur	Nagaur	100	100	Unch
	Churu	Churu	400	600	-200
	Alwar	Alwar	200	500	-300
Haryana	Hisar	Adampur	400	800	-400
	Bhiwani	Bhiwani	1000	1000	Unch
		Siwani	700	500	200

	Sirsa	Sirsa	600	800	-200
		Dhabwali	80	150	-70
		Ellanabad	100	100	Unch
	Fatehabad	Fatehabad	15	10	5
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	85	59	26
	Rajkot	Rajkot	500	400	100
	Jamnagar	Dhrol	NR	4	-
Madhya pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			7430	10191	-2761

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