

Domestic Fundamentals:

- *Mostly firm sentiments reported among major spot markets on Friday amid higher arrivals.*
- *Future as well as spot markets showed firm movement today as government levied 5% GST on guar gum.*
- *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
June-17	59	3635	3709	3630	3677	83940	29,720	75340	-3,840
July-17	57	3680	3768	3680	3734	9690	3,880	21090	2,730

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	148	7800	7984	7796	7900	20885	9,040	46640	-1,710
July-17	148	7983	8128	7966	8040	2420	845	8145	800

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	18-May-17	18-May-17	18-May-17	15-May-17
Bikaner	4167	0	4167	4527
Deesa	12280	80	12360	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
	18-May-17	18-May-17	18-May-17	15-May-17
Deesa	20	0	20	20
Bikaner	7840	0	7840	7979
Jodhpur	9754	10	9764	9809
Nokha	8670	0	8670	8894
Sri Ganganagar	3111	0	3111	3241

Churi and Korma Prices: As On 19th 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 19th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1185
Guargum Powder	200 Mesh 5000 CPS	97	1493
	200 Mesh 3500 CPS	92	1416
Guargum Meal	Meal 40%	21	323
	Meal 50%	26	400

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			19-May-17	18-May-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3750	3700	50
		Jodhpur(Delivery)	3900	3850	50
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3550	3550	Unch
		Sri-Ganganagar (Delivery)	3700	3700	Unch
		Rawla (Loose)	3530	3450	80
		Gharsana (Loose)	3500	3490	10
		Raisinghnagar (Loose)	3570	3510	60
	Bikaner	Bikaner (Loose)	3600	3550	50
		Bikaner (Delivery)	3750	3700	50
		Nokha(Loose)	3550	3480	70
		Nokha (Delivery)	3678	3605	73
		Khajuwala (Loose)	3625	3540	85
		Khajuwala (Delivery)	3770	3682	88
		Lunkaransar (Loose)	3800	3700	100
	Hanumangarh	Hanumangarh (Loose)	3600	3520	80
		Hanumangarh (Delivery)	3750	3670	80
		Nohar (Loose)	3600	3550	50
		Pilibanga (Loose)	3625	3490	135
	Nagaur	Nagaur (Loose)	3500	3425	75
	Churu	Churu (Delivery)	3650	3600	50
	Alwar	Alwar (Loose)	3400	3300	100

Haryana	Hisar	Adampur (Loose)	3550	3525	25
		Adampur (Delivery)	3700	3675	25
	Bhiwani	Bhiwani (Delivery)	3725	3650	75
		Siwani (Loose)	3675	3650	25
	Sirsa	Sirsa (Loose)	3550	3550	Unch
		Dhabwali (Loose)	3600	3500	100
		Dhabwali (Delivery)	3750	3650	100
		Ellanabad (Loose)	3550	3500	50
	Fatehabad	Fatehabad (Loose)	NR	3500	-
Gujarat	Banaskantha	Deesa (Loose)	3275	3250	25
	Patan	Patan (Loose)	3425	3385	40
	Rajkot	Rajkot (Loose)	3425	3375	50
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8000	7800	200
	Alwar	Alwar	7900	7700	200
	Hanumangarh	Nohar	8100	7900	200
Haryana	Bhiwani	Bhiwani	8150	7850	300
	Sirsa	Sirsa	8000	7800	200
		Dhabwali	8000	7800	200
		Ellanabad	8000	7700	300
	Fatehabad	Fatehabad	NR	7000	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			19-May-17	18-May-17	
Rajasthan	Jodhpur	Jodhpur	112	120	-8
	Sri-Ganganagar	Sri-Ganganagar	500	500	Unch
		Rawla	100	150	-50
		Gharsana	50	100	-50
		Raisinghnagar	200	100	100
	Bikaner	Bikaner	300	500	-200
		Nokha	200	400	-200
		Khajuwala	500	200	300
		Lunkaransar	150	250	-100
	Hanumangarh	Hanumangarh	50	70	-20
		Nohar	600	500	100
		Pilibanga	250	150	100

	Nagaur	Nagaur	120	220	-100
	Churu	Churu	200	400	-200
	Alwar	Alwar	150	100	50
Haryana	Hisar	Adampur	1000	400	600
	Bhiwani	Bhiwani	1500	800	700
		Siwani	500	500	Unch
	Sirsa	Sirsa	400	700	-300
		Dhabwali	150	100	50
		Ellanabad	100	200	-100
	Fatehabad	Fatehabad	NR	25	-
Gujarat	Banaskantha	Deesa	300	36	264
	Patan	Patan	54	29	25
	Rajkot	Rajkot	150	80	70
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			7636	6630	1006

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