

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Saturday 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
	10-Mar-17	10-Mar-17	10-Mar-17	6-Mar-17
Bikaner	6980	0	6980	7004
Deesa	10046	685	10731	9023
Sri Ganganagar	2890	100	2990	2869
Jodhpur	1380	0	1380	1880
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	10-Mar-17	10-Mar-17	10-Mar-17	6-Mar-17
Deesa	20	0	20	20
Bikaner	7147	79	7226	6947
Jodhpur	11649	427	12076	10631
Nokha	9145	149	9294	8866
Sri Ganganagar	3663	75	3738	4110

Churi and Korma Prices: As On 11 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 11 Mar, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		82	1233
Guargum Powder	200 Mesh 5000 CPS	102	1534
	200 Mesh 3500 CPS	97	1459
Guargum Meal	Meal 40%	21	316
	Meal 50%	25	376

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			11-Mar-17	10-Mar-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	3860	-
		Jodhpur(Delivery)	Closed	4010	-
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3721	3721	Unch
		Sri-Ganganagar (Delivery)	3871	3871	Unch
		Rawla (Loose)	NA	3725	-
		Gharsana (Loose)	3690	3700	-10
		Raisinghnagar (Loose)	3700	3700	Unch
	Bikaner	Bikaner (Loose)	3760	3760	Unch
		Bikaner (Delivery)	3910	3910	Unch
		Nokha(Loose)	3820	3780	40
		Nokha (Delivery)	3958	3916	41
		Khajuwala (Loose)	3840	3800	40
		Khajuwala (Delivery)	3994	3952	42
		Lunkaransar (Loose)	3925	3900	25
	Hanumangarh	Hanumangarh (Loose)	3650	3650	Unch
		Hanumangarh (Delivery)	3800	3800	Unch
		Nohar (Loose)	Closed	3800	-
		Pilibanga (Loose)	3700	3700	Unch
	Nagaur	Nagaur (Loose)	3500	3600	-100

	Churu	Churu (Delivery)	3850	3850	Unch
	Alwar	Alwar (Loose)	3600	3600	Unch
Haryana	Hisar	Adampur (Loose)	3825	3800	25
		Adampur (Delivery)	3975	3950	25
	Bhiwani	Bhiwani (Delivery)	Closed	3800	-
		Siwani (Loose)	3850	3850	Unch
	Sirsa	Sirsa (Loose)	3780	3820	-40
		Dhabwali (Loose)	3900	3900	Unch
		Dhabwali (Delivery)	4050	4050	Unch
		Ellanabad (Loose)	3750	3750	Unch
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3625	3565	60
	Patan	Patan (Loose)	NR	3570	-
	Rajkot	Rajkot (Loose)	3585	3575	10
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	Closed	3800	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	Closed	8200	-
	Alwar	Alwar	8200	8300	-100
	Hanumangarh	Nohar	Closed	8300	-
Haryana	Bhiwani	Bhiwani	Closed	8370	-
	Sirsa	Sirsa	8200	8300	-100
		Dhabwali	8100	8100	Unch
		Ellanabad	8200	8200	Unch
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			11-Mar-17	10-Mar-17	
Rajasthan	Jodhpur	Jodhpur	Closed	269	-
	Sri-Ganganagar	Sri-Ganganagar	200	200	Unch
		Rawla	NA	100	-
		Gharsana	100	300	-200
		Raisinghnagar	200	200	Unch
	Bikaner	Bikaner	500	500	Unch
		Nokha	300	500	-200
		Khajuwala	200	200	Unch
		Lunkaransar	500	500	Unch
	Hanumangarh	Hanumangarh	50	150	-100

		Nohar	Closed	700	-
		Pilibanga	60	300	-240
	Nagaur	Nagaur	200	500	-300
	Churu	Churu	2000	2000	Unch
	Alwar	Alwar	500	1000	-500
Haryana	Hisar	Adampur	1000	1500	-500
	Bhiwani	Bhiwani	Closed	500	-
		Siwani	500	500	Unch
	Sirsa	Sirsa	300	500	-200
		Dhabwali	80	80	Unch
		Ellanabad	200	200	Unch
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	145	162	-17
	Patan	Patan	NR	142	-
	Rajkot	Rajkot	150	120	30
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	Closed	60	-
Total Arrivals/Above Markets			7185	11183	-3998

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