

Domestic Fundamentals:

- Mostly firm sentiments reported among major spot markets on Saturday amid higher arrivals.
- Future as well as spot markets continued to show firm movement due to 5% GST imposed 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
	19-May-17	19-May-17	19-May-17	15-May-17
Bikaner	4114	0	4114	4527
Deesa	12360	0	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
	19-May-17	19-May-17	19-May-17	15-May-17
Deesa	20	0	20	20
Bikaner	7841	0	7841	7979
Jodhpur	9763	0	9763	9809
Nokha	8670	0	8670	8894
Sri Ganganagar	3057	0	3057	3241

Churi and Korma Prices: As On 20th 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 20th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1193
Guargum Powder	200 Mesh 5000 CPS	97	1502
	200 Mesh 3500 CPS	92	1425
Guargum Meal	Meal 40%	21	325
	Meal 50%	26	403

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			20-May-17	19-May-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3775	3750	25
		Jodhpur(Delivery)	3925	3900	25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3600	3550	50
		Sri-Ganganagar (Delivery)	3750	3700	50
		Rawla (Loose)	3600	3530	70
		Gharsana (Loose)	3550	3500	50
		Raisinghnagar (Loose)	3600	3570	30
	Bikaner	Bikaner (Loose)	3600	3600	Unch
		Bikaner (Delivery)	3750	3750	Unch
		Nokha(Loose)	3600	3550	50
		Nokha (Delivery)	3730	3678	52
		Khajuwala (Loose)	3600	3625	-25
		Khajuwala (Delivery)	3744	3770	-26
		Lunkaransar (Loose)	3750	3800	-50
	Hanumangarh	Hanumangarh (Loose)	3625	3600	25
		Hanumangarh (Delivery)	3775	3750	25
		Nohar (Loose)	3620	3600	20
		Pilibanga (Loose)	3650	3625	25
	Nagaur	Nagaur (Loose)	3500	3500	Unch
	Churu	Churu (Delivery)	3650	3650	Unch

	Alwar	Alwar (Loose)	3400	3400	Unch
Haryana	Hisar	Adampur (Loose)	3570	3550	20
		Adampur (Delivery)	3720	3700	20
	Bhiwani	Bhiwani (Delivery)	3750	3725	25
		Siwani (Loose)	3710	3675	35
	Sirsa	Sirsa (Loose)	3550	3550	Unch
		Dhabwali (Loose)	3650	3600	50
		Dhabwali (Delivery)	3800	3750	50
		Ellanabad (Loose)	3580	3550	30
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3275	3275	Unch
	Patan	Patan (Loose)	3425	3425	Unch
	Rajkot	Rajkot (Loose)	3435	3425	10
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8100	8000	100
	Alwar	Alwar	7900	7900	Unch
	Hanumangarh	Nohar	8100	8100	Unch
Haryana	Bhiwani	Bhiwani	8200	8150	50
	Sirsa	Sirsa	8000	8000	Unch
		Dhabwali	8200	8000	200
		Ellanabad	8100	8000	100
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			20-May-17	19-May-17	
Rajasthan	Jodhpur	Jodhpur	239	112	127
	Sri-Ganganagar	Sri-Ganganagar	1000	500	500
		Rawla	80	100	-20
		Gharsana	70	50	20
		Raisinghnagar	150	200	-50
	Bikaner	Bikaner	300	300	Unch
		Nokha	150	200	-50
		Khajuwala	400	500	-100
		Lunkaransar	300	150	150
	Hanumangarh	Hanumangarh	100	50	50
		Nohar	400	600	-200

		Pilibanga	200	250	-50
	Nagaur	Nagaur	120	120	Unch
	Churu	Churu	200	200	Unch
	Alwar	Alwar	150	150	Unch
Haryana	Hisar	Adampur	1000	1000	Unch
	Bhiwani	Bhiwani	2000	1500	500
		Siwani	300	500	-200
	Sirsa	Sirsa	800	400	400
		Dhabwali	150	150	Unch
		Ellanabad	150	100	50
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	300	300	Unch
	Patan	Patan	57	54	3
	Rajkot	Rajkot	300	150	150
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			8916	7636	1280

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