

Domestic Fundamentals:

- Mostly firm sentiments reported among major spot markets on Wednesday amid higher 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	-22	3768	3814	3706	3730	81120	-12,110	35390	-7,070
April-17	-10	3840	3895	3784	3810	122990	34,520	66520	4,510

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
March-17	11	8000	8140	7866	7923	20615	-5,310	14665	-2,785
April-17	19	8200	8283	7994	8051	40040	12,920	42510	3,460

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	28-Feb-17	28-Feb-17	28-Feb-17	27-Feb-17
Bikaner	7536	0	7536	7537
Deesa	8587	159	8746	8299
Sri Ganganagar	2560	249	2809	2560
Jodhpur	1879	0	1879	1880
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	28-Feb-17	28-Feb-17	28-Feb-17	27-Feb-17
Deesa	20	0	20	20
Bikaner	6698	0	6698	6618
Jodhpur	9517	438	9955	9398
Nokha	8353	50	8403	8353
Sri Ganganagar	4109	0	4109	4110

Churi and Korma Prices: As On 01 Mar, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1500
Korma	Jodhpur	1800
Churi	Sri Ganganagar	1331
Korma	Sri Ganganagar	1575

Guar Export Prices: As On 01 Mar, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		76	1137
Guargum Powder	200 Mesh 5000 CPS	96	1436
	200 Mesh 3500 CPS	91	1361
Guargum Meal	Meal 40%	19	284
	Meal 50%	24	359

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			1-Mar-17	28-Feb-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3800	3625	175
		Jodhpur(Delivery)	3950	3775	175
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3482	3510	-28
		Sri-Ganganagar (Delivery)	3632	3660	-28
		Rawla (Loose)	3670	3550	120
		Gharsana (Loose)	3625	3500	125
		Raisinghnagar (Loose)	3640	3550	90
	Bikaner	Bikaner (Loose)	3600	3600	Unch
		Bikaner (Delivery)	3750	3750	Unch
		Nokha(Loose)	3570	3650	-80
		Nokha (Delivery)	3699	3781	-83
		Khajuwala (Loose)	3680	3520	160
		Khajuwala (Delivery)	3827	3661	166
		Lunkaransar (Loose)	3600	3550	50
	Hanumangarh	Hanumangarh (Loose)	3550	3650	-100
		Hanumangarh (Delivery)	3700	3800	-100
		Nohar (Loose)	3821	3525	296
		Pilibanga (Loose)	3600	3550	50
	Nagaur	Nagaur (Loose)	3450	3450	Unch
	Churu	Churu (Delivery)	3700	3650	50

	Alwar	Alwar (Loose)	3500	3400	100
Haryana	Hisar	Adampur (Loose)	3800	3550	250
		Adampur (Delivery)	3950	3700	250
	Bhiwani	Bhiwani (Delivery)	3800	3625	175
		Siwani (Loose)	3725	3570	155
	Sirsa	Sirsa (Loose)	3800	3600	200
		Dhabwali (Loose)	3700	3600	100
		Dhabwali (Delivery)	3850	3750	100
		Ellanabad (Loose)	3700	3600	100
	Fatehabad	Fatehabad (Loose)	3600	3650	-50
Gujarat	Banaskantha	Deesa (Loose)	3515	3325	190
	Patan	Patan (Loose)	NR	3350	-
	Rajkot	Rajkot (Loose)	3605	3350	255
	Jamnagar	Dhrol (Loose)	3460	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	3400	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8125	7675	450
	Alwar	Alwar	7900	7700	200
	Hanumangarh	Nohar	8000	7550	450
Haryana	Bhiwani	Bhiwani	8350	7800	550
	Sirsa	Sirsa	8200	7700	500
		Dhabwali	8000	7700	300
		Ellanabad	8100	7700	400
		Fatehabad	8100	7850	250
	Fatehabad	Fatehabad	8100	7850	250

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			1-Mar-17	28-Feb-17	
Guar Seed	Jodhpur	Jodhpur	20	618	-598
	Sri-Ganganagar	Sri-Ganganagar	37	586	-549
		Rawla	300	200	100
		Gharsana	450	450	Unch
		Raisinghnagar	500	300	200
	Bikaner	Bikaner	250	250	Unch
		Nokha	700	800	-100
		Khajuwala	400	300	100
		Lunkaransar	400	400	Unch
	Hanumangarh	Hanumangarh	60	50	10

		Nohar	100	400	-300
		Pilibanga	100	100	Unch
	Nagaur	Nagaur	150	150	Unch
	Churu	Churu	2000	1000	1000
	Alwar	Alwar	1000	600	400
Haryana	Hisar	Adampur	1500	1500	Unch
	Bhiwani	Bhiwani	3000	1500	1500
		Siwani	500	700	-200
	Sirsa	Sirsa	400	500	-100
		Dhabwali	150	150	Unch
		Ellanabad	300	300	Unch
	Fatehabad	Fatehabad	60	40	20
Gujarat	Banaskantha	Deesa	177	82	95
	Patan	Patan	NR	360	-
	Rajkot	Rajkot	300	625	-325
	Jamnagar	Dhrol	8	NA	-
Madhya Pradesh	Gwalior	Dabra	100	NA	-
Total Arrivals/Above Markets			12962	11961	1001

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