

Domestic Fundamentals:

- Mostly firm sentiments reported among major spot markets on Thursday amid higher arrivals.
- Traders and millers of largest guar producing state in India were hoping for a relief in the form of reduction in VAT on guar gum but Rajasthan government has kept VAT unchanged in its budget. VAT@ 5.5% was applied by the state government last year. Currently guar gum prices are hovering around Rs 8150-8300 per quintal in Jodhpur mandi.
- As per market sources, in the month of January 2017 India has exported around 44000 tonnes of guar gum compared to around 26000 tonnes last year for the same month. For financial year 2016-17, in the first ten months from April'16 to January '17 around 3.22 lakh tonnes of guar gum have been exported compared to 2.71 lakh tonnes in financial year 2015-16 for the same period.
- All India average monthly prices for guar seed decreased by 0.66 percent from Rs 3016.55 (in January) to Rs 2996.56 per qtl in February-2017. Average price (February) is higher by 12.14 percent compared to price (Rs 2672.1 per qtl.) registered in February-2016. Guar prices are expected to remain firm in coming month because of firm demand of gum in international market.
- All India weekly average prices increased by 9.24 percent to Rs. 3265.84 per quintal during the week ended 28th February 2017. Guar seed average price were ruling at Rs 2989.49 per quintal during 16-23rd February 2017. As compared to prices in the week 24-28 February 2016, the prices are firm by 17.90 percent. Prices are expected to remain range bound to slightly firm in coming days.
- 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.
- 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.

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

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
March-17	-155	3948	3949	3761	3762	20580	-2,440	8000	-4,210
April-17	-159	4051	4051	3849	3850	194140	63,640	93800	2,620

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
March-17	-338	8525	8546	8115	8115	5150	-955	4075	-1,680
April-17	-344	8721	8750	8277	8277	50820	15,465	54470	960

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	8-Mar-17	8-Mar-17	8-Mar-17	6-Mar-17
Bikaner	7152	130	7282	7004
Deesa	9510	785	10295	9023
Sri Ganganagar	2870	120	2990	2869
Jodhpur	1879	0	1879	1880
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	8-Mar-17	8-Mar-17	8-Mar-17	6-Mar-17
Deesa	20	0	20	20
Bikaner	6987	119	7106	6947
Jodhpur	10860	844	11704	10631
Nokha	8946	329	9275	8866
Sri Ganganagar	3713	50	3763	4110

Churi and Korma Prices: As On 9 Mar, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1575
Korma	Jodhpur	1819
Churi	Sri Ganganagar	1425
Korma	Sri Ganganagar	1669

Guar Export Prices: As On 9 Mar, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		83	1243
Guargum Powder	200 Mesh 5000 CPS	103	1543
	200 Mesh 3500 CPS	98	1468
Guargum Meal	Meal 40%	21	315
	Meal 50%	25	374

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			9-Mar-17	8-Mar-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3950	3800	150
		Jodhpur(Delivery)	4100	3950	150
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3747	3789	-42
		Sri-Ganganagar (Delivery)	3897	3939	-42
		Rawla (Loose)	3800	3650	150
		Gharsana (Loose)	3750	3750	Unch
		Raisinghnagar (Loose)	3800	3700	100
	Bikaner	Bikaner (Loose)	3750	3700	50
		Bikaner (Delivery)	3900	3850	50
		Nokha(Loose)	3750	3690	60
		Nokha (Delivery)	3885	3823	62
		Khajuwala (Loose)	3800	3750	50
		Khajuwala (Delivery)	3952	3900	52
		Lunkaransar (Loose)	3850	3700	150
	Hanumangarh	Hanumangarh (Loose)	3700	3700	Unch
		Hanumangarh (Delivery)	3850	3850	Unch
		Nohar (Loose)	3900	3830	70
		Pilibanga (Loose)	3750	3650	100
	Nagaur	Nagaur (Loose)	3750	3650	100
	Churu	Churu (Delivery)	3850	3850	Unch
	Alwar	Alwar (Loose)	3600	3600	Unch

Haryana	Hisar	Adampur (Loose)	3850	3850	Unch
		Adampur (Delivery)	4000	4000	Unch
	Bhiwani	Bhiwani (Delivery)	4000	3850	150
		Siwani (Loose)	3900	3800	100
	Sirsa	Sirsa (Loose)	3850	3775	75
		Dhabwali (Loose)	3900	3800	100
		Dhabwali (Delivery)	4050	3950	100
		Ellanabad (Loose)	3800	3700	100
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3700	3575	125
	Patan	Patan (Loose)	3695	3550	145
	Rajkot	Rajkot (Loose)	3750	3670	80
	Jamnagar	Dhrol (Loose)	3520	3405	115
Madhya Pradesh	Gwalior	Dabra (Loose)	3800	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8500	8200	300
	Alwar	Alwar	8300	8300	Unch
	Hanumangarh	Nohar	8400	8200	200
Haryana	Bhiwani	Bhiwani	8600	8600	Unch
	Sirsa	Sirsa	8400	8400	Unch
		Dhabwali	8200	8200	Unch
		Ellanabad	8300	8300	Unch
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			9-Mar-17	8-Mar-17	
Guar Seed	Jodhpur	Jodhpur	250	112	138
	Sri-Ganganagar	Sri-Ganganagar	990	160	830
		Rawla	200	250	-50
		Gharsana	500	400	100
		Raisinghnagar	200	200	Unch
	Bikaner	Bikaner	400	400	Unch
		Nokha	1200	800	400
		Khajuwala	200	250	-50
		Lunkaransar	200	400	-200
	Hanumangarh	Hanumangarh	100	100	Unch
		Nohar	1000	1000	Unch
		Pilibanga	200	120	80

	Nagaur	Nagaur	400	250	150
	Churu	Churu	2000	2000	Unch
	Alwar	Alwar	1000	1000	Unch
Haryana	Hisar	Adampur	3000	3000	Unch
	Bhiwani	Bhiwani	1000	1000	Unch
		Siwani	500	700	-200
	Sirsa	Sirsa	500	150	350
		Dhabwali	120	150	-30
		Ellanabad	150	125	25
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	250	306	-56
	Patan	Patan	381	317	64
	Rajkot	Rajkot	200	300	-100
	Jamnagar	Dhrol	4	3	1
Madhya Pradesh	Gwalior	Dabra	60	NA	-
Total Arrivals/Above Markets			15005	13493	1512

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