

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot market on Wednesday amid higher 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 firm in coming days.

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Dec-16	-24	3300	3303	3274	3276	980	-14,440	1620	-1,890
Jan-17	-29	3347	3355	3325	3330	18420	-16,640	70090	-720

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Dec-16	-46	6230	6263	6205	6210	740	-2,970	2415	-490
Jan-17	-46	6290	6319	6245	6270	3520	-5,015	41560	170

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	13-Dec-16	13-Dec-16	13-Dec-16	12-Dec-16
Bikaner	7786	0	7786	7786
Deesa	6208	0	6208	6208
Sri Ganganagar	2484	70	2554	2474
Jodhpur	2469	0	2469	2489
Nokha	-	-	-	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	13-Dec-16	13-Dec-16	13-Dec-16	12-Dec-16
Deesa	-	-	-	-
Bikaner	3912	90	4002	3892
Jodhpur	5920	50	5970	5920
Nokha	6128	20	6148	6128
Sri Ganganagar	3865	35	3900	3860

Churi and Korma Prices: As On 14 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 14 Dec, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		62	918
Guargum Powder	200 Mesh 5000 CPS	82	1214
	200 Mesh 3500 CPS	77	1140
Guargum Meal	Meal 40%	22	326
	Meal 50%	26	385

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			14-Dec-16	13-Dec-16	
Guar Seed	Jodhpur	Jodhpur (Loose)	3300	3350	-50
		Jodhpur(Delivery)	3450	3500	-50
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3270	3200	70
		Sri-Ganganagar (Delivery)	3420	3350	70
		Rawla (Loose)	3230	3215	15
		Gharsana (Loose)	3190	3200	-10
		Raisinghnagar (Loose)	3225	3220	5
	Bikaner	Bikaner (Loose)	3225	NR	-
		Bikaner (Delivery)	3375	NR	-
		Nokha(Loose)	3240	3250	-10
		Nokha (Delivery)	3357	3367	-10
		Khajuwala (Loose)	3210	3240	-30
		Khajuwala (Delivery)	3338	3370	-31
		Lunkaransar (Loose)	3150	3200	-50
	Hanumangarh	Hanumangarh (Loose)	3270	3267	3
		Hanumangarh (Delivery)	3420	3417	3
		Nohar (Loose)	3200	3230	-30
		Pilibanga (Loose)	3230	3230	Unch
	Nagaur	Nagaur (Loose)	3100	3150	-50

	Churu	Churu (Delivery)	3350	3350	Unch
	Alwar	Alwar (Loose)	3100	3100	Unch
Haryana	Hisar	Adampur (Loose)	NR	NR	-
		Adampur (Delivery)	NR	NR	-
	Bhiwani	Bhiwani (Delivery)	3350	3400	-50
		Siwani (Loose)	3325	3325	Unch
	Sirsa	Sirsa (Loose)	3260	3275	-15
		Dhabwali (Loose)	3200	3215	-15
		Dhabwali (Delivery)	3200	3220	-20
		Ellanabad (Loose)	3225	3200	25
	Fatehabad	Fatehabad (Loose)	3100	3200	-100
Gujarat	Banaskantha	Deesa (Loose)	3125	NR	-
	Patan	Patan (Loose)	NA	NA	-
	Rajkot	Rajkot (Loose)	NA	3155	-
	Jamnagar	Dhrol (Loose)	NA	2805	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6300	6325	-25
	Alwar	Alwar	6400	6400	Unch
	Hanumangarh	Nohar	6500	6500	Unch
Haryana	Bhiwani	Bhiwani	6500	6400	100
	Sirsa	Sirsa	6300	6350	-50
		Dhabwali	6300	6400	-100
		Ellanabad	6300	6350	-50
	Fatehabad	Fatehabad	6100	6400	-300

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			14-Dec-16	13-Dec-16	
Guar Seed	Jodhpur	Jodhpur	70	36	34
	Sri-Ganganagar	Sri-Ganganagar	750	950	-200
		Rawla	2000	1800	200
		Gharsana	1300	1000	300
		Raisinghnagar	1200	1000	200
	Bikaner	Bikaner	800	NR	-
		Nokha	350	100	250
		Khajuwala	2000	2500	-500
		Lunkaransar	700	400	300

	Hanumangarh	Hanumangarh	475	200	275
		Nohar	1200	800	400
		Pilibanga	200	200	Unch
	Nagaur	Nagaur	30	40	-10
	Churu	Churu	2000	2000	Unch
	Alwar	Alwar	300	300	Unch
Haryana	Hisar	Adampur	NR	NR	-
	Bhiwani	Bhiwani	500	2000	-1500
		Siwani	600	400	200
	Sirsa	Sirsa	1500	1500	Unch
		Dhabwali	250	300	-50
		Ellanabad	500	600	-100
	Fatehabad	Fatehabad	100	80	20
Gujarat	Banaskantha	Deesa	400	NR	-
	Patan	Patan	NA	NA	-
	Rajkot	Rajkot	NA	350	-
	Jamnagar	Dhrol	NA	8	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			17225	16564	661

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