

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot markets on Saturday amid lower arrivals.
- With the recent updates on production cuts by OPEC and Non-OPEC countries, the prices of crude oil has increased which has led to an increase in demand of about 15 percent for guar gum as it is used in hydraulic fracturing. However, farmers are not able to take advantage of this opportunity due to cash crunch. For 2015-16, guar seed products exports were around 3.15 lakh tonnes out of which guar gum were around 2.07 lakh tonnes. This year exports are expected to recover from their four-year low of 3.15 lakh tonnes.
- According to IBIS (provisional data) for the month of November, Export of guar seed products i.e. powder, Split and meal has decreased by 3666 metric tonnes compared to last month. India has exported 25872 tonnes of guar products in the month of November. Of the total quantity, 16053 tonnes is guar gum powder and the remaining is Guar split (3209 tonnes) and Guar meal (6610 tonnes).
- According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) have increased compared to last week. In the week (21-26 November) the exports were around 8625 metric tonnes compared to 7684 metric tonnes in the week (14-20 November). The export of all guar split and guar gum powder has increased.
- According to IBIS (provisional data) for 21-26 November'16, the average \$FOB/Tonne has increased for guar split, guar meal and guar gum compared to last week. India has exported 5056 metric tonnes of guar gum powder at an average fob of \$1401.56/tonne, 1420 metric tonnes of guar split at an average fob of \$969.24/tonne and 2149 metric tonnes of guar meal at an average fob of \$497.99/tonne.
- Total guar seed products export from India for the week (21-26 November) was 8625 tonnes. Out of the total around 4157.41 tonnes was exported from Mundra Port, 1352.61 tonnes from Jodhpur concor ICD and 1145.68 tonnes from Ahmedabad ICD. Whereas last week (14-20 November) 3133.26 tonnes was exported from Mundra Port, 1143.64 tonnes from Jodhpur concor ICD and 1181.7 tonnes from Ahmedabad ICD.
- The wholesale price index of guar seed has decreased from 261.7 in September 2016 to 251.7 in October 2016. The WPI for October 2016 is down by 63.1 compared to last year for the same month and by 136.5 compared to October 2014.
- Fear of cash crunch in coming days and ban on Rs 500 & Rs 1000 notes have impacted daily trading activities in cash market and pressure would continue to build up in coming days. Uncertainty over cash supply may drive cash market price down from current level. Restricted cash transaction would affect normal trade. US election result and ban on high denomination notes in India would continue to affect normal trading and price trend in the short term.

- According to first advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 2223474 hectares, 1962424 tonnes and 549 kg/hectare respectively. As compared to fourth advance estimate for 2015-16, the area, production and yield have decreased by 1209842 hectares, 261050 tonnes and 84kg/hectare respectively.

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

Guar Seed 10MT

| Contract | +/- \$ | Open | High | Low | Close | Volume | Change | OI | Change |
|----------|--------|------|------|------|-------|--------|--------|-------|---------|
| Dec-16 | 41 | 3255 | 3298 | 3255 | 3282 | 22380 | 10,510 | 9820 | -11,040 |
| Jan-17 | 42 | 3310 | 3354 | 3305 | 3336 | 41050 | 10,300 | 65500 | 8,000 |

Guar Gum 5MT

| Contract | +/- \$ | Open | High | Low | Close | Volume | Change | OI | Change |
|----------|--------|------|------|------|-------|--------|--------|-------|--------|
| Dec-16 | 63 | 6159 | 6210 | 6128 | 6178 | 6480 | 3,630 | 5400 | -3,315 |
| Jan-17 | 59 | 6225 | 6277 | 6200 | 6247 | 9795 | 3,285 | 40010 | 2,090 |

