

**Domestic Fundamentals:**

- Mostly weak sentiments reported among major spot markets on Thursday amid lower 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 19<sup>th</sup> May up by 16 compared to last week and by 497 compared to 20<sup>th</sup> 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	6	3492	3525	3473	3502	69850	-5,610	64230	-3,630
July-17	6	3557	3584	3535	3565	18900	2,290	32870	3,880

## Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	11	7525	7618	7467	7551	15630	-3,850	37720	-1,825
July-17	6	7680	7775	7620	7706	6615	-2,260	19100	2,095

## Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	24-May-17	24-May-17	24-May-17	22-May-17
Bikaner	4114	0	4114	4114
Deesa	12359	40	12399	12359
Sri Ganganagar	3109	0	3109	3109
Jodhpur	269	0	269	269
Nokha	0	10	10	10

## Guar Gum Stock Position &amp; Fed:

Stocks	Demat	In-Process	Total	FED
	24-May-17	24-May-17	24-May-17	22-May-17
Deesa	20	0	20	20
Bikaner	7811	40	7851	7811
Jodhpur	9743	20	9763	9763
Nokha	8620	50	8670	8670
Sri Ganganagar	2538	0	2538	2837

## Churi and Korma Prices: As On 25th 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 25th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1194
Guargum Powder	200 Mesh 5000 CPS	97	1504
	200 Mesh 3500 CPS	92	1426
Guargum Meal	Meal 40%	21	326
	Meal 50%	26	403

## Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			25-May-17	24-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3600	3650	-50
		Jodhpur(Delivery)	3750	3800	-50
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3400	3500	-100
		Sri-Ganganagar (Delivery)	3600	3650	-50
		Rawla (Loose)	3350	3450	-100
		Gharsana (Loose)	3275	3350	-75
		Raisinghnagar (Loose)	3360	3410	-50
	Bikaner	Bikaner (Loose)	3370	3425	-55
		Bikaner (Delivery)	3520	3575	-55
		Nokha(Loose)	3300	3350	-50
		Nokha (Delivery)	3419	3471	-52
		Khajuwala (Loose)	3400	3500	-100

		Khajuwala (Delivery)	3536	3640	-104
		Lunkaransar (Loose)	3350	3400	-50
	Hanumangarh	Hanumangarh (Loose)	3547	3540	7
		Hanumangarh (Delivery)	3697	3690	7
		Nohar (Loose)	3450	3450	Unch
		Pilibanga (Loose)	3450	3525	-75
	Nagaur	Nagaur (Loose)	3375	3425	-50
	Churu	Churu (Delivery)	3500	3500	Unch
	Alwar	Alwar (Loose)	3250	3250	Unch
Haryana	Hisar	Adampur (Loose)	3425	3450	-25
		Adampur (Delivery)	3575	3600	-25
	Bhiwani	Bhiwani (Delivery)	3575	3625	-50
		Siwani (Loose)	3500	3550	-50
	Sirsa	Sirsa (Loose)	3400	3450	-50
		Dhabwali (Loose)	3350	3400	-50
		Dhabwali (Delivery)	3500	3550	-50
		Ellanabad (Loose)	3350	3350	Unch
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3250	3250	Unch
	Patan	Patan (Loose)	3385	3330	55
	Rajkot	Rajkot (Loose)	3400	3325	75
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7650	7700	-50
	Alwar	Alwar	7600	7600	Unch
	Hanumangarh	Nohar	7800	7700	100
Haryana	Bhiwani	Bhiwani	7800	7850	-50
	Sirsa	Sirsa	7600	7600	Unch
		Dhabwali	7500	7500	Unch
		Ellanabad	7650	7700	-50
	Fatehabad	Fatehabad	NR	NR	-

## Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			25-May-17	24-May-17	
Guar Seed	Jodhpur	Jodhpur	55	60	-5
	Sri-Ganganagar	Sri-Ganganagar	2200	2500	-300
		Rawla	250	100	150

		Gharsana	150	60	90
		Raisinghnagar	150	600	-450
	Bikaner	Bikaner	400	400	Unch
		Nokha	800	500	300
		Khajuwala	150	400	-250
		Lunkaransar	600	300	300
	Hanumangarh	Hanumangarh	20	55	-35
		Nohar	800	1600	-800
		Pilibanga	600	500	100
	Nagaur	Nagaur	800	500	300
	Churu	Churu	1000	1000	Unch
	Alwar	Alwar	200	200	Unch
Haryana	Hisar	Adampur	700	800	-100
	Bhiwani	Bhiwani	3000	10000	-7000
		Siwani	600	800	-200
	Sirsa	Sirsa	700	1000	-300
		Dhabwali	70	100	-30
		Ellanabad	250	200	50
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	200	200	Unch
	Patan	Patan	26	56	-30
	Rajkot	Rajkot	82	80	2
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			13803	22011	-8208

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