

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Tuesday amid higher arrivals.
- All India weekly average prices decreased by 2.12 percent to Rs. 3354.01 per quintal during the week ended 15th May 2017. Guar seed average price were ruling at Rs 3426.77 per quintal during 01-08 May 2017. As compared to prices in the week 09-15 May 2016, the prices are firm by 19.45 percent. Prices are expected to remain range bound to slightly firm in coming days.
- Haryana has reduced its sowing target of guar to 3 lakh hectares down by around 1 lakh hectares. Normally Haryana sows 4.09 lakh hectares of guar but due to low prices in the last two years, farmers have shifted their interest to 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 has been sowed in the last three weeks and if the sowing crosses the target area of government (6.35 lakh hectares) guar area is bound to fall in the upcoming season.
- Future as well as spot markets showed firm movement today as government levied 5% GST on guar gum.
- 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 901 until 19th May up by 16 compared to last week and by 497 compared to 20th 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	-52	3641	3649	3550	3584	73040	25,490	72950	-710
July-17	-58	3698	3712	3611	3640	22280	14,770	27080	3,540

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-128	7859	7890	7636	7703	20190	8,930	42220	-2,895
July-17	-125	7975	8026	7790	7850	6935	3,590	13535	3,385

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	22-May-17	22-May-17	22-May-17	22-May-17
Bikaner	4114	0	4114	4114
Deesa	12359	20	12379	12359
Sri Ganganagar	3109	0	3109	3109
Jodhpur	269	0	269	269
Nokha	0	10	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	22-May-17	22-May-17	22-May-17	22-May-17
Deesa	20	0	20	20
Bikaner	7811	0	7811	7811
Jodhpur	9763	0	9763	9763
Nokha	8670	0	8670	8670
Sri Ganganagar	2837	0	2837	2837

Churi and Korma Prices: As On 23rd 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 23rd May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1189
Guargum Powder	200 Mesh 5000 CPS	97	1498
	200 Mesh 3500 CPS	92	1420
Guargum Meal	Meal 40%	21	324
	Meal 50%	26	401

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			23-May-17	22-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3750	3725	25
		Jodhpur(Delivery)	3900	3875	25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3550	3600	-50
		Sri-Ganganagar (Delivery)	3700	3750	-50
		Rawla (Loose)	3500	3525	-25
		Gharsana (Loose)	3450	3500	-50
		Raisinghnagar (Loose)	3500	3530	-30
	Bikaner	Bikaner (Loose)	3500	3520	-20
		Bikaner (Delivery)	3650	3670	-20
		Nokha(Loose)	3500	3530	-30
		Nokha (Delivery)	3626	3657	-31
		Khajuwala (Loose)	3540	NR	-

		Khajuwala (Delivery)	3682	NR	-
		Lunkaransar (Loose)	3500	3500	Unch
	Hanumangarh	Hanumangarh (Loose)	3500	3535	-35
		Hanumangarh (Delivery)	3650	3685	-35
		Nohar (Loose)	3500	3550	-50
		Pilibanga (Loose)	3500	3575	-75
	Nagaur	Nagaur (Loose)	3480	3450	30
	Churu	Churu (Delivery)	3650	3650	Unch
	Alwar	Alwar (Loose)	3400	3400	Unch
Haryana	Hisar	Adampur (Loose)	3500	3525	-25
		Adampur (Delivery)	3650	3675	-25
	Bhiwani	Bhiwani (Delivery)	3650	3670	-20
		Siwani (Loose)	3600	3650	-50
	Sirsa	Sirsa (Loose)	3525	3530	-5
		Dhabwali (Loose)	3525	3550	-25
		Dhabwali (Delivery)	3675	3700	-25
		Ellanabad (Loose)	3450	3500	-50
	Fatehabad	Fatehabad (Loose)	3500	3500	Unch
Gujarat	Banaskantha	Deesa (Loose)	3100	3150	-50
	Patan	Patan (Loose)	3335	3415	-80
	Rajkot	Rajkot (Loose)	3375	3400	-25
	Jamnagar	Dhrol (Loose)	NA	3275	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7900	7900	Unch
	Alwar	Alwar	7900	7900	Unch
	Hanumangarh	Nohar	7800	8000	-200
Haryana	Bhiwani	Bhiwani	7890	8000	-110
	Sirsa	Sirsa	7800	7950	-150
		Dhabwali	7800	7900	-100
		Ellanabad	7850	7900	-50
	Fatehabad	Fatehabad	7000	7000	Unch

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			23-May-17	22-May-17	
Guar Seed	Jodhpur	Jodhpur	60	290	-230
	Sri-Ganganagar	Sri-Ganganagar	3000	1000	2000
		Rawla	50	40	10

		Gharsana	100	60	40
		Raisinghnagar	400	250	150
	Bikaner	Bikaner	500	500	Unch
		Nokha	300	150	150
		Khajuwala	300	NR	-
		Lunkaransar	200	100	100
	Hanumangarh	Hanumangarh	150	150	Unch
		Nohar	1400	800	600
		Pilibanga	700	400	300
	Nagaur	Nagaur	200	250	-50
	Churu	Churu	100	150	-50
	Alwar	Alwar	100	80	20
Haryana	Hisar	Adampur	1200	1000	200
	Bhiwani	Bhiwani	3000	1500	1500
		Siwani	500	800	-300
	Sirsa	Sirsa	1000	1000	Unch
		Dhabwali	100	300	-200
		Ellanabad	200	150	50
	Fatehabad	Fatehabad	10	10	Unch
Gujarat	Banaskantha	Deesa	200	250	-50
	Patan	Patan	63	45	18
	Rajkot	Rajkot	100	200	-100
	Jamnagar	Dhrol	NA	21	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			13933	9496	4437

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