

Domestic Fundamentals:

- Mostly firm 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	+15	3130	3178	3122	3155	31130	-110	64300	500
Feb-17	+3	3173	3220	3160	3196	3310	1020	14430	2400

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Jan-17	-5	5928	6023	5918	5996	7155	-60	35330	-910
Feb-17	-3	5948	6089	5948	6047	4190	1185	12605	1780

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	22-Dec-16	22-Dec-16	22-Dec-16	19-Dec-16
Bikaner	7886	100	7986	7787
Deesa	6306	20	6326	6248
Sri Ganganagar	2503	0	2503	2470
Jodhpur	2259	0	2259	2625
Nokha	10	0	10	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	22-Dec-16	22-Dec-16	22-Dec-16	19-Dec-16
Deesa	-	-	-	-
Bikaner	4081	35	4116	4061
Jodhpur	6019	50	6069	6000
Nokha	6277	0	6277	6238
Sri Ganganagar	3915	0	3915	3915

Churi and Korma Prices: As On 23 Dec, 2016

Commodity	Center	Rs/75kg
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Churi	Jodhpur	1575
Korma	Jodhpur	1800
Churi	Sri Ganganagar	1444
Korma	Sri Ganganagar	1781

Guar Export Prices: As On 23 Dec, 2016

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		60	884
Guargum Powder	200 Mesh 5000 CPS	80	1179
	200 Mesh 3500 CPS	75	1106
Guargum Meal	Meal 40%	21	310
	Meal 50%	26	383

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			23-Dec-16	22-Dec-16	
Guar Seed	Jodhpur	Jodhpur (Loose)	3265	3200	65
		Jodhpur(Delivery)	3415	3350	65
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3180	3152	28
		Sri-Ganganagar (Delivery)	3330	3302	28
		Rawla (Loose)	3040	3115	-75
		Gharsana (Loose)	3050	3060	-10
		Raisinghnagar (Loose)	3080	3070	10
	Bikaner	Bikaner (Loose)	3085	3080	5
		Bikaner (Delivery)	3235	3230	5
		Nokha(Loose)	3100	3100	Unch
		Nokha (Delivery)	3212	3212	Unch
		Khajuwala (Loose)	3070	3081	-11
		Khajuwala (Delivery)	3193	3204	-11
		Lunkaransar (Loose)	3000	3000	Unch
	Hanumangarh	Hanumangarh (Loose)	3100	3060	40
		Hanumangarh (Delivery)	3250	3210	40
		Nohar (Loose)	3080	3100	-20
		Pilibanga (Loose)	3100	3050	50
	Nagaur	Nagaur (Loose)	3100	3200	-100
	Churu	Churu (Delivery)	3200	3200	Unch
	Alwar	Alwar (Loose)	2950	2950	Unch

Haryana	Hisar	Adampur (Loose)	3100	3080	20
		Adampur (Delivery)	3250	3230	20
	Bhiwani	Bhiwani (Delivery)	3100	3070	30
		Siwani (Loose)	3180	3150	30
	Sirsa	Sirsa (Loose)	3090	3080	10
		Dhabwali (Loose)	3040	3100	-60
		Dhabwali (Delivery)	3190	3250	-60
		Ellanabad (Loose)	3060	3080	-20
	Fatehabad	Fatehabad (Loose)	3120	3150	-30
Gujarat	Banaskantha	Deesa (Loose)	2880	2925	-45
	Patan	Patan (Loose)	NA	2925	-
	Rajkot	Rajkot (Loose)	2900	2975	-75
	Jamnagar	Dhrol (Loose)	2730	2890	-160
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6000	6050	-50
	Alwar	Alwar	6100	6100	Unch
	Hanumangarh	Nohar	6300	6300	Unch
Haryana	Bhiwani	Bhiwani	5950	6000	-50
	Sirsa	Sirsa	6000	6100	-100
		Dhabwali	6100	6150	-50
		Ellanabad	6000	6100	-100
	Fatehabad	Fatehabad	6300	6300	Unch

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			23-Dec-16	22-Dec-16	
Rajasthan	Jodhpur	Jodhpur	365	280	85
	Sri-Ganganagar	Sri-Ganganagar	480	1057	-577
		Rawla	800	1132	-332
		Gharsana	1200	1200	Unch
		Raisinghnagar	1000	800	200
	Bikaner	Bikaner	1000	1000	Unch
		Nokha	400	450	-50
		Khajuwala	1800	1600	200
		Lunkaransar	500	400	100
	Hanumangarh	Hanumangarh	150	250	-100
		Nohar	1000	900	100

		Pilibanga	300	250	50
	Nagaur	Nagaur	50	50	Unch
	Churu	Churu	800	700	100
	Alwar	Alwar	500	300	200
Haryana	Hisar	Adampur	1500	2000	-500
	Bhiwani	Bhiwani	1500	700	800
		Siwani	800	500	300
	Sirsa	Sirsa	1000	1500	-500
		Dhabwali	250	300	-50
		Ellanabad	500	500	Unch
	Fatehabad	Fatehabad	100	100	Unch
Gujarat	Banaskantha	Deesa	299	162	137
	Patan	Patan	NA	1045	-
	Rajkot	Rajkot	80	130	-50
	Jamnagar	Dhrol	6	6	Unch
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			16380	17312	-932

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