

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Friday amid lower 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	-58	3792	3793	3651	3705	18030	-4,990	3810	-8,400
April-17	-23	3862	3888	3750	3830	178790	48,290	91140	-40

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
March-17	-165	8115	8148	7795	7950	4185	-1,920	2570	-3,185
April-17	-182	8298	8339	7956	8095	44640	9,285	54140	630

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	9-Mar-17	9-Mar-17	9-Mar-17	6-Mar-17
Bikaner	7000	0	7000	7004
Deesa	9689	844	10533	9023
Sri Ganganagar	2870	120	2990	2869
Jodhpur	1480	0	1480	1880
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	9-Mar-17	9-Mar-17	9-Mar-17	6-Mar-17
Deesa	20	0	20	20
Bikaner	7047	129	7176	6947
Jodhpur	11108	745	11853	10631
Nokha	9086	179	9265	8866
Sri Ganganagar	3713	50	3763	4110

Churi and Korma Prices: As On 10 Mar, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1575
Korma	Jodhpur	1838
Churi	Sri Ganganagar	1388
Korma	Sri Ganganagar	1613

Guar Export Prices: As On 10 Mar, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		82	1230
Guargum Powder	200 Mesh 5000 CPS	102	1530
	200 Mesh 3500 CPS	97	1455
Guargum Meal	Meal 40%	21	315
	Meal 50%	25	375

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			10-Mar-17	9-Mar-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3860	3950	-90
		Jodhpur(Delivery)	4010	4100	-90
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3721	3747	-26
		Sri-Ganganagar (Delivery)	3871	3897	-26
		Rawla (Loose)	3725	3800	-75
		Gharsana (Loose)	3700	3750	-50
		Raisinghnagar (Loose)	3700	3800	-100
	Bikaner	Bikaner (Loose)	3760	3750	10
		Bikaner (Delivery)	3910	3900	10
		Nokha(Loose)	3780	3750	30
		Nokha (Delivery)	3916	3885	31
		Khajuwala (Loose)	3800	3800	Unch
		Khajuwala (Delivery)	3952	3952	Unch
		Lunkaransar (Loose)	3900	3850	50
	Hanumangarh	Hanumangarh (Loose)	3650	3700	-50
		Hanumangarh (Delivery)	3800	3850	-50
		Nohar (Loose)	3800	3900	-100
		Pilibanga (Loose)	3700	3750	-50
	Nagaur	Nagaur (Loose)	3600	3750	-150
	Churu	Churu (Delivery)	3850	3850	Unch
	Alwar	Alwar (Loose)	3600	3600	Unch

Haryana	Hisar	Adampur (Loose)	3800	3850	-50
		Adampur (Delivery)	3950	4000	-50
	Bhiwani	Bhiwani (Delivery)	Closed	4000	-
		Siwani (Loose)	3850	3900	-50
	Sirsa	Sirsa (Loose)	3820	3850	-30
		Dhabwali (Loose)	3900	3900	Unch
		Dhabwali (Delivery)	4050	4050	Unch
		Ellanabad (Loose)	3750	3800	-50
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3565	3700	-135
	Patan	Patan (Loose)	3570	3695	-125
	Rajkot	Rajkot (Loose)	3575	3750	-175
	Jamnagar	Dhrol (Loose)	NA	3520	-
Madhya Pradesh	Gwalior	Dabra (Loose)	3800	3800	Unch
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8200	8500	-300
	Alwar	Alwar	8300	8300	Unch
	Hanumangarh	Nohar	8300	8400	-100
Haryana	Bhiwani	Bhiwani	Closed	8600	-
	Sirsa	Sirsa	8300	8400	-100
		Dhabwali	8100	8200	-100
		Ellanabad	8200	8300	-100
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			10-Mar-17	9-Mar-17	
Rajasthan	Jodhpur	Jodhpur	269	250	19
	Sri-Ganganagar	Sri-Ganganagar	200	990	-790
		Rawla	100	200	-100
		Gharsana	300	500	-200
		Raisinghnagar	200	200	Unch
	Bikaner	Bikaner	500	400	100
		Nokha	500	1200	-700
		Khajuwala	200	200	Unch
		Lunkaransar	500	200	300
	Hanumangarh	Hanumangarh	150	100	50
		Nohar	700	1000	-300
		Pilibanga	300	200	100

	Nagaur	Nagaur	500	400	100
	Churu	Churu	2000	2000	Unch
	Alwar	Alwar	1000	1000	Unch
Haryana	Hisar	Adampur	1500	3000	-1500
	Bhiwani	Bhiwani	Closed	1000	-
		Siwani	500	500	Unch
	Sirsa	Sirsa	500	500	Unch
		Dhabwali	80	120	-40
		Ellanabad	200	150	50
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	162	250	-88
	Patan	Patan	142	381	-239
	Rajkot	Rajkot	120	200	-80
	Jamnagar	Dhrol	NA	4	-
Madhya Pradesh	Gwalior	Dabra	60	60	Unch
Total Arrivals/Above Markets			10683	15005	-4322

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