

Domestic Fundamentals:

- Mostly weak sentiments reported from major spot markets on Monday amid mixed arrivals flow..
- 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
	20-May-17	20-May-17	20-May-17	15-May-17
Bikaner	4114	0	4114	4527
Deesa	12359	0	12359	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
	20-May-17	20-May-17	20-May-17	15-May-17
Deesa	20	0	20	20
Bikaner	7841	0	7841	7979
Jodhpur	9763	0	9763	9809
Nokha	867	0	8670	8894
Sri Ganganagar	2937	0	2937	3241

Churi and Korma Prices: As On 22nd 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 22nd 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
			22-May-17	20-May-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3725	3775	-50
		Jodhpur(Delivery)	3875	3925	-50
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3600	3600	Unch
		Sri-Ganganagar (Delivery)	3750	3750	Unch
		Rawla (Loose)	3525	3600	-75
		Gharsana (Loose)	3500	3550	-50
		Raisinghnagar (Loose)	3530	3600	-70
	Bikaner	Bikaner (Loose)	3520	3600	-80
		Bikaner (Delivery)	3670	3750	-80
		Nokha(Loose)	3530	3600	-70
		Nokha (Delivery)	3657	3730	-73
		Khajuwala (Loose)	NR	3600	-
		Khajuwala (Delivery)	NR	3744	-
		Lunkaransar (Loose)	3500	3750	-250
	Hanumangarh	Hanumangarh (Loose)	3535	3625	-90
		Hanumangarh (Delivery)	3685	3775	-90
		Nohar (Loose)	3550	3620	-70

		Pilibanga (Loose)	3575	3650	-75
	Nagaur	Nagaur (Loose)	3450	3500	-50
	Churu	Churu (Delivery)	3650	3650	Unch
	Alwar	Alwar (Loose)	3400	3400	Unch
Haryana	Hisar	Adampur (Loose)	3525	3570	-45
		Adampur (Delivery)	3675	3720	-45
	Bhiwani	Bhiwani (Delivery)	3670	3750	-80
		Siwani (Loose)	3650	3710	-60
	Sirsa	Sirsa (Loose)	3530	3550	-20
		Dhabwali (Loose)	3550	3650	-100
		Dhabwali (Delivery)	3700	3800	-100
		Ellanabad (Loose)	3500	3580	-80
	Fatehabad	Fatehabad (Loose)	3500	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3150	3275	-125
	Patan	Patan (Loose)	3415	3425	-10
	Rajkot	Rajkot (Loose)	3400	3435	-35
	Jamnagar	Dhrol (Loose)	3275	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7900	8100	-200
	Alwar	Alwar	7900	7900	Unch
	Hanumangarh	Nohar	8000	8100	-100
Haryana	Bhiwani	Bhiwani	8000	8200	-200
	Sirsa	Sirsa	7950	8000	-50
		Dhabwali	7900	8200	-300
		Ellanabad	7900	8100	-200
	Fatehabad	Fatehabad	7000	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			22-May-17	20-May-17	
Rajasthan	Jodhpur	Jodhpur	290	239	51
	Sri-Ganganagar	Sri-Ganganagar	1000	1000	Unch
		Rawla	40	80	-40
		Gharsana	60	70	-10
		Raisinghnagar	250	150	100
	Bikaner	Bikaner	500	300	200
		Nokha	150	150	Unch
		Khajuwala	NR	400	-

		Lunkaransar	100	300	-200
	Hanumangarh	Hanumangarh	150	100	50
		Nohar	800	400	400
		Pilibanga	400	200	200
	Nagaur	Nagaur	250	120	130
	Churu	Churu	150	200	-50
	Alwar	Alwar	80	150	-70
Haryana	Hisar	Adampur	1000	1000	Unch
	Bhiwani	Bhiwani	1500	2000	-500
		Siwani	800	300	500
	Sirsa	Sirsa	1000	800	200
		Dhabwali	300	150	150
		Ellanabad	150	150	Unch
	Fatehabad	Fatehabad	10	NR	-
Gujarat	Banaskantha	Deesa	250	300	-50
	Patan	Patan	45	57	-12
	Rajkot	Rajkot	200	300	-100
	Jamnagar	Dhrol	21	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			9496	8916	580

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