

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot market on Friday 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
Jan-17	-66	3329	3332	3248	3261	29300	14,190	69520	190
Feb-17	-67	3372	3376	3298	3305	4390	2,610	11650	870

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Jan-17	-127	6249	6255	6101	6121	7640	1,880	40075	-410
Feb-17	-142	6318	6318	6175	6185	1530	-1,100	5785	735

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	15-Dec-16	15-Dec-16	15-Dec-16	12-Dec-16
Bikaner	7786	0	7786	7786
Deesa	6227	0	6227	6208
Sri Ganganagar	2555	50	2605	2474
Jodhpur	2469	0	2469	2489
Nokha	10	0	10	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	15-Dec-16	15-Dec-16	15-Dec-16	12-Dec-16
Deesa	-	-	-	-
Bikaner	3932	110	4042	3892
Jodhpur	5970	30	6000	5920
Nokha	6167	20	6187	6128
Sri Ganganagar	3915	15	3930	3860

Churi and Korma Prices: As On 16 Dec, 2016

Commodity	Center	Rs/75kg
Churi	Jodhpur	1613
Korma	Jodhpur	1950
Churi	Sri Ganganagar	1556
Korma	Sri Ganganagar	1819

Guar Export Prices: As On 16 Dec, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		62	915
Guargum Powder	200 Mesh 5000 CPS	82	1210
	200 Mesh 3500 CPS	77	1136
Guargum Meal	Meal 40%	22	325
	Meal 50%	26	384

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			16-Dec-16	15-Dec-16	
Guar Seed	Jodhpur	Jodhpur (Loose)	3300	3260	40
		Jodhpur(Delivery)	3450	3450	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3250	3200	50
		Sri-Ganganagar (Delivery)	3400	3350	50
		Rawla (Loose)	3150	3180	-30
		Gharsana (Loose)	3200	3200	Unch
		Raisinghnagar (Loose)	3200	3230	-30
	Bikaner	Bikaner (Loose)	3240	3240	Unch
		Bikaner (Delivery)	3390	3390	Unch
		Nokha(Loose)	3200	3250	-50
		Nokha (Delivery)	3315	3367	-52
		Khajuwala (Loose)	3160	3215	-55
		Khajuwala (Delivery)	3286	3344	-57
		Lunkaransar (Loose)	3150	3160	-10
	Hanumangarh	Hanumangarh (Loose)	3170	3225	-55
		Hanumangarh (Delivery)	3320	3375	-55
		Nohar (Loose)	3220	3220	Unch
		Pilibanga (Loose)	3225	3225	Unch
	Nagaur	Nagaur (Loose)	3100	3100	Unch
	Churu	Churu (Delivery)	3300	3300	Unch

	Alwar	Alwar (Loose)	3050	3050	Unch
Haryana	Hisar	Adampur (Loose)	NR	NR	-
		Adampur (Delivery)	NR	NR	-
	Bhiwani	Bhiwani (Delivery)	3125	Closed	-
		Siwani (Loose)	3300	3300	Unch
	Sirsa	Sirsa (Loose)	3200	3270	-70
		Dhabwali (Loose)	3200	3200	Unch
		Dhabwali (Delivery)	3350	3350	Unch
		Ellanabad (Loose)	3200	3235	-35
	Fatehabad	Fatehabad (Loose)	3100	3100	Unch
Gujarat	Banaskantha	Deesa (Loose)	3105	3090	15
	Patan	Patan (Loose)	NA	3045	-
	Rajkot	Rajkot (Loose)	3075	3065	10
	Jamnagar	Dhrol (Loose)	3000	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6200	6300	-100
	Alwar	Alwar	6400	6400	Unch
	Hanumangarh	Nohar	6400	6500	-100
Haryana	Bhiwani	Bhiwani	6250	Closed	-
	Sirsa	Sirsa	6200	6300	-100
		Dhabwali	6200	6300	-100
		Ellanabad	6200	6300	-100
	Fatehabad	Fatehabad	6100	6100	Unch

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			16-Dec-16	15-Dec-16	
Rajasthan	Jodhpur	Jodhpur	50	156	-106
	Sri-Ganganagar	Sri-Ganganagar	700	200	500
		Rawla	1500	1500	Unch
		Gharsana	1000	1000	Unch
		Raisinghnagar	1500	800	700
	Bikaner	Bikaner	500	500	Unch
		Nokha	300	300	Unch
		Khajuwala	2000	2500	-500
		Lunkaransar	400	450	-50
	Hanumangarh	Hanumangarh	350	350	Unch
		Nohar	1100	1500	-400

		Pilibanga	200	250	-50
	Nagaur	Nagaur	75	50	25
	Churu	Churu	1500	1500	Unch
	Alwar	Alwar	400	400	Unch
Haryana	Hisar	Adampur	NR	NR	-
	Bhiwani	Bhiwani	500	Closed	-
		Siwani	500	500	Unch
	Sirsa	Sirsa	1500	1800	-300
		Dhabwali	200	300	-100
		Ellanabad	700	500	200
	Fatehabad	Fatehabad	50	50	Unch
Gujarat	Banaskantha	Deesa	534	361	173
	Patan	Patan	NA	1060	-
	Rajkot	Rajkot	200	220	-20
	Jamnagar	Dhrol	25	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			15784	16247	-463

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