

Domestic Fundamentals:

- Mostly firm sentiments reported among major spot markets on Wednesday amid higher arrivals.
- Monsoon is likely to arrive early this year and is expected to hit south Kerala coast on 30th May'17, early by around two days. Furthermore India may receive higher monsoon rainfall this year compared to previous forecast as probability of El Nino has been reduced. Monsoon rains which arrive in Andaman & Nicobar around May 20th have already reached on 14th May, around six days ahead of schedule.
- As per data released by baker hughes the number of oil rigs in USA has increased to 885 until 08th May up by 8 compared to last week and by 479 compared to 13th May 2016. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore as the number of oil rigs is increasing demand for guar gum is also expected to increase. The number of oil rigs is expected to increase further in coming months which will provide support to guar gum prices.
- As per latest update for the month of February, Export of guar seed products i.e. powder, Split and meal has increased by 4615 metric tonnes compared to last month. India has exported 43780 tonnes of guar products in the month of February. Of the total quantity, 27820 tonnes is guar gum powder and the remaining is Guar split (4380 tonnes) and Guar meal (11580 tonnes).
- As per market sources, in the month of March 2017 India has exported around 56000 tonnes of guar gum compared to around 28000 tonnes last year for the same month. In fiscal year 2016-17, around 4.23 lakh tonnes of guar gum has been exported compared to 3.25 lakh tonnes in 2015-16. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore as the number of oil rigs is increasing demand for guar gum is also expected to increase further.
- The wholesale price index of guar seed has increased slightly from 239.8 in February 2017 to 277.3 in March 2017. The WPI for March 2017 is up by 55 compared to last year for the same month and down by 16.5 compared to March 2015.
- According to third 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 third advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 3530007 hectares, 1404819 tonnes and 398 kg/hectare respectively. As compared to first advance estimate for 2016-17, the area, production and yield have decreased by 46932 hectares, 557605 tonnes and 151 kg/hectare respectively.

- As per latest circular released by NCDEX transaction charges on list A commodities has been increased and they will be in effect from 17th April'17. List A commodities include Wheat, Guar seed, Guar gum, Soybean, coriander, sugar, etc. Furthermore castor seed will also be moved from list B to list A from 17th April. Transaction charges for list B and C commodities shall be charged at a flat rate of Rs 2 per lakh of trade and Rs 0.10 per lakh of trade respectively.

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

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
May-17	+2	3620	3623	3575	3602	390	+310	600	-120
June-17	-21	3611	3658	3602	3611	50960	-22,890	82420	+440

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
May-17	0	7557	7600	7530	7557	45	0	290	0
June-17	-39	7700	7800	7665	7704	13615	-4,345	49755	-665

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	16-May-17	16-May-17	16-May-17	15-May-17
Bikaner	4527	0	4527	4527
Deesa	12259	40	12299	12260
Sri Ganganagar	3209	0	3209	3209
Jodhpur	269	0	269	269
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	16-May-17	16-May-17	16-May-17	15-May-17
Deesa	20	0	20	20
Bikaner	7959	20	7979	7979
Jodhpur	9814	0	9814	9809
Nokha	8670	0	8670	8894
Sri Ganganagar	3240	0	3240	3241

Churi and Korma Prices: As On 17th May, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1500
Korma	Jodhpur	1931
Churi	Sri Ganganagar	1343
Korma	Sri Ganganagar	1781

Guar Export Prices: As On 17th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1203
Guargum Powder	200 Mesh 5000 CPS	97	1515
	200 Mesh 3500 CPS	92	1437
Guargum Meal	Meal 40%	21	328
	Meal 50%	26	406

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			17-May-17	16-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3700	3700	Unch
		Jodhpur(Delivery)	3850	3850	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3600	3600	Unch
		Sri-Ganganagar (Delivery)	3725	3725	Unch
		Rawla (Loose)	3500	3445	55
		Gharsana (Loose)	3520	3450	70
		Raisinghnagar (Loose)	3500	3450	50
	Bikaner	Bikaner (Loose)	3550	3525	25
		Bikaner (Delivery)	3700	3675	25
		Nokha(Loose)	3500	3450	50
		Nokha (Delivery)	3626	3574	52
		Khajuwala (Loose)	3580	3525	55
		Khajuwala (Delivery)	3723	3666	57
		Lunkaransar (Loose)	3500	3450	50
	Hanumangarh	Hanumangarh (Loose)	3540	3554	-14
		Hanumangarh (Delivery)	3690	3704	-14
		Nohar (Loose)	3580	3500	80
		Pilibanga (Loose)	3550	3550	Unch
	Nagaur	Nagaur (Loose)	3350	3350	Unch
	Churu	Churu (Delivery)	3700	NR	-

	Alwar	Alwar (Loose)	3350	NR	-
Haryana	Hisar	Adampur (Loose)	3525	3550	-25
		Adampur (Delivery)	3675	3700	-25
	Bhiwani	Bhiwani (Delivery)	3650	3650	Unch
		Siwani (Loose)	3650	3625	25
	Sirsa	Sirsa (Loose)	3550	3500	50
		Dhabwali (Loose)	3550	3450	100
		Dhabwali (Delivery)	3700	3600	100
		Ellanabad (Loose)	3550	3450	100
	Fatehabad	Fatehabad (Loose)	3500	3500	Unch
Gujarat	Banaskantha	Deesa (Loose)	3230	3170	60
	Patan	Patan (Loose)	3400	3345	55
	Rajkot	Rajkot (Loose)	3400	3300	100
	Jamnagar	Dhrol (Loose)	3250	3250	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7700	7750	-50
	Alwar	Alwar	7800	NR	-
	Hanumangarh	Nohar	8000	7800	200
Haryana	Bhiwani	Bhiwani	7900	7900	Unch
	Sirsa	Sirsa	7800	7600	200
		Dhabwali	7900	7750	150
		Ellanabad	7900	7750	150
	Fatehabad	Fatehabad	7000	7900	-900

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			17-May-17	16-May-17	
Guar Seed	Jodhpur	Jodhpur	144	14	130
	Sri-Ganganagar	Sri-Ganganagar	700	700	Unch
		Rawla	100	100	Unch
		Gharsana	100	100	Unch
		Raisinghnagar	400	200	200
	Bikaner	Bikaner	400	300	100
		Nokha	400	300	100
		Khajuwala	200	300	-100
		Lunkaransar	300	300	Unch
	Hanumangarh	Hanumangarh	171	11	160
		Nohar	700	800	-100

		Pilibanga	200	200	Unch
	Nagaur	Nagaur	150	175	-25
	Churu	Churu	500	NR	-
	Alwar	Alwar	100	NR	-
Haryana	Hisar	Adampur	600	500	100
	Bhiwani	Bhiwani	500	1000	-500
		Siwani	700	500	200
	Sirsa	Sirsa	800	200	600
		Dhabwali	NA	NA	-
		Ellanabad	150	150	Unch
	Fatehabad	Fatehabad	25	NA	-
Gujarat	Banaskantha	Deesa	9	12	-3
	Patan	Patan	37	47	-10
	Rajkot	Rajkot	150	50	100
	Jamnagar	Dhrol	NA	2	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			7536	5961	1575

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.