Guar Seed Stock Position & Fed:

| Stocks | Demat | In-Process | Total | FED |
|----------------|----------|------------|----------|----------|
| | 8-Dec-16 | 8-Dec-16 | 8-Dec-16 | 5-Dec-16 |
| Bikaner | 7484 | 0 | 7484 | 7534 |
| Deesa | 6159 | 59 | 6218 | 6139 |
| Sri Ganganagar | 2434 | 50 | 2484 | 2334 |
| Jodhpur | 2489 | 0 | 2489 | 2489 |
| Nokha | - | - | - | - |

Guar Gum Stock Position & Fed:

| Stocks | Demat | In-Process | Total | FED |
|----------------|----------|------------|----------|----------|
| | 8-Dec-16 | 8-Dec-16 | 8-Dec-16 | 5-Dec-16 |
| Deesa | - | - | - | - |
| Bikaner | 3832 | 60 | 3892 | 7534 |
| Jodhpur | 5850 | 70 | 5920 | 6139 |
| Nokha | 5580 | 269 | 5849 | 2334 |
| Sri Ganganagar | 3850 | 10 | 3860 | 2489 |

Churi and Korma Prices: As On 10 Dec, 2016

| Commodity | Center | Rs/75kg |
|-----------|----------------|---------|
| Churi | Jodhpur | 1688 |
| Korma | Jodhpur | 2025 |
| Churi | Sri Ganganagar | 1613 |
| Korma | Sri Ganganagar | 1913 |

Guar Export Prices: As On 10 Dec, 2016

| | Variety | Value (Rs/Kg) | Value (\$/MT) |
|-----------------------------|-------------------|---------------|---------------|
| Guargum/Split (Mundra Port) | | 63 | 934 |
| Guargum Powder | 200 Mesh 5000 CPS | 83 | 1230 |
| | 200 Mesh 3500 CPS | 78 | 1156 |
| Guargum Meal | Meal 40% | 22 | 326 |
| | Meal 50% | 27 | 400 |

Guar Seed Prices at Key Spot Markets:

| Commodity | District | Centre | Prices (Rs/Qtl) | | Change |
|-----------|----------------|---------------------------|-----------------|----------|--------|
| Guar Seed | | | 10-Dec-16 | 9-Dec-16 | |
| Rajasthan | Jodhpur | Jodhpur (Loose) | 3250 | 3250 | Unch |
| | | Jodhpur(Delivery) | 3400 | 3400 | Unch |
| | Sri-Ganganagar | Sri-Ganganagar(Loose) | 3140 | 3180 | -40 |
| | | Sri-Ganganagar (Delivery) | 3290 | 3330 | -40 |
| | | Rawla (Loose) | 3180 | 3180 | Unch |
| | | Gharsana (Loose) | 3150 | 3145 | 5 |
| | | Raisinghnagar (Loose) | 3150 | 3160 | -10 |
| | Bikaner | Bikaner (Loose) | 3200 | 3200 | Unch |
| | | Bikaner (Delivery) | 3300 | 3300 | Unch |
| | | Nokha(Loose) | 3200 | 3200 | Unch |
| | | Nokha (Delivery) | 3315 | 3315 | Unch |
| | | Khajuwala (Loose) | 3160 | 3180 | -20 |
| | | Khajuwala (Delivery) | 3286 | 3307 | -21 |
| | | Lunkaransar (Loose) | 3100 | 3150 | -50 |
| | Hanumangarh | Hanumangarh (Loose) | 3200 | 3200 | Unch |
| | | Hanumangarh (Delivery) | 3350 | 3350 | Unch |
| | | Nohar (Loose) | 3200 | 3200 | Unch |
| | | Pilibanga (Loose) | 3225 | 3250 | -25 |
| | Nagaur | Nagaur (Loose) | 3150 | 3100 | 50 |
| | Churu | Churu (Delivery) | 3300 | 3300 | Unch |

