

Domestic Fundamentals:

- Mostly mixed sentiments reported in major spot market on Wednesday 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	+28	3225	3255	3190	3254	29190	-110	69920	500
Feb-17	+26	3270	3297	3235	3296	5410	1020	14050	2400

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Jan-17	+94	6070	6166	5997	6166	7580	-60	39165	-910
Feb-17	+77	6094	6220	6066	6218	2715	1185	7565	1780

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	20-Dec-16	20-Dec-16	20-Dec-16	19-Dec-16
Bikaner	7786	0	7786	7787
Deesa	6286	20	6306	6248
Sri Ganganagar	2625	120	2745	2470
Jodhpur	2469	0	2469	2625
Nokha	10	0	10	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	20-Dec-16	20-Dec-16	20-Dec-16	19-Dec-16
Deesa	-	-	-	-
Bikaner	4081	0	4081	4061
Jodhpur	6019	40	6059	6000
Nokha	6267	10	6277	6238
Sri Ganganagar	3915	0	3915	3915

Churi and Korma Prices: As On 21 Dec, 2016

Commodity	Center	Rs/75kg
-----------	--------	---------

Churi	Jodhpur	1594
Korma	Jodhpur	1875
Churi	Sri Ganganagar	1538
Korma	Sri Ganganagar	1800

Guar Export Prices: As On 21 Dec, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		61	899
Guargum Powder	200 Mesh 5000 CPS	81	1193
	200 Mesh 3500 CPS	76	1120
Guargum Meal	Meal 40%	21	309
	Meal 50%	25	368

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			21-Dec-16	20-Dec-16	
Guar Seed	Jodhpur	Jodhpur (Loose)	3250	3200	50
		Jodhpur(Delivery)	3400	3350	50
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3130	3170	-40
		Sri-Ganganagar (Delivery)	3280	3320	-40
		Rawla (Loose)	3100	3150	-50
		Gharsana (Loose)	3080	3060	20
		Raisinghnagar (Loose)	3110	3125	-15
	Bikaner	Bikaner (Loose)	3130	3200	-70
		Bikaner (Delivery)	3280	3350	-70
		Nokha(Loose)	3150	3120	30
		Nokha (Delivery)	3263	3232	31
		Khajuwala (Loose)	3130	3090	40
		Khajuwala (Delivery)	3255	3214	42
		Lunkaransar (Loose)	3050	3050	Unch
	Hanumangarh	Hanumangarh (Loose)	3120	3170	-50
		Hanumangarh (Delivery)	3270	3320	-50
		Nohar (Loose)	3100	3080	20
		Pilibanga (Loose)	3100	3100	Unch
	Nagaur	Nagaur (Loose)	2900	3100	-200
	Churu	Churu (Delivery)	3200	3200	Unch
	Alwar	Alwar (Loose)	3000	3000	Unch

Haryana	Hisar	Adampur (Loose)	NR	3200	-
		Adampur (Delivery)	NR	3350	-
	Bhiwani	Bhiwani (Delivery)	3100	3100	Unch
		Siwani (Loose)	3200	3200	Unch
	Sirsa	Sirsa (Loose)	3140	3125	15
		Dhabwali (Loose)	3125	3080	45
		Dhabwali (Delivery)	3275	3230	45
		Ellanabad (Loose)	3115	3100	15
	Fatehabad	Fatehabad (Loose)	3100	NR	-
Gujarat	Banaskantha	Deesa (Loose)	2970	2950	20
	Patan	Patan (Loose)	NA	2985	-
	Rajkot	Rajkot (Loose)	2925	2950	-25
	Jamnagar	Dhrol (Loose)	NA	2910	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6150	6000	150
	Alwar	Alwar	6100	6000	100
	Hanumangarh	Nohar	6400	6200	200
Haryana	Bhiwani	Bhiwani	6150	6150	Unch
	Sirsa	Sirsa	6150	6050	100
		Dhabwali	6250	6200	50
		Ellanabad	6250	6050	200
	Fatehabad	Fatehabad	6200	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			21-Dec-16	20-Dec-16	
Rajasthan	Jodhpur	Jodhpur	93	210	-117
	Sri-Ganganagar	Sri-Ganganagar	1030	266	764
		Rawla	1000	1000	Unch
		Gharsana	500	700	-200
		Raisinghnagar	1000	300	700
	Bikaner	Bikaner	1000	500	500
		Nokha	350	300	50
		Khajuwala	1800	2000	-200
		Lunkaransar	400	500	-100
	Hanumangarh	Hanumangarh	200	500	-300
		Nohar	800	1500	-700

		Pilibanga	200	200	Unch
	Nagaur	Nagaur	20	50	-30
	Churu	Churu	1000	800	200
	Alwar	Alwar	500	300	200
Haryana	Hisar	Adampur	NR	3500	-
	Bhiwani	Bhiwani	500	400	100
		Siwani	500	500	Unch
	Sirsa	Sirsa	1500	1200	300
		Dhabwali	350	300	50
		Ellanabad	350	300	50
	Fatehabad	Fatehabad	100	NR	-
Gujarat	Banaskantha	Deesa	415	213	202
	Patan	Patan	NA	1226	-
	Rajkot	Rajkot	140	150	-10
	Jamnagar	Dhrol	NA	4	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			13748	16919	-3171

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.