

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Monday amid higher arrivals.
- All India weekly average prices increased by 3.77 percent to Rs. 3640.18 per quintal during the week ended 15th March 2017. Guar seed average price were ruling at Rs 3507.85 per quintal during 01-08th March 2017. As compared to prices in the week 09-15 March 2016, the prices are firm by 38.92 percent. Prices are expected to remain range bound to slightly firm in coming days.
- The wholesale price index of guar seed has decreased slightly from 239.8 in January 2017 to 239.7 in February 2017. The WPI for February 2017 is up by 10.8 compared to last year for the same month and down by 52.4 compared to February 2015.
- Traders and millers of largest guar producing state in India were hoping for a relief in the form of reduction in VAT on guargum 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 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.
- 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 |
|----------|--------|------|------|------|-------|--------|---------|-------|--------|
| April-17 | -58 | 3919 | 3930 | 3848 | 3850 | 106560 | -33,280 | 85990 | -760 |
| May-17 | -49 | 3950 | 3996 | 3920 | 3920 | 13720 | 660 | 22100 | 1,920 |

Guar Gum 5MT

| Contract | +/- \$ | Open | High | Low | Close | Volume | Change | OI | Change |
|----------|--------|------|------|------|-------|--------|---------|-------|--------|
| April-17 | -193 | 8340 | 8375 | 8132 | 8133 | 24135 | -12,170 | 49135 | -1,860 |
| May-17 | -186 | 8410 | 8500 | 8275 | 8275 | 4610 | -1,495 | 16375 | 1,110 |

Guar Seed Stock Position & Fed:

| Stocks | Demat | In-Process | Total | FED |
|----------------|-----------|------------|-----------|-----------|
| | 18-Mar-17 | 18-Mar-17 | 18-Mar-17 | 11-Mar-17 |
| Bikaner | 6368 | 0 | 6368 | 6538 |
| Deesa | 10772 | 337 | 11109 | 10274 |
| Sri Ganganagar | 2980 | 30 | 3010 | 2889 |
| Jodhpur | 1161 | 0 | 1161 | 1381 |
| Nokha | 10 | 0 | 10 | 10 |

Guar Gum Stock Position & Fed:

| Stocks | Demat | In-Process | Total | FED |
|----------------|-----------|------------|-----------|-----------|
| | 18-Mar-17 | 18-Mar-17 | 18-Mar-17 | 11-Mar-17 |
| Deesa | 20 | 0 | 20 | 20 |
| Bikaner | 7241 | 60 | 7301 | 7176 |
| Jodhpur | 11171 | 159 | 11330 | 11808 |
| Nokha | 9449 | 55 | 9504 | 9145 |
| Sri Ganganagar | 3709 | 0 | 3709 | 3714 |

Churi and Korma Prices: As On 20 Mar, 2017

| Commodity | Center | Rs/75kg |
|-----------|----------------|---------|
| Churi | Jodhpur | 1525 |
| Korma | Jodhpur | 1856 |
| Churi | Sri Ganganagar | 1406 |
| Korma | Sri Ganganagar | 1669 |

Guar Export Prices: As On 20 Mar, 2017

| | Variety | Value (Rs/Kg) | Value (\$/MT) |
|-----------------------------|-------------------|---------------|---------------|
| Guargum/Split (Mundra Port) | | 83 | 1270 |
| Guargum Powder | 200 Mesh 5000 CPS | 103 | 1575 |
| | 200 Mesh 3500 CPS | 98 | 1499 |
| Guargum Meal | Meal 40% | 22 | 336 |
| | Meal 50% | 26 | 398 |

Guar Seed Prices at Key Spot Markets:

| Commodity | District | Centre | Prices (Rs/Qtl) | | Change |
|-----------|----------------|---------------------------|-----------------|-----------|--------|
| | | | 20-Mar-17 | 18-Mar-17 | |
| Guar Seed | Jodhpur | Jodhpur (Loose) | 3925 | 3600 | 325 |
| | | Jodhpur(Delivery) | 4075 | 3750 | 325 |
| | Sri-Ganganagar | Sri-Ganganagar(Loose) | 3800 | 3800 | Unch |
| | | Sri-Ganganagar (Delivery) | 3950 | 3950 | Unch |
| | | Rawla (Loose) | NA | 3750 | - |
| | | Gharsana (Loose) | NA | 3730 | - |
| | | Raisinghnagar (Loose) | NA | 3760 | - |
| | Bikaner | Bikaner (Loose) | 3800 | 3810 | -10 |
| | | Bikaner (Delivery) | 3950 | 3960 | -10 |
| | | Nokha(Loose) | 3750 | 3630 | 120 |
| | | Nokha (Delivery) | 3885 | 3761 | 124 |
| | | Khajuwala (Loose) | 3830 | 3850 | -20 |
| | | Khajuwala (Delivery) | 3983 | 4004 | -21 |
| | | Lunkaransar (Loose) | 3750 | 3750 | Unch |
| | Hanumangarh | Hanumangarh (Loose) | 3810 | 3790 | 20 |
| | | Hanumangarh (Delivery) | 3960 | 3940 | 20 |
| | | Nohar (Loose) | 3790 | 3800 | -10 |
| | | Pilibanga (Loose) | 3675 | 3600 | 75 |
| | Nagaur | Nagaur (Loose) | 3750 | 3800 | -50 |
| | Churu | Churu (Delivery) | 3900 | 3750 | 150 |
| | Alwar | Alwar (Loose) | 3700 | 3500 | 200 |