| | | | | | |
|----------------|-------------|---------------------|--------|------|------|
| | Alwar | Alwar (Loose) | 3050 | 3050 | Unch |
| Haryana | Hisar | Adampur (Loose) | 3225 | 3250 | -25 |
| | | Adampur (Delivery) | 3375 | 3400 | -25 |
| | Bhiwani | Bhiwani (Delivery) | 3300 | 3300 | Unch |
| | | Siwani (Loose) | 3300 | 3275 | 25 |
| | Sirsa | Sirsa (Loose) | NR | NR | - |
| | | Dhabwali (Loose) | 3210 | 3170 | 40 |
| | | Dhabwali (Delivery) | 3210 | 3170 | 40 |
| | | Ellanabad (Loose) | 3200 | 3150 | 50 |
| | Fatehabad | Fatehabad (Loose) | 3200 | 3200 | Unch |
| Gujarat | Banaskantha | Deesa (Loose) | Closed | NR | - |
| | Patan | Patan (Loose) | 3070 | 3085 | -15 |
| | Rajkot | Rajkot (Loose) | 3120 | 3100 | 20 |
| | Jamnagar | Dhrol (Loose) | 3045 | NA | - |
| Madhya pradesh | Gwalior | Dabra (Loose) | Closed | NA | - |
| Guar Gum | | | | | |
| Rajasthan | Jodhpur | Jodhpur | 6300 | 6300 | Unch |
| | Alwar | Alwar | 6200 | 6200 | Unch |
| | Hanumangarh | Nohar | 6500 | 6400 | 100 |
| Haryana | Bhiwani | Bhiwani | 6300 | 6300 | Unch |
| | Sirsa | Sirsa | NR | NR | - |
| | | Dhabwali | 6350 | 6400 | -50 |
| | | Ellanabad | 6300 | 6300 | Unch |
| | Fatehabad | Fatehabad | 6200 | 6200 | Unch |

Guar Seed Arrivals in Key Centers

| Commodity | District | Centre | Arrivals (Quintals) | | Change |
|-----------|----------------|----------------|---------------------|----------|--------|
| | | | 10-Dec-16 | 9-Dec-16 | |
| Guar Seed | Jodhpur | Jodhpur | 108 | 54 | 54 |
| | Sri-Ganganagar | Sri-Ganganagar | 365 | 550 | -185 |
| | | Rawla | 1000 | 2000 | -1000 |
| | | Gharsana | 1200 | 2500 | -1300 |
| | | Raisinghnagar | 800 | 1000 | -200 |
| | Bikaner | Bikaner | 200 | 200 | Unch |
| | | Nokha | 400 | 350 | 50 |
| | | Khajuwala | 2000 | 1800 | 200 |
| | | Lunkaransar | 500 | 400 | 100 |
| | Hanumangarh | Hanumangarh | 200 | 300 | -100 |

| | | | | | |
|------------------------------|-------------|-----------|--------|-------|-------|
| | | Nohar | 1000 | 600 | 400 |
| | | Pilibanga | 250 | 400 | -150 |
| | Nagaur | Nagaur | 20 | 15 | 5 |
| | Churu | Churu | 1500 | 1500 | Unch |
| | Alwar | Alwar | 600 | 600 | Unch |
| Haryana | Hisar | Adampur | 1000 | 500 | 500 |
| | Bhiwani | Bhiwani | 500 | 200 | 300 |
| | | Siwani | 500 | 250 | 250 |
| | Sirsa | Sirsa | NR | NR | - |
| | | Dhabwali | 250 | 500 | -250 |
| | | Ellanabad | 500 | 700 | -200 |
| | Fatehabad | Fatehabad | 125 | 100 | 25 |
| Gujarat | Banaskantha | Deesa | Closed | NR | - |
| | Patan | Patan | 468 | 304 | 164 |
| | Rajkot | Rajkot | 150 | 150 | Unch |
| | Jamnagar | Dhrol | 13 | NA | - |
| Madhya pradesh | Gwalior | Dabra | Closed | NA | - |
| Total Arrivals/Above Markets | | | 13649 | 14973 | -1325 |

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