

Domestic Fundamentals:

- *Mostly weak sentiments reported in spot market on Saturday amid lower arrivals.*
- *Farmers in Sri Ganganagar are shifting their guar area to other remunerative crops like Arhar and Moong as their cost of cultivation for guar in one acre is around Rs 5000 and they are able to get a return of around Rs 3000 only. Therefore, guar acreage is likely to fall by 50% compared to last year in Sri Ganganagar. Last year total area in Rajasthan was around 47.86 Lakh hectare and we expect that approx 43 lakh hectare will be sown under Guar in 2016-17.*
- *According to IBIS (provisional data) for 20-26 June'16, Export of guar meal has increased whereas guar gum powder and guar split has decreased compared to last week. India has exported 4759 metric tonnes of guar gum powder at an average fob of \$1264/tonne, 900 metric tonnes of guar split at an average fob of \$851.27/tonne and 1722 metric tonnes of guar meal at an average fob of \$526.1/tonne.*
- *According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) in the week (20-26 June) was around 7381 metric tonnes compared to 7761 in the week (13-19 June). The exports of guar meal are up by 1.06%, whereas exports of guar split and guar gum powder are down by 4.26% and 7% respectively compared to last week.*
- *According to IBIS (provisional data), total guar seed products export from India for the week (13-19 June'16) was 7761.19 tonnes. Out of the total around 3540 tonnes was exported from Mundra Port, 1713 tonnes from Jodhpur concor ICD and 1477 tonnes from Jodhpur Thar ICD. Whereas last week (06-12 June'16) 3314 tonnes was exported from Mundra Port, 1069 tonnes from Jodhpur concor ICD and 857 tonnes from Jodhpur Thar ICD.*
- *Sowing of guar has been delayed by two weeks due to late monsoon. Furthermore sowing has not even started in Gujarat and Rajasthan. According to forecast by IMD monsoon will arrive next week in Gujarat as well as Rajasthan which will facilitate guar sowing. Crop shifting from guar as well as increase or decrease in area will depend upon rainfall in next ten days.*
- *According to trade sources, overall guar acreage is expected to fall by 10 to 15% as farmers in Bikaner and Sri Ganganagar are likely to maintain their last year guar acreage with minor shifts to other crops. Whereas other states such as Haryana, Gujarat and Madhya Pradesh are seeing major shifts from guar to other remunerative crops such as Cotton, Moong and Moth. Thus decline in area and production of guar would support the price in cash and future markets.*
- *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.*

- 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.

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	-	-	-	-	-	-	-	-	-
July-16	-47	3205	3239	3160	3172	58010	-34,990	40770	-3,800

Guar Gum									
Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-16	-	-	-	-	-	-	-	-	-
July-16	-50	5700	5790	5600	5640	13067	-10,352	19316	-992

Guar Seed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	01-July-16	01-July-16	01-July-16	27-June-16
Bikaner	17121	61	17182	17101
Deesa	3776	88	3864	3727
Sri Ganganagar	7107	0	7107	7237
Jodhpur	1599	0	1599	1519
Nokha	-	-	-	-

Guar Gum Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	01-July-16	01-July-16	01-July-16	27-June-16
Deesa	322	0	322	322
Bikaner	5286	10	5296	5598
Jodhpur	13259	372	13631	13950
Nokha	2787	0	2787	2747
Sri Ganganagar	11312	114	11426	11537

Churi and Korma Prices: As On 02 July, 2016

Commodity	Center	Rs/75kg
Churi	Jodhpur	1550
Korma	Jodhpur	2100
Churi	Sri Ganganagar	1463
Korma	Sri Ganganagar	2063

Guar Export Prices: As On 02 July, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		59	878
Guargum Powder	200 Mesh 5000 CPS	79	1176
	200 Mesh 3500 CPS	74	1102
Guargum Meal	Meal 40%	22	327
	Meal 50%	28	417

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			2-Jul-16	1-Jul-16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3250	3250	Unch
		Jodhpur(Delivery)	3400	3400	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	2950	3100	-150
		Sri-Ganganagar (Delivery)	3150	3250	-100
		Rawla (Loose)	3000	3050	-50
		Gharsana (Loose)	3020	3080	-60
		Raisinghnagar (Loose)	3075	3130	-55
	Bikaner	Bikaner (Loose)	3040	3050	-10
		Bikaner (Delivery)	3190	3200	-10
		Nokha(Loose)	3040	3080	-40
		Nokha (Delivery)	3149	3191	-41
		Khajuwala (Loose)	3030	3100	-70
		Khajuwala (Delivery)	3151	3224	-73
		Lunkaransar (Loose)	3000	3060	-60
	Hanumangarh	Hanumangarh (Loose)	3018	3050	-32
		Hanumangarh (Delivery)	3168	3200	-32
		Nohar (Loose)	3050	3100	-50
		Pilibanga (Loose)	3020	3050	-30
	Nagaur	Nagaur (Loose)	3000	3050	-50
	Churu	Churu (Delivery)	3200	3200	Unch
	Alwar	Alwar (Loose)	3000	3000	Unch

Haryana	Hisar	Adampur (Loose)	3040	3100	-60
		Adampur (Delivery)	3190	3250	-60
	Bhiwani	Bhiwani (Delivery)	3145	3250	-105
		Siwani (Loose)	3125	3160	-35
	Sirsa	Sirsa (Loose)	NA	3000	-
		Dhabwali (Loose)	NR	3100	-
		Dhabwali (Delivery)	NR	3250	-
		Ellanabad (Loose)	3040	3070	-30
	Fatehabad	Fatehabad (Loose)	3000	3000	Unch
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	2950	3030	-80
	Rajkot	Rajkot (Loose)	3105	3115	-10
	Jamnagar	Dhrol (Loose)	2900	3005	-105
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5850	5850	Unch
	Alwar	Alwar	5700	5700	Unch
	Hanumangarh	Nohar	5800	5800	Unch
Haryana	Bhiwani	Bhiwani	5650	5750	-100
	Sirsa	Sirsa	NA	5800	-
		Dhabwali	NR	5750	-
		Ellanabad	5700	5750	-50
	Fatehabad	Fatehabad	5700	5700	Unch

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			2-Jul-16	1-Jul-16	
Guar Seed	Jodhpur	Jodhpur	100	100	Unch
	Sri-Ganganagar	Sri-Ganganagar	500	800	-300
		Rawla	250	200	50
		Gharsana	350	300	50
		Raisinghnagar	400	700	-300
	Bikaner	Bikaner	500	500	Unch
		Nokha	200	300	-100
		Khajuwala	500	500	Unch
		Lunkaransar	1500	600	900
	Hanumangarh	Hanumangarh	112	75	37
		Nohar	400	400	Unch

		Pilibanga	150	100	50
	Nagaur	Nagaur	150	150	Unch
	Churu	Churu	1200	1200	Unch
	Alwar	Alwar	600	600	Unch
Haryana	Hisar	Adampur	600	1200	-600
	Bhiwani	Bhiwani	2000	3000	-1000
		Siwani	600	1200	-600
	Sirsa	Sirsa	NA	400	-
		Dhabwali	NR	100	-
		Ellanabad	100	150	-50
	Fatehabad	Fatehabad	NA	10	-
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	20	62	-42
	Rajkot	Rajkot	240	275	-35
	Jamnagar	Dhrol	2	2	Unch
Madhya pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			10474	12924	-2450

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