| | | | | | |
|----------------|-------------|---------------------|--------|--------|------|
| Haryana | Hisar | Adampur (Loose) | 3775 | 3800 | -25 |
| | | Adampur (Delivery) | 3925 | 3950 | -25 |
| | Bhiwani | Bhiwani (Delivery) | 3900 | 3950 | -50 |
| | | Siwani (Loose) | 3875 | 3925 | -50 |
| | Sirsa | Sirsa (Loose) | 3825 | 3800 | 25 |
| | | Dhabwali (Loose) | 3750 | 3700 | 50 |
| | | Dhabwali (Delivery) | 3900 | 3850 | 50 |
| | | Ellanabad (Loose) | 3775 | 3775 | Unch |
| | Fatehabad | Fatehabad (Loose) | 3600 | 3750 | -150 |
| Gujarat | Banaskantha | Deesa (Loose) | Closed | Closed | - |
| | Patan | Patan (Loose) | 3615 | 3620 | -5 |
| | Rajkot | Rajkot (Loose) | 3575 | 3675 | -100 |
| | Jamnagar | Dhrol (Loose) | 3285 | 3305 | -20 |
| Madhya Pradesh | Gwalior | Dabra (Loose) | NA | NA | - |
| Guar Gum | | | | | |
| Rajasthan | Jodhpur | Jodhpur | 8350 | 8000 | 350 |
| | Alwar | Alwar | 8300 | 8000 | 300 |
| | Hanumangarh | Nohar | 8200 | 8400 | -200 |
| Haryana | Bhiwani | Bhiwani | 8680 | 8800 | -120 |
| | Sirsa | Sirsa | 8400 | 8400 | Unch |
| | | Dhabwali | 8200 | 8200 | Unch |
| | | Ellanabad | 8250 | 8500 | -250 |
| | Fatehabad | Fatehabad | 8200 | 8200 | Unch |

Guar Seed Arrivals in Key Centers

| Commodity | District | Centre | Arrivals (Quintals) | | Change |
|-----------|----------------|----------------|---------------------|-----------|--------|
| | | | 20-Mar-17 | 18-Mar-17 | |
| Guar Seed | Jodhpur | Jodhpur | 183 | 23 | 160 |
| | Sri-Ganganagar | Sri-Ganganagar | 500 | 1000 | -500 |
| | | Rawla | NA | 200 | - |
| | | Gharsana | NA | 200 | - |
| | | Raisinghnagar | NA | 300 | - |
| | Bikaner | Bikaner | 400 | 250 | 150 |
| | | Nokha | 1500 | 700 | 800 |
| | | Khajuwala | 600 | 400 | 200 |
| | | Lunkaransar | 400 | 300 | 100 |
| | Hanumangarh | Hanumangarh | 50 | 700 | -650 |
| | | Nohar | 800 | 1000 | -200 |
| | | Pilibanga | 350 | 400 | -50 |

| | | | | | |
|-------------------------------------|--------------------|-----------|--------------|--------------|------------|
| | Nagaur | Nagaur | NA | 250 | - |
| | Churu | Churu | 2000 | 1000 | 1000 |
| | Alwar | Alwar | 400 | 500 | -100 |
| Haryana | Hisar | Adampur | 1500 | 1500 | Unch |
| | Bhiwani | Bhiwani | 1000 | 300 | 700 |
| | | Siwani | 600 | 600 | Unch |
| | Sirsa | Sirsa | 800 | 1000 | -200 |
| | | Dhabwali | 100 | 100 | Unch |
| | | Ellanabad | 100 | 200 | -100 |
| | Fatehabad | Fatehabad | 70 | 100 | -30 |
| Gujarat | Banaskantha | Deesa | Closed | Closed | - |
| | Patan | Patan | 146 | 213 | -67 |
| | Rajkot | Rajkot | 150 | 100 | 50 |
| | Jamnagar | Dhrol | 7 | 15 | -8 |
| Madhya Pradesh | Gwalior | Dabra | NA | NA | - |
| Total Arrivals/Above Markets | | | 11656 | 11351 | 305 |

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