

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Wednesday amid lower arrivals.
- All India weekly average prices decreased by 4.09 percent to Rs. 3216.87 per quintal during the week ended 23rd May 2017. Guar seed average price were ruling at Rs 3354.01 per quintal during 09-15 May 2017. As compared to prices in the week 16-23 May 2016, the prices are firm by 16.15 percent. Prices are expected to remain range bound to slightly weak 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.
- 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.

- 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	-86	3421	3421	3325	3344	79090	9,460	38790	-8,060
July-17	-84	3499	3499	3386	3406	62610	17,870	53290	5,850

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-177	7380	7385	7177	7221	17370	-570	19550	-5,550
July-17	-184	7521	7521	7317	7364	16145	1,940	35260	3,610

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	30-May-17	30-May-17	30-May-17	29-May-17
Bikaner	4054	0	4054	4054
Deesa	12399	130	12529	12409
Sri Ganganagar	3090	0	3090	3090
Jodhpur	249	0	249	269
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	30-May-17	30-May-17	30-May-17	29-May-17
Deesa	20	0	20	20
Bikaner	7686	40	7726	7686
Jodhpur	9464	0	9464	9693
Nokha	8465	20	8485	8495
Sri Ganganagar	2503	0	2503	2508

Churi and Korma Prices: As On 31st May, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1500
Korma	Jodhpur	1838
Churi	Sri Ganganagar	1256
Korma	Sri Ganganagar	1613

Guar Export Prices: As On 31st May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		78	1209
Guargum Powder	200 Mesh 5000 CPS	98	1518
	200 Mesh 3500 CPS	93	1441
Guargum Meal	Meal 40%	20	310
	Meal 50%	25	387

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			31-May-17	30-May-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3450	3550	-100
		Jodhpur(Delivery)	3600	3700	-100
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3435	3435	Unch
		Sri-Ganganagar (Delivery)	3585	3585	Unch
		Rawla (Loose)	3380	3440	-60
		Gharsana (Loose)	3300	3325	-25
		Raisinghnagar (Loose)	NA	3330	-
	Bikaner	Bikaner (Loose)	3300	3260	40
		Bikaner (Delivery)	3450	3410	40
		Nokha(Loose)	3200	3300	-100
		Nokha (Delivery)	3315	3419	-104
		Khajuwala (Loose)	3300	3350	-50
		Khajuwala (Delivery)	3432	3484	-52
		Lunkaransar (Loose)	3200	3300	-100
	Hanumangarh	Hanumangarh (Loose)	3374	3484	-110
		Hanumangarh (Delivery)	3524	3634	-110
		Nohar (Loose)	3300	3380	-80
		Pilibanga (Loose)	3300	3250	50
	Nagaur	Nagaur (Loose)	3200	3200	Unch
	Churu	Churu (Delivery)	3450	3450	Unch
	Alwar	Alwar (Loose)	3200	3200	Unch

Haryana	Hisar	Adampur (Loose)	3300	3360	-60
		Adampur (Delivery)	3450	3510	-60
	Bhiwani	Bhiwani (Delivery)	3350	3400	-50
		Siwani (Loose)	3350	3400	-50
	Sirsa	Sirsa (Loose)	3300	3380	-80
		Dhabwali (Loose)	3175	3250	-75
		Dhabwali (Delivery)	3325	3400	-75
		Ellanabad (Loose)	3180	3250	-70
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	3250	3300	-50
	Rajkot	Rajkot (Loose)	3200	3250	-50
	Jamnagar	Dhrol (Loose)	NA	3030	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7300	7500	-200
	Alwar	Alwar	7600	7600	Unch
	Hanumangarh	Nohar	7600	7400	200
Haryana	Bhiwani	Bhiwani	7500	7500	Unch
	Sirsa	Sirsa	7600	7600	Unch
		Dhabwali	7400	7400	Unch
		Ellanabad	7500	7500	Unch
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			31-May-17	30-May-17	
Rajasthan	Jodhpur	Jodhpur	124	50	74
	Sri-Ganganagar	Sri-Ganganagar	200	200	Unch
		Rawla	600	300	300
		Gharsana	70	70	Unch
		Raisinghnagar	NA	250	-
	Bikaner	Bikaner	50	70	-20
		Nokha	300	300	Unch
		Khajuwala	150	300	-150
		Lunkaransar	100	700	-600
	Hanumangarh	Hanumangarh	123	150	-27
		Nohar	400	700	-300
		Pilibanga	300	200	100

	Nagaur	Nagaur	100	100	Unch
	Churu	Churu	500	500	Unch
	Alwar	Alwar	100	100	Unch
Haryana	Hisar	Adampur	700	600	100
	Bhiwani	Bhiwani	500	1000	-500
		Siwani	500	500	Unch
	Sirsa	Sirsa	500	1000	-500
		Dhabwali	250	150	100
		Ellanabad	250	100	150
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	103	31	72
	Rajkot	Rajkot	100	80	20
	Jamnagar	Dhrol	NA	1	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			6020	7452	-1432

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