

Domestic Fundamentals:

- Mostly firm sentiments reported among major spot markets on Tuesday amid lower arrivals.
- As per latest update, Russia is still sticking with its decision of reducing oil production by 2 lakh bpd in the first quarter and by 3 lakh bpd from April provided its domestic companies are able to do it under the OPEC led agreement. This cut will boost the prices of oil which will in turn lead to increase in demand for guar gum as it is used in hydraulic fracking. Guar seed prices are ruling around Rs 3600 per quintal and can increase by around Rs 300 per quintal in coming weeks.
- The prices of guar in the current season were at their low in November 2016. Since then the prices of guar seed and guar gum have recovered by around 9.3 percent and 25 percent respectively. As per APEDA, India exported around 325251 tonnes of guar gum during 2015-16. Demand for guar gum is expected to increase in second quarter of 2017. However, prices of guar seed may be under pressure due to excessive stocks and low demand of churi and korma.
- Guargum February contract has increased by around 12% because of export demand. In the month of December 2016, around 48000 tonnes of guar gum was exported compared to 36000 tonnes in the previous month. Lower domestic production and increase in crude oil prices are providing support to prices.
- As per latest update, NCDEX has decided to remove pre expiry margin on four commodities namely Guar seed 2MT, Yellow soy meal, Kapas Shankar and Refined soy oil. This will apply to march contract and all the contracts that will be launched after that until further notice.
- The wholesale price index of guar seed has increased from 239 in December 2016 to 239.8 in January 2017. The WPI for January 2017 is down by 2.3 compared to last year for the same month and by 90.6 compared to January 2015.
- According to second advance estimate issued by Gujarat's department of agriculture for guar seed the area, production and yield are 352000 hectares, 242000 tonnes and 687 kg/hectare respectively compared to final advance estimate issued in December the area, production and yield has been increased by 43000 hectares, 85000 tonnes and 56 kg/hectare.
- 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.

Outlook: Prices are likely to move firm in coming days.

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
March-17	144	3585	3752	3571	3752	93230	-18,510	42460	-11,210
April-17	146	3656	3820	3635	3820	88470	18,090	62010	10,050

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
March-17	304	7688	7912	7500	7912	25925	-2,805	17450	-6,025
April-17	308	7671	8032	7610	8032	27120	3,950	39050	6,765

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	27-Feb-17	27-Feb-17	27-Feb-17	27-Feb-17
Bikaner	7537	0	7537	7537
Deesa	8299	358	8657	8299
Sri Ganganagar	2560	0	2560	2560
Jodhpur	1879	0	1879	1880
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	27-Feb-17	27-Feb-17	27-Feb-17	27-Feb-17
Deesa	20	0	20	20
Bikaner	6618	80	6698	6618
Jodhpur	9398	169	9567	9398
Nokha	8353	90	8443	8353
Sri Ganganagar	4109	0	4109	4110

Churi and Korma Prices: As On 28 Feb, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1444
Korma	Jodhpur	1763
Churi	Sri Ganganagar	1275
Korma	Sri Ganganagar	1613

Guar Export Prices: As On 28 Feb, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		76	1139
Guargum Powder	200 Mesh 5000 CPS	96	1439
	200 Mesh 3500 CPS	91	1364
Guargum Meal	Meal 40%	19	285
	Meal 50%	24	360

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			28-Feb-17	27-Feb-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3625	3600	25
		Jodhpur(Delivery)	3775	3750	25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3510	3462	48
		Sri-Ganganagar (Delivery)	3660	3612	48
		Rawla (Loose)	3550	3550	Unch
		Gharsana (Loose)	3500	3550	-50
		Raisinghnagar (Loose)	3550	Closed	-
	Bikaner	Bikaner (Loose)	3600	3540	60
		Bikaner (Delivery)	3750	3690	60
		Nokha(Loose)	3650	3500	150
		Nokha (Delivery)	3781	3626	155
		Khajuwala (Loose)	3520	3530	-10
		Khajuwala (Delivery)	3661	3671	-10
		Lunkaransar (Loose)	3550	3500	50
	Hanumangarh	Hanumangarh (Loose)	3650	3600	50
		Hanumangarh (Delivery)	3800	3750	50
		Nohar (Loose)	3525	3550	-25
		Pilibanga (Loose)	3550	3550	Unch
	Nagaur	Nagaur (Loose)	3450	3400	50
	Churu	Churu (Delivery)	3650	3650	Unch
	Alwar	Alwar (Loose)	3400	3400	Unch

Haryana	Hisar	Adampur (Loose)	3550	3600	-50
		Adampur (Delivery)	3700	3750	-50
	Bhiwani	Bhiwani (Delivery)	3625	3600	25
		Siwani (Loose)	3570	3600	-30
	Sirsa	Sirsa (Loose)	3600	3640	-40
		Dhabwali (Loose)	3600	3650	-50
		Dhabwali (Delivery)	3750	3800	-50
		Ellanabad (Loose)	3600	3650	-50
	Fatehabad	Fatehabad (Loose)	3650	3550	100
Gujarat	Banaskantha	Deesa (Loose)	3325	3400	-75
	Patan	Patan (Loose)	NA	3425	-
	Rajkot	Rajkot (Loose)	3350	3375	-25
	Jamnagar	Dhrol (Loose)	NA	3020	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7675	7650	25
	Alwar	Alwar	7700	7700	Unch
	Hanumangarh	Nohar	7550	7600	-50
Haryana	Bhiwani	Bhiwani	7800	7800	Unch
	Sirsa	Sirsa	7700	7800	-100
		Dhabwali	7700	7800	-100
		Ellanabad	7700	7800	-100
	Fatehabad	Fatehabad	7850	7650	200

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			28-Feb-17	27-Feb-17	
Rajasthan	Jodhpur	Jodhpur	618	160	458
	Sri-Ganganagar	Sri-Ganganagar	586	241	345
		Rawla	200	200	Unch
		Gharsana	450	450	Unch
		Raisinghnagar	300	Closed	-
	Bikaner	Bikaner	250	400	-150
		Nokha	800	1000	-200
		Khajuwala	300	500	-200
		Lunkaransar	400	300	100
	Hanumangarh	Hanumangarh	50	150	-100
		Nohar	400	400	Unch
		Pilibanga	100	50	50

	Nagaur	Nagaur	150	250	-100
	Churu	Churu	1000	1000	Unch
	Alwar	Alwar	600	500	100
Haryana	Hisar	Adampur	1500	2500	-1000
	Bhiwani	Bhiwani	1500	1000	500
		Siwani	700	1000	-300
	Sirsa	Sirsa	500	800	-300
		Dhabwali	150	150	Unch
		Ellanabad	300	300	Unch
	Fatehabad	Fatehabad	40	50	-10
Gujarat	Banaskantha	Deesa	82	272	-190
	Patan	Patan	NA	207	-
	Rajkot	Rajkot	625	650	-25
	Jamnagar	Dhrol	NA	2	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			11601	12532	-931

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