

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Thursday amid lower arrivals.
- Guar area in Haryana is likely to fall in the upcoming season as farmers are sowing cotton in hope of better prices as MSP cotton can be increased by Rs. 160 per quintal. In Haryana, around sixty percent (3.81 lakh hectares) cotton area in the last three weeks and if the sowing crosses the target area of government (6.35 lakh hectares) it will lead to reduction in area sown for guar.
- 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.

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	3552	3616	3552	3600	140	-250	380	-220
June-17	-5	3608	3638	3594	3611	54220	3,260	79180	-3,240

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
May-17	73	7557	7650	7630	7630	40	-5	185	-105
June-17	62	7694	7791	7660	7764	11845	-1,770	48350	-1,405

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	17-May-17	17-May-17	17-May-17	15-May-17
Bikaner	4527	0	4527	4527
Deesa	12260	60	12320	12260
Sri Ganganagar	3109	0	3109	3209
Jodhpur	269	0	269	269
Nokha	0	10	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	17-May-17	17-May-17	17-May-17	15-May-17
Deesa	20	0	20	20
Bikaner	7820	20	7840	7979
Jodhpur	9753	0	9753	9809
Nokha	8670	0	8670	8894
Sri Ganganagar	3175	0	3175	3241

Churi and Korma Prices: As On 18th 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 18th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1197
Guargum Powder	200 Mesh 5000 CPS	97	1508
	200 Mesh 3500 CPS	92	1430
Guargum Meal	Meal 40%	21	326
	Meal 50%	26	404

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			18-May-17	17-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3700	3700	Unch
		Jodhpur(Delivery)	3850	3850	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3550	3600	-50
		Sri-Ganganagar (Delivery)	3700	3725	-25
		Rawla (Loose)	3450	3500	-50
		Gharsana (Loose)	3490	3520	-30
		Raisinghnagar (Loose)	3510	3500	10
	Bikaner	Bikaner (Loose)	3550	3550	Unch
		Bikaner (Delivery)	3700	3700	Unch
		Nokha(Loose)	3480	3500	-20
		Nokha (Delivery)	3605	3626	-21
		Khajuwala (Loose)	3540	3580	-40
		Khajuwala (Delivery)	3682	3723	-42
		Lunkaransar (Loose)	3700	3500	200
	Hanumangarh	Hanumangarh (Loose)	3520	3540	-20
		Hanumangarh (Delivery)	3670	3690	-20
		Nohar (Loose)	3550	3580	-30
		Pilibanga (Loose)	3490	3550	-60
	Nagaur	Nagaur (Loose)	3425	3350	75
	Churu	Churu (Delivery)	3600	3700	-100

	Alwar	Alwar (Loose)	3300	3350	-50
Haryana	Hisar	Adampur (Loose)	3525	3525	Unch
		Adampur (Delivery)	3675	3675	Unch
	Bhiwani	Bhiwani (Delivery)	3650	3650	Unch
		Siwani (Loose)	3650	3650	Unch
	Sirsa	Sirsa (Loose)	3550	3550	Unch
		Dhabwali (Loose)	3500	3550	-50
		Dhabwali (Delivery)	3650	3700	-50
		Ellanabad (Loose)	3500	3550	-50
	Fatehabad	Fatehabad (Loose)	3500	3500	Unch
Gujarat	Banaskantha	Deesa (Loose)	3250	3230	20
	Patan	Patan (Loose)	3385	3400	-15
	Rajkot	Rajkot (Loose)	3375	3400	-25
	Jamnagar	Dhrol (Loose)	NA	3250	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7800	7700	100
	Alwar	Alwar	7700	7800	-100
	Hanumangarh	Nohar	7900	8000	-100
Haryana	Bhiwani	Bhiwani	7850	7900	-50
	Sirsa	Sirsa	7800	7800	Unch
		Dhabwali	7800	7900	-100
		Ellanabad	7700	7900	-200
	Fatehabad	Fatehabad	7000	7000	Unch

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			18-May-17	17-May-17	
Guar Seed	Jodhpur	Jodhpur	120	144	-24
	Sri-Ganganagar	Sri-Ganganagar	500	700	-200
		Rawla	150	100	50
		Gharsana	100	100	Unch
		Raisinghnagar	100	400	-300
	Bikaner	Bikaner	500	400	100
		Nokha	400	400	Unch
		Khajuwala	200	200	Unch
		Lunkaransar	250	300	-50
	Hanumangarh	Hanumangarh	70	171	-101
		Nohar	500	700	-200

		Pilibanga	150	200	-50
	Nagaur	Nagaur	220	150	70
	Churu	Churu	400	500	-100
	Alwar	Alwar	100	100	Unch
Haryana	Hisar	Adampur	400	600	-200
	Bhiwani	Bhiwani	800	500	300
		Siwani	500	700	-200
	Sirsa	Sirsa	700	800	-100
		Dhabwali	100	NA	-
		Ellanabad	200	150	50
	Fatehabad	Fatehabad	25	25	Unch
Gujarat	Banaskantha	Deesa	36	9	27
	Patan	Patan	29	37	-8
	Rajkot	Rajkot	80	150	-70
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			6630	7536	-906

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