

Domestic Fundamentals:

- *Mixed sentiments reported among major spot markets on Friday 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 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	21	3481	3560	3470	3528	69830	-20	59970	-4,260
July-17	18	3503	3610	3500	3584	24930	6,030	36890	4,020

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	105	7530	7705	7460	7665	18275	2,645	34575	-3,145
July-17	97	7658	7854	7605	7810	8275	1,660	21785	2,685

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	25-May-17	25-May-17	25-May-17	22-May-17
Bikaner	4054	0	4054	4114
Deesa	12399	10	12409	12359
Sri Ganganagar	3090	0	3090	3109
Jodhpur	269	0	269	269
Nokha	0	10	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	25-May-17	25-May-17	25-May-17	22-May-17
Deesa	20	0	20	20
Bikaner	7646	40	7686	7811
Jodhpur	9743	60	9803	9763
Nokha	8465	30	8495	8670
Sri Ganganagar	2538	0	2538	2837

Churi and Korma Prices: As On 26th 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 26th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1192
Guargum Powder	200 Mesh 5000 CPS	97	1502
	200 Mesh 3500 CPS	92	1424
Guargum Meal	Meal 40%	21	325
	Meal 50%	26	403

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			26-May-17	25-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3600	3600	Unch
		Jodhpur(Delivery)	3750	3750	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3500	3400	100
		Sri-Ganganagar (Delivery)	3650	3600	50
		Rawla (Loose)	3400	3350	50
		Gharsana (Loose)	3300	3275	25
		Raisinghnagar (Loose)	3400	3360	40
	Bikaner	Bikaner (Loose)	3370	3370	Unch
		Bikaner (Delivery)	3520	3520	Unch
		Nokha(Loose)	3300	3300	Unch
		Nokha (Delivery)	3419	3419	Unch
		Khajuwala (Loose)	3400	3400	Unch

		Khajuwala (Delivery)	3536	3536	Unch
		Lunkaransar (Loose)	3400	3350	50
	Hanumangarh	Hanumangarh (Loose)	3416	3547	-131
		Hanumangarh (Delivery)	3566	3697	-131
		Nohar (Loose)	3450	3450	Unch
		Pilibanga (Loose)	3450	3450	Unch
	Nagaur	Nagaur (Loose)	3300	3375	-75
	Churu	Churu (Delivery)	3500	3500	Unch
	Alwar	Alwar (Loose)	3300	3250	50
Haryana	Hisar	Adampur (Loose)	3410	3425	-15
		Adampur (Delivery)	3560	3575	-15
	Bhiwani	Bhiwani (Delivery)	3500	3575	-75
		Siwani (Loose)	3500	3500	Unch
	Sirsa	Sirsa (Loose)	3440	3400	40
		Dhabwali (Loose)	3350	3350	Unch
		Dhabwali (Delivery)	3500	3500	Unch
		Ellanabad (Loose)	3400	3350	50
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3250	3250	Unch
	Patan	Patan (Loose)	3365	3385	-20
	Rajkot	Rajkot (Loose)	3300	3400	-100
	Jamnagar	Dhrol (Loose)	3120	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7650	7650	Unch
	Alwar	Alwar	7600	7600	Unch
	Hanumangarh	Nohar	7700	7800	-100
Haryana	Bhiwani	Bhiwani	7600	7800	-200
	Sirsa	Sirsa	7650	7600	50
		Dhabwali	7500	7500	Unch
		Ellanabad	7750	7650	100
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			26-May-17	25-May-17	
Guar Seed	Jodhpur	Jodhpur	61	55	6
	Sri-Ganganagar	Sri-Ganganagar	300	2200	-1900
		Rawla	400	250	150

		Gharsana	80	150	-70
		Raisinghnagar	200	150	50
	Bikaner	Bikaner	200	400	-200
		Nokha	400	800	-400
		Khajuwala	300	150	150
		Lunkaransar	200	600	-400
	Hanumangarh	Hanumangarh	135	20	115
		Nohar	1000	800	200
		Pilibanga	300	600	-300
	Nagaur	Nagaur	400	800	-400
	Churu	Churu	500	1000	-500
	Alwar	Alwar	200	200	Unch
Haryana	Hisar	Adampur	900	700	200
	Bhiwani	Bhiwani	1500	3000	-1500
		Siwani	500	600	-100
	Sirsa	Sirsa	800	700	100
		Dhabwali	50	70	-20
		Ellanabad	200	250	-50
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	300	200	100
	Patan	Patan	23	26	-3
	Rajkot	Rajkot	80	82	-2
	Jamnagar	Dhrol	5	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			9034	13803	-4769

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